

Automotive Supplier Excellence Australia

Director's Report by Linsey Siede.



As we begin the 2011/12 financial year, we are half way through the second year of the Automotive Supply Chain Development Program (ASCDP) program. Since commencing this program in March of 2010, the ASEA team has conducted comprehensive business assessments of 65

individual automotive supplier sites / companies spread across five states.

Following the assessment, each company received an in-depth "Benchmark Report" comparing their business to global best practices across 11 competencies and 52 metrics, identifying where they operate at best practice levels, and where they have gaps.

More importantly, each company received a set of prioritised "Improvement Plans" identifying the actions they need to implement to close the gaps, and help the company become globally competitive. The process of assessing and reporting back is critical in identifying the improvement opportunities, but unless the organisation actually implements the plans, it is all a huge waste of time and effort.

Therefore the most important part of the entire ASEA process - and the only part that adds real value to the company - is in completing the action projects. To help the company implement the projects, ASEA currently has over 40 coaches registered, and each coach has been certified via an independent assurance program.

Each step in the ASEA process is monitored by using questionnaires completed by the participating companies. This feedback is used to continuously monitor, update and improve the process, including the assessment and the action projects.

Recent unsolicited feedback on the program - obtained during Automotive Week - has been both encouraging and rewarding, and validates feedback obtained from those companies already participating. It would appear the ASEA processes and products are becoming more widely known within and outside of the automotive sector, particularly as participating companies talk about the improvements they implemented, and the benefits realised.

In this current program ASEA is well on the way to reaching our target of implementing 140 projects. Completed projects have covered a broad array of disciplines. The average feedback scores from participants on the completion of their projects have been well into the "exceeded expectations" category.



About Automotive Supplier Excellence Australia (ASEA)

ASEA is charged with the task of assisting Australian automotive suppliers in achieving world class capability and competency levels through:

- Assessment component suppliers, based on a range of metrics agreed by MVPs and suppliers.
- Planning and implement prioritised supply chain development projects to raise Australian component supplier capability to globally competitive standards.

ASEA is supported by Ford, Toyota, and GM Holden, the Victorian and South Australian Governments, the Federation for Automotive Products Manufacturers and the Commonwealth. The ASEA program is managed and delivered by the AutoCRC.

Using the rating system of 1 & 2 for "below expectations", 3, 4 & 5 for "met expectations" and 6 & 7 for "exceeding expectations", the two questions achieving the highest ratings were Q4 "Could another ASEA project be conducted elsewhere within the organisation" with a score of 6 out of 7, and Q6 "I would recommend my company participates in additional ASEA projects" with an incredible 6.3 out of 7.

Forums prove valuable

Recently we completed our sixth successful Forum, which was held at the Holden head office in Port Melbourne. As well as hearing from executives representing Holden, Ford and Toyota, attendees at the Forum also heard from four companies that have undertaken projects with ASEA. Their presentations covering the important topics of diversification, innovation and consolidation were well received, and created much discussion during networking sessions.

The ASEA Forums are a unique way of companies gaining knowledge and learning from the experiences of their peers. These events can only work thanks to the willingness and openness of the speakers to share information. So special thanks to all speakers.

The success of the ASEA program relies heavily not only on a disciplined set of processes, but also on the commitment of the leadership and project managers at the suppliers. As projects are completed, deadlines met, results delivered and savings realised, we see the confidence within suppliers continue to build.

The processes used and some of the product offerings (training/coaching courses) ASEA can provide, are documented in a brochure available in hardcopy from the ASEA Office, or in softcopy from the ASEA website at

www.asea.net.au