

Global MMOG / Logistics Evaluation

Presentation March 31st

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Agenda

1. Presentation of AIAG & ODETTE project
Global Supplier Logistics Evaluation
2. Presentation of document Global MMOG /
Logistics Evaluation (GLE)
3. Presentation of Global Training package
4. Questions and Answers

Participants of the Global Project

ODETTE

- ODETTE Sweden (VOLVO)
- GALIA (PSA, RENAULT)
- SMMT Industry Forum
- VDA (Robert Bosch GmbH)

AIAG

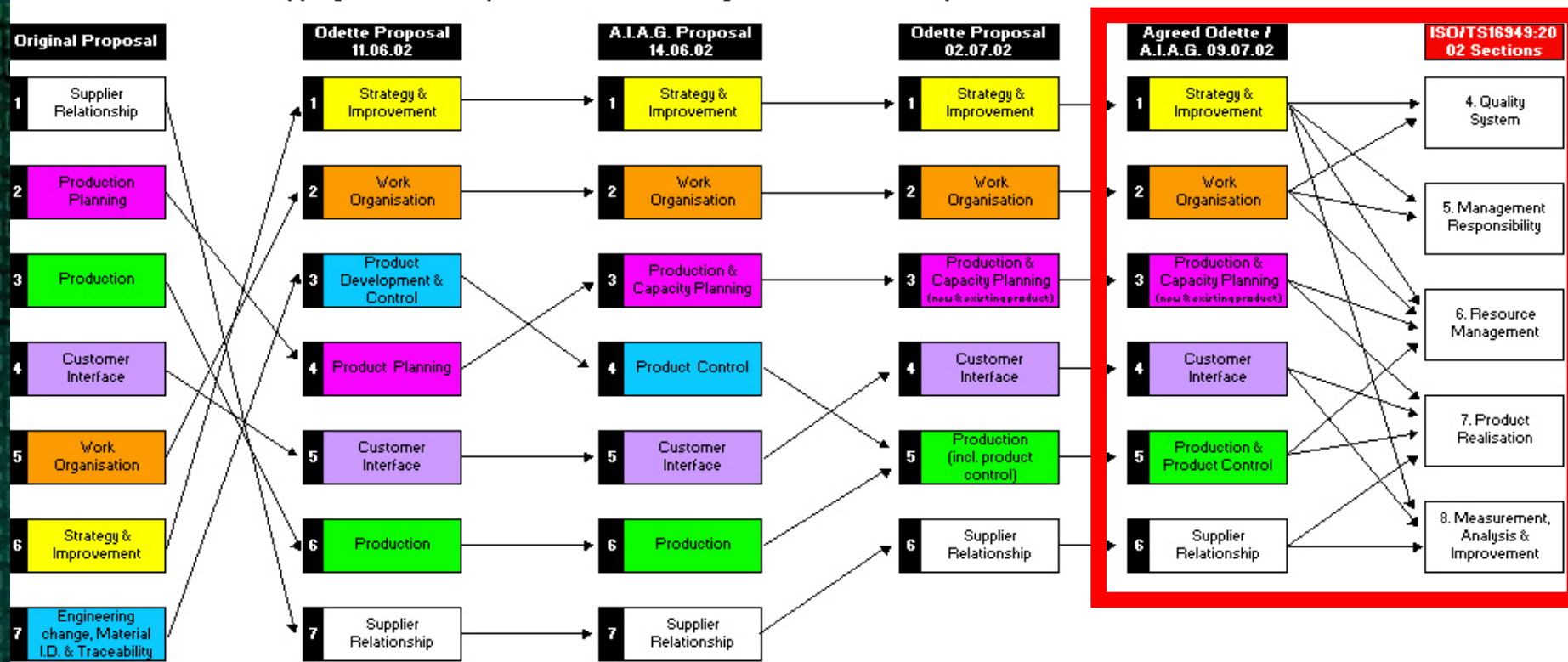
- FORD Motor Company
- Daimler Chrysler Corporation
- The Gates Rubber Company
- American Axle & Manufacturing
- AIAG

Objectives of the Global Project “Global MMOG/Logistics Evaluation”

- To provide a ***Global Logistics Evaluation standard*** (by combining the ODETTE Logistics Evaluation and the MMOG) in order to have the same standards for evaluating the capability of logistics processes in all countries
- To achieve ***improved document structure and contents*** by considering suggestions made by users of the ODETTE Logistics Evaluation and the MMOG
- To propose the Global MMOG / Logistics Evaluation as an ***ISO standard***

Structure of Global MMOG/LE (I)

Mapping of the Development of the Global Logistics Evaluation Chapters and Links to ISO/TS16949:2002



Components of Global MMOG/LE

Evaluation catalogue includes :

- Foreword, Introduction and Instructions
- Questions and criteria, Self-assessment
- Scoring summary sheet
- GAP analysis
- Glossary

Foreword

(excerpt)

Materials Planning & Logistics is the process of planning, implementing and controlling the efficient, effective flow and storage of goods, services and related information from point of origin to point of consumption for the purpose of conforming to customer requirements.

This guideline has been prepared to assist organizations in developing and implementing a world class Materials Planning & Logistics Management system.

Objectives

(excerpt)

The document aims to achieve the following objectives:

- Produce a common Materials Planning and Logistics evaluation that can be used by all business partners both internal and external.
- Enable Materials Planning and Logistics continuous improvement plans to be developed and prioritized, thus enabling time to be spent on those activities that offer the greatest benefit.
- Establish the components of a Materials Planning and Logistics system for suppliers of goods and services within the automotive industry.
 - § Drive continuous improvement within the organization
 - § Improve delivery performance within the supply base
- Prepare basis for benchmarking activities and to identify 'Best Practice Criteria' of materials planning and logistics processes for driving continuous improvement plans.

Structure of Global MMOG/LE

(Questions and Criteria)

- Structure
 - 6 Chapters
 - 61 Questions
 - 206 Criteria to be evaluated
 - 351 maximum points to achieve

	Strategy & improvement Chapter 1	Work organization Chapter 2	Production & Capacity planing Chapter 3	Customer Interface Chapter 4	Production & Product Control Chapter 5	Supplier Interface Chapter 6	TOTAL
No. of questions	9	10	9	11	12	10	61
No. of criteria	34	30	23	42	43	34	206
Maximum points	63	41	39	79	69	60	351

Structure of Global MMOG/LE

4.1 COMMUNICATION

Question

4.1.1

The organization maintains a process to ensure a co-operative communication based on actual and adequate information for both parties.

Why-Statement

Why?

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

Criteria to be evaluated with specific weighting

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), visualised 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)

Change to ODETTE Logistics

Evaluation :

Evaluation no longer on question level but on criteria level

Structure of Global MMOG/LE

Weightings

- F3:

If requirements are not met, there is a *high risk of impact to customer operations* in the short term

- F2:

If requirements are not met, long-term customer satisfaction or the organisation's performance will be seriously affected

- F1:


If requirements are not met, the organisation's competitiveness will be adversely affected

Scoring : Scoring summary

National
organisation logo



Global Materials Management Operations Guide / Logistics Evaluation results sheet

Chapter	Question number	Result (Criteria score x Weighting of criteria)												Act. Score	Max. Score	S=self assessed	V=verified assessed	
		1	Weight.	2	Weight.	3	Weight.	4	Weight.	5	Weight.	6	Weight.					7
1	1.1.1		F2		F2		F2		F2						0	8		
	1.2.1		F2		F2		F2								0	6		
	1.2.2		F3		F3		F3		F2		F2		F1		0	16		
	1.3.1		F2		F2		F2		F1						0	7		
	1.3.2		F2		F2										0	4		
	1.4.1		F1		F1		F1								0	3		
	1.4.2		F3		F2		F2		F2		F1				0	10		
	1.5.1		F1		F1		F1								0	3		
	1.5.2		F2		F2		F2								0	6		
Chapter summary				F3		F2		F1		Total Chapter 1				0				
Fulfilled				0		0		0		MAX Score				63				
Not fulfilled				4		21		9		%				0%				

SUMMARY

TOTAL score
Maximum Score
%

0		F3	F2	F1	Σ
351	Fulfilled	0	0	0	0
0%	Not fulfilled	35	75	96	206
	Σ	35	75	96	206

A, B or C



Scoring : ABC-Classification

Level definition	Global MMOG / LE
A-Level Logistics	<p><u>Definition</u> : The supplier far surpasses <u>minimum standards in every aspect</u> and can be considered at or near "world class" standards.</p>
	<p><u>Deployment from evaluation</u> : A-Level is achieved if 90% or higher is obtained overall. Non-compliance to less than 6 F2-questions and compliance to all F3-questions will result in Level A.</p>
B-Level Logistics	<p><u>Definition</u> : The supplier is deficient in <u>two or more aspects of a given category or multiple categories</u>. An action plan should be in place, and the corrective action SHOULD NOT require a significant amount of time (3 months or more) to implement.</p>
	<p><u>Deployment from evaluation</u> : B-Level is achieved if 75% < 90% is obtained overall. Non-compliance to 6 to 12 F2 questions and compliance to all F3-questions will result in Level B.</p>
C-Level Logistics	<p><u>Definition</u> : The supplier is deficient in <u>one or more critical/high-impact aspects of a given category</u>. Action plans are required to ensure deficiencies do not result in serious or prolonged issues to the customer.</p>
	<p><u>Deployment from evaluation</u> : Non compliance to ANY F3 question will result in the overall status to be no higher than Level C or less than 75% obtained overall. Non-compliance to 13 or more F2 questions overall will result in Level C.</p>



GAP Analysis

An action plan is required for all criteria not fulfilled.

All criteria not fulfilled will be **automatically** populated onto the GAP analysis portion of the Excel spreadsheet .

It will then be necessary to analyze the problem and define a measure to solve the problem and complete the action plan.

Glossary (examples from document)

Bottleneck

The point in a process that limits total output.

Buffer

A quantity of materials used to protect against process variability.

Calibration

A set of operations that establish, under specific conditions the relationship between values indicated by a measuring system or values represented by a material measure of reference material and the corresponding values of a quantity realized by a reference standard.

Capacity

The highest number of units that can be consistently produced in a given period of time. Generally expressed in time increments of both straight time and maximum sustainable overtime levels.

Training for Global MMOG/LE

- Availability of training :
 - globally (Europe + America) agreed training contents and concepts
- Training content
- Approximate date of availability:
 - end of 1st Quarter 2004



Intressant Gerhard!

men...

Vad innebär detta
för mig?



Kravbilden

- MS9000, MMOG, OLE, EVALOG...
 - Försvinner och ersätts av Global MMOG/LE
- Krav på ständig förbättring
 - ISO/TS 16949
 - Kostnadsreduktion / prissänkningar
- Komplexare försörjningskedjor
- Mätbarhet / jämförbarhet
- OEM krav (Q1)

What's in it for me?

- Nyttä?
- Hur mycket arbete krävs?
- Vad kostar det?

Nulägesanalys

- Var befinner sig mitt bolag idag?
- Vilka andra dokument har vi idag som stödjer kraven?
- Kommer kraven att ändra sig?
- Hur skall vi använda dessa tidigare investeringar?
- Vilken nytta hade vi av OLE dokumentet?



Uppfyller vi kraven
som ställs på oss?



Nej



Ja

Hur uppfyller ni kraven?

- Beställ dokumentet via www.odette.se, gratis inom Europa
- Utför en självutvärdering
- Kommunicera med era kunder
- Kommunicera med era leverantörer

Behövs ökad kunskap om MMOG/LE?

- Det är ett omfattande dokument
- MMOG/LE skiljer sig från OLE
- MMOG/LE berör flera olika funktioner i företaget, detta ställer krav på samordning
- Ständig förbättring kräver kontinuitet och kunskap

Utbildning i MMOG/LE

På initiativ av Odette & AIAG har det skapats en kurs kring MMOG/LE

Kurskrav

- 1 dag, Global utbildning, start Q1 2004

Måldeltagare

- Logistik, inköp, kvalitet, IT etc

Kursmål

- Känna till MMOG/LE och kunna utföra en självutvärdering

Utbildning i MMOG/LE

- 4 Globala utbildningsgivare
 - Intentia (Norden)
 - Oly Management Consultants (Tyskland, VDA)
 - TRILOGIS (Frankrike, Galia)
 - AIAG (Nord- och Mellanamerika)
- Global pilotkurs utförd 5/3
 - Gemensamt utbildningsmaterial
 - Flertal kurser utförda i Frankrike



Course Objectives

- Use the Global MMOG/LE information in this course as a tool for continuous improvement, and as a result be able to:
 - Understand the sections of MMOG/LE
 - Self-assess your operations and perform a gap analysis
 - Generate, based on gap analysis and sample project plan, your own Global MMOG/LE improvement implementation plan

Global MMOG/LE



Course Objectives

- Through sample presentations and action plans, you will also be capable of communicating Global MMOG/LE issues to:
 - Management
 - Specific members
 - Overall organization
- In order to gain**
 - Sponsorship
 - Management acceptance
 - Support for assessment
 - Resources to accomplish action plans



Agenda

- ✦ Introduction
- ✦ Global MMOG/LE – Background & History
- ✦ Audit & Self-Assessment
- ✦ Understanding the Global MMOG/LE Document
- ✦ Understanding the Global MMOG/LE Document (Demonstration)
- ✦ Examples and Exercises
- ✦ Implementation
- ✦ Summary and Course Evaluation

Nya verktyg i utbildningen

- Participants Guide
- Participant Toolkit
 - Sample Presentation (01 Sample presentation.ppt)
 - Materials Model (02 Material Model.ppt)
 - MMOG/LE Responsibility Matrix (03 MMOG-LE Matrix.xls)
 - MMOG/LE Gap Action Plan Example (04 MMOG-LE gap action plan example.xls)
 - Charting Examples (05 Charting Examples.ppt)
 - Sample Excel Project Plan (06 Sample Excel Project Plan.xls)
 - Blank Excel Project Plan (07 Blank Excel Project plan.xls)
 - Sample Microsoft Project Plan (08 Sample Microsoft Project Plan.mpp)
 - Global Materials Management Operations Guideline/Logistics Evaluation (m7.xls)

Utbildningsinformation

- 1 dagsutbildning (09.00 -17.00)
- Teori kombinerat med praktiska övningar
- 2 Utbildare
- 10 till 15 deltagare (2 till 3 per företag)
- Pris 4800 SEK
 - 2:a & 3:e deltagare 50% rabatt

Information kring kurser

Kursdatum 2004

2004-04-07	Göteborg	Fullbokad
2004-04-29	Göteborg	
2004-05-20	Malmö	
2004-06-17	Stockholm	

Intresseanmälan/frågor: johan.bystedt@intentia.se

Höstens kursdatum meddelas senare

Projektgenomförande i grupp

Mål: Utföra en självutvärdering på sitt företag.

Dag 1: Utbildning i MMOG/LE,
Projektplanering 1

Dag 2: Utbildning i MMOG/LE, workshop steg 1
Projektplanering 2

Dag 3: Verifiera utvärderingen och skapa GAP
Analysis & Action plan.

Executive summary

Mål: Informera om- och initiera självutvärdering.

“För Management “

“För Leverantörsdagar”

Företag som deltagit i OLE utb.

- 3M Svenska AB
- AB Volvo Penta
- ABB
- ALPS Nordic AB
- Atea
- Autoflator AB
- Autoliv Electronics
- AVK Tooling A/S
- Boxholm Stål
- Bufab Lann AB
- Collins & Aikman
- Componenta Åmål
- Control IT
- Danzas ASG Eurocargo
- DFDS Fraktarna AB
- DFDS Global Logistic
- Fergas AB
- Fibo AS
- Finnveden Powertrain
- Hellermann Tyton
- HordaGruppen
- Intermec
- IRO AB
- Kanalfläkt AB
- Kendrion Pellego
- Lear Corporation
- Levi Peterson
- MACK
- Meritor Hvs AB
- Nitator AB
- Ovako Steel AB
- PartnerTech AB
- Plastal AB
- Raufoss Engineering
- Samhall
- Schenker International
- SKF
- SYSteam Distributed applications
- SYSteam Mariestad AB
- Teknologisk Institut
- Tenhults Pressgjuteri AB
- TFX Scandinavia AB
- Tranås Industrikablage
- Volvo Car
- Volvo North America