

**Holsum Bakery, Inc. –  
“Opportunity for Improvement Process (OFI)”**

---



Holsum's O.F.I. Information Board

**Company Information:**

*Highest Ranking Official:*  
Ed Eisele - President

*Contact Person:*  
Greg Crook  
Process Improvement Lead  
602.407.2848  
crookg@holsumaz.com

*Type of work:* Holsum Bakery is the market-share leader in Arizona for commercial baked bread and bun products. Fresh Holsum Bakery products are delivered daily by over 200 independent distributors.

*Workforce:* 551 Associates

**Testimonial of Value** of the AZ State Quality Awards Program

“I believe the AQA Awards Program has great value, in the sense that it provides a "roadmap" for any organization to follow, that--when followed--leads to excellence across the entire organization.” Ed Eisele President

Participating in the Awards program provides an opportunity for organizational reflection, learning, and growth, coupled with the unique opportunity to see your business processes through the knowledgeable eyes of outside examiners.

**Highlights of Organizational Process:**

The **Opportunity For Improvement Process** is a complete system for collecting, processing, tracking, and rewarding suggestions for business improvement. The process has been studied and improved over time, resulting in the current version of the process which includes a manual paper suggestion entry format and also retains the earlier computer based tools.

The Holsum OFI system can be used by:

- All Holsum Customers
- All Holsum Distributors
- All Holsum Suppliers
- All Holsum Associates

The OFI process is administered by a cross-functional team, with membership from a diagonal slice of the organization. The process is championed by the Director of Operations. The team's Key Process metrics are:

- Number of OFI's submitted by each Reporting Group per Period
- Percent participation by Reporting Group

The OFI process was developed several years ago after benchmarking with several users of suggestion systems, including The Milliken & Company. The program initially had low participation rate using a computerized process. Through Associate surveys and other analyses, it was determined that the reason for low participation was the complexity and difficulty to use the PC based system. As a result, a revised paper based process was developed.

After the surveys and analysis, a sub committee was formed to put together a new process to eliminate the problems in the OFI system. The sub committee met approximately 15 times over a 90 period day period to interview Associates and construct a process map for the new OFI process. Some of the problems that were identified in the older process were:

- Not all Associates had ready access to a computer
- Not all Associates were computer literate enough to navigate the computer, and work through the normal computer usage problems. I.E. mouse usage, etc.
- User frustration due to gaps in the software's tracking process and lack of timely feedback to suggestors.

The OFI paper process was developed to work in tandem with the existing electronic process. What this process did was create a hard copy form that anyone could take and write their ideas on at any time day or night, at work or away from work and then submit to their Team Leader. Interestingly, today the paper format is preferred by most users, regardless of their access to or familiarity with PC's.

To address the feedback and timeliness issue with the process, a 24/72 Rule was established. This quite simply means that a Team Leader has 24 business hours after receiving an OFI from one of his Team members to physically address the team member and thank them for their OFI submittal. The Team Leader then has 72 business hours from that point to give feedback to the OFI submitter on what the status of the idea will be. That means, will the OFI be completed immediately, will it be in a pending status for some period of time, or will it be denied. If the OFI is denied, specific explanations are required for why it has been denied.

These, along with other process changes, addressed all of the survey items that had reflected poorly regarding the old process, and since it's implementation, results have indicated a steady improvement of the number of OFI's that are submitted.

Some of the key requirements that account for the success of the process are:

- A Thank You from the Associates Team Leader is mandated after 24 hours of a submittal.
- 72 hour Go/No-go decision
- Regular feedback to the submitter on the project's status.
- Completed "Go" decisions.
- Team Leader of the submitter must be an effective project manager of expediter for implementation
- Implementation within 30 Days.

Associate suggestions and ideas entered into the OFI process have resulted in:

- Lower product costs
- Cost avoidance for reduced mis-shipments
- Associate participation in improvement.
- Increased organizational success.

The **O**pportunities **F**or **I**mprovement Process has proven to be one of the most successful ways to engage Holsum Associates in the business, and in helping identify solutions to move us forward.