Managing For Daily Improvement

MDI, Assessments, PDCA

Joe Headdy
Director OpX
AJ Oster
Sorry, We are not That Oster
...no blenders here
A.J. Oster - Overview

- Largest North American processing distributor of copper, brass sheet, strip & foil.
- Process and distribute bare and coated aluminum strip, sheet & foil.
- Started in East Coast in the 1920’s
- Employ 300 people, headquartered at Warwick, RI
- 6 service centers in the United States, Puerto Rico & Mexico
A.J. Oster - Overview

Primary Markets:

- Automotive
- Building & Construction
- Electronics & Electrical
- Anti-Microbial (CuVerro)
- Coinage
- Ammunition
- Energy
- Art & Jewelry
- Industrial
- Consumer
• MDI/OpX/PDCA... What are you talking about??
CI Engagement
Pace of CI

Std. work
Takt/flow
Problem Solving

Engagement
Pace of CI

MDI
Our Journey

- Get a coach/mentor... No matter how smart you think you are!
- Communicate / Train / Change Management
- Benchmark, Benchmark, Benchmark
- Pilot Site/Area (scope)
- Make it yours... We “Oster-sized” it
- Patience, Stay the course
- Internal Benchmarking/invite others/customers
- Executive & Employee support/involvement
OpX Key Strategic Objectives

- World-Class Safety Performance & Culture
- Industry Leading Customer Service
- Creating ability to leverage volume growth with current resource base (equipment & people)
- Creating business sustainability into future
Making Problems Visible
Process — Toolset utilized to Identify & Solve Problems

- Make Problems Visible
- Solve Problems
- Sustain Solutions
Closing Gaps Directly Related to Business Needs
Vision

A.J. Oster will become the premiere value-added service center in each of our target markets by delivering dynamic, innovative solutions to our customers and leveraging the full potential of our employees. We will achieve earnings growth by marketing new metal products and entering new markets.

Strategic Pillars

- OPERATIONAL EXCELLENCE: Engage all employees in the relentless pursuit of Operational Excellence.
- SUPPLY CHAIN EXCELLENCE: Improve enterprise value and create a competitive advantage through Supply Chain Excellence.
- GROWTH: Create earnings growth by marketing new metal products and entering new markets.
- PEOPLE: Attract and retain a talented, engaged workforce with a focus on relentless continuous improvement.

SHARED VALUES

Safety  Integrity  Respect  Continuous Improvement  Responsiveness  Commitment  Teamwork
MDI Boards: What’s different???

- Transparency
- Engagement at all levels
- The metric-CM strip connection/sustainment
- Planning Board / Annual Plan
## PROCESS – Traditional Siloed

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<tr>
<th>Suppliers</th>
<th>Sales</th>
<th>Supply Chain</th>
<th>Mfg</th>
<th>HR</th>
<th>Finance</th>
<th>IT</th>
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![Diagram showing vertical arrows between the different processes](image-url)
PROCESS – Value Flows Across Functions

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**GROWING THE BUSINESS**
Selling, Marketing, R&D, Business Development, Alliances

**FULFILLING CUSTOMER ORDERS**
Order-to-Delivery; Buy-Make-Ship; Supplier Development

**DEVELOPING PEOPLE, LEADERS**
HR Management; Training/Development; Problem Solving

Many Critical Problems & Opportunities are Cross-Functional
The evolution & training
Metrics Section
Visually Communicate The Current Performance Of The Business...a pulse

Countermeasure Section
Concern, Containment, Countermeasure

Planning Section
Annual Strategic Plan
Success &... the areas to work on

- Engagement & Visibility
- Raising / teaching overall business knowledge
- Transactional/production improvements (quote time, scrap, inventory, hidden factory etc.)
- Platform / dynamic two way

- Off shifts
- Counter measures/A3 use
- Religion
- Back ups / too much Electronic vs intent
- Challenging goals/stagnant
- Skill set to problem solve once identified
Shifting gears... MDI to Assessments & how they connect
Process – Toolset utilized to Identify & Solve Problems

- What are we trying to achieve?
- How do we define?
- How do we measure if we are winning?
  The “Check” component of PDCA Thinking.
Assessment Process Linked to the MDI Process

- **12 Principles (Larry Fast)**
  - 11 build the 12th which is ELPC (associates/employees)

- **For each Principle**
  - Process & Procedure + Results

- **Ownership, understanding & involvement of all employees**
Assessment process “Checks” our progress, “identifies gaps” and is the basis for the development of proactive “Plans” to close gaps identified.

Plans drive the “Do” phase – deploying projects / resources.

MDI process serves as regular “Check & Adjust” on completion of the plan milestones & timelines.
Assessment Overview

Assessment Scores - OpX Levels

- Safety
- Product Quality
- Formal System
- Delivery Performance
- Process Capability
- Training
- Housekeeping
- OLPC
- Visual Factory
- CI / Productivity
- Planned Maintenance
- Communications
- Total Score %

OpX Level

1.00 2.00 3.00 4.00

- 1 - 2 - 3 - 4
One AJ Oster...Horizontal connection of Purpose, Process & People

Alliance
Puerto Rico
Carol Stream
Yorba Linda
Warwick
Mexico
One AJ Oster...Horizontal connection of Purpose, Process & People

Tier 1

Tier 2 Sales/admin

Tier 2 Production
Thank you & shout outs… 😊

- Jeff Byrd, Olin Brass
- Aleris Mill, Uhrichsville Ohio
- Robb Kirkpatrick, International Knife & Saw
- Kim Iapaolo, Farm Credit Mid-America
- Mic Wilz, Surseal
- Larry Fast, 12 Principles Manufacturing Excellence
- AJ Oster, Alliance (pilot site) & all of our employees
- AME
Recap

- Get a coach...
- Communicate / Train / Change Management
- Benchmarking
- Pilot Site/Area
- Make it yours
- Patience, Stay the course
- Executive & Employee support/involvement
Thank You!

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Session: ThP/44

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