TOPIC:
Organizational Leadership/ Operational Excellence

HOW DO YOU CREATE MORE EFFICIENT PROCESSES?

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VIDEO SUMMARY:

In this clip, Horst Schulze helps leaders identify the difference between efficiency and cost cutting. Successful businesses place a high value on efficiency that contributes to a healthier bottom line.

DISCUSSION QUESTIONS:

1. In the beginning of this clip, Schulze described the difference between cost-cutting and increasing efficiency. Think about a recent customer experience where you realized the brand was cutting costs and giving you less value. How did it make you feel about that brand?

2. In your organization, where have you attempted to cut costs and how do you think that has impacted the customer experience of your brand?

3. According to Schulze, a better way to reduce costs is to create more efficient processes. Using a flip chart or white board, brainstorm with your team how to reduce costs by increasing efficiency? (Examples: negotiating better prices for supplies, reducing rework, cross-training employees, eliminating non-value-add work, etc.)

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4. Schulze's story of the linens illustrated his point that defects are often five steps away from the root cause. As a team, identify a persistent complaint you hear about the services or products you deliver.

• How might you go through a similar process to discover the root cause?

• What other teams or individuals might need to be involved to discover a solution?

5. Of all the ideas your team had today to increase efficiency, choose the most important idea and assign a team member to lead the process to increase efficiency in that area.