

TPM & Lean Annual Forum 2013

Wollongong 19th September, 2013

The Power of Cross-functional Teams to
bring about Culture Change



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Please ask Questions



Agenda

- Overview of SunRice
- Why Leeton Packing?
- Why TPM?
- Change Leadership
- Culture Change
- Outcomes for Leeton
- Questions



SunRice Business

Began in 1950 as a grower cooperative

- Now a \$1 billion global food business and one of Australia's largest branded processed food exporters

We underpin regional NSW communities

- We're grower-owned, paddy to plate – vertically integrated
- We support 1,500 farming families, employ 1,000 people in Australia and support thousands more.

We feed people in close to 60 countries

- Traditionally we export 80% of our Australian crop
- This year's harvest of more than 900,000 tonnes will feed at least 23 million people around the world every day, for the next year.



Leeton Operations

- Have 285 People on site
- Working in 5 Factories
 - Rice Milling and Packing
 - Rice Cakes
 - Rice Flour
 - Retorted Rice
 - Warehouse / Distribution
- Utilising 3 different shift patterns



Why focus on the Leeton Packing Plant?

- A new Production Manager in the factory
- New Team Leaders and a large proportion of under-skilled staff
- 125 people recruited on site in 12 months
- Relatively complex equipment
- OEE of 45-50% presented an obvious opportunity
- Inter-relationship between the Milling and Packing Plant (TOC)
- Frustrated Senior Operators who were not seeing adequate training and staff engagement



Why TPM as a solution?

- Structured approach that aimed at engaging Operations and Reliability Teams
- External resources to support the program (TPM³)
- Allows us to challenge the status quo in a way that is not intimidating
- Builds teamwork and a common language
- Develops the knowledge base of all employees
- Establishes NORM's and standards



Program Complexities

- Complex shift pattern, 4 on 4 off for operations, 5 day roster plus overtime for maintenance and 5 day roster for support staff and management
- Leeton's geographical location, insular workforce
- Management team with no exposure to TPM or Lean
- A TPM Facilitator who had no experience as a facilitator or experience with TPM and Lean
- The Continuous Improvement business model was adhoc and independent to operations
- A business budget that did not allow funding for the program or any additional external support



Initiatives to overcome barriers

- Keep the program as simple as possible
- 4 crews, therefore 4 Cross-functional Teams
- Selected 4 key sections in the factory that were of a manageable size and had clear barriers
- Engage all 4 production team leaders, with the anticipation that they would take the lead in future cycles.
- Select people to be on the teams that were interested or naturally open to new ideas

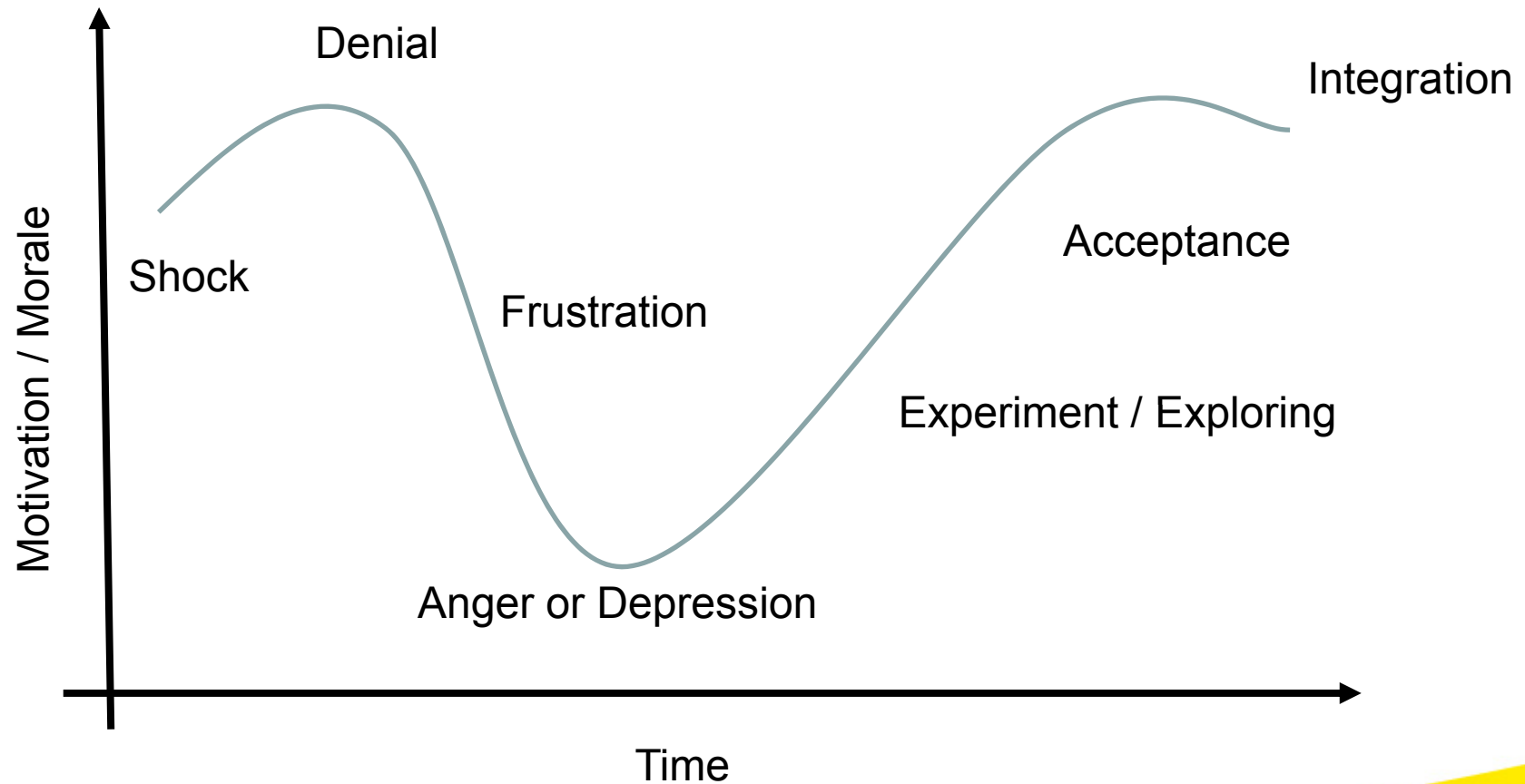


Our TPM Journey

- Vision and Belief
- Understanding Change
- Staff Engagement
- Leadership
- Communication
- Sustainability
- Key Success Factors
- Where to next?



Change Curve



Elisabeth Kubler-Ross in 1969



Create the Vision

- What are you trying to achieve?
- What does success look like?
- What needs to change to close the gap?
- Build the energy and excitement levels up
- Share and sell the vision, reinforce at every opportunity



People make the difference

“There are four kinds of people in this world:

- those who make things happen
- those who watch things happen
- those who wonder what happened
- those who don't know that anything happened!

I knew from a very early age that I wanted to be first on that list.”

Mary Kay Ash



Leadership

- Be involved
- Be engaged
- Walk the floor - you can't lead from the desk
- Listen to all the ideas and filter out the best
- If a TPM program is to be successful it is up to the leaders on site to make it happen
- Have mid cycle presentations when it suits the team not the managers.
- Conduct mid cycle presentations on the shop floor, acknowledge the good work.

The worst thing that can happen, is that nothing happens.



Communication

- Little and often, no waffle, to the point and specifically targeted for an outcome
- Even if nothing has changed, tell everyone
- Re-enforce the vision and values
- Push the underlying message and don't stress about the little things
- Use multiple mediums:
 - Newsletters
 - Intranet sites
 - Toolbox Talks
 - Site BBQ's
 - One on one's



Staff Engagement

- Involve as many people as practical
- Don't force people to be involved, better having 3 enthusiastic people rather than 10 uninterested and not motivated
- Use diversity to create strength in the team
- Don't underestimate the informal leaders in the factory
- Make the effort to show that the business success relies on the team success

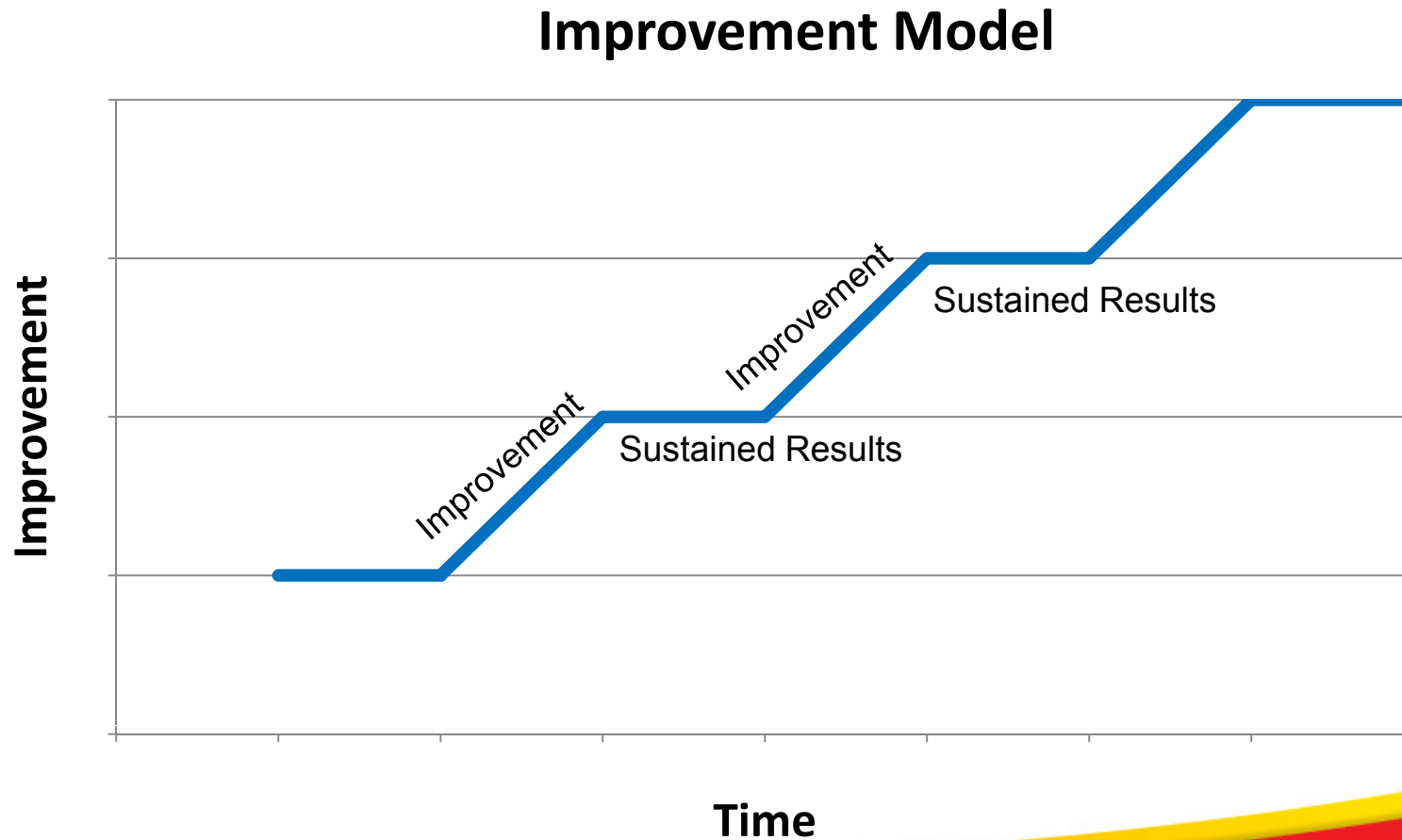


Team and Individual Momentum

- Short sharp cycles, targeted approach
- Focus on 1 improvement sheet at any one time
- Break the improvement sheets into a series of tasks, allowing team members to understand what is involved but also gives the opportunity to show progress
- Resource the TPM program, it won't happen if everyone thinks they are already "Too busy"



Sustainable Results (Irreversible Solutions)



Improvement Results at Leeton

Tangible

- Factory output has increased to a point where the packing plant is no longer the constraint
- Production capability is aligned with Sales
- Business confidence in the facility is resulting in substantial investment across the site

Intangible

- Production team leaders have pride in what they are doing, which then translates to ownership
- Maintenance and Operations have a common language and are working more closely on solutions. Much better than blaming and focusing on issues.



Key Success Factors

- Clear vision of “what can be”, “what will be” and “what is success”
- Determination / Tenacity
- Patience
- Sell the improvements to anyone who will listen
- Believe in your team, yourself and your True North
- Enjoy the journey as well as the positive results



Things we could do better

- Balanced scorecard for the site and clarity around the vision
- Greater ownership by the Site Leadership Team of the program
- Better communication on the challenges faced to complete projects
- Boost the base knowledge of the Site Leadership Team
- Push the program along, have meetings every shift cycle, not just on day shift during weekdays
- React more positively to initiatives and resource it appropriately. Get the job done.



Next Steps for TPM at SunRice

The momentum has to continue

- Cycle 1 – Packing Plant
 - Cycle 2 – Packing Plant and Flour Mill
 - Cycle 3 – Packing Plant, Flour Mill, Reliability and Rice Milling
 - Cycle 4 – Packing Plant, Flour Mill, Reliability, Rice Milling and Rice Cakes
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- Develop the Site Leadership Team to be able to drive the program
 - Build up the Team Leaders knowledge on TPM and Lean fundamentals to deliver the results



Questions

