

WORKSHOP ON LEAN SIX SIGMA MAY 2009

**THE BUSINESS MANAGEMENT THROUGH
THE METHODOLOGY AND
THE AIMING FOR OPERATIONAL EXCELLENCE**

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SETA – Managerial Development

Who are us?

- Founded in 2004 by ex-executives from General Electric sited in Campinas city, São Paulo state, working in all America continent: Brazil, Canada, USA, Peru, Colombia, Venezuela, Argentina and Chile
- Trainings in Portuguese, Spanish and English
- Trainings in the Operational Excellence, Lean Six Sigma, People Management, Leadership Development and Commercial Development areas
- All consultants are professionals that worked in international renown companies with large expertise in business management

Educational company engaged in the managerial and executive development and training

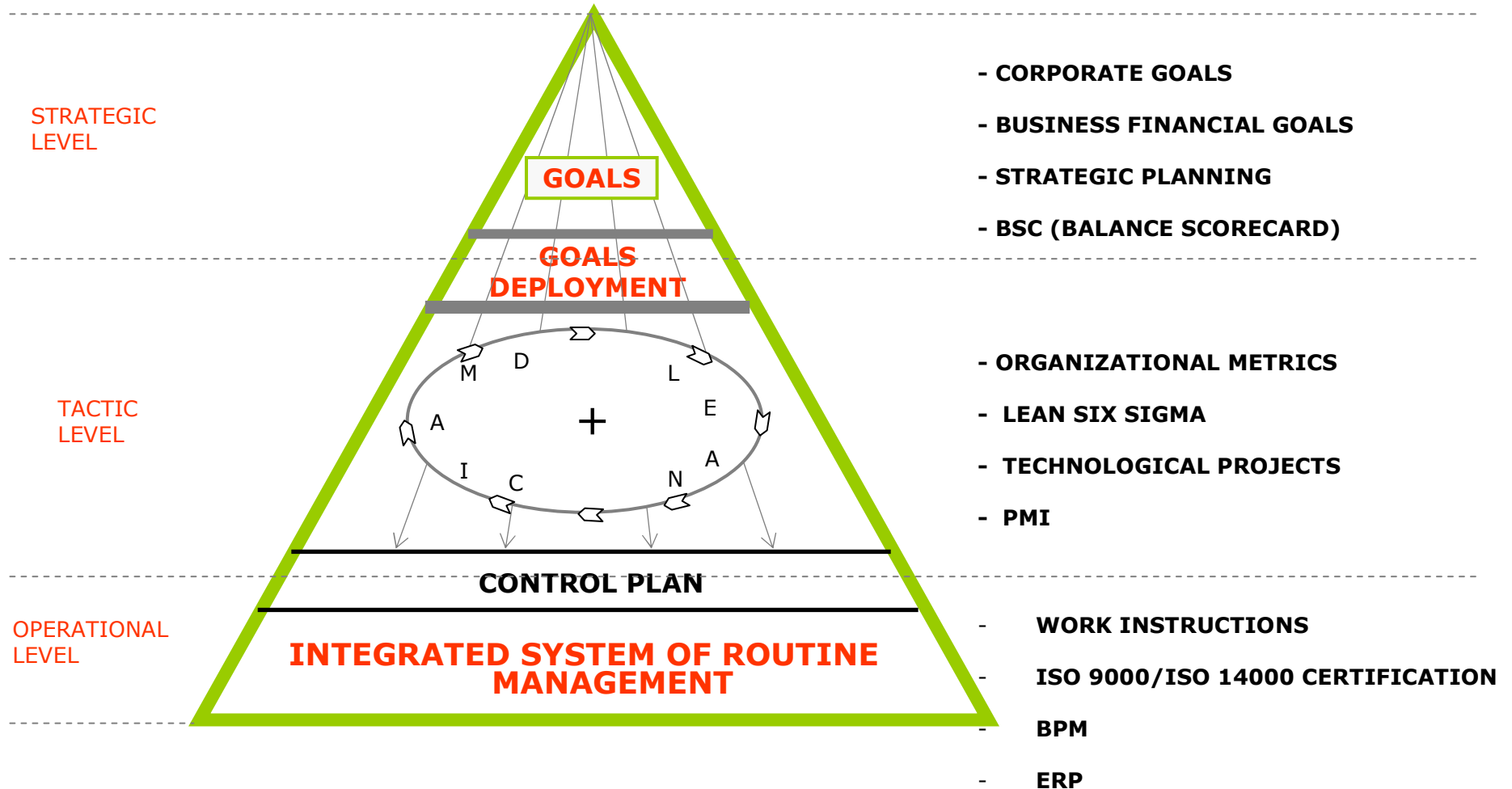
Main Customers



The Management System

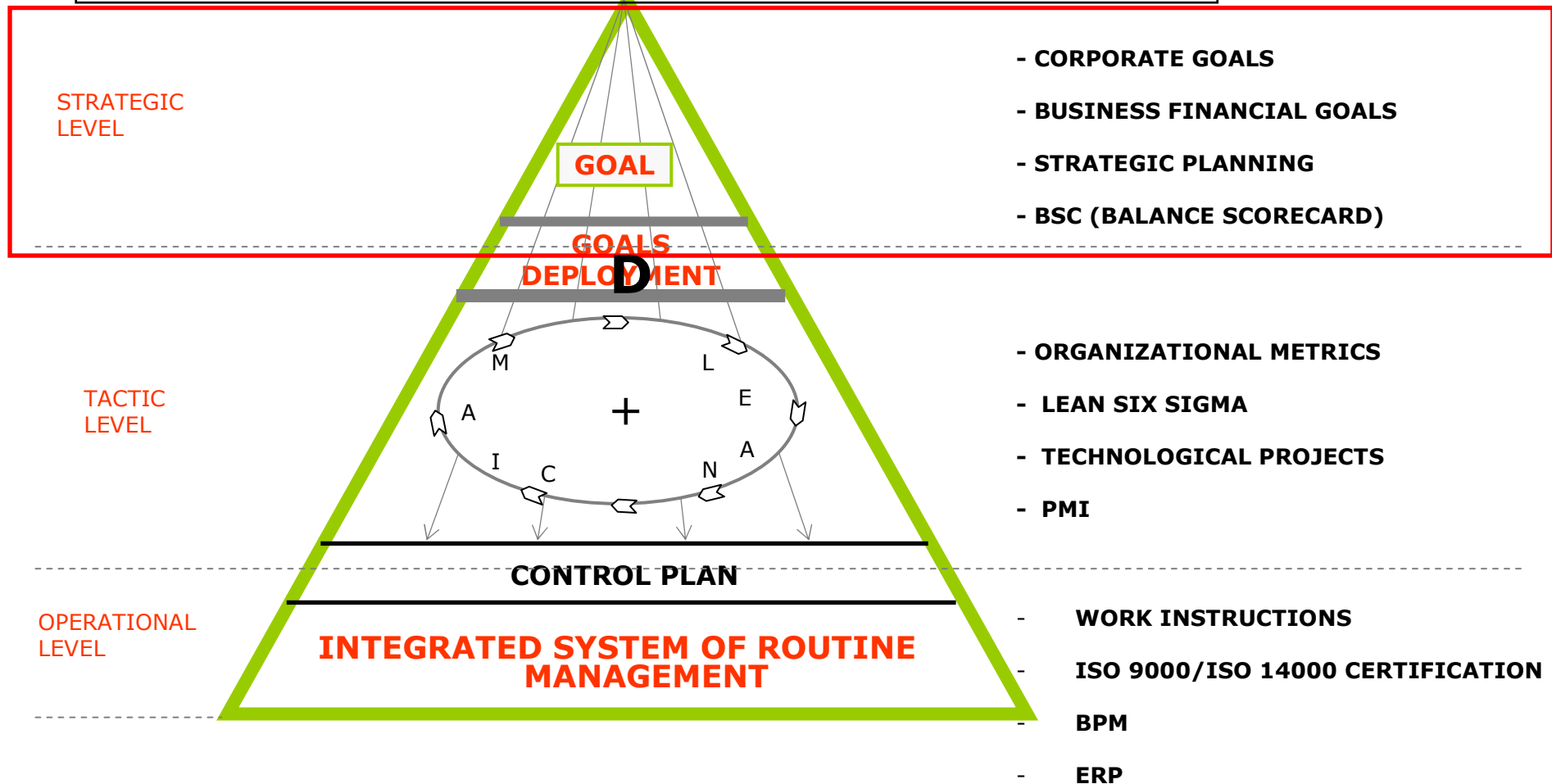
“ The role of the MBB/ BB is much more vast and should include all the management system”





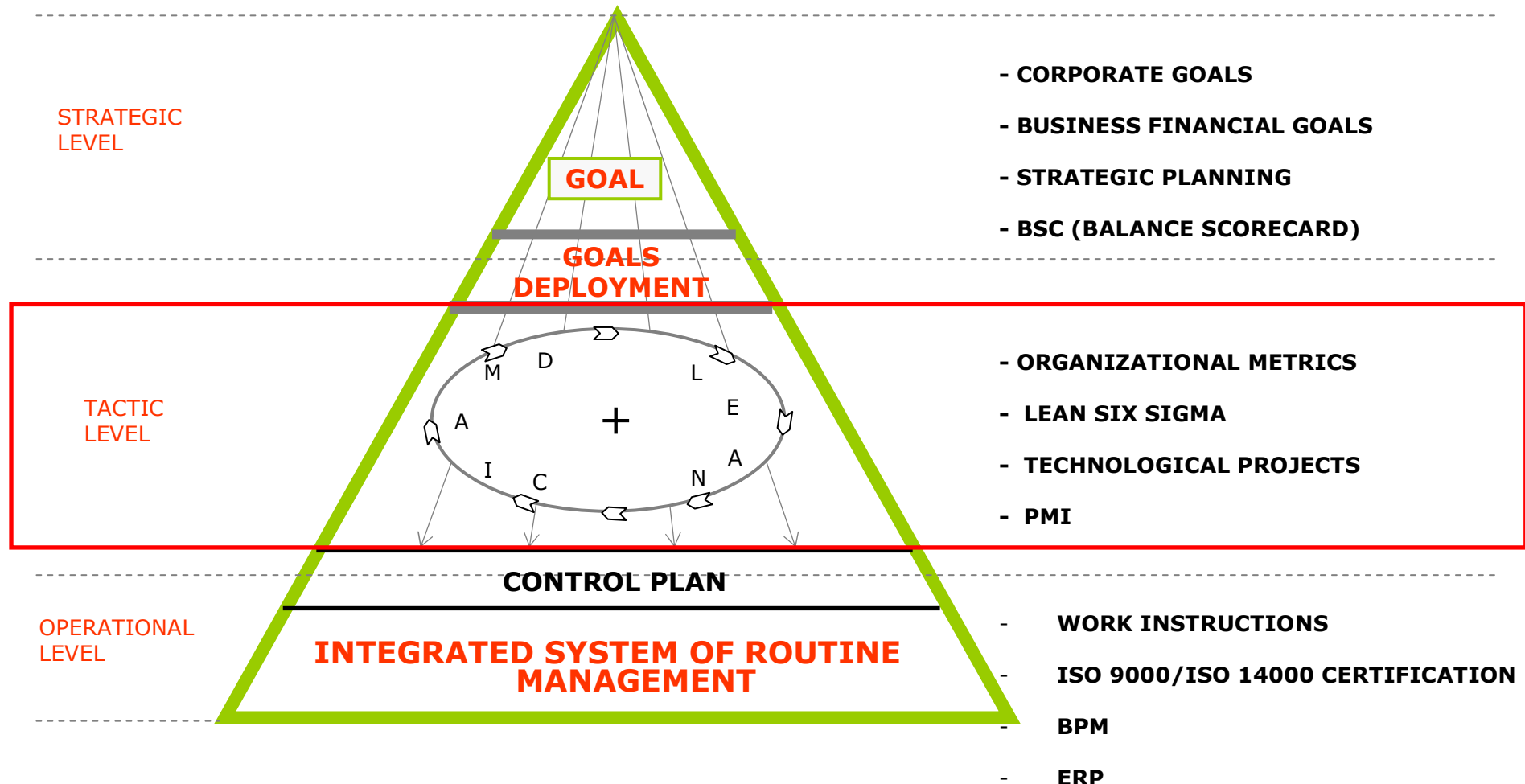
The set of methodologies and tools for the management of a company

Strategic Planning should be part of the MBB/BB activities



The role of the MBB / BB in the Strategic Planning

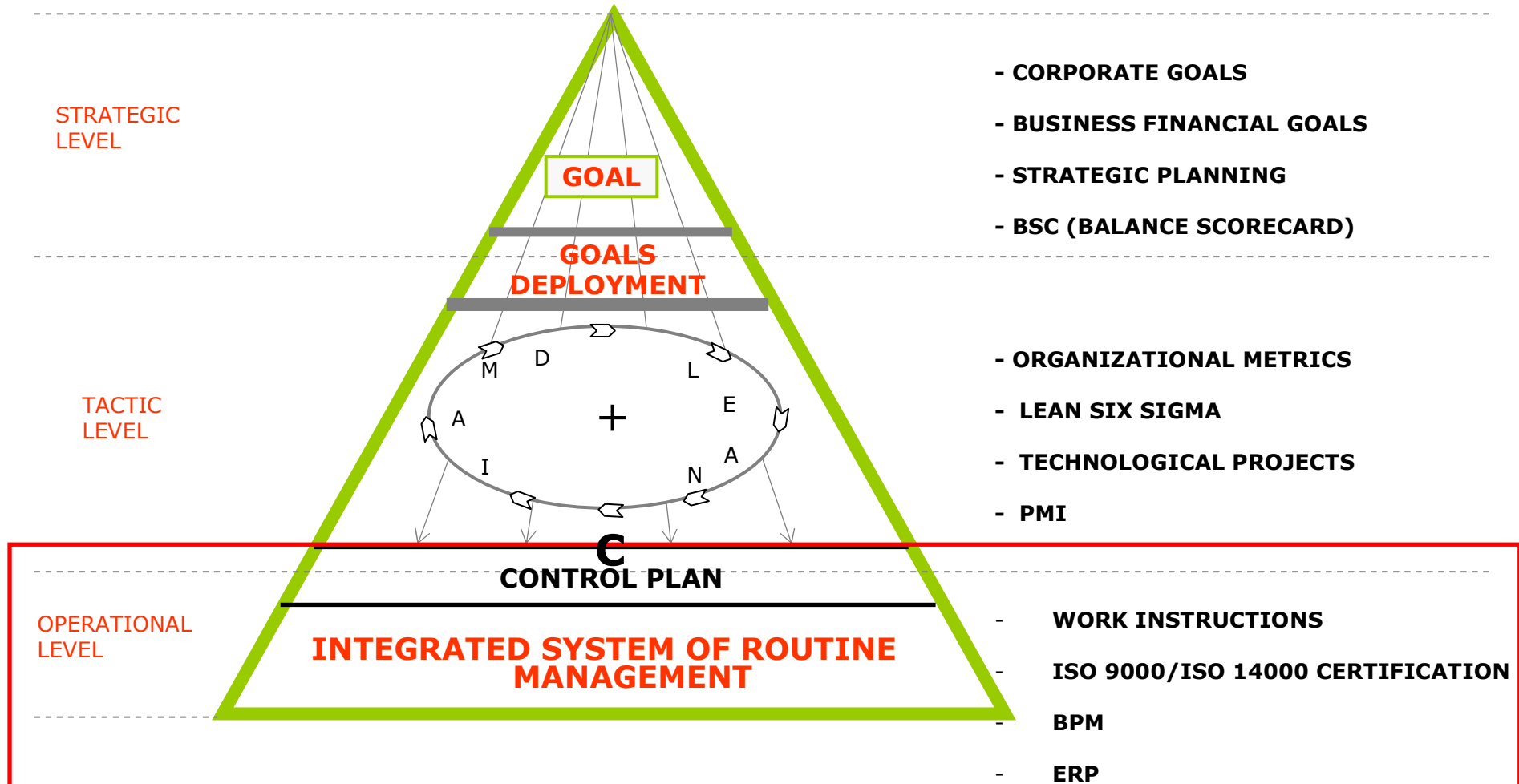
- To active lead or participate of the Deployment of the goals in KPI's metrics
- To monitor along the year the evolution of the main metrics
- To create a “stock” of projects from the metrics
- To align with the HR to assure that the goals achievement will be linked to the variable compensation
- To support the definition of the investment projects for the process that have already achieved the maximum performance with the current technology (entitlement)



To define the methodologies and tools that will be part of the Continuous Improvement

The role of the MBB / BB in the Continuous Improvement

- To define the methodologies and tools that will be used respecting what already exists and works in the organization
- To create and manage the social operating mechanisms that assure the course and evolution of the use of the methodologies and tools in the organization: meetings, projects, audits, awards, certifications, Kaizen events
- To attract the best talents of the organization and to use the Continuous Improvement Initiatives as an “accelerator” of careers
- To work together with the IT area to define the processes that will be target of a technological update



To include the changes achieved in the day-by-day of the organization

The role of the MBB / BB in the Routine Management

- To participate of the monitoring of the main metrics of the organization through the control plans
- To support the update of the procedures and Process Maps
- To assure that the improvement made in the continuous improvement projects will be incorporated in the routine management
- To solve the operational problems of the day-by-day through the Problem Analysis and Solve Methodologies
- To take to the continuous improvement, the chronic problems that could not be solved in the Operational Plan
- To participate or to lead the certifications
- To use the ERP (Enterprise Resource Planning) as a management instrument

SIX SIGMA TEAM GOALS BASED ON THE IMPACT OF THE LEAN SIX SIGMA PROGRAM IN THE FINANCIAL RESULTS OF THE ORGANIZATION



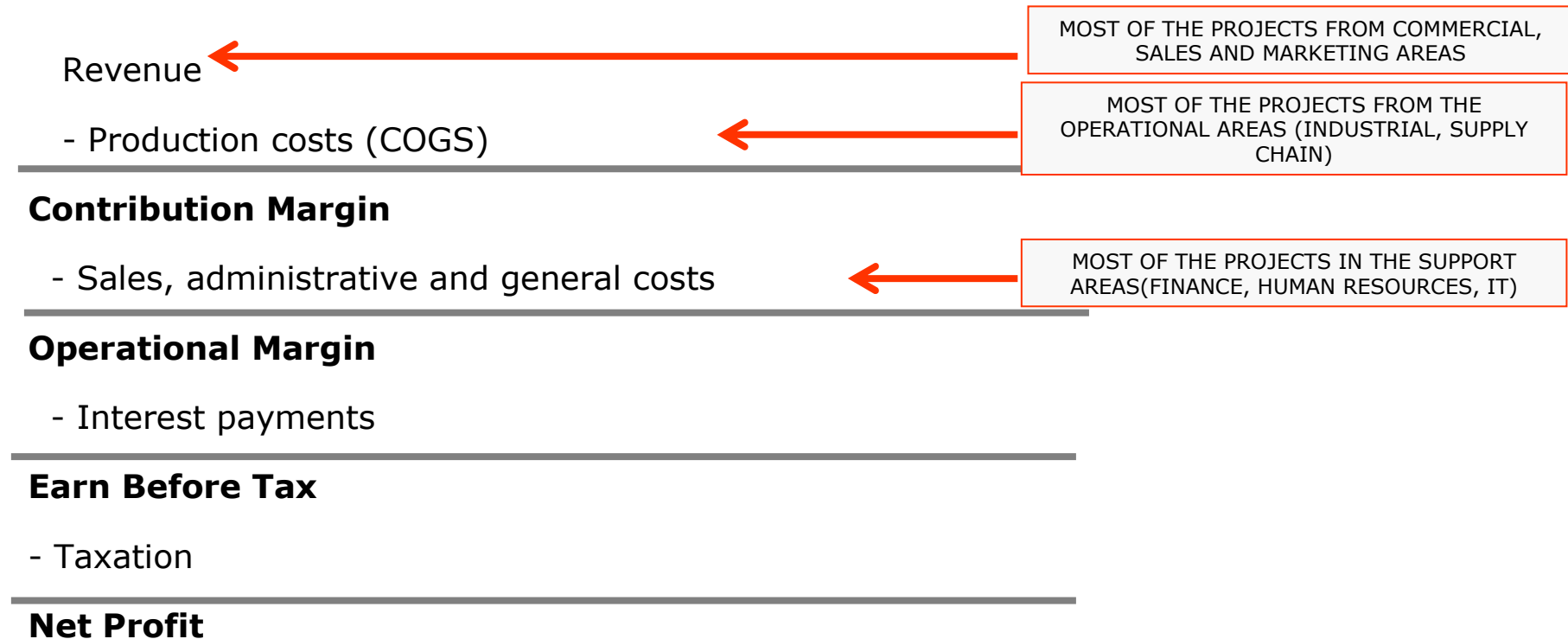
Primary goals:

- Total impact of the projects on the EBTIDA
- Impact on the FCF
- Increase of the revenues
- Avoided costs

Secondary goals :

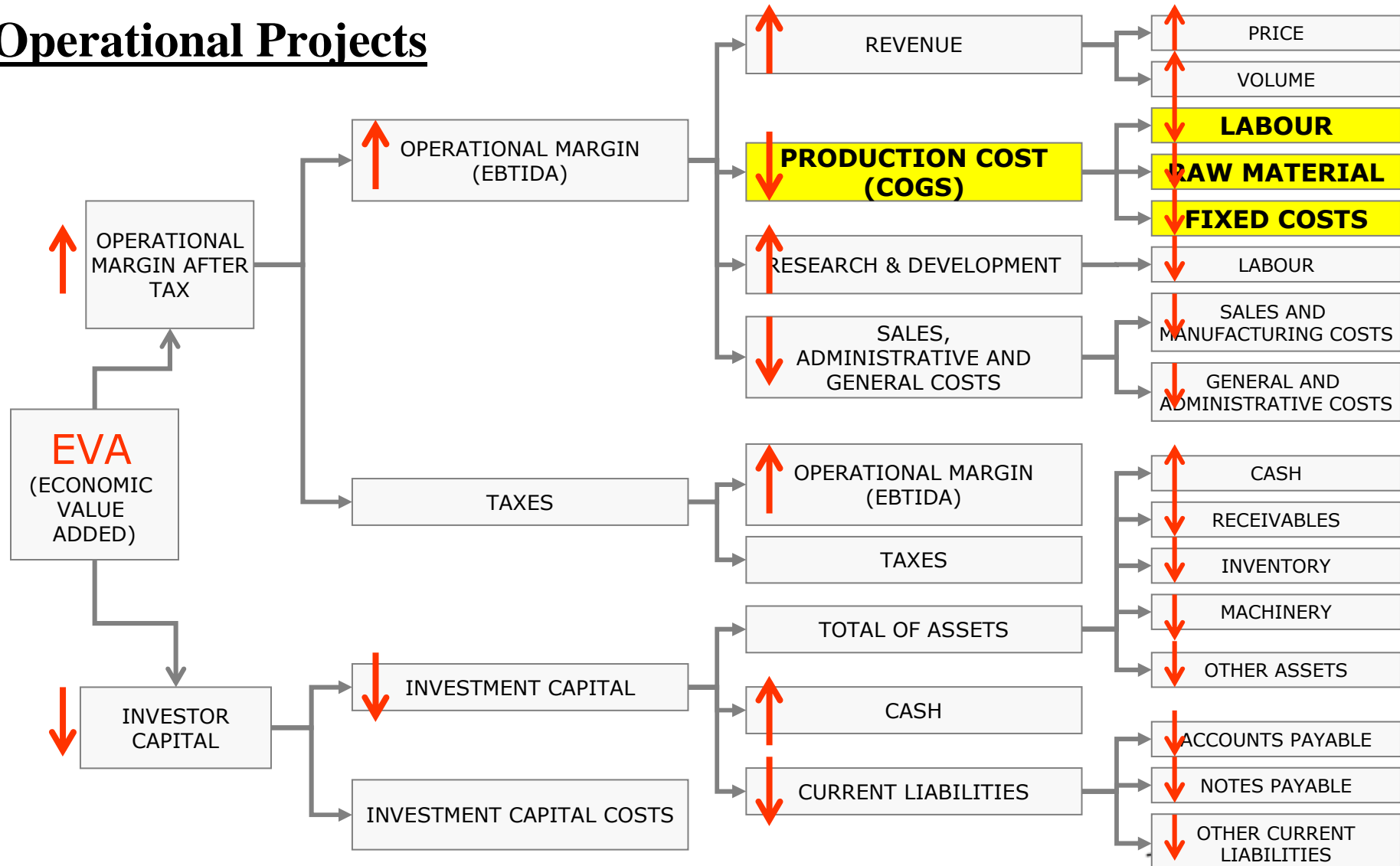
- Total people trained
- Total concluded projects
- Total people certificated
- Number of people that went beyond the first project

Financial Benefits of the projects



Annual Financial Impact survey of the project in the company reports

Operational Projects

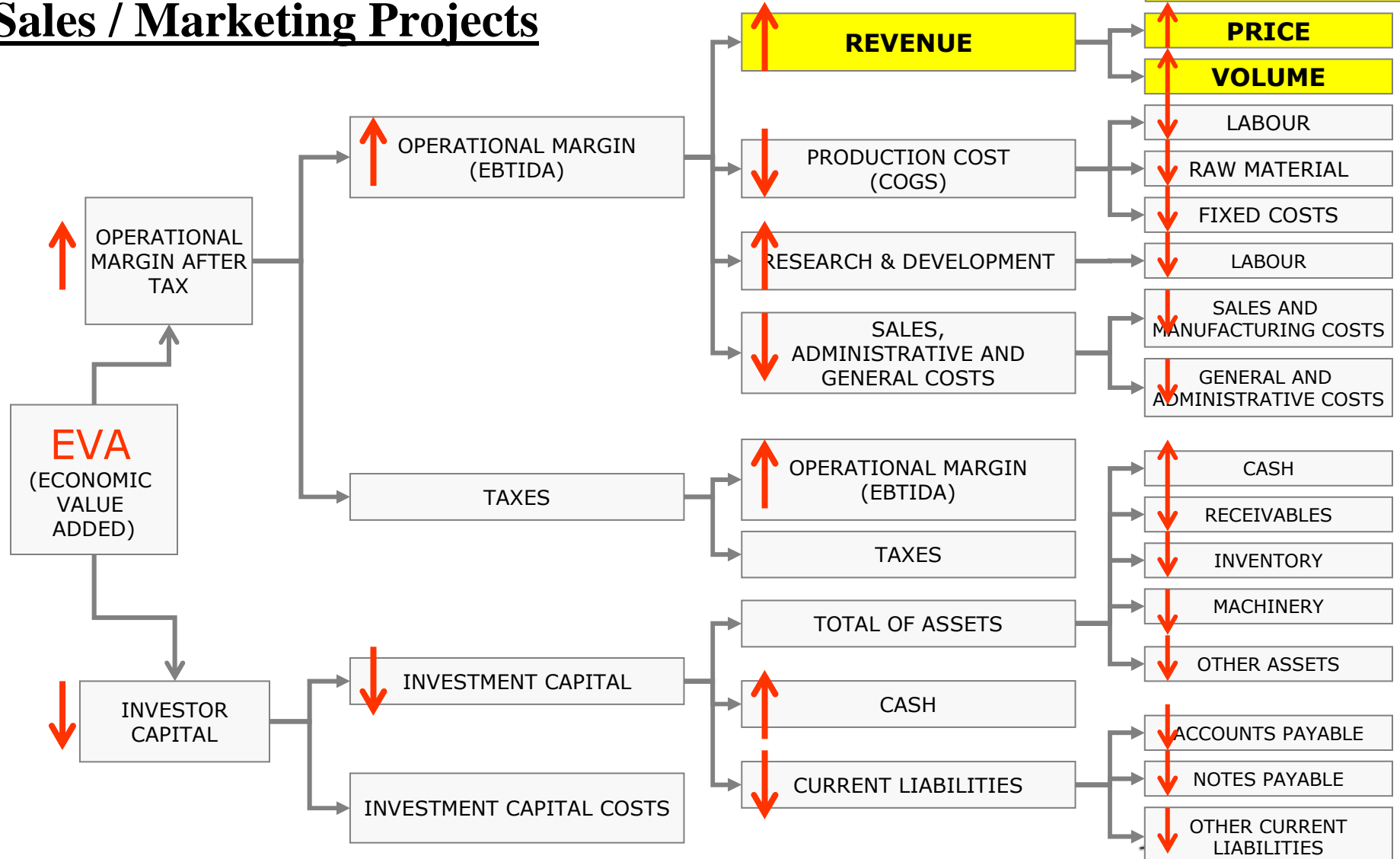


PROJECTS IN OPERATIONS

- Improvement of the operational efficiency of equipments (OEE)
- Reduction of the set-up time of equipments
- Reduction of expenses with indirect inputs (ex. electric power)
- Reduction of cost of direct raw material
- Reduction of expenses with non-predicted extra time
- Reduction of manufacturing cycle time (lead time)
- Projects of maintenance without compromise equipments
- Reduction of losses due to product discontinuity (phase out)
- Reduction of expenses – M.R.O (Maintenance, Repair & Operations)
- Reduction of refused products by out of specification
- Manufacturing of small batches
- Reduction in Raw Material Contamination
- Improvement of productivity without investment

Sales / Marketing Projects

NEW PRODUCT INTRODUCTION

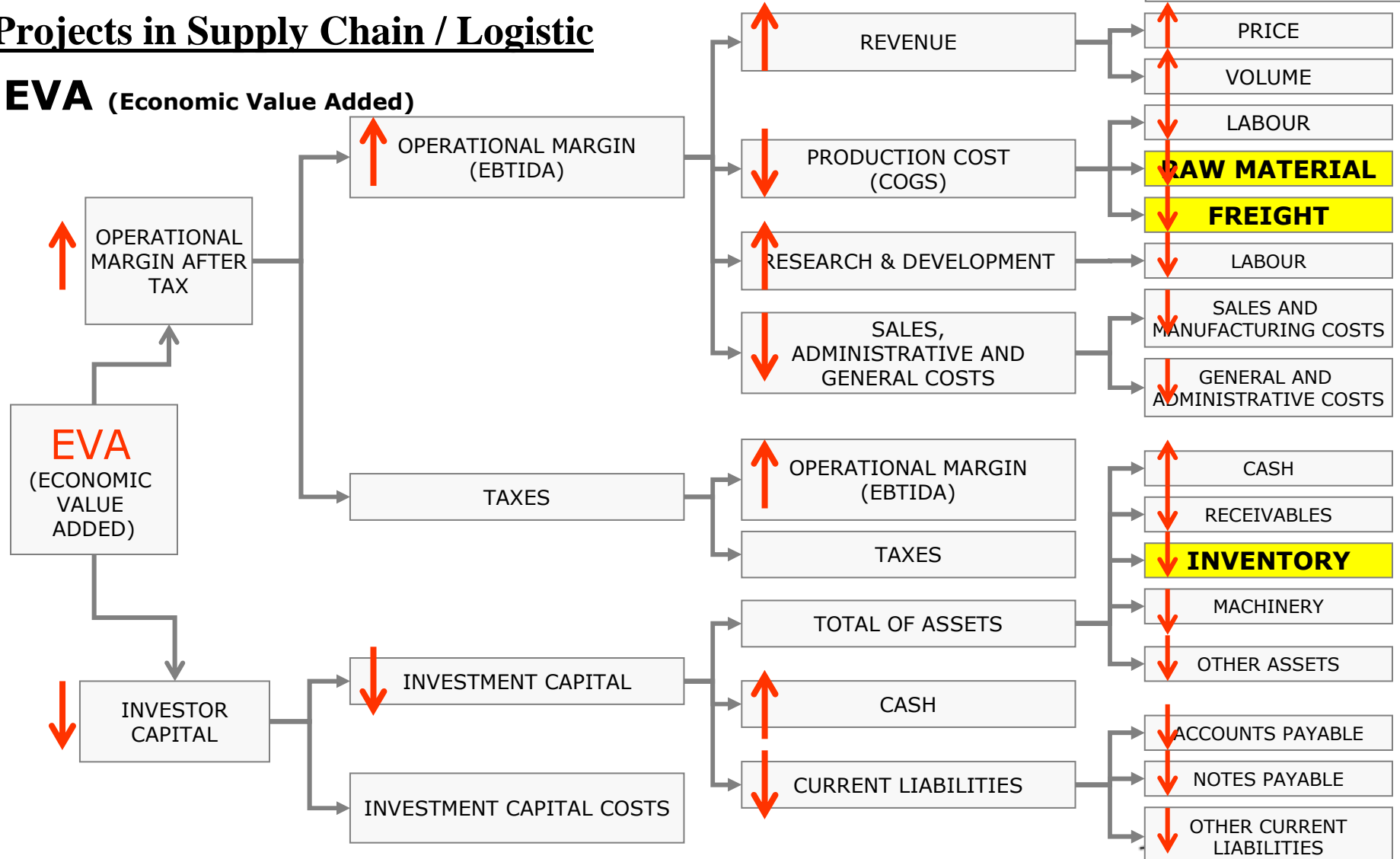


Project in Sales / Marketing

- Reduction of cycle time for commercial prospection (to transform a “deal” in sales)
- Recovery of lost clients
- Kanban with customers and big contracts (forecast)
- Growth in small clients (Small Business)
- Web Sales
- Pricing and Margin Management
- New Product introduction
- Tax reduction

Projects in Supply Chain / Logistic

EVA (Economic Value Added)

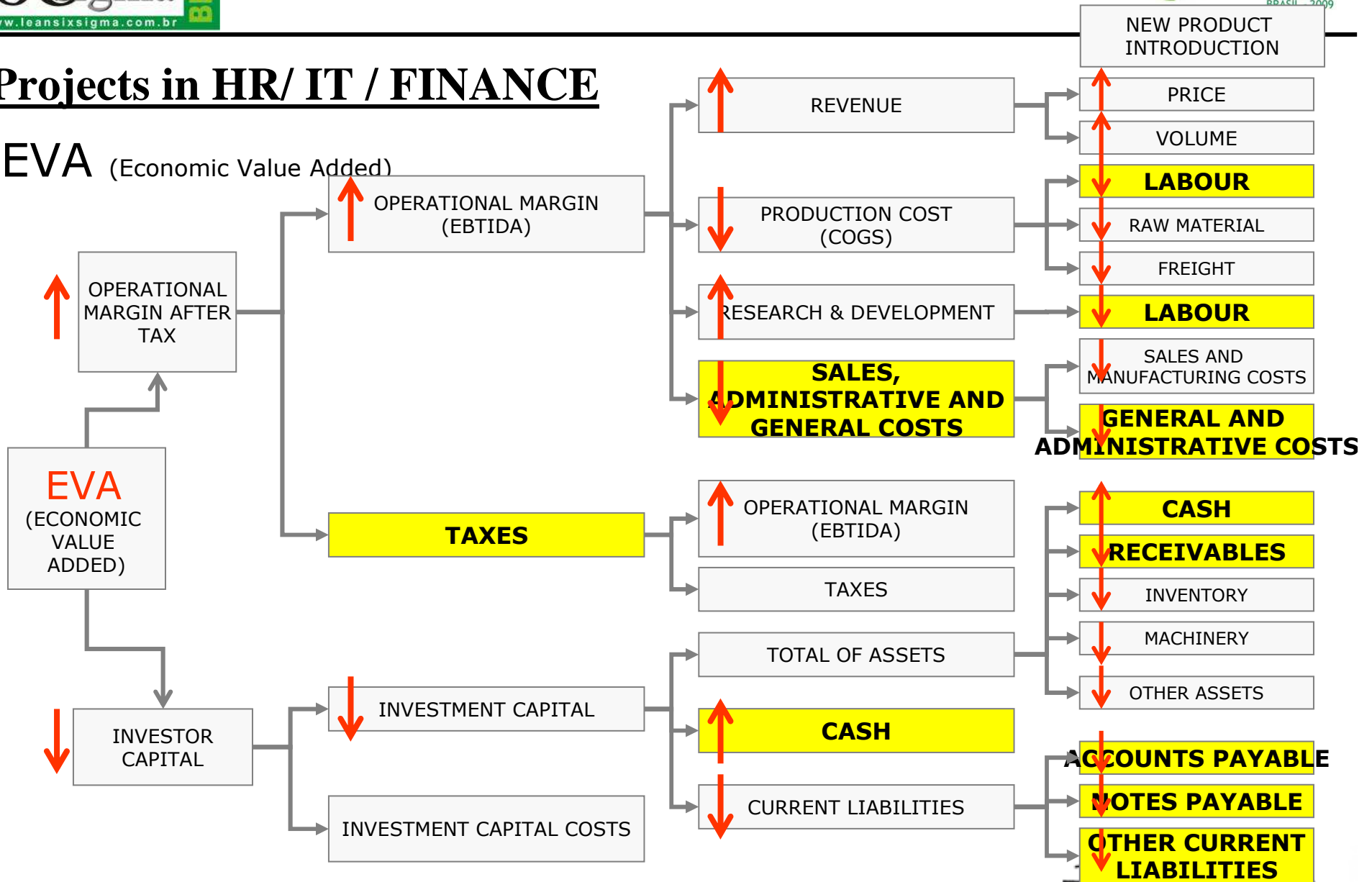


Projects in Supply Chain / Suppliers

- Reduction of expenses with freight/transportation
- Reduction of inventory – WIP
- Reduction of final products / WIP
- Reduction of delivery time / Lead Time
- Reduction of expenses with warehouse
- Improvement of production efficiency – Raw material
- Projects of cost reduction in partnership with the supplier
- Reduction of expenses with third part contractors
- Reduction of loses by wrong handling
- Reduction of fraud/spoliation/insurance
- Reduction of expenses with import/export
- Reduction of expenses with consolidated loads
- Reduction of expenses with shipping

Projects in HR/ IT / FINANCE

EVA (Economic Value Added)



Projects in FINANCE/ HR / IT

- To reduce cycle time for delivery of the accounting reports
- To reduce defaults
- To reduce cycle time for credit analysis
- To fulfill SOX requirements
- To prevent exchange loses
- To reduce expenses with loans
- To reduce expenses with Trainee programs
- Improvement in the level of the trainings
- To increase the rate of executive positions filled by company internal people
- Home office
- Reduction of expenses with health
- Prioritization process in IT
- Reduction of cycle time for projects implementation
- Reduction of expenses with Infrastructure/Communication/Informatics
- Projects of Customer Care/Call Centers

Social Operating Mechanisms

“The leadership should strongly participate of execution ”



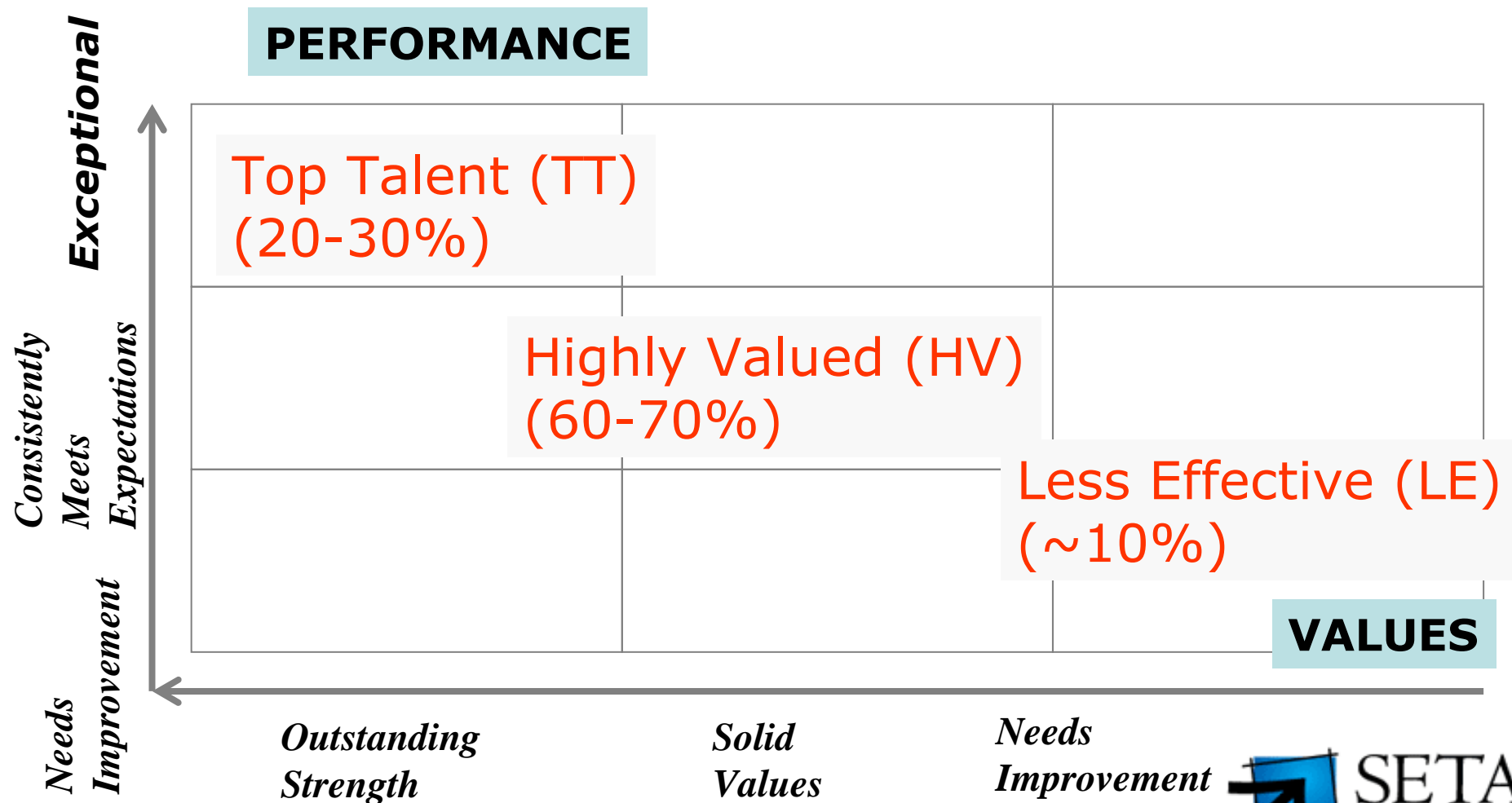
Operational Efficacy for the formation of the future leaders

The Management Area should be seen as a “career accelerator”



Developing the future leaders

Assessment Approach



The role of the MBB / BB in the development of Leaders

Champion

- To include the Top and Middle management through the Champion training
- To create alternative mechanisms for the Middle Management certification
- Projects should be based on the metrics and hot issues of each area

MBB / BB

- To create certification mechanism and formal recognition in HR
- Do not take the BB away from his area, even so his focus is in Continuous Improvement – medium and long time
- To develop the political and facilitation skills for the future leader

Green Belt / Yellow Belt

- Why not 100% of the organization ? ! ?
- Use the Management area as an identifier of potential leaders

“At the end of the day

It’s all about Business !!!!!

Thanks!

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