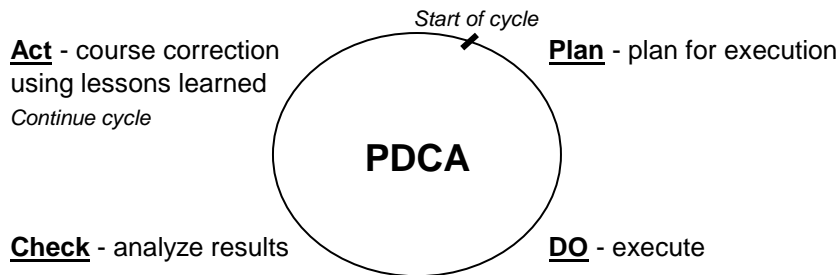


Control

A functional deployment process map (swim lane) for piloting the solution is compiled and distributed to the Sales users.

Develop and Execute Pilot Plan

We want to develop a plan for testing the solution on a small scale, validate design intentions and plan a broader implementation. The basic methodology behind a pilot is Continuous Improvement's Plan-Do-Check-Act (PDCA) Cycle intended to develop an improved plan for broader deployment. The solution is experienced without committing the entire organization and we will better understand impacts from feedback sources (e.g. process, customers, vendors, staff, etc.).



Plan for Pilot

A successful pilot progresses towards the goals of the project as indicated in the;

- Opportunity goal: *Sale to Closing interval reduced to 3.0 months*
- Problem Statement goal: *Buyer achieves quality design selections for kitchen, bath & fireplaces within the targeted 20 day selection period for 85% of units, 80% of which do not have related change orders.*
- Solution benefits: *4 weeks from contract meeting to design selection sign-off.*

Unfortunately, depletion in unit sales has resulted in lower activity at any pilot site we chose. A long Pilot will unnecessarily delay a broader implementation and risk benefits. But, we want to conduct a pilot to verify benefits and fine tune a broader solution from corrective actions generated from lessons learned. Following is a justification for a shorter cycle Pilot.

Justification for short cycle pilot:

Time horizons for goal attainment need multi-month pilot intervals for empirical verification. Data analysis indicates a clear correlation between design selection interval and sale to closing interval. Therefore, meeting design selections interval goal for sold units will lead to meeting the sale to closing goal. Also, volume of sales has decreased recently, necessitating drawing conclusions from a smaller population of sales generated at the pilot location.

Great designs can easily fail as a result of poor planning. The following diagram shows a roadmap to project planning that will avoid this risk and make sure the Pilot has every chance to succeed.

Pilot Plan Roadmap

(Tool Preferences – red text)



We chose the Pilot location predicated on the sites ability to adopt changes, close proximity to Pilot Managers, quickest need for results improvement and users input into solution generation. In addition, here are supplemental benefits:

- Low cost to implement
- Low training required
- User buy-in
- Easier implementation of 360 feedback program

The solution is to be piloted for residential sales at the NW Suburban location.

Before conducting the Pilot we need to address potential barriers to success (*Risk Analysis*). Following are risks identified and aligned risk mitigations.

Risk Analysis

Risk Event	Risk Mitigation
Incomplete design selection 'dream' packet given to Buyer	o checklist used for compilation of the packet
Inadequate presentation and training for effective use by the Buyer of the 'dream' packet for decision making	o set Buyer's expectations before the meeting (agenda list) of a 'dream' packet o allot time at end of meeting for a 'quick' training session for packet use o designate a private 'off-line' area for handover and training
Sales not available to address Buyer inquiries when needed	o include instruction sheet at beginning of packet for Buyer review and potentially capture any key instructions o post instruction sheet and 'FAQs' on website (website address at bottom of packet instruction sheet and point out
Materials needed for packet not available at Contract meeting time	o compile inventory of packets within material refresh lead time in order to identify and re-order to have available

Following is the Pilot Plan, incorporating pre-emptive actions to reduce risk.



Develop plan for conducting and evaluating pilot

Solution Design

- 3 Refine design selection packet for Pilot**
 - o Schedule design solution meeting
 - o Select pool of design selection choices for each unit type
 - o Prioritize selection categories to be featured in packet based on solution
 - o Create process map for Sales actions to pilot solution
 - o Compile model packet for each unit type based on above choices
- 4 Identify materials gap for refined solution packet**
 - o Determine quantity needs to launch pilot for all unit types
 - o Based on launch quantities, determine material gaps to fill quantity launch need
- 5 Identify risk event barriers to success**
 - o Use model packet and pilot process map as reference for determining potential risk events preventing pilot success during the refine design process
 - o Compile risk event detail report to prepare for risk mitigation preparation
- 6 Design risk mitigation planned response**
 - o Complete risk mitigation response form for each identified potential risk event
 - o Consolidate into Risk Plan folder for quick reference
- 7 Design corrective action response method during pilot**
 - o Design guidelines for implementing a clear and comprehensive method for implementing corrective actions
 - o Determine punch list for implementation
 - o Consolidate with Risk Plan to create a Change Management section for corrective action responses
- 8 Design metric gathering and analyzing template**
 - o Create objective statement for Pilot purpose
 - o Use Six Sigma project metric gathering forms as base to refine to pilot verification needs
 - o Determine result needs for analyzing of data
 - o Design template to plug and play data for analysis calculations
 - o Consolidate data gathering forms and analyzing templates to create a Pilot verification book
- 9 Create cash flow plan for Pilot**
 - o Determine cost line items for implementation and execution of Pilot
 - o Estimate costs for each line items
 - o Sum to create a total cost report - delineated by implementation and execution
 - o Create a cash flow time line to assure funds availability and performance evaluation
- 10 Generate Quality Plan for execution of Pilot**
 - o Use Process Map as reference for generating success critewria for solution execution
 - o Assign performance rating method and scoring guidelines (with punchlist)
 - o Create Quality rating form and build inventory for completion after each event
- 11 Compile data gathering templates for pilot performance**
 - o Design user friendly forms and review to verify effectiveness
 - o Create data gathering form (from design - see 8) and build inventory for completion for each solution execution

Solution Deployment Preparation

13 Acquire or create gap materials

- o Determine methods for filling gap from each identified need (see task 4)
- o Determine resource needs for filling gap
- o Contact vender for acquiring gap materials or information
- o Develop recovery schedule and task performance to that schedule

14 Compile start-up quantity of packets

- o Determine quantity need to launch pilot
- o Compile 'dream' packets for pilot start

15 Develop Responsibility Assignment Matrix (RAM) for deployment

- o Determine resources and schedule for each deployment step
- o Compile and send report to each assigned resource and pilot manager
- o Confirm understanding, overall importance Pilot success and availability

Solution Deployment

17 Deploy packet to Pilot location

- o Confirm needed quantity to launch
- o Coordinate with Sales a Pilot location delivery
- o Hand over with review of instructions for Sales and the Buyer

18 Deploy data collection templates and Pilot tracking plans

- o Hand over as part of Pilot materials
- o Include instruction review for gathering and accumulating data
- o Confirm feedback instruction and schedule

19 Deploy Communication / Feedback plan

- o Hand over as part of Pilot materials
- o Confirm schedule and importance Pilot progress feedback (emphasize 'no holds barred')

20 Train packet users (Sales)

- o After reflection, just before launch re-review all materials (encourage questions)
- o Include task punch list for executing Pilot

Solution Pilot Execution

22 Launch Pilot

- o Confirm readiness & go

23 Execute Pilot & perform management plans

- o When engaging Buyers (after Contract mtg.) utilize punch list to ensure coverage
- o Compile activity report
- o Compile feedback & quality information to add to activity reports

24 Design team conducts performance reviews

- o Review feedback with Sales
- o Confirm observance of execution steps
- o Audit Buyer acceptance and effectivity
- o Update tracking sheet and analyze accumulated results

25 Report performance to Executive Team

- o Design team consolidates activity, feedback and analysis into weekly status report
- o Deliver and schedule meeting for review and planning actions

26 Gather lessons learned

- o Analyze feedback, results and Buyer audits to draw accumulated performance conclusions
- o Use results to develop corrective actions for solution content and deployment

27 Closure and recognition

- o Use accumulated results and feedback for final Pilot performance report
- o Communicate returns and celebrate a successful Pilot with entire action group

Pilot Analysis

29 Evaluate Pilot performance metrics

- o Accumulated results
- o Determine impact to design selection sign-offs time-line
- o Consolidate and compare to sign-off goal

30 Validate Pilot effectiveness

- o Analyze metrics collected
- o Compare to goals and determine effectivity, efficiency and quality of output as it relates to CCR's

31 Build lessons learned dBase for broader solution refinement

- o Accumulate pilot execution lessons learned and summarize
- o Use to determine corrective actions
- o Integrate corrective actions into broader solution development

Review this plan on regular basis as it is in action. The success of a project is at risk if any of the tasks on the critical path or with key dependencies are not executed according to schedule.

Plan and Implement Solution

Now we want to implement the solution across a broader scope to have the desired impact on the performance of the process. We need to incorporate lessons learned from the Pilot, develop a process control system to hold the improvement gains and measurably validate the effectiveness of the solution and acceptance by the business.

Everything that goes for implementing and executing a successful Pilot also goes, and more so, for a broader deployment.

- Clearly defined goals and objectives
- Leadership support
- Effective teamwork
- Project plans agreed to by all participants
- Timely evaluation and proactive control

Elements of successful implementation require;

- Risk Analysis – revisit pilot Analysis and tailor to current project
- Process Control – data collection, process performance monitoring, accountabilities & reporting, aligns with reward systems

- Training Plan – solution design documentation, procedures, support, process maps, one-on-one instruction, examples
- Communication Plan – feedback loop mechanisms, continuous transparency on objectives, methods, plans, etc. (getting the right information to the right people at the right time)
- Detailed Implementation Work Plan – objectives, milestones, roles & responsibilities, critical path, resource planning

Also, continuously remind of the objectives and benefits of implementing the changes to gain support and build enthusiasm.

Transition to a Broader Implementation

As alluded to in the Pilot short cycle justification, the bottom has dropped out in Sales. Resources and funds needed for a broader implementation are not available, currently. Feedback indicated an effective Pilot regarding implementation, impact on target and positive feedback from the Buyers. We decided to extend the Pilot, evaluate the results and plan for future implementation.

Sales in the Pilot period were sparse, but we did get valuable anecdotal feedback from Sales and Buyers.

- Engage the Buyer before the contract meeting to gather design preference information prior to compiling the packet to provide a more appropriate packet to fit the Buyer's needs.
- Use an example packet as a marketing tool both in the Sales office and on the web site.
- Include empty divided sections in the book for Buyer notes and computations.
- Provide model to Sales showing an example 'dream' packet and explain how it was compiled.
- For the first few units, have a solution designer partner with Sales at the contract meeting for handover and instruction assistance.

The above observances, along with the added ones from the extended Pilot, will be incorporated into a finely tuned solution. Procedures will be standardized to simplify execution of work activities and reduce the possibility of miscommunication and mistakes. After changes are incorporated, a similar to Pilot, a project plan will be developed for implementation, execution and evaluation of the solution.

Process Integration

Now we want to keep the train running. We need to plan for additional improvement gains, explore Process Management as a strategy for continuous improvement and take advantage of best practices learned during the Pilot and site implementation.

Leveraging can have exponential impact on Sigma performance. Look for opportunities to replicate the solution, tailoring to the site, once the process improvement have achieved pre-determined goals. A sequenced approach to a wider deployment minimizes stress on available resources and funds. Most setup tasks can be replicated from site to site. Therefore, time span is shortened and future parallel implementations should be assessed. Before embarking on an aggressive deployment, assess the following statuses;

- Deployment resources required – availability of site Sales & deployment staff
- Capacity and demand considerations – material availability
- Current performance levels – sigma for design selections and closing targets

When management determines that the solution will become part of standard operating procedures (SOP), then standardize, continue measurement and analysis and make corrective actions where needed.