

/70%

Improvement achieved for accountable mail process tracking capability

One Hundred Percent Accountability: A Six Sigma/ Kaizen Event Success Story Manufacturer Takes Mail Management to a New Level



The shipping and receiving division for a major food manufacturer needed to improve its ability to track and deliver packages, mail and valuable documents to final delivery points within the organization. The Canon Business Process Services (Canon) Best Practices team was brought in to implement a Six Sigma Kaizen Event, a quick and efficient improvement project focused on a single process. The objective of the project was to identify actions that would increase productivity and accountability while reducing errors produced in the company's shipping and receiving operation.

THE CHALLENGE

The food manufacturer faced a significant mail management challenge. Each month, couriers including FedEx®, DHL®, and UPS® deliver over 13,000 packages to the company's receiving dock. This includes 120 food sample packages and ingredients for testing. Additionally, the company receives over 500 letters and packages daily that are related to important administrative functions. The company's goal was to ensure 100 percent accountability for all packages arriving on its dock. However, when the Canon Best Practices team examined the existing receiving process, it found that there were multiple gaps in the chain of custody that could lead to lost and delayed packages. (The chain of custody is the continuous trail of accountability that ensures the physical security of letters and packages received through delivery.) The company had made a substantial investment in —software for package tracking and accountability. The company's investment was predicated on being able to obtain package details from receipt through delivery including end-of-day status

and volume by package type, route and delivery location. However, the software had not been configured to provide this important data. Additionally, the workflow in the shipping and receiving area was cluttered and contributed to incorrectly delivered and lost packages. There were many workflow "crossover" activities due to restricted space and company research processes.

THE SOLUTION

The Canon Best Practices team mapped the accountable mail/receiving process, identified the gaps and brainstormed and identified potential solutions. The team created a comprehensive continuous improvement plan that identified actions and focused on:

- + Modifying workflow on the dock to minimize package handling
- + Eliminating duplicative efforts
- + Updating the software system
- + Training employees on the proper process for handling and delivering packages

The Canon MPS program eliminated many single-function desktop printers, replaced them with networked MFDs and helped cut costs.

THE RESULT

Since the Kaizen Event, the company has experienced zero defects relative to incorrectly delivered or mishandled packages. The company now has complete accountability for packages received into the dock at all times. Delivery signatures and all delivery attempts are captured directly on handheld scanners. As staff members finish their routes, they synchronize their data so that employees in the shipping and receiving department and end-users can access complete and detailed delivery information. Closing procedures and package inventory are conducted at the end of every business day. Overall, the company and the Canon Best Practices team delivered the following results:

- + 100 percent accountability for packages received into the dock at all times
- + Improved accountable mail process tracking capability from 30 percent to 100 percent
- + Enhanced efficiency in the receiving area through redesigned workflow
- + Increased employee productivity, empowerment and training
- + Timely and accurate delivery of all packages

The Canon team redesigned the workflow first, eliminating the criss-crossing of packages on the dock and in the mailroom. With the new process, the team was able to ensure “One Piece Flow”—an efficient workflow for each package from receipt through staging for delivery. Next, the team reconfigured the package tracking software to match the new workflow, ensuring that the entire chain of custody can be tracked for any delivery scenario. The redesign included using handheld devices, a new list of status codes available in the software system that enable better tracking and new performance management reports. Then the Canon Best Practices team configured the software system to provide an end-of-day report that details all packages that have not yet been delivered. At the end of each business day, the receiving supervisor prints this report in order to ensure that all non-delivered packages are physically located in the secure dock holding area. Canon also configured a performance report that details the number of packages delivered, as well as the number of packages delivered late

and the percentage of on-time performance for the receiving area. Finally, the team ensured that employees were thoroughly trained on the improved processes and software.

ADVANCING BUSINESS PERFORMANCE TO A HIGHER LEVEL

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