

What Executives Should Understand About HPPI / VISTALIZER®

Process improvement is a systematic approach for satisfying the organization's stakeholders by enhancing the performance of the organization's activities (processes) in terms of time, cost and quality¹. *High-performance process improvement (HPPI)* is high-class process improvement under tight money and time constraints². VISTALIZER® process improvement solutions (US, FI, S) are the first set of improvement methods that complies with the requirements of high-performance process improvement, taking process improvement thus to the next ambition level. As an outcome, the solutions are able to solve, to the degree and within the time requested, the company unique HPPI equation: how to lower the costs, increase the price of the company's outputs, and sell more, without constantly sacrificing the satisfaction of one or more stakeholders. A remarkable and sustainable performance improvement requires that this equation is solved continuously at least at a 40% level, although a level of 20% will already result in a better relative and absolute performance – even for the best companies.

The set of solutions covers the whole improvement value chain, i.e. analysis and synthesis at the network, company and process levels, and the related implementation. The implementation targets four areas, i.e. process improvement education, training, the realization of the improvement potential, and follow-up. The modular solutions provide organizations with high-quality means and customized outputs for doing right things right in a fast and cost effective way. They can be adapted to any organization and in any field of business. The solutions offer long-lasting effects because they:

- assure that the company is continuously implementing a high-class corporate strategy; and
- raise the (total) *process improvement yield*³ to a very high level in a fast and cost-effective way, even in whole value chains. In addition, the solutions will maintain the achieved level.

¹ Pastinen, Markus. 1998. *Process Improvement Essentials*. Helsinki: Vitalize Oy. Diss. ISBN 951-97912-0-5.

² Pastinen, Markus. 2010. *High-Performance Process Improvement*. Berlin/Heidelberg: Springer-Verlag.

³ A measurable figure between 0-100% depicting the quality level (quality output) of the applied improvement methods, i.e. the practical improvement momentum a company can expect to gain from its improvement efforts. The process improvement yield (PIY) = improvement effectiveness (%) X the scope (%) X improvement efficiency (%) X the scope (%). On average, this figure is 2,6% (30 companies in the electronics industry; infinite time). Toyota operates at a level of about 15% (est.) reached in approximately 20 years.

The improvement yield tells also directly how well the company is able to solve the HPPI equation in practice.

The solutions are designed to create actively motivation and commitment providing an extra dimension to the enhancement of the management quality in practice. The products and related services are divided accordingly into two main segments supporting each other:

- **Strategy:** the solution for assessing, defining, deploying, implementing and monitoring a high-class corporate strategy (**VISTALIZER® for Businesses**). Based on proven theory and practice it will assure that the corporation will perform better in terms of growth and profitability than the market fundamentals would normally allow.
- **Process improvement:** the solution(s) for providing and running a generic process improvement process (discussed further below).

The solutions for process improvement make a mass customization of process improvement initiatives (education, training, consultation) possible leading to multidimensional advantages in terms of time, quality and costs. The gains may typically be realized in two different areas:

1. **The improvement efforts:** time -70...-90 %, total costs -50...-80 %, very high quality.
2. **The process:** lead time -15%...-25 %, variable costs -2%...-8 %, quality defects -30%...-50 % -> monetary gains equal 7%...15% of the turnover/budget. This makes it also possible to upgrade the ambition level of the focus process and start improving the performance at that new level.

To realize the full-scale potential of the VISTALIZER® solutions it is beneficial to create a concept for managing and rolling-out the solutions. The concept should be seen as a strategic management tool that complements the current management system of the organization.

Overview of the VISTALIZER® Solutions Portfolio

The VISTALIZER solution portfolio contains two segments, *Strategy* and *Process Improvement*:

Strategy

- **VISTALIZER® for Businesses:** assessing, defining, deploying, implementing and monitoring a company strategy
- **VISTALIZER® Acid Test:** definition of the company strategy quality

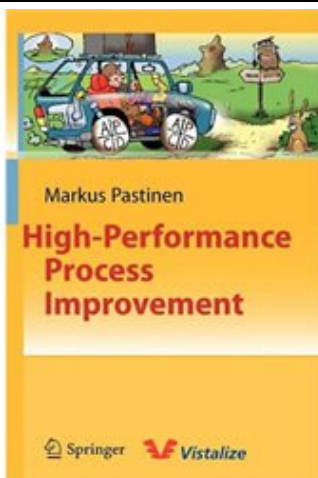
Process Improvement

- **VISTALIZER® for Networks:** analysis and synthesis of company networks/value chains
- **VISTALIZER® for Consultants:** the improvement expert's (software) support to produce the VISTALIZER® Report
- **VISTALIZER® Report:** a high-class process improvement plan (end-to-end) assuring the improvement effectiveness at the process level, **this is usually the solution to start with**
- **VISTALIZER® for Enterprises:** a software solution for process improvement education and training, implementation support; the solution assures the improvement efficiency
- **VISTALIZER® Acid Test:** definition of the process improvement yield and/or the improvement project portfolio quality

How to Get Started?

Vitalize Oy provides in association with its partners a service (incl. an introductory workshop/seminar) for designing a company specific process improvement concept based on the VISTALIZER® solutions. The end-result of the consultation is a "road map" or master plan (incl. possible pilot projects and required resources) for rolling-out the technology (throughout the organization) in the specified time frame. This plan provides a good basis for decision making at the executive or management team level. The VISTALIZER® Report provides also a very good start, as it consumes only 14 calendar days and 5-8 h of the key persons' time.

Learn More



Further Reading / More Info

Pastinen, Markus. 2010. High-Performance Process Improvement. Heidelberg/Berlin: Springer-Verlag.

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