

# Industry Practice Leader KEYNOTE



## Elisabeth Anne Gegner

*Practice Leader, Leadership and Culture,  
Supplier Excellence Alliance*

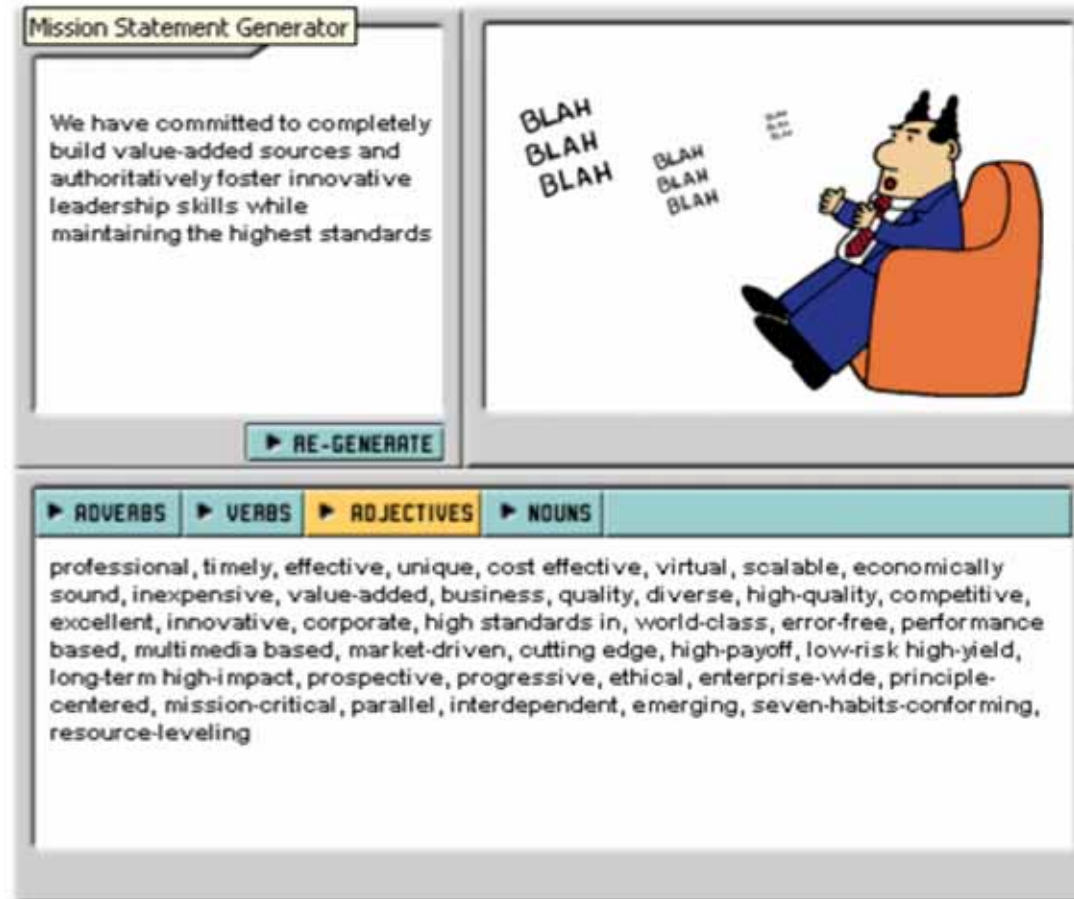
Elisabeth Gegner is the Industry Practice Leader for Leadership and Culture at the Supplier Excellence Alliance. In this role, she helps clients develop and successfully implement their continuous improvement strategy, supports and coaches SEA's Leadership and Culture Consultants, as well as develops materials to support our clients in their transformation journey.

With over 18 years of experience in the fields of strategy, leadership, culture and business transformation, she helps organizations focus and execute on their most important priorities.

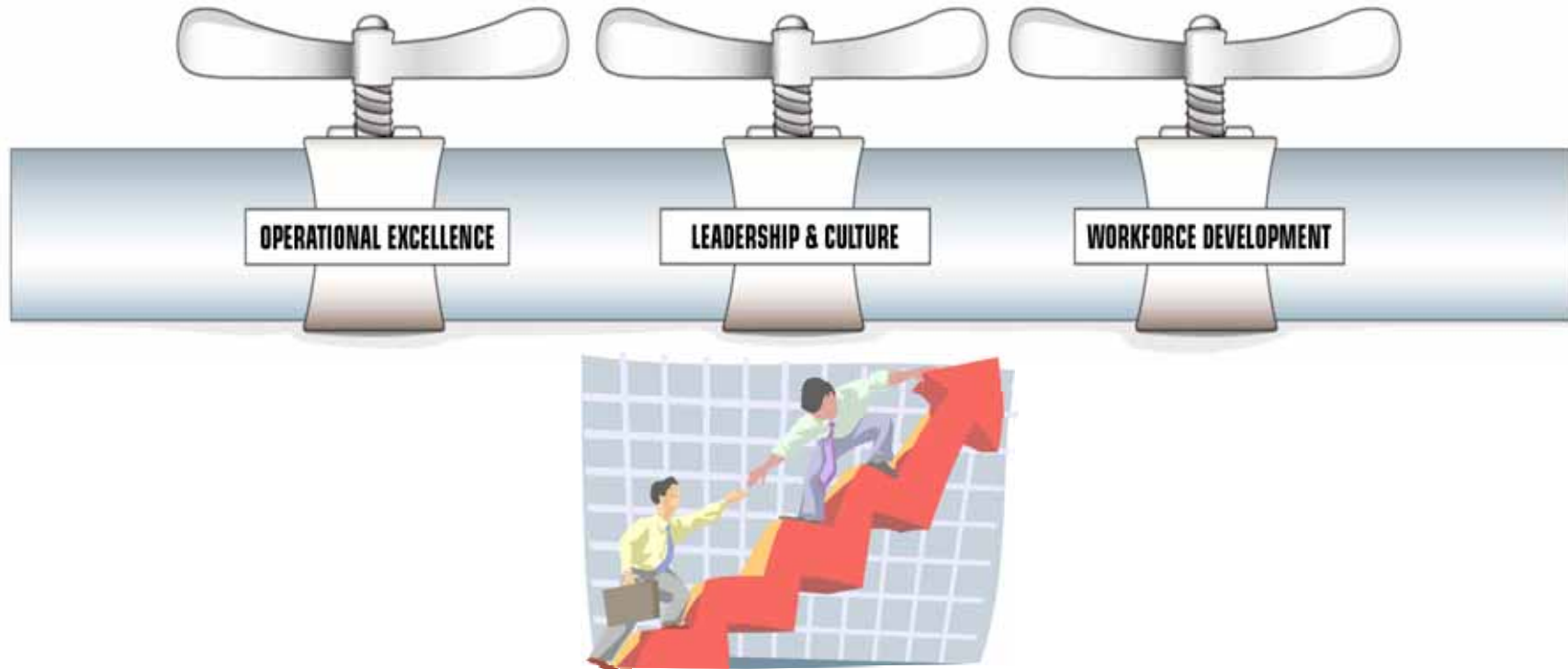
# Leadership & Culture

**Processes that Sustain your Success**

# Leadership & Culture



# Are your Spigots fully Open?

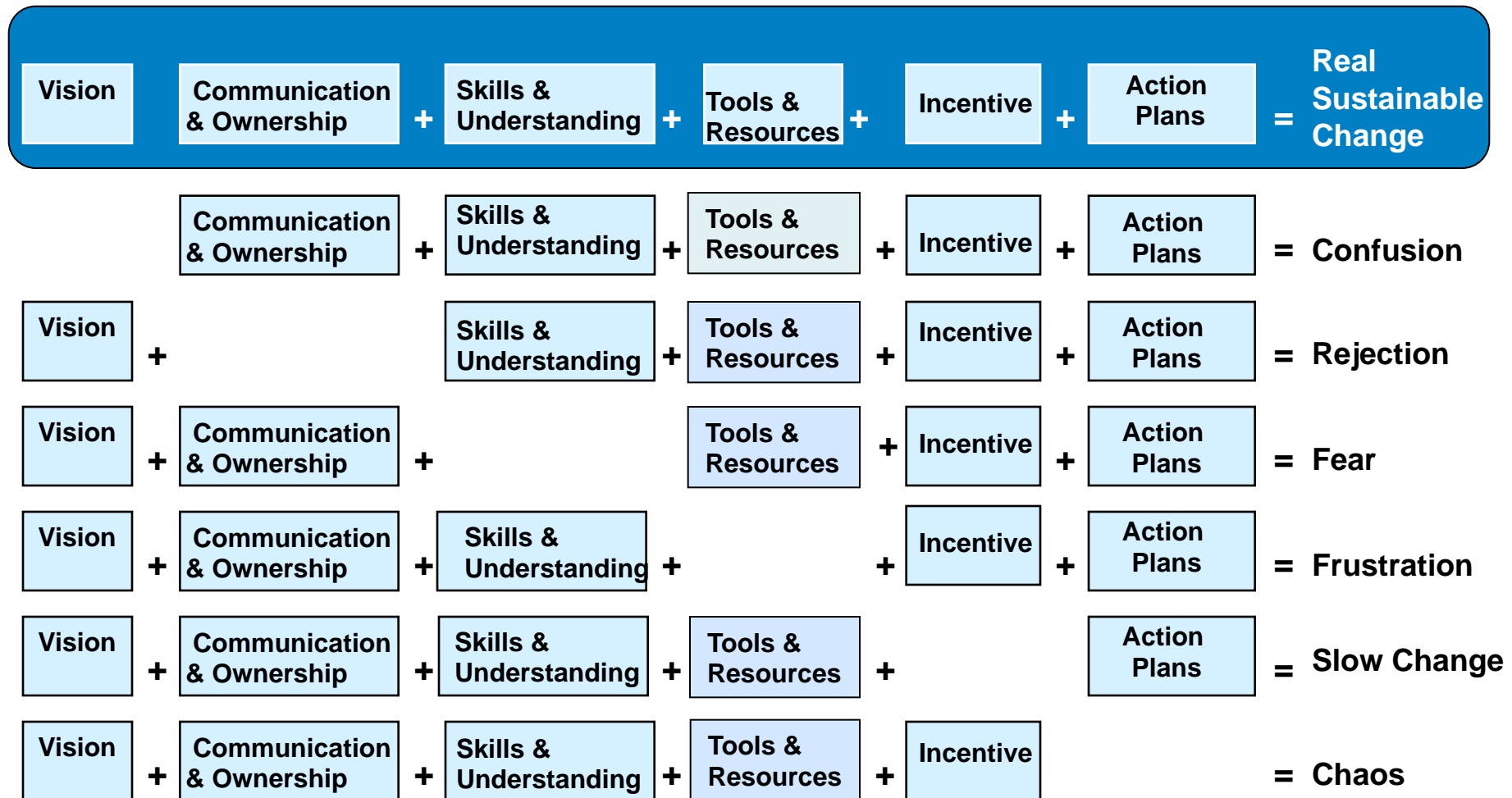


Is everything flowing in **ONE** direction to get you the results you want?

# It All Starts with Leadership



# What Great Leaders Provide



# How SEA helps Leaders Execute



	Stage One Stabilization	Stage Two Supply Chain Integration	Stage Three Sustainability
<b>Leadership &amp; Culture</b>	<ul style="list-style-type: none"> <li>1.1.1 Strategic Planning Process</li> <li>1.1.2 Leadership Communication Process</li> <li>1.1.3 Organizational Performance Review Process</li> <li>1.1.4 Continuous Improvement Management Process</li> <li>1.1.5 Workforce Development Integration Process</li> </ul>	<ul style="list-style-type: none"> <li>1.2.1 Goals Deployment &amp; Review Process</li> <li>1.2.2 Values Deployment Process</li> <li>1.2.3 Supply Chain Integration Process</li> </ul>	<ul style="list-style-type: none"> <li>1.3.1 Organizational Learning Process</li> <li>1.3.2 Organizational Assessment Process</li> </ul>
<b>Workforce Development</b>	<ul style="list-style-type: none"> <li>2.1.1 Job Skills &amp; Cross-Training Certification Process</li> </ul>	<ul style="list-style-type: none"> <li>2.2.1 Continuous Improvement Process</li> <li>2.2.2 Statistical Methods Process</li> </ul>	<ul style="list-style-type: none"> <li>2.3.1 Team Control Process</li> </ul>
<b>Operational Excellence</b>	<ul style="list-style-type: none"> <li>3.1.1 Kaizen Process</li> <li>3.1.2 6S Visual Workplace Process</li> <li>3.1.3 Quick Changeover/SMED Process</li> <li>3.1.4 Material Management Process</li> <li>3.1.5 Production Planning Process</li> </ul>	<ul style="list-style-type: none"> <li>3.2.1 Flow-Based Material Process</li> <li>3.2.2 Mixed Model Cell/Line Design Process</li> <li>3.2.3 Lean Suggestion Process</li> <li>3.2.4 Total Productive Maintenance Process</li> </ul>	<ul style="list-style-type: none"> <li>3.3.1 Design of Experiments Process</li> <li>3.3.2 Design to Cost Process</li> <li>3.3.3 Six Sigma Projects Process</li> <li>3.3.4 Six Sigma Design Process</li> <li>3.3.5 Design for Manufacturability Process</li> </ul>
<b>Business Results</b>	<ul style="list-style-type: none"> <li>4.1.1 Inventory Turns</li> <li>4.1.2 Sales/Employee</li> <li>4.1.3 On-Time Delivery</li> <li>4.1.4 Parts per Million</li> <li>4.1.5 Process Maturity 3 and above</li> </ul>	<ul style="list-style-type: none"> <li>4.2.1 Defects Per Million Opportunities</li> </ul>	<ul style="list-style-type: none"> <li>4.3.1 Rolled Yield</li> <li>4.3.2 Cpk</li> </ul>

The SEA Roadmap



# Strategic Planning





# Strategic Planning

*... defines and deploys the most important strategic priorities to drive performance improvement.*

- How does your organization accomplish its strategic planning?  
What are the key process steps and who are the participants?
- How do you ensure that the process addresses strengths, weaknesses, opportunities, and threats; major shifts in technology, markets, and competition?
- How are standards such as AS9100 integrated into the planning process?
- What are your key strategic goals and timetables?

# Leadership Communication

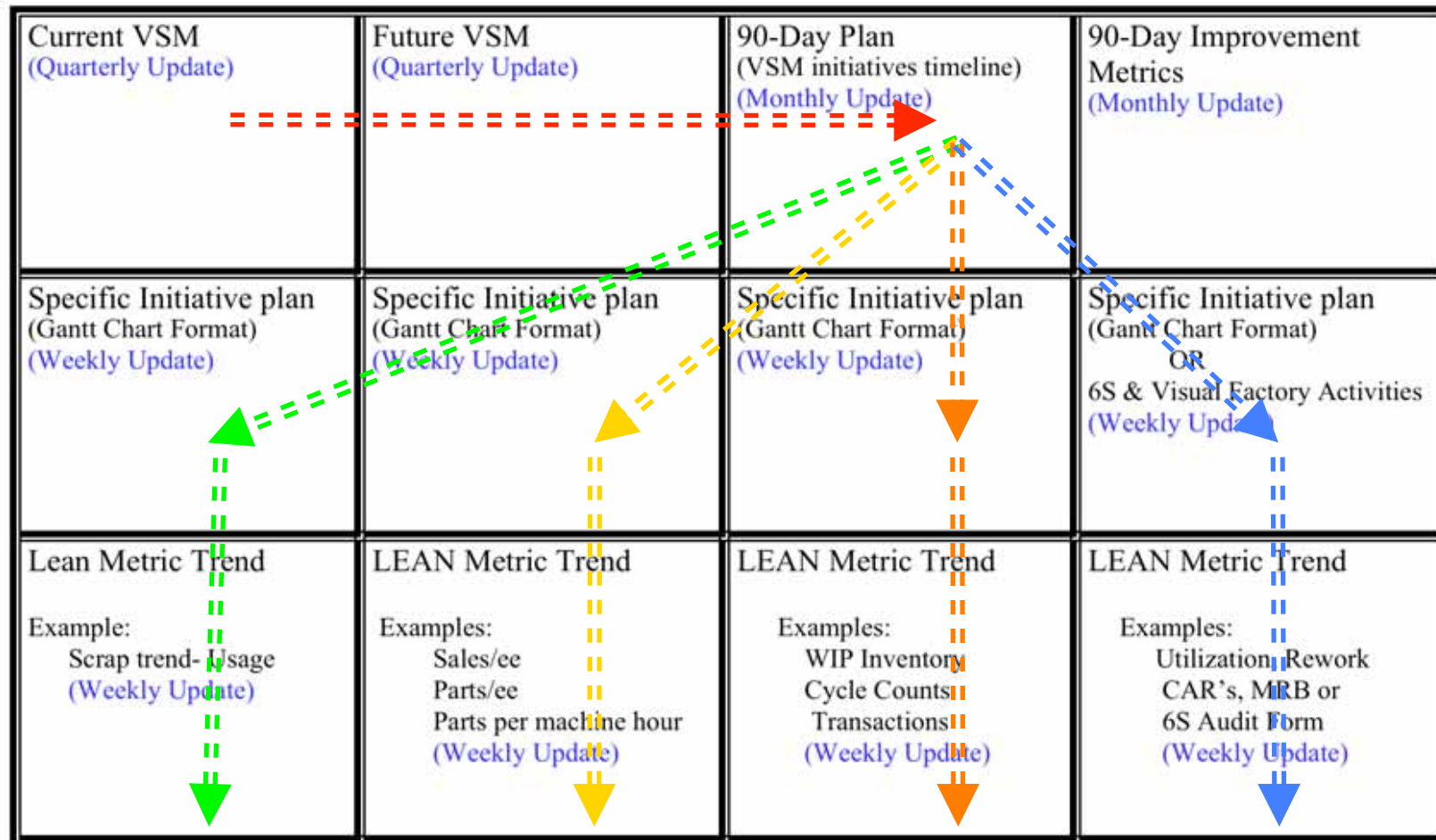
*... ensures understanding, buy-in, and ownership at all levels of the organization to drive performance.*

- How do senior leaders communicate and reinforce company direction and expectations to all employees and key suppliers/partners?
- What are the key process steps and who are the participants?
- How do senior leaders encourage frank, two-way communication throughout the organization?

# Leadership Communication



## Glass Wall Board Format



Bulletin Board details: 4' (W) X 3' (H) .....(OfficeMax order no. J4B364T)

Horizontal Wall Mount Sign Holders, Landscape, 8 ½" X 11" ....(Staples Item no. 665620)

# Managing Continuous Improvement

*... prioritizes and drives improvement efforts, as well as allocate necessary resources.*

- How does your organization select improvement priorities and review progress on improvement initiatives?
- How are process owners, master trainers, and strategic champions included in this process?
- What criteria are used to select priorities for improvement? How are improvement projects and teams selected and given direction?
- How is a standard problem solving model deployed throughout the organization?
- How are recognition and sharing of mistakes and successes accomplished?

# Organizational Performance Review

... ensures focus on and accountability for targeted performance improvements at all levels of the organization.

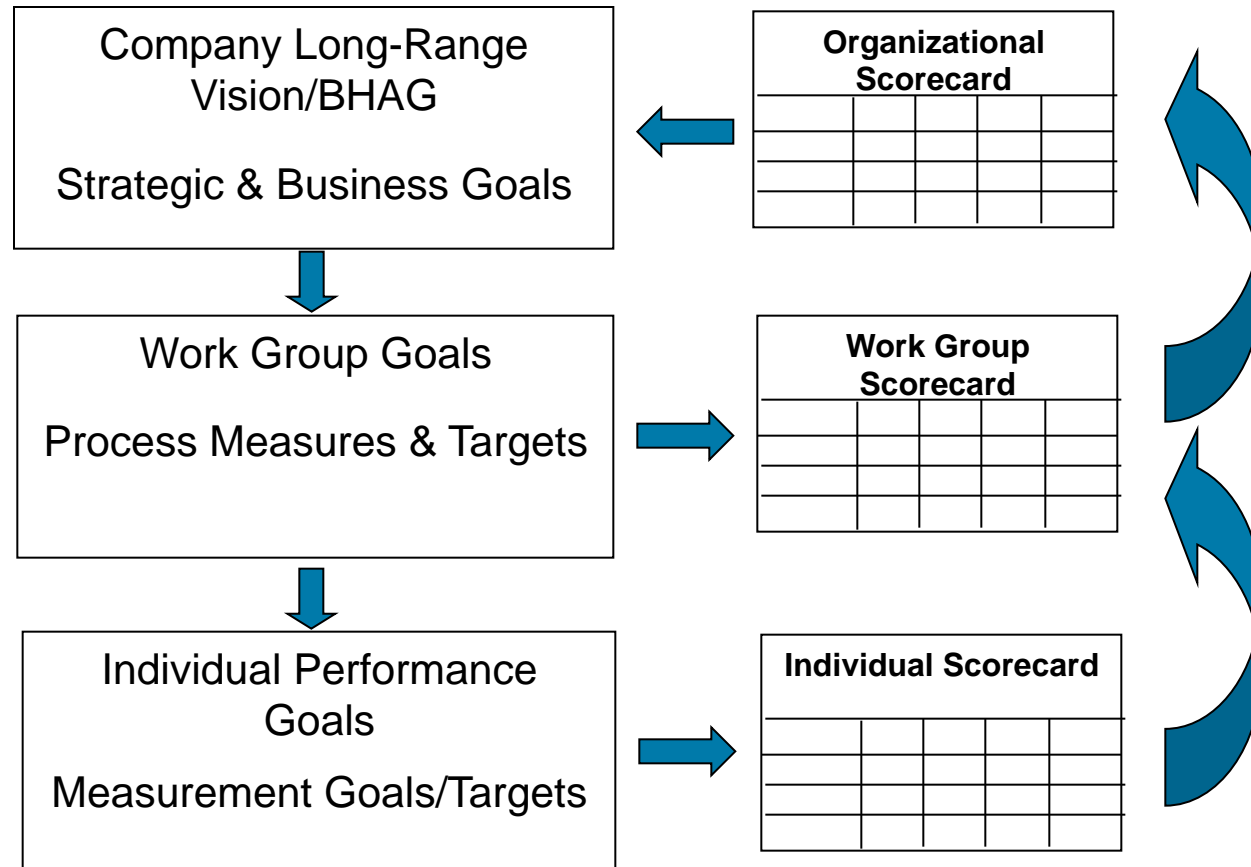
- How do senior leaders review organizational performance to assess organizational success, competitive performance, and progress relative to strategic goals and action plans?
- How do you translate organizational performance review findings into priorities for continuous improvement?



# Organization Performance Review



# Organization Performance Review



# Organization Performance Review

	<u>ESL Metrics</u>	<u>Company Metrics</u>	<u>SBU Metrics</u>	<u>Mfg. Dept. Metrics</u>	<u>Support Metrics</u>
ROI	ROI	ROI pre-charge	GM % Labor Effic % Inventory Levels	Cost Metrics Labor Effic % Inventory Levels	Cost reductions Receivables/payables beat budget items
*PROFIT Growth	% Profit Increase 2008 vs 2007	Profit growth Sales Growth Price Increases	% Scrap \$ Variances to stds. Price Increases Expedite fees OH cost reduction	% scrap \$ Sales prices up Purchase price down Prem. Freight Equip. utilization Overtime costs	Eng., R&D costs Tooling costs Oper. Supplies Errors Overtime Launch costs
LEAN	Sales per ee Inventory turns Velocity	Sales/ee Inventory turns Thru-put times VSM times SEA PMM Levels	Sales/ee Inventory Value Lead Times WIP levels SEA PMM Levels Lean Implementation	parts per hour WIP inventory Cycle counts Floor Space saved SEA PMM Levels Lean, 6-S Audits	Processing times Staffing levels Cycle times/ <b>velocity</b> Schedule compliance SEA PMM Levels PFEP's, 6-S Audits
Delivery	Delivery	\$ past Due % Line Items on time Customer Satisfaction Customer feedback	\$ past Due Line items on time Key customer ratings Surveys Internal Cust. Feedback	\$ past Due Line items on time Daily on time % Customer feedback Internal Cust. Feedback	Lead times Order entry times Development times Response times Internal Cust. Feedback
Quality	returns % sales PPM's DPMO	\$ return % sales % line item returns Rework costs Customer Rpts AS-9100 results	\$ return % sales % line item returns Rework costs Survey results	\$ return % sales % line item returns Rework costs Survey results Audit compliance	Paperwork errors Passed first articles Survey results Supplier performance Accuracy
Employee Relations	NA	Training hrs per hourly Training hrs per salary Safety indexes Development Plans Turnover/Attendance Recruitment	Training hrs per hourly Training hrs per salary Safety indexes Perf. Appraisals Retain key employees Recruitment	Training hrs per hourly Training hrs per salary No serious injuries Convert temps Communications Skill Based Pay	Training hrs per hourly Training hrs per salary No recordable injuries Convert temps Communications Internal Promotions

Example provided compliments of Esterline

# Workforce Development Integration

... ensures that management sets priorities and allocates resources to workforce development.

- How does your organization select topics for workforce development for the company?
- How does the selection integrate with strategic goals and process improvement needs?
- How is the workforce-training plan prepared and monitored?