

Implementation Plan

Response ID:11 Data

2. Step 1 - Clarify the problem

1. What is your name?

Ramon Diaz

2. Define the ultimate goal of the process you're trying to improve:

Get 80 % of accounts achievable in an average of 20 days or less.

3. Define the *Current Situation*:

54.7 % of invoices are over 20 days.

4. Define the *Ideal Situation*:

90 % of customers paying before 20 days.

5. Visualize the gap between your *Current Situation* and your *Ideal Situation*. This defines your *Problem Statement*; articulate it below:

We currently have a GAP of 35.3 % in order to get to the goal of 90 %.

3. Step 3 - Break down the problem

6. Break the problem down into chunks, and list the highest priority component below:

- Making invoices in time.
- Confirming that customer got the invoice.
- Confirming that the person responsible for approval makes the approval
- Follow up for payment.

7. Specify the *Point of Occurrence* by studying the problem in a real world scenario, where the work takes place. Once you've identified it, list it below:

1. Confirming that the person responsible for approval makes approval.
2. follow up for payment.

4. Step 3 - Identify the target setting

8. Set measurable, concrete and challenging targets that will help move you towards your *Ideal Situation*, and commit to action. List your target(s) below:

- Define customers that have a more complicated process for payment (too many people involved) and put them on a separate list.
- Define new process in order to get on board person who does the approval.
- Implement process and measure success toward ideal situation.

5. Step 4 - Conduct a root cause analysis

9. Examine the *Point of Occurrence* and objectively consider possible causes. List them below:

The point of occurrence is when we present advances of the Project each month.

10. Gather facts from your 'genba', and keep asking 'why?' at each level until you're able to isolate the root cause. Write it down:

- People who is involved in approval must be listed during the kick off of the Project. We must know who they are and we must understand the process they expect for approval for example: Present executive summary to Project leader and ask permission for invoice copying the accounts payable person.
- Project leader is not clear in terms of presenting the plan and identify the specific points where we are going to present and invoice.
- Project leader is not clear in his communication showing the advance in the Project and comparing this advance against the invoicing milestone.
- Talk to the person responsible for approval in order to see if we are doing things right specially during the beginning of the Project.

6. Step 5 - Develop countermeasures and process KPIs

11. Brainstorm as many countermeasure ideas as possible in the space below:

- Integrate in the kick off presentation a slide asking the process for payment.
- Check JIRA or the power point presentation we use to present advances in the Project in order to standardize the format and make sure we are clear in communicating the milestones of invoicing.
- Accounts achievable on our side must check we are doing the right process.
- KPI: % of payments from customers in time.

12. Shorten your list to include only the highest value-add countermeasures, and write them down:

- Integrate in the kick off presentation a slide asking the process for payment.
- Check JIRA or the power point presentation we use to present advances in the Project in order to standardize the format and make sure we are clear in communicating the milestones of invoicing.

13. Discuss with your team which of the countermeasures on your shortlist makes the most sense to adopt. Once you've reached a consensus, list it here:

- Integrate in the kick off presentation a slide asking the process for payment.
- Check JIRA or the power point presentation we use to present advances in the Project in order to standardize the format and make sure we are clear in communicating the milestones of invoicing.

14. Write out a clear and concise plan of action:

Have a meeting with Project leaders and accounts achievable in order to standardize the formats in kick off and the presentation to show advances in the Project.

8. (untitled)

15. Do you have any other process improvement tips that could benefit the community?

Not at this point.

16. Community learning is almost as powerful as learning from the thought leaders. We encourage you to share your implementation plans and progress as some leaders may be struggling with problems you've already overcome. Would you like to share your plan with the community?

Yes, I'd like to make my plan available to Scaling Up Club members.

17. Please include your email address so we can send you your plan:

ramond@avansys.com.mx

18. How much extra revenue do you expect to generate after fully implementing this plan?

(options below in USD)

< \$50K