

Leading A Culture Transformation

David Coleman

Finance Business Partner and Continuous Improvement Leader

Goodyear Tire and Rubber Company







To Create a Safe Accountable Environment

Starts With Caring.....Safety

Leading On The Edge

Autonomy

Feels like a cult

People don't know what
happened and how?



Supplier of NASCAR
(National Association for
Stock Car Auto Racing)

Supply NHRA (National Hot Rod
Association) and other race tires



Promote
Goodyear
brand (1,000
visitors per
year)



A Story Begins



Business History

- Manufacturing began in 1916
- Unionized in 1935 as Rubber Workers Union Local #2 later merging with United Steel Workers in 1997 becoming USW Local #2L.
- Supplier of NASCAR tires for 66 Years

Outside View

- The worst safety record in the world for all Goodyear manufacturing businesses
- 5 Manufacturing directors in 5 years
- 5 years of declining volumes
- We were labeled as having the worst union relationship in Goodyear with the toughest most difficult union president
- Salary associates considered it one of the worst places to work
- Associates did not want to be transferred to our business

Inside View

- It was much worse than just an unengaged team, hourly workers had given up hope and both sides were very negative
- With no trust there was animosity
- Our union leaders would avoid standing next to management, especially on a stage like this for fear of appearing united and betraying the trust of the union
- Our company did not offer us the consultant support that was offered to our sister businesses

Inside View

- Committee fights - safety
- Poor housekeeping and upkeep
- Proud unengaged / resistant work force
- Excluded from corporate operational initiatives
- No trust - No expectations – passionate are silent or negative
- Called “a broken” business
- 3 to 1 ratio of chairs to associates

My Mindset Coming In

“Not coming to be miserable”

“Not coming to count brass hammers”



Commitment to change

- We knew what needed to be done, we just have to do it.
- Why can't we be the plant where people want to work? The best place to work?
- Why can't we be the plant of choice for tours right next to our Corp headquarters?
- Why can't we be the plant that demonstrates lean practices and sends out disciples?
- Why can't we brand the Goodyear name?
- Why can't we be united and a team with our union associates.
- We wanted to create a safe accountable environment.

Case For Change

Strategy Roadmap



Operating Principles

- “Home Safe” Every associate is empowered and has the personal responsibility to stop the process to remain safe.
- “A Great Place to Work.” Think people first and build talent; reward engagement, innovation and creative thinking.
- All associates are encouraged to improve their work and try new things.
- One Team - One Goal: Stakeholder alignment through trust, accountability and transparency.
- Uninterrupted product flow through the elimination of all forms of waste.
- Protect the Goodyear Brand through superior on track performance driven by continuous improvement in our quality systems.

Principle based system to drive performance...Principles Matter

Management Systems



Gap Analysis

- The Management Team doesn't care about safety
- The Management Team Doesn't Listen to Us
- No consistent leadership
- We don't recognize people
- We should be a show place
- Fix the equipment
- Poor Communication
- We need more volume



We have gaps

Culture Model



Culture 101

Alison Doyle, **Company culture** is the personality of a company. It defines the **environment** in which employees work. Company culture includes a variety of elements, including work environment, company mission, value, ethics, expectations, and goals.

E.B. Tylor, "that complex whole which includes knowledge, belief, art, morals, law, custom and any other capabilities and habits acquired by man as a member of society."¹

Business dictionary, Model or style of business operations within a company. The business culture determines how different levels of staff communicate with one another as well as how employees deal with clients and customers.

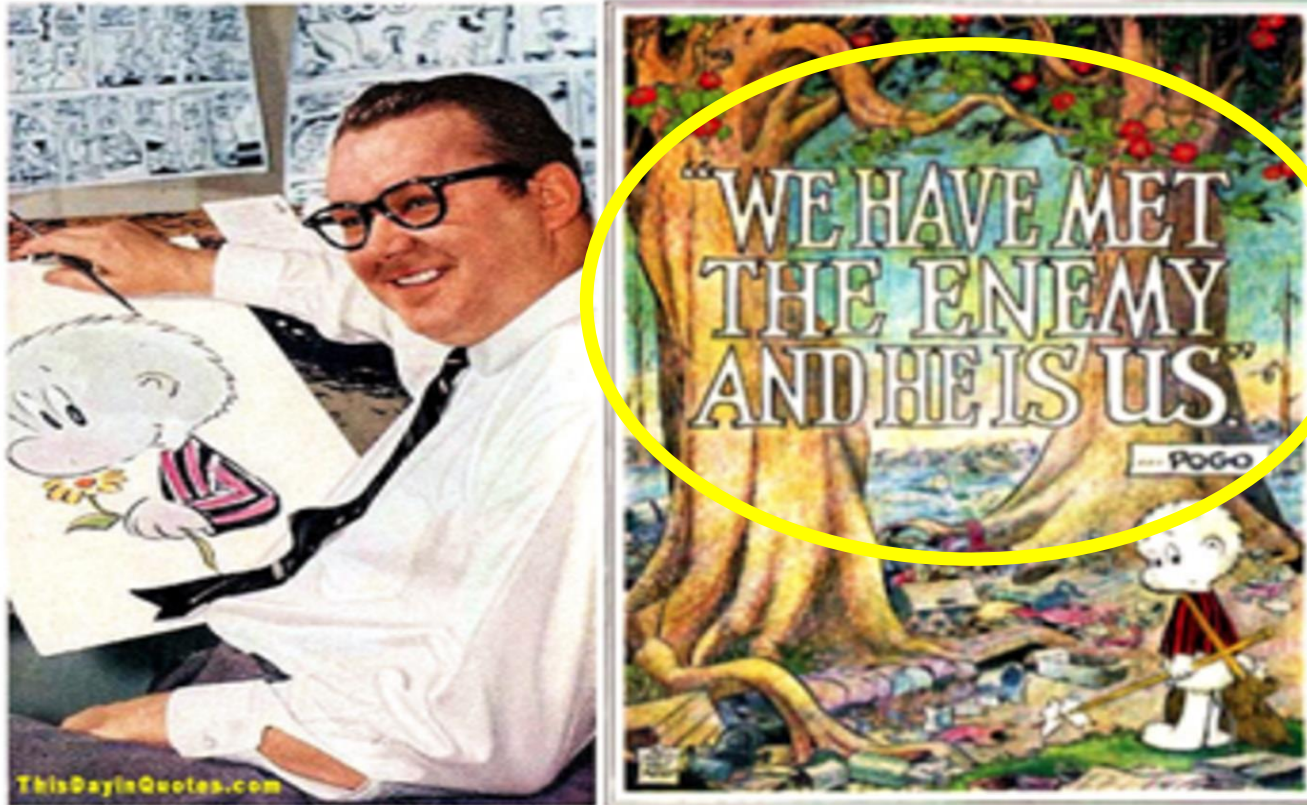
Intelligence?

Small business encyclopedia, A blend of the values, beliefs, taboos, symbols, rituals and myths all companies develop over time

Yahoo, business culture is the way your organization operates, it's customs, attitudes, etiquette etc.

Management.about, A culture is the values and practices shared by the members of the group
Company Culture, therefore, is the shared values and practices of the company's employees.

Full Ownership and Autonomy



Walt Kelly (1913-1973) and his famous poster for the first Earth Day on April 22, 1970

"Dear General: We have met the enemy and they are ours."

The immortal message **Commodore Oliver Hazard Perry** (1785-1819) American Navy officer sent on September 10, 1813 to U.S. General William Henry Harrison about the Battle of Lake Erie.

Point A
Where we are

CI Journey to Get There

Point B
Where we want
to be

Knowledge does not make best decision or change habits

- Bob Bubb
- The Mensa boss
- My son Mike

Culture trumps intelligence....It is all about the Culture

Leverage The Full Value of a Team / Culture

Colors

Blue



Sounds



Words

Work
Harder



Write Your Own Story

...Think About The Way You Think...And How *You Influence Others* *To Think*

“It is not the critic who counts; not the man who points out how the strong man stumbles, or where the doer of deeds could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood; who strives valiantly; who errs, who comes short again and again, because there is no effort without error and shortcoming; but who does actually strive to do the deeds; who knows great enthusiasms, the great devotions; who spends himself in a worthy cause; who at the best knows in the end the triumph of high achievement, and who at the worst, if he fails, at least fails while daring greatly, so that his place shall never be with those cold and timid souls who neither know victory nor defeat.” Theodore Roosevelt

Norman Vincent Peale, ‘The Power Of Positive Thinking’.

How Do You Engage Others In Thinking And Actions?



**Our
mindset is
controllable
and impacts
everything
that our
entire
culture**

**Think small -
Individuals**

**The
paramecium
experiment**



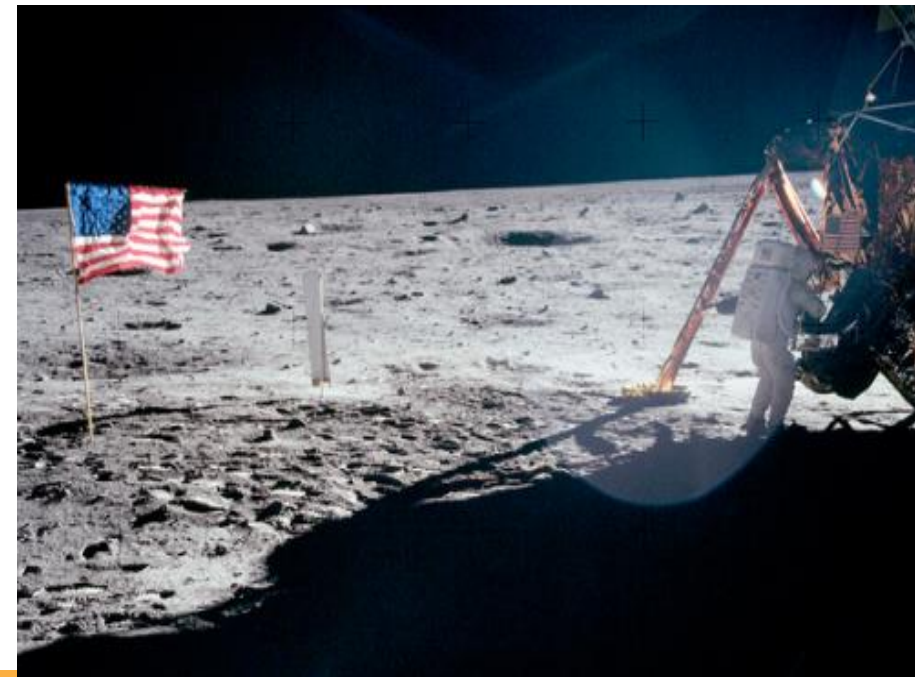
Think big

**The entire
system.**



The Culture becomes a team when there are core beliefs and a foundation of Trust and Respect that directs the energy towards the team's goals

- Your best 300 people not 300 best people
- Look for strongest team not weakest link
- Turn the other cheek not eye for an eye
- Power of dreams...common dreams.
- Compete against competitor not each other.
- Leaders not blocking or absorbing the light
- Fail small but often ...Recover....not fear of mistakes
- Fire in stomach not pit.
- Selfless is selfish
- Iron sharpens iron
- Many small wins





What is our discomfort strategy?



How do we get better at doing **The Right**
Things **For The Right Reasons** **The Right**
Way?

Beliefs create feelings about others and propel Behaviors

All encounters matter...if anything matters, everything matters.....It matters.....What you think?.....How you feel about what is happening?.....What do others feel?..... All encounters matter....Who, What, When, Where and How

Three Common Mistakes

1. **Assuming** you know what the problem is without seeing what is actually happening.
2. **Assuming** you know how to fix a problem without finding out what is causing it.
3. **Assuming** you know what is causing the problem without confirming it.

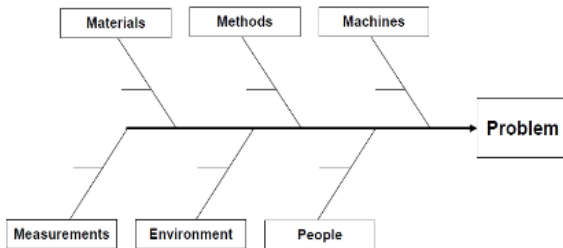
Busting Myths

TXD

- 1) Desired work was hard and out of process
- 2) Unsafe / high workers comp
- 3) Wig wag appearance was misunderstood
- 4) Customer value misunderstood
- 5) Goodyear value misunderstood \$.27/lb. vs. \$.03
- 6) Confidentiality misunderstood

Enabled \$1M cost savings

Many tools that help us focus on understanding “how things work” first



Name of the problem: _____		Business Unit: _____		Project Id: _____	
Location: _____		Business Sponsor: _____		Team Navigator: _____	
Category: _____		Team Members: _____			
Background:			Countermeasures:		
Problem Statement:			Effect Confirmation:		
Goal Statement:			Follow-Up Actions:		
Root Cause Analysis:					
Signature: _____					

A3

Ask Questions ...The Right Questions...Seek to understand...Improve ability to make the right decisions that get us to continual improvement?

Electronic Deposit



**How Do We
Meet Goals
...In A Way
That Builds A
Foundation...S
o We Continue
To Improve
And Hit Higher
Goals**



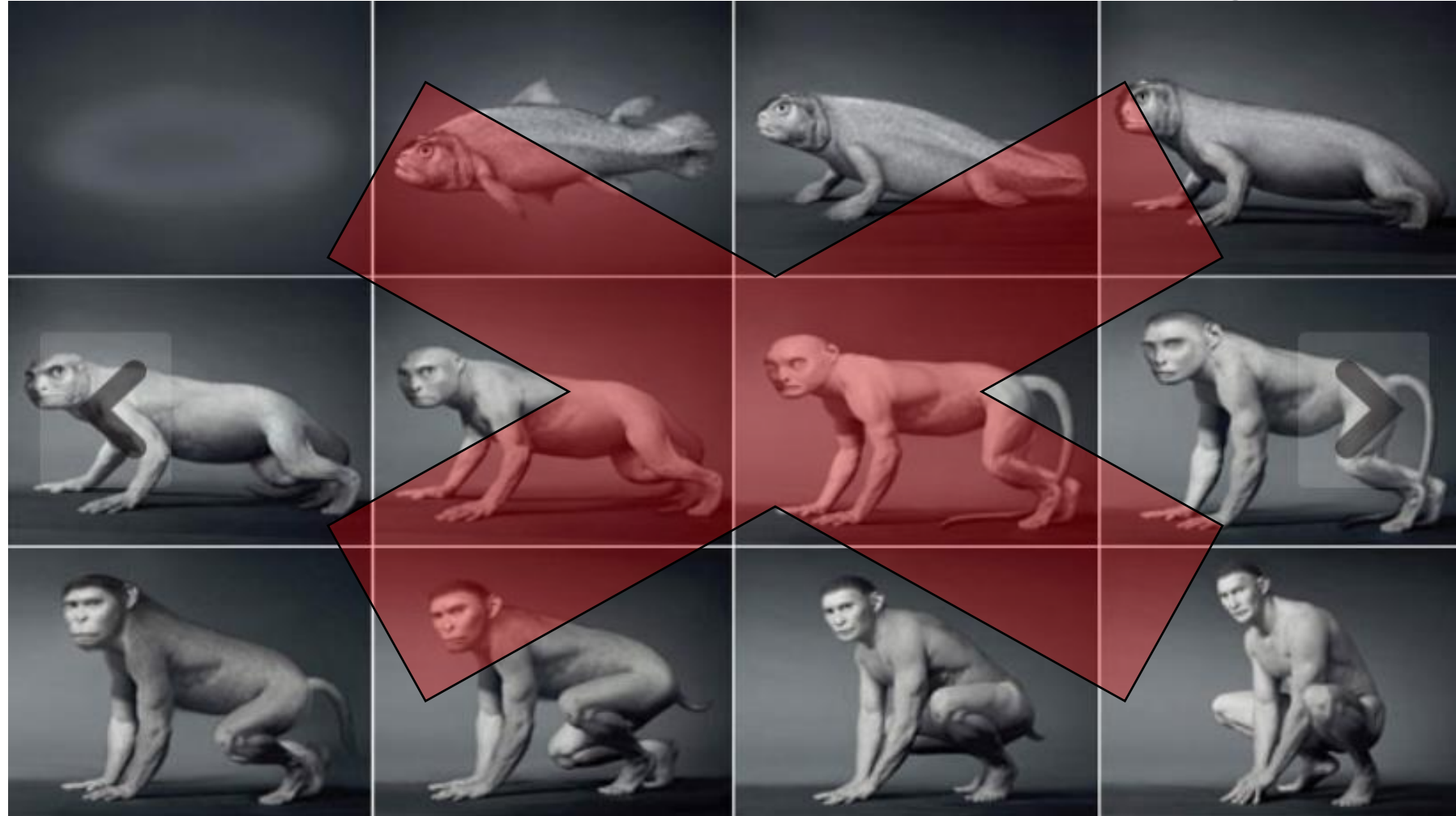
All Encounters Matter



Create Our Destiny

Intentionally Change

Values, Knowledge,
Perceptions, Feelings,
Behaviors



In the third year and forth year into our journey

- Our leadership now offered to have the consultants help us
- They suggested that we apply for Shingo or AME
- We decided to stay focused on improving our culture and processes without the consultants that were working with our sister plants and not apply for Shingo or AME

After all the initial work, where did we assess our culture maturity?



Culture 201

The One and Only



Continuous Navigation

Lend Me Your Ear

The secret to business success? Listening.

By George Williams

Steve Jobs famously said "I don't know what they want to show it to them." That applies to all of us. We have worked 20 years ago, but it's customers who are telling us exactly what they need to provide. The growth of social media has transformed how people communicate with brands. Platforms such as Facebook and Twitter give everyone a voice, and customers have plenty to say. As Amazon's Jeff Bezos once put it, "If you make customers unhappy in the physical world, they might each tell six friends. If you make customers unhappy on the Internet, they can each tell 6,000 friends." Many companies have teams that are actively listening for customer complaints, and a handful of organizations have created a "chief listening officer" position.

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Many other companies have taken customers' opinions a step further. Nike launched a "Consumer Choice" program that restructured its marketing efforts to focus on what the company believes will drive future growth. The athletic brand is relying on social listening to help it adapt new products and campaigns to specific customer needs. Then there's Trader Joe's. The grocery chain has more than 900,000 followers on Instagram but is following them less closely. Instead, it has made a point of listening to customers in-store. Employees carefully take note of feedback, and the company tailors the purchasing experience to customer requests. Continued success shows that the medium for listening doesn't matter as long as a brand shows that it is listening.

DATING

CLICK, TAP, SWIPE, TO MAKE FINDING A DATE EASIER

With a career that's taken him to his time and energy, he had begun to feel like he was on a second job. He spent his time after time through online dating. There's a lot of time after time there. That's why for it's Just Like a magazine and making a try.

Today, Rick is with intro his life, his life.

Life by

Kristi

online

mar

son

ar

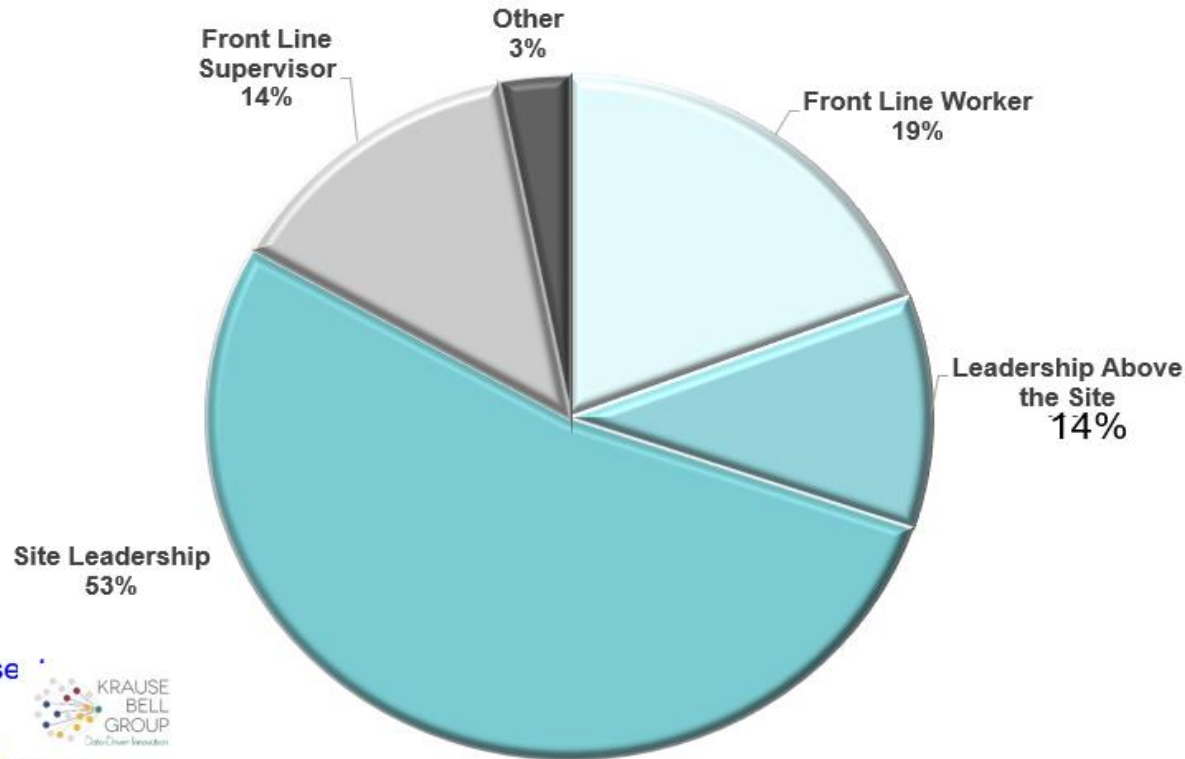
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Culture Importance World Wide



Culture Importance World Wide

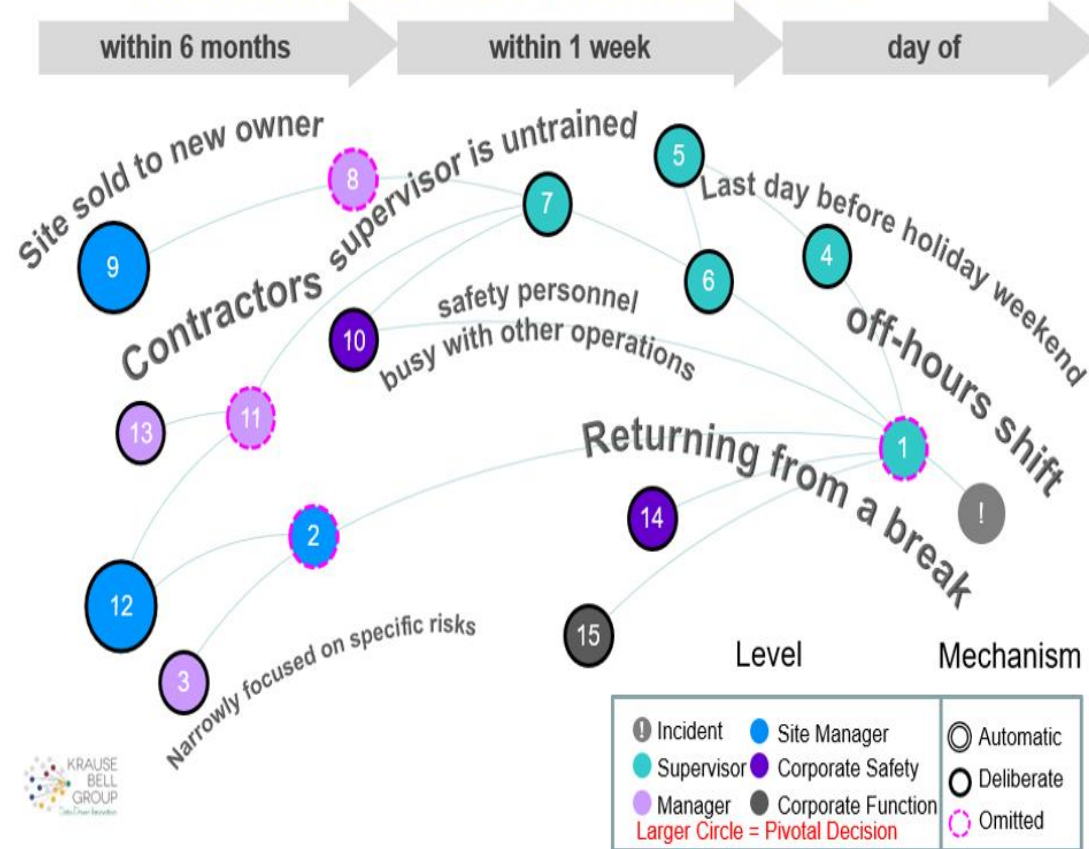
67% of decisions were made above the front line.



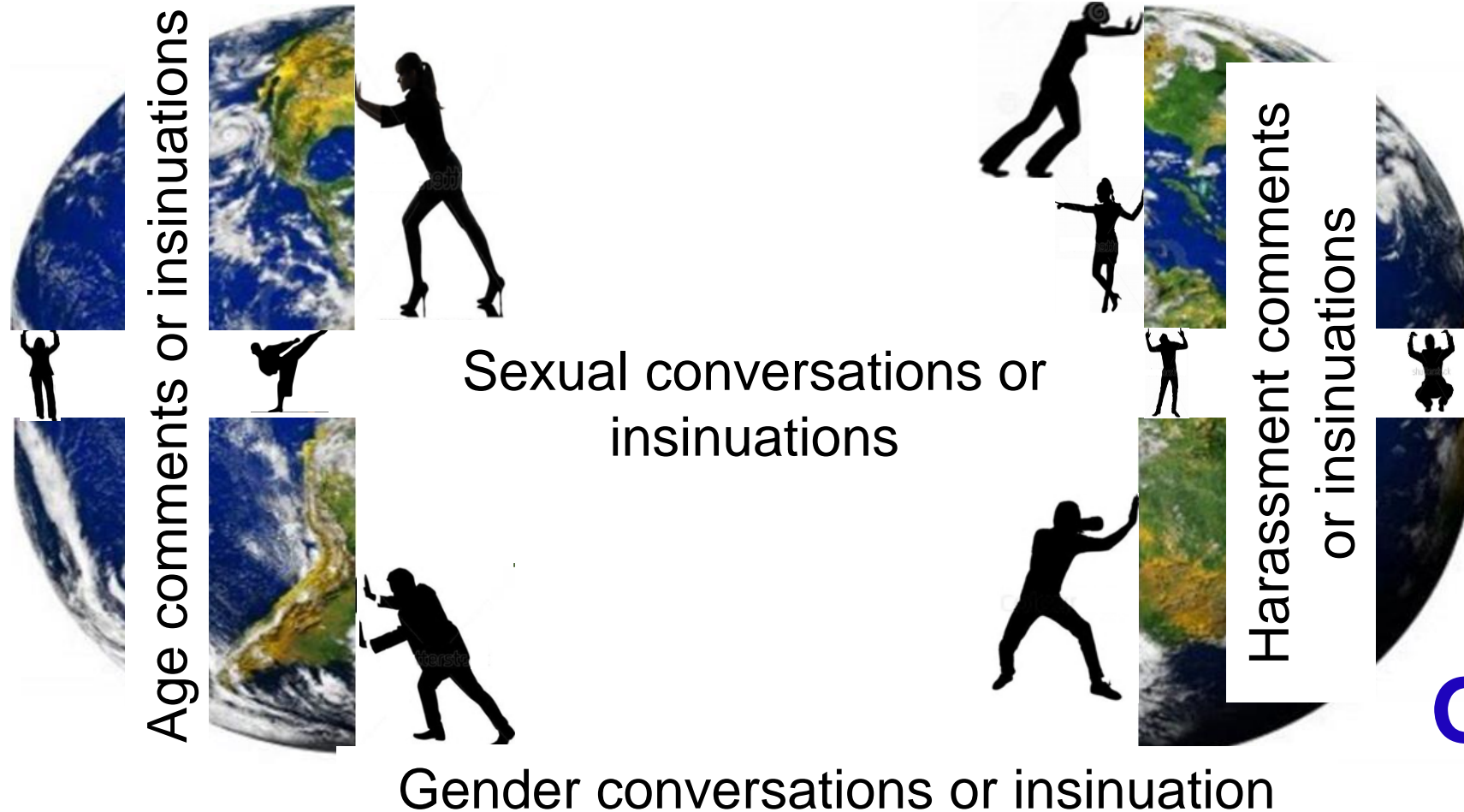
Pie chart represents
Data set from
2016 KBG Safe
Decision Making Study



Interrelated Decisions Across Time



Continue To Earn The Right



Good people?

Inside View Changing



Engagement

AME
CHICAGO
INTERNATIONAL CONFERENCE
2019

NOV. 4-7
Leading
ON THE
Edge



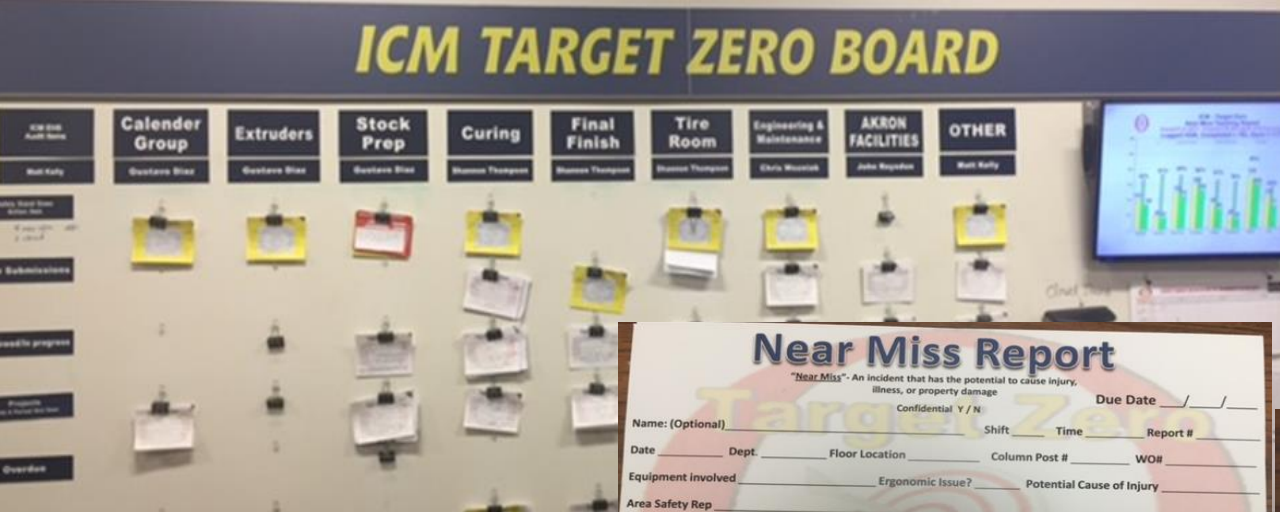
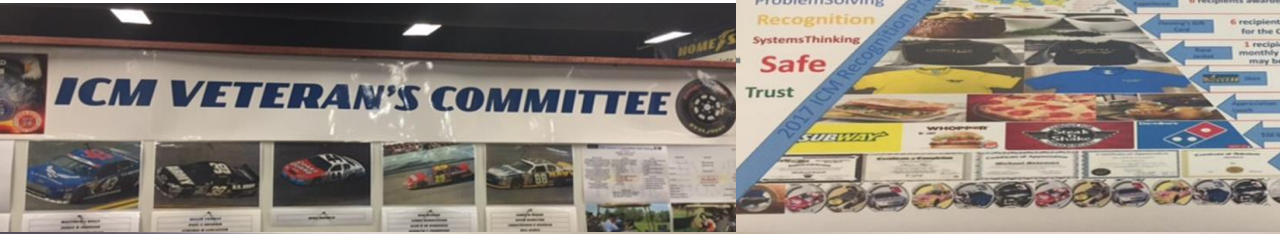
Branding Our Plant

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Edge



Processes With Engagement



Daily Management Systems

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Learn • GrowSM

Outside View

Safety stand down
incident

SAFETY



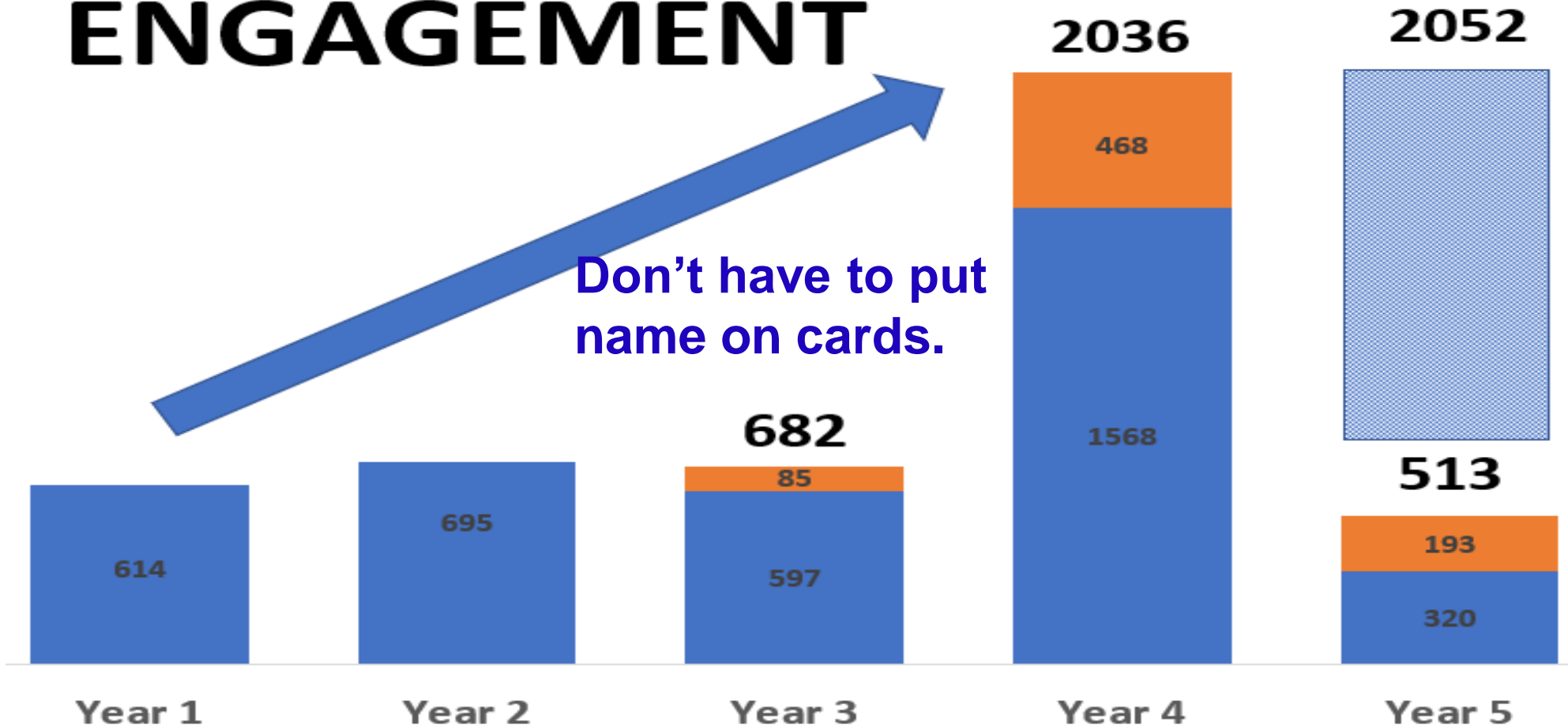
Getting Help From A 75 Year Customer



Outside View

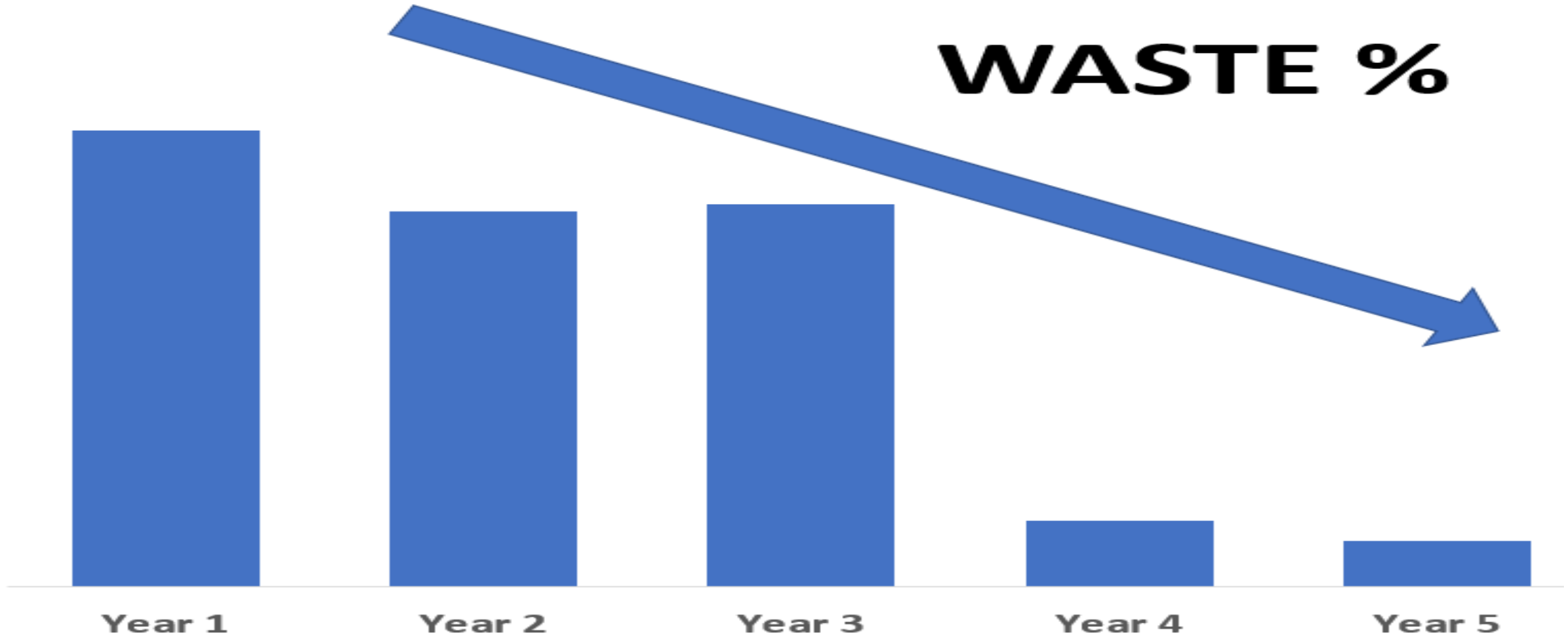
ENGAGEMENT

Don't have to put
name on cards.



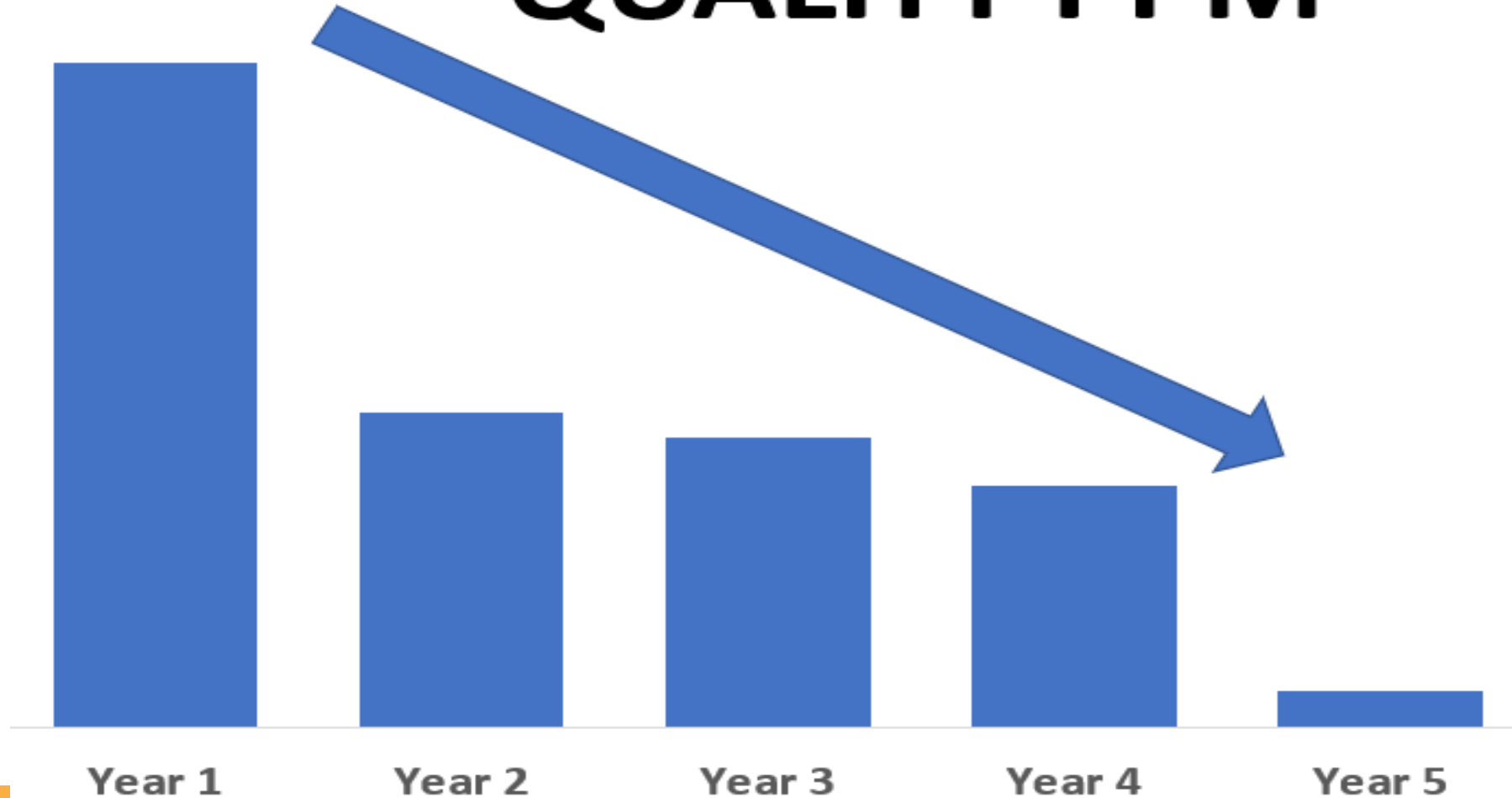
Outside View

WASTE %



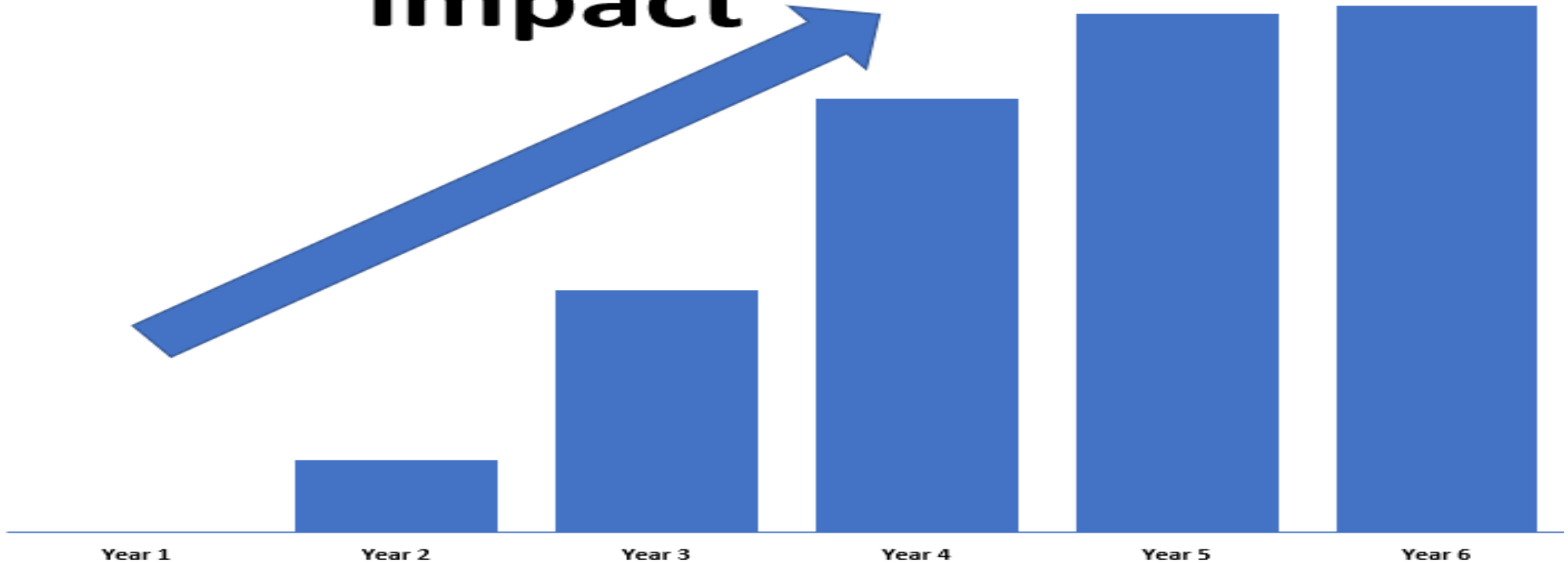
Outside View

QUALITY PPM



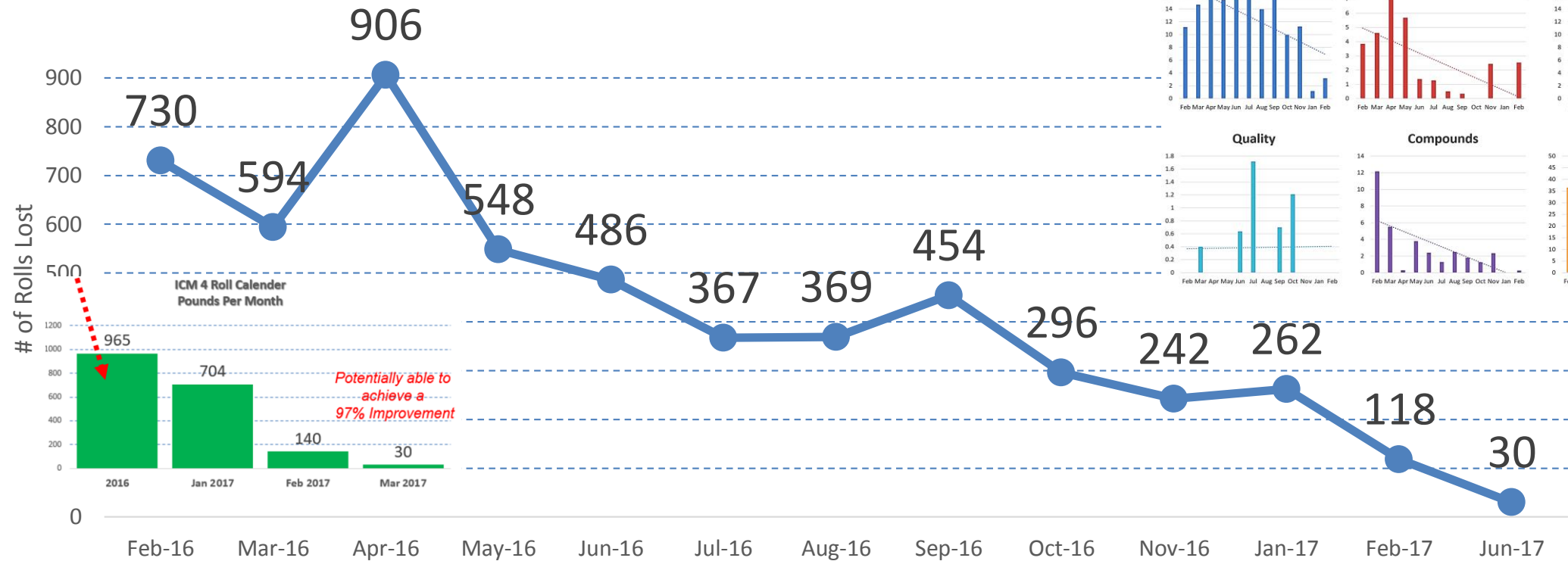
Outside View

Cumulative Profit Impact



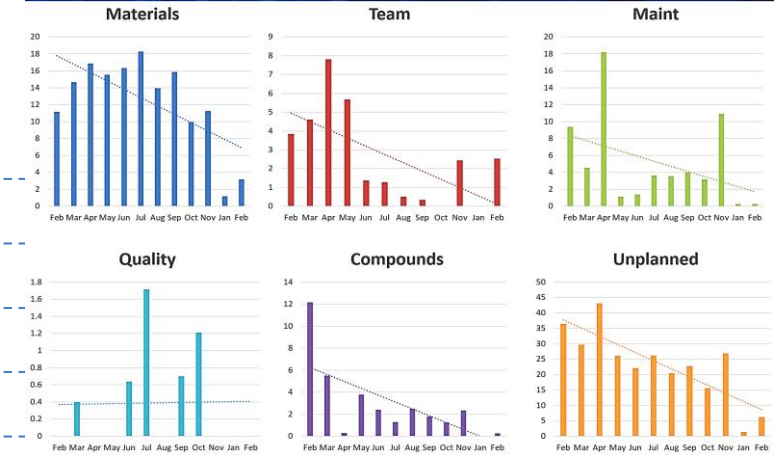
Inside View

Year Long
JOURNEY !



4 Roll Results – Unplanned Roll Lost Trends

ONE TEAM



Eliminating Unplanned 4 Roll Losses

Outside View



AME Excellence Award

Feedback Report for Goodyear ICM Akron, Ohio
Site Visit June 25 - 26, 2018

Assessment Team:

- Douglas Carlberg (Lead)
- Bill Baker
- Larry Anderson



Goodyear ICM Plant Akron, Ohio AME Site Visit Report

Closing

Congratulations on being a 2018 AME Excellence Award Recipient. We compliment all personnel at Goodyear ICM Akron, OH for your focus to insure continuing manufacturing in North America.

Thank you for your participation in the AME Manufacturing Excellence Award Process. We look forward to talking with you at the Award Ceremony in San Diego. We will be getting in touch with you on the specifics for that week. We also encourage you to consider speaking at AME's Annual Conference 2019 in Chicago, IL and would appreciate your support in encouraging other companies in your network to apply in the future.

We hope you find the feedback provided meaningful for your on-going improvement journey. Feel free to contact me if you have any questions.

Best wishes in your on-going improvement journey,

Michael Brenner

Chairperson of the AME Awards Council

630-235-4210

Michael@cumberlandchicago.com

Date of site review: June 25-26, 2018

Assessors:

Doug Carlberg (Lead)

Bill Baker

Larry Anderson

Our Pearl Was Our Culture



Inside View

After 5 years of navigating deliberate changes towards a better place, 4 of us took the stage in San Diego representing the only manufacturing business in NA and one of only 4 plants in the world in 2019 to receive the AME award. The four of us as partners Tom McIntosh (union chairman), Rick Nixon (USW President Goodyear ICM) Matt Kelly (safety and wellness leader) and Dave Coleman (finance business partner and CI manager) represented a team that made this happen. No one person or layer of people build winning cultures all individuals matter.





Honoring excellence

Highlights from the 2018 AME Excellence Award celebrations

Four plants were presented with the AME Excellence Award at the AME International Conference in San Diego, California, in October. The Award recognizes manufacturing or healthcare organizations that have demonstrated excellence in manufacturing and business operations, based on criteria described in the AME Excellence Award Criteria. The criteria can be downloaded from: <http://bit.ly/2U90vJm>

The 2018 recipients are as follows:

Fiat Powertrain Technologies (FPT)
Bourbon-Lancy, France

Fiat Powertrain Technologies in Bourbon-Lancy, France, manufactures diesel engines in a variety of sizes,



transmissions and axles. Operations are split into three units: Cast Iron Parts, Steel Parts and Assembly. The plant employs 1,260 people and operates on a campus of 2.26 million square feet, of which over 1.18 million are covered.

The plant is part of CNH Industrial Companies, which designs, produces and sells powertrains for on- and off-road vehicles, marine and power generation applications.

As part of CNH, the Bourbon-Lancy plant is using the World Class Manufacturing system to drive far-reaching changes in their methods of production. The pillars of the program include the belief that safety is an essential value, leaders have a passion for standards, no waste is acceptable and people involvement drives change.

The AME assessment team highlighted the Bourbon-Lancy Plant's strong leadership culture, which respects people and goes out of its way to recognize and celebrate team members' contributions to the organization. They also noted that the continuous improvement skill of the people is very obvious and that their passion for the products they make is evident throughout the facility.

Goodyear ICM
Akron, Ohio

The Innovation Center Manufacturing plant, or ICM, is the premier race tire production facility for The Goodyear Tire & Rubber Company, one of the world's largest tire companies. The 845,000-square-foot facility operates three shifts per day, Monday through Friday, with a total of 285 associates. The hourly associates are represented by the United Steelworkers Local 2 and make high-performance race tires by hand for the National Association of Stock Car Auto Racing (NASCAR) and the National Hot Rod Association (NHRA).

ICM tire builders are craftspeople who work in a manual-intensive process where their passion for quality and driver safety are proven by the placement of their names on every tire they build.



APPLY FOR THE 2019 AME EXCELLENCE AWARD

To apply, complete and email the following documentation to excellenceaward@ame.org:

1. By February 4, 2019, submit 1) Intent to Apply, and 2) Plant Profile.
2. By March 19, 2019, submit a plant self-assessment, using the AME Lean Sensei® Excel Tool or AME Lean Sensei for Hospitals, and the Achievement Report.

All companies using the Excel version of the AME Lean Sensei to apply for the award will receive a feedback report and given a score based on our criteria.

Download the 2019 AME Excellence Award guidelines and other forms at <http://bit.ly/2dILNhg>.

In the fall of 2013, ICM began a cultural transformation with a commitment to operational excellence. The objective was to move the organization away from the traditional manufacturing mindset, redefine the way work was done in the facility and focus on creating a culture where highly engaged associates enjoy coming to work.

In their evaluation, AME assessors highlighted ICM's safety reporting system, a closed-loop system and a Goodyear best practice that focuses on identifying near misses and analyzing events, as well as its operational excellence in leadership, workplace culture and employee relations.

Iveco Valladolid
Valladolid, Spain

Located in Spain about 100 miles northwest of Madrid, is the Iveco Valladolid plant. Iveco designs, manufactures and markets a wide range of light, medium and heavy commercial vehicles, city and intercity buses and coaches, special vehicles, defense vehicles and off-road vehicles for construction and mining work. It is a unionized private firm with 960 employees working three shifts a day, five days a week.

Iveco is one brand in the CNH Industrial Group, a world leader in capital goods. It began its improvement journey in 1998 by applying lean manufacturing through the CNH program called the Iveco Production System.

In 2007, they started in the World Class



Manufacturing Program—one of the global manufacturing industry's highest standards for the integrated management of manufacturing plants and processes.

The AME assessment team was extremely impressed and had this to say in summing up: "The Iveco Valladolid team is a group of talented individuals that function as a team and know what it takes for them to 'win' on an annual, monthly, weekly, daily, and even hourly basis. The strategy and metrics can be seen throughout the facility including a brilliant graphic version composed by an associate with wonderful artistic skills. The management team's drive and dedication seem second to none."

Littelfuse Philippines Inc.
Lipa City, Malabar

Littelfuse Philippines Incorporated, known

as LFPI, is situated in the Lima Technology Center, about 55 miles south of Manila. It was established in 1997 and consists of two adjacently located manufacturing facilities with a combined production area of 129,600 square feet. LFPI has a current staff of 1,923 employees who produce a wide range of circuit protection devices for the electronics and automotive markets. They operate 24/7 with multiple staggered shifts.

LFPI is part of Littelfuse Inc., a publicly traded company, with headquarters in Chicago.

LFPI started its lean journey in 2003, but it really didn't gain traction until 2012 when the corporate global lean deployment program created a structured lean training and staff development, which was the start of LFPI's concentrated lean journey. Many lean tools and methodologies have been implemented and utilized in LFPI's relentless pursuit to eliminate all forms of waste. LFPI has 1 percent of its workforce dedicated full-time to Lean Six Sigma activities.

The AME assessment team had the following comments: "Without exception people represented LFPI as a great place to work, and we saw evidence of a leadership culture that respects people and goes out of its way to recognize and celebrate team members' contributions to the organization." *

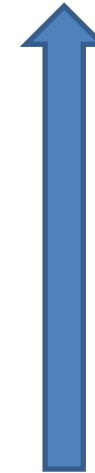


Join us for AME Chicago 2019: Leading on the Edge
Next year's annual AME International Conference will be held in Chicago, Nov. 4 to Nov. 7. Early bird registration ends March 31, 2018. For information and to register, visit <http://www.ame.org/chicago>.

What Transformed?

- *Leadership*
- *Work Environment*
- *Employee Engagement*

AME Award



Worst Goodyear
World Wide Safety
Incident Rate
“Broken”

What Needed Done

- Care – vulnerable and uncomfortable
- Safety and housekeeping a priority
- Stop bargaining. Do what is right.
- Set expectations (right to swear / hives .. get over it)
- Creative / Innovative
- Break rules / silly rules (Name on card)
- Closed loop accountability (stop pretending)
- Make USW president a hero (only a hurdle)
- Conscience in organization (Courageous?)

Biggest Challenge?



Building A Culture With Trust

What is hard about building trust?

Not always comfortable...

Some times vulnerable....

Pick Your Battles...it's not about who wins

All encounters matter

What did we say?



(104/19%) High Performance / Management **Systems Thinking**
(91/16%) Respect/Integrity/**Trust**
 (87/16%) Communication/Transparency
 (77/14%) Learning organization
 (39/7%) Accountability
 (35/6%) One TEAM
 (33/6%) Jobs and job security/More business
 (31/6%) Recognition
 (28/5%) Listening and Problem Solving
(17/3%) Wellness and Safety
 (13/2%) Treated Like a Person Not Machine

Why don't all companies have a high performance culture?

Because it is HARD WORK! HARD for individuals at all levels to break bad habitseven HARDER WORK to develop new habits.

"Excellence is an art won by training and habituation. We do not act rightly because we have virtue or excellence, but rather have those because we have acted rightly. We are what we repeatedly do. Excellence, then, is not an act but a habit." — Aristotle

The Hard Work

Respect (91/16%)

Caring / non-swearing / clean/morale / listening / humble / fair / non-blaming / honest / trusting and trustworthy team both salary and hourly, managers and non-managers.

Communication/Transparency (87/16%)

Well informed team with clear, transparent, honest and respectful communication flow.

Learning organization (77/14%)

Not reinventing the wheel / more knowledgeable management / rotate and utilize knowledge of employees / better new associates training / improve all training / use floor input / need to better utilize skilled trades / and more x-training.

- Round tables
- Behavior focused performance management process
- Weekly Union / TTL discussion

- News letter
- Huddles
- Boards and monitors
- Center of excellence

- Center of Excellence
- ICM curriculum
- Specialist positions

Take Away

Autonomy –

Take full ownership

It is like a cult –

Engage the team

What did you do and how? –

Create something special

Expect It To Be Hard Work

Leading a Culture Transformation is a Continuous **JOURNEY**



Inside View



USW PRIDE VIDEO

Thank You!

Your opinion is important to us!

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

Session No: WS/30

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David Coleman

Goodyear Tire and Rubber Company

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