CIDMO LCMT Manual

Lean Change Management Team

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# 1 CIDMO LCMT Manual

Welcome to the Lean Change Management Team manual for all things related to lean implementation, Agile, resources and guides!

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# 2 Introduction to Lean

Lean is a theory and a work method that is aimed at maximizing value-added activities. Value-added activities are those activities that increase the incremental value of your product in the eyes of your customer. Certainly, a product can be a physical item, a block of code, a writing or even a service. Implementing Lean will be a transformation of how CIDMO prioritizes and performs work. When overlaid with Agile work-methods, Lean promotes transparency, improves delivery speed, improves product quality and increases focus on priorities. Indeed, Lean succeeds because it allows people time and space to plan, innovate and challenge the status quo.

## 2.1 Lean Is Based on 5 Principles

* Define **Value**. (graphic)
* Map the **Value Stream**. (graphic)
* Create **Flow** - so steps defined in the value stream flow uninterrupted. (Graphic)
* Establish **Pull** - work on one thing at a time in order of priority (Kanban). (Graphic)
* Relentlessly pursue **Perfection** through the **Removal of Waste**. (Graphic)

## 2.2 Value

**Value** is the benefit we deliver divided by its cost. Value is rarely delivered by a single person with a single action. Typically value is delivered with a series of activities conducted by multiple people with different competencies. When these activities are strung together as a sequence of events and coupled with detailed descriptions and measurements, it is called a **Value Stream**. A value-stream offers a wholistic view of how work flows through the entire system. It differs from a workflow, because it is at the macro level, is quantitative and supports strategic decision-making. Moreover, value-streams cut across functional silos - forcing the organization to think about value delivery in terms of fulfilling customer expectations.

## 2.3 Value Flows to The Clinical Value Stream

The Veterans Health Administration operates multiple **Clinical Value Streams** (CVS) to deliver medical services to Veterans. For example, when a Veteran calls an appointment scheduler and makes an appointment, that would be considered a value-added activity. However, when the Vet comes for his visit and spends 30 minutes in a waiting room - this is non-value added activity. This is an example of how some obstacle has prevented the Veteran from moving from the doorway, straight into the doctors examination room. Some obstacles are pure waste, such as a capacity imbalance on the clinical staff or unavoidable waste, such as a policy which directs the Veteran fill out a form before starting care. Value can also take the form of quality and safety. For example, if a Veteran has an allergy, but the clinical decision support system does not catch the information and provide a reminder dialogue, it may result in a poor patient outcome or put the patient at risk. The key to delivering value is to have a direct affect on these processes in a manner that enhances patient flow, by removing waste.

7 Types of waste table. Value Added versus Non-Value Added anecdote. Need a story to illustrate the difference between the two activities and how they are measured. A picture would be nice too.

Most value-streams are characterized graphically with respective rate and quality measurements, supporting information systems, quantities of people required with their desired competencies, and triggers or signals that start and stop parts of the process to move items along. An example of a CVS is illustrated below. *Please note that most CVS are not currently documented.* The goal of lean is to reduce waste in this system and improve the quality of value-added actitivities; therefore, **any value we create must flow to this system to be actualized.**

CVS Value Stream Illustration.

## 2.4 CIDMO Operates Development Value Streams

CIDMO has many portfolios that describe competencies they can use to fulfill customer requirements. Using Lean principles, we are organizing these competencies around **Development Value Streams (DVS)**. As features for customers are developed from the DVS, *it flows to improvements in the CVS*; thus, value we create is being actualized in terms of performance improvement in the CVS.

CIDMO Program Portfolio DVS Value Stream Illustration with relationship to CVS

# 3 Setup a Development Value Stream

The instructions below outline a step-by-step method for defining your work using a Value Stream Map. Processes are ultimately defined by the flow of materials and information across your team’s organization. It helps us learn-to-see how our work is performed and what obstacles inhibit our performance. The people on the team are responsible for their Development Value Stream.

## 3.1 Step 1 - Develop a Value Stream Canvas

This section describes how the team will describe the value stream and how it is measured. A value stream can be expressed in layers, with the physical steps outlined and the supporting technical layer shown. We describe our objective value stream using a Development Value Stream Canvas.

* Visual Unification Tool
* Enhances systems thinking
* Simplification Tool
* Practical means to drive improvement

Supported Value Stream

Value Proposition Solutions Solution Context People on the Team Customer Segments Channels Customer Relationships Budget KPI Economic Framework