

**Volume 12, Issue 11 ☐ March 14, 2005**

*Important Dates to add to your calendar...*

- ☐ **Mar 29<sup>th</sup>, HPM Employee Leveraging Tour #9.** Host: Hammond Power Solutions~Rockwell, COM DEV, GE Insp. & Hammond Mfg. attending **FULL**
- ☐ **Apr 12<sup>th</sup>, HPM Employee Leveraging Tour #10.** Host: Volvo Motor Graders, Goderich. Hammond Mfg., COM DEV, Rockwell, Tempress & Orenda attending. **FULL**
- ☐ **Apr 13<sup>th</sup>, HPM Open House.** Open to readers of the HPM Weekly Update who might consider membership in HPM. Room for two more companies. **Call Dave**
- ☐ **Value Stream Mapping Forum** – A Clinic for VSM in Non-Production Arenas... Re-scheduled from last fall. *Confirming presenter availability in a busy year...*
- ☐ **Apr 20<sup>th</sup>, 12:00-4 pm HPM GMT Meeting.** All HPM Directors or Alternates invited Host: GE Rep. & Insp.
- ☐ **April 26<sup>th</sup>, HPM Employee Leveraging Tour #11.** Host: Avnet Electronics, Mississauga. **42% Full**
- ☐ **May 10<sup>th</sup>, HPM Employee Leveraging Tour #12.** Host: COM DEV, Cambridge, Nabeel Mirza **58% Full**
- ☐ **May 18<sup>th</sup>, 11:30-5 pm, HPM Board Meeting** Host: Canada Post
- ☐ **May 24<sup>th</sup>, HPM Employee Leveraging Tour #13.** Host: Bird Packaging, Gary Whalen **42% Full**
- ☐ **Jun 6-10<sup>th</sup>: "Implementing & Sustaining Lean Thinking Everywhere."** An AME Canadian Region & CME Western Division practical Lean Conference in Edmonton, Alberta. [www.measureupforsuccess.com](http://www.measureupforsuccess.com)
- ☐ **Jun 14<sup>th</sup>, HPM Employee Leveraging Tour #14** Host: Samuel Strapping, Daniel Dstancescu. **42% Full**
- ☐ **Jun 28<sup>th</sup>, HPM Employee Leveraging Tour #15** Host: Willow Manufacturing, Dennis Wild **67% Full**
- ☐ **Aug 24<sup>th</sup>, HPM Board Meeting..** Host: Tempress

**HPM Happenings**

1. **Noted during the Mancor Lean Assessment:** As part of the Windsor Drive's commitment to reducing WSIB & Health & Safety incidents, Wayne & Dale demonstrated a 'nifty large stoplight' which they attributed to a **'Theft with pride from Rockwell's Raglin plant in Cambridge'** When the light is red, there has been lost time injury during the week, when yellow – medical attention was needed, and when green, all is AOK.
2. **There has been some win-win linkages** with our Case Study company this week (Image Craft). They have exchanged ideas with Gerrie Electric, had an win-win ergonomic assessment from Rockwell, and, borrowed with pride the neat band-aided person on Velcro's wall.
3. **HPM Employee Leveraging Tours Successful** – filling into June. HPM'ers should confirm spaces needed now
4. **INVITATION:** We are looking for 1 and possibly 2 companies willing to **'show & tell' a Value Stream Mapping success story in non mfg. areas.** The date for this has been fluid based on the availability of folks. Nailing it down this coming week is a priority!!

**Employee Leveraging Tours Filling**

**Hammond PS & Volvo Motor Graders April 12<sup>th</sup> – FULL**  
**"Practical Employee Learning Exchanges"**

Open to any HPM member company employee  
Monthly: 2<sup>nd</sup> & 4<sup>th</sup> week from 9-11 am.

**Each Tour site will show:**

- A) A 'Best Practice' they'd like to make even better
- B) An area where 'Suggestions are Welcome'

**To Register:** HPM'ers call Nicole at 519-893-6260 before **preceeding Friday** for security clearance with names. Others filling now – good to book before they are gone.

**Outside Case Glimpses... Image Craft**

*This is a small peek at how folks in other consortiums are using them to drive competitive improvements. Here's what one company did to make improvements for their customers that involved their Value-Adders on the floor.*

**It's Official – 2nd Video Tape Proves Sitma Setup Time Cut 84%**

*What was suspected in December has happened. Process improvements have made jobs easier & the benefits are not lost on other departments as changes made by the employees have worked so well, others want a piece of it. In fact, at Image Craft improvement is becoming a 'Pull System' in itself.*

*Cambridge's Image Craft is Canada's largest maker of greeting cards. They are in direct competition with the top card-makers throughout North America. And to sustain their success, they are – and must – increase their tempo and productivity by applying lean thinking in a way that would make Jim Womack proud. And they are choosing to do it through their people!*

*Early last year they swallowed 'Fred's', a large 550 store card chain in the US, which meant much pressure on manufacturing to increase capacity to produce millions of cards more. The beat has continued with an even bigger market expansion announced last month... and more business pouring their way – hence a 'Lean response' has become a passion for them to deliver.*

*Back in December, Image Craft began a setup reduction Kaizen on one of their four mainline machines... and the company has not been the same since. And it was a positive change according to Image Craft's very excited Phil Clayton: "This is the first time all departments have come together like this – and the achievement has been outstanding," he said.*

*HPS's Bob Kerr was also excited as he stated flat out: "By involving their people in improving their manufacturing operations as they have – the results have been spectacular. Staff have become so excited they now have their eye on reducing one process from many hours to only 10 minutes!"*

## Background

**Just before Christmas**, setup training was initiated with one of the company's four Sitma machines selected as a trial project. And the results were rapid. In fact, a reduction was achieved that rewarded folks for their hard work and inspired them to further achievement.

The Sitma machines are complicated and were not a lot of fun to work with, according to the operators. However, they are critical pieces of equipment that are required to bring envelopes, cards etc. rapidly into a final package, which happens so fast they have to be caught by the 'catchers' and readied for shipping. **Hence, any simplifications and reductions in setup times here have a direct and significant impact on IC's operation and customers.**

## The Approach

It all started in true Lean fashion with a team of folks who knew the process getting involved. The team consisted of operators, maintenance staff, catchers, and supervisors – all brought together around a 50% reduction 'dream target' that most 'knew' to be clearly impossible. The next step was to equip the team with new thinking, new tools, and tonnes of support to make it all happen. (Keeping in mind the HPM mantra..."If you can change the thinking the processes will look after themselves.")

The training began with SMED (Single Minute Exchange of Dies) led by HPS's Bob Kerr who challenged them (with a grin) to think about **"How they could set up the machines with no tools at all..."** A totally off-the-wall thought for sure – but one that got everyone's attention as the concept stirred much discussion... and more importantly - much thinking.

The thought was so radical it was greeted with chuckles – and yet quite quickly, ideas began to flow in a torrent. Together, the team armed themselves with a video camera (after all, you cannot argue with what a camcorder sees, can you?) – and, along with Bob's constant probing and questioning, they came up with 12 action items – complete with timelines – that they felt would help reduce the cycle time.

The 50% improvement 'Target on the barn' meant a reduction from the current 33 minute cycle to 16.5 minutes which was seen as formidable, if not impossible, by everyone, based on their current thinking and operations that had not changed for many years.

## Eating the Elephant (one bite at a time)

Faced with a huge amount of work, it was decided that after the first 4 action items were completed they would again videotape the process. **What was eye-opening to Team Image Craft was that, with every discovery of an action item, they uncovered a tonne more.**

As the team became fully involved, the excitement grew – and so did the enthusiasm to do more. "The team was fantastic," according to Madonna George, Image Craft's Manufacturing Manager. "They went beyond what they had expected of themselves – they made things happen."

When the results were in, they were floored. After completing only 4 of the 12 action items, they videotaped the entire process again and found they had cut the setup time from 33 to 12 minutes - **a drastic drop - of 64%!** And this was before they had completed all the outstanding jobs on their 20-Day list... and the pending second video taping.

## Today's New Reality

Upon completion of the 20-day final video taping last month, it was clear much had occurred – **in fact, the second full-system video taping confirmed an 84% reduction in the setup time had occurred.**

And the results were only beginning.

The new thinking is **now fanning out throughout the 450-person plant** as the other 3 Sitma machines and their operators are ready to incorporate what they have learned – and to do more.

## A Reality Check -- Lessons Learned

Among the unexpected outcomes – these two were reiterated once again as being significant:

- 1) The impact on the people:** The highest impact moment in the undertaking was when one of the operators came forward in an operations meeting and said sincerely and earnestly, "Thank you. You've really made my job easier."
- 2) From achievement comes more achievement:** "The undertaking has transformed improvement at IC from a traditional 'push system – management doing the pushing' - to a really exciting 'Pull System' with employees asking for the help they need. Daily, I talk to other operators who ask me when are we going to do their machines – and that is fantastic," states Donna, a very convinced mfg leader.
- 3) Thinking Changes: - 'If you can change the thinking the processes will look after themselves.'** was the spirit of one of the messages all 450 employees had heard when they went through the **"Introduction to World Class Fundamentals"** – a progressive approach by Image Craft to provide everyone with the same "Big Picture." Connect this with their very insightful approach to changing cultural experiences and relationships altered through the **"Fish"** message which drove home the point that **'you choose your attitude.'** Good things have happened at IC.

The change in thinking is continuing to spark new ideas and recognition that change in the work environment that makes life easier every day is possible – and is happening. As Donna commented in the December AfEE Weekly Update, "We have all changed our thinking and are now planning to attack other areas in totally different departments with the same approach." There is good support for this, as the assertion that **"When culture and change collide – culture wins every time"** is accurate. The best companies take a deep breath and roll up their sleeves to begin building the culture that will sustain their achievements.

And some of the thinking is breathtaking – with one team already talking about reducing the setup time on a 'major pain' that occurs 2-3 times a year from a whopping

current 16 hours to a possible 10 minutes. Now that is exciting.

As for the SITMA team? "When we played the videotape again, we started to see even more things we could do – the team is now excited about driving to a true 'single minute' target. The results are now in – the 20-day list is complete – and the recent video taping has shown a **World Class result as the setup time has dropped by 84%**.

### Summary

Image Craft has chosen to 'Achieve results through its people through genuine involvement.' In other words they are making change happen in a way that would make Jim Womack, author of Lean Thinking, proud – by involving their people in improving their manufacturing operations.

It is fitting that Donna has the last word - "We surpassed what we expected – but this is just the tip of the iceberg that will take us from 'Good to Great'. I need to tell you that we could not have done this without outside eyes helping us to see what we needed to see -- we definitely could never have achieved these results without the AfEE group. We'll now be extending the initiative throughout the company. To see the thinking changing from a 'Push system' into a 'Pull system' certainly bodes well for us. But it can cause some double takes. For example, some of our staff attended Scott Smith's Value Stream Mapping session at Stack-A-Shelf and when they came back, they came to me saying 'that course was wonderful, but now I don't like the way my department is laid out.'"

***Donna and the team can't wait for the rest of 2005. They're looking forward to those golden 'outside eyes' and the fresh perspectives they will bring to achieve further improvements. You can contact Donna for further information at 519-622-4310.***

### **Cultural Leadership for Top Executives If you are a CEO, or Sr. Leader, here is a 'Leadership opportunity in June...**

***Here is an invitation for 10 leaders... to spend a day with Dr. Robert (Doc) Hall & his team.***

HPM'ers will remember Dr. Robert (Doc) Hall's presentation at Canada Post last year. He has been assigned by the Board of Directors, consisting of some of North America's best companies, to begin developing Leadership training aimed squarely at CEO's and Top Executives. The thinking is that there is a need for change.

Sooo, if you are a CEO, President, or Sr. Executive – who is interested in what it takes to put in place a culture that will deliver sustainable World Class performance – Doc Hall and two facilitators are inviting you to join with them for a one day focused discussion. Only 6 to 12 leaders will be present – no more. **This is done to enable full discussion that will help pioneer a top Leadership training program unlike any that are available.** The day-long session will be filled on a first-come basis. You may reserve your seat for June 6<sup>th</sup> at only \$250CDN, including lunch and all learning materials.

### The Nature of the Challenge

Cultural leadership is the key to sustaining excellent company performance. Leaders of lean transformations are well-aware of the changes in mind set necessary to successfully implement and hold techniques. Sustaining goes beyond techniques to develop a world-class learning culture, one in which people *habitually use* techniques to see themselves, their customers, and their work in new ways, setting benchmarks more than seeking them. ***This effect is a major step from early learning.***

In order to facilitate the needed shift in culture, leaders will need to lead the organization through a significant transformation. This transformation will involve a broad involvement by the entire organization. **Leaders of this cultural transformation must become role models of the behaviors and practices expected in their organizations.**

Many companies have succeeded in transforming the company culture into one that is constantly learning and applying this learning to improve the execution of the organization. They use the tools, but the key is to get the entire organization to focus on improvement in business – customer success and operational excellence.

**This workshop will give a glimpse into how this cultural transformation can be obtained.** In the workshop, the Cultural Leadership change model will be presented and compared to organizations that have successfully transformed the culture. This change model includes the following elements:

#### ■ Strategy

- Based on knowledge of changing business conditions
- Developed with broad input from all stakeholders (shareholders, customers, employees) and widely shared

#### ■ Structure

- Flexible and adaptable
- Supports innovative work processes

#### ■ Processes

- Lean and continuously improved
- Developed with broad input from those doing the work

#### ■ People

- Responsible for "real-time" learning every day
- Innovation & change expected & rewarded

Leaders from organizations that have successfully transformed their organizations' culture will share their experiences and compare their transformation approach to the **Cultural Leadership change model**. Those who attend the workshop will gain insight to the process of cultural change and the business benefits that can accrue due to this transformation. **While not intended to provide the skills or tools to engage a successful transformation, it will provide needed perspective to allow a senior leader to gauge their own interest and desire to pursue the learning and training necessary to lead a successful culture transformation.**

**To register: Call Del at AME at 84720-3282 – Check out the full conference at [www.measureupforsuccess.com](http://www.measureupforsuccess.com)**