

The Next Step



The Newsletter devoted to comment and discussion within the QCDSM process

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QCDSM is not industry specific! It establishes the principles of Continuous Improvement within a company. What about QCDSM and the Superyacht Industry?? Read on.....

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Greetings

We congratulate those many companies that have maintained their commitment to QCDSM. They have obviously seen the benefits and understand that it is **THE** way to conduct their businesses.

Previous newsletters have concentrated on various other aspects of the process. I wish to focus on a most important aspect with this newsletter, viz. **Continuous Improvement** and how employee involvement drives that improvement.

I will borrow from Wikipedia to present an understanding of **Continuous Improvement** and then relate it to the QCDSM process. (I have added or changed some words and phrases.)

"A Continuous Improvement Process (CIP) is a management process whereby delivery (customer valued) processes are constantly evaluated and improved in the light of their efficiency, effectiveness and flexibility. (and productivity.)"

*..... Deming saw it as part of the 'system' whereby **feedback from the process and customer were evaluated against organizational goals.** The fact that it can be called a management process does not mean that it needs to be executed by 'management' merely that it makes decisions about the implementation of the delivery process and the design of the delivery process itself.*

Some successful implementations use the approach known as Kaizen (the translation of kai ("change") zen ("good") is "improvement"). This method became famous by the book of Masaaki Imai "Kaizen: The Key to Japan's Competitive Success."

The core principle of CIP is the (self) reflection on processes. (Feedback) [i.e. informing the employees of the results.] The purpose of CIP is the identification, reduction and elimination of suboptimal processes. (Efficiency)

*The elements above are the more tactical elements of CIP. The more strategic elements include **deciding how to increase the value of the delivery process output to the customer (Effectiveness) and also how much flexibility is valuable in the process to meet changing needs.***

How does QCDSM compare to this?

As you know, QCDSM establishes a structure in the company which not only gives to the employee **the feedback on the processes they are using but also provides a further visual representation of how well they are serving their external and internal customers.** This is what is called the Green Room Meeting.

The results of their work are measured and displayed in the form of visual charts and the results reflect the performance of the processes that they are using in their jobs. By monitoring these results; **by being directly involved in developing, training, improving their procedures - we call them Detailed Process Sheets (DPSs),** every employee, every department is now directly involved in continuous improvement.

Compare the basic structure of QCDSM with the definition and explanation given in the previous paragraphs. By incorporating the principles of CI into a structured and disciplined methodology, QCDSM provides its clients with a **packaged methodology** that becomes the backbone of their business.

In order for the people of a company to understand the dynamics of the methodology, QCD Systems Inc has developed a unique and powerful training seminar called **TryZ.** This 2.5 day seminar enables those who will be instruments of change in a company to experience, in a classroom setting, the power of the process. They will develop a procedure to build 15 plastic model cars with 68 parts per model to productivity and efficiency standards that are strictly measured. Using the

visual management process and the development of DPSs.

We have conducted over 400 of these seminars in different parts of the world - from South Africa, to Belgium to Canada, the USA, Puerto Rico, Mexico, Central America - Panama, Costa Rica, Guatemala, Argentina, Brazil, Venezuela and now New Zealand.

The experience gained in all these countries and in many different industries enables us to customize the process to suit whatever industry, business or venture you are conducting. **This wealth of experience enables us to adapt the process to your business and thereby enhance what you are already doing.**

QCD Systems will provide the expertise to carry out this most important task. We will work on site and will interview the people concerned and develop the manuals and guides.

Our work with so many companies in different countries has enabled us to recognize the diverse management styles and cultures within those companies. We have been able to customize the system to suit those environments and have gone a step further in providing those companies with extra tools to manage the change in management style.

Any attempt to improve productivity and efficiencies in a company cannot neglect the importance of the employee. By providing the employee with the forum to manage their areas and to develop procedures to do their tasks they will take control of the results in their areas.

This employee involvement will incorporate **Continuous Improvement** simply because each employee is determined to do the best they can in their area. By providing the forum and the authority to do this using the QCDSM system, they will make the necessary changes and improvements to reach their targets provided they know what those target are.

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Now onto an exciting development.

What if I were to tell you that QCDSM is involved in the Superyacht Industry? Again, what if I told you that this initiative is being pursued in New Zealand?

This should not come as a surprise to those of you already using this system. However, understanding how it can be adapted to not only building Superyachts (manufacturing) but also providing a management system for managing the running of a Superyacht needs further explanation. Let me 'set the table' first, as it were, and then give examples of what has been achieved thus far.

The Superyacht industry is vast. It has a presence in many parts of the world and even though we are facing a deepening financial crisis, this industry is able to adapt and move forward.

It all begins with a decision by an owner to build a superyacht. A management company in most cases receives the brief and it is they who negotiate with boatyards to fulfill the dream of the owner. This part of the process lends itself to the QCDSM process in many ways.

Firstly, QCDSM is able to assist the management company to manage the project both within their company and in the boatyard. By establishing regular Green Room meetings and beginning the process of daily management of the project, the management company will be able to control the projects by bringing together the major participants in the project.

Secondly, QCDSM will enable the management company to begin selecting crew and enable them to train the crew to sail that yacht in the most efficient manner. This will entail close cooperation between the owner, the captain, the management company and the crew themselves.

QCDSM will provide a template for maintaining the close relationship that must exist between these partners in the venture of building and crewing the yacht. This is an innovation for the Superyacht industry in that developing crew to provide the service and performance needed has been and is one of the main concerns within the industry.

Finally, perhaps the greatest contribution that QCDSM can offer is to the boatyard providing them with a management system to enable them to build the yachts on time, with the ex-

pected quality and within the budget decided on. **ONE OF THE MAJOR CONCERNS OF OWNERS, MANAGEMENT COMPANIES AND BOATYARDS IS THE PROBLEM OF LATE DELIVERIES AND OVER BUDGET YACHTS.**

Another major innovation in the adaptation of QCDSM to this industry is the ability of the system to provide a management system on the yacht whereby the day to day function of running the yacht is managed through QCDSM. Coupled with this innovation is the ability of QCDSM to not only provide the same system during the training of the crew but to also enable the development of a training program that will train the prospective crew to multitask on the yacht thereby spreading the functions across the crew rather than compartmentalizing responsibilities.

QCD Systems Inc was invited early in 2008 to participate in adapting QCDSM to help train a crew to man a yacht being built in New Zealand.

We set up a selection process to select 4 crew members out of 17 prospective participants. This process of assessment required the attendees to go through the Try Z seminar among other exercises. Four prospective crew were selected and were taken through a six month training process using the Try Z Seminar, the Green Room meetings, DPS writing - the whole process. They achieved remarkable results because each day they managed their training using the process. They developed DPSs using the 80/20 principle which allowed them to archive their knowledge. They were able to go onto the yacht being built and correlate what they were being taught with the actual real scene they would be managing. By November of this year they were ready to be the crew on the yacht.

We presented a Try Z Seminar to the Marine Industry Association of New Zealand (MIA) which represents the boatbuilders of the country and from this seminar was commissioned to implement QCDSM into one facility. After approximately 3 weeks into the implementation this yard was able to measure remarkable results on the one Cruiser they were building. As this is a series build they are developing processes and lists of improvements to apply to the new builds. For the first time they were able to involve their people directly in measuring their performance, in completing tasks to build and assemble the yacht. They will now apply lessons learned to the new builds.

A second boatyard applied the same

principles to the superyacht they were constructing and as a result were able to determine the actual hours of build compared to the projected hours. **Neither yard had used a process like this before.**

After the MIA Try Z and the entre into the two boatyards I was asked again and again how this process can be applied to their industry which **BUILDS ONE-OFF YACHTS?** No matter what the design of vessel being built is, **THE PROCESSES ARE THE SAME!** Engines need to be installed, decks need to be laid, wires need to be run, the hull needs to be painted etc.etc.

We found, as with the other companies we have worked with, that, once the boatbuilders, electricians, engineers, painters were able to see the whole project and the part they played in it, they were energized to meet the targets and to improve on them. It reached a point that each person working on the yacht was keen to record their job times so as to compare them to the project timeline. The were 'incentivised!'

Based on the above results, we have been approached to work with the boatbuilders' apprentice program in NZ training them in the Try Z methodology. Contacts have also been made in Europe to present the process to one of the largest management companies for Superyachts in the world and to be introduced into one of the important maritime crew training facilities in the UK. **In this competitive atmosphere and especially in these times of financial uncertainty, a sense of urgency is needed to take that NEXT STEP!**



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