



In This Issue

- 1 Upcoming Events
- 2 Upcoming Events | Toyota Kata
- 3 Upcoming Events | Building Dream Teams
- 4 Toyota Kata
- 6 AME Monthly Webinar Series | Benefits of Corporate Membership
- 7 AME Whitepaper Series: Reshoring & TWI
- 8 Southeast Region Board of Directors

AME**CHICAGO**2012
EXCELLENCE
INSIDE
CONFERENCE



www.ameconference.org

October 15 - 19, 2012

TOYOTA KATA SEMINAR

July 17 (seminar only) or July 17-19, 2012 | Decatur, AL

This workshop is designed for anyone facilitating change within organizations. It will be particularly useful for leaders at all levels.

- CEOs, Presidents and Senior leaders who wish to improve their ability to lead and manage
- Plant and Operations Managers
- Lean specialists
- HR and OD professionals who wish to more effectively involve the people in their organization
- Value Stream Mappers who want to be more effective at achieving their future-state maps

Read more on pages 2 and 4 and at <http://www.ame.org/events/toyota-kata-seminar#4>

Sign Up Now! Call AME at 224.232.5980.

Upcoming Events

Events	Dates	Location	Cost
Toyota Kata Seminar	July 17	Decatur, AL	\$445
Toyota Kata Workshop	July 17-19	Decatur, AL	\$1650
Building Dream Teams	August 14	Newport News, VA	\$250
Creating Bronze Portfolio	August 22	Webinar	\$45
TWI Job Instruction	August 29	Webinar	\$25
FedEx Benchmarking Tour	September 20-21	Memphis, TN	\$495
Dream Team - IIE Conference	October 1	Louisville, KY	\$295
AME National Conference	October 15-19	Chicago, IL	\$2,150

To sign up for AME events, contact AME at 224-232-5980. To host an AME event in your area contact a SE Region Director in your state.

Upcoming Events

TOYOTA KATA SEMINAR

July 17-19, 2012 | Decatur, AL 

COURSE DESCRIPTION

Attending the one-day seminar is a good first step into this new style of leadership. For companies that want to evolve their management system and take their lean efforts to the next level, participation in all three days is recommended. **Read more about Toyota Kata on page 4.**

WORKSHOP LEADER

Mike Rother is a researcher, engineer, teacher and author best known for the books *Learning to See* and *Toyota Kata*. He is currently guest researcher at the Technical University of Dortmund (Germany) and has been a research associate with the Lean Enterprise Institute. He connects the academic world and the factory with investigations that extend across Engineering, Management, Social Science, and Psychology. He has been in hundreds of production facilities around the world and tends to collaborate with organizations where senior managers have a sense of curiosity...organizations that want to do it themselves, are willing to experiment, and are open to learning together.

PARTICIPANT BENEFITS

The benefits of the seminar on Day 1 are:

- Obtaining an overview of the system directly from the leading researcher.

Key Concepts include:

- (1) Communicating a Vision & Strategy
- (2) Setting an achievable Challenge
- (3) Defining short-term Target Conditions
- (4) Practicing the Improvement Kata
- (5) Developing people through the Coaching Kata.

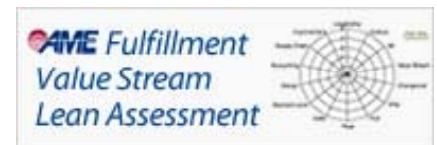
- Understand the Five Questions and their special relationships to improvement and coaching.
- Understanding how the practice of the Kata leads to both process improvements and people development.
- Understanding how the Kata habits create buy-in and organizational growth.
- Practical advice for shifting a culture using Kata practices.
- Attendees will find access to numerous free resources for the Kata

Benefits of the workshop (days 2&3) are:

- Practical application of the Kata techniques to make improvements in an actual business situation
- Using the Five Questions to clarify and guide improvement activities
- Practice of the coaching Kata to achieve people development
- Understanding of how to focus process improvements to achieve rapid results through organizational learning.
- Developing skills in using the Kata so you can immediately begin application within your organization

MORE INFO: <http://www.ame.org/events/toyota-kata-seminar-steelcase-workshop#6>

Sign Up Now! Call AME at 224.232.5980.



UPCOMING EVENTS

BUILDING DREAM TEAMS TO ACCELERATE YOUR LEAN JOURNEY

August 14, 2012 | Newport News, VA



WORKSHOP DESCRIPTION

This workshop will show how to effect a cultural change that will sustain a LEAN journey. It will provide steps to maximize engagement and organizational/team stability through goal alignment, leader development, team engagement, overhead reduction and improved employee performance. It will cover methodologies for analyzing return on investment for human capital management programs and assessing internal cost drivers associated with implementation. These methodologies will be shown through case studies and discussions on how to synchronize and integrate people improvement programs into and in direct support of every LEAN initiative.

LEARNING OBJECTIVES

- Understand how to build a Culture of Continuous Improvement
- Understand the difference between Operational Stability and Team Stability
- Understand importance of Team Alignment and how to organize your team for success
- Learn ways to better develop your most valuable assets... The Leaders
- Understand the linkage between Team Engagement and business performance
- Understand that Recruiting, Trying Out, and Making the Team (On Boarding) are key value added activities
- Understand where to begin in the process of developing a “Modernized Human Capital Performance Program”

PRESENTER

Joe Barto has created and led TMG, Inc. to consistent, near perfect business performance since its founding as Training Modernization Group in July 2002. A values-driven Program Management Services company, TMG’s high level of performance has been recognized by the American Society for Training and Development (ASTD) in 2002, 2003, 2004, 2006, 2008, 2009 for Excellence in Practice with partners across America. TMG analyzes, designs, develops, pilots, implements and transitions On Boarding, Leader Performance Improvement, and Workforce Productivity systems for companies such as Northrop Grumman, ESCO, Ball Metal Beverage Packaging, BAE Systems Ship Repair, Liebherr Mining Equipment, Lifetouch Studios, Aera Energy, L3 Communications, and North Florida Shipyards.

HOST COMPANY

Training Modernization Group is a registered Veteran Owned Small Business incorporated in the Commonwealth of Virginia since July 2002. Training Modernization Group is a virtual organization whose core belief is that to truly solve our client’s training and business problems requires that our staff of professionals work where our client’s staff of professionals work. Our corporate office is located in Spotsylvania, Virginia. Training Modernization Group’s professional staff works closely with our clients to ensure our business practices and agreements are responsive to our client’s needs to award work and show results quickly.

MORE INFO: <http://www.ame.org/events/building-dream-teams-accelerate-your-lean-journey>

**Sign Up Now! Call
AME at 224.232.5980.**

Toyota Kata: Developing a Problem-Solving Culture

Looking for a better way to serve your customers and create a sustained competitive advantage? Need more effective strategies for handling day-to-day challenges and unexpected conditions? Every day, leaders face the dual challenge of running the business (managing) and developing team member capabilities for improving the business (leading). Mike Rother, author of *Toyota Kata: Managing People for Improvement, Adaptiveness, and Superior Results* (McGraw-Hill, 2010), calls for these game-changers:

- New patterns in everyday improvement practices
- Tapping and developing associates' capabilities
- Coaching for continuing performance gains

During his research on Toyota's success, Rother found that Toyota deals with the improvement process using a structured approach involving many rapid improvement cycles, commonly called PDCA (Plan, Do, Check, Act). Practicing these PDCA cycles under the guidance of a coach enables people to develop a pattern of rapid learning that evolves into a conscious habit, called the Toyota Kata. Drawing on six years of research about management and leadership at Toyota, Rother looked at two particular behavior routines, or kata (meaning pattern or form, translated literally from the Japanese as "way of doing things"):

1. The Improvement Kata—a repeating routine of establishing challenging target conditions, working step-by-step through obstacles and always learning from the problems we encounter.
2. The Coaching Kata—a pattern of teaching the Improvement Kata to employees at every level to ensure that it motivates their ways of thinking and acting.

Develop a More Adaptive Organization

Changing your organization's culture and performance capabilities means mindsets, including yours, according to Rother. He counsels that an Improvement Kata, or routine, can create a more adaptive and inventive organization that nimbly flexes to meet performance challenges. Begin a step-by-step transition to a more capable, flexible culture by identifying a target condition. For example, select a process and develop a related future state description:

- How the process should operate
- Its normal intended pattern
- What situation is in place at a target date
- Where you want to be next

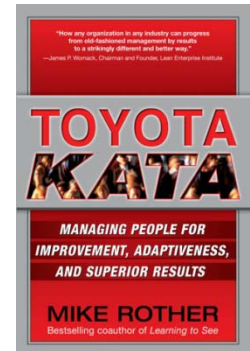


Mike Rother

"The Improvement Kata is more about what you 'need' to do for the customer than what you 'want' to do for the customer. It's about facing a challenging objective that lies beyond your organization's threshold of knowledge, that is, something you're currently not able to do." (Mike Rother)

Lean Techniques in a New Light

Learn to think of lean techniques in a new light, and share this understanding throughout your organization. Consider takt time, kanban systems, heijunka (level production) etc. in light of your target condition. Think creatively about ways to achieve the target state, within constraints. Then look at the process and whether process is operating by a standard, or how a process should operate. A key question: *Does the process operate in a standardized fashion, every time?*



Toyota Kata: Developing a Problem-Solving Culture (continued)

In manufacturing, typical target conditions may follow the progression (with some exceptions): 1) Create a stable flow to standard cycle time with the targeted number of operators, 2) aim for a level mix with small lot sizes, 3) connect value stream processes using kanban and 4) define future improvement targets (reduce any gaps between planned cycle time and takt time, for example). Rother discounts the problem-solving strategies used in many organizations (hide them or whack 'em!). He suggests instead that understanding a problem situation and the conditions that led to it provides a good foundation for solving problems. After observing and studying a situation, he notes, Toyota managers typically apply one countermeasure at a time, then study the result before deciding whether to employ another remedy.

Leaders as Teachers

Coaching Kata, or practicing cycles of teaching/coaching, can yield long-term cultural change and performance improvement. It does not happen automatically or easily. It entails day-by-day coaching, a lifelong process. Rather than focusing on improvement, effective managers nurture greater capabilities of people in every area of the organization. A coaching “cycle” utilizes five questions, suggests Rother:

- What is the target condition?
- What is the actual condition now?
- What obstacles are preventing you from reaching the target condition?
- What is your next step, and what do you expect?
- When can we go and see what we have learned from taking this step?

“Daily sessions of practicing a new behavior pattern, with coaching guidance, is a commonplace approach in sports and music, but not in business,” comments Rother. “Neuroscience is crystal clear here. If you only improve or train once in a while and the rest of the time it’s business as usual (sound familiar?), then what you’re actually ingraining is business as usual. “This means that to achieve mindset and culture change -- and continuous improvement -- lean will probably need to shift from an episodic activity led by lean staff to a daily activity coached by line managers,” according to Rother. “Toyota Kata shows you how to do that.”

Flexibility to Meet Today's Challenges, Future Market Uncertainties

Leading people to implement solutions doesn’t make an organization adaptive and continuously improving, Rother contends. He adds, “That just strengthens our natural aversion to uncertainty and, worse, today’s solutions aren’t the ones that will meet tomorrow’s challenges.”

You can gain additional insights about Toyota Kata concepts and how to apply them for effective problem solving and greater competitive strength during the AME “Toyota Kata Seminar” July 17-19 in Decatur (Tanner), AL. Among your takeaways from this session: How to communicate a vision and strategy, set an achievable challenge, define short-term conditions, practice the Improvement Kata, and develop people through the Coaching Kata. Mike Rother will share insights for implementing organization-wide improvement during the first day of this session. Beth Carrington, a W3 Group LLC partner and consultant, will facilitate learning and teaching cycles on the plant floor at the Steelcase facility in Athens, AL the second and third days.



Beth Carrington will also lead a Toyota Kata practitioner session at the AME Chicago 2012 Conference. ameconference.org “Over the last few years I have been teaching, learning and practicing the Improvement Kata and Coaching Kata as defined in Mike Rother’s book Toyota Kata within in a diverse group of organizations, from healthcare, service organizations and manufacturing,” she said. “These organizations have applied Toyota Kata in their manufacturing, engineering, service and support operations with stunning performance gains in very short periods of time. At this year’s AME Conference some of these practitioners will share their experiences, the challenges they faced, some of the successes and failures they encountered while deploying Toyota Kata. The session will be delivered as a facilitated conversation, with questions from a moderator and AME attendees being answered by practitioners.”

This article was written by *Lea Tonkin, President, Lea Tonkin Communications*

AME MONTHLY WEBINAR SERIES

AME is pleased to announce a new monthly webinar series starting April 2012. Each month world recognized speakers will be making 1-hour presentations representing a wide variety of topics. Authors, Shingo Prize recipients, and thought leaders in their respective areas form the line-up of presenters. Webinars are very modestly priced for AME members and non-members. Beginning in May the webinar series will be free to AME corporate members. The webinar series is just one way that AME is trying to increase the value it delivers to its members, and better fulfill its mission of “Share-Learn-Grow”. So gather your colleagues and join us. We look forward to your participation.

Mastering Lean Product Development Webinar

June 22, 2012

<http://www.ame.org/events/mastering-lean-product-development-0>

Lean Office & Service Simplified Webinar

July 26, 2012

<http://www.ame.org/events/lean-office-service-simplified-0>

Creating a Successful Lean Bronze Portfolio Webinar

August 22, 2012

<http://www.ame.org/events/creating-successful-lean-bronze-portfolio-0>

TWI Job Instruction Webinar

August 29, 2012

Go to <http://www.ame.org/webinars> for more details on these and other webinars scheduled through the end of the year.

Benefits of Corporate Membership

- At the lowest corporate membership (Level 1, \$600 per year), a company can register five individual members. Individual membership is \$150 per year. So for Level 1, this is basically a “buy four, get one free” deal.
- The individual memberships are transferable. For a Level 1 member, your company can send up to five people to any event and receive the membership discount. And the attendees do not have to be the same names “on file”.
- All members receive discounted rates for regional events, typically \$150 per person. If a Level 1 corporate member sends in total a minimum of four individuals to events throughout the year, the membership fee will pay for itself.
- The individuals listed under a corporate membership will receive the award winning Target magazine four (4) times per year

AME WHITEPAPER SERIES

In February 2012, the Association for Manufacturing Excellence (AME) released a whitepaper detailing three vital aspects of revitalizing manufacturing, one of North America's most critical sectors. The whitepaper—which references President Obama's plan to revive the industry, as well as some recent, astounding statistics—explains why manufacturing is so critical to economic growth, and determines that “Made in North America” is a priority, as Canada, Mexico and the U.S. are all dependent on one another.

In the first two parts of this four-part series, we focused on the challenges facing not only manufacturers, but North America as a whole, and we explored various examples of how companies and industry organizations are currently working toward a better future. In this third part, we continue taking a look into entities currently working toward a better future, but this time, through reshoring and Training Within Industry.

Reshoring

After years of rapid globalization, companies are beginning to see the disadvantages of offshore production, including shipping costs, supply chain issues and inferior quality. A growing trend, known as onshoring, reshoring or insourcing, is gaining acceptance as a weak dollar and surging wage rates in low-labor-cost countries make it more costly to import products from overseas.

President Obama recently highlighted the “insourcing” of jobs back to America. Companies are choosing to invest in the one country with the most productive workers, best universities, and most creative and innovative entrepreneurs in the world. “I don't want America to be a nation known for financial speculation and racking up debt buying stuff from other nations,” Obama said. “I want us to be known for making and selling products all over the world stamped with three proud words: ‘Made in America.’”

Harry Moser is the founder of the [Reshoring Initiative](http://www.reshorenow.org/). He is collaborating with AME to promote reshoring as part of the “Revitalization of Manufacturing” initiative. AME recommends companies use a Total Cost of Ownership (TCO) analysis tool to effectively compare total cost of local and offshore sources, enabling them to make informed business decisions. “We are committed to changing the sourcing paradigm from ‘off-shored is cheaper’ to ‘local reduces the total cost of ownership,’” said Moser.

As companies analyzed the results of the TCO assessment, they identified gaps in performance limiting their capabilities to compete globally. With its alliance partners, AME will provide assistance in closing those gaps through training, kaizen events, plant tours and additional assessments to pinpoint and apply counter-measurements dealing with people, processes and performance.

An example of a proven approach was developed by the Virginia Manufacturing Extension Partnership in conjunction with Newport News Shipbuilding. This program demonstrated how a public sector and private sector partnership can be effectively applied to small- and medium-sized businesses.

Training Within Industry

TWI programs will help businesses rebuild their workforce, a necessity once demand for skilled workers increases as an aging workforce begins to retire. TWI programs were created during a time of crisis (World War II) to replace workers who left the factories and went off to war. Now organizations are turning to TWI again. Using this methodology, companies can quickly train unskilled workers to build equipment and machinery with consistent quality. Its multiple components address skills training, respect for people, continuous improvement and safety, but the heart of the person-to-person training is the transfer of knowledge in a minimalist format from trainer to student. Each worker, in turn, is trained to make full use of his or her best skills. These principles can be applied in today's classrooms and workplaces, as experienced workers and teachers transfer their job knowledge to the next generation of skilled workers.

NNS was one of original adopters of TWI Programs during WW II. They, along with others, are once again using [Job Instruction](http://twi-institute.com/job_instruction.htm) (JI) to train workers to quickly remember how to perform jobs and are achieving first time quality. To help redeploy this initiative, NNS held a joint session with VBEC, the GENEDGE ALLIANCE and Virginia's Manufacturing Extension Partnership to share best practices to help develop more skilled workers in Virginia for advanced manufacturing jobs.

Next month, as part of AME's continuing whitepaper series, we will provide a call to action that all manufacturers and industry organizations can use to help grow the industry—and the economy.



SOUTHEAST REGION BOARD OF DIRECTORS

ALABAMA

Hank Czarnecki
Region VP Programs
leanhank@auburn.edu

ARKANSAS

Bill Kraus
Region President
wkraus@astate.edu

FLORIDA

Bob Golitz
bgolitz@leanjax.org

Marypatricia Cooper
marypatcooper@comcast.net

GEORGIA

Larry Fast
larry@pathwaysllc.net

Kevin Singletary
Ksing1@charter.net

KENTUCKY

Jim Price
jim.price@jitenterprise.com

Sam Matsumoto
sammatsumoto0001@gmail.com

LOUISIANA

MISSISSIPPI

Sammie Hare
slhare@fedex.com



NORTH CAROLINA

Gary Lambert
glambert@morrisbb.net

Dan McDonnell
DMCDONNE@irco.com

PUERTO RICO

Art Hau
Region VP Membership
arturo.hau3@gmail.com

SOUTH CAROLINA

TENNESSEE

Jim Garrick
Region VP Communications
jim.garrick@fedex.com

VIRGINIA

Glenn Marshall
glenn.marshall@hii-nns.com

Robert Camp
Region President Elect
rbc1spen@aol.com

Joe Barto
joebarto3@aol.com

AME MISSION

Our Mission is to inspire commitment to enterprise excellence through shared learning and access to best practices.

AME VISION

Bringing people together to share, learn and grow.

CORE VALUES

- Volunteerism
- Continuous Improvement
- Integrity & Trust
- Engaging & Welcoming
- Practitioner Focused