

The improvement of HR management by using Lean



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Jan Byfuglien & Anne S. Trolie
Statistics Norway. Division for human resources

MAIN POINTS

- Statistics Norway
- HR in Statistics Norway
- Continuous need for improvement
- Lean – short introduction
- Lean in HR div- improvements and experiences
- HR's role in organisational development introducing Lean

Statistics Norway

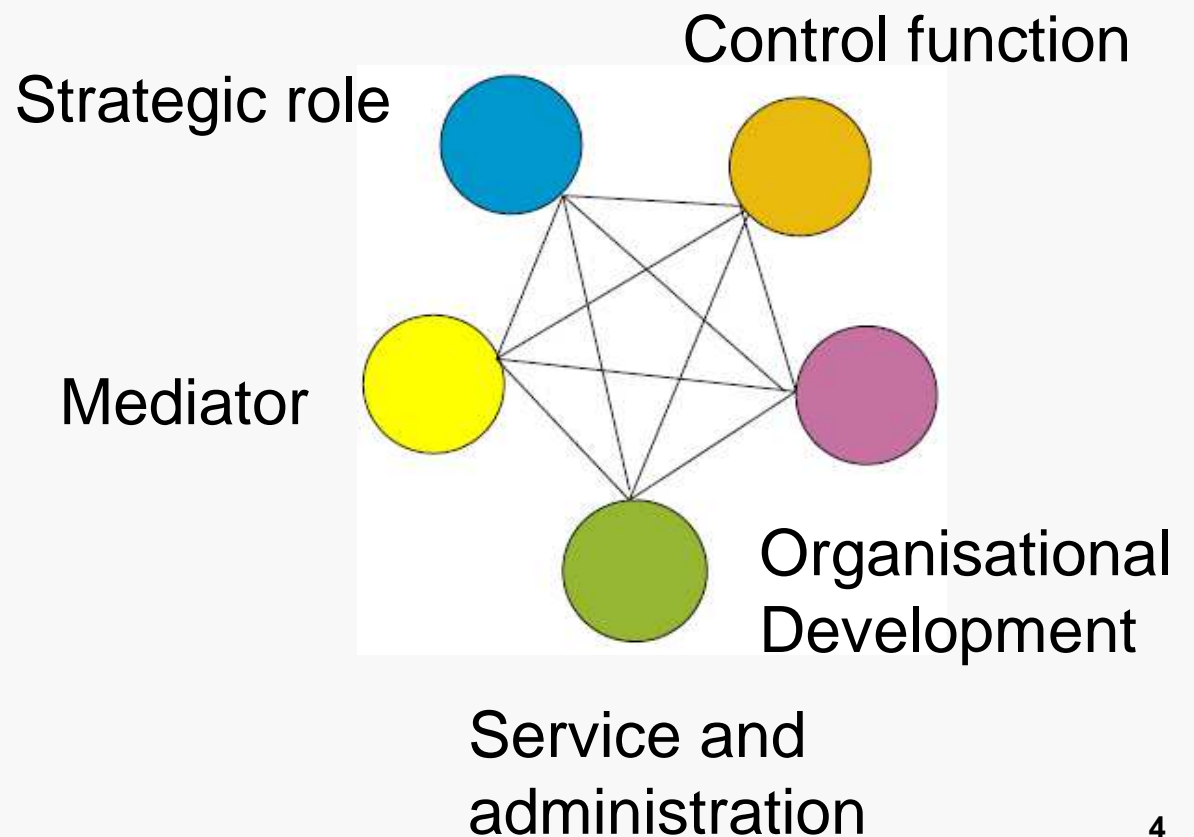
- 1000 employees
 - 600 in Oslo
 - 400 in KongsvingerIn addition
 - 200 interviewers
- Collection of data
 - 70 administrative registers
 - 727 000 questionnaires
 - ◆ 77 per cent in electronic form
- 320 different statistics
- 1000 releases of new statistics on ssb.no



HR Division of Statistics Norway

Part of Administration
department

17 employees



Tasks of the HR division

Recruitment and staff development	Personnel policy Recruitment Employer branding Counselling Cooperation with central authorities Wage policy and negotiations
Personnel administration	Updating staff information in database Handling travel claims Control of wages and reimbursements (from central database) Staff statistics and reporting
EHS and IA	Environment, Health and Safety (EHS) Welfare, Social Inclusion (IA) Sick leaves Analysis of the working environment
Organizational development and staff training	Competence mapping and evaluations Coaching Internal training External training

Why organisations need to improve

- Efficiency of different operations
- Effectiveness and efficiency of responsiveness in relation to the needs of the organisation and its partners
- Internal and external communication
- Bottlenecks and vulnerability

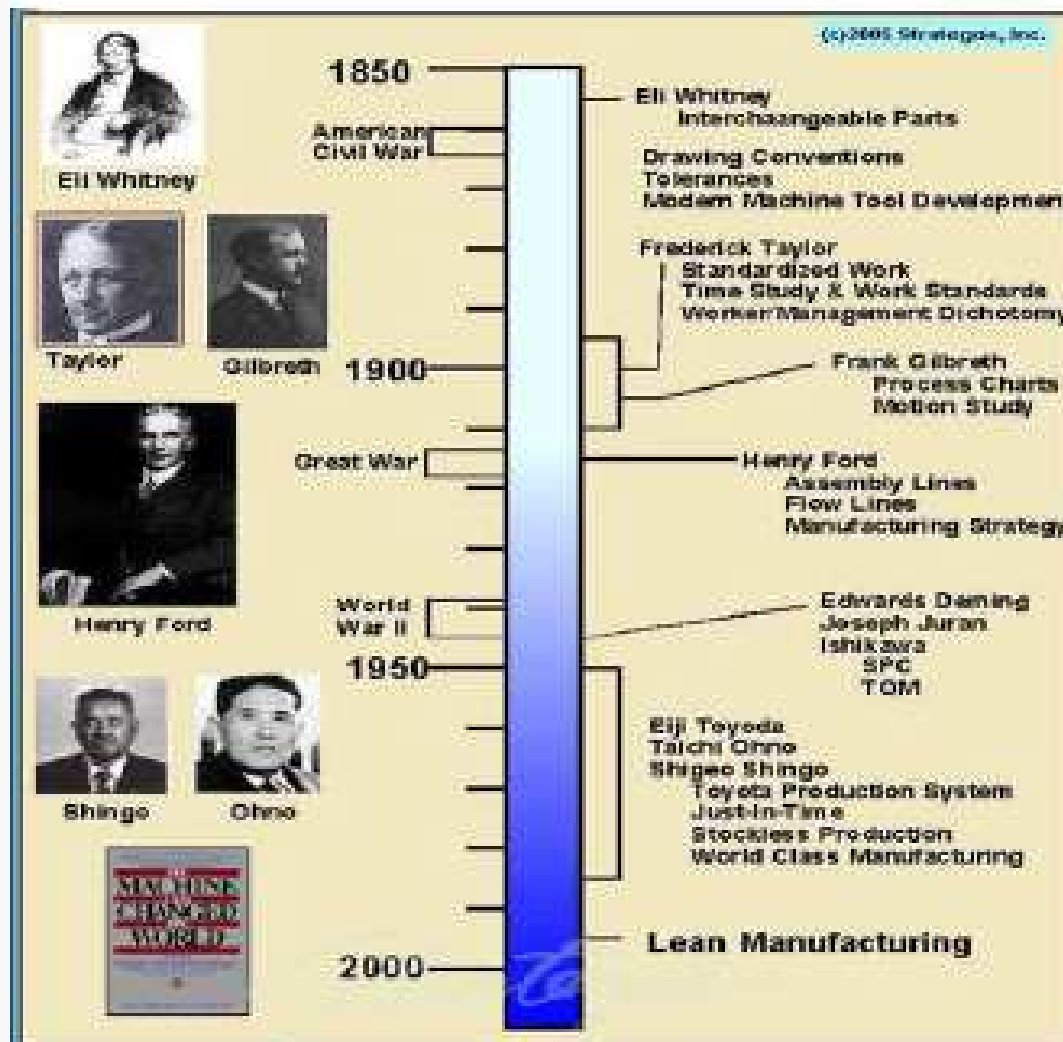


Why Lean

- Inspired by Nordic colleagues and positive experiences in other organisations
- Lean is a Philosophy – not an efficiency program
- Lean provides principles, approaches and tools in order to support sustainable and continuous improvement.
- A bottom-up approach which requires involvement, empowerment and responsibility
- Common sense in system – Problem owner is problem solver



The roots of Lean in production; Ford, Toyota, TQM..



Five basic principles in Lean

- **Customer value**
 - What creates value for your customer?
- **Value stream – avoid waste**
 - Identify the activities that create waste
- **Flow**
 - Create flows that runs as smoothly as possible – few stops
- **According to needs**
 - Actions/flows are created based on the needs of your customers (external and internal)
 - Your customer = next process
- **Continuous improvement**
 - Create a culture where all contributes to continuous improvement
 - Continuous improvement to be systematised

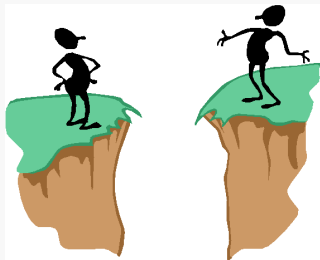
Reduction of waste is essential in Lean



Waiting



Over production



Inefficient movements



Waste (MUDA)

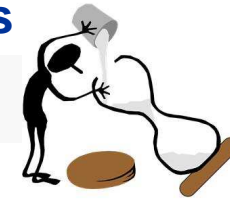


Stock

Resources not fully used



Corrections



Unused creativity



Transport



Areas reviewed in the HR division:



- Recruitment
- Training course management
- Wage management
- Employees' management participation

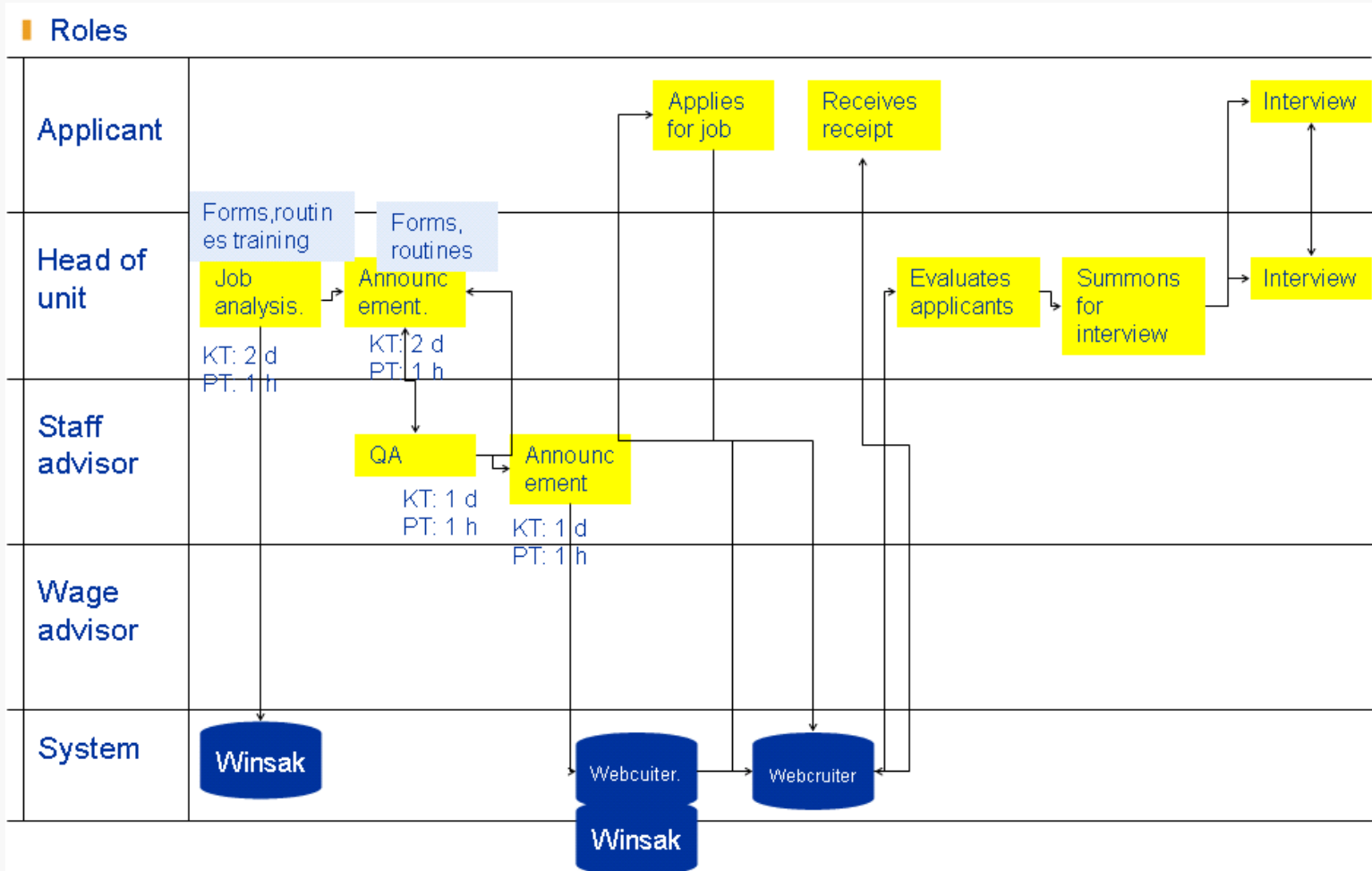
Evaluate the gap between the "dream" situation for users compared with the present situation

What is important for our users?	TO-BE	AS-IS	GAP

Process mapping: course management



Process mapping – recruitment process



Recruitment: some proposals based on the review:

- Improve communication with applicants
- Improve internal cooperation and the involvement of the HR division at an early stage in the recruitment process
- The HR division should participate in the interview process
- Integrate electronic procedures for handling recruitment

Training course management

- Courses more based on registered needs.
 - Key courses pre-programmed
 - Additional courses on demand – when sufficient interest
- Organisation of the course management: from one person to a team

The effect of change in Training course management

- Fewer cancelled courses
- Higher average participation per course
- More interaction with units and employees
- Courses more adapted to emerging needs

Table 1. Statistics Norway's internal training courses. 2008-2011

	2008	2009	2010	2011
Total number of courses performed	84	70	52	58
Total number of participants	886	754	498	761
Average participants per course	10,5	10,8	9,6	13,1
Employees participated in one or more courses	432	378	303	356
Number of courses cancelled	46	41	16	3
Employees cancelled participation	71	72	122	100

Wage management

- Some proposals arising from the review:
 - Centralise certain functions
 - Develop more targeted and efficient control procedures
 - Ensure better coordination between wage and staff management
 - Update documentation of procedures connected to wage management

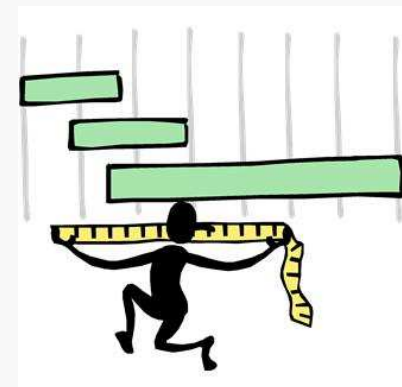
Employees' management participation

Norwegian law requires regular meetings between employee representatives and the top management

- The review proposed:
 - Clarifying targets and the structure of these meetings
 - Reducing number of participants
 - Stronger follow up of rules concerning deadlines
 - Increased visibility and concrete results

Reorganisation of the internal work of the HR division

- External consultants were asked to analyse the internal organisation and to propose actions for improvement.
The approach was based on Lean thinking.
- The review resulted in organisation of teams with defined responsibilities and more regular follow up (weekly meetings, notice board meetings etc.)



HR division: new internal organisation

- Groups:
 - Staff counselling and recruitment (staff policy, wage policy..) (3)
 - Staff administration (update staff data, travel bills, wage etc) (6)
 - Health, environment and security (3)
 - Competence, development (5)
- Each group has a coordinator and should develop its own work program, clarify its targets and responsibilities and ensure the correct follow up
- Group coordinators has a joint meeting with head of division every week

Implementation of lean in Statistics Norway

- Formally decided to implement Lean in Statistics Norway by the top management early 2012
- Pilot phase will last until end of 2013
- Internal coordination group and external consultants
- Important HR-elements of the programme are
 - internal training of managers
 - recruitment and training of lean facilitators
 - training/seminars for other employees
 - several lean pilots specific processes

The role of the HR division in Lean implementation

- Participation in the coordination group
- Support recruitment and training of lean facilitators
- Involvement in training and information activities
- In order to play an active role, the HR unit must ensure it has enough resources and the right competences.
- This role must be accepted by the organisation.
- HR should have a role to play in change of working methods, change in management style and change in organisational culture.



Lean – some experiences

- Lean is based on some simple and easily understandable principles that can give quick results
- Requires openness, creativity and willingness to change among participants
- Requires good management and follow up
- Requires heavy involvement by the HR division
- Requires sustainability

Challenges for HR in the Lean implementation

- Management involvement and understanding of framework and philosophy. "Walk the talk"
- Coordination: one organisation - one philosophy
- Motivation of employees "Yet another efficiency program to make us work harder".
- Cultural changes requires time, focus, sustainability