Global MMOG/LE
Update

Gerhard Paulinz
Volvo Truck Corporation
Global Manufacturing
External Material Supply

MMOG/LE: Materials Management Operations Guideline / Logistics Evaluations
Life before Logistics Evaluations

Many reactive analysts but Not Enough proactive specialists
The history of MMOG/LE

1992 Volvo Truck: Internal ISO 9000 revision
1992 Internal development of Logistics evaluation document in order to determine suppliers internal conditions and prerequisites for a flexible and correct output
1993 – 1997: ca 250 Supplier evaluations performed → Increasing number of OEM specific Log. evaluation tools
1998 ODETTTE Logistics Functional Committee approach, supported and encouraged by a global supplier
1998 Cross cultural working group and meeting schedule for 12 months ahead established
1999 First version of ODETTTE’ s Logistics Evaluation ( OLE, EVALOG ) presented and accepted by ODETTTE’ s board
The history (cont’d)

In 2001:
- One document in the USA: the MMOG
- One document in Europe: the Logistics Evaluation called < OLE > or < EVALOG >
- Different training schemes in each region
Due to the globalisation of business and companies, a request for harmonisation of the two documents
The structure of the harmonised document must be in line with ISO/TS quality standard

End 2001: Creation of a joint working group AIAG/Odette

End of 2003: Global MMOG/LE available
Participating Companies to the AIAG-ODETTE working group

**Odette**
- Bosch (Joerg Vollmer)
- GALIA/Renault (Jacky Cousin)
- GALIA (Aurélien Rouquet)
- GETRAG (Roger Bergsten)
- PSA (Gerard Graufogel)
- SMMT (Jeffrey Turner)
- SMMT (Rob Brown/Mark Evans)
- Volvo Car/Bosch (Helena Holmgren)
- Volvo Power Train (Henry Rosten)
- Volvo Truck (Gerhard Paulinz)

**AIAG**
- AIAG (Morris Brown)
- American Axle (Connie Harde)
- DaimlerChrysler (Cara Besh)
- Daimler Chrysler (Chuck Koehn)
- Ford (Eric Minehart)
- Gates Corp. (Aidan Hughes)
- JCI Corp (Donna LeFaive)
- Universal Bearings (K. Lockwood)
The Structure of the Global MMOG/LE document

- Foreword / Introduction / Explanation
- Evaluation catalogue (Questions/Criteria)
  - Chapter 1: Strategy and improvement
  - Chapter 2: Work organisation
  - Chapter 3: Capacity and production planning
  - Chapter 4: Customer interface
  - Chapter 5: Production and product control
  - Chapter 6: Supplier interface
- Scoring summary sheet
- Gap-Analysis tool
- Glossary
4.1 COMMUNICATION

4.1.1 The organization maintains a process to ensure a cooperative communication based on actual and adequate information for both parties.

Why

To maintain customer relations, prevent misunderstandings and ensure continued business based on co-operative communication

Criteria

(F2) There are agreed contingency plans established between both parties to maintain permanent communication during bottleneck situation(s). (1.4.2)

(F2) The customers’ goals regarding Material Planning and Logistics performance are clearly defined (e.g. Customer Delivery instructions/schedules), visualized and followed-up by the organization (3.1.4)

(F1) A contact list exists containing name, function, method of communication (e.g. phone number, fax number, e-mail address, language spoken, etc.), hours of availability and deputies/back-ups for each Material Planning and Logistics function from its customers (1.4.2/16)

(F1) The contact listing must support the entire scheduled Operating hours of all customers (18)

(F1) There is a documented process (incl. process owner) for maintaining contact information internally and updating the contact information on the customer’s system (17)
### Global Materials Management Operations Guide / Logistics Evaluation results sheet

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### SUMMARY

- **TOTAL score**
  - Maximum Score: 351
  - %: 0%

- **Not fulfilled**
  - F3: 35
  - F2: 75
  - F1: 96
  - Σ: 206

- **Fulfilled**
  - F3: 0
  - F2: 0
  - F1: 0
  - Σ: 0

- **A, B or C**
# Gap Analysis Tool

## Global MMOG/LE

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<tr>
<th>Question #</th>
<th>Criteria Weight</th>
<th>Element</th>
<th>Desired State</th>
<th>Current State</th>
<th>Gap</th>
<th>Action Required</th>
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<td>1.1 Vision and Strategy</td>
<td>A documented vision exists for the Materials Planning and Logistics function.</td>
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<td>1.1 Vision and Strategy</td>
<td>A documented strategy exists with activities for implementing the Materials Planning and Logistics vision.</td>
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<td>3)</td>
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<td>1.1 Vision and Strategy</td>
<td>The Materials Planning and Logistics vision and strategy is linked to the organization's overall objectives, including customer requirements and continuous improvement.</td>
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<td>4)</td>
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<td>1.1 Vision and Strategy</td>
<td>The Materials Planning and Logistics vision and strategy is communicated and understood within the organization.</td>
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Training
Towards a harmonised training programme

- **Odette Conference 2003 in Paris:**
  - Decision to go for a global **1-Day** harmonised training,
  - Proposal to current training companies (USA, France, Germany, Sweden) to meet and set up a harmonised training programme,

- **Approval of the content** in Paris on March 5\(^{\text{th}}\), 2004

- **1-Day training validation** in Paris on March 6\(^{\text{th}}\), 2004 with international participants,

- **1-Day training deployed** during 2004 in countries like USA, France, Germany, Sweden, Spain, Belgium…

- **Special feature for France and Spain:** availability of a **3-Day** additional training class to become an auditor, with identical content in both countries.
MMOG/LE Training Package Development Process

Training Provider Teams

INTENTIA
MERIDION
OLY MANGEMENT
CONSULTANTS
TRILOGIS
JPV CONSULTANTS
Instituto Renault
MKM/ACICAE

Odette-AIAG Work group

Training Slides & Instructor Manual
Participant Manual
Implementation Toolkit
Emerging Markets and other Training related activities

- AIAG currently offers class in Mexico in Spanish
- AIAG offers 1-Day classes in China in simplified Chinese
- Training in India is investigated
- The University UNICENP in Brazil has performed a 3 day training of trainers in Sept 2005, under a signed agreement with Odette.
- Benelux Companies have been trained so far by French and German training providers
- GALIA is pursuing the training of trainers for Rumania and training of other suppliers in Central Europe (Slovakia, Poland… )
- On-Site classes allowing Company unique “hands-on” training increase in popularity
Examples of early MMOG/LE Implementations

OEMs

- Daimler Chrysler
- PSA Peugeot Citroën
- Ford
- Renault
- Volvo

Suppliers

- Bosch
- Johnson Controls
- AAM
- 1ower Automotive
- Faurecia
- Gates
OUR GOAL:
Supplier Development through the Supply Chain
How can I order the document to start a self assessment of my company?

Please order the document MMOG/LE free of charge in Europe from following organizations:

**Odette International**
Order via [http://www.odette.org](http://www.odette.org)

**VDA**
Order (incl. translated version) via e-mail to mock@vda.de

**Galia**
Order (incl. translated version) via [http://www.galia.com](http://www.galia.com)

**Odette Sweden**
Order via [http://www.odette.se](http://www.odette.se)

**ANFAC/Odette Spain**
Order (incl. translated version) via [http://odette.es](http://odette.es)

**SMMT/Odette UK**
Order via [http://www.smmt.co.](http://www.smmt.co.)

**ODETTE/Czech Republic**
Any questions?

Thank you!