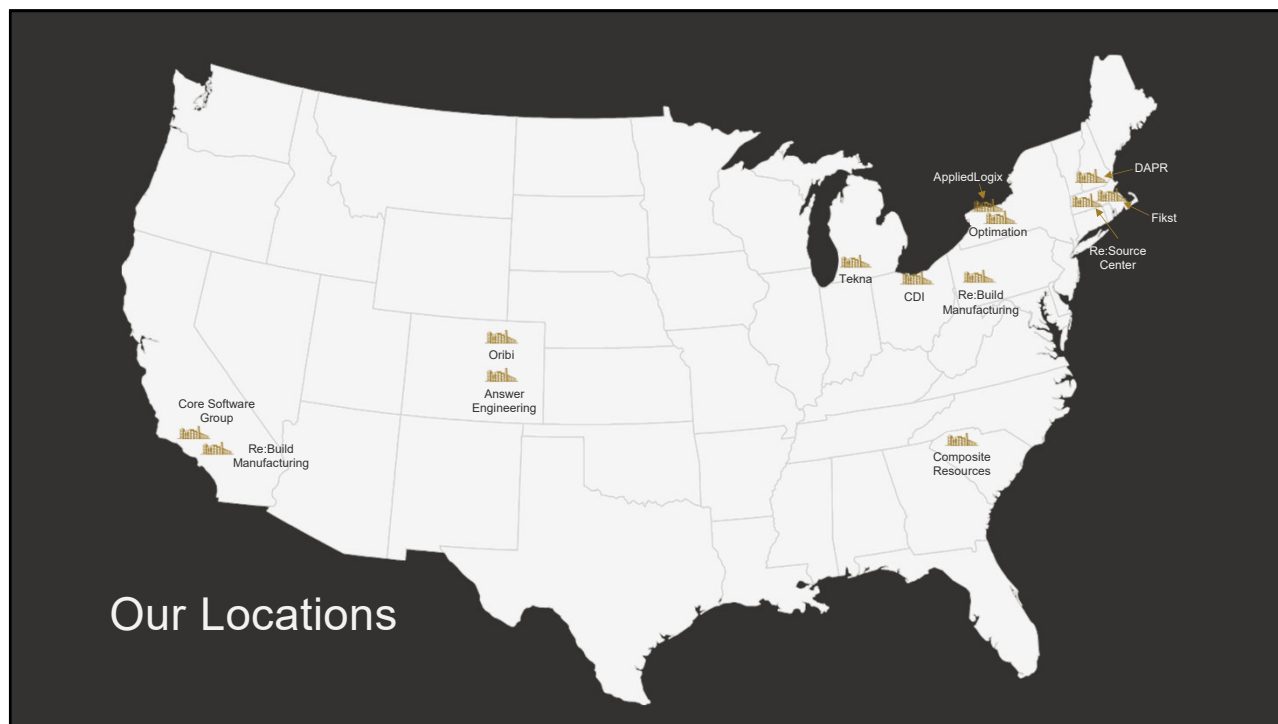


Guiding Lean Transformation:

Linking Strategy to Frontline Action
and Engagement at Re:Build





The Re:Build Way

<p>01</p> <p>We care about our team members and put their safety before anything else.</p>	<p>02</p> <p>Machiavelli was wrong! Winning at all costs is not winning at all. At Re:Build we want to be as proud of the path taken as the result achieved.</p>	<p>03</p> <p>We recognize diversity as a source of value. We welcome and respect people from all walks of life. We encourage constructive dissent.</p>	<p>04</p> <p>We protect the environment and devote significant resources to science-based sustainability programs.</p>
<p>05</p> <p>We listen carefully and non-defensively to one another, customers, suppliers, and community members.</p>	<p>06</p> <p>We are honest in all our dealings and seek mutually beneficial arrangements. We do not partake in zero-sum behaviors.</p>	<p>07</p> <p>We are open in our communications, accountable for our actions, reject corrupt behaviors, and expect the same of other stakeholders.</p>	<p>08</p> <p>We buy businesses to build them over the long-term. We do not buy businesses with a plan to sell them.</p>
<p>09</p> <p>We seek to improve the communities where Re:Build operates with a focus on apprentice programs and STEM education.</p>	<p>10</p> <p>We use rigorous systems to ensure we hire and onboard team members who will be successful team members long term.</p>	<p>11</p> <p>We provide long-term, meaningful opportunities for our team members to maximize both their contribution to Re:Build and their earning potential.</p>	<p>12</p> <p>We provide forums for team members to share their knowledge and experience and refine their mental models. Re:Build is a learning organization.</p>
<p>13</p> <p>We celebrate individual achievements but reserve the greatest accolades for team performance. The best ideas and solutions are rarely the product of a person working in isolation.</p>	<p>14</p> <p>We focus on and measure inputs we control and expect excellent performance on input metrics to create long-term value.</p>	<p>15</p> <p>We utilize Lean and continuous improvement as we strive for zero defects, lower cycle times, and minimal waste. We design quality into our products and systems.</p>	<p>16</p> <p>We implement systems to ensure improvements last and identify and reward champions who propagate them across the company.</p>

Continuous Improvement

Respect for People

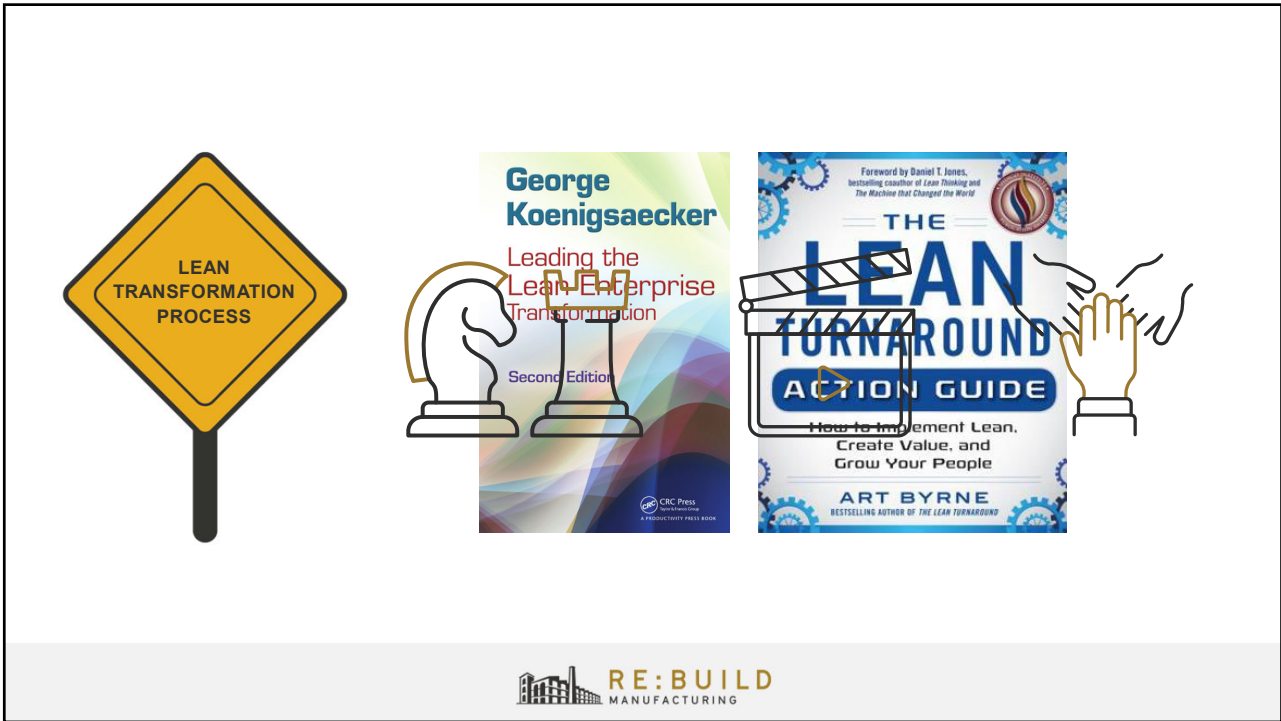
RE:BUILD
MANUFACTURING



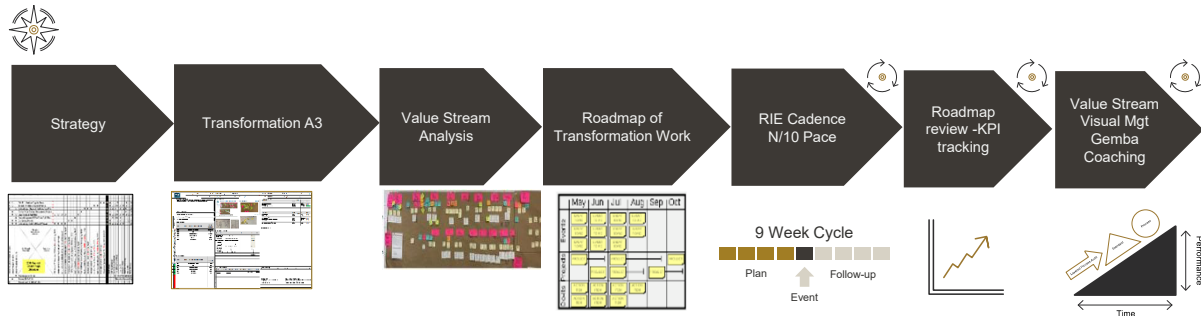
RE:BUILD
MANUFACTURING

Description or AD Name: Lean Business System Sponsor: Miles Amore and Lean Executive Council Location or Portfolio: AS Owner: Bonnie Davis Operation or Excellence: Start Date: 9/12/2022 Review Date: 11/27/2023 Revision: 3 Current Date: 1/15/2024 Coach: B Davis	
1. RATIONALE (OPTIONAL) Explain why this initiative is important to the organization and how it aligns with the organization's vision and mission. (OPTIONAL) Explain how this initiative is important to the organization and how it aligns with the organization's vision and mission.	
2. INITIAL STATE (OPTIONAL) Describe the current state of the organization and the problem being addressed. (OPTIONAL) Describe the current state of the organization and the problem being addressed.	
3. TARGET STATE (OPTIONAL) Describe the target state of the organization and the problem being addressed. (OPTIONAL) Describe the target state of the organization and the problem being addressed.	
4. ACTION PLAN (OPTIONAL) Describe the action plan for the organization and the problem being addressed. (OPTIONAL) Describe the action plan for the organization and the problem being addressed.	
5. COMPLETION PLAN (OPTIONAL) Describe the completion plan for the organization and the problem being addressed. (OPTIONAL) Describe the completion plan for the organization and the problem being addressed.	
6. CONFINED STATE (OPTIONAL) Describe the confined state of the organization and the problem being addressed. (OPTIONAL) Describe the confined state of the organization and the problem being addressed.	
7. REVISIONS & IMPROVEMENTS (OPTIONAL) Describe the revisions and improvements for the organization and the problem being addressed. (OPTIONAL) Describe the revisions and improvements for the organization and the problem being addressed.	

RE:BUILD
MANUFACTURING



Lean Transformation Process

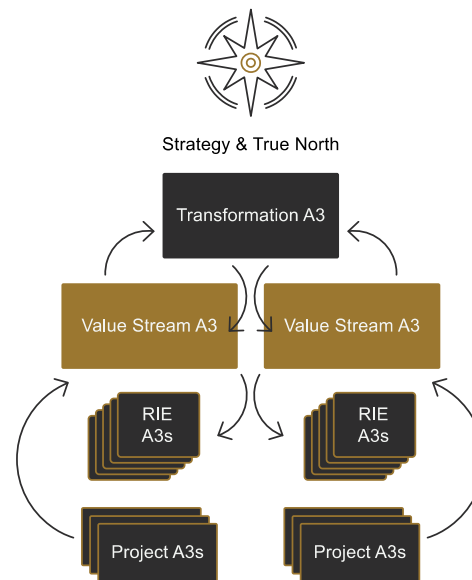


Lean Transformation Cycle



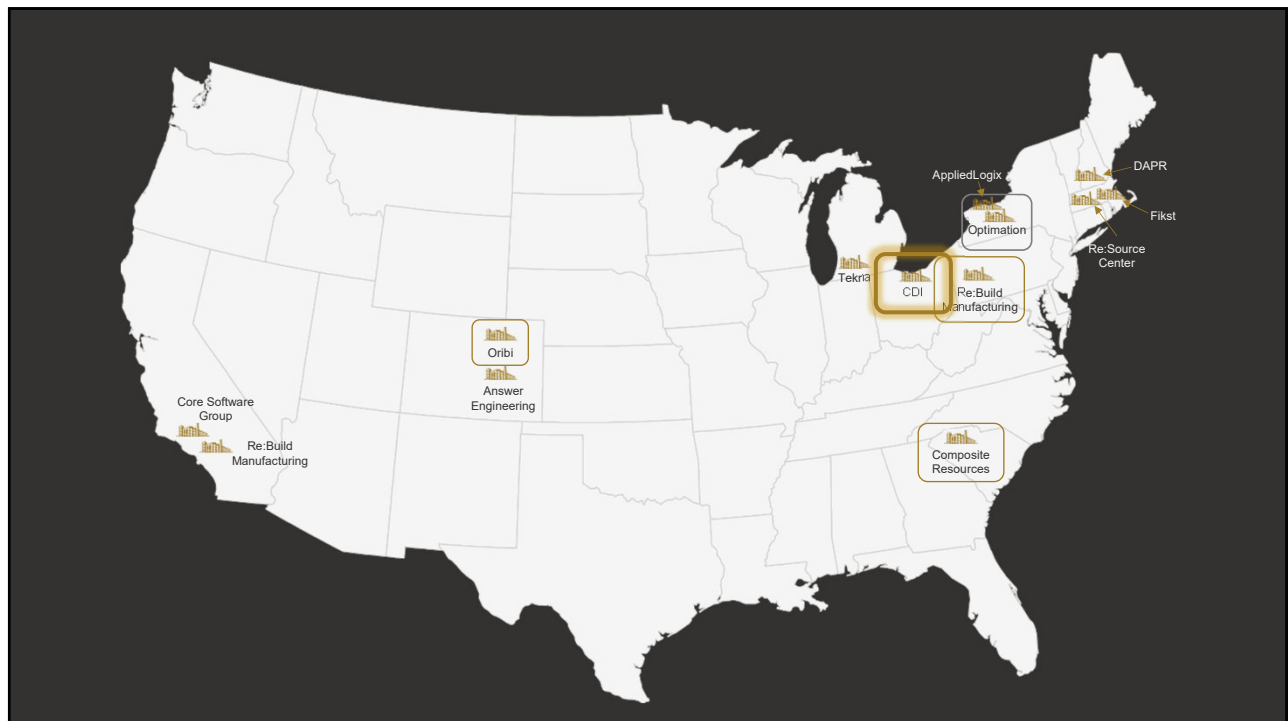
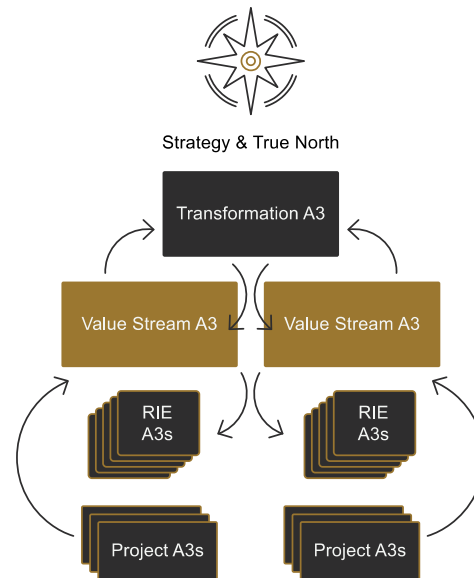
Transformation Approach

- Clear Linkage of Strategy, Goals, Activities and Results
- Leader ownership and coach support
- Personal experience- Change happens through people. Engages those affected by change
- Highly visual process
- Based on A3 Thinking
- Learn by Doing
- It is an iterative journey building the future state piece by piece
- Prioritizes the improvement journey with a steady rhythm of improvement



Transformation Approach

Creates a Culture which is the glue that holds the alignment together.



RE:BUILD
MANUFACTURING

CDI
CUTTING DYNAMICS

MEMBER COMPANY
OVERVIEW



Precision Metallic Components, Advanced Composite Structures, and Integrated Assemblies for Performance-Critical Applications

Re:Build CDI is an award-winning provider of machined and fabricated structural components for the aerospace, defense, and high performance industrial markets. We minimize our customers' costs and supply chain risk by providing a wide range of process capabilities for the design, prototyping and production of high-tolerance metallic and composite structures and hardware assembly and kitting.

Established 1985

INDUSTRIES SERVED:

- Aerospace & Defense
- Cleantech
- Health
- Industrial Equipment
- Mobility

LOCATIONS:

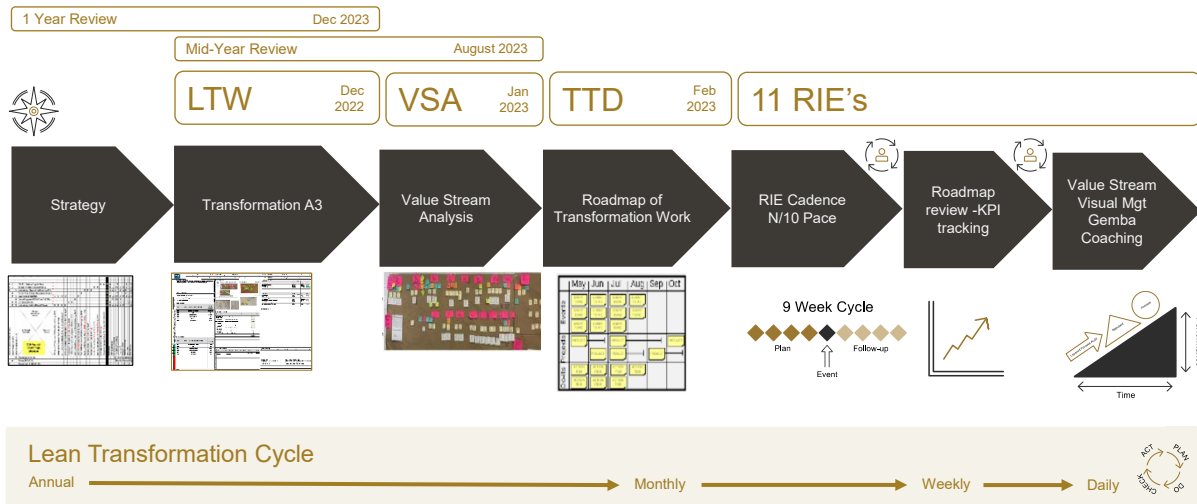
- 980 Jaycox Road
Avon, OH 44011
- 35340 Avon Commerce Parkway
Avon, OH 44011
- 33597 Pin Oak Parkway
Avon Lake, OH 44012

Re:Build Cutting Dynamics

Lean Transformation Journey

Kicked off in December of 2022

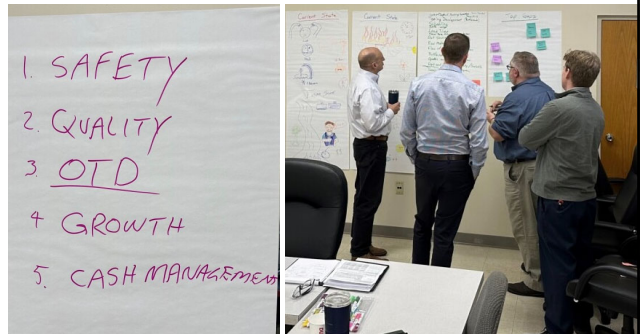
Lean Transformation Process



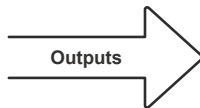
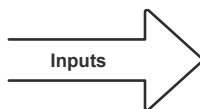
RE:BUILD
MANUFACTURING

Lean Transformation Workshop (LTW)

- Leadership team alignment
- Ownership of transformation at leadership level
- Leaders must lead through personal experience
- A plan with a clear linkage to strategy
- Stretch goals - *Double good and half bad*
- Prioritizes cultural transformation
- Aligns purpose to action
- Challenge paradigms



Lean Transformation Workshop (LTW)



- Strategy
 - Cultural assessment
 - Current state
-
- Team alignment
 - Transformation plan A3
 - Value stream selection

Project Information	Description or A3 Name	Location or Function	Start Date	Review Date	Revision
	CDR Transformation Plan	CDR	12/7/2022		
Sponsor:	Steve Mead	A3 Owner:	Current Date:	1/13/2023	Each:
				Mark Congdon & Dave Hulse	

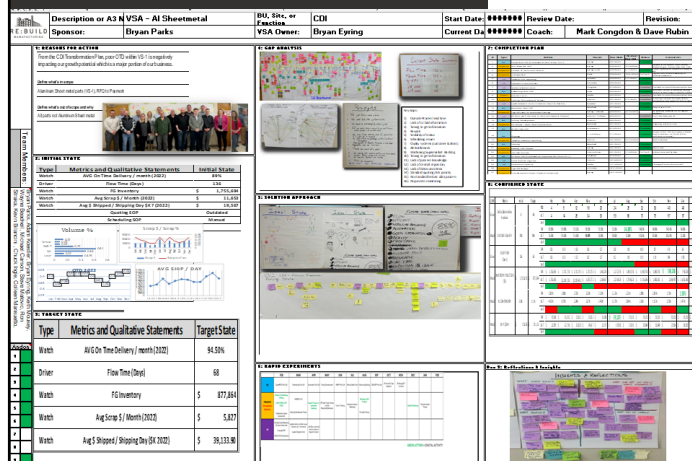
Section	Section Title	Initial State	Target State
1. Vision	CDR Transformation Plan	Initial State	Target State
2. Mission	CDR Transformation Plan	Initial State	Target State
3. Strategy	CDR Transformation Plan	Initial State	Target State
4. Objectives	CDR Transformation Plan	Initial State	Target State
5. Key Results	CDR Transformation Plan	Initial State	Target State
6. Action Plan	CDR Transformation Plan	Initial State	Target State
7. Metrics	CDR Transformation Plan	Initial State	Target State
8. Risks	CDR Transformation Plan	Initial State	Target State
9. Benefits	CDR Transformation Plan	Initial State	Target State
10. Summary	CDR Transformation Plan	Initial State	Target State

Value Stream Analysis (VSA)

- Create a shared vision for the Value Stream's future state
- Develop measures of improvement
- Identify the gaps that must be closed get to future state
- Deliver a plan on how to get there: Value Stream A3



Value Stream Analysis (VSA)



Inputs

- Transformation plan
- SIPOC
- Current state map with data

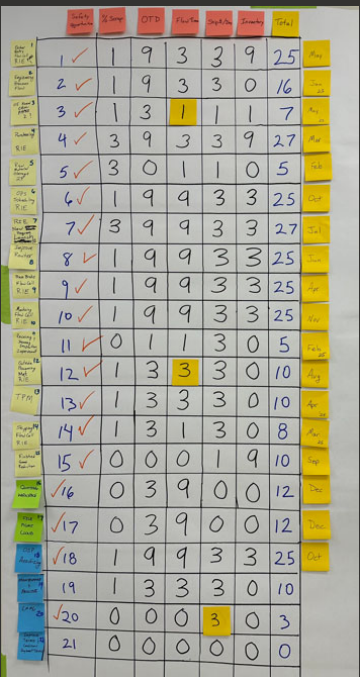
Outputs

- Future state vision and action plan
- Metric glidepath
- Roadmap of events, Projects and just do its



2024

Lean Summit



Value Stream Analysis (VSA)

Transformation Map

	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB
SE	Quadrant Flow Cell	Scheduling Flow Cell	Secondary Flow Cell	Tooling Development	MRP Flow Cell	Reduce Bath Size	Implementing Booking	CEM Flow Cell	SP New Pro Cal Logistics	SP New K2T Implants			
PROJECTS	Global Scheduling Metrics CAM YIELDCAST TDS	ASBEC v2.0	Digital Project to reduce Queueing	SP Pilot Test Vendor Set-Up Reduction/Estimation	Cross Training	Develop Inventory Reporting	Rebuilding L&D Project				Digital Readiness	Outside Vendor Project	
JDI	Develop Group Properties to make them visible Evaluate ERP Before OTD and process	Update metrics to reflect some changes as to internal Leader Standard Work	ASBEC Lead the path to innovation Operational Function										

GREEN LETTERS = DIGITAL ACTIVITY

Outputs

- Future state vision and action plan
- Metric glidepath
- Roadmap of events, projects and just do its

Transformation Team Development (TTD)

Value Stream Steering Committee

- Ensures overall organizational commitment to transformation
- Provides guidance and support for value streams
- Communication and change management
- Sets up and owns **mission control**

- Drives weekly and monthly cadence for transformation process review, metrics, and countermeasures
- Make decisions on adjustments to plan
- Clear roles and accountability





Transformation Team Development (TTD)

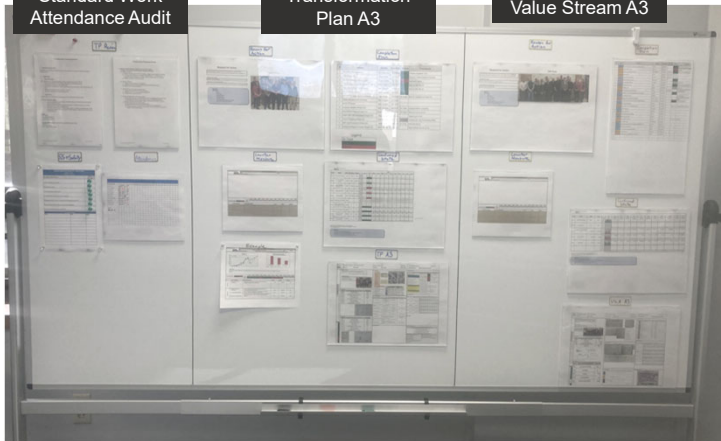
Value Stream Steering Committee



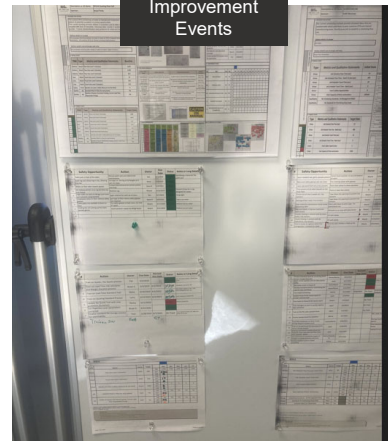
Standard Work
Attendance Audit

Transformation
Plan A3

Value Stream A3



Rapid
Improvement
Events

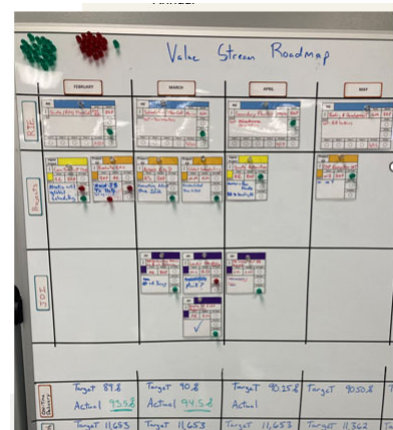
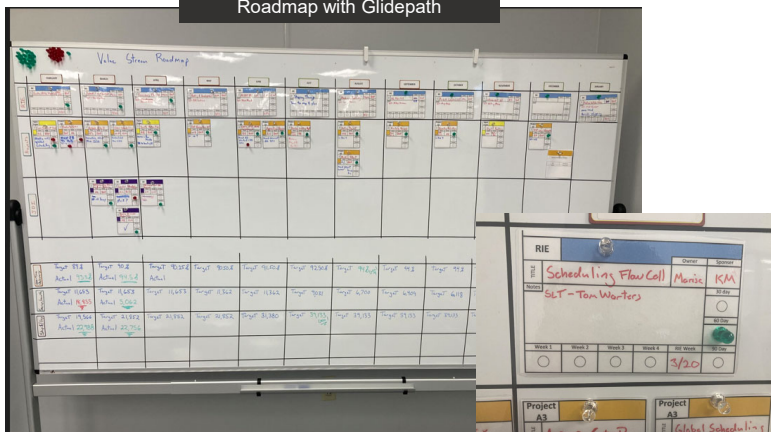


Transformation Team Development (TTD)

Value Stream Steering Committee

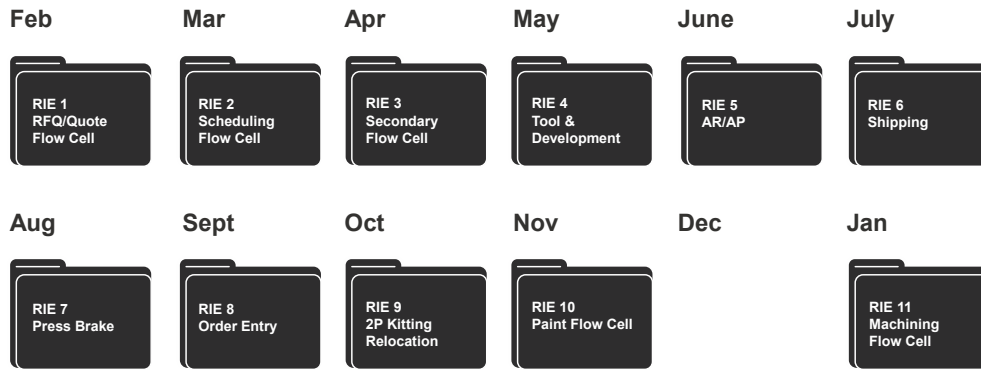


Roadmap with Glidepath



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Rapid Improvement Events: CDI Aluminum Sheet Metal Value Stream



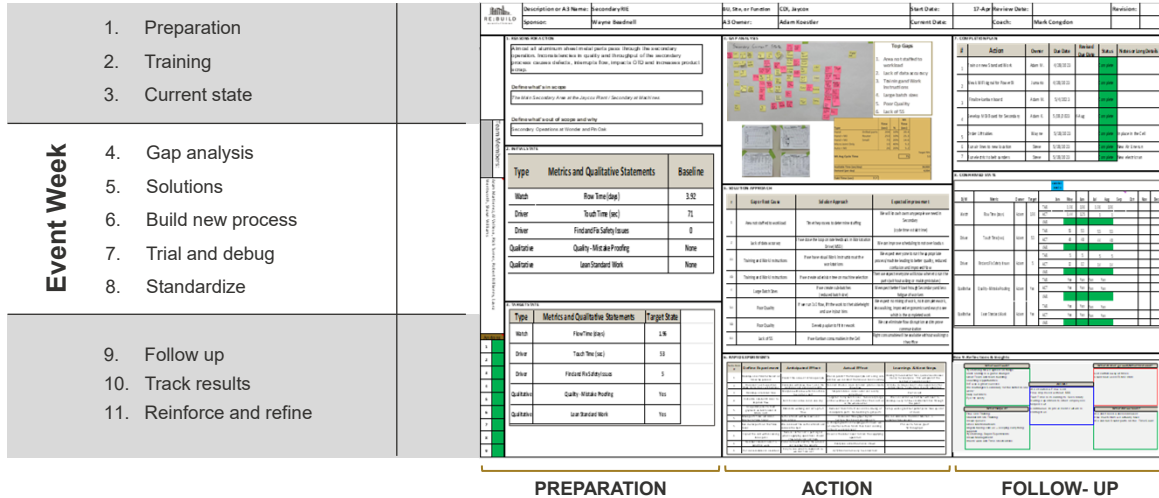
Rapid Improvement Events

- Engine of change
- Delivers rapid change in a week
- Full week event
- Pace of N/10
- Prioritized from VSA
- Engages and empowers
- Fuels on-going improvement

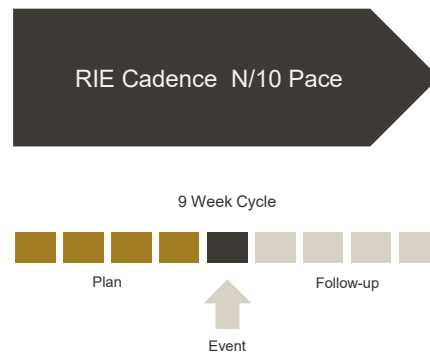


RIE Timeline

RIE FOLLOWS A3 THINKING

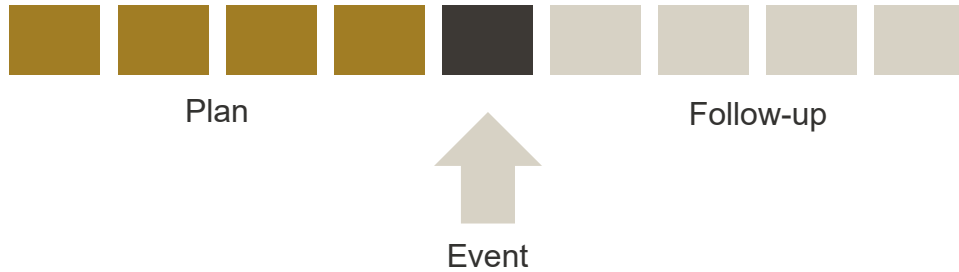


Pace of Change



Engine of Change

9 Week Cycle



RIE Teams



- 1/3 the experts that do the work
- 1/3 support
- 1/3 fresh eyes

Monday through
Mid-Day Friday

Roles:

- Team Member
- Sponsor
- Team Leader
- Facilitator
- Coach



RIE Teams

"Lean isn't lean if it doesn't involve everyone."

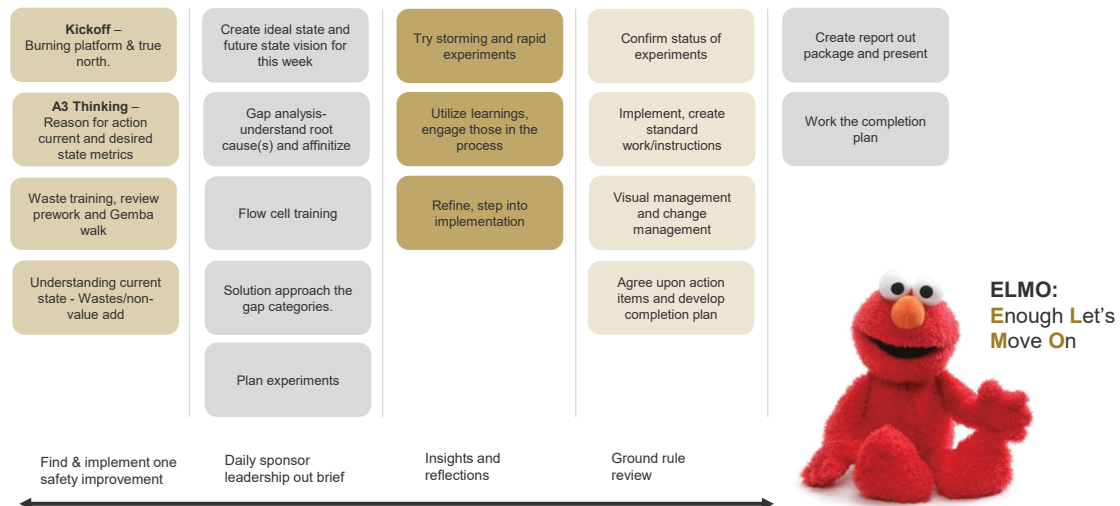
- John Shook, *E-Letter: Lean Practice Applies to All Work, Everyone, Every Day, All Day*

**Be apart of change!
Sign up for a Rapid Improvement Event (RIE)**

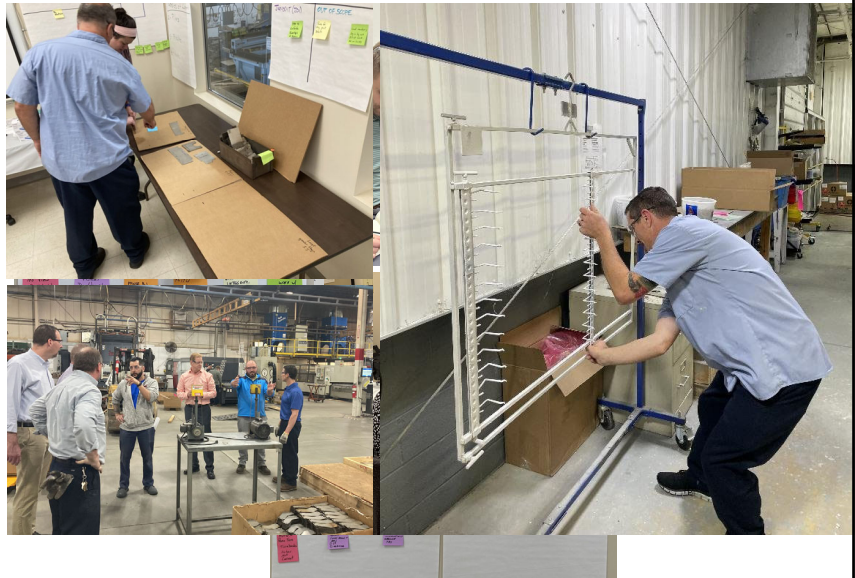
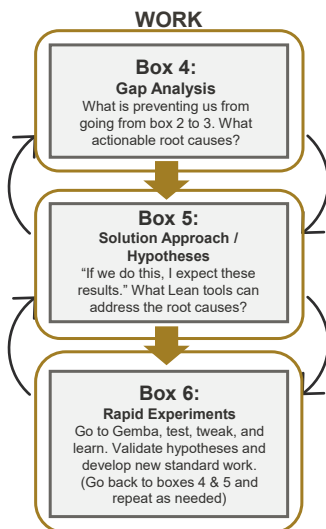
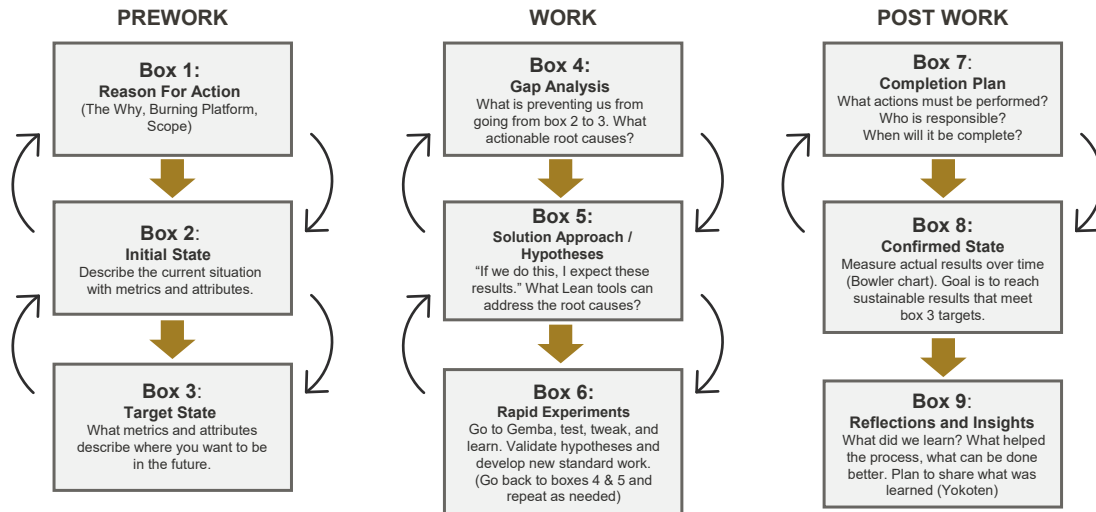
- One RIE held each month
- Breakfast and Lunch Provided
- Be the change you want to see
- Learn about Lean, other departments, and the business
- Space is limited
- See Adam Koestler or your supervisor to sign up



Event Week: Follows A3 Thinking



A3 Thinking is the RIE Roadmap

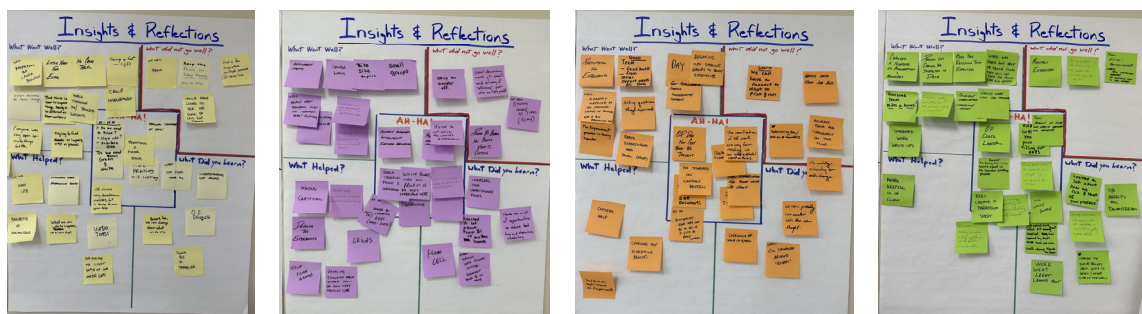


Insights & Reflections

Insights and reflections are allowing each team member to share their personal experience and learnings.



Box 9 – Insights & Reflections



Insights and reflections are captured daily, allowing us to continuously improve!



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Rapid Improvement Events: CDI Aluminum Sheet Metal Value Stream



Rapid Improvement Events: CDI Aluminum Sheet Metal Value Stream

- The process does work
- Cultural improvements
 - Buy-in of Lean by all departments / everyone
 - Embracing change, RIEs
 - Employee involvement and engagement
 - Management alignment, teamwork, silos got knocked down
 - Prioritization of change / improvement
- Significant cultural impact can be made in months not years
- Doubled aluminum sheet metal revenue run rate while improving quality by 50%
- 26% reduction in flow time
- Grew total revenue by 25% across CDI and 47% in value stream (YoY)
- Healthy order books: increased throughput through transactional areas of RFQ, quoting, scheduling, and accounting. Developed more robust processes, with less waste, demonstrating respect for people.





Transformation Process Metrics

- Local Senior Leader Engagement- 100%
- n/10 Pace of Change- 100%
- Full Time Lean Resource- Met goal of 2%
- Employees on first RIE- 49 vs. target of 44
- 98 Safety Improvements Opportunities implemented.
- 80% of Driver metrics achieved at 90 days post event.



TRANSFORMING A CULTURE		
	2022	2023
1-----2-----3-----4-----5	SCORE	SCORE
Opt out to All In	2.6	4.1
Directive to Supportive	2.8	4.3
Reactive to Proactive	1.5	2.5
Secrets to Transparency	2.3	3.3
Blame to Ownership	3.0	4.5
Silos to Unity	2.4	3.4
"Me" to Customer	3.5	5.0
"Me" to Us	3.5	5.0
Fear to Empowerment	3.3	4.8
Mine to Ours	3.5	5.0
Talking to Action	3.0	4.0
Defensive to Trust	2.5	4.0
Taken for Granted to Celebrated	2.3	3.3
Doing to Coaching	1.5	2.0
Hidden to Out in the Gemba	2.5	4.0
Firefighters to Problem Solvers	1.3	1.8
Total	41.2	60.7

The Cultural Impact

- 41% of Team Members in value stream on at least one Event.
- 100% of Site Leaders on an event.



Denise Camp



Adam Martinez



Gerry Perez



From "Leading the Lean Enterprise Transformation"
George Koenigsacker

CDI Learnings from Transformation Year One: *Insights and Reflections*

What Went Well?

- Leadership alignment and teamwork
- Trusting the process
- Cultural adoption to Lean mindset
- Cultural improvements
- Embracing change
- The RIE's
- Buy in of lean by all Depts. – everyone
- Inclusion of more people and ideas
- Employee involvement and engagement
- Drives results and growth

What Helped?

- Coach and Lean resource
- Cross functional teams learning together
- Mix of RIE's from office to floor
- Cultural improvements
- Common language
- Report outs for RIE's
- Steering committee meetings/mission control
- SLT support
- Involvement of team members from across the business.

Key Take Aways

- The process **does** work
- Great participation
- We're all in it together
- Silos got knocked down
- Lean works
- We will need additional Lean resources in the future as we expand transformation
- Significant cultural impact can be made in quarters not years
- Fresh eyes really help in RIE's
- We leaned out many processes, but the 1st pass will not be the last
- Prioritization of change/improvement is critical
- Transformation works
- This is what I had always hoped for in Lean

What Did Not Go Well?

- Over scoped projects and the early RIE's
- Implementation follow-through was not rapid
- First pass at leader standard work was tough
- First 2 RIE's team size too big
- Long term completion items, need to break into smaller chunks or better resource
- Not having all of the needed data

What Did We Learn?

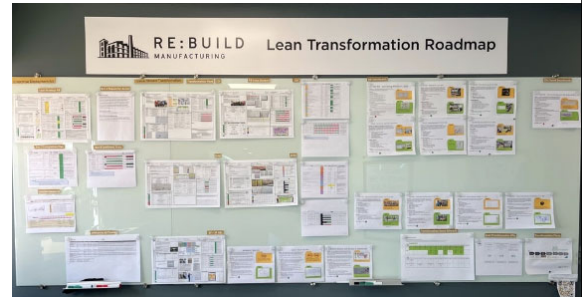
- How to incorporate lean into culture vs. Lean as a program
- Support is there at the corporate level with SLT commitment
- Smaller teams work best for RIE's
- How beneficial A3 thinking is to making changes.
- Re:Build lean strategy and framework
- A ton about Lean and the business
- It is easier to change within an area than cross functionally



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Critical Support Structure

- Lean transformation is a strategic “Big Rock”
- Growth driven
- Lean executive council – monthly review
- Transformation process is visual: site, resource center, and SharePoint
- Leaders personal experience is key to supporting the process
- 1st site selection critical- strong leadership, resourced, reason for action clear, foundation to build upon
- Transformation Coach role is critical



“ Lean Transformation is leadership intensive ”

George Koenigsaecker



Transformation has enabled us to use Lean methodology as the main driving force to shape our company into one that puts both our customers and our people first. It allows us focus on a strategic vision rather than the day-to-day firefighting, which is vital long-term success.

Adam Koestler,
Lean Champion

The Lean transformation process has had a major impact on the clerical load in the account management role. The waste eliminated in over printing job travelers has really brought clarity to our shop floor to what is truly run ready. I felt proud to be a part of moving forward the concept of automating our QAR reports. This QAR manual process has been a pain point that has been on my "wish list" for over a decade. I have become a true believer in the process.

Peggy Shackleton,
Sr. Account Manager

The Lean Transformation process has returned my evenings back to me. Prior to the AP/AR RIE event that I sponsored; I was regularly working 60 hours a week & missing out on our family evening summer fun on Lake Erie. The AP/AR RIE event worked to reduce admin waste, go digital for processing, and other improvements. Just the AP digital improvement saved me 5-6 hours a week, when you add in the other improvements, we were able to implement during that week, we cut 10 hours of waste from my work week. The benefit is that this past summer I regularly left the office at 5, which means that I logged many more hours this past summer on Lake Erie than I would have prior to the AP/AR RIE event. The personal life improvement for me is incalculable.

Colleen Mansuetto,
Accounting Manager

This is the most efficient way I have seen to get a team aligned. I spent 9 months trying to accomplish what this process accomplished in 1 week as far as aligning my entire team to strategy. I then asked them to trust the process going forward, they did and now they are all on board as advocates.

Bryan Parks,
General Manager

"The largest takeaway from my experience has been the view the RIEs and report-outs gave me into the workings of the departments. I do not have experience in and how solutions we implemented cut across many more departments than I would have imagined. It has given us all a better view on how operations and departments are linked and how improvements in one area flow down to better functioning in other areas as well."

Larry Kamenec,
Account Manager

I learned much more important things than just how to's and strategies. I learned that this company actually cares that they are implemented and dialed in. That is far more than all the other companies I ever worked for. We talked about ah-ha moments and my big one was when I realized that we weren't just going through the motions to satisfy some standardizing entity. That we were actually, collectively changing format, fixing problems and making a difference in our daily lives. I'm happy to be here.

Steve Atkinson,
Assembler

The Lean process has personally impacted my daily work life to allow me to work ON the business rather than IN the business. This was accomplished by the cross-functional involvement of each RIE (Rapid Improvement Event) team member and deploying the TOOLS that truly improve workflow, prioritize communications and company-wide understanding.

Wayne Beadnell,
Plant Manager Jaycox

It really made me appreciate what big changes can happen in such a small amount of time with a dedicated team of individuals and the goal of process improvement in mind.

Eric McElheny,
Shipping Supervisor

I have enjoyed seeing our culture transform before our very eyes, as people in all areas of the company increasingly adopt the lean mentality.

Keith Mounsey,
Business Operations Manager

Questions – Thoughts?

What insights or learnings can you apply to your lean journey?

What insights or learnings have you experienced that could benefit Re:Build on their lean journey?

