



# *The Red Balls Game Key Lessons*

# *The Red Balls Game – Key Lessons*

## **What did we observe in the game?**

### **1/ Variation is part of any process**

The results that we saw, although they varied quite markedly from worker to worker and month to month, were “business-as-usual” in this company.

You will have natural variation in your business processes too.

These variations will remain in your system or process until they are reduced or removed by management (that’s you!).

You can establish what business as usual is from judgement, or use of historical data, or even by taking a sample of measurements over several days, or weeks. That will give you a baseline to improve from.

### **2/ Workers work within a system**

Workers work within a system that, try as they might, is beyond their control.

It is mostly the system, not their individual skills, that determines how they perform.

Because the system has natural variation, and people are human and vary in their performance too, there can be pretty large fluctuations in output or performance from day to day and week to week.

If this is true in your business, how does it change the way you think about process challenges in your business?

For me as a business owner this was a revelation. I’ve come to believe and accept that 90%+ of problems in your back office are process problems, not people problems.

That must change the emphasis and focus you have on resolving any process issues; making it tilted much more heavily to finding process improvement solutions, rather than merely moaning about, or even firing a person that seems unable to do the job.

Until the process solutions have been tried, it is difficult to apportion blame to an individual staff member.

In a random system workers will be below average sometimes and above average at other times.

In some cases a particular worker, machine, event, raw material, or batch of inputs, is the cause of the problem. Removal of these special causes of variation does not improve the system, it merely reduces the variation to a level that identifies the system’s current capacity.

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In that situation they need to be removed from the process before you do any measurement or testing to establish “business-as-usual”.

## **3/ Only management can change the system**

The buck stops with you. A fish stinks from the head. It’s an uncomfortable truth.

Sure, you can delegate process improvement to a practice manager or trusted senior administrator on your team if you think they are capable of making improvements. But it will also require buy-in and input from you as the lead adviser and business owner too.

### **The only way to increase productivity and reduce costs is:**

- Improve the system to reduce the variation and number of defects produced
- Remove the inspectors
  - Realise that if you need inspectors the process doesn’t work
  - If work needs checking, it’s probably a systems problem further up the line (earlier in the process)

The target of 20 defects per day was not achievable under the current process. The only way to achieve that consistently was to improve the process

In pricing a job we would need to do it at the current processes capability otherwise we could send ourselves broke (and mad) trying to hit impossible targets.

***Improving the process is THE most critical issue we could spend our time on as business owners. It is not something we can just ask the most junior member of our team to look at.***

***(Get professional help if it’s not your skill set - highly recommended)***