

Sustaining a Problem Solving Culture at TaylorMade Golf

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Managing To Create Problem-Solvers

Lean Transformation
Summit 2017
Carlsbad, CA | March 7-8, 2017

TaylorMade adidas Golf Products



Agenda

TaylorMade's Lean Journey

Problem Solving at TaylorMade

Examples

Key Learnings

Q&A

2007

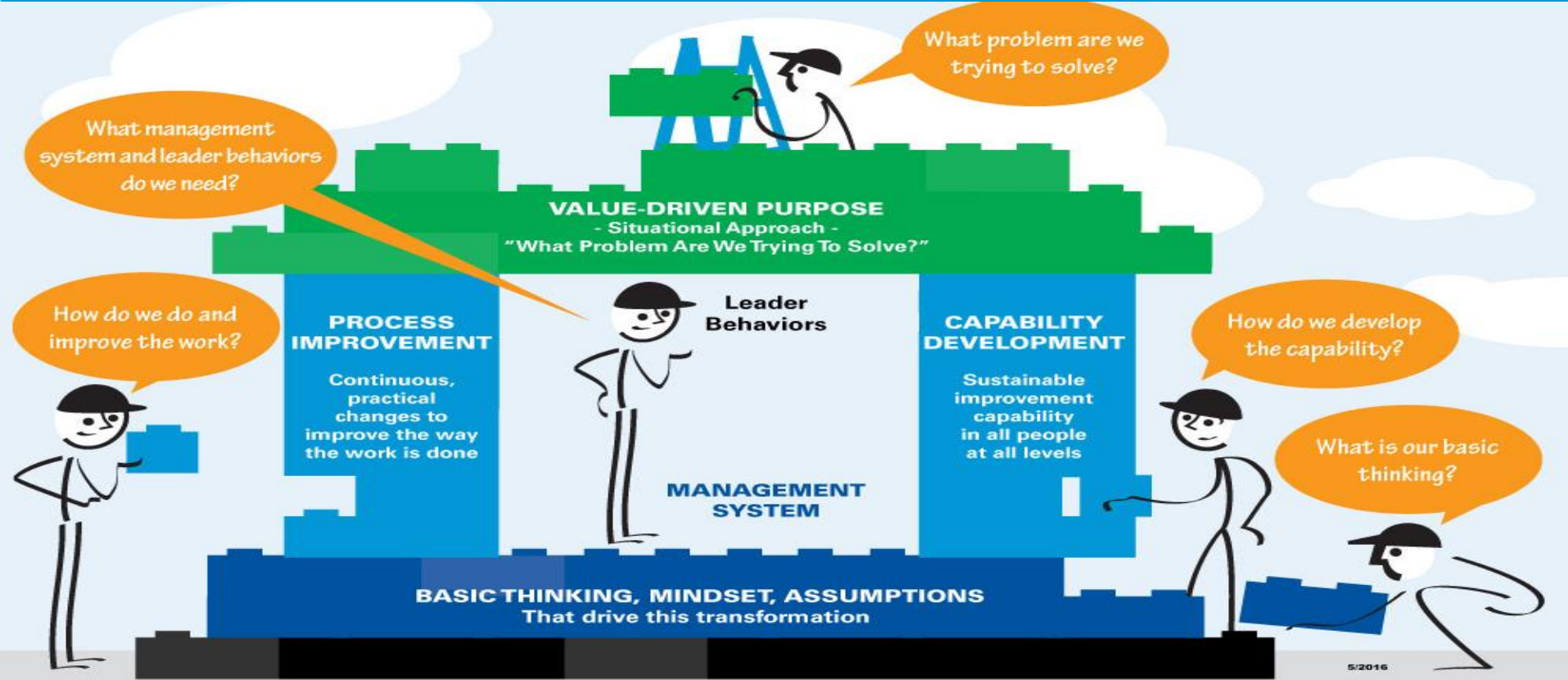


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2017



The Lean Transformation Framework



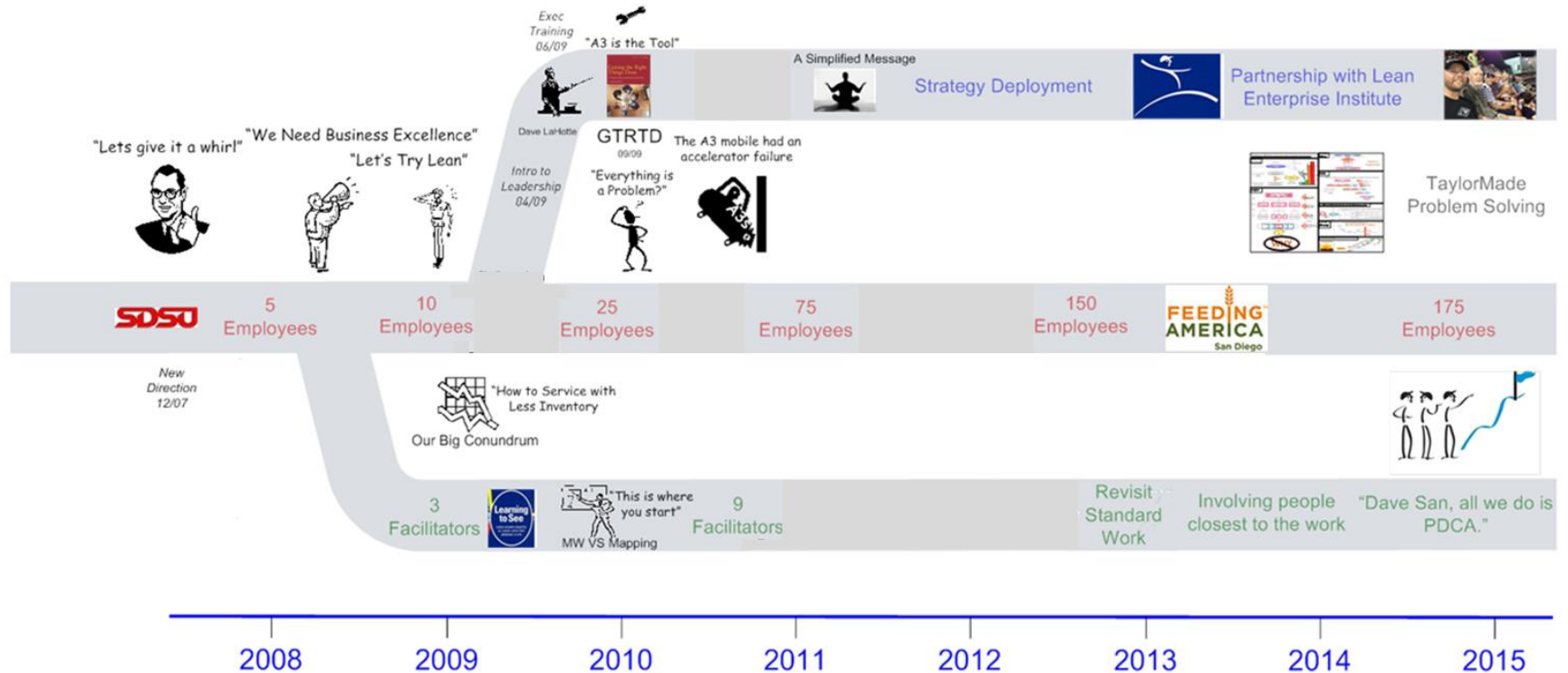
Bubble Legend

Lean
Transformation
Framework

Key Points to
Sustainability



TaylorMade's Journey: 2007-2017



How we got here: 2007-2009



Light lean only in manufacturing

Employee engagement focus

Tried Kaizen

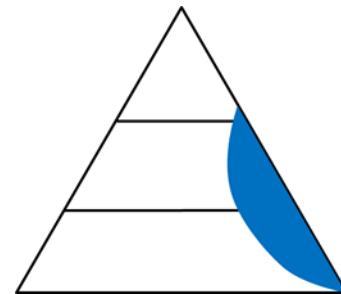
- Adding some value
- Including people closest to the work
- Having a little fun

Started with Lean Fundamentals

Dedicated resources

Employee Engagement	●
Business Impact	■
Sustainability	■

Lean Journey



Key Point to Sustainability

Connected to larger company initiative of Employee Engagement

Theme: Final Report & Celebration for improvement effort in G10 & B61 Material Handling Productivity

Team Name: New Direction
Velarde,

Team Members: Pablo Valencia, Benji Lopez, Johnny Zapien, Jose Velarde, Mohammad Hajimoosa, Leo Monrroy, Luis Medina, Carole Miller, Tim Fears

Congratulations to the New Direction team as they report on their success!



I like what I'm hearing...

This team was **AWESOME** to work with!!!!



Johnny and Benji were there, too...



OK, guys, I really have to admit it...



Brad thanks the team for all their hard work.



I told you guys Viaware could do all this stuff!

YOU CAN HAVE YOUR CAKE AND EAT IT TOO!



Really nice cake...



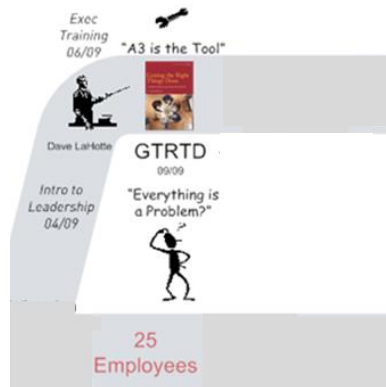
Author: Kevin Limbach

Date: 12/21/2007



How we got here: 2009-2011

Employee Engagement	●
Business Impact	■
Sustainability	■

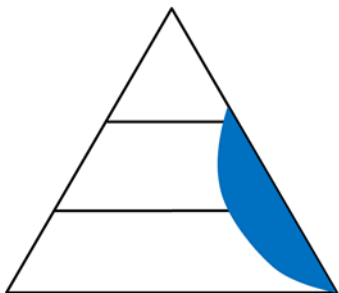


CEO attention

- Growing but not in line with profitability
- Results from lean effort
- Go big and wide

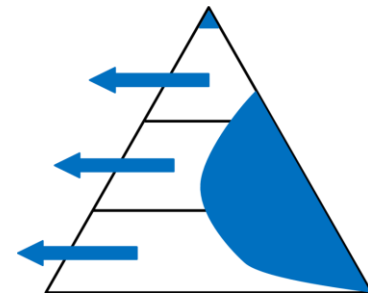
Employee Engagement	▲
Business Impact	▲
Sustainability	▲

Lean Journey



Strategy Deployment

Lean Journey



Grass roots

- Heavy Kaizen activity
- Mass lean basics training
- More facilitators

How we got here: 2009-2011

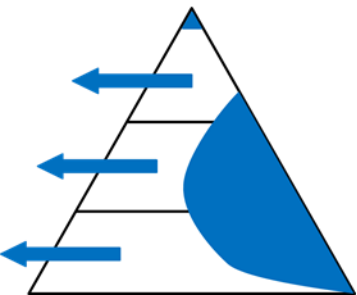
Employee Engagement	▲
Business Impact	▲
Sustainability	▲



Top down SD didn't work

Employee Engagement	●
Business Impact	▲
Sustainability	▲

Lean Journey



Grass roots

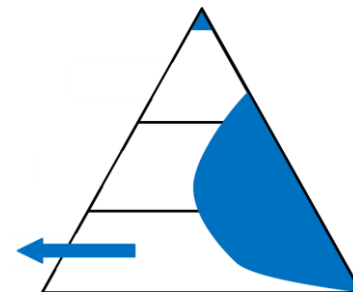
- Heavy Kaizen activity
- Every DC & Assembly EE
- Onsite lean basics training
- More facilitators



2010

2011

Lean Journey



How we got here: 2012-2015

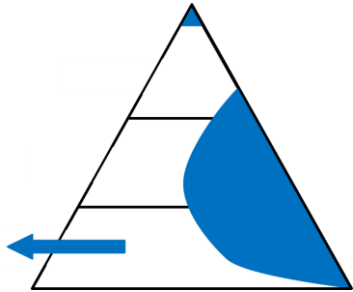
Employee Engagement	●
Business Impact	▲
Sustainability	▲

Keep going in Ops and be ready when the business comes back around

Lean Journey

Departmental Strategy Deployment with CEO catchball

Continued grass roots with lean basics training



Partnership with Lean Enterprise Institute

Employee Engagement	▲
Business Impact	●
Sustainability	●

150 Employees

175 Employees

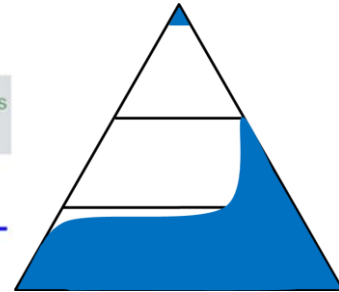
Lean Journey



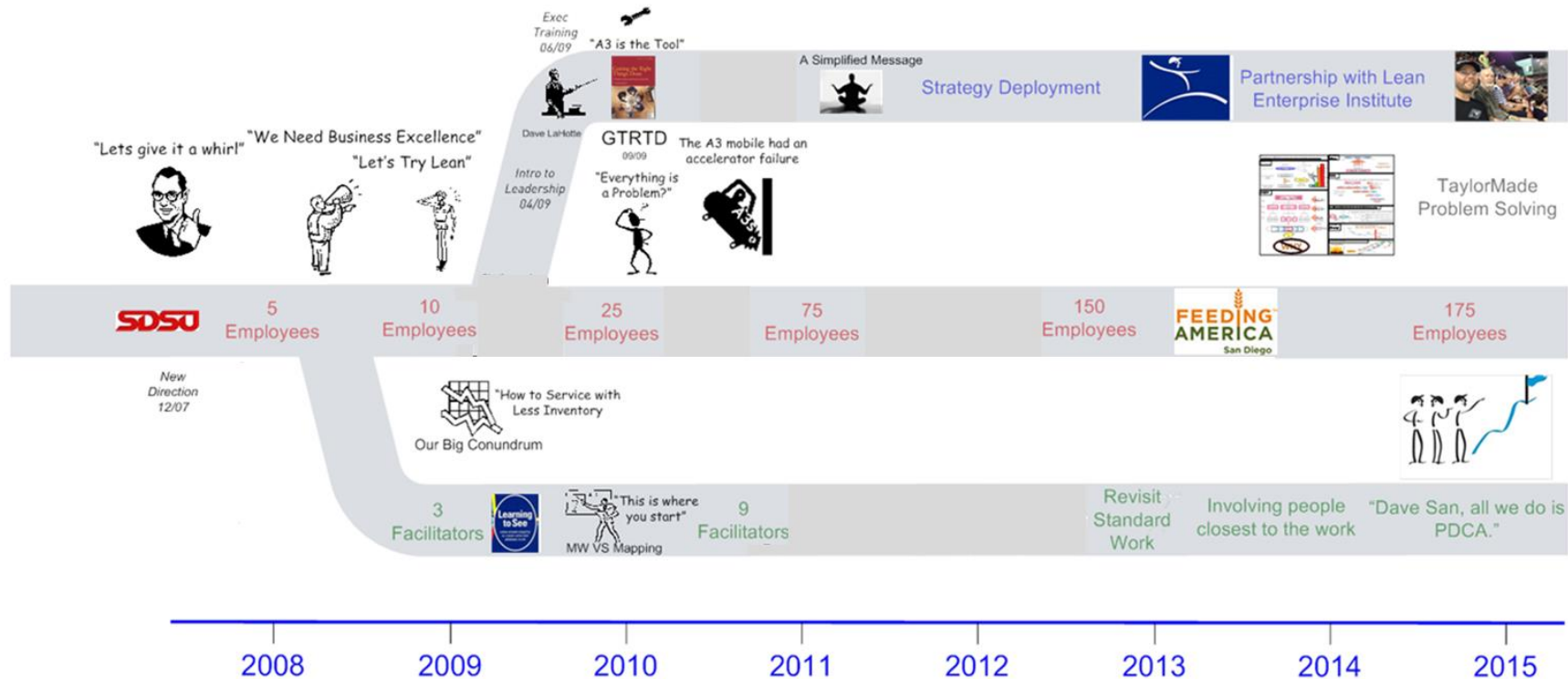
Revisit Standard Work

Involving people closest to the work

"Dave San, all we do is PDCA."



How we got here: 2007-2017



TMPS Training Overview

LTF – How do we develop the capability?

Day 1 – Theory & made up examples

Day 2 – Guidance through real TaylorMade problems with data set

Next 2 months – Trainee 1-on-1 coaching. Result is completed A3 on local business problem



8 step problem solving A3 template

Theme:	3. Problem Statement
1. KPI Identification	
	4. Cause Analysis
2. Grasp the Situation	
	5. Develop Countermeasures and 6. See Countermeasures Through
	7. Monitor both Process and Results
	8. Sustain & Celebrate

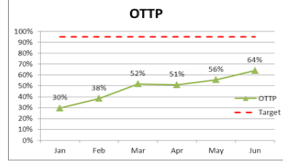
LTF – What is our basic thinking?



Day 2 – Real TaylorMade problem

Theme: Stock Club On Time to Promise

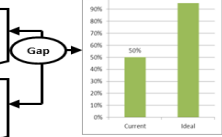
1. KPI Identification



Ultimate Goal
Improve service by correctly promising product

Ideal Situation
95% OTTP

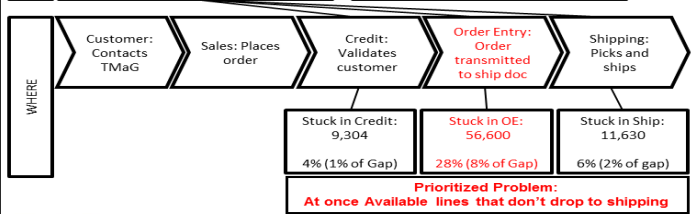
Current Situation
50% OTTP Y2D
341,368 = 50%
683,511



2. Grasp the Situation

All Customers:
683,511 Lines Y2D
342,143 Not On Time
50% Not OTTP

WHO	At Once:	Future:
	297,115 At Once Lines 134,867 Not On Time 45% Not OTTP (20% of gap)	386,396 Future Lines 207,276 Not On Time 54% Not OTTP (30% of gap)
WHEN	Available Today: 201,528 Lines Available to ship 77,534 Lines Not On Time 38% Not OTTP (11% of gap)	Backordered: 95,587 Not Available to ship 57,333 Lines Not On Time 60% Not OTTP (8% of gap)



3. Problem Statement

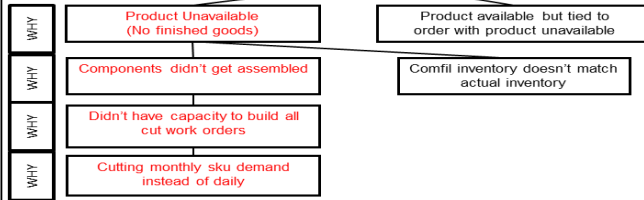
Problem Statement:
56,600 at once available lines don't transmit vs. a standard of 0.

Goal Statement:
Reduce NOT transmitted to 0 by Dec 2011
Resulting in an 8% increase to OTTP



4. Cause Analysis

At once Available lines that didn't transmit :

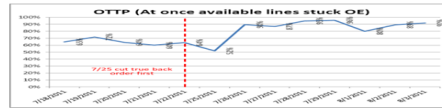


5. Develop Countermeasures and 6. See Countermeasures Though

Countermeasure	Effectiveness	Cost	Lead Time to implement	Feasibility
Increase production capacity	Excellent	Expensive	Long	Hard
Promise out based on capacity	Poor	Cheap	Short	Easy
Reduce batch size to what's "due"	Excellent	Cheap	Short	Easy

When	What	When
Jan	Cut work orders daily for what's "due"	Daily 7/25/2011-7/29/2011
Chad	Build all sku's daily in small batches	Daily 7/25/2011-7/29/2011
You	Set up daily meeting to monitor results	Daily 7/25/2011-7/29/2011
Team	Identify and resolve if SKUs worked	7/29/2011

7. Monitor both Process and Results



8. Sustain & Celebrate

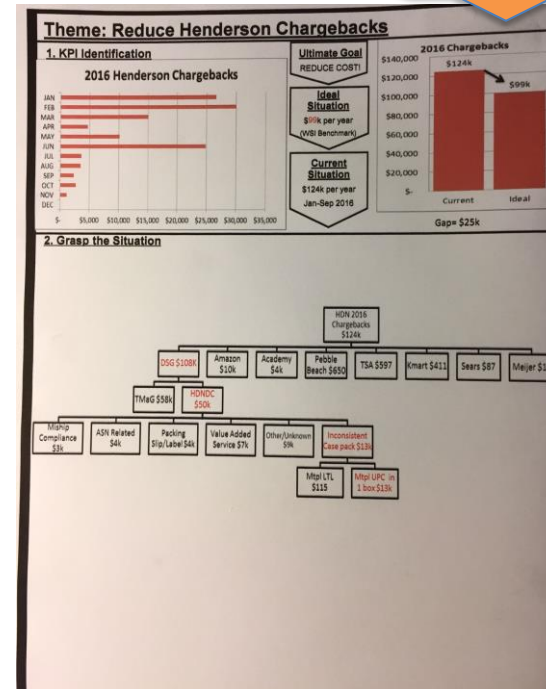
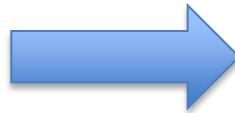
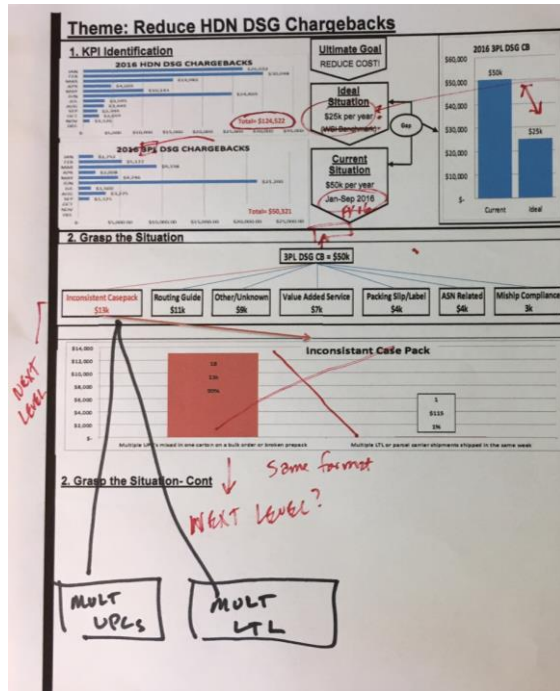
Dave "Browning" Presentation	8/10/2011
Kathy Loberg Presentation	9/1/2011
Drinks, dinner and golf!	9/2/2011
ATP (Rev 2)	9/5/2011



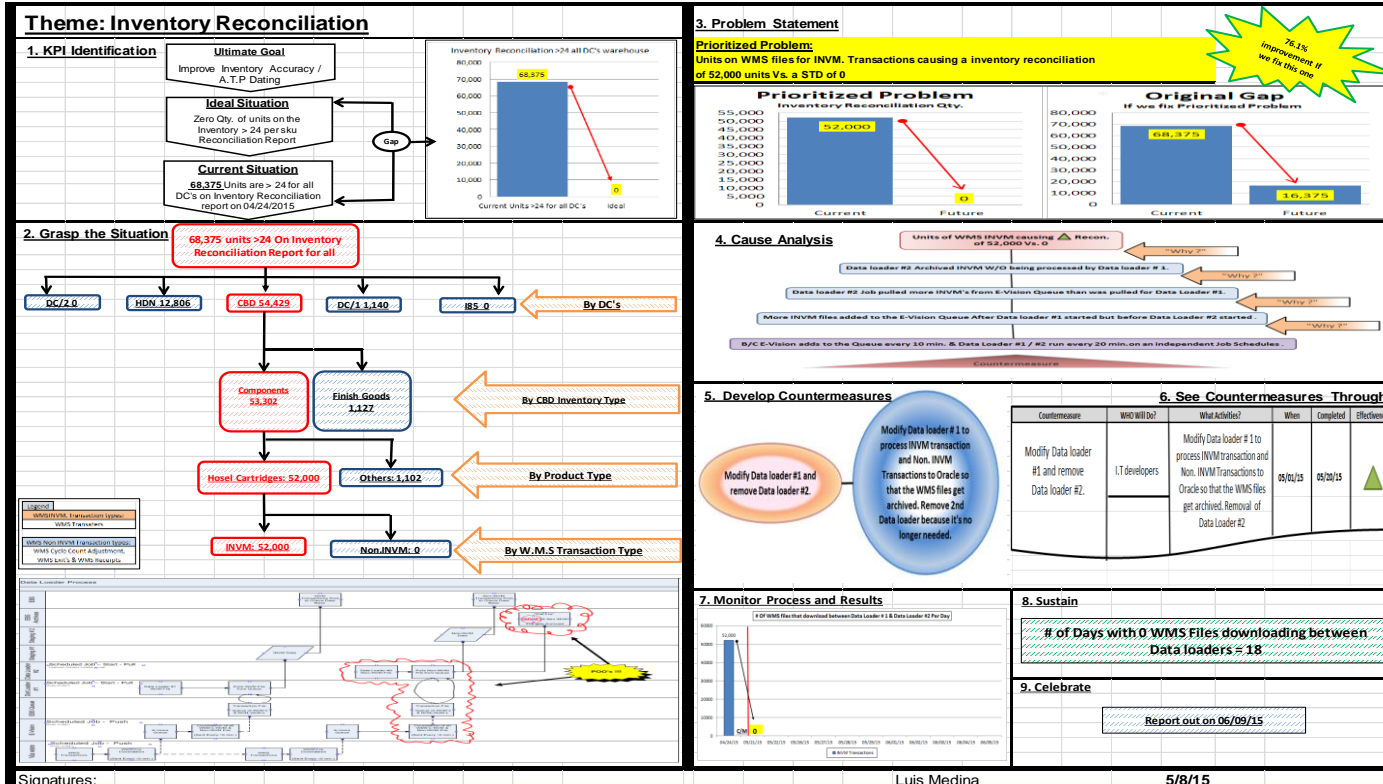
Follow up coaching

LTF – What management system & leader behaviors do we need?

1st pass @ step 1



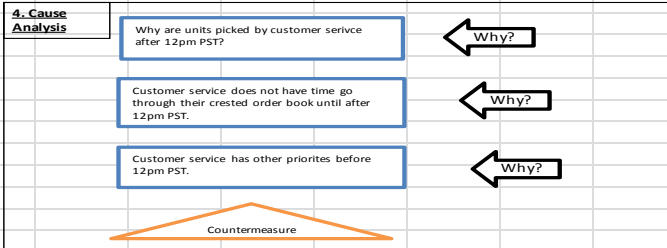
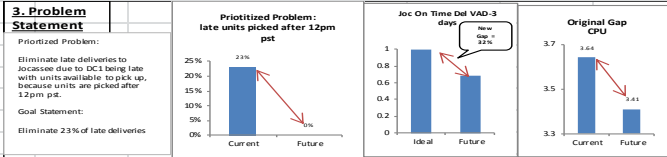
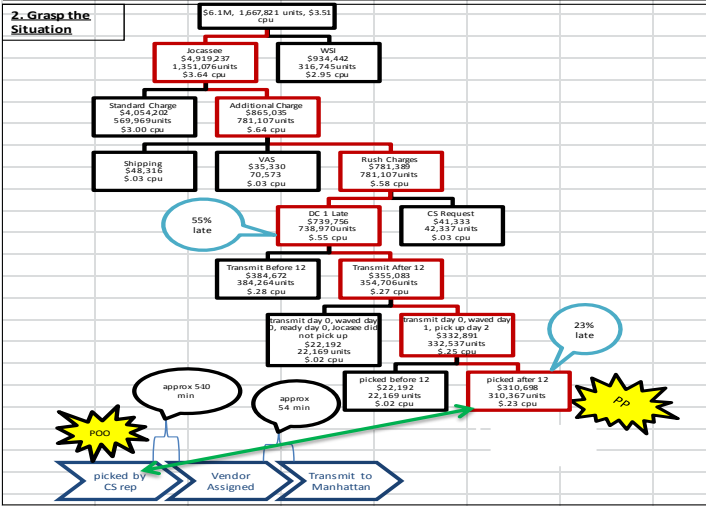
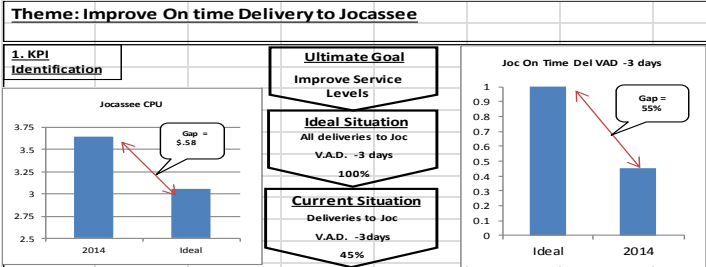
Trainee Examples



LTF – How do we do & improve the work?

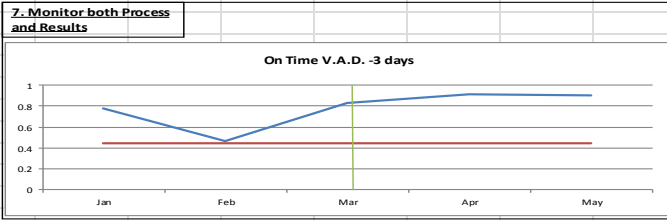


Trainee Examples



5. Develop Countermeasures and 6. See Countermeasures Though

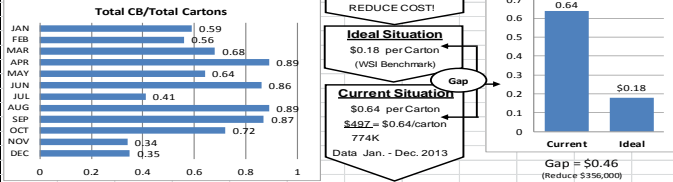
Countermeasure	Who?	When?	Effectiveness	Risk
Establish new cutoff time for Vendor assigning orders	Crestring Ops	10:30am daily	Good	none
No more manual picking*	CS	NA	Good	none
Move last autopick to 10:30am	IT	10:30am daily	Good	none
Order picked after 12pm, VA to following day	Crestring Lead	after 12pm daily	Good	low



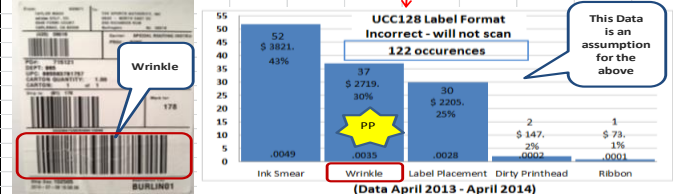
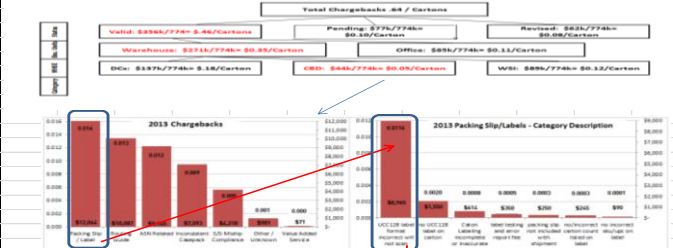
Trainee Examples

Theme: 2013 Reducing Chargebacks (\$/carton)

1. KPI Identification

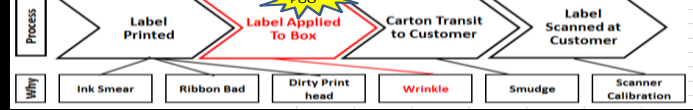


2. Grasp the Situation



Signatures:

2. Grasp the Situation continue



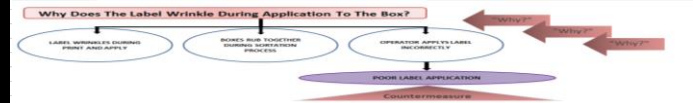
3. Problem Statement

Prioritized Problem:
Eliminate Chargebacks Due to UCC128 Label will not scan due to wrinkle

Goal Statement:
Reduce Chargebacks by \$ 2,719
Elimination of Wrinkles



4. Cause Analysis

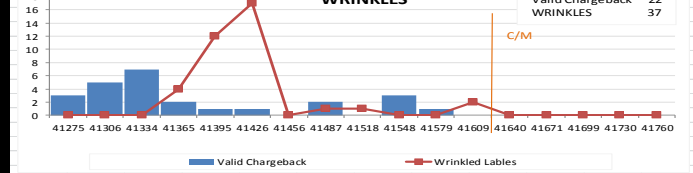


5. Develop Countermeasures and

6. See Countermeasures Through

Root Cause	Countermeasure	Who will Do	What Activities	When	Effectiveness	Budget	Risk	Assessment
Can we get rid of it?	CHECK LABELS OF SORTATION FOR WRINKLES, REPORT IF NECESSARY	Lead	Check identification and record	Hourly	Good	None	None	Reduce \$2
	ADDED AN INK JET ON TAMP PAD	Technician	Pressure check weekly	Weekly	Good	None	None	Reduce \$2
	ENFORCED STANDARDS AT VAS	Supervisor	Individual trainee	Daily	Good	None	None	Reduce \$2

7. Monitor Process and Results



Tim Fears

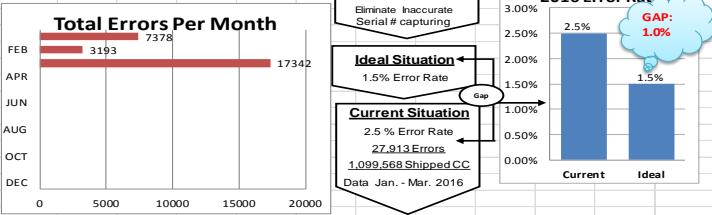
14-Jul-2014



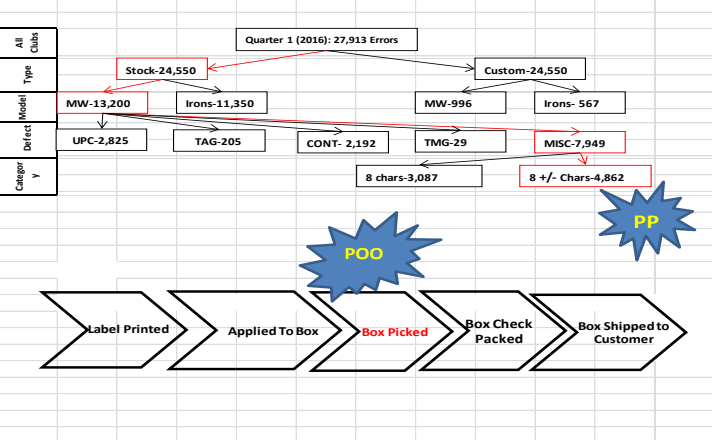
Trainee Examples

Theme: Carlsbad Club Serialization 2016

1. KPI Identification



2. Grasp the Situation



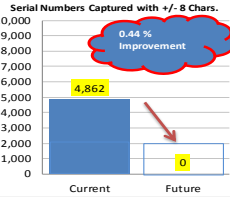
Signatures:

3. Problem Statement

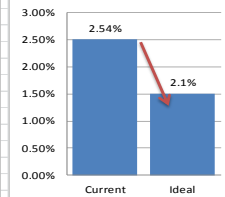
PP: Eliminate inaccurate serial number capturing due to more or less than eight characters captured per club (4,862).

GS: Reduce inaccurate serial number capturing by eliminating all 4,862 errors, resulting in a .44% improvement.

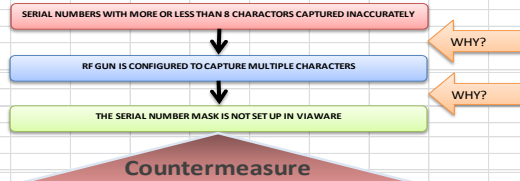
Prioritized Problem



Original Gap



4. Cause Analysis

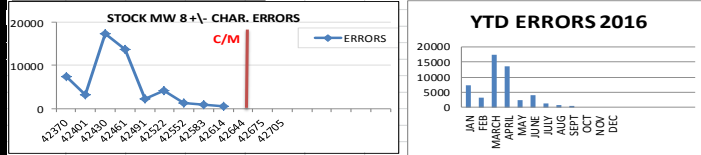


5. Develop Countermeasures

6. See Countermeasures Through

Countermeasure	Who will Do?	When	Effectiveness	Risk
Implement Serial # Mask in WMS	Lutz/Buddha	Aug-16	High	Low

7. Monitor Process and Results



Brett Trotter

Notice how they all look similar

Cascading A3 – Summary

Key Point to
Sustainability

*Connecting Problem Solving A3s to
Broader Company Goals*

*Content will be displayed during
the presentation*

Summary A3 is
connected to high level
Strategy Deployment
goals



Key Point to
Sustainability

*Connecting Problem Solving A3s to
Broader Company Goals*

*Content will be displayed during
the presentation*

Connected to a larger company initiative



Trainee's perspective



Key Point to Sustainability

Coaching benefits:

- Daily progress
- Make the story flow better
- Keeps you from skipping steps and staying focused on one issue at a time
- Prioritized Problem at Point Of Occurrence (PP @ POO) needs to make sense
- Common language



Key Learnings for Sustainability

- Problem solving is hard to teach and learn
 - Difficult to accept that we won't close the whole gap in one pass
 - Very hard to focus on ONLY one root cause at a time
 - Getting to a Prioritized Problem at the Point Of Occurrence (PP @ POO)
 - Small improvement can be a show stopper for some people
 - Trainees will understand the thinking and use common language but most will not progress without coaching
 - 1-on-1 coaching proves essential to becoming independent problem solver



Key Learnings for Sustainability

- Every A3 tells a story and it has to flow
- Connect your problem solving efforts to a company wide initiative, for example Employee engagement or Operational excellence
- We discovered our efforts had to be consistent with company culture – competitive, fun, & irreverent
- Don't try to spread lean simply by reading a book
- Insist on using standard A3 formatting and language that works for your company
- We've created people who focus on solving one problem at a time who are still working with people who want to use a shotgun approach



What you should do when you return to work...

1. Identify someone in your organization who will gain a deep understanding of A3 problem solving AND be disciplined enough to stick to the process - because it will be hard!
2. Find at least one company-wide initiative you can connect to your problem solving efforts.
3. Start an A3 and learn as you go.

“It's easier to act your way into a new way of thinking, than think your way into a new way of acting.”



Q & A

