



Embracing “Kaizen” :

526th Embarks on CPI Efforts ; Ramps up Functional Teams

In the unending quest for quality, the 526th is putting Continuous Process Improvement, (CPI) initiatives into motion with the goal to constantly discover and eliminate problems and inefficiencies within our organization and continue to make us stronger.

So, just how does this process work? We all know that problems cannot be solved overnight. The emphasis of the CPI work, instead, is to take a step back, look at the entire picture, and then make improvements one by one rather than implement one huge improvement in an immediate fashion. The Japanese have a term for this called "kaizen" which involves everyone - from junior staff to senior leadership.

A Steering Committee consisting of members from our senior leadership assists in defining the objectives. While the organization itself is responsible for implementing CPI, the Steering Committee parallels all ideas from conception to completion. Additionally, functional teams scrutinizes the various processes within different departments and head up special projects and carry them through completion.

Overall, the 526th is pleased to make this lasting commitment to positive cultural change and is looking forward to the outcome of CPI training as it continues to support the mission of the nuclear enterprise. Please continue to stay apprised of our efforts with this, our monthly newsletter. Enjoy the second edition.

Sincerely,
Ms. Dawn Sutton
526th ICBMSG

For more information, please write to lauren.eastman@mainstreamqs.com.

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Special points of interest

- What's new with the CPI Center? See page 3.
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CPI @ Work: Functional Teams Ramp Up

Currently, the functional teams within the 526th are working to complete their team charters to streamline operations in order to gain efficiency and accuracy in their work flow. In order to provide you with the most updated information about their efforts, future issues of the CPI Newsletter will spotlight the efforts and results of these teams. This month's newsletter will focus on the Initial Provisioning and Cost Estimating teams, whose work is already underway.

The MainStream GS instructors have a long history supporting the type of cultural change that the 526th has been seeking. MainStream GS created the CPI class curriculum with a unique blend of strategy deployment and continuous process improvement (Lean & Six Sigma) expertise combined with cultural change and program management skills to guide the organization through this transformation.

Last month's CPI Newsletter highlighted the inaugural AF5021 526 ICBMSG CPI Team, which includes individuals involved in all aspects of the organization. Each group created a "problem statement" to solve. Major Phi-Anh Lutz, for example, is working to promote Mission Assurance based upon systems engineering, quality and management concepts. This may take the form of an "Independent Readiness Review Team" (IRRT) for 526th Mission Assurance. Her team is providing independent reviews and recommendations directly to the Commander to support informed decisions at key decision points for Mission Assurance.

Rebecca Senkel, an electrical engineer for the 510th, is asking her team to define the Time Compliance Technical Order (TCTO) Process for Guidance Section of the 510th (510 ICBMSS/GFLC and 510 ICBMSS/GFEA). They will develop flowcharts and materials necessary to guide and better define that process, thus making it easier to follow for any individual – government, civilian, or contractor - who assumes the responsibilities of this role. Captain John Grosvenor is addressing the process that Program Managers within the 526th ICBM Systems Group go through surrounding putting together specific instructions for the projects they are working on. His team's goal is to alleviate extra steps while projects move through engineering, finance and contracting to make the process flow more smoothly.

Captain Zachary McCarty is working with the SACCS Program Management Office (PMO) to define a process to conduct a system modification. Peggy Japngie Lizotte, a contract negotiator with the 526th and Business Manager Dale Hansen are working to define and document the Sole Source/Non-Competitive Procurement Process, which occurs when only one contractor is available to provide a necessary good or service. Roald Peterson is working on a new orientation package for Engineering so that new hires are quickly and effectively provided with key information on the organization and its resources.

What is Change?

"Transition is the psychological process people go through to come to terms with the new situation. Change is external, transition is internal."

~ William Bridges

Change Occurs at Two Levels

- 1) *Organizational Change*
- 2) *Personal Transition*

What is Change Management?

Change management is the process of aligning people and culture with changes in business strategy, organizational structure, systems, business processes and technology.



CPI Center & Newsletter Update

A new CPI information center was recently unveiled in building 1258 to highlight the updates of CPI efforts within the 526th ICBMSG.

The board, which is located across from conference room provides a visual example of where each team is currently in the CPI Process.



Come see the new CPI Board in Building 1258 to find out if it is really lopsided.

CPI Spotlight: Initial Provisioning Team

The Initial Provisioning team determines the range and quantity of spare and repair parts required to support and maintain new systems and equipment during their initial period of operation. This period, which normally runs for two years, allows the supply system time to react to usage and establish a demand pattern. In the past, initial provisioning efforts have not always been effective.

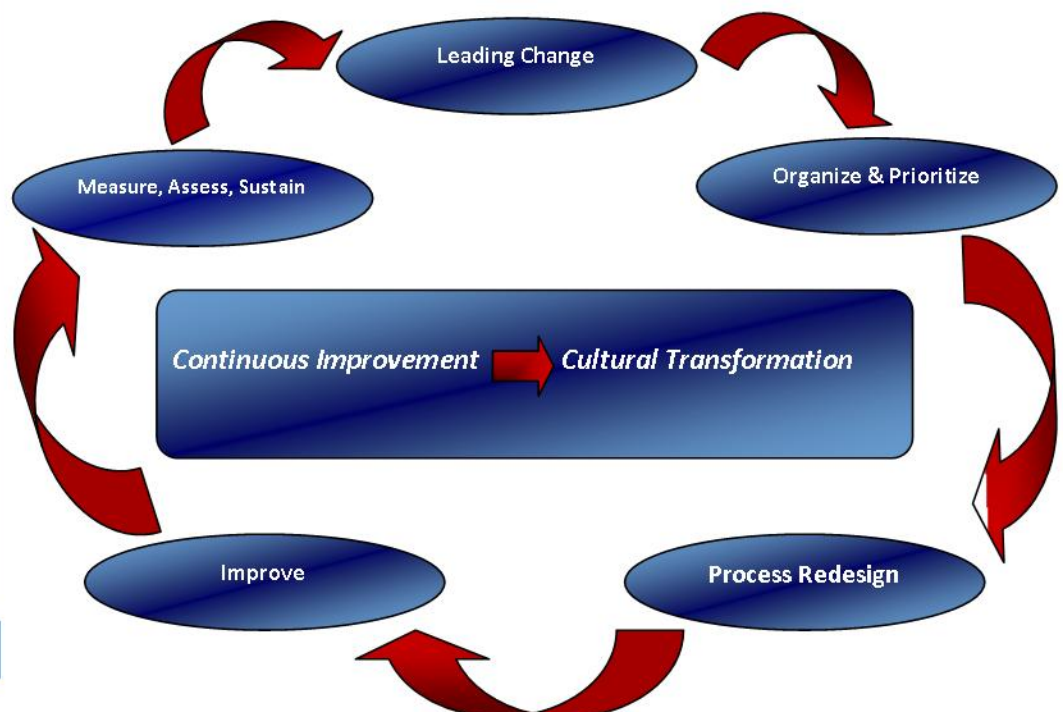
While the team was unable to identify a single issue as the primary root cause of inaccurate or incorrect provisioning, they did find several contributing issues. First, a disconnect between current Air Force and DLA cataloging and management codes create

confusion. The team also identified that oversight of the process was impeded by Program Manager gaps. The team noted that better training and experience of Equipment Specialists (ES) and Item Managers (IM) should be required. Additionally, the team recommended stronger backup plans for understated provisioning requirements.

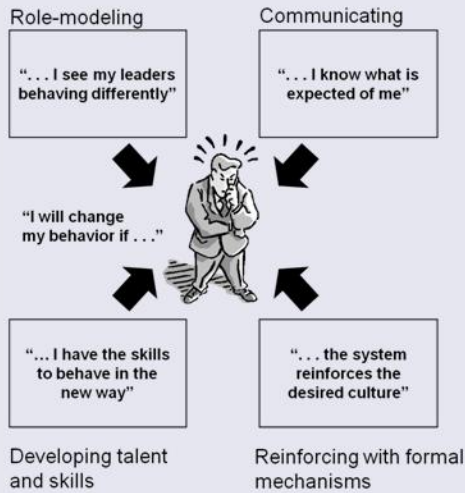
The Initial Provisioning team recommends that 526th leadership request refresher training programs for the ES and IM to be taken just prior to the start of a provisioning effort that includes differences between DLA and Air Force management codes with the AFGLSC training office. (Cont. pg 5)

Continuous Improvement Cycle: The AFSO21 Model

If you've ever wondered what the CPI actually looks like, see the diagram below. The five steps within this AFSO21 model can be applied to all applications, from tactical to strategic. These steps can be applied to a Lean project focused on garnering immediate improvements and a larger Business Process reengineering (BPR) efforts that involve much more time and many more actions to sustain them. These steps may take 2-4 months, which is typical timing for many Six Sigma projects. Alternatively, they can be used as a larger reengineering effort that can take years to implement.



Sustainable Change Model



Q&A on Change

- *Have the formal leaders and the informal opinion leaders embraced the change by role-modeling?*
- *Have training and support programs been altered to reflect the new desired skill set?*
- *Has the who, what, why, when, and how been understood and believed throughout the organization?*
- *Have the formal and informal policies and procedures (including compensation and appraisal) been changed to reinforce the new desired behaviors?*

~ Change Management Presentation; Defense Acquisition Agency website

CPI Spotlight: Cost Estimating Team

Building upon the momentum of the AFSO-21 Training, the Cost Estimating Team develops and updates cost estimates for all of the projects moving through the Alpha Acquisition Process, which is essentially the first step of the contracting process where requirements are validated and vetted to ensure they are meeting requirements for the contract. Techolote's Mike Clay heads up this CPI team and is assisted by Roger Hill. After taking steps to define the current process and audit its activities, the

several countermeasures to help address many of the contributing problems identified above. Instituting training programs to focus on problem areas and creating templates would assist in standardizing operations. An audit function was also put in place to measure the results of the efforts.

After auditing the process, the Cost Estimating team proactively updated the Operational Instruction (OI) to focus on

"Cost estimating affects everyone who has a budget - it affects us all. We did not create it in a vacuum."

~ Mike Clay, Techolote



team recommended that approximately 30 percent of the time spent on the Estimating Documentation Package needs to be reworked. They found that approximately 20 percent of the time-sufficient resources have not been added to the program and therefore require additional resources before contract execution.

The team identified a number of issues that contribute to reduced accuracy in the estimates and required rework on the documentation packages. These include team composition, lack of adequate resources, lagging standards and review and definition of requirements, among others.

Along with their findings, the team recommended the implementation of

developing checklists and templates and training that will be used to strengthen the cost estimating process, which will help reduce rework and improve accuracy of the resulting cost estimates.

While updating the OI, the team reviewed and updated the process description, implemented a process flow diagram, developed and documented process metrics including accuracy, process compliance and training. They also focused on data collection procedures and formats, added technical descriptions for the three categories of cost estimates and updated the responsibilities descriptions for the cost analysts, program managers and technical community. Charging ahead, updates to the OI have already been coordinated with the cost team customers and 511 ICBMSS leadership.

CPI Spotlight: Initial Provisioning Team

(continued from pg 2)

Additionally, the team suggests creating work guides that would be available for reference before and during the provisioning process. Team members noted that leadership involvement would ensure a smoother hand off from one PM to the next and suggested that a process owner should be specified for provisioning-specific activities.

The Initial Provisioning team recommends that the ES assigned to the task is highly experienced in both the provisioning process as well as with the type of equipment being provisioned. When this is not possible, a mentoring relationship with an experienced individual should be considered. This will be standard practice in cases where contractor-provided provisioning factors are substantially understated. Additionally, regularly scheduled meetings with field units, following the Provisioning Conference Events guide, will ensure that all consumption data is reported to DLA. Workarounds during maintenance that fail to report the true consumption rate for DLA managed parts will be discouraged.

As a result of the team's exercises and study, they recommended establishing a Provisioning Process Owner for individuals involved in provisioning participants to report into. The creation of two work guides, including the *Provisioning Guide for Equipment Specialists* and a PowerPoint process flow chart maintained with necessary changes was also suggested. Metrics are being developed and data will be collected to reflect the health of the Provisioning Process. The metrics will include, but will not be limited to percentage of packages from the total, completed by the ES/IM, the percentage of National Stock Numbers (NSNs) sent to DLA to be managed and amount of time to process a Provisioning package from start to delivery.



Training Within Industry: Senior Leadership Visits O.C. Tanner

Continuing to grow the relationship with O.C. Tanner, the senior leadership of the 526th ICBMSG enjoyed a tour and presentation as a follow up to the emerging leader's tour in July. The 526th leadership learned about the company's Strategic Planning, Deployment and Change Management practices. A brief tour of O.C. Tanners' shop floor demonstrated in practice

concepts such as strategic deployment, Balanced Scorecard and Continuous Improvement and how they are applied to enhance quality

and production. O.C. Tanner executives also demonstrated how training supports strategic planning processes and which best practices to highlight for the sake of training.

"...All professionals get training on how to perform their craft. We should feel the same way about the supervisors, who are a vital part of our management teams."

~ Patrick Graupp, TWI Trainer; O.C. Tanner

The company offers a Training within Industry Program, which gives senior leaders the tools to succeed with focus on three areas: Job Instruction, Job Relations and Job Methods. Regardless of what industry is touched, these programs cover the essential skilled that are needed by all supervisors, trainers and team leaders.

The Training within Industry Program was established in 1940 to train supervisors who had recently entered the workforce given the high demand for increased production output to support the Allied Forces war effort. By the end of World War II, more than 1.6 million employees completed this training and certification process, and the program was recognized as what helped the U.S. win the war, as we were able to out produce the enemy.

526th ICBMSG

The 526th ICBM Systems Group is responsible for inception-to-retirement integrated weapons system management of Minuteman and Peacekeeper weapon systems. The group develops, acquires and supports silo based ICBMs and provides program direction and logistics support as the single face to the customer. The group is also responsible for acquisition, systems engineering and depot repair; manages equipment spares; provides storage and transportation; and accomplishes modifications and equipment replacement to maintain silo-based ICBM systems.

Send Us Your CPI Story!

Do you see CPI at work? Tell us how your organization is benefiting. Send your story to us and you may see it in the next issue of the CPI Newsletter.

Name: _____ Phone: _____

Submitter's email: _____

Supervisor's Name: _____

Where do you see CPI at work?

Please return this nomination form to the MainStream GS office in Room 16, Building 1268 Hill AFB or email information directly to lauren.eastman@mainstreamgs.com

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Our Mission

We are dedicated Weapon System Professionals responsible from vision to retirement of Minuteman, Peacekeeper and future global strike Missile Systems; the single face to our user for development, acquisition, sustainment and disposal.

We look forward to your feedback!

**Please email: lauren.eastman@mainstreamgs.com
with questions or comments for future issues.**