

# Key Metrics for Lean-Powered Improvement

## ✓ SIMPLER

<b>Process Steps</b>	Total number of distinct tasks/activities in the process
<b>Handoffs</b>	Number of times in the process in which work is passed from one entity to another
<b>Loopbacks</b>	Number of instances in which a series of steps loops backward and repeats
<b>Decision Points</b>	Number of points in the process where a choice is made about a course of action
<b>Delays</b>	Number of times in the process when time is wasted by waiting for something to occur
Additional: Number of forms, number of processes, number of functions	

## FASTER

<b>Lead Time</b>	Total start-to-finish process time, including waiting time, to produce and deliver an output to a customer (This is the total time as the customer experiences it.)
<b>Cycle Time</b>	Total time for a process, <u>not</u> including wait time and other waste (This is the amount of time in which the service is actually being worked on and value is being added.) Also referred to as “touch time”
<b>Value-Added Time</b>	Total time in a process for all work activities that add value from the customer’s perspective
<b>Non-Value-Added Time</b>	Total time in a process for all work activities that do <u>not</u> add value from the customer’s perspective
<b>Backlog</b>	Number of units (applications, files, requests, etc.) that are waiting to enter the process
<b>Work in Process</b>	Number of units that are midstream at some point in the process
Additional: Time to complete form (average and range), delay time	

# Key Metrics for Lean-Powered Improvement continued

## **BETTER**

<b>Rework</b>	Percentage of units in a process that need to be reworked for a given time period
<b>Errors/Defects</b>	Percentage of units that are processed incorrectly for a given time period
<b>Complete &amp; Accurate Rate</b>	Percentage of units for a given time period that are complete and accurate and ready to be sent on to the next step (For example, if nine out of ten incoming applications include all necessary information upon first submission, the C&A rate is 90%.)
<b>Customer Satisfaction</b>	Ratings based on a survey or other instrument to get quantitative customer feedback

## **LESS COSTLY**

<b>Direct Cost Savings (\$)</b>	Total savings from reduced expenses for a given time period (Examples include savings from reduced postage, paper cost, storage, etc.)
<b>Redirected Work Hours</b>	<p>Number of work hours that become available for value-added work as a result of an improvement project, for a given time period (typically one year)</p> <p>Also referred to as “freed-up labor capacity”</p> <p><i>Caution: Because saved time is redirected to other work, redirected work hours should not be monetized and presented as a cost savings.</i></p>

Additional: Number of overtime hours, direct savings to customers