

ROK – Return on kaizen

A lean enterprise continually strives to improve quality, safety and capacity to serve customers by reducing waste and improving flow. When health care organizations adopt lean operations and management methods, they

- *Increase access* by improving throughput and reducing the time it takes clinicians and staff to provide services.
- *Improve quality and safety* by instituting evidence-based standard work designed to deliver appropriate clinical outcomes.
- *Increase transparency and accountability* in reporting, greatly reducing the time lapse between the discovery of defects and the implementation of effective countermeasures.

This all adds up to greater value for patients and higher margins for the organization.

Unfortunately, for those newly introduced to lean it is not always easy to see the relationship between cause (continuous improvement or kaizen) and effect (increased revenue, decreased expenses, higher quality and improved safety). This is especially true for individuals on the frontline of kaizen activities being tasked with “thinking with data” and root cause analysis for the very first times in their careers.

To address this gap, Rona Consulting Group has developed ROK, or Return on Kaizen, an evidence-based system that enables its health care clients to capture, calculate and roll up the increased value derived from improvements. More importantly, ROK develops the internal skills needed to measure, analyze, understand, and ultimately act on data directly from the gemba (the place of the actual work).

The building blocks of ROK are the seven non-value-adding wastes: overproduction, transport, inventory, motion, waiting, overprocessing and defects. For each waste eliminated through improvement activity, the benefit is monetized and annualized using assumptions provided from the client organization. Forecasts of improved throughput and reduced costs are thus all based on time & motion studies and other data collected directly by the client, which can then be used for real time data-based decision making.

Using this technology to make visual the value of improvement work, ROK enables a coaching relationship focused on how to make that data actionable, including deepened root cause analysis, improved scoping and target setting, and strengthened links between frontline improvements and the strategy of the organization. In so doing, ROK advances the intra-organizational skills necessary for a successful lean transformation and prepares health care organizations to better exploit the promises of machine learning and other advanced analytics.

KEY BENEFITS

- Supports planning for value stream maps and kaizen workshops.
- Translates documented improvements into financial savings and capacity gains.
- Provides one place to record all key assumptions about improvement models, plus all baseline, target and actual data.
- Supports evidence-based selection of improvement targets.
- Makes available reports to support target selection in strategic planning (*hoshin kanri*).