



*“The **iThink** software helped us to see the potential pay-off in putting a few changes into place now, rather than waiting for a complete implementation. The savings we will realize, as a result of this shift will be in the millions of dollars per year. The advantage of the **iThink** software is the guidance you get along the way to achieving improvement in business performance.”*

*-- Winston Ledet, Program Manager
E.I. DuPont de Nemours*

Mandate for Management:

Continuous Improvement in Time, Cost, and Quality

In today’s ever more challenging business environment, the successful implementation of Continuous Improvement (C-I) initiatives is essential. C-I initiatives are most often targeted at reducing cycle-time, cutting costs, and increasing quality and customer satisfaction. To achieve success in these efforts, it is essential to adopt a Systems Perspective, so that improvements along one dimension do not generate offsetting change along some other dimension, or in some other place within the system. Not even the most capable business person can accurately predict the total impact of a given C-I initiative. Today’s business reality, a cross-functional web of interdependent relationships, is simply too complex. The **iThink** software is a tool for helping individuals to cope with this complexity as they implement C-I initiatives.

The **iThink** software has played a major role in a diverse array of C-I efforts at such companies as Motorola, DuPont, Colgate-Palmolive, Federal Express, Hughes Aircraft, Digital Equipment Corporation, and Eastman Kodak. From reducing month-end closing times in a finance process, to increasing customer satisfaction and reducing cycle times in an order-processing system, the **iThink** software is a versatile and powerful tool for finding high-payoff C-I initiatives.

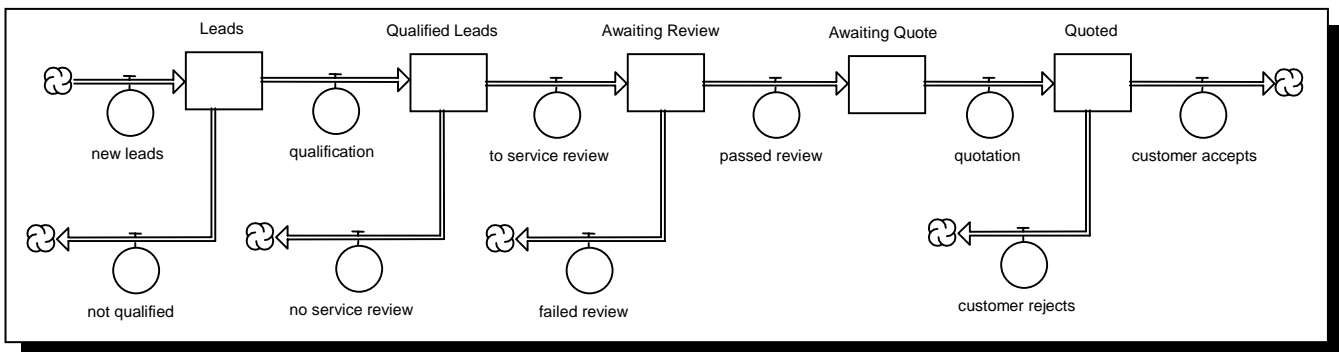
Case Study

The Setting: A large high-technology Company
The Need: Identify major cost savings
The Challenge: Reduce order processing cycle time

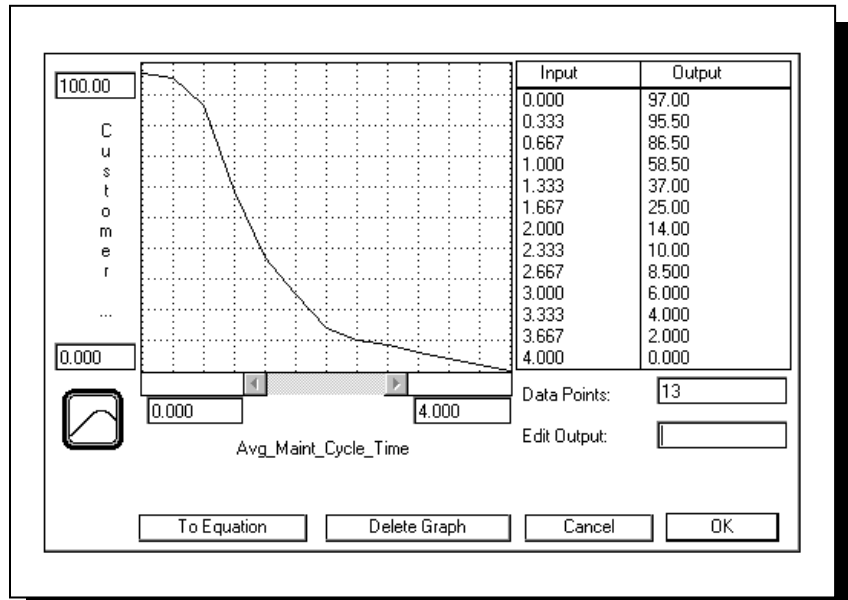
Step 1: Focus the Effort. Like many high-technology firms, the Company faced increasing pressure to reduce costs in existing operations. A productivity consulting firm had recently proposed a series of recommendation. The consultants claimed that their recommendations would reduce the average time to convert sales leads to customer orders by up to 50%. The Company’s continuous-improvement (C-I) project team decided to use the **iThink** software to assess the consulting firm’s recommendations.

Step 2: Map the Current Process. The C-I team began by creating a high-level map of the key sectors of the business. A portion of the sales order processing sector map appears below.

Step 3: Incorporate the Assumptions. Once the team had constructed the high-level map, they entered their assumptions about the nature of the relationships depicted in the map. The **iThink** software’s graphical function allowed the team to quickly “sketch in” a number of qualitative relationships, such as the effect of maintenance cycle time on customer satisfaction.



Step 4: Simulate. After entering all of their assumptions, the team was ready to simulate. Using the *iThink* software's powerful "what-if" capabilities, the team assessed the impact of reducing order processing cycle time, the course of action recommended by the consultants. Much to their surprise, the analysis indicated that the proposed change actually would result in an *increase* in total cycle time, and a *decrease* in customer satisfaction! By looking at a "bigger picture" with the *iThink* software, the team discovered that the proposed "solution" was only serving to pass a problem along to other sectors within the business!



Step 5: Improving Performance.

Armed with this important insight, the team used the *iThink* software to develop a set of alternative recommendations. Through conducting numerous "what-if" analyses, they were able to discover a potential high-leverage strategy. By making a series of coordinated changes in the service delivery, freight-forwarding and installation processes, the Company could recognize significant improvements in cycle-time and profitability while simultaneously improving quality and customer satisfaction! Improvement was achieved along all three dimensions simultaneously.

