



Increase Service Value with Kanban

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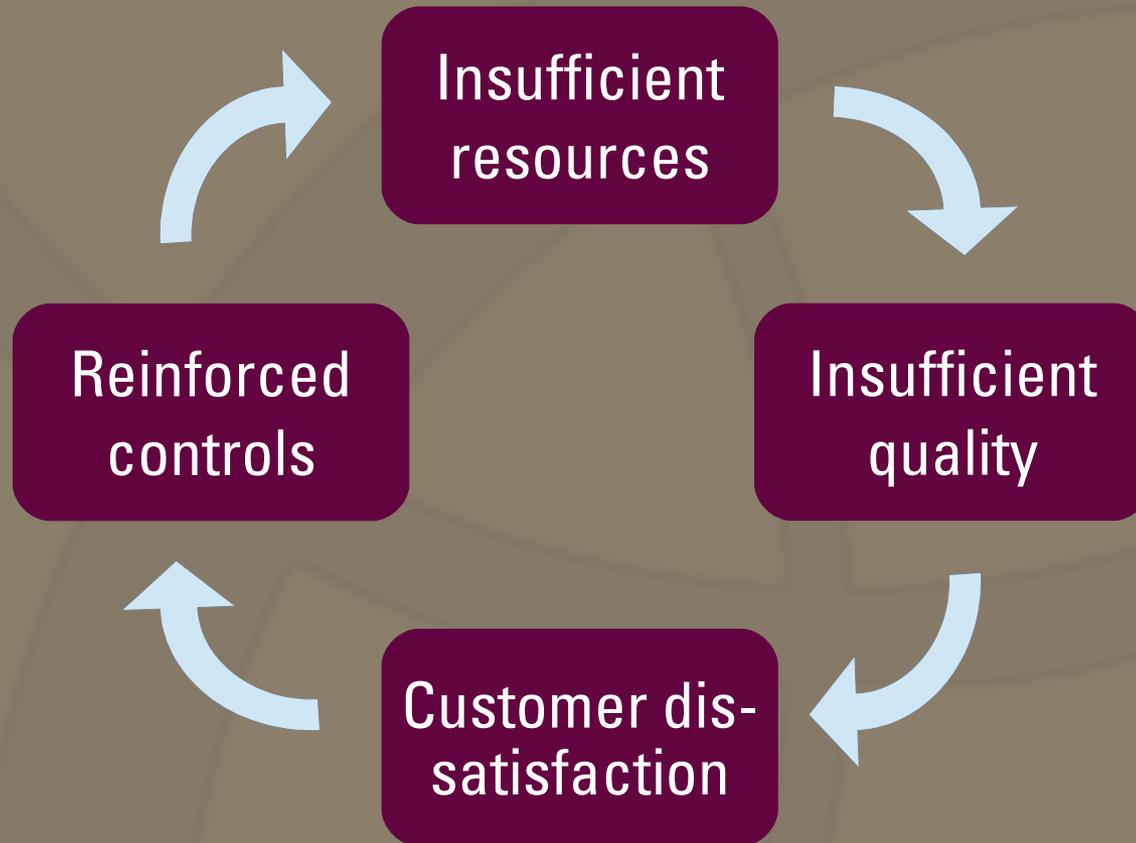


a gazdaság számára történő
értékteremtés

to create value for the economy

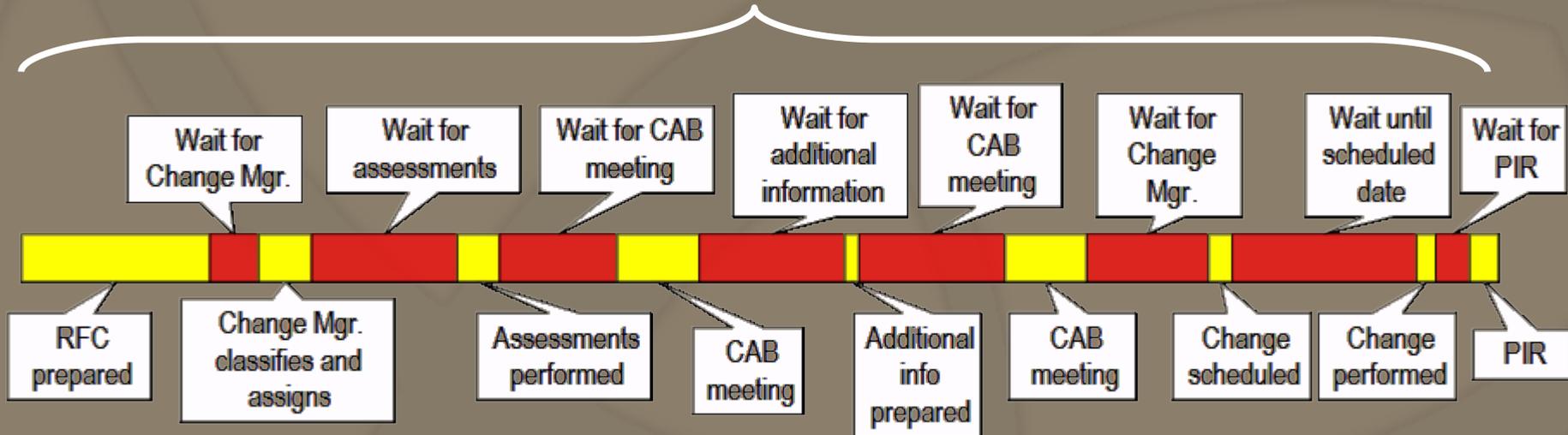


A vicious cycle



Where is the problem in lead time?

Lead Time



Flow efficiency = Touch Time / Lead Time * 100%

Push systems: 5-15% is typical



Types of Improvements

Touch Time

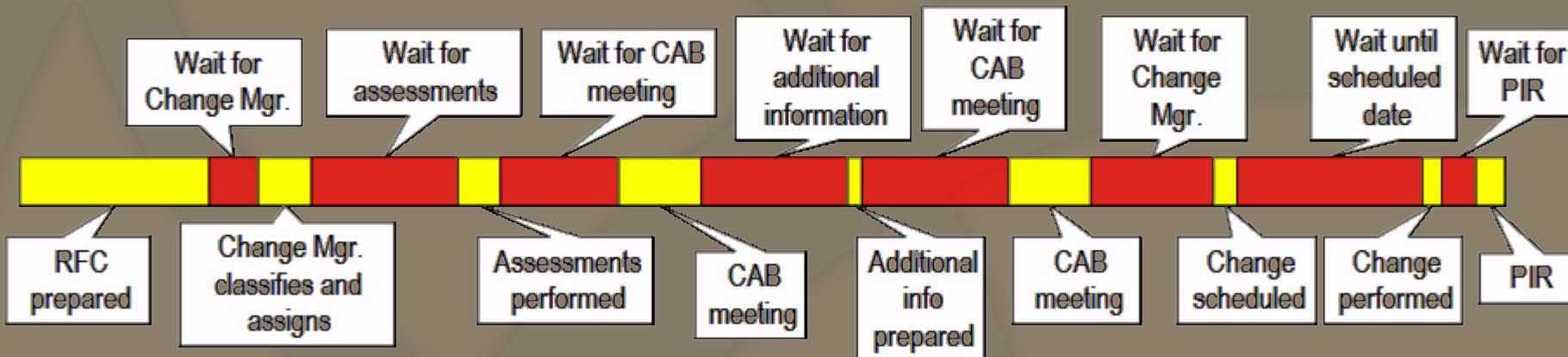
- ⌘ Tools
- ⌘ Training
- ⌘ Processes
- ⌘ Organization
- ⌘ Outsourcing
- ⌘ Etc...

Non-touch Time

- ⌘ Tools
- ⌘ Flow



What should we improve?



	Non-touch time	Touch time
Percentage of total	90%	10%
Improvement rate	10%	10%
Overall improvement	9%	1%



Resumé of Approaches

Touch Time

- ⌘ Expensive
- ⌘ High risk
- ⌘ One-off improvements
- ⌘ Alienation of personnel

Non-touch Time

- ⌘ Inexpensive
- ⌘ Low risk
- ⌘ Continual improvements
- ⌘ Humane



SLAs and OLAs

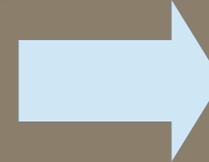
How do we manage this flow...



Team 1



Team 2



Customer

Response
Time

Working
Time

Response
Time

Working
Time

Resolution Time

...to achieve this result?



Are the 3 P's Sufficient?





...or is something missing?





Kanban



かんぱん





Kanban Assumptions

- ⌘ Focus on the team
- ⌘ The team delivers services
- ⌘ Teams are mostly self-organizing
- ⌘ Optimize for service outcomes, not individual tasks



Kanban Principles

- ⌘ Start with what you do now
- ⌘ Agree to pursue evolutionary change
- ⌘ Initially, respect existing roles, responsibilities and job titles

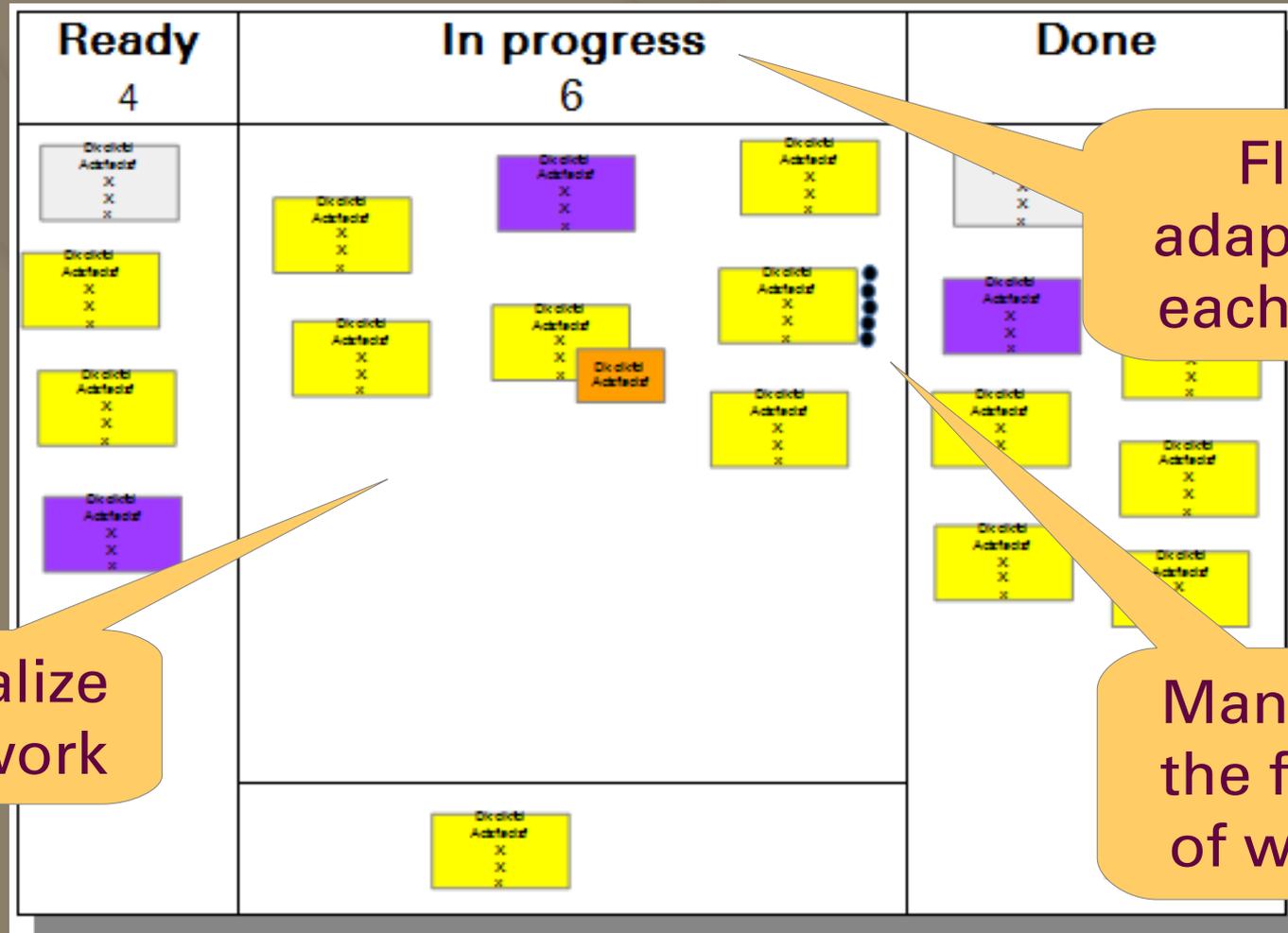


Kanban Practices

- ⌘ Visualize the work
- ⌘ Limit work in progress
- ⌘ Make policies explicit
- ⌘ Manage the flow of work
- ⌘ Introduce feedback loops
- ⌘ Improve via collaboration and experimentation



Visualize the Work – Kanban Board



Visualize the work

Flow adapted to each team

Manage the flow of work

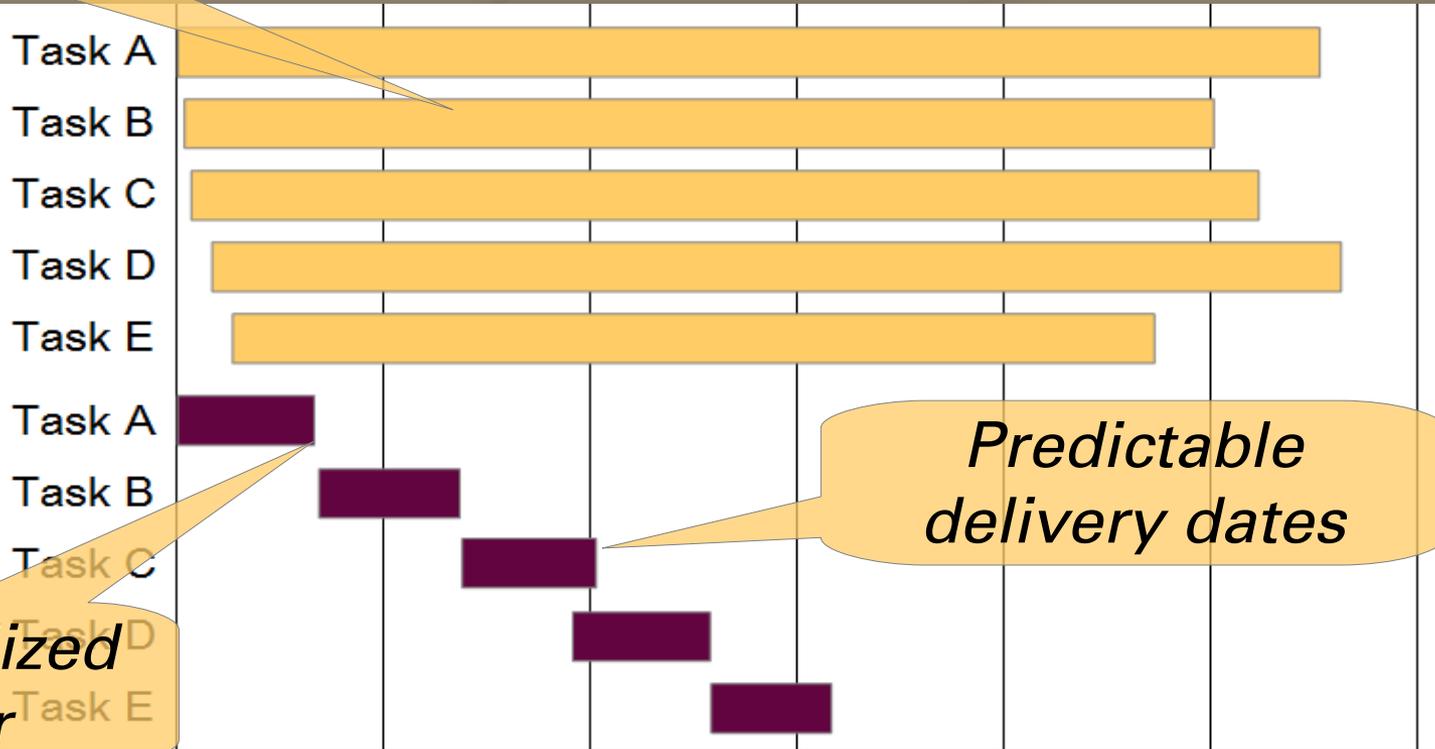


Limit Work in Progress

No visibility on delivery dates

Time to detect production errors

High limit



Low limit

Value realized sooner

Predictable delivery dates

Time to detect production errors

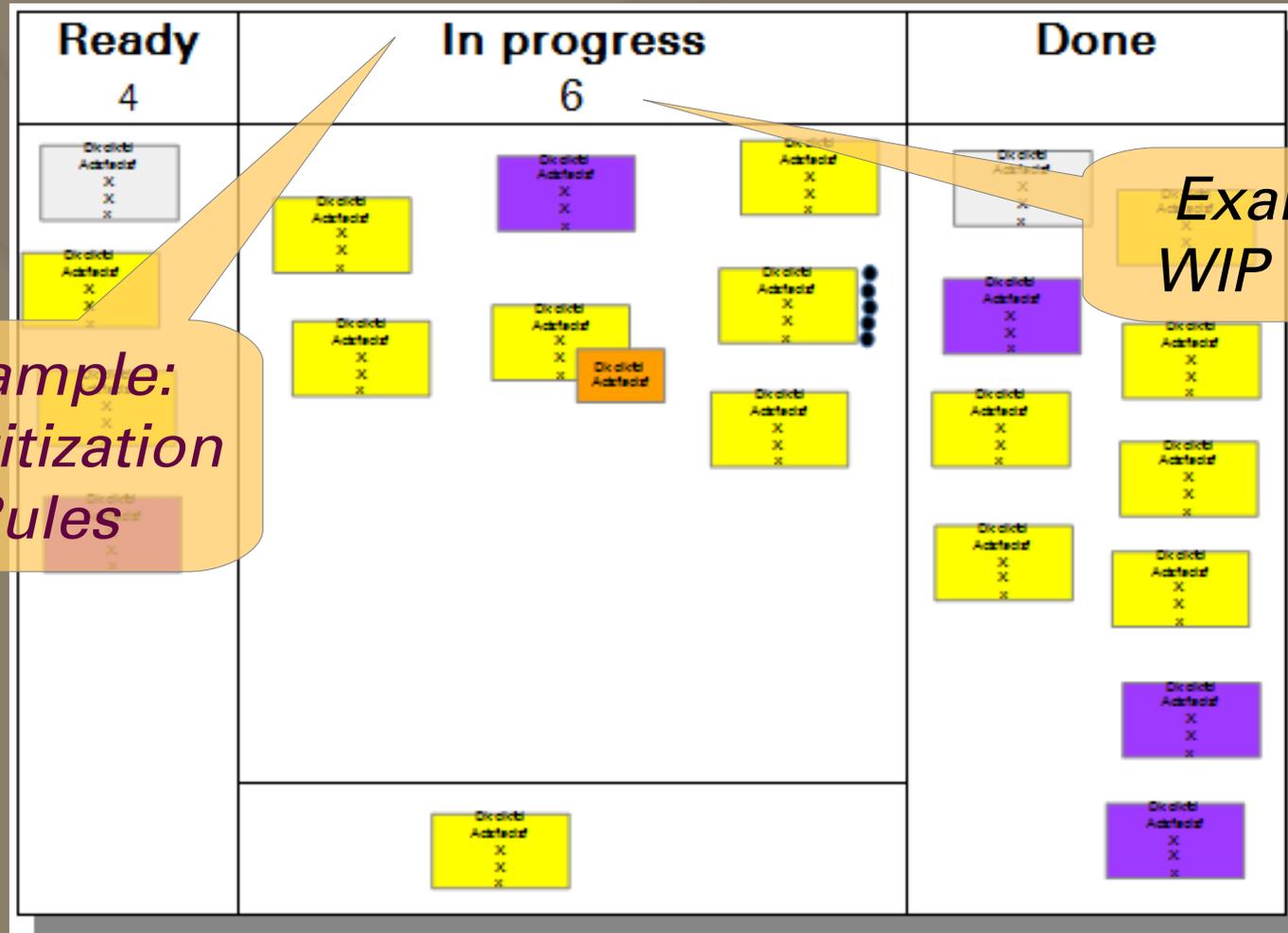


Work is Pulled

Ready 4	Analyze 2	Develop 3	Test 3	Deploy 4	Done
13 14 15 16	11 12	8 9 10	5 6 7	1 2 3 4	



Make Policies Explicit



*Example:
Prioritization
Rules*

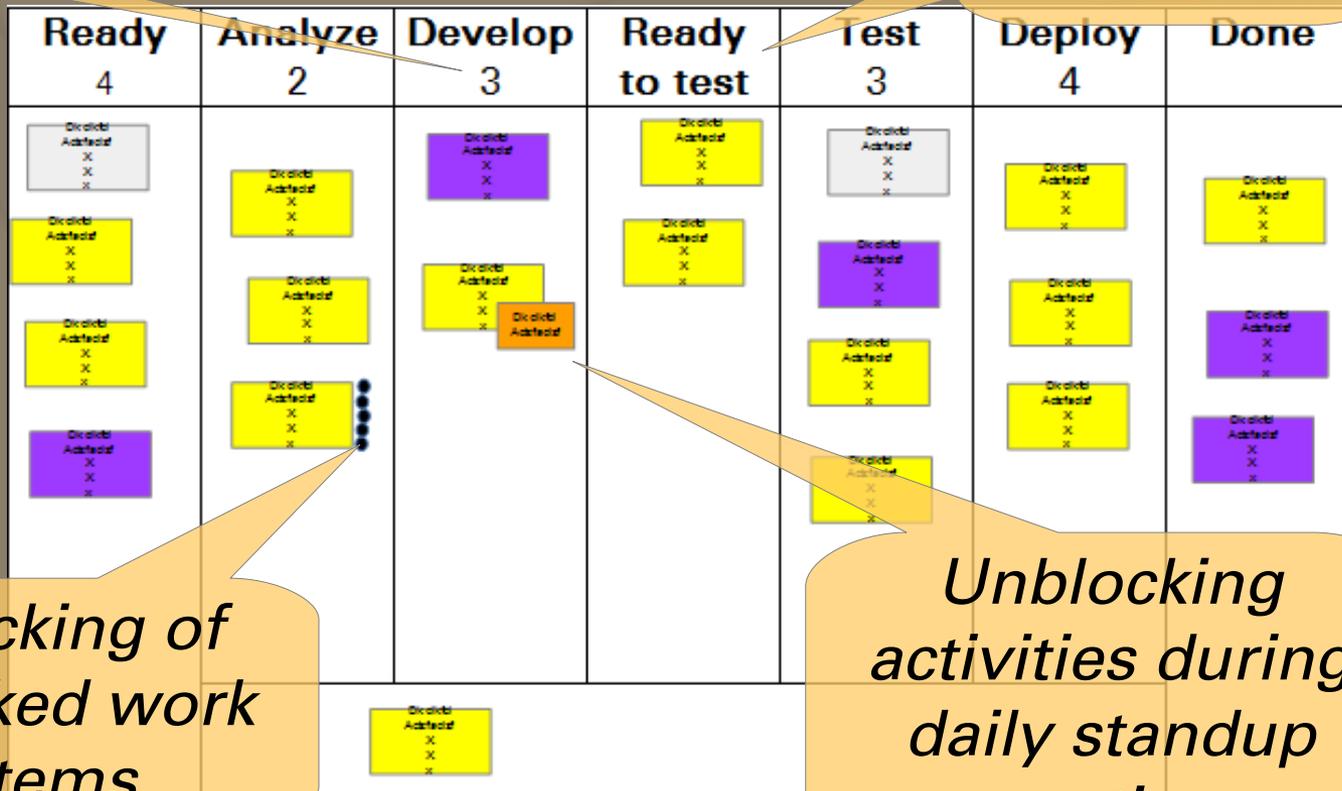
*Example:
WIP Limits*



Manage Flow of Work

WIP limits

*Buffered
bottlenecks*



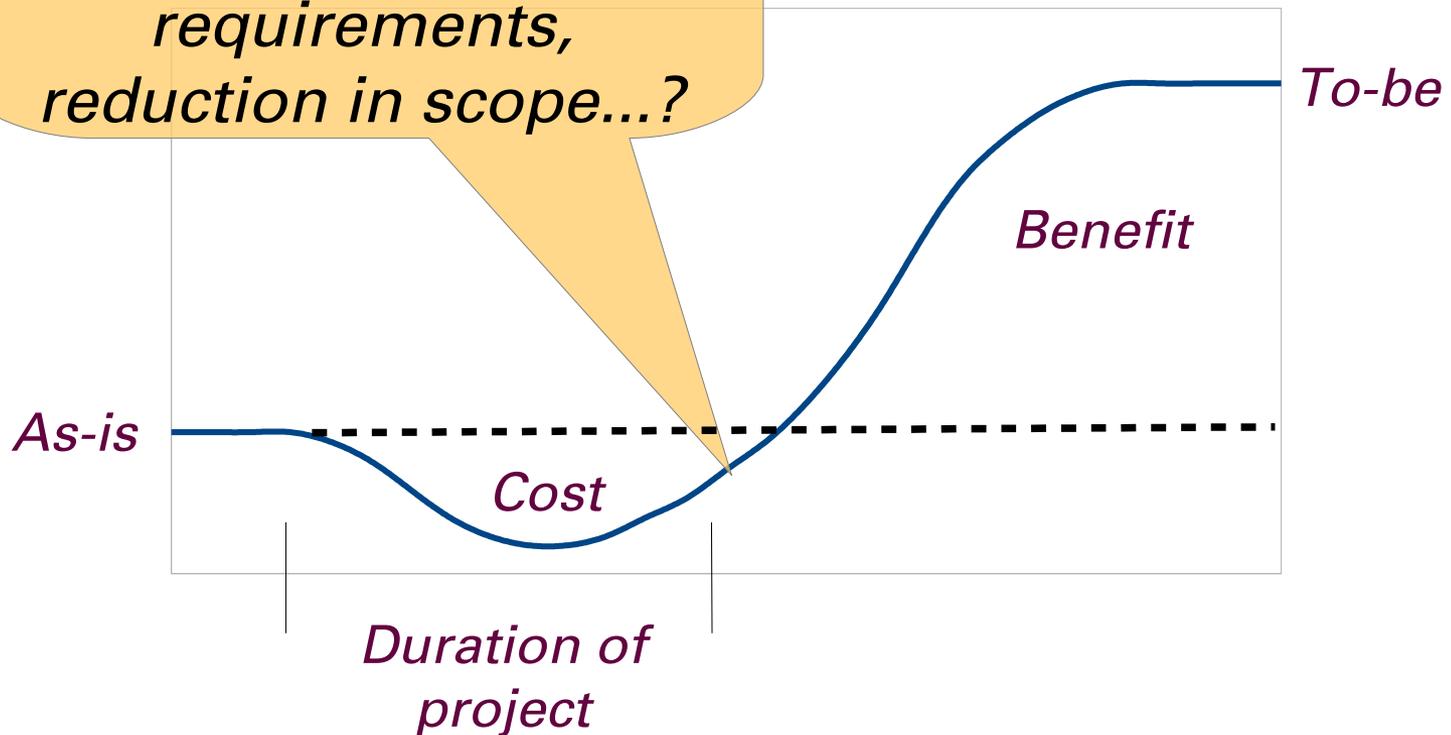
*Tracking of
blocked work
items*

*Unblocking
activities during
daily standup
meetings*



Feedback Loops and the J Curve

What is the risk of failure, cancellation, change in requirements, reduction in scope...?



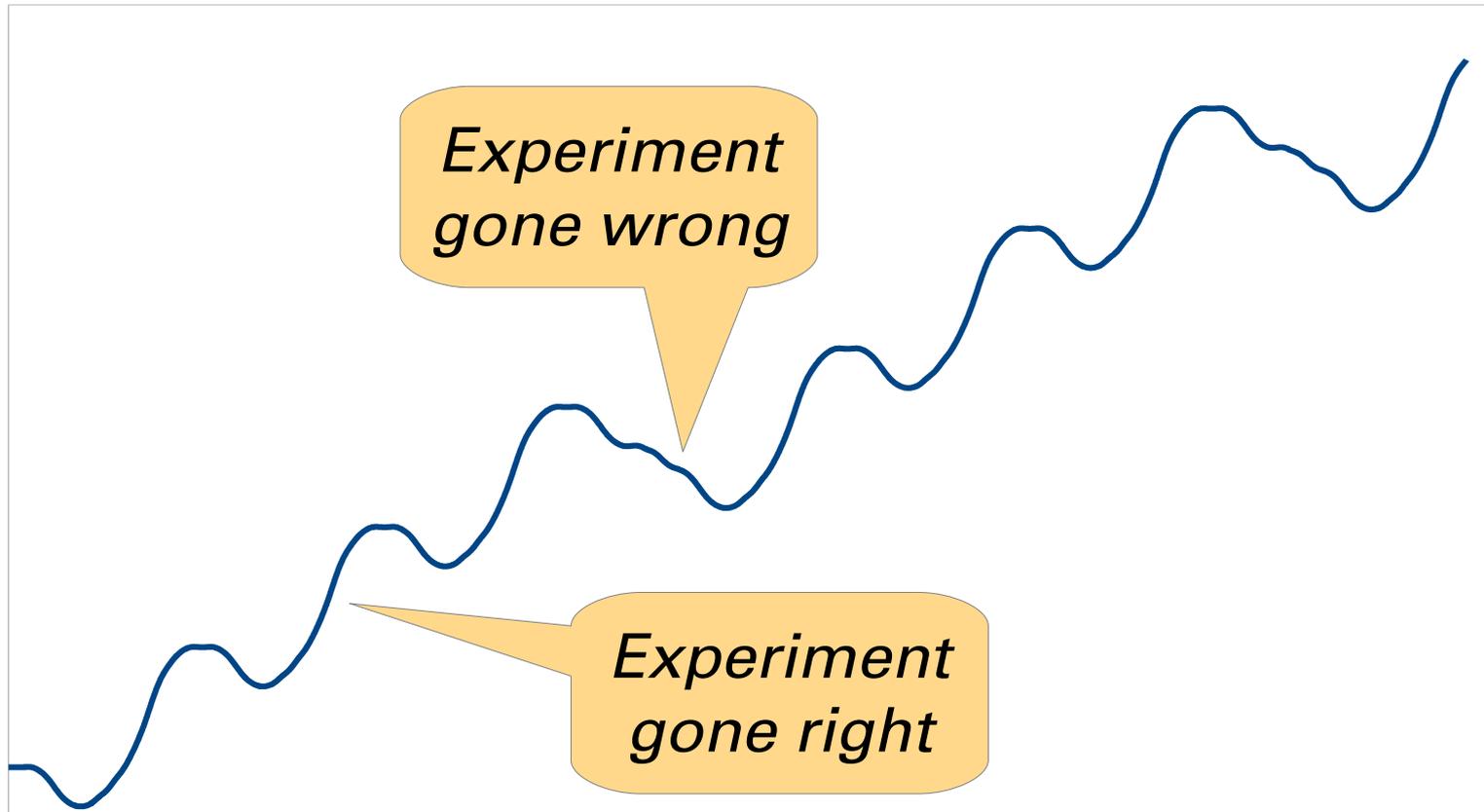


The JJJJJJJJJJJ Curve

What is the risk of failure, cancellation, change in requirements, reduction in scope...?



Experiment and Innovate





Takeaways

- ⌘ Higher flow efficiency (ca. 40% is good)
- ⌘ Vastly improved lead times
- ⌘ Higher trust between customers and service providers
- ⌘ Higher satisfaction of personnel
- ⌘ Higher value obtained by customers



Thank you!

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