

## CPI Maturity Model

As the economy continues to contract, companies will speed toward new process improvement programs in order to remain competitive. Historically, this is a smart approach and has bolstered thousands of companies to not only survive tough times, but also to gain a competitive advantage. All too often, however, the rush to make any change, rather than the right change, can lead to the wrong results.

Challenging times call for responsive, holistic business performance improvement and overall operational excellence. The flexible and appropriate utilization of process optimization tools against the right metrics, as well as leadership committed to fostering a culture of teamwork, adaptability, and success contributes to an organization's competitive edge.

Many organizations invest in Lean, Six Sigma, or Lean Six Sigma to achieve improved performance. Although companies invest in training and project activities conducted by certified personnel, they often fail to realize a positive objective financial return on critical operating metrics.



The myth lies in the belief that Six Sigma, Lean, and Theory of Constraints are interdependent process improvement methodologies that must be implemented concurrently. To be a successful enterprise, a company must apply a flexible approach that incorporates multiple disciplines. Executives must work to continually evolve and refresh quality and productivity improvement programs.

### PI Max™

To deliver results, we use our innovative continuous process improvement (CPI) methodology known as PI Max. PI Max encompasses all the attributes of Lean, Six Sigma, and other tools to identify opportunities to achieve operational excellence. PI Max recognizes performance gaps, reduces cycle time, eliminates waste, and focuses on quality and productivity improvements to **deliver dramatic new efficiencies and performance improvements**. PI Max addresses the following components:

**CPI Organizational Maturity:** This categorization of your organization's current state is the basis for helping you recognize where you are on your journey. The maturity cycle consists of awareness, adopting, threshold, enterprise, and extended enterprise.

**CPI Maturity Assessment Tool:** This tool was developed based on Thomas Group's experience with the Enterprise Maturity Model and our research of existing maturity assessment models already in place in the industry. It consists of five disciplines containing 25 elements. Each element has five levels of maturity.

**GAPTRAC:** This model identifies the gap between where an organization is and where they should be.

A key underpinning of PI Max's approach is to sort through the implementation complexity using a maturity assessment tool consisting of 25 maturity elements to identify key improvement levers and then prioritize and sequence improvement initiatives for maximum benefit. Depending on the organization's current state and performance of the major business processes, improvement initiatives may operate at any of the five levels of organizational Lean Six Sigma Continuous Process Improvement (LSS CPI) Organizational Maturity:

- **Awareness.** Usually characterized by the absence of a large-scale coordinated LSS CPI program. Leaders are familiar with process improvement potential to move the organization forward but have not initiated a comprehensive proposal. It is likely that isolated pockets of process improvements will be found due to individual leader initiative.
- **Adopting.** Characterized by either pilot implementation or large-scale implementation in process. There exists a high degree of effort and activity.
- **Threshold.** Characterized by the completion of the pilot and initial implementation across the enterprise. The training and governance processes are starting to yield opportunities and results.
- **Enterprise.** The enterprise is yielding favorable financial and operational gains. Training, problem solving, and communication are standardized and disciplined.
- **Extended Enterprise.** The enterprise, as well as its customers and suppliers, are working collaboratively to identify, prioritize, and implement LSS CPI solutions. Results are achieved throughout the extended enterprise.

Thomas Group has the management consulting expertise to lead businesses in objectively identifying their current level of organizational LSS CPI maturity. Based on our experience, we understand what the client's expected level of maturity should be based on the client's commitment of time and resources to date, and we modify or increment their improvement initiative with prioritized efforts based on the identified gaps. We then implement the governance necessary to focus the organization on the right activities, employing the right resources, in the right sequence to achieve superior financial results.

## Culture Change

In our experience, we have seen the wrong tools deployed in process improvement programs. However, we have also seen the right tools fail. Often, the reason does not lie in the process or metrics, but rather in the culture, leadership, and performance measurement.

Organizational culture change requires effective leadership since it is about changing the behavior, abilities, and attitudes of the people within the company. It is management's responsibility to identify and empower the right leaders.

Thomas Group provides tools to assist management teams in identifying change leaders as well as evaluating and assessing the overall cultural condition of an organization. Used in any organization at almost any level, these tools provide a relativistic assessment of where everyone is in the continuum of inspiration and knowledge regarding change management.

We find that in many cases behavior is driven by explicit performance metrics that inform and stimulate action as well as reward good performance. However, a holistic approach that is pragmatic and action-oriented is critical. If the metrics are designed to optimize the performance of a single function, and not the whole enterprise, they will almost inevitably have a negative impact on total performance.

## Working Shoulder to Shoulder

Thomas Group has extensive experience in restructuring, redesigning, and reenergizing business process improvement. Our change agents offer coaching, best practices, and a pragmatic approach to quickly elevate performance.



Lean responsive businesses will be the clear leaders in the new economy, continuously pulling market share and revenue from those falling behind. It is not enough to simply have the right strategy. The ability to execute that strategy successfully is a critical competitive advantage of a company that excels at process improvement programs.

In order to be successful, a company has to know how to innovate and execute. It is not enough to simply have the right strategy. The ability to execute that strategy successfully is a critical competitive advantage of a company that excels at process improvement programs. We work hand-in-hand with our clients to ensure their success by using all the tools of Lean and Six Sigma to close gaps and drive financial results.

In taking a more deliberate approach and working with experienced process improvement experts, you can ensure your organization utilizes the right tools to guarantee the right results to transform your company into an industry leader. 