



Case Snippet: Lean Waves Deployment for a Global IT Services Provider

• Situation & Challenges

As part of its journey to delivery excellence, the client wants to reduce the IT outsourcing costs expected by its customers, and at the same time maintain or improve the overall service level, productivity and quality. They wanted to implement Lean principles to a group of seven customer accounts comprising a mixture of banking, insurance and manufacturing companies and subsidiaries across the Japan region but lacked the detailed know-how of deploying Lean and managing strong resistance to change.

• Our Approach

We presented an approach to the client to adapt Lean principles for both manufacturing and service industries, focusing on eliminating non-value added activities/tasks. It involved the cultivation of mindsets and behaviors, building capabilities and the setting up of operating and management systems. They include:

- Conducting a survey to understand the current perceptions and problems
- Developing a data collection plan
- Identifying and eliminating wastes through the use of Lean levers
- Developing a skills matrix and conducting cross-training
- Redeploy engineers/staff as needed
- Use of visual management tools to better manage flow, e.g. “Heijunka” board
- Conducting regular performance dialogues within and across work groups

• Results

The client was able to identify total potential savings of 50 FTEs over a span of one year which amounted to some US\$5 million in costs savings. All seven accounts were able to quantify FTE savings ranging from 10% to 35% in the Lean wave deployment. Pilot teams have started implementing the recommendations and overall initial results were positive.