

4P

PILLARS FOR SUCCESS IN BUSINESS

PRODUCT+PROCESS+PEOPLE = PROFIT

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Agenda

- Introduction – Workshop Objectives**
- Getting Started** Team Exercise
- Product** Team Exercise
- Process** Team Exercise
- People** Team Exercise
- Profit** Team Exercise
- Summary**
- Q&A**

Workshop Objectives

- ❑ **Review case studies of successful products and take away ideas to design, package and market your own product successfully**
- ❑ **Understand and identify processes needed to support the product**
- ❑ **Using case studies and exercises learn the art of execution by empowering the employees and creating HPWF**
- ❑ **Learn how to become profitable by building a strong foundation of Product Processes and People. Learn return on investment ROI**

4P-Product

PRODUCT+PROCESS+PEOPLE = PROFIT

Product evaluation

Do I have the winning product

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Successful Product



Lets take an example of the most popular communication tool

i-Phone or Android

- Why do we like it ?
- List 10 / 1.5M reasons

1. -----
2. -----
3. -----
4. -----
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9. -----
10. -----

Why is i-Phone successful? Facts

Time Magazine May 07,2012

- 1. For any product that Apple creates, the people who create it have to want it themselves**
- 2. The products have to be easy to use**
- 3. Keep things simple**
- 4. Offer great customer service and in-store experiences**
- 5. Apple only makes a product if Apple can do it better**
- 6. Apple stays at least two years ahead of its competitors**

<http://techland.time.com/2012/05/07/six-reasons-why-apple-is-successful/>

Why is i-Phone successful?

Group discussion

Product- i-Phone

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Processes

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People

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Profit

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**CAN YOUR PRODUCT CLAIM: “I SOLVE”
COMMON SOCIO-ECONOMIC PROBLEM**

- I:** Innovative
- S:** Simple
- O:** Outstanding
- L:** Loved by customer
- V:** Value to the customer
- E:** Enhances customer Experience

DESIGNING AND PACKAGING MY PRODUCT

- What is my product?
- Do I know my customer?
- Do I know my competition?
- How should I design, package and market my product so it sells?

DESIGNING AND PACKAGING MY PRODUCT

- Does it solve a common problem in my industry, in society?
- Does it provide value to the user?
- Does it positively influence my business ecosystem?
- Could I make it an integral part of the business ecosystem? (branding: e.g., Google it?)

SUMMARY SUCCESSFUL PRODUCT

- INNOVATIVE
- FILLS A NEED
- SOLVES COMMON PROBLEMS
- LOVED BY CREATORS AND USERS
- ENHANCES CUSTOMER EXPERIENCE
- GOOD FOR BUSINESS ECOSYSTEM AND SOCIETY

Apple i-Phone, Google, Mercedes Auto, Boeing & Airbus Aircrafts...

Exercise



Lets take an example of another popular communication tool

- **Google**

- Why do we like it ?

- List 10 reasons

1. -----

2. -----

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Why is Google a successful Product?

Product

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Processes

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People

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Profit

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Why is Google successful? Facts

GOOGLE REVEALS ITS 9 PRINCIPLES OF INNOVATION

- INNOVATION COMES FROM ANYWHERE
- FOCUS ON THE USER
- AIM TO BE TEN TIMES BETTER
- BET ON TECHNICAL INSIGHTS
- SHIP AND ITERATE
- GIVE EMPLOYEES 20 PERCENT TIME
- DEFAULT TO OPEN PROCESSES
- FAIL WELL
- HAVE A MISSION THAT MATTERS

By Google's chief social evangelist, [Gopi Kallayil](#)

<http://www.fastcompany.com/3021956/how-to-be-a-success-at-everything/googles-nine-principles-of-innovation>

Exercise



Lets take an example of another popular PRODUCT



• Why do we like it ?

• List 10 reasons

1. -----
2. -----
3. -----
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Why are BOEING Planes successful?

Product

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Processes

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People

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Profit

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Why is Boeing successful? Facts

**BOEING'S INNOVATION TAG LINE IS A DEDICATION TO
BUILD SOMETHING BETTER**

- ❑ **LEAN MANUFACTURING IS THE FOUNDATION**
- ❑ **ENGINEERING INNOVATION COMES THROUGH**
 - ❑ **PERSISTENCE** – Keep at it until
 - ❑ **CREATIVETHINKING** – Find ideas in or outside company
 - ❑ **TEAM APPROACH** - *People working together as a global enterprise for aerospace leadership, diverse and involved team*
 - ❑ **EMBRACING CONTINUOUS IMPROVEMENT**
 - ❑ **LEADERSHIP, INTEGRITY, QUALITY**
- ❑ **CUSTOMER SATISFACTION**
- ❑ **GOOD CORPORATE CITIZENSHIP** – Provide safe work place and protect the environment
- ❑ **ENHANCE SHAREHOLDER VALUE** - Business must produce a profit, and must generate superior returns

<http://retailindustry.about.com/od/retailbestpractices/ig/Company-Mission-Statements/Boeing-Mission-Statement---Vision.htm>

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4P-Process

PRODUCT+PROCESS+PEOPLE = PROFIT

Do I have robust processes?

Can the processes support my product and people and get me profit margins?

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❑ WHAT IS A PROCESS?

- ❑ **Process is a set of tasks or activities that converts inputs into meaningful outputs.**
- ❑ **Every process has 5 components**

□ WHAT IS A PROCESS - **SIPOC**

□ **S**: Supplier

□ **I**: Input

□ **P**: Process

□ **O**: Output

□ **C**: Customer

- ❑ Supplier – Each business process has a supplier who feeds the process
- ❑ Input – Things or actions required to start the Process
- ❑ Process – The actual task that converts input to an output
- ❑ Output – What does the process achieve and deliver
- ❑ Customer – Receiver of the process outcome

Supplier

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Input

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Process

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Output

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Customer

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❑ WHAT IS A ROBUST PROCESS?

- ❑ Inputs and Outputs Defined and Documented
- ❑ Objectives Defined, Established and met
- ❑ Process provides value to support product
- ❑ Lean Six Sigma- has minimal waste & passes tests

❑ WHAT PROCESSES DO WE NEED TO SUPPORT THE PRODUCT

- ❑ Processes compliant to international standards e.g., ISO 9001, AS9100, AS9120, AS9110 etc.
- ❑ Lean Processes that add value for customer & organization and are customer focused
- ❑ Processes that have controls in place to identify mistakes and prevent future mistakes
- ❑ Processes that are effective, identify and mitigate

risks

PROCESS SIMULATION

- EXPERIENCE LEAN EXERCISE
- GROUP DISCUSSION:
 - Processes
 - Controls
 - Value to organization and customer

ROBUST PROCESSES

- Effective, Lean and error free based on ISO/AS/TS
- Fail proof - Objectives Driven Results oriented
- Frequently monitored for objectives and results
- Easy to use processes
- Customer focused
- Tested for accuracy
- Intuitive and easy to follow
- Value by supporting product
- Excellence in customer experience

Ritz Carlton, Starbucks, American Express, Toyota/Lexus GE, Dell ...

4P-People

PRODUCT+PROCESS+PEOPLE = PROFIT

Do I have Qualified People to run processes

Job description, Criteria

Goals for Job description

Training Programs

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High Powered Work Force (HPWF)

- Aware of company goal and mission
- Trained and proficient in providing superior customer experience
- Bias for action – results oriented
- Google family environment

In-N-Out Burger, Race Car Pit Crew, Tesla,

❑ WHO'S REQUIRED TO EXECUTE THE PROCESSES

- ❑ *QUALIFIED PERSONNEL*
- ❑ *DEFINED RESPONSIBILITIES & JOB DESCRIPTIONS*
- ❑ *EFFECTIVE TRAINING PROGRAM*
- ❑ *PEOPLE WHO TAKE OWNERSHIP*
- ❑ *HPWF*

❑ COMPETENT PERSONNEL

- ❑ How do we know if someone is competent when newly hired
 - ❑ *Meets or exceeds job requirements based on education, experience and reference*

- ❑ How do we know if personnel are competent during their employment
 - ❑ *Meets or exceeds competency checks based on performance reviews*

AWARENESS – COMMUNICATION

- What methods are employed to raise awareness and to communicate effectively with the personnel
 - Newsletters, posters, banners, badges etc.*
 - Town-hall, All Hands meetings*
 - One on one sessions with supervisors*
 - Company events*
 - Management Review Meetings*
 - E-mails*
 - ERP SMS*

TRAINING

Do you have programs for:

- OJT*
- Product - Process trainings*
- Classroom trainings outside organization*
- Town-hall, All Hands meetings / trainings*
- Web trainings*
- Opportunities for personnel to attend industry workshops*
- Best Practices trainings and reward system for innovation*

Why BOEING Planes are successful?

Product

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Processes

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People

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Profit

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Exercise



XYZ is a distributor organization selling consumables for Space, ITAR and Military end use



- What Qualification would you need to hire a purchasing Person?

- List 10

1. -----
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Exercise



XYZ is a distributor organization selling consumables for Space, ITAR and Military end use



- What ongoing trainings would you need for a purchasing Person?

- List 10

1. -----

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Exercise



XYZ is a distributor organization selling consumables for Commercial end use



- What Qualification would you need to hire a Sales Person?

- List 10

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Exercise



XYZ is a distributor organization selling consumables for Commercial end use



- What ongoing trainings would you need for a Sales Person?

- List 10

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People - Summary

- ❑ Smart Teams – use Training Plans, Training Matrix, Effectiveness checks, motivational tools
- ❑ Trained and proficient in providing superior customer experience
- ❑ Bias for action – results oriented – take ownership
- ❑ Google family environment ready for all challenges

In-N-Out Burger, Race Car Pit Crew, Tesla,

4P-PROFIT
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How can my product be profitable
ROI

PRODUCT+PROCESS+PEOPLE = PROFIT

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PROFITABLE VENTURES

Profit is the positive gain from an investment or business operation after subtracting all expenses

- Product is innovative and solves major customer problem
- Waste is eliminated from processes
- People are motivated and deliver delightful quality
- ROI is substantial on all investments

Boeing and Airbus, Apple i-Phone, Google, computers...

❑ Why is finance so important in any business venture?

- ❑ *Provides the economic base for organizations performance and sustainability*
- ❑ *Need profits to pay the bills and sustain growth*
- ❑ *Return On Investment (ROI) is important*
- ❑ *Keeps tabs to see if the Product, Process or People are providing value to the operation? If not, how can we innovate, design, train or reengineer so end product /service provides value all across*

- ❑ **How can my organization measure ROI?**
 - ❑ *Finance person can calculate the average “man-hour” cost in your organization*
 - ❑ *This is based on Average hourly salary of employees which also includes the benefits, overhead expenses, insurance, workman comp, etc.*
 - ❑ *Average “man-hour” cost varies from organization to organization.*
 - ❑ *Small to mid cap organization costs are approx. \$35 / man hr.*
 - ❑ *Government and other organizations are known to measure those in excess of \$100 / man hr.*

4P
Summary
Q & A

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