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OVERVIEW & BACKGROUND TO THE LEAN INITIATIVE

Before the transition to becoming a Lean business, both Directors were heavily involved as the management team in the day-to-day operations of running the agency. A substantial amount of time was spent on client communications, disjointed project management, and overseeing the production process. Knowledge would typically be siloed with the specific designer or developer who worked on that project, and support issues were typically dealt with by that specific staff member.

Larger projects [typically 6+ months] would go through a more detailed approach, with the production of requirements documents and fixed deliverables. Smaller projects [typically 1-6 months] would be estimated and priced on preliminary meetings and the management team's experience based on approximate scope of work. Typically, the management team's primary focus was on sales and the bottom line.

However, running the business got in the way of this. The management team was heavily involved in overseeing the production process, and response times to initial sales enquiries were being stretched as a result. We found that we were experiencing peaks and troughs with our sales figures as projects that were estimated to take a short amount of time frequently took longer than estimated due to unknown and undefined reasons.

LEAN INITIATIVE UNDERTAKEN - LEAN THINKING, TOOLS, TECHNIQUES

Our Introduction to Lean

The Directors attended the Lean in Micros course in November 2018, organised by Galway LEO and Enterprise Ireland, which involved a 1-day Lean workshop run by Paula McNicholas from Lean Team Strategies. In the subsequent months, there were four onsite consultation visits by Paula. The course involved hands-on workshops where we learned the core principles of Lean, and we got to experience production lines without Lean as well as working as a team to implement Lean in the production process. The workshops were a real eye-opener and we could relate the



COMPANY OVERVIEW

Armour Interactive Ltd. is a Digital Agency based in Ballybrit, Galway. Established in 2010 by Andrew Dewdney [MD & Design Lead] and Jamie Casey [CTO], the company has grown from the initial two directors to a team of 12 in 2019. Armour is involved in the production of websites, web applications, mobile applications, and digital strategies for our clients/partners. We excel in creating high-end bespoke digital products that fulfil user and business objectives. We work with everyone from VC funded start-ups to multinational corporations such as Intel, Medtronic, McKesson, Blackbox, Supermacs, ComfortDelGro, and eMovis.

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experience to our own office environment. Whilst it is a very different industry, it highlighted the benefits of a clear and defined process and elimination of wastage. From our initial workshop with the Lean for Micro Programme, we started looking at our own processes and how we could improve them. To do this we needed to define exactly what our processes were, and Paula's visit to our office helped us identify our processes and highlight possible inefficiencies. She reviewed our office environment and made layout suggestions.

During the first onsite workshop, we did a process mapping session and outlined our production process. It was highlighted that the Discovery & Planning phase was a key item that we had after the quotation phase. We decided to adjust the sales process to move Discovery & Planning to the start and to make it a billable task.

It was also identified that having the management team involved in the micro-management of projects was an inefficient use of our time. It was pushing out our sales process which, in effect, lowered our conversion rate. This was identified during our first consultation. We immediately took steps to resolve this by beginning the recruitment process for a dedicated Project Manager (PM). As part of our second consultation with Paula we reviewed and vetted potential candidates. We spent the remaining consultations on objects, goals, visual management system, strategy deployment, team metrics, and PDCA. Understanding time usage by our staff was key to going forward. We needed to get more granularity in our team timesheets. We began the process of change in record-keeping, and processes and approaches to management styles.



Figure 1.

Addition of a New Project Management Approach

The company invested in hiring a dedicated PM. Once hired,

the management team began handing projects over to the PM and the benefits of this quickly became evident. Once in the role of being the primary point of contact for the team and clients, the PM took a tremendous amount of pressure off of the Directors. It allowed for refocusing on development of a sales strategy and new processes, and it freed up time to focus on running the business. It also allowed the management team to focus on selling the Armour project approach and process. Once a client commits to the planning phase on a discovery workshop, they get introduced to the PM and their allocated team.

Having the new PM in place freed up approximately 80% of the Directors' time. It allows them to focus on working on the business rather than in the business.

To improve the overall project management, we also needed a new project management platform. We reviewed a number of different options and ultimately decided to go with *Teamwork* as our primary tool for project communication. We use it for planning, collaboration, and the creation of multiple time and resource reports. It facilitates us working as a team rather than taking an individual siloed approach. All working hours are captured using this system.

At the start of the year when we rolled out our new project management approach and introduced the PM to the team, we also expressed our goals and visions for the business. We explained to the team why we were introducing a new level of management. This was to inform and educate the team as to what we expect to gain from the improved new processes and how it would improve their working life, and that it will eventually lead to growth in the team, pay raises, and cultural improvements.



Figure 2.

Changes at the Team Level

Weekly team meetings were introduced to continuously improve the processes and the sharing of knowledge. Each week a member of the team presents a class on a topic on which they are subject matter experts or have researched. We are currently applying the Lean process to the individual teams to improve the design and development processes to remove Over-Production and ways of reducing wasted time. We also have monthly Design/Development team conclaves where we discuss ways of improving team processes, collaboration, and production standards.

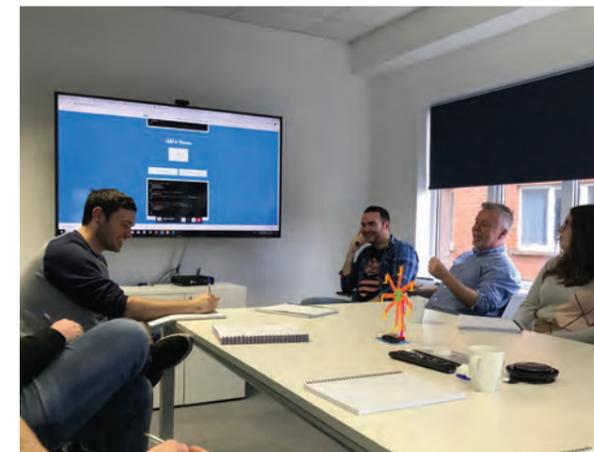


Figure 3.

Changes at the Management Level

Project statuses are now discussed between the management team and PM, and the team is managed by the PM. This allows the management team more time to focus on strategy and fundamentals instead of micro-management. We have weekly management meetings to set and review objectives and goals for the short- and medium-term. We also have monthly management meetings to set and review objectives and goals for the long-term. We have created a targeted marketing strategy and currently engage with a marketing freelancer in the fulfilment of this strategy.

LEAN INITIATIVE IMPROVEMENTS & IMPACT

Since adapting to Lean, we have seen a significant reduction in wasted time. The improved processes are leading to a reduction in 70% of design team time wastage and 40% in development team time wastage. It is expected to yield

significant productivity improvement of 70% in 2020. In all, these improvements have allowed us to grow our capabilities without significant growth to our cost base. It has also effectively removed the cost of management team involvement in the production process. This has had the knock-on effect of allowing for standards and processes to be improved. It allows the management team to focus on sales, growth, quality, strategy, and new markets. We are looking at the exporter market, and have signed up to our first international trade fair in London at the Excel Centre for the C+UX Expo 2020. This ties in with our growth and client acquisition strategy.

The movement of the Discovery Phase to the first step in the sales process allows the sales pitch to be focused on selling the process rather than on the price. It enables us to create quotations based on a much clearer understanding of the scope. It also gets the client engaged in the process and has the added benefit of adding value and opportunity to up-sell additional services and processes.

Since introducing Lean, we have created the following processes and standards:

- Creation of a new design and development process.
- Creation of a new client sign-off and hand-over standard.
- Creation of a time record allocation tool in Teamwork based on a previous project for future project pricing process.
- Creation of a new quotation process based on team involvement and data captured from similar projects.
- The building of an "Armour Core" code repository and component set.

Each of these new processes and standards has introduced new time-saving mechanisms and revenue generating opportunities. We have also spent time putting together a new company vision and mission focused on sales, growth, quality, and strategy.

As a team, we have introduced accurate daily task recording that allows us to generate time metrics which can be allocated against active projects and daily tasks. We have also improved communications by having daily stand up meetings. We use these to discuss projects that the individuals are working on, to check if they are on schedule, and to address any issues they may be experiencing or any discoveries they have made. Project meetings happen on a regular basis and post-project completion review sessions are done to check estimated versus actual timings. We feed this back into our quotation and estimation process.



Figure 4.

Internal and client communications have been improved through our singular project management tool – Teamwork – which helps keep communication open, helps in making decisions faster, and helps members stay in their workflow. It also allows the PM to keep an overview of what is being worked on and by whom, and it allows the team to submit time estimates for items in a project which feeds into the sales and billing processes.

“Having the Lean process in place allows us to focus on working on the business rather than in the business.”



LEAN TEAM STRATEGIES

Lean Service Provider

Lean Team Strategies

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