

## Make your **lean** initiative a **success** with the **IFS lean scorecard**

**The IFS lean scorecard, an integrated part of IFS Corporate Performance Management™, is a web-based digital dashboard that puts critical information about your company's lean initiative at your fingertips. With its user-friendly graphical interface, it saves you time and money by providing instant access to information that otherwise would take weeks to gather. It helps you plan and monitor your project, ensuring a smooth transition to lean processes, with optimal results.**

Following the Balanced Scorecard standard developed by Robert Kaplan and David Norton, the IFS lean scorecard gives you the tools to set performance baselines, trace continuous improvement, and communicate progress throughout your organization. You can evaluate where your company stands in terms of adopting lean principles and compare current processes and performance to best practices.

This assessment enables you to put together a cost-effective, step-by-step implementation plan that leads to higher profits, reduced risk, and buy-in from all parts of your organization—all without disrupting business operations.

### **IMPROVE PROFITS, REDUCE RISK**

The IFS lean scorecard delivers payback throughout all phases of your lean project. During the planning phase, you can use the scorecard to benchmark your company's performance against competitors, set up baseline performance measures, and prioritize business process improvements. Once the project is underway, the scorecard helps you to spot trends, identify obstacles to success, and measure the gap between desired targets and current performance.

The scorecard also enables you to streamline processes and quickly analyze operational events. This puts you in a better position to comply with corporate

governance requirements such as Sections 404 and 409 of the Sarbanes-Oxley Act of 2002.

With the IFS lean scorecard, you can either choose a standard scorecard portal or customize one to suit your needs. The standard scorecard helps you to analyze both financial and non-financial performance measures such as:

- **Leadership:** To what extent do your company's culture, infrastructure, and management support the success of the lean initiative?
- **Transparency:** How obvious is it where improvement efforts should be focused?
- **Lean product development:** To what extent is your company minimizing product development costs through collaborative design or simplified bills of material (BOM)?
- **Process focus:** To what extent has your company optimized production processes through continuous flow, effective parts presentation, cellular manufacturing, "right-sized" equipment, or increased versatility of operators?
- **Just-in-time:** How close is your company to achieving just-in-time production using Kanban, load leveling, line balancing, small lot sizes, short setup times, or takt time?
- **Process control:** How much has your company improved product quality through processes such as poka-yoke, Six Sigma, self-verification, root cause analysis (RCA), or total productive maintenance (TPM)?
- **Standard work:** To what extent does your company employ standard work techniques to ensure that tasks are performed consistently and efficiently?
- **Continuous improvement:** How committed is your organization to continuous improvement using Kaizen or a performance measurement system?



**ALIGN YOUR ORGANIZATION AROUND STRATEGIC OBJECTIVES**

For most companies, the adoption of lean principles involves more than process improvement—it represents a fundamental shift in corporate culture. That’s why effective communication is critical to the success of any lean initiative. The IFS lean scorecard makes it easier for management to communicate its strategic plan, spread best practices throughout the organization, and get buy-in from employees.

Because the IFS lean scorecard can be easily customized, you can set up separate portals for management, teams, and individuals. This improves accountability at all levels of the organization and helps employees to link their activities to the strategic plan.

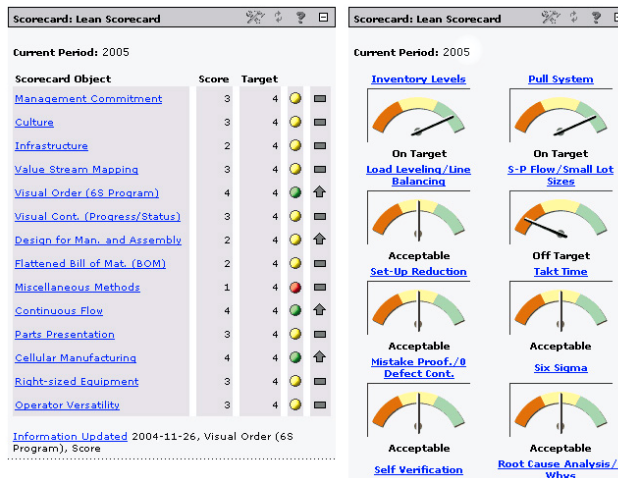
The scorecard’s user-friendly interface, which includes gauges, color-coded indicators, and charts, makes it easy for people to get the information they need at a glance, no matter what their level of computer experience. They can quickly visualize where waste is within the organization and better understand how to get rid of it.

**“We view IFS’ scorecard as the tool for conveying and concretizing our company vision to our store managers, and it helps them to set their objectives in line with the intentions of senior management.”**

—Fredrik Bergnäs, Head Controller, Swedish Alcohol Retailing Agency

The information you gather from the scorecard enables you to determine the cost of waste, the cost of the lean initiative, and the savings that result from it. Using financial analysis, you can then calculate cash flow and return on investment (ROI)—the numbers you need to justify the cost of the lean initiative to management and employees.

By giving you the tools to effectively communicate the results and benefits of your lean implementation, the IFS lean scorecard helps you to create a culture of world-class performance throughout your enterprise.



The IFS lean scorecard uses gauges, color-coded indicators, charts, and other visual cues to give you the real-time information you need at a glance.

**MONITOR YOUR PROGRESS IN ACHIEVING STRATEGIC GOALS**

To achieve continuous improvement, you need an accurate, reliable way of measuring your company’s progress toward becoming a lean enterprise. The IFS lean scorecard makes it easy to measure actual performance against the strategic plan. It helps you spot efficiency gaps and opportunities for waste reduction. This not only enhances the plan’s success but also gives your lean initiative the visibility it needs to ensure long-term management commitment. You can also measure individual contributions to the lean initiative, making it possible to develop compensation and rewards systems that encourage top performance.

By presenting this information in a concise, easy-to-understand format that is viewable over your corporate intranet, the IFS lean scorecard enables people at all levels of your organization to direct their efforts toward continuous improvement. The result is a more profitable and competitive enterprise, which translates into increased value for your customers.

**WANT TO FIND OUT MORE?**

For more information on how the IFS lean scorecard can enhance the success of your company’s lean initiative, visit [www.ifsworld.com/lean](http://www.ifsworld.com/lean), or contact the IFS office nearest you. Contact information for IFS offices worldwide is available at [www.ifsworld.com/contacts](http://www.ifsworld.com/contacts). In the United States, call 888.437.4968.