

Study Guide: Visual Management



This course will provide you with a foundational understanding of visual management and how it can help you accelerate Continuous Improvement within your organization.

Benefits of Visual Management

What is Visual Management?

- Visual communication
 - Expectations and standards
 - Performance & problems
- Quick and easy to interpret
- Link success to daily activity



Do I need Visual Management?

- Has it been a good day?
- What is expected?
- What are the problems?
- Are people involved?

How do you know what you need to improve?

- Understand the current condition
- VM helps you see the gaps in your business
 - Helps you determine where you are relative to where you need to be

Visual Management drives open 2-way communication and facilitates smooth information flow.

Goals and objectives:

- Expectations and targets clear
- Standards visible
- Easy to follow
- Know what's expected

Issues:

- Current conditions obvious
- Smooth information flow
- Exposes waste
- Open communication



Visual management can lead to productivity gains of 15% on average through:

- Defect reduction
- More efficient use of floor space
- Improved flow of information and other resources
- ...much more

Making Improvement Opportunities Obvious

3 types of Visual Management Tools

- Visual Controls - To guide actions of employees
- Visual Displays - To make the team aware of related data and information
- Visual Metrics - Everyone can 'see' how the process is performing. Highlights problems, or variances from standards

Visual Controls:

- Manage processes
- Requires response to deviation
- Makes condition obvious
- Consistent communication
- Shared ownership
- Quicker resolution
- Decision-making



Visual controls should be clear and simple and the response should be obvious

Visual Displays:

- Share information
- Support processes
- Standard procedure
- What needs to be done
- Useful and easy to understand
 - Symbols and colors
 - Current status
 - Engage attention



Keeping Visual Displays as simple as possible makes them quicker and easier to read with minimal training

Visual Metrics:

- Facilitate communication
- What can be improved? Shows gaps to targets
- Key Performance Indicators (KPIs)
- Highlight trends

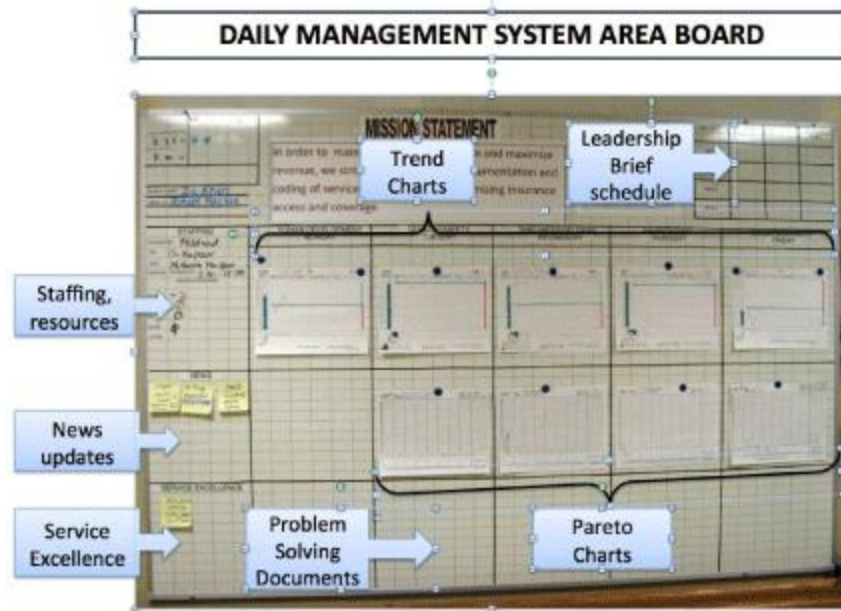


Graphs and charts can display data by hour, day, week, month, or year to help identify trends

Using Daily Activity Management Boards

What is a daily activity management board?

- Focal point for team meetings
- Guide teams to action
- Progress against targets
- Covers key metrics
- Easy to follow



This management board can be used in all departments throughout the business. It should cover the metrics that are important for the team. The KPI's should be scoped to those that the team members can have a direct impact.

Examples of daily activity management board content:

- KPI daily status (red/green)
- Live pareto chart
- Trend charts to monitor performance
- Action register with names and target dates
- Root cause analysis & problem-solving
- Improvement suggestions
- Skills / training matrix

The use of daily activity management boards is not just for manufacturing settings. These boards are used across industries and departments to drive better business execution.



Implementation of Visual Management

- Choose a pilot area
- Improve process using visual tools
- Display relevant KPIs and information
- Design layout of meeting board
- Establish meeting attendees and time - start!
- Prioritize problem-solving projects
- Regular review of format
- Implement improvements



Summary

- Visual Management can improve communication of expectations, targets, performance, and issues
- Daily activity management boards are a powerful tool for guiding teams to action, make decisions and focus activity
- Implementation of effective Visual Management systems improves productivity