

LEAN LINE



Concentrating on Ohio's Contracts

Several months ago, an employee at the Grunau Ohio office received a change order on one of his contract jobs. He spent a better part of the morning going from person to person, asking them how to get this change order recognized by our accounting system. Eventually it was revealed that he needed to make a change order to the "green sheet" (booking sheet) for that particular project. Another part of the morning was then spent finding a person in the office who knew how to apply a change order to a booking sheet. Other instances of inefficiency concerning contract projects started to reveal themselves. Salespeople were using many different templates for proposals and storing them in a number of places. Notices of impact and other formal project management letters were being used inconsistently at best. Many in the office were even unsure as to the process of setting up new vendors. Ohio's branch manager realized this was an opportunity to combine all of these inconsistencies and inefficiencies concerning contract work into the office's first Lean event for the year.

On March 24, the entire Ohio office took part in the Lean VSM (Value Stream Map) contract event. The group realized that the "process of contract work" was a broad topic with many variables. Thus the current condition on the initial VSM was very long and detailed. All good VSMs start at the very beginning of any process so in this case, the first step of a contract job is when the customer calls concerning a new project; all the steps were listed through to the close-out items and final billings at the end of the job. Everything from the storage of installation drawings to the documentation of change orders were discussed as the current condition VSM flowed from start to finish.

After a couple hours on the current condition, the team moved on to the future state VSM. It was at this point, they understood this was really a "hybrid" Lean event to clean up the process of flowing through a contract job. Templates were reviewed as well as examples of the many tools necessary for contract work, including how to fill out a pencil copy for a monthly billing to how to set up a new customer. A folder on Ohio's common drive now contains many of the blank templates and forms that a project manager needs to navigate from beginning to end of a contract job.

The Lean event also inspired some future initiatives including the creation of a new, cleaner proposal template. Once completed and agreed upon, this template will be the Grunau Youngstown standard for any proposal. The current prototype of this template looks great; it features a watermark and makes info easier to sort through from the customer's perspective.

The Lean contract VSM also brought to light a disconnect between where project designers store project documentation and the limitations for others to access those files. The office agreed there needs to be one central storage location for all of Ohio's contract projects. Lengthy conversations occurred about how the storage location should be formatted and potential pitfalls of making it too "open" for manipulation by everyone.

The Ohio office is meeting again at the end of April for the final review of the future state of the contract work VSM. Just like Grunau's Lean Mission statement reads, by continuously improving our processes, we can provide greater value to our customers without waste.

Lean Mission: To continually examine our processes to provide greater value to our customers without waste.