



Volume 2, Issue #02
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Director's Message



Since the announcement of the Automotive Supply Chain Development Program (ASCDP) on March 5th 2010, the Automotive Supplier Excellence Australia (ASEA) team has focused on quickly re-establishing the Assessment Process, so Suppliers can complete the assessment phase as early as possible.

This was so important because it's through this process that the opportunities for improvements within each Supplier are identified and it's only when these improvements are implemented that the real value to the Supplier is added.

Therefore, in order to maximise the value added to the Automotive Supply base through this ASCDP Element 1 Program, it was paramount to commence the project improvements as early as possible within the current Program.

I am very happy to report that so far we already have 49 Suppliers signed up for the program and of these, 40 have already completed the assessment phase and have entered into the project implementation phase. I believe it goes without saying that the impressions Suppliers are left with, following the assessment, will determine their enthusiasm and willingness to work with the ASEA team in the project phase. A feedback questionnaire for Suppliers at the end of the assessment is an important milestone tool for ASEA.

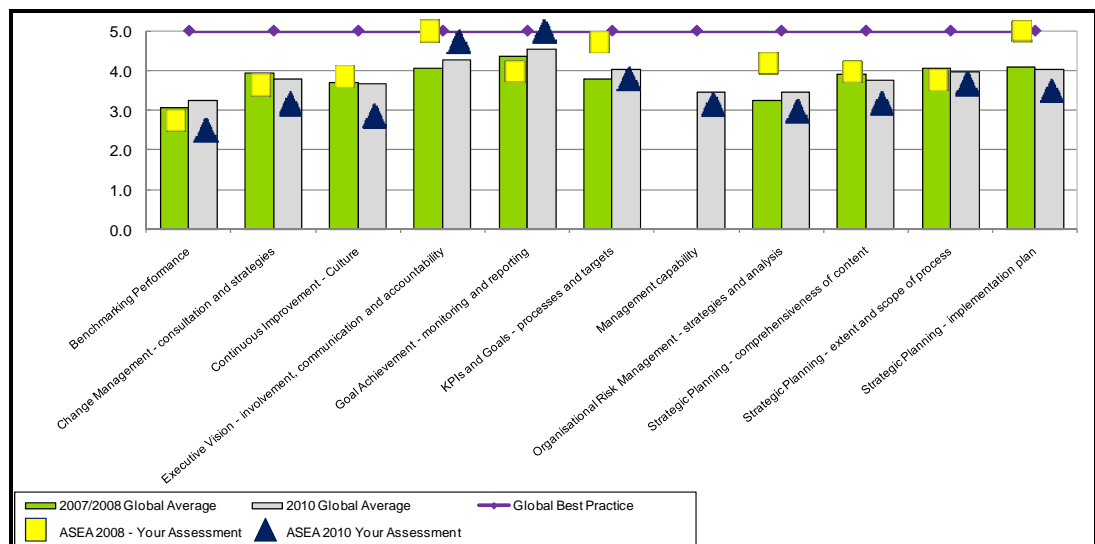
We ask each Supplier to respond to 10 questions using a rating scale between 1 and 7 as shown below.

Questionnaire Ratings						
1	2	3	4	5	6	7
Strongly Disagree		Agree			Strongly Agree	
Low Support		Acceptable Support			Highly Supported	
Did not meet Expectations		Met Expectations			Exceeded Expectations	

So far the average of all ratings across all questions is a very acceptable 5.39, with a 5.7 average for the question asking about "the assessors experience and skill in conducting the assessment", and an incredible 6.0 average rating for the question that asks "Do you plan to continue working with ASEA on the implementation of the improvements?"

In the spirit of continuous improvement, the questionnaire also asked for suggested improvements that could be made to enhance or streamline the assessment process and based on this feedback, we have made suitable adjustments.

The three Reports provided back to the Suppliers following the assessment include: a) Benchmark Report, b) Improvement Plans, and c) Progress Map. The Progress Map is a new addition to the earlier Stage 2 ASEA process and provides the Supplier with a 2 year timeline plus estimates (where possible) of the potential savings based on implementation of the improvement plans.





The Benchmark Report has also undergone a series of changes and will now provide two sets of graphs, comparing the Suppliers' performance across 52 separate metrics to the Global Average and Global Best Practice benchmarks, as well as the Australian Average and the Australian Best Practices using results from the Suppliers that have been assessed. Of course, in order to calculate meaningful data for the Australian comparisons, we need to conduct a number of assessments.

All Suppliers will initially receive comparisons to the Global data, which will also include the results from the earlier 2007/2008 assessments for those Companies that participated. These comparisons will look similar to the graph on Page 1. The first 30 or so Suppliers to complete the assessment will receive the Reports in two stages: the International Comparisons in the Initial Report, followed by a re-issued Report with the Australian Comparisons.

The current ASEA (ASCDP Element 1) Program has only 16 vacancies left, so we would encourage you to register your interest on the ASEA website at www.asea.net.au

ASEA Steering Group

I am very pleased to announce that the Supplier representative for Victoria and the final member of the ASEA Steering Group is Mr. Olavi Rantala, CEO of Hella Australia Pty Ltd.

ASEA/C21 Forum - October 15, 2010

AutoCRC through ASEA and the Victorian Government will be holding the 2nd joint ASEA/C21 Forum for 2010 at the Ford Broadmeadows Training Facility on October 15th between 2:00pm and 5:00pm. The theme for this Forum will be "Competitiveness, Diversification, Success", so please put this date in your diary. Presentations will be made by Purchasing Executives from Ford, Holden and Toyota, as well as from four key Supplier Companies. There will also be a guest speaker arranged by the Victorian Government, so please don't miss this important net-working event.

ASEA Coaches and Specialist Providers

The ASEA mission is aimed at helping Australian Automotive Suppliers to increase their competitiveness and sustainability, so it is important that ASEA uses processes that can optimise the transfer of skills and knowledge, to both the program and the project participants.

Since the inception of the ASEA program in 2007, improvement projects have been categorised as either Category A, B or C. A variety of skilled and knowledgeable people have provided the service and support necessary to meet the agreed project deliverables. Specialists and subject matter experts (SMEs) required for Category "C" projects have been identified and sourced from a broad range of backgrounds, with many bringing an impressive array of skills and experience.

Projects identified as either Category "A" or "B" requires a coach to help transfer and impart the skills and knowledge to the participants. The Category "B" projects use a best practice process that involves a combination of both training and coaching (learning and doing), to maximize this knowledge transfer and increase the sustainability within the organisation.

With the coaches playing such a critical role in helping new learnings to become sustainable, it is extremely important that the people used as coaches for the projects implemented through the ASEA program, are also highly skilled at coaching. To ensure this, all ASEA coaches have to be certified.

In early 2008, ASEA was very fortunate to have Dr Margaret Rossiter from the Australian National University (ANU) deliver the Coach Certification program for all the Stage 3 coaches and Margaret has kindly agreed to continue to deliver this important program in the new ASCDP Element 1 ASEA program.

Two training/assessment programs have recently been concluded (more details follows) and ASEA now has an additional 13 certified coaches, making a total of 20 coaches across a variety of competency areas. This includes Strategic Business Planning, People & Performance, Lean Enterprise, Supply Chain Management, Marketing & Sales, Quality, Safety and Financial Systems & Practices, just to name a few.

Program Update - Queensland, New South Wales, Victoria & Tasmania



At the moment there are 31 Improvement Projects that have been initiated and they range from the early stages of formulation, scoping approval through to projects that are currently well underway.

The types of improvement projects initiated include Strategic & Business Planning, Lean Enterprise (Visual Management, VSM & 5S') plus

Supply Chain Management (MRP/ERP Reviews). These project types were also part of the Stage 3 Pilot Program. In addition to these, new improvement project types include New Business Development, People & Performance (staff succession planning/appraisal systems) and Energy & Waste Management. To support these projects, we are utilising the ASEA Coaches who were part of the Stage 3 Pilot plus new members to the coaching team as the project range and specialty expands.

ASEA Metrics Wall:

We are further enhancing our visual management of the overall program to focus on achieving the set milestones. In the previous newsletter, we indicated that the metrics wall was segmented into five major areas: Team Members, Key Program Milestones, Benchmarking and Assessment Phase, Improvement Project Phase and ASEA Program Reference and History. In the Improvement Project Phase the tracking system includes the following:

- 1/ Project Detail - subject, category, size, competency and priority
- 2/ Setup Stage - initial and scoping meetings, client cost, invoicing and payment
- 3/ Review Stage - timing, status frequency and % completion
- 4/ Feedback Stage - mid and final project content and engagement process

This Improvement Project Tracking document is updated weekly by the Client Managers and reviewed with the ASEA Director to ensure that each project conforms to the ASEA program timing and commercial requirements.

Program Update - South Australia



Eleven companies in SA have completed the assessment process with three pending completion.

A number of world's best practice activities have also been seen by the assessors while conducting their reviews and we plan to showcase some of these in the future.

Those who have completed the assessment are now in the process of following up the recommended improvement plans.

The value of the assessments are clearly shown by the fact that six of these improvement plans are seen as so applicable and important that they are already being conducted by companies internally.

A further twenty two improvement plans are in various stages of review or scoping out, with a number due to start shortly.

New ASEA Staff Members



Commencing July 12, 2010 Tom Chappell was appointed as a Client Manager. Tom has come from a Ford background and was involved in a variety of roles including Supply, Marketing & Sales and finally working with Ford's Dealers. Tom has had roles at Ernst & Young Consulting, working with clients such as Mitsubishi Motors and BHP Billiton and more recently working with IF Consulting and GMHBA.



Judy Boyce also joined ASEA on July 12, 2010. Judy has spent the last 3 years working in Accounts/Administration for Elite Appliances, Hawthorn and prior to that spent 12 years as the Office Manager for the Co-operative Research Centre for Intelligent Manufacturing Systems & Technologies Ltd (CRCIMST). Prior to the CRCIMST, she had a number of roles at the National Australia Bank Head Office in Bourke Street Melbourne, including Office Supervisor, working with Chief Managers and General Managers in Strategic Planning and Financial/Economic Reporting Divisions.



And joining ASEA in August, Tom Wood is an engineer from the Australian National University (ANU). After completing an undergraduate degree in Engineering Physics in Canada, Tom undertook a Masters degree at the ANU in Canberra. Since completing his studies, Tom has worked in various roles relating to research and development and commercialisation. He has been awarded two patents for work on wastewater treatment systems, managing a commercialisation program for one of these in China. Tom remains active in the research and development field and is a founding partner in two ventures nearing early stage commercialisation.

Recently, Tom returned to the ANU, taking up a research role with the Automotive Australia 2020 project (AA2020). AA2020 examined future technology trends and developed a technology roadmap for the automotive industry. This work received a nomination for an Engineering Excellence Award from SAE Australasia and Tom received the runner-up prize for Young Engineer of the Year, 2010. This role has been extended as a secondment to AutoCRC with Tom working as

Product Development Manager for the ASEA program.

ASEA Coach Assessment & Certification Program 2010

Dr Margaret Rossiter led two consecutive one day training sessions in August. All coaches involved in the ASEA program are required to undergo this process.

The training program provided an excellent opportunity for the new ASEA team members to meet and interact as a group during the various aspects of the program.

A central part of the program was the *Socratic Approach*, the art of well framed questions that leads to discovering a new approach by the Coachee. A formal assessment was also part of the training. Well done to all participants.

2010 FAPM Gold Coast Conference

The 2010 FAPM National Conference was held at the Radisson Resort on the Gold Coast in August. The theme of the conference was "Green Technologies - The Way Forward".

ASEA/AutoCRC was represented at the Conference by Barry Comben, Linsey Siede, Ian Christensen, Gary White and Tom Chappell. Starting at the welcome reception, the convivial atmosphere among the conference delegates was apparent, as hard working auto industry folk relaxed for a few hours. Even an unscheduled tropical downpour failed to dampen the spirits of the 100+ participants.

Linsey gave two presentations, "How to Do Well by Doing Good" and an update of the ASEA program. Gary spoke on "Automotive Technologies in a Green Future". Among the many notable speakers at the conference were:

- Senator Kim Carr, who took time out from the Federal Election campaign to deliver an Industry Update to the delegates.
- John Mellor, who covered some of the latest developments in future vehicles and green energy.
- Evan Thornley, CEO, Better Place, who listed a number of industries which had experienced a profound technological disruption, and predicted that the oil industry was in line to be similarly disrupted. He described some of the opportunities he sees for electric vehicles and supporting infrastructure.

MC, Toby Travanner hosted the conference with his usual high energy and enthusiasm and moderated a hypothetical panel discussion tasked with increasing local production of motor vehicles.

Lincoln Hall, the "Gala Dinner" Guest Speaker, is the mountaineer who was thought to have died ascending Mt Everest in 2006. Lincoln related a gripping account of this life-changing experience to the assembled delegates, which was delivered in a contrasting nonchalant manner.

The conference was well organised by the FAPM, thanks to Richard Reilly and his team.

ASEA Website Update

It is without a doubt that the new look ASEA Website is certainly worth regularly visiting. A Members' Only section has been added, enhancing the importance of keeping the entire ASEA Team informed on progress throughout each project. It is updated on a regular basis so be sure to visit www.asea.net.au.

ASEA is on the move

ASEA has moved offices

The ASEA Office from Monday 20th September, 2010 is now:

Unit 57 & 62, Level 2, 574 Plummer Street,
Port Melbourne, VIC. 3207.



ASEA Team Meeting - 24/8/10