2017 AME EXCELLENCE AWARD GUIDELINES AND EVALUATION CRITERIA

The AME Excellence Award recognizes North American manufacturing plants that have demonstrated excellence in manufacturing and business operations. The primary focus of the award is to acknowledge continuous improvement, best practices, creativity and innovation. This award supports AME's mission of inspiring commitment to enterprise excellence through shared learning and access to best practices.

The application requirement for 2017 is for a single plant, including "maintenance, repair, and overhaul" operations in either the public or private sector.

The following evaluation criteria detail a lean systems model for manufacturing excellence. In writing the Achievement Report, endeavor to respond to each section of the criteria as requested. It is preferable to organize each section around a few headings rather than respond bullet by bullet.

The Achievement Report should focus on accomplishments over the last three to five years. The primary purpose of the report is to explain the process/strategy used at your plant to achieve a culture of manufacturing and business excellence, leading to increased global competitiveness.

Your Achievement Report must be received at the AME office by Monday, March 13, 2017.

Please note that appropriate sections should address both the front office and manufacturing efforts and processes to achieve business excellence at your plant. Failure to fully address the issues requested in each section will lead to a lower overall score and decrease the likelihood of a plant assessment site visit.

Use of headings and subheadings similar to the criteria outline is recommended for organizational clarity.

Note: The Achievement Report should start with the two-to-three page Plant Profile (detailed in the Intent to Apply form). The overview of your operation helps the assessors to better understand your application.

AME Excellence Award Criteria:

1 Policy Deployment Process
300 points total

A policy deployment system details the management system strategy and human and organizational development system of a plant or organization as a means to achieve desired business results in terms of safety, morale, quality, cost and delivery.

Management System
150 points

Issues to be addressed include, but are not limited to, the following:

- Describe your plant's policy deployment process, such as hoshin kanri planning, strategic planning, etc.
- Describe your management approach to achieve the defined policy goals and strategies.
- What is the scope and level of the plant's cascading policy goals, strategies and action plans for both the shop floor and the front office?
- Describe your plant's continuous improvement program to achieve the policy deployment plan.
- Outline the role and relationship of leadership and all associates in achieving company goals and objectives.
- Explain how you utilize standard work in your management approach, including going to the gemba to learn what is really happening.
- Describe your system of outlining expectations and follow-up with all plant and site personnel.

Human and Organizational Development
150 points

Issues to be addressed include, but are not limited to the following:

- Describe your plant's approach to training and employee and organizational development.
- List the efforts toward associate/employee engagement that have been or are being used to achieve a high level of employee morale, including improving critical thinking skills and full development of employee talents, skills and capabilities.
- Describe your plant's problem-solving process, including the role of teams within it and how improvement ideas are actively solicited.
- How does your plant show respect for employees and recognize and reward individuals and teams for contributing to improvement?
- What is the role of manufacturing associates and front office personnel in achieving kaizen or continuous improvement?
- Report three to five years of evidence of achieving high employee morale, including a clear description of how you measure employee morale. Results are requested in the form of a multi-year table.

2 Safety and Environmental Health
50 points total

A safety and environmental health focus is key to successful business. Respond to the following issues aimed at ensuring safety in the workplace and the efforts aimed at achieving a carbon-neutral impact on the environment.

- Describe your safety program, including efforts to ensure ergonomic safety.
- Describe your system of outlining expectations and follow-up with all plant and site personnel.
- How are you improving your safety program?
- What is your impact on the environment?

Required results for this section:

- Report your safety record for the past three to five years.
- Report your energy efficiency record for the past three to five years.
- Results are requested in the form of a table.

3 Manufacturing and Business Operations
300 points total

The focus and efforts to achieve excellence in manufacturing and front office processes are key to business success. This section should address how techniques and principles have been used to achieve a continuous improvement system and culture. The goal is to eliminate all non-value-added processes, which requires attention to the three M's: waste (muda), unevenness, fluctuation and variation (mura) and overburdening people or equipment (muri). The three M's should be viewed as fitting together as a whole system.

This section is not designed to see how many improvement techniques have been utilized, but to learn how you have used the appropriate techniques and processes to achieve manufacturing and front office business excellence.

It is important that the Achievement Report outline the role and relationship of all three M's. Examples of your accomplishments and results can be presented to document improvement, such as quick changeover, reduction and more.

Manufacturing Operations
200 points

Waste (muda)
Describe all efforts to identify and eliminate all forms of waste on the shop floor.

The generally recognized forms of waste are:

- overproduction
- waiting
- transportation time
- excess process time
- excess inventory
- excess motion
- defects
- unused employee creativity

Unevenness, fluctuation and variation (mura)
Describe all efforts to identify and eliminate all forms of unevenness, fluctuation and variation on the shop floor.

The lean techniques, tools and principles that are generally accepted to eliminate unevenness and variation include, but are not limited to:

- standard work
- jidoka or stop the line
- poka-yoke or mistake/error proofing
- heijunka or level loading work
- kanban or managing work in process
- yokotan or sharing information sideways
- preventative or total productive maintenance
- value stream mapping
- other techniques, tools or principles

Overburdening people or machines (muri)
Describe all efforts to identify and eliminate all forms of overburdening people and machines on the shop floor. Muri is often the result of muda and/or mura practices.

The lean techniques, tools and principles that are generally accepted to eliminate overburdening people and machines include, but are not limited to:

- 5S standards and discipline
- cellular layout
- one-piece flow
- point-of-use tools
- quick changeover
- visual systems
- right-sized equipment
- ergonomic equipment and processes
- part and material presentation
- other techniques, tools or principles

5S and heijunka, among other techniques, can be viewed as being focused on both the unevenness and overburden categories.

Business Operations
100 points

It has been demonstrated by many organizations that manufacturing techniques, tools and principles can be operationally applied to transactional or front office activities.

The same processes are listed to guide the writing of the Achievement Report section for Business Operations.

Waste (muda)
Describe all efforts to identify and eliminate all forms of waste in the front office.

The generally recognized forms of waste are:

- overproduction
- waiting
- transportation time
- excess process time
- excess inventory
- excess motion
- defects
- unused employee creativity

Unevenness, fluctuation, and variation (mura)
Describe all efforts to identify and eliminate all forms of unevenness, fluctuation and variation in the front office.

The lean techniques, tools and principles that are generally accepted to eliminate unevenness, fluctuation and variation include, but are not limited to:

- standard work
- jidoka or stop the line
- poka-yoke or mistake/error proofing
- heijunka or level loading work
- kanban or managing work in process
- yokotan or sharing information sideways
- preventative or total productive maintenance
- value stream mapping
- other techniques, tools or principles

Overburdening people or machines (muri)
Describe all efforts to identify and eliminate all forms of overburdening people and machines in the front office. Muri is often the result of muda and/or mura practices.

The lean techniques, tools and principles that are generally accepted to eliminate overburdening people and machines include, but are not limited to:

- 5S standards and discipline
- cellular layout
- one-piece flow
- point-of-use tools
- quick changeover
- visual systems
- right-sized equipment
- ergonomic equipment and processes
- part and material presentation
- other techniques, tools or principles

5S and heijunka, among other techniques, can be viewed as being focused on both the unevenness and overburden categories.

4 Extended Value Stream Management
150 points total

Product development and supplier management are key to achieving high-level business results to meet customer expectations. In many cases, product development and supplier management for a multi-plant corporation are not located at the plant. However, product development and supplier management techniques, tools and principles still are necessary for manufacturing success.

If your plant is not directly responsible for product development and supplier management, you will need to solicit expected documentation and information from the appropriate corporate offices and describe your processes appropriately. If the plant is part of a multi-plant corporation, include information from that perspective if it impacts your extended value stream.

Product development and supplier costs significantly impact the total cost of a product.

This section should describe the processes of product development and supplier management by the plant applying for the AME Excellence Award.

Please include appropriate data or results where possible to document the trend and level of improvement.

Product Development
75 points

Issues to be addressed include (but are not limited to) the following:

- What innovative processes are followed to meet customer expectations?
- How do you foster an understanding of customer expectations within your total workforce?
- What innovative processes are followed to reduce cost and increase value to the customer?
- What do you do in your new product development process to minimize total cost?
- What is your approach to benchmarking?
- How do you focus on variety reduction, commonality and modularity?

Supplier Development and Procurement
75 points

Issues to be addressed include (but are not limited to) the following:

- How do you partner with your suppliers to minimize total cost to your value stream?
- What is your focus regarding supplier certification?
- What is your supplier focus for continuous improvement to improve business results?
- What are your processes to achieve perfection in product and supplier management?
- What innovative processes are being used to improve market service and logistics?

5 Plant Results
200 points total

All the issues and questions in sections 1 to 4 are designed to improve the means to the desired ends (plant results). This section focuses on quality, cost, delivery and profitability. Plant business results should outline three to five years of results detailing the trend toward improvement, including an explanation of significant change in the trend. You are encouraged to include evidence of the "level of achievement" of your plant compared to your industry or other plants within your corporation. Results can be based on the plant as a profit center or a budget center. Within the four key metrics, two specific result measures (or theoretically similar measures) are required.

Failure to provide the plant results requested will result in a lower section score, reducing your plant's chances of receiving a plant assessment site visit.

In this section, report the plant's results for a minimum of three years for each of the following:

Quality
50 points

The aim is to provide the customer with zero defective products. The following standard measures are to be reported:

- scrap and/or yield rates (planned versus unplanned)
- customer rejects annually (ppm) or appropriate industry measurement
- other appropriate quality-related measures that would support the achievement of your Policy Deployment Plan
- warranty claims

Cost
50 points

The aim is to reduce cost and improve plant productivity. The two following standard measures are to be reported (with other measurements included if desired):

- value added per associate or employee (sales minus purchased materials divided by total headcount)
- inventory turns — raw, work-in-process and finished as appropriate
- other appropriate cost-related measures that would support the achievement of your Policy Deployment Plan

Delivery
50 points

The aim is to provide the customer the product on time and in the quantity desired. The following two standard measures are to be reported (with other measurements included if desired):

- percent on-time and complete shipments
- premium freight costs, including incoming raw material or finished goods shipment (premium freight is abnormal freight to meet customer demand)
- other appropriate delivery-related measures that would support the achievement of your Policy Deployment Plan

Profitability
50 points

The aim is to detail financial achievement to ensure the ongoing operation of the plant. The following two standard measures are to be reported (with other measurements included if desired):

- earnings before interest and taxes (EBIT) profitability or other appropriate measure to document plant profitability
- operating income on manufacturing assets ratio
- other appropriate profitability-related measures that would support the achievement of your Policy Deployment Plan

Please note: If profitability information is confidential, you can substitute percentage changes from year-to-year.

ELIGIBILITY FOR APPLYING FOR THE AME EXCELLENCE AWARD

The application entity is a single plant in the United States, Canada or Mexico. Applicants doing maintenance, repair and overhaul in either the private or public sector are eligible. The plant should have been in operation for a minimum of three years. Award eligibility must be delineated as "manufacturing" by the North American Industry Classification System (NAICS) — (www.census.gov/eos/www/naics/). Questions regarding eligibility can be forwarded to the AME office.

AME members can contact the AME office if they wish to have one of their international affiliate operations apply.

Final decisions regarding AME Excellence Award recipients are made by the AME Awards Council.

CONFIDENTIALITY AND NON-DISCLOSURE

All members of the AME Awards Council and all AME assessors have signed confidentiality and non-disclosure agreements.

The AME Excellence Award also has a clear policy and process to ensure that conflicts of interest are avoided.

TIMELINE FOR THE EXCELLENCE AWARD

Intent to Apply and Plant Profile are due **March 1, 2017**

Achievement Report is due **March 13, 2017**

Plant assessment site visits will be done in **late May, June** and **mid-July 2017**

Plants will be notified of final results on **August 11, 2017** (approximately)

AME will present the award to recipients at **the applicant's site**

Recognition at AME International Conference in Boston, MA **October 9-13, 2017**

THE APPLICATION FEE IS $3,000.

The fee must be submitted prior to, or along with, the written Achievement Report, which is due **March 13, 2017**. Applications received without the application fee will not be considered.

PLANT ASSESSMENT FEE

The plant assessment site visit fee will vary depending upon the size and scope of the plant. For a small plant (less than 300 employees) assessment site visit, the team will generally consist of three assessors. Medium-sized plants will require a team of four to five. Large plants will require a team of six to seven assessors. **This fee will generally run between $4,500 and $9,000.** Applicants will be notified of the fee prior to the plant assessment site visit.

Fees for site visits cover the travel costs for assessors, as well as other directly-related costs for the awards program.

AME will present the award to recipient at the applicant's site.

ACHIEVEMENT REPORT AND PROCESS

The Achievement Report format should meet the following requirements:

- 8 ½ x 11 paper
- 10-point font
- English is the official language
- Double-sided printing
- Single spaced
- Maximum 25 pages - double-sided
- Lightweight plastic binding, wired binding preferred
- Four printed copies and one USB flash drive
- Graphs, tables, photos (in black and white or color) to support the written material are welcomed. Tables and graphs should be simple, clearly legible and labeled.

Send the **four printed copies** of the Achievement Report and **one USB flash drive** to:

Jerri Strohmeyer

Association for Manufacturing Excellence
3701 Algonquin Rd., Ste 225
Rolling Meadows, IL 60008

Questions can be directed to

Jerri Strohmeyer

by email
jstrohmeyer@ame.org

or by phone
224-232-5980, ext. **222**.

Applicants will be notified of the final results of their submissions by **August 11, 2017.**

Intent to Apply Form

Plant name

Address

Number of employees | Square footage of plant | Year plant began current operation

SENIOR OFFICIAL OF PLANT

Name | Title

Phone | Cell

Email

CONTACT FOR APPLICATION

Name | Title

Phone | Cell

Email

NAICS code: | To find your NAICS code go to: www.**naics.**com

PLANT APPLICATION AGREEMENT (**please sign**)

Print name | Cell

Date | Signature

PLANT APPLICATION AGREEMENT

We understand that our application will be confidentially examined by AME assessors and members of the AME Awards Council (all have signed non-disclosure agreements).

If selected for an AME Plant Assessment site visit, our company will pay the related fees for the assessment team visit to verify and clarify the Achievement Report.

Please note:
The $3,000 application fee is due with your Achievement Report. Lastly, if the plant receives the AME Excellence Award, the plant will hold an AME workshop within eighteen months of receipt of the award.

This Intent to Apply form and **Plant Profile** may be submitted to the AME office at any time but must be received no later than **Wednesday, March 1, 2017**.

Upon completion, please email this form to **Jerri Strohmeyer** at **jstrohmeyer@ame.org** or fax it to **224-387-3370**.

You can also mail it to:
3701 Algonquin Road, Ste. 225, Rolling Meadows, IL 60008-3150.

For further information contact **Jerri** at **224-232-5980** ext. **222** or visit **ame.org/excellence-awards**.

2017 AME EXCELLENCE AWARD INTENT TO APPLY PLANT PROFILE

Plant Profile

PLEASE REVIEW AND INCLUDE THE PLANT PROFILE *(must be submitted with Intent to Apply form)*

A two-to-three page **Plant Profile** must accompany the **Intent to Apply form**. Please use the following format. Briefly summarize your plant using the following headings:

FACILITY OVERVIEW:
Name of plant, location, square footage of facility, customers/markets served, number of shifts/days per week operating, union/non-union, public or private firm.

PRODUCT(S):
Describe number and types of products produced at this site.

PROCESS(ES):
Describe the primary processes that take place in the facility (e.g. R&D, sales and customer service, supply chain, machining, assembly, test/burn-in, packaging/shipping, field service/repair).

NUMBER OF EMPLOYEES:
Indicate the number of employees at the site and describe the breakdown of the workforce in terms of direct labor, management, administrative staff, etc.

CORPORATION OVERVIEW:
Indicate if the plant is a stand-alone organization or part of a larger corporation. If part of a larger organization, provide a brief overview of the parent organization and how this plant fits into the overall organization.

SHARED LEARNING:
AME's mission is "to inspire commitment to enterprise excellence through shared learning and access to best practices."

Please respond to the following statements that support the AME mission:

- Briefly describe your improvement journey (e.g. lean, six sigma, etc.)
- Briefly describe two or three best practices at your plant that could be applicable to other AME member companies.
- Briefly describe what other companies might learn from your key achievements and results.

POTENTIAL SITE VISIT DATES:
The site assessment visit runs approximately two days and will be conducted in **late May to mid-July**. Please let us know your first, second and third choices for dates if your site is selected for a site visit. The dates are not required in your initial Intent to Apply but should be part of your profile description in the Achievement Report submitted.

Note:

The **Intent to Apply form** and the **Plant Profile MUST** be included at the front of your plant's Achievement Report — it can be amended.

Submission of the Intent to Apply form and Plant Profile are due Wednesday, March 1, 2017.

Prior to submitting your Achievement Report on March 13, 2017, there is a **$3,000** application fee.

AME EXCELLENCE AWARD ASSESSORS AND COUNCIL MEMBERS

AME Award Assessors

The AME Excellence Award was designed, tested and validated by practitioners and your lean peers for companies that want to excel by assessing their progress on the lean journey. Shouldn't your business use periodic, unbiased assessment to encourage lean growth? Our assessors have nearly 400 years of combined assessor/examiner experience.*

John	**Albers**
Larry	**Anderson**
Bill	**Baker**
Michael	**Bremer**
Bob	**Burke**
Brian	**Bush**
Doug	**Carlberg**
Michael	**Chunka**
Bryan	**Crowell**
Hank	**Czarnecki**
Vladimir	**Davila**
Stéphane	**Dubreuil**
Rick	**Feller**
Jeff	**Fuchs**
Servando	**Galvan**
Jim	**Garrick**
Alan	**Gasvoda**
Scott	**Gauvin**
Mauro	**Gonzalez**
Pedro	**Granados**
Doug	**Hartshorn**
Kimberlee	**Humphrey**
Julie	**Kochert**
Krishnan	**Krishnaiyer**
Richard	**Lebovitz**
Laura	**Longmire**
Tom	**Longmire**
Glenn	**Marshall**
Dan	**McDonnell**
Brian	**McKibben**
Kelly	**Moore**
Becky	**Morgan**
Snezana	**Muckajev**
Marion	**Pender**
Alan	**Preslicka**
John	**Puckett**
Todd	**Reese**
Ross	**Robson**
Ken	**Rolfes**
Mark	**Sessumes**
Dave	**Siebert**
Ellen	**Sieminski**
Ron	**Smith**
Sherif	**Soliman**
Jerry	**Solomon**
Mark	**Sroka**
Maria Elena	**Stopher**
Matt	**Swain**
Richard	**Thomas**
Michael	**Upton**
John	**Vaughn**
Armando	**Vega Garduño**
Pat	**Wardwell**
Paul	**Waterman**
Lisa	**Weis**
Steve	**Wells**
Brenda	**Womack**
Jerry	**Wright**
Howard	**Wu**

*** Examiner experience includes: AME, Baldrige, IndustryWeek and Shingo.**

AME Award Council Members

Larry	**Anderson**
Michael	**Bremer**
Doug	**Carlberg**
Bryan	**Crowell**
Gordon	**Hayes**
Michael	**Jerome**
Dan	**McDonnell**
Mark	**Preston**
Todd	**Reese**
Ross	**Robson**
Jerri	**Strohmeyer***
Jodi	**Talley***
Pat	**Wardwell**

***AME staff**