When analyzing business problems, it's critical that the team - executives, managers, operators, consultants - have a common understanding of each problem, beginning with strong agreement on the problem definition. This document provides a tool for collecting and organizing information about an issue, the method to correct it, a vision of its future state, and the financial implications: what it currently wastes, how much it will cost to fix it (and the risks), and the expected financial benefits.

This document contains:

* *A description of the chart and information collected*
* *An example of a completed chart*
* *A blank chart to print and fill in*

[](http://roi-team.us)ROI-Team offers a valuable step-by-step toolkit for analysts. Click our logo to check them out on our web site.

No warranty is expressed or implied about the suitability of these tools to your situation, and we recommend professional legal and accounting advice if your situation is complex or uncertain.

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Improvement Opportunity: (What is the problem)\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Project: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Process Owner: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Team Manager: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| **Current State** | **Action Plan** | **Future State** |
| **Problem Statement** | **Methodology** | **Description** |
| What is the problem?  What are the symptoms?  What are the probable root causes?  This page illustrates the type of information to be compiled in each box, starting with an accurate and complete problem description. | What can be done to improve the situation? | What will be different?  How will it be better?  (Financial and non-financial) |
| **Baseline Metrics** | **Investments and Risks** | **Improvement** |
| What resources are being expended?   * Material costs * Machine time * People time * Inventory * Other | What resources are required?   * Improvement team * Machinery & equipment additions * Information technology additions * New operating costs – people, machines, etc.   When will the investments be made? | What resources will be saved?   * Material costs * Machine time * People time * Inventory * Other   When will these savings show up?  How long will they last? |

Improvement Opportunity: Free up cash by reducing inventories \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Project: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Process Owner: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Team Manager: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| **Current State** | **Action Plan** | **Future State** |
| **Problem Statement** | **Methodology** | **Description** |
| Plant inventory turns less than 3 times annually in a make to order environment. Significant levels are held at three bottleneck machines. Aisles contain unknown inventory, including some slow-moving raw materials and WIP. Some inventory is created due to schedule instability. | Establish lean pull system   * Build signals start at shipping * Integrated kanbans with continuous update methodology   Improve line layout  Create specialty) moving equipment  Establish better scheduling controls | Plant inventory turns 12 times annually. Aisles are clear and inventory areas are clearly defined. Slow-moving inventory is stored for accessibility but out of the fast-moving lanes. |
| **Baseline Metrics** | **Investments and Risks** | **Improvement** |
| Throughput = $692M  Raw = $88M  WIP = $135M  25 Material movers  Material moving M&E = $12M  Here is an illustration of a typical completed Opportunity Chart. | Scheduling process work - $250K  Lean training - $350K , 6 months  Ongoing lean focus - $15K /month  Move equipment - $150K in first month  Specialty moving equipment upgrades - $75K in first month  Software changes - $35K | Inventory reduction = $165M (one time)  Inventory carrying @ 10% = $16.5M annually  Eliminate 4 material mover positions @ $20K = 80K (capacity increase or cost saving) |

Improvement Opportunity: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Project: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Process Owner: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Team Manager: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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Print this sheet for use in collecting data.