

Eli Lilly: Continuously Improving Our Continuous Improvement Process

Humberto DeLuca
February 26, 2015

Sponsored by:



Lilly

The Lilly logo is written in a red, cursive script font. The background of the slide is decorated with various red chemical structures, including rings and chains, scattered across the top and right sides.

MBB Webcast Series Sponsor: MoreSteam.com

- Founded in 2000
- Trained 435,000+ Lean Six Sigma professionals
- Served over 2,000 corporate customers (including 50+% of the F500)
- First firm to offer the complete Black Belt curriculum online
- Courses reviewed and approved by ASQ and PMI
- Academic Partnerships with Ohio State University, Notre Dame, Cal Poly and George Washington University

Select Customers:



Today's Program

- Welcome
- Introduction of MBB Webcast Series
 - Ellen Milnes, MoreSteam.com
- Featured Speaker:
 - Humberto DeLuca, Eli Lilly and Company
- Open Discussion and Questions



About Our Speaker

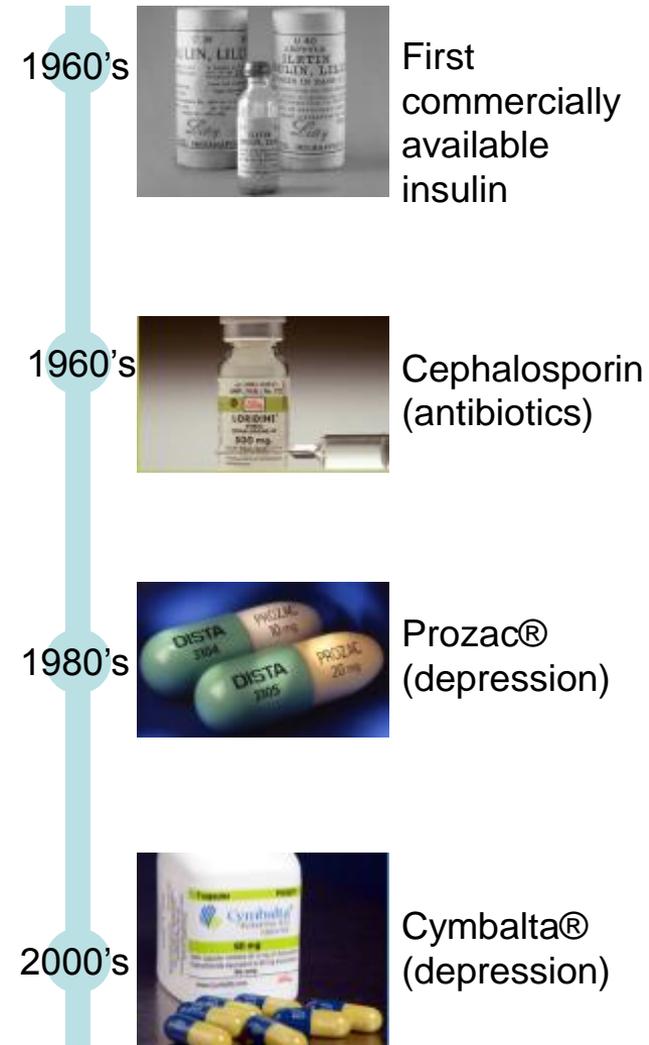


Humberto DeLuca **Eli Lilly and Company** *Consultant MBB*

- Leads Eli Lilly's business transformation by training and coaching Belts and business leaders in DMAIC, DMEDI, and Lean methods
- Previously held management positions at Chrysler Corporation
- B.S. in Computer Engineering from the University of Evansville
- Certified Lean Six Sigma Master Black Belt

Eli Lilly and Co.

- A heritage more than 135 years strong: company founded on May 10, 1876
- Approximately 39,000 employees worldwide
- Research and development facilities located in eight countries
- Manufacturing plants located in 13 countries
- Products marketed in 125 countries



History

2002 CEO Sidney Taurel and his staff begin benchmarking Six Sigma deployments

2001-2004 Eight major new product launches

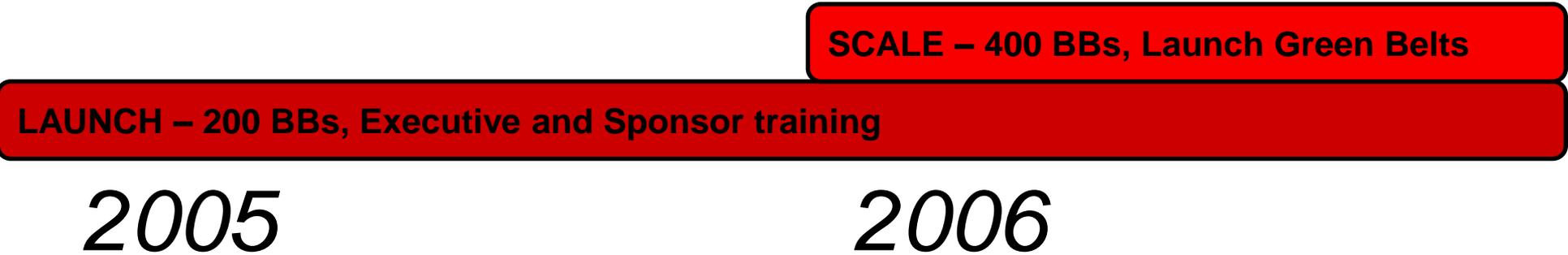
Mid 2004 Six Sigma core staff assembled

Oct. 2004 First 25 Black Belts in training

Drivers

Financial pressures
Rising compliance standards in all functions
Need for cultural change
Supporting the Brand

Lean Six Sigma at Lilly has evolved





EXPAND - Suppliers, Customers & Community

IMPROVE - Lilly MBBs, Design for Lean Six Sigma, \$1 Billion



2007

2008



REORG – Support Global Changes

DEVELOP – OCM, TRIZ, BB Leadership Dev.

[Red bar]

[Red bar]

[Red bar]

[Red bar]

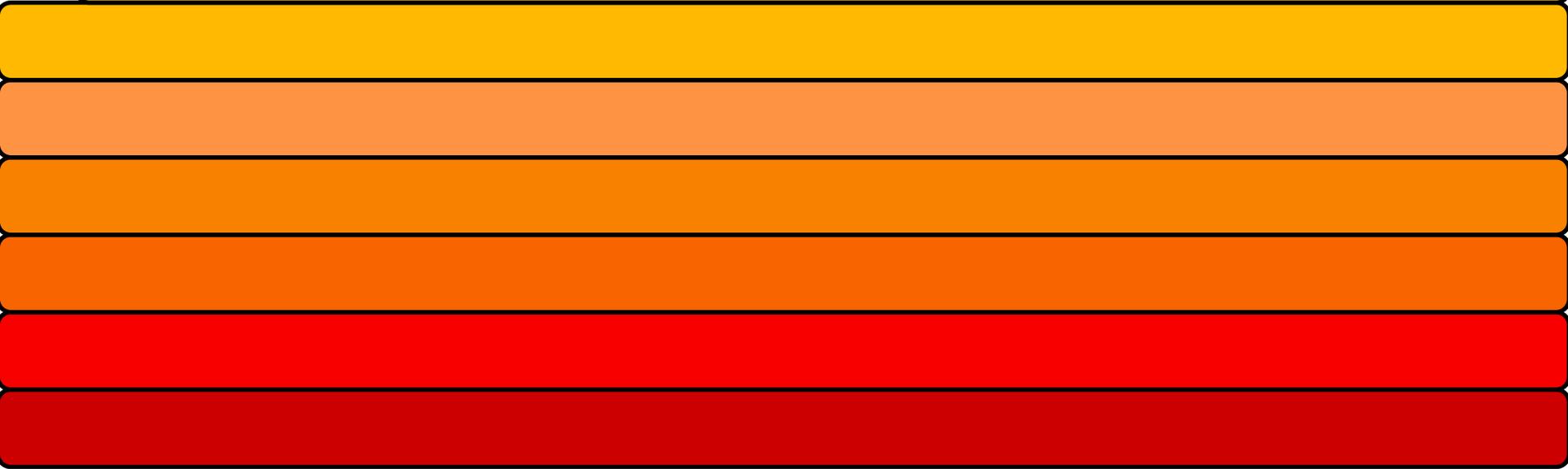
2009

2010



INNOVATE – RPLUS+ and RMAPP

FOCUS and ASSESS – Fewer resources on more important work, Firefly



2011

2012

..... and Changed

New VP & launch new LSS curriculum

Redesign LSS curriculum from traditional to “blended” learning approach

2013

2014

Why Change?

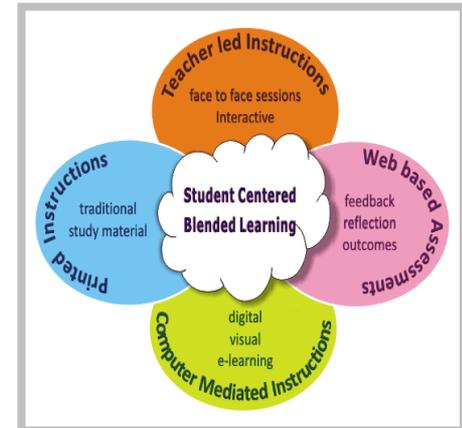
Environmental Factors

**BB
class sizes
decreasing**

**Training &
travel costs
rising**

**GB access
to training
restrictive**

**Blended
learning
needed**



Why Change?

Internal Business Needs

MBB's
in increasing
demand

RMAPP/
RPLUS+
embedding

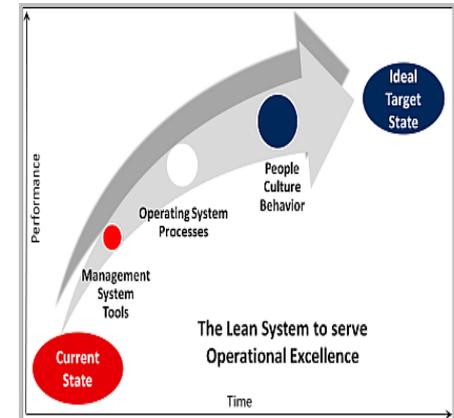
OE
partnership
on the rise

Large-scale
Lean
engagements



Scope of OE Services: The 'To'

- Organizational Change Management (OCM)**
 - OCM is a structured approach which improves the probability that an organizational change will be successful. It provides a method and means for an organization to move from a current state to a desired future state. OCM includes both organizational change management processes and individual change management models, which together are used to manage the people's side of change.
- Organizational Architecture (OA)**
 - Organizations are perfectly designed to get the results they get. Organizational Architecture helps practitioners diagnose and address misalignments in an organization that get in the way of delivering desired results. It includes a broad diagnosis of Leadership, People, Culture, Structure, Processes, and Management Processes, and culminates in a well-rounded improvement plan or agenda.
- Team Effectiveness**
 - Team Effectiveness methods and tools enable teams to assess strengths and weaknesses in team health, to validate root causes for gaps, and to put a plan in place to close prioritized gaps. Often this work involves upfront idea collection in the form of a survey, a session to interpret results and agree actions, and a follow up workshop or group event to address a particular need. The Team Management System provides a holistic approach to helping teams with setting goals, assigning accountability, handling conflict, making decisions, meeting effectively, and learning/feedback.



Mature Deployment – Curriculum Before

- Met business needs for 9 years
- 5 or 2 weeks, all classroom lecture
- Limited hands-on experiences
- Low flexibility

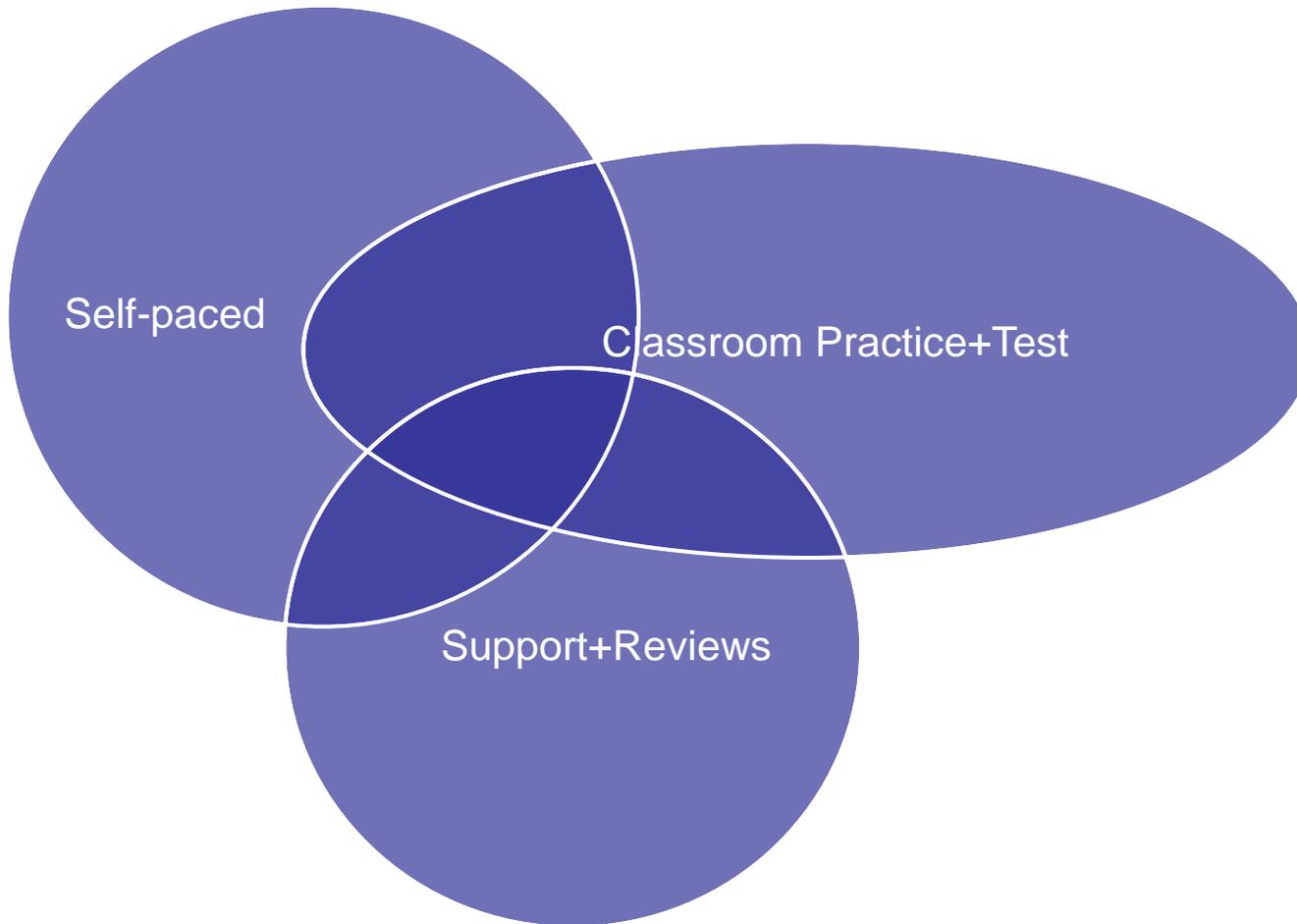


Start with the Customer...

- VOC: alumni
 - business leaders
 - internal deployment colleagues
- Customer needs:
 - Self paced, flexible
 - “We want more practice”
 - Quicker
- Business requirements (more)
 - Team Management
 - Project Management
 - Change Management
 - Efficiencies



Blended Model



- Proficiencies
- Fewer weeks
- More flexible
- No lectures
- Combined
- Fun!

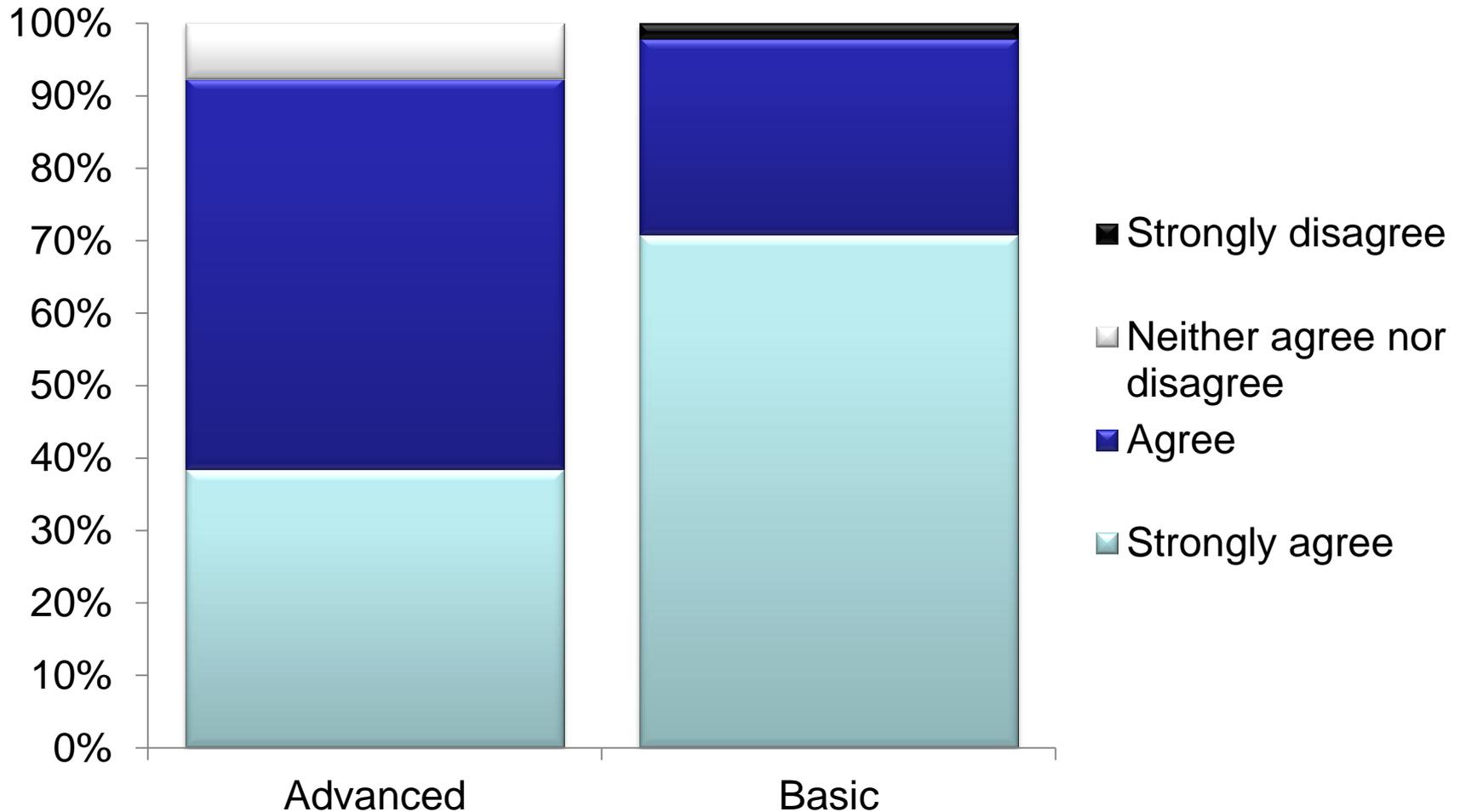
Inner Chemistry

- Profiles
- Objectives
- Adopt, Adapt, create materials
- Build
- Test, tweak, launch
- Continuous Improvement



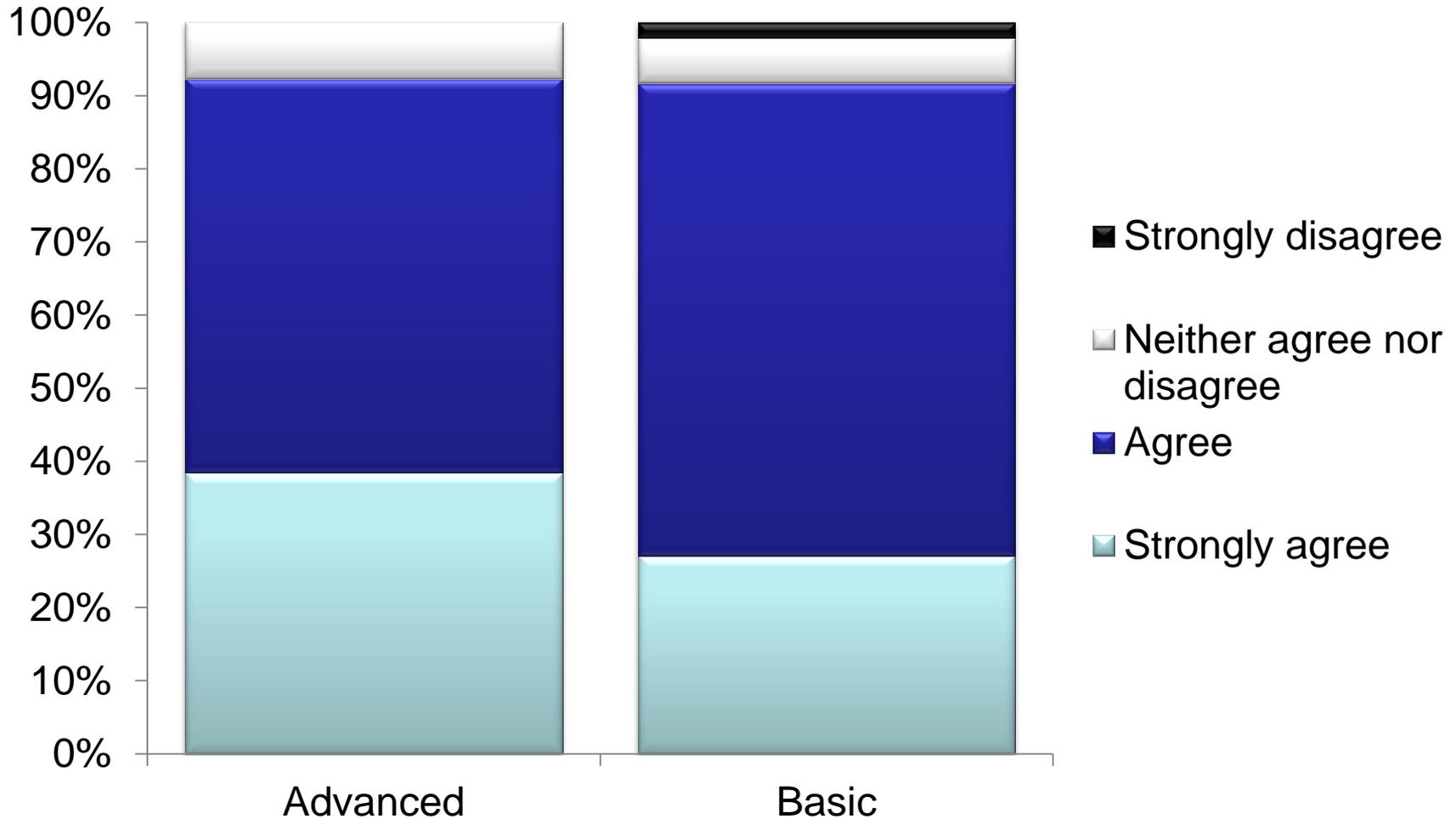
The Classroom Week provided me with meaningful opportunities to apply the knowledge and tools from the e-learning

> 90% Agree



Confident to lead a project after training

> 90% Agree



Lessons Learned

- Don't underestimate time and resources
- Minimized customizations(still had too many...)
- Pilot, pilot, pilot + FMEA!
- Don't forget the bigger picture
- Check your assumptions

Questions



**Humberto
DeLuca**

How have you handled

*Have you ever
encountered*

*Would you explain more how
you've approached*

A screenshot of the GoToWebinar software interface. The window title is "File View Help". It shows an "Attendee List (2 | Max 201)" with tabs for "Attendees (1)" and "Staff (1)". The attendees list is sorted by "NAMES - ALPHABETICALLY" and shows "Corena Bahr (Me)". Below the list is an "Audio" section with "Audio Mode" options: "Use Telephone" (unselected) and "Use Mic & Speakers" (selected). A "MUTED" indicator and a volume level of "00000000" are visible, along with an "Audio Setup" link. The "Talking: Suzie Smith" status is shown. The "Questions" section is highlighted with a red box and contains a "Questions Log" with one question: "Q: is there a volume discount?". Below the log is a text input field with the placeholder "Type your question here." and a "Send" button. At the bottom, it says "Webinar Now" and "Webinar ID: 731-938-951".

Master Black Belt Program

- Offered in partnership with Fisher College of Business at The Ohio State University
- Employs a **Blended Learning model** with world-class instruction delivered in both the classroom and online
- Covers the **MBB Body of Knowledge**, topics ranging from advanced *DOE* to *Leading Change* to *Finance for MBBs*



Thank you for joining us

Questions? Comments about today's program?

Panelists:

Humberto DeLuca - delucahu@lilly.com



MoreSteam.com Sponsor:

Ellen Milnes - emilnes@moresteam.com

Watch for info about our upcoming programs!

Archived presentations and other materials: <http://www.moresteam.com/presentations/>