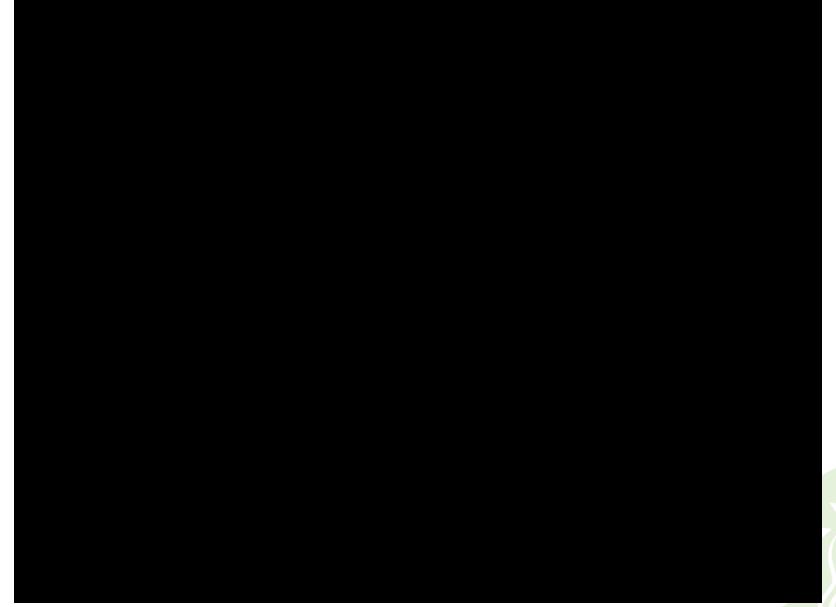
Delivering World-Class Customer Service Through Lean Thinking

Starbucks Mission:

To inspire and nurture the human spirit – one person, one cup, and one neighborhood at a time



Starbucks Has Some Interesting Challenges To Overcome

Typical Challenges

- May not think about details of work method
- May not have work method teaching process
- Engaging employees in improvement process
- Traditional batch thinking with command & control management system

Starbucks Challenges

- 17,000+ unique store situations globally with more than 200,000 partners
- Customer value by providing inspired moments of connection
- Unmet demand at peak
- Work method not part of historic culture
- Problem solving not a core capability



Starbucks Definition of Lean

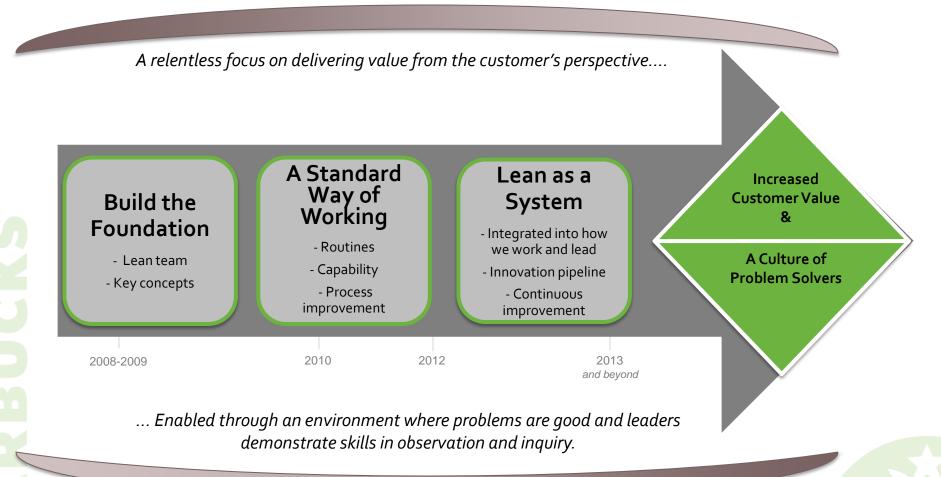
Delivering the most value from the customer's perspective

While consuming the fewest possible resources

By leveraging the talents and ideas of partners.

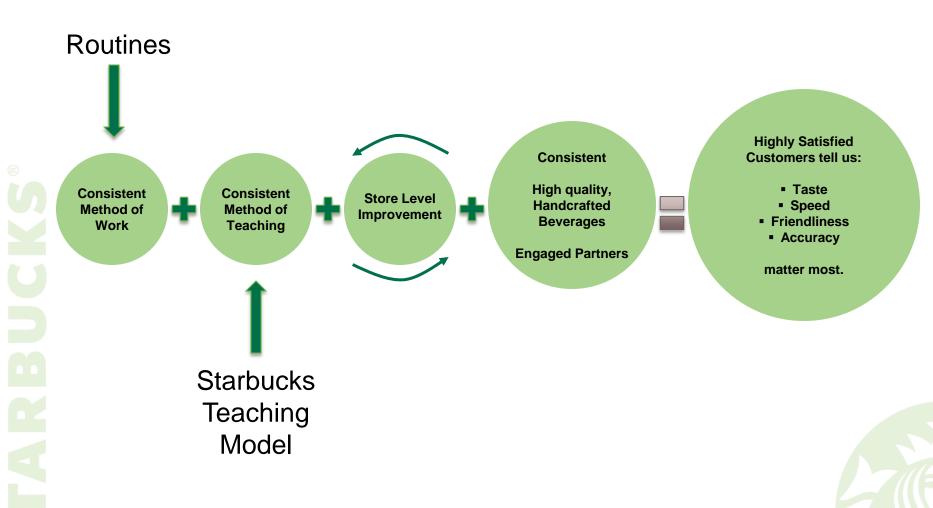


Starbucks Lean Vision





Leveraging TWI to achieve our Goal



Work Routine Structure



An organizing tool for the teacher – not for handing over to the learner

Major Steps

- A logical segment of the work that advances the process
- Not meant to be a complete time motion study

Key Points

- A key for doing a particular step properly
 - Most parts of the job are quite easy to learn but 5% to 10% are difficult or tricky
- Anything that might...
 - Make or break the job.
 - Injure the partner (safety factors are always key points).
 - Make the work easier to do.

Reasons Why

Explains the "why" behind each Key Point



Starbucks Teaching Model – Four Steps



- Prepare
- 2. Present twice
 - Major steps
 - Major steps + key points + reasons why
- Practice three times
 - Silent demonstration only
 - Verbalizing and demonstrating major steps
 - Verbalizing and demonstrating major steps, key points and reasons why
- 4. Follow-up

Starbucks Teaching Model

Consistent Method of Teaching

View T-Shirt Folding Video



Starbucks Teaching Model Demonstration



Objectives

- Describe the Starbucks Teaching Model
- Learn, understand and demonstrate the Starbucks Teaching Model

STARBUCKS

Activity Set Up

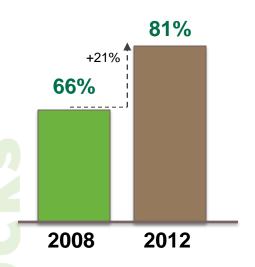
- 1. Each table will do this activity as a group.
 - Ensure that each table has one teacher and one learner.
- 2. Teacher teaches learner to fold a t-shirt.
- 3. If time permits repeat steps 1-3.
 - Select a new learner and teacher.

In Summary: A Recipe For Success

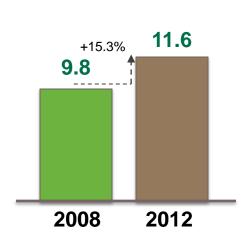


Results to Date

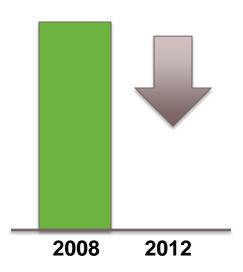
Overall Customer Satisfaction



Productivity



Waste



Partner View Survey

- Of 12 changes rolled out in our stores, Lean was one of the most positively rated changes by all store partner levels
- Majority of partners at all levels agreed they feel encouraged to try/suggest better ways

What's different now?

What we've learned

- Experienced-based learning is the most effective way to shift thinking and create engagement
- Enabling partners to improve their work is the highest form of respect
- Waste exists everywhere you just have to learn how to see it
- Focus on "technical" and "social" together
- It's a journey, not a sprint

Where we are going

- Becoming a learning organization requires embracing asking questions as part of our culture
- Moving from creating a case for change to change leadership – requires leaders getting close to the work
- Balancing a desire to "get it out there" while doing it in a way that achieves sustainable results through behavior change

