

# It's not about the trophy!



Recipients of the AME Excellence Award share how they benefitted by participating in the program BY MICHAEL BREMER

When companies enter most award programs, they're often looking for recognition, to be singled out by their peers as having attained a particular achievement—and maybe to add another trophy or plaque to the display case in the lobby. Not so with the AME Excellence Award, say the 2017 award recipients. Though they value the recognition and the trophy, here, in their own words, is what they say is the real benefit of participating in AME's award program.



The Dongguan Team reviews its x-matrix.

## A way to identify new continuous improvement opportunities

### Littlefuse Dongguan Co., Ltd

By Yunfu (George) Zhang

The Dongguan associates feel very proud and fulfilled to be selected to receive the AME award. Reflecting on our experience we learned quite a bit.

From the first day that Dongguan decided to apply for the AME award, we reflected on past projects and accomplishments. In the preparation of the report, we involved the management team, office staff and front-line associates. With their active participation in the application process, we learned quite a bit from just doing the report. Applying for the award caused us to look at our operation in a different way.

We began to do our gemba walks and observations with the eyes of the assessor (or what we imagined their eyes would be). We re-looked at areas from a different vantage point. We identified new areas for improvements, and found opportunities for waste elimination, processes improvement and management system upgrades.

The AME website states that applying for the AME Excellence Award can help your business identify new opportunities to better utilize your facility, add rec-

liked the most from the feedback report was the statement that “all plant levels display a good understanding of, and involvement with lean, especially in the ‘use the mind before the wallet’ approach to capital equipment appropriation.”

The opportunities for improvement pointed out by the assessors gave us ideas to think about on how we can improve. An example of one of the opportunities is that “although Dongguan is using many of the lean improvement tools, it is not obvious

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YUNFU (GEORGE) ZHANG, LEAN MANAGER, LITTLEFUSE DONGGUAN CO., LTD

ognition and pride to your employees’ efforts, help to share standard work and enable you to learn from the best. After going through the process, I believe in every word of this statement.

The assessors were able to share their prior experiences and knowledge and make valuable suggestions during the site visit. All the associates with whom the assessment team had contact will always remember the professionalism of the assessors.

The feedback report focused on strengths and opportunities for improvement as perceived by the assessors, based on both the achievement report and the on-site assessment. The report is very detailed and contains lots of valuable information. In Dongguan’s case, the feedback report was a full 20 pages in length and reflected comments from all the assessment team members. The report is divided into two sections: 1) Summary comments on overall strengths and opportunities and 2) Section-by-section detail of both strengths and opportunities.

The strengths that were recognized by the assessors have encouraged us, reminding us that we are moving in the right direction and that we must keep making improvements. One strength we

that the users have a clear understanding of their real power to support ongoing/continuous improvement.” I found this very informative and helpful. It leads me to consider how we can help people better understand the real power that they possess to make even more improvements.

The management team members have improved their leader standard work (LSW) based on the assessor’s suggestion that all LSW needs to include how to improve your process, how to improve your people, how to improve business performance and how to improve yourself. We also appreciated the perspective that LSW is about making sure the important does not get overcome by the immediate.

Associates are continuing to use LSW to drive the right behaviors. Dongguan has improved our x-matrix by ensuring we are noting the most appropriate strength of the correlations in each section. We have also made sure that the x-matrix is posted in many places to drive discussion and help create a dialogue.

The report mentioned that one thing that Dongguan did not do well was “celebrate the red.” Now people understand the concept that it is okay to have a stretch goal and if you do not make it, celebrate it anyway. This will help us to

drive breakthrough thinking.

Another suggestion that we have been working on is to better manage people capacity. We developed a visual board for managing engineering projects. Using the board, it is easy to see how many projects each engineer is working on, and now we can make sure that each engineer is not overburdened with too many projects.

In conclusion, I want to thank AME for the opportunity to participate in the AME award process. I would encourage any site that is on its lean journey to apply for the award. There is no doubt that with the suggestions from the feedback report, we will be able to better sustain the good results of our continuous improvement and make the Dongguan facility even better tomorrow.

### Assessor's feedback motivates and inspires



#### Powerblanket

By Brent Reddekopp

In the five months since receiving the feedback report from the AME on-site assessment, Powerblanket has been motivated and inspired to make positive changes and enhance best practices. We find that the AME Lean Sensei tool is ideal for tracking progress on our lean journey, and we are grateful for the feedback. The changes are exciting, and we are seeking daily improvement from the suggestions and notes, including the following:

#### ■ Onboarding

*“Onboarding did not include any emergency evacuation info.”* A simple improvement made—while the assessors were still on sight—was to our onboarding process. They had asked an employee about Powerblanket’s evacuation plan of which he was unaware. At that time, all exits were clearly marked and emergency maps were posted around the facility, but this employee had not been informed of the procedures.



Moises Castillo, a new full-time hire at Powerblanket, heat welds the outer vinyl covering of our product.

We quickly added emergency and evacuation procedures to our new-hire orientation packet.

#### ■ Management system

*"It would be good to create a Powerblanket Management System structure."* Clarity and trust became important factors in this discussion. We want all Powerblanket employees on the same page and knew this would require a higher level of trust. To cultivate this desired trust "clarity of roles responsibilities" and accountability need to be present.

In our brainstorming and discussions, we realized that our culture was really something much more. We wanted to embody a "culture of empowerment," where all team members believe in and feel empowered to act on their own potential. In December of this year, we launched our "Empower Together" initiative, complete with sweatshirts for everyone.

#### ■ Visible goals

*"The management team seemed well informed of the goals and status during the strategy period, but we didn't see how or if that information gets to the*

*team level."* The feedback encouraged us to increase the visibility of our goals versus actual results. As our company president likes to say, "Our metrics need to be visual and deemed important." With his support, and at the encouragement of our AME report, we have five times more dashboards in our facility.

After installing the metrics for our shipping department, our shipping supervisor requested even more visibility. He wanted to be able to see the amount sold versus the amount shipped. This allowed him to plan for and project shipping needs.

In our assessment, we were also encouraged to sustain our improvements.

Adding all the new dashboards has helped us drive improved and desired behaviors. In addition to our shipping improvements, the dashboards have positively affected the production floor. Having the right people at work every-day and on time makes a big difference in our ability to meet the needs of our customers. We created a dashboard showing a production attendance score. Since we started monitoring the score, attendance has improved by 10 percent.

#### ■ Quarterly off-site meetings

*"Transition planning should be initiated and in place to address rapid expansion of production including all the staff, facility,*

## SHARE • LEARN • GROW

AME appreciates the companies that participate in the AME Excellence Award program, and their willingness to share what they've learned through the process. This helps us identify "pearls of excellence" that are meaningful learning opportunities to share with the AME community. We share this information at the annual conference, where all recipients briefly discuss their "pearl." We also share throughout the year in Regional Workshops. The award recipients present examples of excellence that have been reviewed by highly experienced practitioners. I encourage you to seek out our "Pearls of Excellence" when you attend the annual conference to see what you and your organization might learn and use in your journey.



*training and supplier actions necessary.”*

The assessors were impressed with our company and felt that as we continue this lean journey we could see a dramatic increase in demand for our product. They addressed the need for a better transition plan to accommodate rapid expansion. To address this, we have started quarterly off-site meetings for our strategic staff. In these meetings, we look to the past to see what is working and learn from what we have done. Then we look to the future and address the changes and constant improvements that we can make to respond to our growing demand in production. We literally plan what needs to be in place to make the magic of our dreams come true. These quarterly off-site meetings are much different than the standard management meetings that deal with the here-and-now of the company.

#### ■ Scheduling blocks

*“While two-hour buckets are good, you should continue to shorten time buckets, giving everyone quicker visibility of production problems and abnormalities.”* Another recommendation was that we should reduce the length of production scheduling blocks. Due to some of the challenges we face, we created our own scheduling software. Each day the

product demand is assessed along with the available manpower, and METIS, our customized scheduling software, defines the most efficient way to build the products. METIS schedules the activities in the sub-assembly processes to coordinate with our production line.

We have several materials that we purchase on large rolls. Previously, to reduce raw material waste, we would nest products on our raw material cutting step. When we started this, we knew this thinking would lead to large batch sizes. We decided on a compromise. We would break our schedule into two-hour blocks. This would allow the raw material to be nested within that two-hour block, but would prevent large batches of material from being produced. The insight and questions from the assessors led us to a more efficient way.

#### ■ Standard work

*“Standard work was present for most jobs, but not always easy to see at the source.”* The assessors noticed that our standard work was accessible, but not always visible. After working with new contacts at the AME Boston 2017 annual conference, we are in the process of establishing digital instructions. This will

not only allow us to make them visible, but provide a way to ensure that only the correct version is available on the production floor.

We are excited about the prospect of updating a standard work once and having it applied to all steps of production. Having a system like this in place will also support our focus on clarity and trust. The new standard work will make clear what needs to be done, and both managers and team members will be able to trust that the information is accurate.

#### ■ Growth strategy and Amazon

*“We suggest looking for other distribution channels to broaden market penetration.”* While sales are linked strongly with Amazon as an international partner, we have focused much of our growth on custom solutions. Powerblanket has a strong market advantage because of our world-class engineering team. This team creates custom solutions for some of the most complicated and/or unusual temperature needs for numerous industries all over the world—and they do it quickly.

Since our AME evaluation, we have focused even more on custom, and have roughly doubled our sales of custom products and reduced our dependence on Amazon by 8 percent.

We are excited about the feedback and our experience with AME. The on-site assessment is changing the way Powerblanket functions. This meaningful guidance has influenced Powerblanket in all aspects of our business. As Benjamin Franklin said: “Without continual growth and progress, such words as ‘improvement,’ ‘achievement’ and ‘success’ have no meaning.” We have enjoyed continuous growth and a record-breaking year. We look forward to the new success. ●

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Jaime Flores, floor production supervisor at Powerblanket, crimps the ends of a heater.