Scenario 1

Da Vinci Arts Council (DVAC) is a charitable organisation that offers funding to artists who need financial support for their projects. DVAC’s resources only allow them to support a limited number of artists, so an application process is used to evaluate which projects should be supported. The application process contains several tasks, which are completed in the order detailed below:

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| --- | --- |
| Task | Description |
| 1. Initial Contact | An artist makes a telephone call to DVAC expressing an interest in applying for funding. |
| 2. Form sent to applicant | DVAC sends a paper form to the applicant. |
| 3. Form returned to DVAC | The applicant must complete the form, which gives details of the project and why it is suitable for support. |
| 4. Forms evaluated | Forms are held at the DVAC office. When 10 forms have been received they are passed to the Head of DVAC’s Funding Committee who evaluates them for their suitability. Subsequent forms are held on file until another total of 10 are received, then the process is repeated. |
| 5. Invitation to present | The 10 applicants are invited to visit DVAC’s office, where they will perform a presentation about their proposed project. |
| 6. Presentation | Applicants present to the DVAC Funding Committee, giving details of the project and why it is suitable for support. |
| 7. Decision | The DVAC Funding Committee decides whether each project should receive funding. |
| 8. Funding transfer | Funding is transferred to the successful applicants. |

**Do any of these steps involve working in batches? What is the impact of this?**

*Task 4 creates batches of 10 applications at a time. This can appear beneficial as it means that the Head of DVAC’s Funding Committee can work on one task at a time, reviewing several forms at once. He might be better able to compare the applicants more easily if they view them consecutively.*

*However, consider the 3rd law, the law of Velocity, which states that “The velocity of any process is inversely proportional to the amount of ‘work in progress’ (WIP)” and makes the point that unfinished tasks slow down the overall process. In this case the batches result in uneven wait times for the artists, some of whom need to wait for several other applications before their own application is reviewed. People responsible for transferring funding are also presented with large volumes of work at a time.*

*If the evaluations are completed as soon as an application is made, delays will be reduced and the system will become more productive overall.*

**Conduct a Value Stream Analysis:**

* Identify which tasks are ‘muda’ (type 1 and type 2)
* Identify which tasks create value
* Explore how the process could be altered to create an improved Value Stream Mapping.

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| --- | --- | --- |
| Task | Description | Muda/Value? |
| 1. Initial Contact | An artist makes a telephone call to DVAC expressing an interest in applying for funding. | *Type 2 muda.*  *While the artist does need to make some initial contact, there is no need for this to be through outdated technology. An online form could be provided instead.* |
| 2. Form sent to applicant | DVAC sends a paper form to the applicant. | *Type 2 muda.*  *See Task 1. An online form could eliminate these tasks.* |
| 3. Form returned to DVAC | The applicant must complete the form, which gives details of the project and why it is suitable for support. | *This task creates value, the committee learns about the merits of the project. However, it is effectively duplicated at Task 6.* |
| 4. Forms evaluated | Forms are held at the DVAC office. When 10 forms have been received they are passed to the Head of DVAC’s Funding Committee who evaluates them for their suitability. Subsequent forms are held on file until another total of 10 are received, then the process is repeated. | *A batch task, see above.* |
| 5. Invitation to present | A letter is sent to the 10 applicants are invited to visit DVAC’s office, where they will perform a presentation about their proposed project. | *Type 1 muda.*  *It doesn’t create value, but we must invite them somehow. It could be made more efficient by using email or other technology.* |
| 6. Presentation | Applicants present to the DVAC Funding Committee, giving details of the project and why it is suitable for support. | *This task creates value, the committee learns about the merits of the project. However, see Task 3/4.* |
| 7. Decision | The DVAC Funding Committee decides whether each project should receive funding. | *This task creates value, decisions are made.* |
| 8. Funding transfer | Funding is transferred to the successful applicants. | *This task creates value, successful applicants reach their goal.* |

*A more efficient Value Stream could be made like:*

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| *Task* | *Description* |
| *1. Application* | *An artist makes an online booking for a timeslot to present to the DVAC Funding Committee and request funding.* |
| *2. Presentation* | *Applicants present to the DVAC Funding Committee, giving details of the project and why it is suitable for support.* |
| *3. Decision* | *The DVAC Funding Committee decides whether the project should receive funding.* |
| *4. Funding transfer* | *Funding is transferred to the successful applicants.* |

*This streamlines the process, trimming the steps involved and ensuring that all steps create value, without unnecessary delays. There are other ways this could be done, a presentation might also be considered to be inefficient and you might suggest that written forms submitted through an online system might be better.*