Continuous Improvement Toolkit

Observations
(And Gemba Walks)
- **Observations** (And Gemba Walks)

- A data collection method used to gather detailed information about a process or a situation.
- Allows to collects data in real time at the location where the data is generated.
- Commonly used during process improvement and change management initiatives.
- An inexpensive method.
- Only requires time and note-taking.
- **Observations** (And Gemba Walks)

**Used:**

- To gather information about a process or situation.
- To fully document the value stream of a process.
- To measure the actual performance against goals.
- To acquire benchmark information.
- To measure customers’ perception of quality.
An Observation:

- Allows to better understand the process and the many factors involved:
  - Cycle times.
  - Yield rates.
  - Items in queue.
  - Recourse availability.
  - Etc.
**Example - Process Observation Form:**

<table>
<thead>
<tr>
<th>Step #</th>
<th>Process step</th>
<th>VA, NVA or ENVA</th>
<th>Cycle time (AVG)</th>
<th>Yield (AVG)</th>
<th>Process map/drawings:</th>
</tr>
</thead>
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Remarks/improvement opportunities:
- **Observations (And Gemba Walks)**

- Also used to measure customers’ perception of quality on products and services.
- Helps to identify the customer satisfaction level.
- Provides insights for improving products, services and processes.
  - By watching how the customer is using the product or service.

  Train the observers and ensure they leave a good impression on the customers
# Observations (And Gemba Walks)

## Example - Customer Observation Form:

<table>
<thead>
<tr>
<th>Customer:</th>
<th>Observer:</th>
<th>Observation date:</th>
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</table>

<table>
<thead>
<tr>
<th>Time entered:</th>
<th>Time exited:</th>
<th>Store/location:</th>
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</table>

## Purpose of observation:

<table>
<thead>
<tr>
<th>Product #</th>
<th>Product description</th>
<th>Stock level</th>
<th>Time to process order</th>
<th>Complaints handling (Cases and minutes)</th>
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</table>

### Exchange:

### Payment:

### Service:

## Remarks/improvement opportunities:

<p>| |</p>
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</table>
- **Observations** (And Gemba Walks)

**Gemba:**

- A Japanese term that means **“the real place”**
- Refers to the place where value is created within the value stream.
- **Observations** (And Gemba Walks)

Gemba:

- **It could be:**
  - The factory floor.
  - The sales floor.
  - The construction site
  - Where there is a direct interaction between the service provider and the customer.
- **Observations** (And Gemba Walks)

**Gemba Walks:**

- An activity that takes an observer to see the actual process at the actual place.
- Allows walkers to gain valuable insights on how to reduce existing waste and safety hazards.
- Allows to discover where improvement opportunities exist.

Leaders are highly encouraged to regularly walk the process in their workplace and apply Kaizen or other improvement initiatives where necessary.
Gemba Walks:

- Gemba walkers should focus on something that is moving through the process:
  - A product.
  - An application.
  - A work order.

- They should not focus on the people who are working on the process.

- The goal is to find out what is really happening:
  - Not what is suppose to happen.
  - Not whether people are following procedures or not.
- **Observations** (And Gemba Walks)

**How to Conduct an Observation:**

- Clearly define the purpose of the observation.
- Prepare an observation form.
- Review procedures, product information, etc.
- Get permission to conduct the observation sessions and talk to the people there.
- Plan your observation including time, location and observers.
- Conduct the observation and walk the process.
- Collect data, observe actual practices and interview people.
- Take time to document important ideas and findings.
- Process and analyze the data.
- **Observations** (And Gemba Walks)

**Further Information:**

- Sometimes there is a need to schedule multiple observation sessions so that you can capture the variation in the process (when measuring the cycle time, for instance).

- Combining observation with **photography** can lead to even richer information and adds much interest to the work.

- Gemba walk is very similar to **MBWA** (Management by Walking Around).