



STRATEGIC FOCUS: CARLSBERG'S CIO ON LEAN IT

Kenneth Egelund Schmidt, VP and CIO of Carlsberg, explains how lean thinking has, among other benefits, enabled his team to reduce a service desk cycle from several weeks to just one day

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CASE STUDY

Denmark is one of the most mature lean IT geographies in Europe, according to Sune Schackenfeldt of PA Consulting Group, who suggests it is also home to one of the leading lights in lean: Kenneth Egelund Schmidt, VP and CIO at Carlsberg and formerly Group CIO of Danfoss. He has been working with lean for many years, first in product manufacturing, then in back-office administration and knowledge-worker settings, and finally in IT.

"I have found it immensely useful to apply lean to manage physical assets such as valves or refrigerator parts on a production shop floor," he says. "In that situation it is very clear where there are supply problems, where rework is necessary or where a bottleneck is developing somewhere in the production process."

However, Schmidt warns that there is a dramatic shift in the approach to lean when the method is applied to business processes and assets that are invisible. "The lack of visibility of process and process outcomes in administrative work means cycle times can be hard to measure," he says.

One secret to lean IT is to digitise processes, he continues. "If it can be digitised, it can be measured. If it can be measured, it can be managed. If it can be managed, it can be improved."

He recommends starting at the service desk, by documenting the processes of incident management and problem management. Once documented, the processes become consistent and repetitive, and can be digitised and improved. In one case, Schmidt was able to bring the "change user permissions" cycle down from weeks to just one day.

He proposes another candidate: "Take the hire-to-rotate business process. The service desk interfaces to a lot of business processes like that one. A call to the service desk is the start of a process that triggers the provisioning of a desk, email address and password.

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it is possible as a next step to use automated workflow that makes it consistent and triggers actions by individuals that drive a shared and desired outcome."

In digitising a process that is consistent, it becomes possible to identify queues in the process, which can in turn create different "kaizen" events to drive continuous business improvements, he explains.

"Cycle time is everything," he stresses. "Once you reduce it, it will become cheaper and the service becomes faster. As a consumer of services, people want processes that are fast but consistent, too, so the consistency of process is a benefit in itself." ●