

**Volume 11, Issue 06 □ February 09, 2004****Important Dates to add to your calendar...**

- **Feb 18, HPM Board Meeting Host: Samuel Strapping.** Guest Speaker – HPM's Knowledge Supply Chain link ~ Dr. **Jay Myers**, Chief Economist, CME. Topic: 'Trends & Prospects for the CDN\$'.
- **'Feb 20: Practitioner-to-Practitioner Value Stream Mapping Forum.** Host: **COM DEV Space in Cambridge, Limited to 25 People.**
- **Feb 24-27: 3<sup>rd</sup> Western Canada conference on "Best Practices in Lean Excellence 2004"** – Theme: **"Applying Lean to remain profitable as the Canadian Dollar rises."**
- **Mar 3: Lean Case Study: One on one with a Lean Journeyman ~ Insights into a Lean cultural transformation.** Half-Day 12:30-5:00 Host: **Avnet Electronics**, Miss. See HPM web at [www.hpmconsortium.com](http://www.hpmconsortium.com) to register.
- **Mar 4&5: HPM's Practice of Leadership & Coaching Begins 7 Dates: Apr 1&2, May 20&21, Jun 24<sup>th</sup>** This 4-month long, results-based process focuses on achieving breakthroughs. Thirty people are required for it to run as HPM is utilizing a General Electric USA trainer with a proven record of achievement. 24 of 30 are confirmed to date. **To reserve space, call Laura at 519-893-6260 for full details & brochure.** Limited to 30 people.
- **Apr 27&28, Intro to Lean Accounting 1.5 days** There will be a series across Canada in 2004 culminating this fall in a "Lean Accounting Roundtable"
- **May 12<sup>th</sup>, Consortium-to-Consortium Phone Exchange** HPM will be continuing to chat with 'consenting consortiums' from Newfoundland to BC via simple conference calls to share greetings, practices and basically doing what consortiums do best – *exchanging ideas on their best practices for mutual benefit.* There will be a series of calls on this day & more to come. Interested consortiums should email Dave at [dhogg@netcom.ca](mailto:dhogg@netcom.ca) or call 519-893-6260.
- **June 2<sup>nd</sup>, First Annual HPM Consortium-Consortium Challenge Cup** This fun-oriented, opportunity-rich exchange of practices is proposed for Wednesday June 2<sup>nd</sup> where various Consortia would select one of their members to share their best practice. The idea is not to generate competition but to gain value from the exchange process. The cup may be awarded by the participants voting for whom they think was the best. The criterion is yet to be confirmed but could include the most innovative; the most unique... etc. Lot's of discussion to come.

**Remember... whenever you have a customer – internal or external – there is always a Value Stream... your challenge is to see it!!**

- Jim Womack 101

**GMT meets Willow Front Office "Change the thinking & the processes will look after themselves"**

**Following the GMT meeting held at GE Power Systems, the members were given an exclusive showing of the new Willow front office... and that is where the story begins.**

It all began with an idea that originated from a fellow GE consortium member. The idea began to form around the concept of the roles for the 'Front Office' vs. the roles for the 'Back Office' in competing to win. In a nutshell, the Front Office is where the customer is 'touched.' It is these contacts, according to SAS's Juan Carlson, that determine the 'moments of truth' which influence whether a customer will want to work with you ever again – or, will be very clear they never want to see you again.

**The Idea**

The first principle of Lean is that the only assessment of value that matters is the one made by your customer. And if true, perhaps it is time to think about how much contact, face-time, or one-on-one discussions you really have with your customer to understand clearly just what they believe your value to be.

The Front Office is the one making the contact and building the link with the customer... while the Back Office is where the products, services, tools, etc. are hatched to be put into the hands of the Front Office folks so as to generate the sales that will enable the Front Office and the Back Office to both live and do their thing.

**The Innovation Generated**

Dennis Wild, Willow Manufacturing's President, and HPM's Chair: Vision, began to think about the concept and an idea he could not put down was 'why don't I put wheels under the 'Front Office' and get it out there in contact with customers.' This would mean more production space for the 'Back Office' team.

**The Solution**

To indeed put wheels under the concept, Dennis purchased a full Prevost highway coach complete with satellite down-link capabilities, servers, computers, scanners, printers and top notch display panels. This means a customer can have any of his drawings pulled up (or entered) as if he/she were actually in Dennis' Front Office. In fact, the bus is really not like a bus – it is what the concept of 'Front Office' suggests: it actually is a Front Office, with a very comfortable seating area for 14 people. Now Dennis can be on the road for as long as it takes to be where the customers are – **and that can be anywhere within the Bus's 2,400 km span** as that is how far it can go on one tank of diesel fuel.

It is a mind-jarring initiative that stimulates other innovative ideas to flow... and one that is rooted in what may be required to compete and win in the brave world. A world where Chinese floating factories depart from the mainland with casings aplenty which are shaped and matched to their US customer demands by a constant flow of internet data as the factory floats toward San Francisco where the product – yet to be built on the waves

– will arrive ahead of the lead times many North American plants can match.

And, oh yes, when Dennis' land ship does return to Tycos Avenue – just one connection is required and all data bases are synchronized & ready for the next voyage.

## Practical Sense Means Savings

### Lean energy saving strategies for PC's

HPM's acknowledgement goes out to **Rockwell's Energy Team** who brings an excellent perspective. Many thanks to Shazia McCormick & Paul Deckert for the update.

Last year's power outage reminded us of how much we all take electricity for granted. Recently the Ontario Government announced it was fixing the cost of electricity; however, **it continues to cost more to produce than we currently pay.** It is clear that the cost will continue to rise and everyone needs to find ways to use less. **There is not one big thing we can do to conserve energy - success will come from numerous smaller efforts.**

Rockwell has well over 600 PC's in use and his number can use a considerable amount of electricity. Here are some of the down-to-earth recommendations the team would like everyone to use.

#### 1. Screen Savers

Screen savers are energy wasters. Most computers use twice as much energy illuminating the screen as they do for processing. Originally, screen savers were designed to stop screens being burnt by a constant image, but they are not needed for modern screens. Not only can screen savers use as much energy as a full screen of work, but many require considerable processing energy as well. To save energy set your saver to "none" or "blank screen".

#### 2. Turn off your PC at night and weekends

#### 3. Sleep Mode

Sleep Mode **does NOT turn off your hard drive**; it only turns off your monitor. Monitors use about 80% of the energy consumed by a personal computer so the energy savings are significant. The following instructions show how to activate this energy saving option. The Team's recommendation is to set it to go to sleep after 30 minutes. If the computer is not used for 30 minutes the monitor will go blank and will awaken when the mouse is moved or a key is struck. Remember to set the screen saver to blank otherwise it may prevent the monitor from going to sleep.

Click on "Start", then "Settings", then "Control Panel"

Double-click on the "Display" icon

A small window will appear that has tabs to select.

Choose "Screen Saver", then "Power"

Go to "Turn off monitor" and select the down arrow beside it. Select "After 30 min"

Click "Apply", then "OK"

Due to the many variables, it is difficult to calculate how much energy this may save but here are a few samples taken from other industry experiences using local average costs.

- A PC left on for 24 hours day 365 days a year cost ~\$95/year

## "Lean Is A Way Of Thinking, Not A List Of Things To Do"

Hajime Ohba, GM Toyota Supplier Spt Ctr

- If 50% of Rockwell PC users leave their PC on during evenings and weekends, it can cost ~\$39,258/year
- If 75% of PC users have their monitor go to sleep for 2-5 hours during unused periods of time, it could save an additional ~\$1,650 - \$4000/year.

**Individually these changes might not amount to much, but collectively they can make a significant difference if all PC's were set this way.**

**Questions?** ... For general information regarding energy-saving initiatives, contact Gary Comeau at Rockwell on extension 4125.

Thanks to Rockwell's Energy Team for helping to "Light the way". - Many thanks, Szasia

## Value Stream Mapping Forum

Friday February 20<sup>th</sup> ~ COM DEV Space

**"Value Stream Mapping is the most powerful productivity weapon to appear in the last 8 years."** - MEP, US Government

**"Whenever you have a customer, there is always a value stream... your job is to see it!"**

- Jim Womack Lean Thinking

If you have not registered at [www.hpmconsortium.com](http://www.hpmconsortium.com) – contact Laura as space is limited to the first 25 to register.

Over the next two weeks, we will provide a brief profile of the 5 Case Studies & presentations to be made...

#### Case Study: Canada Post – Lessons from a Leader

Robert Knox, Process Excellence Advisor, and Jeff Caswell, Value Stream Leader, from the Parcel Plant of Canada Post will be sharing their approach to the application of Value Stream Maps.

Canada Post is one of the **leading appliers of VSM internationally** and has the absolute results to prove it as many manufacturers have found by visiting them. Both **Rockwell and COM DEV** came away impressed, as did your Update editor, by the depth of achievement and application in place. Their achievement is attracting international attention from Germany, the Netherlands and many others who recognize how CPC has driven tremendous amounts of waste out.

Robert and Jeff will share with us how they not only apply VSM in the high-velocity parcel business... but also extend it into the very important area of performance measurement and scorecard metrics. They use the National Quality Institute (NQI) standard as part of their process excellence strategy. They'll share with us their lessons learned & current challenges **in an open exchange.**

**Case Study:** The one you have been 'clamoring' for – now you will hear how VSM thinking has transformed one national food processing industry... and there are lessons here to be garnered by any manufacturer.

## Is Workplace Literacy Crimping your moves to Increased Competitiveness?

For many, the move toward a Lean-Six Sigma culture is filled with concern because of an underlying lack of their workforce's literacy skills. It is not trivial. For many, it's the building block – or stumbling block – to productivity and competitiveness. If this is a consideration – one way of accelerating your solutions-thinking is to visit a company who not only who has struggled with it – but has done something about it. You Have The Opportunity - at no cost.

The following initiatives are sponsored by CME along with HRDC. If interested call 1-800-798-0210 and talk to Diane.

~~~ While no charge – you must pre-register ~~~

### Literacy Opportunity 1: Honeywell in Scarborough, ON March 23, 2004 9am - Noon

Following their delivery of "English as a Second Language" courses, Honeywell identified a need for a culture that encouraged employees to value learning for personal or professional development. They saw it as a key to their success in the global marketplace. Companies seeking to improve their quality, productivity, and employee work ethic should consider using this example benchmark for their own development plans. It is a chance to learn from an award winning firm. In fact, they won the Conference Board of Canada's Award for Excellence in Workplace Literacy for the Learning for Life program and National Quality Institute Canada Awards for Excellence for 2000.

### Literacy Opportunity 2: Delta Chelsea Hotel, Toronto, March 3, 2004, 9am-Noon

*Inspiring Employee Engagement* ~ If learning in a different – and highly successful – environment can provide you with valuable insights, here is a chance to learn from a company whose success demands its people communicate effectively with their customers. They have deployed 'people practices' that align directly with short and long-term business objectives - and have to. This event will show how to implement an effective framework that creates an empowering workplace. Their success has been recognized by being the only hotel to win the top National Quality Institute's, Canada Award for Excellence. And in 2003 they captured for the 3<sup>rd</sup> consecutive year Globe's ROB recognition as one of the 'The 50 Best Companies to Work for in Canada'.

## Key to competing against China – & others – demands increased Innovation

If Innovation must be strengthened in your firm – here are opportunities provided by CME & the Gov. of Ontario to visit firms who will share with you what they have done, what worked, and what they are planning to do to strengthen innovation further. These firms are opening their doors at no cost, & as above, if interested call 1-800-798-0210 and talk to Diane.

### Innovation Opportunity 1: Home & Park Motorhomes, Kitchener, February 24<sup>th</sup>, 9am to 11:30am

Home & Park Motorhomes, is in their thirtieth year as manufacturers of the ROADTREK, the best selling camper vans in North America. They are built by 200 employees based in Kitchener, Ontario. By offering innovative products, industry leading quality, having partnerships with both dealers and suppliers, superb customer and marketing support and leading-edge people programs for their employees, Home & Park Motorhomes has captured more than 50% of the North American market share. Home & Park is also the only North American RV manufacturer that is registered to ISO 9001:2000. Over the past three years, Home & Park has placed a heavy emphasis on new product development and completely revamped their entire product line up. In addition, the company has embraced Lean Manufacturing, including Continuous Improvement, and has improved their profitability. This week they celebrate 500 days without a lost time injury which is an indication of the excellence of their approach.

### Innovation Opportunity 2: Messier-Dowty Inc., March 4, 2004, 8:30 am to Noon

Messier-Dowty Inc. has CDN facilities in Ajax, Montreal & Peterborough, and is dedicated to the design, development, manufacture and logistics support of complete landing gear systems for commercial & military aircraft. The Ajax operations design, test and manufacture landing gear systems for both fixed wing aircraft and rotorcraft, with an emphasis on regional and business aircraft. It maintains an extensive computer-aided design and manufacturing engineering capability along with specialized expertise in the development of fully integrated landing gear systems. On-site services also include maintenance, repair and overhaul stations. When visiting this facility, participants will see:

- Lean Concepts throughout the entire enterprise; 5S concepts and results; the implementation of true Pull Systems
- Machining of High Strength Steels
- unique Kits of parts received from suppliers
- the "value" of Lean Concepts in an enterprise!

### Innovation Opportunity 3: Arriscraft International, Cambridge, February 24<sup>th</sup> Noon (luncheon) – 2:30pm

Arriscraft was formed in 1949 when the founder, then a home builder, could not get enough masonry for his houses. His family had produced a cement based stone in the 1920's, so he decided to get back in the business. However, cement and concrete based products have their limitations. Being a chemical engineer he went to work on duplicating Mother Nature and making stone. He was successful, as Arriscraft manufactures stone – some of you may remember it as 'Angel Stone'. Using much the same process as in nature, silica sand, lime and other natural ingredients are forced together using 1000 tonnes of force and then exposed to a high pressure steam environment, where the particles bind and new minerals are formed. These stone units are then sawn, rocked, split or otherwise finished using traditional stone working techniques providing stone masonry units which are used both residentially and commercially throughout North America.