

AME Awards for Excellence in Operations — Cultural Change and More: Congratulations to All Recipients!

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Outstanding performance in *enterprise excellence* characterizes the recipients of AME's 2007 awards for manufacturing excellence. The contributions and improvements of these organizations are notable, and we congratulate those recognized at the regional and national level. The awards for 2007 were presented during a special session at the AME annual conference in Chicago.

Ventana Medical Systems, Tucson, AZ was named the recipient of the AME national award for operational excellence and also received the award for excellence in the AME West Region. Ventana's primary product lines are instruments and reagents for analyzing body tissues (histology). Customers are hospital pathology labs and various kinds of research laboratories. Customer labs diagnose tumors, including cancer, and infections. Ventana systems automate this testing to yield more information in less time with fewer errors. Thus

lean thinking at Ventana guides not only production, but R&D, and their approach to customers as well. Lean at Ventana owes much to its Culture of Accountability. Transition to this culture is complete, and now it is sustained by daily reinforcement, as explained in an article about the company in this issue of *Target*.

"Ventana Medical Systems has shown a commitment to continuous improvements over a period of time, which has led to significant gains in operational performance," said Jim Orbik of Nautic Global Group, AME Great Lakes Region president, and a member of the AME manufacturing excellence review team. "They applied for the AME Manufacturing Excellence Award, and have continued to demonstrate progress in operational performance. We recognize their achievements in organization-wide improvement and congratulate them as recipients of our overall award for manufacturing excellence in 2007."

Regional Award Recipients

Organizations selected for AME regional awards for manufacturing excellence include:

Canadian Region: **Eaton Corporation Milton Plant**, Milton, ON. Employees manufacture electrical equipment including power distribution equipment, switchboards, panelboards, power panels, and transfer switches. Their mission is the assembly of Eaton Electrical components, manufactured in other Eaton Group plants in the United States and the Caribbean, into custom-designed solutions for customers. Productivity gains have been achieved through the use of Eaton Lean System tools such as value stream mapping and standardized work, 5S, and others. They take great pride in the "active involvement of every employee in our continued success and growth," and their culture reflects openness and collaboration among various functional disciplines.

Great Lakes Region: **Batesville Casket Company**, Batesville, IN. Principal products manufactured here are burial caskets, cremation containers, and urns. Every associate at this facility lives their mission of helping people honor the lives of someone they have loved. They have worked hard to change from a batch manufacturing operation to a lean one-piece flow approach. They have embraced continuous improvement or kaizen (Toyota Production System) since 1992. Building a quality product is the most important thing they do each day; customer quality feedback is key to their culture and their success. The high level of interaction with customers and their Diamond Standard of Quality Audit program have been critical in helping them to attain significant improvements in their Customer Disappointment Metric; they achieved a 28 percent reduction in customer disappointments per million since 2004.

North Central Region: **HUI**, Kiel, WI. They design and manufacture custom enclosures, carts, and products for industrial and medical industries. Their focus is on the growth of companies they sell to and companies they buy from. Their core pur-

pose: Create an environment that encourages risk taking to promote and expedite growth. Customers value HUI for speed: production leadtimes of eight days, the ability to design and manufacture a prototype in less than three weeks and sometimes less than one week, etc. They seek continuous improvement in all areas of the operation. Their commitment to lean, their business strategy, and culture improvements allowed HUI to prosper even during adversity. They share these lessons with their community through seminars, speaking engagements, and tours.

Southeast Region: **Batesville Casket Company**, Manchester TN Operations. Steel burial caskets are produced at this facility, which was AME's winning operation in 2006. They also introduced component parts and increased the number of models produced. Employees use a variety of methods to increase productivity as they lower costs. They have continued to tighten and redesign their goals in terms of productivity and quality in their continuous effort to improve and meet customers' increasingly stringent requirements. They are committed to provide effective training to associates at the Manchester facility, taking steps to prepare for the future. Outstanding features are cultural and process changes in an old union environment, capital avoidance by process kaizen, and Diamond Standard quality audits with feedback to everyone — ensuring that production and quality improvements result in increased profitability and higher shareholder value.

Southwest Region: **M2 Global Technology**, Ltd., San Antonio, TX. Their vision is to be the "knock your socks off" provider of Technical Manufacturing Services (TMS) through innovative ideas and solutions. Products/services include microwave components and contract manufacturing services. M2 Global is consistently recognized by the Defense Department as an outstanding small company delivering hard-to-make, critical components to such programs as the joint strike fighter. Lean and Six Sigma initiatives encourage value-added activities and doing

it right the first time. They systematically reduce defect rates and improve customer satisfaction by employing DMAIC (Define, Measure, Analyze, Improve, and Control) methodology. Their culture emphasizes development and empowerment of employees by maximizing their skills and knowledge to the fullest extent possible.

Ross Robson: Thoughtful Leadership, Independent Spirit

Dr. Ross E. Robson received the 2007 AME Lifetime Achievement Award. He is best-known as the executive director of the Shingo Prize for Excellence in Manufacturing from its inception in 1989 until his retirement in 2007. During that time, through personal commitment and independent spirit, he shepherded the Shingo Prize from a virtually unsung beginning into what *Business Week* dubbed "the Nobel Prize for Manufacturing." Today every manager in manufacturing knows what a Shingo Prize is, and more importantly, what it means.

Ross arrived at Utah State University, home of the Shingo Prize, in 1979, joining the faculty of the College of Business after stints at the University of Georgia and the University of Tennessee. He was in the right place to recognize the potential of the Shingo Prize when the opportunity came to provide a home for a prize established by a bequest from the late Shigeo Shingo, who was a figure in the early development of Toyota's Production System. The prize's criteria are based on Shigeo Shingo's work.

Each year of the Shingo Prize's evolution, the standard of excellence steadily increased, and so did the scope. It is now often called the Shingo Prize for Operational Excellence. This is the third year that awards have been given for public sector operations. Next year applications will be taken from the health care industry. The new initiatives are possible because of the foundation that Ross laid, taking the prize from a wobbly beginning to what it is today.

Through all of the "business" associated with running the Shingo Prize, those

closest to Dr. Robson know him as one of the kindest, most thoughtful, and generous persons they have ever met. For example, Ross always has season tickets to Utah State University athletic events. Most of these are regularly given away to friends, students, staff, and colleagues during his travels for the Shingo Prize.

Another example, Utah State University has for years provided work for a young man with severe disabilities. It is very common across campus to see or hear Ross taking time to praise and thank this individual for his work.

People who know Ross know that he occasionally has a tough time wrapping his tongue around someone's name. That does not flap Ross or anybody who has worked with him. Everybody knows that in spite of anything that may go wrong, they have in him a friend who cares about them as a person.



Figure 1. Dr. Ross E. Robson.

James Nicholas "Nick" Edwards: An AME Founder, Avid Rail Fan

Nick Edwards, one of the prime movers founding the Association for Manufacturing Excellence (AME), was honored during AME's recognition program during the recent Chicago annual conference as the 2007 recipient of the Mac McCulloch Lifetime Achievement Award for AME members (volunteers). His history dates to 1977, almost eight years before AME was incorporated in 1985. In a presentation at an APICS conference that fall, Nick noted the inadequacies of job shop MRP to cope with flow production, and that by concentrating on it, we were missing opportunities to make other changes that seemed more important. Ed Reznicek from Daisy Air Rifle interrupted to say that we ought to do something about this. Nobody then knew anything about "lean," but that moment began the movement of people who wanted to learn about it. That movement evolved into AME.

In those early years, Nick came to every meeting of the group, and he encouraged anyone he could to come with him. By 1980, lean ideas were beginning to be promulgated under the name "just-in-time," which is what Toyota first called TPS in papers in English. By 1981, Nick began to refer to himself as a "born-again JITTER," and he has ever since.

Nick was a consultant from 1966 until 2000, first with Rath & Strong, then Coopers & Lybrand, and finally Computer Sciences Corporation. He often led early versions of "kaizen blitzes" on shop floors in the 1980s. Needless to say, he racked up his share of big improvements in quality, leadtimes, productivity, and space reduction.

Nick was on the committee that founded AME as a formal organization. He served on AME's first corporate board of directors. He also led the initiative to preclude consultants from serving on the corporate board, believing that AME should be an organization of practitioners for practitioners. From the first meeting, before AME was born, until today, Nick has never stopped organizing regional AME events



Figure 2. Nick Edwards.

and serving on conference committees. In effect, he has given 30 years of continuous service to an organization that is barely 23 years old.

But all who know Nick know that he loves to tell us about his trains, specifically his 1/6 scale model trains on the Wimberly, Blanco & Southern Railway, more than a mile of track on his retirement home site in Texas. He has built several working models of steam engines himself, and twice a year, hosts a meet for his equally passionate rail-roading friends.

The Mac McCulloch Fellowship Fund

Nick Edwards wanted all AME members to know that the early members of AME are contributing to The Mac McCulloch Fellowship Fund. This kicks off actual funding of the AME Foundation. These funds will promote the development of people and projects to extend the pursuit of excellence by AME's mission to a higher level and more broadly than anyone would have dreamed in 1985.

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