

Volume 12, Issue 38 **September 19, 2005**

Important Dates to add to your calendar...

- Sep 27 9-11 am, NEW: Host GE Multilin, Markham for HPM Members: First '05' Employee-to-Employee Leveraging Tours** of employees of HPM Companies to visit other begins this fall, hosted by GE's Patrick Ford. Your chance to see the plant – for details see outline data on page 2. Registration is first come. This one is expected to fill rapidly. Register with Nicole now at info@hpmconsortium.com or call at 519-893-6260.
- Sep 29th 8-4:30, Open: "Intro to World Class Fundamentals" – "Big Pix"** for those transforming their organization or, new employees who've not taken this long-running session. Details on the HPM Website. **Loc:** Cambridge Hilton Gardens. Register on line later this week or call **Nicole 519-893-6260**
- Oct 4/5 & 25/26: Open: A 4-day "Achieving Results Thru People" course** entitled "**Effective Lean Management Skills**" for leaders at all levels in Lean environments promoted on technical excellence who are looking for practical managerial tools & thinking. Over 120 mfg leaders have taken this course developed for the Alberta & Sask. Consortiums.
- Oct 11, 9-11 am HPM Employee Leveraging Tour #2. Member: Bird Packaging, Guelph, Host: Gary Whalen.** 12 Seats only – Register with Nicole. [Awaiting details]
- Oct 25, 9-11 am. HPM Employee Leveraging Tour #3 Member: Samuel Strapping, Host: Daniel Dstancescu** 12 Seats only – Register with Nicole. [Details Page 2]
- Oct 12, 8-5pm Open: Quick & Easy Kaizen – Special 1-Day Workshop with Norm Bodek.** Highly rated "SME Excellence Workshop" at Edmonton. For a training Outline, check "Coming Events" on the HPM website www.hpmconsortium.com **Workshop Manual: "The Idea Generator"**. Location: **Cambridge Hilton Gardens. See for details, or register online, Email Nicole info@hpmconsortium.com.** THIS IS A UNIQUE OPPORTUNITY TO LEARN FROM NORM BODEK WHAT YOU NEED TO PUT THE PRINCIPLES TO WORK. **THIS COURSE WILL RUN!**

- Dec 1, HPM Share Showcase, GE HQ Mississauga.**
Time to pick top concepts to present.
 - >> HPM'ers e-mailed **Guidelines & Registration forms** last week – If you did not get them contact Nicole
 - >> **Deadline for Presentations: October 31, 05**
 - >> Names of all participants confirmed with Nicole by Nov. 15th (For security process – as a result. **No changes made after Nov. 15th.**)
 - >> **Contact Nicole for any details or info!**

June 12-15th, 2006 Second Canadian Regional Conference... Kitchener-Waterloo Region Canada.

2006 CDN Regional Conference June 12-15
8 - International Keynoters to Inspire & Inform
36 – Practitioner-delivered Lean Best Practices
14 – Practical Applications & Tools Workshops
12 – On-site Plant Tours
6 – Accelerated Learning Experiences (ALE)
Total: 76 Learning Experiences ++ Networking

Interested in responding to the Call For Presentations?
Email our Program Chair for an application form today:
Brian Bush at: brianbush@Sympatico.ca
To be an early Sponsor: Contact dhogg@allstream.net

FILLING NOW – REGISTER ONLINE

NEW 1: "Quick & Easy Kaizen" with Norm Bodek.

This is a special presentation and HPM is pleased to welcome Norm for the first time. Norm is internationally recognized and is an in demand consultant and presenter because of his hands-on practical approaches. His recent book with the Director of Operations of Technicolor "**All ya gotta do is ask**" is opening eyes because of its simplicity – and sheer impact.

We are fortunate to have Norm coming to deliver his powerful approach on October 12th – which he will repeat on October 12th. Because of the international background of our presenter we will need your confirmation of attendance by September 15th to ensure delivery.

The Opportunity

Check out the details on www.hpmconsortium.com – to register, check out the Team discounts and proceed to register on line.

Here is a chance to learn from a man who has learned directly from the Japanese Masters. Norm has made over 60 trips to Japan and founded Productivity Press many years ago for the expressed reason of translating and copying the "Lean publications" from Japanese to English. His simple and

NEW FORMAT 2: "Effective Lean Management Skills ~ for Lean Environments ~ Achieving Results Through

People. Check Events: www.hpmconsortium.com

This new practical workshop is 4 days and spreads over a month to give time for the content to be tried on site. This is NOT a "Mini-MBA" and it is NOT a course for 'First line supervisors'. It is a nuts-and-bolts practical workshop for managers and leaders between the Front line and the Senior executive management level. Presidents have attended to pick up practical perspectives to better "**Achieve Results through People**" – in a Lean environment.

The course has been delivered to over 120 manufacturers in Alberta & Saskatchewan and this fall will be delivered in Truro, St. Johns, Calgary, Edmonton and Saskatoon. **AND in Ontario beginning October 4th and 5th and concludes on October 26th and 27th.** Check out the details on www.hpmconsortium.com

HPM's Employee-to-Employee Fall Tour Schedule begins 9am Sept. 27th at Multilin Tours to other HPM companies by HPM Member Employees, kick off Sept. 27th Hosting this first tour of the 2005 Fall and 2006 Winter schedule will be GE Multilin, by Patrick Ford, our onsite host. He will be working out with Nicole, the details of what you will see. Watch the Weekly Update for details. Registration is first come - and this one is expected to fill rapidly. Register with Nicole now at info@hpmconsortium.com or call at 519-893-6260.

Employee-to-Employee HPM LEVERAGING TOUR # 1NE

TOUR SITE: GE Multilin

215 Anderson Avenue, Markham, ON

Site Host: Patrick Ford ~ 905-201-2059

patrick.ford@ge.com

DATE: Tuesday September 27th, 2005

TIME: 9:00 am –11:00 am

REGISTRATION: Send names, title, phone number and email address of participants to:

info@hpmconsortium.com

Limited to 12 participants on a first come basis.

TOUR FOCUS:

Their **5S Program** and the challenges they face
Manufacturing Flow Manager (MFM) is an in-house developed software tool/database used to manage customer orders on their production line.

Wee Heads Up – Folks for hire here...

- 1) **Bruce Baggaley**, Sr. Partner with BMA, the leading Lean Accounting Consulting team in the US will be in Cambridge for half the day on Oct. 27th If you'd like to use him for a half or full day on the 25th or 27th, contact Nicole.
- 2) **Norm Bodek** is the leader in "**Quick & Easy Kaizen**" template **Oct. 12th**. If you'd like him to spend a day with you on Oct. 11th or 13th, contact Nicole. Still seats available at the '**Quick & Easy Kaizen**' at Cambridge Hilton. Contact Nicole.

Anatomy of a Winning Plant Tour

Aerco International Northvale, NJ

... Use this to help with your next tour

Your Weekly Update editor participated in one of the best tours he'd seen. It was held at a busy 100-person plant facing tough deadlines – and management's support was full, uncompromising, and deadly serious and clear about the value it was to receive... The result was a spectacular win for everyone.

Aerco International is nestled in Northvale New Jersey and was toured this week by Your Weekly Update editor and 20 and Leaders from US and Canadian mfg companies.

All were members of the AME Champions Club – a self-mentoring group that meets quarterly, this time at the West Point Academy. Not surprisingly the focus on Leadership and this plant was selected because it is a leader.

Aerco has just been chosen as one of the top 25 companies in North America (and that includes Canada and Mexico) by Industry Week Magazine's "America's Best Plants" competition.

Only a few companies have the courage to declare themselves a "Tour Ready Plant" because of the effort needed to involve everyone and the cultural adjustments it may need.

Since there is no time that a 'Tour Ready' facility can get dirty, it must remain



Employee-to-Employee LEVERAGING TOUR # 3REE

TOUR SITE: Samuel Strapping

2370 Dixie Road, Mississauga, ON

SITE HOST: Daniel Stancescu - 905-279-9580

TOUR DATE: Tuesday October 25th, 2005

TIME: 9:00am –11:00pm

REGISTRATION: Send names, title, phone number and email address of participants to:

info@hpmconsortium.com

Registration is limited to 12 participants on a first come basis, and 3 participants per company.

TOUR FOCUS:

The tour will focus on the CNC Machine Centre.
Kanban areas for work-in-progress materials
Materials loading & unloading (e.g. coils)
Tooling change-over (e.g. slitting)
Process flow (e.g. optimization)

Kitchener Conference Quote of the Day

"World Class thinking begins with how we look at the world around us every day. The solutions are at our fingertips, but invisible without a new perspective"

Charlie Cipolla, President & CEO
Rockwell Automation

clean – hence, such a gutsy vision must involve every single person.

The UK, US and Canadian plants that make such a declaration usually do so for the following reasons:

1. They know that **workplace organization is the foundation for Standardized work** and timely successful Continuous Improvement strategies
2. They understand that **50-70% of the waste in their companies is really there...** and is there because it is invisible to everyone who lives in it. Such companies revere tours as opportunities to look at their plant through "Outside eyes".
3. They know they'll find it **easier to keep people**
4. They know it will be **easier to attract and hire the people** they want in the first place as Velcro Canada's Bob Taylor found out.
5. They know that **they will gain business** – and the following tour did just that for Aerco.

The Company - Toured last Thursday

Aerco is into hot water – with a product line that includes boilers, pressure vessels, and assorted controls mostly for buildings, schools, hospitals etc. – and not residences. Aerco's customers buy efficiency and - security of service - and every employee knows it. They are the top line in their competitive market and the recent transformation to Lean has put them there.

Employment is steady at 100 people in their 50,000 square foot mfg. facility with engineering and administration housed across the street. Their sales are approximately \$45 Million and may well grow after this tour. The company is unionized. The plant was recently transformed into a commercial success by Lean Thinking from the new owner, Basem Hishmeh who just retired as the president of AME.

The Tour

Phase 1: Setting the stage

The welcome made it crystal clear that everyone was enthusiastically welcome; every one of the 16 Aerco persons we were to meet throughout the tour were there to meet the visitors – and they made it clear that while they had expectations, they were genuinely glad the visitors were there. Make no mistake - this was an enterprise-wide event since Sales, Quality, Production, Engineering & New Product Design, Human Resources, Field Service, and Materials were involved as were the employees who were randomly chatted with throughout the 75 minute tour.

The Aerco Vision

Mission: *"Why we are here: Our goal is to produce the finest quality products that satisfy our customers' needs in a safe, professional, and productive environment."*



The expectations

For the visitors, the purposes of the tour were to add to their Leadership training which they had just completed at West Point – AND – to learn from Aerco how they had become leaders in their sector. The Aerco staff were explicitly serious about seeing their plant from outside eyes so they could 'fix it more' as one said. The measures observed included: 1) The visible excitement of the staff at having the visitors 2) The thorough preparedness of every person met, 3) The feeling quickly and clearly imparted to the visitors that they were welcome but that this was clearly a business event with expected outcomes – but with a sense of fun in a no-blame

environment that would be win-win.

Fred Depuy, Aerco's President and CEO met the entourage and quickly introduced every member of his team. He set the stage in no uncertain terms - but in an easy personable way as he shared details of their journey and how they had drawn on Disney's training for the inspiration to **'hold close and communicate often' the things most critical to their business.**

He clearly communicated the Mission and handed the large framed copies around to ensure every one 'touched' what they use every day... especially their highly visibly expressed motto around the plant of **"See everything through the eyes of your customer and build it like you OWN IT!"**

Phase 2: "Tell 'em what you're gonna tell em"

The welcome and introductions were short but **long enough to generate a comfort level for all.**

Vice President Larry Rubin clearly – and I mean clearly – laid out the exact tour, what we were going to see, what to expect, plus safety and emergency procedures. PLUS exactly what Aerco was looking for from each visitor and precisely how the process would unfold at the end of the tour. With every mystery dispelled – the tour began.

Phase 3: Tell 'em The Texture of The Tour

There are two aspects of a tour – there is what you are told and what you are shown – AND how it is being conveyed to you. Letting employees 'tell it like it is,' yields deep respect and credibility. Your employee interaction with customers can yield high impact. Few of the guests were prepared for the amount of employee involvement in this tour – they loved it. Employees openly, and without hesitation, followed a standard template that enabled the visitors to both understand and compare what they were seeing in one area with another. In short, the understanding in the minds of the visitors was allowed to build from beginning to end.

Tour Format

The tour guides were assigned to groups of 5 visitors. They explained the starting point for their group and how the flow would occur to the next 9 employee-led stops.

At each stop an employee greeted the visitors and used the above template to initiate discussion. The template items included:

- Presenter's Name
- Strategic Business Process
- Overview/Purpose
- Key Metrics
- Continuous Improvement Plans
- Link to the Ideal State



Phase 4: Extracting Practical Results

Upon conclusion, each of the four teams of visiting Champions Club members were seated in a special area to discuss and report on three things:

- 1) The safety problems and improvements needed
- 2) The opportunities for improvement noted
- 3) The one most important change that the visiting team saw as being top value

The Aerco senior management and operations leaders assembled in the main training room to hear the observations, improvements, and recommendations. Then they retired to identify which of the four visitor teams they felt provided the best suggestions. The buzz of discussion was almost deafening but very energizing as the visitors awaited the return of the Aerco managers. They returned bubbling – and presented shirts to everyone – and a special liquid reminder to the winning visitor team of the high quality suggestions for improvements they had made.

Phase 5: Summarizing the process – The Key Factors for Successful Tours

- 1) The host must see genuine value in the process
- 2) **Halt all tours that do not provide you value**
- 3) Make the tour as part of your CI thinking
- 4) **Involve employees everywhere** - during the introduction – the tour – and very importantly, provide them the opportunity to actually hear what visitors really saw and their reasons for recommending improvement.
- 5) **Organize it like you mean business.** Apply the same precision, discipline, and force you do in making your own processes successful
- 6) Expect increased business (profit)
- 7) Expect increased exposure (make it easier to hire new people)
- 8) Never underestimate the pride generated within your workforce

Highlights Noted by Your Editor

Of the many things that excited the visitors, here are some that impressed most:

- 1) **Code Red Thinking:** When a customer has a problem they never quibble about the cause of the problem or even whose equipment might be at fault – their mind set is to get the equipment up immediately. How do they do it? Visually – as

the red andon light is highly visible in Customer Service and in the plant. An incoming call identifying a problem means a hospital, school, or industry has lost their hot water. People are dispatched as a diagnostic continues on line. An Aerco employee is connected to this problem full time until it is resolved. Only when a one-on-one communication with all the necessary customer decision-makers verifies that the problem is resolved is it switched back to green.

- 2) **Credibility:** Installed in their facility are the units of the top competitors. Customers can see each functioning side-by-side and make their selection accordingly. It is of high value to the engineering team to see just what they are competing against at all time.
- 3) **\$\$Value to The Host:** Having seen CFN Precision in Concord win the right to make and ship 102 precision parts now on the monster Airbus A380 because of the people who toured their facility during the MeasureUP for Success Conference in Toronto, the following did not surprise your Weekly Update Editor. **One of the visitors in my team is both an owner and the GM of an army fleet support facility looking after more than 750 helicopters ranging from Chinooks to Long Bows and Black Hawks.** He was increasingly impressed with the people, the thinking, the Code Red philosophy, the cleanliness and the organization of the facility. While walking through he contacted his office to see if Aerco was on the supplier list. And upon finding they are not, he is having them added. Hence, **out of this investment of a 75 minute tour, plus the time spent by the senior folks – not only is there now a potential multi million dollar contract from Army support possible... the realization of the suggestions will make their impact for many months to come.**

Mutterings the Confused Philosopher

1. Don't sweat the petty things and don't pet the sweaty things.
2. One tequila, two tequila, three tequila, floor...
3. Atheism is a non-prophet organization
4. If man evolved from monkeys and apes, why do we still have monkeys and apes?
5. I went to a bookstore and asked the saleswoman, "Where's the self-help section?" She said if she told me, it would defeat the purpose
6. What if there were no hypothetical questions?
7. If a deaf person swears, does his mother wash his hands with soap?
8. If someone with multiple personalities threatens to kill himself, is it considered a hostage situation?
9. Is there another word for synonym?
10. Where do forest rangers go to "get away from it all"?
11. What do you do when you see an endangered animal eating an endangered plant?
12. If a parsley farmer is sued, can they garnish his wages?