

## CASE STUDY

# Lean Process Improvement

## Redwood Managed Services

### PROBLEM / CHALLENGE

- A third-party logistics managed services business struggled with inconsistent processes across their client onboarding and ongoing operations. This inconsistency led to complexity in the day-to-day operations and ultimately eroded profitability. The significant growth of the business was the catalyst for the organization to focus on streamlining their business processes.

### LEAN ASSESSMENT

A Lean Assessment was conducted, and the resulting recommendations was to have a cross-functional Kaizen event to map out the current state in detail, identify improvement opportunities and start to achieve these improvements

### IMPLEMENTATION DETAILS: Kaizen

- **Kaizen Pre-work**
  - Formed a core cross functional team to develop a high-level value stream map of the customer onboarding processes
  - Developed SIPOC (supplier – input – process – output – customer) for each functional area
- **Kaizen Event**
  - Provided Kaizen and Lean training to the 35 people attending the event
  - Mapped the current state in detail
  - Identified 60+ different non-value-added steps
  - Brainstormed & prioritized into 45 improvement opportunities valued of \$15M annualized impact
- **Implementation Support**
  - Developed action plans for “immediate action” projects

### WHAT IS Kaizen

- An Ongoing Effort To Do Things Better
  - 'kai' - means 'change' or 'the action to correct'
  - 'zen' - means 'good'
  - English translation: *Continuous Improvement*
- A Kaizen Rapid Improvement Event
  - Short burst of activities:
    - Narrow scope or focus
    - Bias for action
    - Creativity before capital
    - Breakthrough results
    - Cross-functional team
    - Structured approach



## ■ Map the Current State



- Live process mapping with post its notes allows for greater cross functional collaboration
- Each sticky note color identified which functional area is performing the task
- By bringing the groups together to see how the pieces of the process connect, the teams were better able to understand how their actions impacted others in the organization

## ■ Project Prioritization

- To Prioritize the Projects, we estimated the level of impact to the business as well as the technology and process level of efforts required.
- Due to constraints on the data science, automation and application development teams, we also identified if those teams were required to implement the opportunity
- Projects were split into “immediate action” where leadership did not need to weigh in on required resources, and projects for “road map review.” This enabled the team to start implementation on projects immediately, while also ensure larger opportunities identified were evaluated to be added to the technology roadmap plan

## ■ Results:

- 45 continuous improvement projects identified representing \$15M+ in annualized savings
- 7 “immediate action” projects were implemented within weeks of the Kaizen
- \$5.5M in projects are in process of being achieved
- \$9.8M in projects have been built into the technology improvement roadmap

Reference: Nicole Duprey, Director of Continuous Improvement  
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## ■ Customer Testimonial

*“I strongly endorse Supply Velocity for their outstanding work in orchestrating Kaizen continuous improvement events. Their facilitation promoted collaborative efforts across our different teams and ensured we captured all of the challenges and unique intricacies to our current processes. Leveraging Supply Velocity’s expertise and education, we successfully pinpointed and prioritized significant opportunities during a brief 3-day Kaizen event.”*

- Nicole Duprey, Director of Continuous Improvement