With over two decades experience in implementing lean methodology within organisations across the Asia Pacific, AGSM are uniquely positioned to analyse, develop and implement strategic lean initiatives at an organisational level.

Over the course of a five year partnership with AGSM Executive Education, Australian service brand, Optus, have reached the pinnacle of lean maturity – a focus on driving real customer value over a traditional cost cutting emphasis.

“Many organisations never reach this stage instead seeing operational excellence in narrow terms synonymous only with cost cutting and productivity improvements. Optus’ transformation to apply Lean Six Sigma to deepen customer relationships is both exciting and challenging. It’s certainly ahead of the game” says AGSM’s Lean Six Sigma Program Director, Dr Paul Walsh.

“I’ve really seen an evolution” says Lorraine Kennedy, HR Director for the Customer group at Optus. “When I first came (to Optus), the Customer Experience team really struggled to get prominence. A lot of their work was cost out initiatives which gave it a bit of a, well, not a negative tone but it wasn’t about a greater good. Cutting costs can, of course, be a good thing to do but it’s not the best use of a Lean Six Sigma team – they can offer so many more benefits to the business. Over time, the team have been repositioned as part of Optus’ toolkit for a whole range of things all focusing on improving the customer experience and this has certainly become the higher order. But the two aren’t mutually exclusive. If you start looking at how to do things better for the customer, usually this will also involve identifying and resolving inefficiencies - a cost cutting exercise in itself.”

In 2009, on the back of a highly successful deployment at sister organisation, Singtel, Optus commenced what would be a rewarding, evolving and ultimately empowering partnership with AGSM Executive Education and Dr. Walsh.
“This phase was really about building LSS credibility; the business was unsure about the benefits and capability was in its infancy.” Says Dr. Walsh.

Led by the newly formed Customer Experience Team, there was an urgency to build capability, but more importantly, to get some runs on the board to garner the necessary support from the top of the organisation.

“For any organisation to get buy-in from the whole business, early results are paramount. For this reason, many early projects are aimed at cost cutting and cost avoidance by improving productivity. Optus was no different. Of course, there were customer benefits but these were secondary and mainly around customers not having to call Customer Care because processes now worked better.” says Dr. Walsh.

AGSM Executive Education delivered Green Belt programs that certified 141 team members and saw the completion of real world change projects.

The AGSM Green Belt program focuses on building the tools, perspectives and mindsets to lead local change projects. To become an AGSM certified Green Belt participants must select a workplace project and pitch it to the AGSM team. Once the project approved, participants complete face to face training modules and undergo a coaching program while simultaneously applying lean methodology to their real-world project. Participants can be certified once the project has been completed to a level that satisfies the certification criteria. In this way, whether on an open program with other organisations, or participating in a tailored in-house initiative, all of the learning is transferable to the workplace, for immediate and measurable results.

As the Green Belt programs rolled out, Optus also engaged AGSM Executive Education to deliver the lean insights program “Lean for Leaders.” Designed give leaders the vision to sponsor and support lean initiatives, the program seeks to build the appreciation and engagement required to enable the successful selection and implementation of projects.

“There was now an understanding of how Lean Six Sigma would work in the Optus environment. Project selection, training and coaching had begun to mature. Managers accustomed to seeing business problems expressed in financial terms had started to see that these problems could and should be seen as process issues. By solving them, the financial benefits would follow and the managers would hit their numbers. Optus now had an appetite for better process metrics. This was no small achievement as many businesses out there can’t claim to have even reached the stage where ‘data speaks’” explains Dr. Walsh.

As capability grew, Optus deepened the relationship with AGSM Executive Education, rolling out an Executive Black Belt program. The Black Belt program is the next step for qualified Green Belts to build on their lean knowledge and skill sets to become a champion and coach within the organisation.

Like the Green Belt program, it is crucial that all participants are completing face to face modules while working on a live lean project.

“Applying lean to projects is where the real learning, the real transformation takes place.” Says Jeff Smith, Customer Experience Black Belt.

In 2012, following the successful development of over 850 team members, the partnership matured to a point where AGSM handed over the reins to an empowered Optus to manage and deliver the training internally to the next generation of Lean Six Sigma champions.

The partnership, however, continues with AGSM assessing workplace projects and providing certification to successful graduates.

Dr. Walsh explains that “Optus had reached a tipping point phase, a phase of trust. No longer did the Customer Experience team need to approach the business, cap in hand, asking for projects to certify the growing number of Green Belts and Black Belts.”
Instead the business, eager to reach its targets, started to approach them for assistance.

In change management theory, the tipping point is about 60% and at Optus, 60% of those who need to be on board to support the change to LSS were on board; it became a case of ‘build it and they will come’, provide the resources and the expertise to the business, and the business would, in turn, embrace Lean Six Sigma.”

In 2014, Optus is a fully-matured Lean organisation. Projects must meet the key criterion of improving the customer experience and align with the overall brand vision to become Australia’s most loved and recommended service provider. The Black Belt team is widely recognised across the business for the value they deliver. Optus also recognises their Black Belts through a coveted Black Belt of the Year award, and an Optus Black Belt was recently awarded the highly competitive CREST award for Best Project.

“Optus have gone through a significant transformation to really reorient itself back to being a customer champion. This is embodied in not only the brand vision and promises we make to customers but in the way we operate every day. The Lean team allow us to systematically identify and address customer pain points.” explains Amanda Hutton, Head of Customer Experience.

Optus have also embraced Lean in innovative ways, from supporting their internal customers through the Care for Me project to addressing issues of corporate citizenry through the Deceased Estates project, helping next of kin to close out loved one’s accounts without the red tape.

Dr. Walsh has witnessed this evolution firsthand and feels that they have reached a game-changing position. “Optus have taken a major leap in customer insights and customer-centred process design. Designing on-boarding services that work right first time and result in a positive customer experience is a major departure from the old days when oftentimes the soft launch of a new service had unanticipated consequences because these had not been thought through in the process design. It’s a highly mature phase for any business to reach.”

From a HR perspective, Lorraine Kennedy has always seen the value of strengthening and building culture and is pleased that this has become an integral part of the Optus journey. “Strongly led and supported by our CEO, we are now a company that can focus on the three most important things, our people, our net promoter score and profitability with the belief that you focus on these and the rest will come.

Using these three guiding metrics to define what’s important across our business, everyone stays focused on the things that are important. We’ve been able to improve our culture, our customer experience while simultaneously seeing a change in our revenue position. It doesn’t get much better than that.”

Leveraging experience, an expert faculty team and in-depth industry knowledge, AGSM Executive Education partners with organisations across a broad range of industries. AGSM Executive Education assists organisations, teams and individuals at every stage in the lean journey, whether they are seeking to gain insights, are ready for a full Lean deployment or require support through coaching or assessment and certification. Green Belt, Executive Black Belt and Lean for Leaders are also offered as open programs, suited to individuals and small teams looking to upskill quickly.

TO FIND OUT MORE ABOUT HOW AGSM EXECUTIVE EDUCATION CAN SUPPORT YOU, YOUR TEAM AND YOUR ORGANISATION, CONTACT OUR LEAN SIX SIGMA SPECIALISTS ON +61 2 9385 0330 OR ONLINE AT WWW.AGSM.EDU.AU/LSS.