

**EQUIPPED → EMPOWERED →
ENGAGED!**

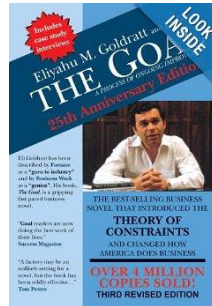
GEORGE SAIZ

President & CEO

**Association for Manufacturing
Excellence**

Intro to Continuous Improvement

- 1992:



- Lot size of 1...Bottlenecks (Herbie)



- Lego Simulation



Intro to Continuous Improvement

Teach

Apply

Results

Where does this approach apply?

Everywhere there is a **Process**

So...in **every business** that exists!

**EQUIPPED → EMPOWERED →
ENGAGED!**

EQUIPPED

Teach them the **TOOLS** to **Improve**

EQUIPPED

Value of the Tools

Approach

GOAL = Competent & Confident

EQUIPPED – an example

- Equip all employees with a standardized problem solving tool – **A3**
- **Why?**
 - Equip employees to improve their work lives
 - Solve problems at the root cause level
 - Common language throughout the organization
- **How?**
 - **Trained** all employees in the A3 process
 - Hands on **workshop** with real problem tackled
 - Had to be Competent & Confident

EQUIPPED – an example

- 3 year **incentive plan** launched
- Plan pays out if overall company goal achieved and individual goal achieved

- Year 1: One A3/employee/quarter
 - **“On anything”**
- Year 2: Two A3’s/employee/quarter
 - **Department identified focus area of improvement**
- Year 3: Three A3’s/employee/quarter
 - **Introduced Team credit**

EQUIPPED – results

A3's become the standard problem solving tool

Everyone is thinking “**root cause**” and asking... “**what problem are we trying to solve?**”

Over **1200 A3's** completed in Year 3!

Competent – Confident → **Equipped!**

EMPOWERED

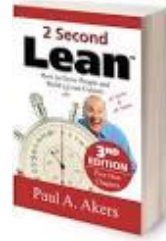
Provide them the **OPPORTUNITY** to **Improve**

EMPOWERED

definition of **Empowerment**:

A *management* practice of sharing information, rewards, and power with employees so that **THEY** can take initiative and make decisions to solve problems and improve service and performance

EMPOWERED – time & environment



- Two Second Lean
- Employees provided 15 minutes each day at beginning of shift to improve
- Bill's story – Pt 1 (not too close...might have to fire)
- Remove the tension!
- Allow employees to work at their highest capability

ENGAGED

Develop the **DESIRE** to **Improve**

ENGAGED

Respect for **People**

by Leadership

ENGAGED

People-Centric Leadership

A culture where every day everyone goes home fulfilled by pursuing excellence and where everybody

flourishes.

ENGAGED

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The Challenge

68%

of U.S. employees are not
engaged at work.

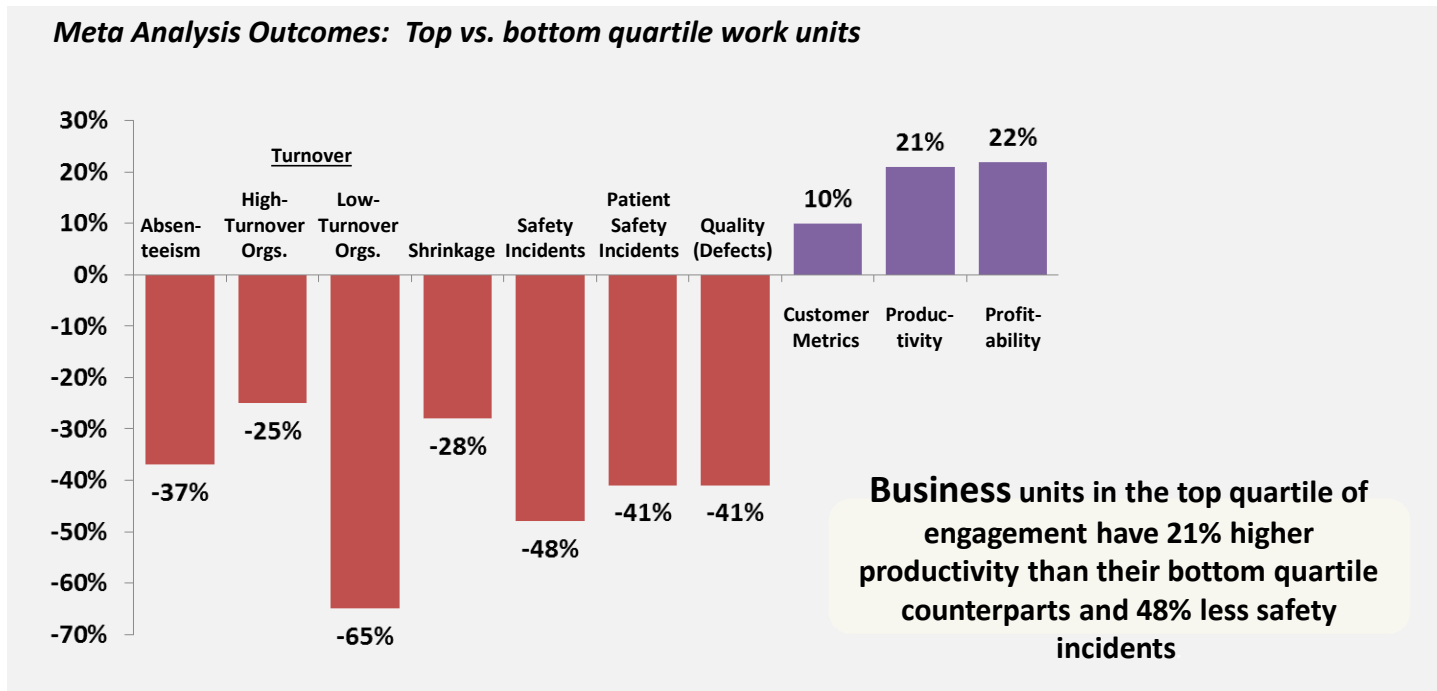
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Engagement in a Manufacturing Environment



Source: Gallup Poll of U.S. Manufacturing Population

HERE'S HOW Engagement Links to Business Outcomes and why it Matters



What is required?

- It will take **LEADERSHIP** to turn around the numbers!
- **Ask the employees** what they desire in the culture
 - Communication, Care, Alignment & Development
- Develop an **intentional** plan - **PFEE**
- Episodic is good – **Daily** is **BEST**
- **Educate** both sides of the equation
- **Cultivate** the relationships

How Do Leader's Relate?

Bill's story Pt 2

(what will they think!)

Leadership

Leadership is a **TEST**

Leadership is a **TRUST**

Leadership is a **TEMPORARY ASSIGNMENT**

What is the goal?

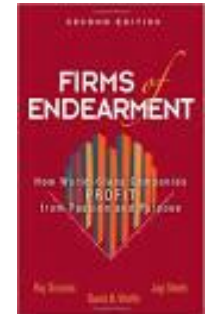
Committed vs. Compliant

IS IT WORTH IT?

Business Results

Firms of Endearment (FoE)

Investor returns over time



Cumulative Performance	15 Years	10 Years	5 Years
US FoE	1681%	410%	151%
International FoE	1180%	512%	154%
<i>Good to Great</i> Companies	263%	176%	158%
S&P 500	118%	107%	61%

One shining example...

- Cell Team of three:
 - Entry level manufacturing positions
 - No Engineering Project & Support
 - Equipped – Empowered – **Engaged**

Reduced COGS by **\$1.8M** annually on a single product through **incremental improvements**

Engagement – two views

- **Company View** (Business Results)
 - Productivity Improvement
 - Increased Teamwork & Collaboration
 - Performance Indicators Up
- **Employee View** (People Results)
 - Recognition
 - Security or Advancement
 - **FULFILLING!**

IS IT WORTH IT?

People Results



FULFILLMENT



&

What does that look like?



EQUIPPED → EMPOWERED → ENGAGED!

EQUIPPED: *Teach* them the **TOOLS** to **Improve**
Competent & Confident

EMPOWERED: *Provide* the **OPPORTUNITY** to **Improve**
Time & Environment

ENGAGED: *Develop* the **DESIRE** to **Improve**
Committed vs. Compliant

EQUIPPED → EMPOWERED → ENGAGED!

When we Equip – we have their **Hands**

When we Empower & Engage, we have their **Minds**
and **Hearts** also!



Thank You!

Your opinion is important to us!

Please take a moment to complete the survey using the conference mobile app.

Session No: ThS/65

Equipped – Empowered - Engaged

George Saiz

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