



FÉDÉRATION INTERNATIONALE DES CONSEILS
EN PROPRIÉTÉ INTELLECTUELLE

INTERNATIONAL FEDERATION OF
INTELLECTUAL PROPERTY ATTORNEYS

INTERNATIONALE FÖDERATION
VON PATENTANWÄLTEN

Covid-19 Resources

FICPI WEBINAR 3 JUNE 2020 'LEAN management applied to services'

Session notes

These notes do not capture every element of the recording but will provide an overview.

Moderator: [Marc Levieils](#)

Speakers: [Paul Gette](#), [Delphine Roché](#)

My name is Marc Levieils, a Partner at Regimbeau in France and President of FICPI France. With me are Delphine ROCHE and Paul GETTE; both panellists are based in France. Paul agreed to replace his Partner Marie-Pia IGNACE victim of a small accident this weekend and unfortunately indisposed today; Thank you very much Paul for accepting on such short notice. We are here today to talk on the topic of LEAN management applied to service.

As you probably know, FICPI is a global community of independent IP attorneys. In fact, FICPI is the only international NGO whose membership consists entirely of IP attorneys in private practice. We believe that the FICPI business family makes the world a little bit smaller, bringing independent IP attorneys from around the globe together to connect, share knowledge and grow.

Like everyone else in the world, FICPI and FICPI members are striving to address issues that arise as a result of the COVID-19 crisis and we are working hard to support FICPI members and the IP community at large.

As part of our resource package during that time we've developed this webinar series; a comprehensive spreadsheet of key changes in IP offices; plus blogs and news articles; and other initiatives, to bring alternative ways to share knowledge and thought leadership and for members to contribute their own ideas and experiences.

For those of you who are not yet members of FICPI, but are interested in joining, we will send you details about how to join after the webinar.

Please note that we have a Q&A feature in the webinar, so please feel free to ask questions as we go along, noting if there is a particular speaker you would like to have answer the question, and I will try to be mindful as questions arise. We'll either answer them as we go along or pick up as many as we can at the end.

So our agenda for today will cover a number of topics relating to business management of our firms and more specifically the advantages of the implementation of Lean management methods in the IP fields.

Now, let's start with brief introductions for our speakers:

We have Paul Gette, Partner of Operae Partners. Paul is a consultant coaching operational teams and their managers in Lean transformation programs and projects in the services industry.

**FICPI is a global community, built on trusted relationships,
which strengthens the practice of the independent IP attorney.**



And Delphine ROCHE, Transformation & IT Director at BNP Paribas Leasing Solutions.

Introduction

What does Lean management have to do with our IP activities and more specifically with the management of our firms in the lock down and post lock down contexts?

We all know that digitisation and dematerialisation are changing the way Ip firms do business. Mainly, these changes affect the way we interact with our clients and foreign colleagues, the management of our teams and intensify the competition with new players such as IP service providers.

The lockdown situation accelerated and amplified this change. It immediately revealed gaps in our organisations. These days, we have all experienced how tiny problems can quickly become sensitive situations when we can no longer rely on the usual adjustments based on human-to-human direct communication.

This reflects the fact that our organisations are mainly driven by legal framework, legal proceedings and related risks management. It also reveals hidden costs of managing the complexity of our processes.

We may have here a source of improvements for our firms.

One of the most interesting idea that were shared during the last FICPI Open Forum in Vienna, last October, is that we need to work on the reduction of the transaction costs in our internal and external workflows. This have been said in several sessions by clients, management consultants and IT specialists.

There are methods that can help us review our processes, when it comes time to digitize and simplify our workflows, such as Lean management applied to services.

This session therefore aims to introduce this method and to open a discussion on its implementation in our activities.

So, Paul will explain us more in detail what is lean management and what are the benefits that an organization can derive from its implementation.

Then Delphine, who has implemented this approach, will share some of this experience with us and provide us with examples and advice to improve our firm's management.

I will then pass your questions on to our panellists.

Paul Gette – Hello everyone. I will now present on lean management and its benefits and look at using lean in the service industry.

Lean didn't really start in services when it was first introduced as a technique but now it has huge impact in that domain.

I've been working in lean management for almost 23 years now and have been with Operae Partners since 2011.



Lean really rose to prominence in the 1980s and then with the book 'The Machine that Changed the World' in 1991: an analysis of how Toyota became the first car manufacturer in the world and became more competitive than GM.

In the 1930s in manufacturing, Toyota didn't start with cars, they were a loom factory. They understood that it would be useful to have some automation in their factory so that when the thread in the loom broke, the machine would stop automatically rather than needing to have a person dedicated to this task. They wanted to create a situation where the machine was in the service of the person rather than the other way around.

After they applied that to making cars, firstly going to the US to see how they were building their cars but they had to adapt and transform processes to Japan as Japan is a much smaller geographical area than America. They went to learn how it worked in the US and then transformed and tailored processes to their own needs.

Toyota wanted to produce cars that were high quality and would meet customers' needs. They are still doing lean management today and continuing to transform and improve their processes today. They are improving every day and not only on the production lines.

At the start of the 21st Century a lot of companies wanted to take what Toyota had achieved and move it into IT and services. All companies have cost problems and want to deliver quality to their customers and to reduce waste in their processes and to have happy employees. In order to have happy employees you need to give them a certain freedom to improve processes because they are the ones working and struggling with the processes and who know best what needs to be done. It's very important to involve people in the improvement of processes and activities.

Example of a big bank in Italy, we worked with them for 4 or 5 years on a huge lean programme. We started to look at how they were granting credit agreements to their corporate clients and the risks of lending. They were doing this around 15,000 times a year and realised they were not competitive enough; they were losing business because they were taking too long to give answers and it increased the financial risks because the sales people eager to finalise a deal were sometimes agreeing to lend before getting a final 'go ahead'.

They had a clear objective: they wanted to be able to give an agreement in less than 15 days. They started looking at their process – how long it takes from end to end. From getting a request to delivering what the customer expects, i.e. the lead time. The 'touch time' is another aspect – this is what the organisation has to do to deliver the service required by the customer, this is typically much shorter than the lead time which is largely comprised of waiting time.

So, they started to focus on waiting time and how to reduce that – this is called 'connecting the dots'.

Understanding what causes the waits between tasks can save a lot of time and increase customer satisfaction.

Just in time – the concept of delivering the service or the product which the customer wants, when the customer wants it, at the best quality possible.

The lead time initially was 68 days. The bank wanted it to become 15 days.



After 3 months we arrived at 31 days, reducing it by half.

We worked with people in a workshop where we involved everyone who touched the processes, to understand the pain points and difficulties, tasks involved, what was considered good quality output, etc.

We were then able to reduce time and to improve the turnover by 30%. The risk costs were 14m Euro at the start and down to zero after 5 months.

Example: insurance company

How to achieve lean goals: understand what takes time in a process and how it is delivered to your end customer. Then you can start to understand what really happens in a process. In this example there were 7 back offices and 350 associates involved. There was a lot of pain and uncertainty over the work which was paying out long term illness monies to employees of their corporate clients.

The goal was to improve productivity by 33%.

In this example, the yellow shows the admin burden (around 20% of working time) which is very hard to reduce, so should not be tackled first.

We looked at the time we spent for the customer – about 80% of the working time but almost half of it is ‘non quality’ because of not having all the correct inputs, incorrect following of processes or lack of training or making mistakes. This then creates rework for each person involved.

I work on lean projects with IT companies, banks and startups but lean is also applied in advertising agencies and in film production. When looked at it closely, a surprising amount of the work is repetitive and we help people to gain more time to focus on creative work. Applying lean to IP attorneys could generate more time to focus on intellectual property. Waste can be reduced through continuous process and quality improvement.

Doing each part of a process with quality reduces the amount of work overall and contributes to built-in quality where you never pass onto the next part of the process work which requires rework.

Built in quality means that, for example: files are complete so less time is spent chasing additional information. The insurance company reworded its communications to clients to make it clearer what was required and simplifying the forms that clients needed to fill in. The firm still continues to make improvements now.

Quality out = the information you give to client. This was not very clear and foreign clients in particular found it difficult to read and understand how their monies were calculated. We made improvements of 53% which reduced a lot of unnecessary tasks. Instead of using a complicated insurance vocabulary, we showed clear numbers and were much more visual in the communications.

By simplifying processes and avoiding rework we improved productivity by 70% and the teams were then able to handle many more customer files. Customer satisfaction increased and more clients were gained.



Taking the time to understand the processes is very important and they must be improved before they can be digitalised. There is no use digitalizing an inefficient process.

You have to understand where people feel pain and to alleviate it by finding with them the right solutions to their specific problems.

In a Lean deployment programme, it is crucial that the the top management is actively involved to support and give power to people to find solutions as they are the ones dealing with problems on a daily basis.

Lead time, quality and touch time have reduced hugely. The possible gains are huge.

We can now carry out automatic verification of data within files etc.

Touch time has gone from unknown to 5 to 10 minutes! Senior people are also less involved in the checking of customer files, making costs more effective.

Lean is a very systematic approach – the company and its leaders have to set clear and measured business challenges (if possible) such as reducing lead time by 50%.

Management must show that lean is important to them and to show their involvement in the field.

Marc – you have given us some clues as to why companies do not always realise their goals. Teams and people are key to the solution.

Delphine Roché

We undertook the journey with lean and digital transformation many years ago.

BNP Paribas Leasing Solutions provides equipment finance to professionals.

Our business challenge is that our business partners are global – the manufacturers don't understand when they get a service that isn't aligned from one country to another. They want to have the same processes and services in one country and another.

That was our big challenge.

Over 15 years ago we started aligning our business processes and IT platforms We now have our main 7 countries on the same IT platform and we started process harmonisation and simplification so looking at the areas Paul touched on earlier.

We also looked at sharing best practices as part of the lean programme so multinational teams worked together to develop best practice.

We started to modularise our offerings too.

We had 3 pillars to focus on:

- Sales and dealer experience
- Operations – we wanted to achieve zero paper



- Digital working – looking at the development of people so that they could work in a more agile, efficient and collaborative way. We introduced homeworking 4 years ago which was instrumental in our capacity to handle the Covid restrictions well.

It's an endless journey so we continue to work on lean.

We introduced agile – lean for IT development; devops; and test and learn; reverse mentoring, etc.

4 years on we have reached a good level of digital transformation and process for our dealers who are now able to introduce their financing request through our portal, with 90% of requests now coming through this way. It takes the dealer a little more time but the dealer gets an answer within minutes and that's a strong motivation to use the portal. For the most complex cases where we need to study a file we have a dashboard that customers can visit to see what stage their case is at.

The contract is automatically generated and the dealer can send it to their customer to e-sign.

After the contract is signed, the dealer can send all the documents digitally and dealers can follow the process until they get paid.

The end customer then can see his invoices etc online and see his contract and any changes during the life of the contract.

Lean management is about continuous improvement. You are never finished. Our objective now is to better connect the journey – how dealers see the touchpoints they have with our processes. Onboarding new sales people at the dealership, for example, is an area we are looking at now.

We were keen to take part and share our experience on this topic, please don't hesitate to contact us if you would like to know more about our experience.

Marc mentioned that IP firms are facing the challenges of EDI – we are looking at better integration into our partners' tools and we have the challenge of integrating our tools through APIs into our partners' ecosystems.

Questions

Q: Does lean management apply equally and with the same benefits to small, medium and large structures?

Paul Gette - Yes it does. The implementation will only be more complicated in large organisations. You have to choose one pilot project to prove it works and then go further. Usually when you improve one part of the business in a large organisation it unveils other problems in the rest of the company. This is why improvement is always continuous.

As soon as you have difficulties or challenges to solve, lean is perfect. It will reveal the problems at the stage of the process and then you can start to solve them.

In very large organisations lean needs the involvement of the top management to give it a boost

Delphine Roché – BNP Paribas engaged in lean a long time ago and we faced this at the time – people saying we were a service industry and lean would not apply outside of manufacturing. Don't



wait until you have the support of top management, just start – then the top management will come on board when they see concrete examples.

Q - Hi, how to reduce waiting time in your first example when that time does not depend on your organisation but on the customer? How could you reduce lead time then? Thank you

Delphine Roché – we faced this issue for a long time, there were complaints from customers about waiting but the whole thing is about visualisation, who is waiting for what. The dashboard helped us make great progress so dealers can see what stage of the process things are at and whether we are waiting for dealers to carry out their next task. We make it clear for the customer when they need to act on a process. We try to put ourselves in their shoes.

Paul Gette – very important to improve within your own scope first, then to look at improving the end-to-end process and asking why the different stakeholders of a process are taking a while to respond and finding the root cause. No one wants to work badly and we need to solve problems together.

Marc:

Thank you again to our two speakers!

I'd like to highlight that we will have number of additional webinars coming up, as you can see listed on the slide. Keep an eye open for announcements.

Think about joining the FICPI family so we can be part of the group and grow together.

And finally, thank you to all of you for attending. You will receive an email shortly with a link to the webinar recording and other useful information.

How to join FICPI

Go to the website www.ficpi.org where you can see many national sections and you can contact them directly and join that way

Otherwise – can apply direct to secretariat@ficpi.org and we will contact you and provide you with more information.