



Productivity Improvement Project - Implementation



**Productivity Improvement Project - Implementation
SouthGrow Regional Initiative**

Submitted to:

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SouthGrow Regional Initiative Productivity Improvement Project

Introduction

SouthGrow Regional Initiative recognizes that productivity fuels economic growth and that it is important to the future growth and sustainability of the economy and growth in productivity is seen as the only way to increase the long-term material standard of living of its residents. Understanding that growth in productivity is attained by adding value (creating unique products, services and features) as well as by increasing efficiency (reducing costs and improving processes), the regional economic development alliance has placed a priority in facilitating productivity improvement in the region. SouthGrow's journey began in 2008 with an assessment of the region's needs.

Productivity – SouthGrow's Needs

In 2008, SouthGrow Regional Initiative embarked on a productivity improvement project with the objective of gaining a better understanding of opportunities and challenges businesses were facing in relation to productivity in the region. Specifically, SouthGrow Regional Initiative needed trend information related to the status of business, both strategically and operationally, in the region in order to identify productivity improvement tactics required to assist and improve manufacturing and value-added businesses. Trend information was obtained by developing an "inventory" of businesses in the region and soliciting feedback from them on various measures identified through research.

In the SouthGrow region, the main challenge was keeping costs under control, followed by improving workforce productivity and flexibility as well as attracting and retaining skilled workers. Roughly a third of the companies contacted were implementing improvements based on lean principles. The main obstacles companies had to overcome in implementing improvements based on lean principles include backsliding to old ways, "Lean" being viewed as the flavour of the month, and the complexity of the operating environment. The top benefits seen to implementing lean improvements included employee satisfaction, improved process efficiency, waste reduction, improved customer service and improved product quality.

When probed specifically on productivity, many companies expressed concerns. Specifically, companies wanted to increase efficiency, utilize resources better, optimize production, remain competitive and improve employee potential/output. Challenges voiced in relation to productivity included the funds to make improvements or innovate, fully implementing Lean and other techniques, poor organizational culture and lack of willingness to change, engaging employees to their full potential and escalating costs. Suggestions made by industry for improving productivity in the region included bringing companies together to generate ideas/solutions; educating companies using speakers and tours; and providing assistance with the labour situation. Very few of the organizations contacted were aware of the province's productivity initiatives.

As a result of the productivity needs assessment of the region, the following "next steps" were considered by SouthGrow Regional Initiative:

- a. **Awareness** - Organizations in SouthGrow should be made aware of the products, tools and services offered through the Government of Alberta to help businesses increase their global competitiveness. Further, SouthGrow should discuss the

importance of productivity strategy in organizations as well as the steps required to implement it.

- b. **Network and Support** - Businesses and industry in the SouthGrow region are interested in networking and sharing challenges and solutions. SouthGrow should facilitate bringing organizations together to address various productivity issues and concerns. SouthGrow may not be able to lead the networking group, but it can organize initial meetings and assist by providing meeting facilities, etc. Ideally, as time goes on this group can become a network of regional experts and supports to guide new businesses and establish a culture of continuous improvement.
- c. **Education** - The response to the productivity seminar offered in February 2008 was good. Feedback indicates a desire for more education and additional sessions should be organized.

The turbulent economic times that businesses started to experience in 2008 may have created the right environment whereby a focus on productivity becomes a priority and education and training are seen as means to improve operations proactively.

Further, Alberta Finance and Enterprise's Process Improvement Unit was to be encouraged to conduct a pilot project whereby those interested could have their organizations assessed in relation to productivity.

Productivity Improvement – Implementation - 2009

Alberta Finance and Enterprise reviewed the report on SouthGrow's needs in relation to productivity and supported the regional economic development alliance to move forward with the recommended next steps through a grant. The grant was to aid the region's businesses as they:

- Learn about productivity improvement initiatives and programs that can be utilized that are available provincially as well as within the region.
- Take advantage of specific training initiatives in the region, leading to productivity improvements throughout the organization.
- Support the creation of a regional business culture that fosters ongoing productivity improvements through networking.
- Identify how to improve their productivity through assessments (using tools that are currently being developed by the Province), aimed at providing direction on tactics to implement.

It was anticipated that the result of the implementation of these steps would be benchmarks and best practices that would be documented and form "success stories" or examples on how productivity and innovation can lead to success. These would then be documented as business cases that would guide other organizations to adopt the culture of productivity and innovation and develop and implement strategies that would increase competitiveness.

Productivity

Productivity measures the efficiency with which resources such as labour or capital are employed in the production process. It is essentially the relationship between the output of goods and services and the inputs of resources. Two widely used measures of productivity are:

- **Labour productivity** (output per hour worked by employee), defined as the ratio of output (GDP) to labour input (number of hours worked). A measure is the annual change in real output per hour worked. In the long-term, labour productivity is the primary driver of real wage growth.
- **Multi-factor productivity** (real output of combined inputs such as capital, labour, etc.), defined as the efficiency of all of combined inputs. It is an indicator of technological progress.

The overall performance of any company, operating in any industry is comprised of at least seven key criteria:

1. Effectiveness
2. Efficiency
3. Innovation
4. Productivity
5. Profitability
6. Quality
7. Quality of Life

Innovation is tied to productivity and can take many forms:

- Market extension (develop new products/services, facilitate product/technological adoption to create value, introduce new services value streams to enhance productivity)
- Business models re-invention (reconfigure way that business is done, create more integrated products and services, etc.)
- Process improvement (make processes more effective, efficient, productive, etc.)
- System solutions (rethinking, generating new solutions to existing problems)
- Product improvement integration (continuous improvement, leveraging existing technology)
- Technology invention (product creation/development)

It is important to note that innovation can take many forms in an organization. It can be a sequence of small, unremarkable organizational process or product improvement activities. It can be investment in new machinery and that embodies new technologies and facilitates organizational change. It can encompass discrete process or product innovations based on technology acquired from others or developed in-house. It can also include new business formations to exploit new technologies transferred from universities or other sources.

Organizations face many challenges pertaining to productivity. These include:

- Exchange rate fluctuations. For example, a rising Canadian dollar can make other countries' products more competitive against domestic products.
- Production costs such as labour, energy, and materials impact competitiveness.
- The supply and demand of labour as well as the availability of skilled labour can impact the ability to produce competitively.
- A downward price pressure caused by the emergence of low cost industrial economies combined with a trend toward global sourcing can challenge companies.
- Competing economies that are shifting from industrial-based models to knowledge-based models driven by innovation, technology, entrepreneurship and sustainability can impact productivity.

- New and more exacting global customer expectations challenge companies.
- The expansion of global business networks and competing knowledge supply chains pressure companies to stay current.
- The transition from mass-production to mass-customization challenge companies to re-think their processes.

Again, innovation plays a prominent role. Factors that contribute to poor productivity growth include:

- o Slow or no adoption of new processes and technologies to enhance efficiency.
- o Underinvestment in machinery, equipment and technology.
- o Lack of innovation to enable the creation of new products and technologies.
- o Lagging workplace re-organization and worker training.

There are eight drivers of productivity:

- **Investment in capital** such as machinery, equipment and structures. It is estimated that 80 percent of technical change is embodied in new capital equipment.
- **Technology adoption.** The rate of discovery of new product and process innovations and the pace of the diffusion of those innovations will impact productivity.
- **Competition.** Competition can spur companies to improve processes and products.
- **Clusters of people and businesses.** A network and support of businesses and people can lead to productivity improvement.
- **Innovation.** The adoption of innovative and leading edge business practices as well as the adoption of various innovations is critical to productivity.
- **Skilled workers and capable management,** including the average level of educational attainment and training and experience is important in obtaining labour productivity. Therefore, investing in human capital/skills development and training and knowledge transfer is key.
- **Business policy and regulatory environment** impacts the behaviour of firms in their operations, including trade policy, tax policy, industrial policy, intellectual property, foreign ownership, etc.
- **Scientific and engineering talent** spurs and/or supports innovation and productivity.

Based on these drivers, it is clear that there are common ways to increase productivity:

- Train workers (office and plant).
- Use less expensive materials.
- Introduce new technologies.
- Become more innovative in creating, producing, marketing new products.
- Produce higher value-added products - quality commands a higher price.
- Integrate information, communication and technology with new equipment and machinery to support human talent.
- Improve skills, increasing skills supply and eliminating skills 'gaps'.

Productivity Improvement – SouthGrow’s Plan

SouthGrow’s implementation plan for Productivity in the region consisted of five components:

1. Supports - In order to foster a culture of productivity and support organizations that are interested in improving productivity, existing programs and services pertaining to productivity needed to be researched and documented.

The action plan for supports was to:

- Research existing programs and services within the region.
- Research programs and services within the province.
- Develop a “menu” of items that could be offered with SouthGrow’s assistance immediately.

2. Awareness - Based on the research conducted in 2008, it was apparent that many organizations in the region were not aware of productivity and in fact given the economic climate that enveloped the region (and the province), there were many misconceptions pertaining to productivity. One such misconception was that productivity results in workers being eliminated. Therefore, one of SouthGrow’s key objectives in implementing productivity in the region was to dispel the myths surrounding productivity and in fact impress upon the employers and employees the principle of “working smarter, not harder”.

The action plan for awareness was to:

- Garner support of local print media to cover the productivity improvement initiatives spearheaded by SouthGrow.
- Encourage a local business to act as a “case study” that could be followed through its productivity improvement journey in an attempt to educate others.
- Using the “case study” company as well as information about the other productivity initiatives that were being implemented in the region, position the region as prioritizing productivity and create a culture of productivity improvement.
- Market and promote the project throughout the implementation of the initiatives.

3. Education - Organizations in the region need to be educated about both productivity and the resources available to them so that they can begin or continue their productivity journey.

The action plan for education was to:

- Provide learning opportunities for organizations in a variety of topic areas that would lead to productivity improvement.
- Develop marketing materials that would educate organizations about the “menu” of items available both immediately as part of the productivity improvement implementation initiative as well as on an on-going basis.
- Conduct company visitations to discuss productivity on a one-on-one basis.
- Develop a relationship with the Industrial Association of Southern Alberta in order to have yet another “pipeline” to organizations for the purpose of productivity education and awareness.
- Showcase organizations that are undertaking the productivity improvement journey and encourage other organizations to “join in” and therefore encourage a culture of continuous productivity improvement.

4. Implementation - To complement the broad-based marketing efforts that would take place in order to allow organizations to take advantage of the productivity tools and resources available as part of SouthGrow's productivity improvement implementation initiative, company visitations took place in order to discuss opportunities and challenges impacting improvement on a one-on-one basis. Topics such as challenges experienced as a result of the economic times, productivity measures undertaken and the impact of the labour situation were discussed.
5. Networking - Businesses and industry in the SouthGrow region indicated that they were interested in networking and sharing challenges and solutions. SouthGrow endeavored to identify those interested in networking specifically for the purpose of discussing productivity through the one-on-one consultations. While SouthGrow's mandate does not allow it to lead the group, the regional economic development alliance can facilitate bringing organizations together to address various productivity issues and concerns.

Alignment with Alberta Finance and Enterprise

The action plan developed for SouthGrow's implementation aligned with Alberta Finance and Enterprise's strategy for productivity. That is, in January 2009, Alberta Finance and Enterprise commissioned a study entitled "Alberta Productivity Products and Services Update and GAP Analysis". The study, based on interviews with 64 companies across Alberta (five in Lethbridge), indicated that while productivity products and services were already available to Alberta businesses, both the awareness and use of these were an issue.

The majority of the companies had some sort of a focus on improving productivity. The companies that were leaders in the group where productivity was concerned were the ones that were convinced that there was always a better way and were continually pursuing productivity improvements. One of the biggest obstacles to productivity has been that companies became complacent in good economic times. Organizations have been too busy to invest time and effort into improving productivity.

The report recommended a five step system that encompassed a "full business management system" model to effectively implement a productivity strategy:

1. Leadership Awareness - leaders must buy-in to productivity and associated benefits.
2. Leadership Education - leaders must be educated on implementing a productivity improvement strategy that integrates with other company plans.
3. Priority Setting - Systems Development and Application - organizations must establish the infrastructure and culture to make productivity and its strategy implementation a priority.
4. Implementation - resources necessary to implement action plans must be developed and deployed.
5. Assessment - continual review and assessment of the success of the productivity strategy implementation must take place.

The key is to incorporate productivity products and services into the business plan rather than to treat them as stand-alone initiatives.

The following sections describe the relative successes and challenges experienced by SouthGrow as it implemented the actions plans described above.

Supports

In order to market the productivity improvement initiatives and foster a culture of productivity, SouthGrow had to ensure interested organizations have the resources required for their journey. The regional economic development alliance took a three-prong approach:

- Research existing programs and services within the region.
- Research programs and services within the province.
- Develop a “menu” of items that could be offered with SouthGrow’s assistance immediately.

Programs and Services within the Region

Organizations within the region were “surveyed” to get a sense of what productivity tools and resources are available for individuals and companies. When seeking tools and resources, a broader approach to productivity was taken. That is, any tools or resources that could benefit an individual or an organization to be more productive and innovative in a short-term time frame were sought. Therefore short-term training programs and courses pertaining to administrative improvement, safety, proficiency on the job, leadership and management that covered a variety of occupations were inventoried. This was in light of the fact that SouthGrow was already aware of a range of process improvement tools and resources available through the Productivity Improvement Unit.

Appendix A includes details of the programs and courses available on a short-term basis through providers in the SouthGrow Region (as of Fall 2009). The providers “surveyed” include:

- Lethbridge College
- Training Inc.
- Global Training
- Southern Business Works
- YComm
- St. Johns Ambulance
- WOW Communications
- Community Futures (Lethbridge, Taber, High River)
- Vulcan & County Adult Learning and Vulcan Business Development Society
- Business Link

Lethbridge College also provides an opportunity for individuals and organizations through its Business Development and Training Centre. In addition to regular offerings, Lethbridge College has the ability to develop tailored training programs. Three training options exist:

In-person training, whereby full 6-hour or twice as many 3-hour sessions, would be offered. A certificate of completion would be awarded if a company’s employees completed all sessions offered. SouthGrow investigated the possibility of having sessions tailored to the dimensions covered by the pilot productivity self-assessment:

- Human Resource Management (coaching, evaluating, leading)
- Performance Management (understanding needs, gaining commitment)
- Planning and Organizing (short and long term planning)
- Project Management
- Self Management (handling stress, personal accountability)
- Leadership by Example
- Guiding Vision (being flexible, long range planning, proactive thinking)

- Influencing and Persuading
- Being innovative
- Championing an Innovative Culture
- Building Trust and accountability
- Team work and effective supervisory skills
- Measuring success in the workplace

Four 6-hour sessions could be developed at a cost of \$16,000 to \$20,000.

Online training, whereby the same training as above would be developed as online modules and accessed through the web. The online training would provide companies with flexible learning opportunities, easily accessed from any computer with internet access. The modules would include theory and related materials to ensure participants are provided with a range of learning outcomes and assessment tools could be worked directly into each module to ensure proper learning. The fee for this mode would be about \$30,000.

Combination of in-person and online training, whereby the two options above would be combined (online sessions as well as two to three in-person sessions) would cost between \$20,000 and \$30,000.

The organizations that participated in the Lean Assessment and the Lean 101 workshops were asked whether this type of training would be required in their organization. Most indicated that the issue with labour/training in their organizations pertained not so much to supervisory or leadership levels but more at the production line/front line worker level. The largest issue with labour was workforce attitude. More is detailed on this in the section entitled “Implementation”.

As a result of this feedback, the specialized training was not pursued, but may be considered after organization leaders have had a chance to complete the on-line productivity self assessment that was released by the Productivity Improvement Unit in February 2010.

Programs and Services within the Province

The following tools and resources are offered through Alberta Finance and Enterprise. In collaboration with partner organizations, a range of tools and resources for the Alberta industry have been developed:

- Alberta Guide to Productivity - An easy to read publication that answers many of the most common questions about productivity, features a number of case studies of Alberta companies already improving their productivity, and a quick self-assessment tool for productivity and innovation.
- Productivity and Innovation Magazine Supplements - Published bi-monthly with Alberta Venture and Alberta Oil magazines, beginning June 2009, these 4-page supplements highlight some of the great productivity improvement work already underway in Alberta. Each issue features a cutting-edge industry project or demonstration of the importance and effect productivity improvement can have on the bottom line.
- Global Best Practices Benchmarking Tool - The Government of Alberta is currently piloting a dynamic benchmarking tool focused on process benchmarking, which includes such processes as accounts receivable, accounts payable, inventory and supply chain - all critical processes to your company's success.

- **Productivity: Innovating for Success Videos** - Video clips illustrate the various avenues by which any business can improve their productivity and profitability.

The **Productivity Improvement Unit** of Alberta Finance and Enterprise is also focusing on Lean and offers the following (as outlined on its website - February 2010):

- **Lean 101** - An Introduction to Lean methodologies (4.5 hour workshop)
- **Value Stream Mapping**
- **5S** - Advanced Lean Applications
- **Lean Assessments** - Facilitators conduct free, on-site assessments of the clients' operations and provide clients with a recommended improvement plan or a checklist of activities (innovative ideas and business solutions) for implementing Lean principles within their organization.
- **Project Management** - For a fee, facilitators will assume a project management role, working directly with the organization during the implementation of the plan, using a combination of in-house expertise and contracted-out services.

The Productivity Improvement Unit also encourages interested individuals and organizations to seek services offered by several post-secondary institutions and private industry:

- The **Society of Manufacturing Engineers (SME)** have a Lean Certification Program.
- **Northern Alberta Institute of Technology (NAIT)** offers a Lean Manufacturing (Lean Enterprise Management) course that provides a basic introduction to Lean operating strategy, as well as skills and techniques for applying Lean principles to organizations.
- The **University of Alberta through the Faculty of Engineering: Mechanical Engineering** offers Advanced Topics in Engineering Management, which is a course that provides students with an overview of Lean manufacturing concepts, Lean manufacturing tools and techniques, and principles of lowering costs and achieving greater competitiveness.
- **Business Development Bank of Canada** provides numerous articles, links, tips and resources for Lean implementation.
- **Canadian Manufacturers and Exporters (CME)** Alberta offer industry specific courses. In addition, the CMEs conduct best practices tours, workshops and a two-day Lean assessment for members. The Lean Diagnostic Assessment involves two days of on-site personal interviews with a cross-section of 8 to 12 personnel and data collection through the completion of a Lean Diagnostic Score Card by the personnel interviewed. The result is a Lean Road Map that is reviewed with the organizational team.

Productivity Alberta (Productivity Enhancement Unit, Alberta Finance and Enterprise) has also completed a number of initiatives that aim to enhance productivity improvement efforts across the province:

- **Productivity Programs and Services Inventory** - A Productivity Products and Services Inventory was completed in February 2008. This inventory included provincial, national and international organizations that provide or could provide productivity programs and services to Alberta businesses. During that undertaking, various departments within the Alberta government were beginning to implement specifically focused programs and services that were not included in the original inventory. As well, a few private companies have begun to offer services that can be readily accessed by Alberta companies. Appendix B includes the latest inventory of programs and services provided by Productivity Alberta.
- **Productivity Assessment Tool** - A new tool is being designed to provide SMEs the opportunity to assess their current processes and help them identify their strengths and

weaknesses regarding their operations, leadership and management, and innovation processes. The tool can be used in a do-it-yourself or a do-it-with help format.

- Productivity Alberta Web Portal - The web portal, just released in February 2010, is the main driver to productivity tools and services offered by Productivity Alberta.
- Online Benchmarking Tool - This is a pilot subscription with Pricewaterhouse Coopers - Global Best Practices, which will allow 25 Alberta SMEs to have access to an online tool that will assist those participating to improve their productivity and competitiveness by learning from the experience of others and adopting those best practices into their current operations.
- Alliance Building Solutions Pilot Program - This program is coordinated to demonstrate to industry, through simulations, workshops and coaching, how increased collaboration, communication and transparency throughout their supply chain will increase their productivity and competitiveness.

SouthGrow's "Menu" of Offering

SouthGrow Regional Initiative, in preparation for its productivity improvement implementation project, reviewed the resources available and came up with the following "menu" of offering for organizations that want to participate in the initiative:

- Lean 101 Workshop - An introduction to Lean principles, manufacturing (traditional and Lean) simulations, and potential benefits that companies achieve after implementing Lean including examples of achievements by other companies.
- Lean Assessment - An on-site assessment by a Productivity Improvement Unit specialist, which typically includes a walk-through of the plant/business and can last about four hours. This generally consists of a meeting with plant management and executives to explain what will be done through the on-site assessment, a walk-through of the plant with the plant/production manager, and a closing meeting. The Specialist prepares a Report of Recommendations, including an identification of major challenges and recommended next steps in the Lean process.
- Productivity Self-Assessment - The self-assessment tool that enables organizational leaders to rate the current level of productivity in a variety of categories including operations, leadership and management, and innovation, enabling the identification of areas to target for improvement. A host of different dimensions of productivity are included in this assessment.

Awareness

SouthGrow's awareness strategy was based around securing a company to act as a "case study" that could be followed through its productivity journey by local print media. Initially, SouthGrow was able to garner commitment from the Lethbridge Herald to capture the company's productivity journey through one story at a time that was mutually beneficial. A series of stories was not possible due to the reduction of staff at the Herald.

Case Study Company

In terms of a "case study" company, SouthGrow approached Kawneer Company Canada Ltd. The Kawneer Lethbridge facility manufactures aluminum architectural products that include window systems, curtain walls, stock and custom doors. Operations consist of a 2,500-ton extrusion press, anodizing, electrostatic spray painting and fabrication. The plant began operations in 1983, with Alcoa managing operations since 1998 as a result of the Alumax, Inc. merger.

Kawneer was chosen by SouthGrow as an ideal "case study" for several reasons:

- The company's operations are based on the Alcoa Business Systems (ABS), an integrated set of principles and tools used to manage all Alcoa businesses. Make to Use, Eliminate Waste, and People Linchpin the System are the three overarching principles of ABS. Therefore, from SouthGrow's perspective, Kawneer senior management understood the importance of productivity and would not be averse to additional or different productivity improvement tactics.
- The ABS Specialist at Kawneer has a keen interest in productivity and spearheading a networking group.
- While Kawneer fared well immediately given the economic times, the company is projected to be impacted by the recession in the coming months as the building materials industry typically feels the effects later than other industries.
- Kawneer is a unionized company and changes in terms of jobs, people, mindset, etc. would need to be implemented carefully.
- Kawneer Lethbridge had identified that on-time delivery, rising costs and material flow through the facility was of importance to the organization.

Given these factors, SouthGrow's stance was that "if the journey can take place at Kawneer, it can take place virtually anywhere."

The General Manager of Kawneer Lethbridge and the ABS Specialist were aware of Lean Principles and were firmly behind productivity improvement initiatives. In fact, they agreed to participate in any productivity improvement initiatives that SouthGrow was undertaking. On October 27 and 28th, Kawneer Lethbridge participated in a Lean Assessment and a Lean 101 workshop.

The Lean 101 Workshop was well received and the Lean Assessment tour followed the workshop, lasting about three hours. During the tour, the Lean expert took notes and pictures and asked many probing questions. Within two weeks, Kawneer representatives were sent a report geared towards increasing Lean implementation in the facility.

Positioning for Productivity

Kawneer Lethbridge was to be the “case study” company, however, this did not materialize. Kawneer representatives did not feel that the details of the report met their expectations. That is, Kawneer representatives had specific problems that they had hoped the Lean expert would provide solutions for. Unfortunately, the Lean Assessment Team does not provide solutions at the Lean Assessment stage but rather provides coaching in order to introduce or increase Lean implementation.

As a result of mis-match of expectations/results, Kawneer Lethbridge could not be presented to the external audience as a “case study” company. Therefore, stories about Kawneer’s Lean journey did not appear in local media and the company could not be used by SouthGrow to promote the Productivity Improvement Project.

Marketing and Promotion

Marketing and promotion were seen as critical success factors to the implementation of the productivity improvement project. SouthGrow’s objectives were to:

- Create awareness for the productivity initiatives in the region.
- Encourage organizations in all sectors to participate in the “menu” of offerings and either start or continue on their productivity journey.
- Position SouthGrow as an organization that prioritizes productivity for regional success.

In addition to the awareness campaign planned utilizing print media, four additional techniques were utilized:

1. Promotional Materials were designed that described SouthGrow Regional Initiative, introduced Lean and detailed the “menu” of items that were offered. The objective was to create awareness of Lean and solicit interest in initiatives that SouthGrow could facilitate. Appendix C includes the promotional materials designed for each of the targeted sectors:
 - Manufacturing
 - Service
 - Administration
 - Food Processing
 - Supply Chain
 - Health & Wellness
 - Public Sector
2. Information (introductory e-mail and marketing materials) was sent to all Economic Development Officers (EDOs) and Chief Administrative Officers (CAOs) within SouthGrow. In addition, the initiative was marketed through SouthGrow’s newsletter which is distributed throughout the region. The objective was to create awareness of the initiative and encourage economic development professionals and community leaders to encourage organizations in their communities to take advantage of the opportunity.
3. Information was sent to the leaders of the Industrial Association of Southern Alberta (IASA). The objective was to ensure that IASA’s members knew of the opportunity and could take advantage of it, if interested. Related objectives were to build a better relationship with IASA (and therefore get closer to industry) and to get an understanding of the Association’s efforts in productivity and networking for the purpose of productivity. SouthGrow did not want to duplicate any efforts already being

made by existing organizations. In addition to sending the promotional materials, a face-to-face meeting was held with the President of the IASA.

4. Events focusing on productivity were hosted that made the audience aware of the productivity improvement implementation initiative. By hosting events that attract the target population that is interested in productivity improvement, SouthGrow was able to focus its message and encourage those individuals and organizations interested in improvement. These events included the Donald Cooper “Accelerate Your Business” workshop (September 17, 2009) and the Donald Carmont “Productivity and Leadership” session (March 25, 2010).

Education

During consultations in 2008, organizations in the SouthGrow region indicated the need to be educated about both productivity and the resources available to them so that they can begin or continue their productivity journey. This education has been taking place through learning events hosted by SouthGrow, marketing materials distributed throughout SouthGrow, one-on-one visits with interested organizations, and meetings with the Industrial Association of Southern Alberta (IASA).

Accelerate Your Business featuring Donald Cooper was a key event that provided an arena for like-minded individuals interested in improving their organizations' performance. The event was held in Lethbridge on September 17th and was designed for owners, CEOs and managers of businesses that want to market more effectively on a tight budget; proactively manage their business; attract, lead and retain a top performing team; deal with non-performance; and create an extraordinary future. The one-day event provided SouthGrow with a targeted audience that was given information and marketing materials pertaining to productivity. Appendix D includes the marketing brochure for this event.

A similar event is the Productivity and Leadership event slated for March 25th. Again, individuals interested in improving productivity through effective leadership were invited to the event. The one-day event focuses on how leaders can create pride in quality and excellence, create a customer-centric culture, cultivate a climate for innovation, capitalize on an organization's greatest resource and link productivity and innovation. This event was marketed as a capstone to the Productivity Improvement Implementation Initiative. Appendix E includes the marketing brochure for this event.

Other learning opportunities held by SouthGrow (but not necessarily associated directly with productivity) were used as a means to educate the audience about productivity and SouthGrow's initiatives. These learning opportunities included the Recognition Event, Selling to the Government Seminar and the SouthGrowN Sustainability Conference.

Education also took place through the marketing materials developed (Appendix C). The main message communicated through the marketing materials was that the principles of Lean could be applied to any type of business: manufacturing to service to health and wellness. As a result of the marketing materials, organizations contacted SouthGrow with a desire for more information on both Lean and the initiatives.

Once contacted, one-on-one visitations took place with the organizations to describe further what Lean was and the investment in time and resources that the organization would have to make in order to participate in the initiative. As will be detailed in the "Implementation" section, not all organizations saw a fit with the initiatives.

Those organizations that did see a "fit" with the Lean Assessment and were interested in pursuing the Lean journey further were asked to complete an initial contact sheet that was developed by the Productivity Improvement Unit (Appendix F). Once the Lean Assessment was scheduled, the organization was asked to complete more detailed information (Appendix G).

SouthGrow facilitated the scheduling of the Lean 101 workshops for those organizations that were interested in this offering. All individuals interested in the on-line assessment were provided the link in February.

Discussions took place with the President of the IASA throughout the process. First, it was important that all members of the IASA have an opportunity to participate in this initiative. Second, given that networking with a focus on productivity was on SouthGrow's agenda, efforts had to be coordinated to ensure that efforts were not duplicated by either organization. This

gave SouthGrow the opportunity to inform the IASA of SouthGrow's mandate, the productivity initiative and understand if productivity issues and opportunities were openly discussed at meetings or in sub-groups. At the conclusion of the discussions, it was clear that the IASA did not have a sub-group that networked to discuss productivity, providing SouthGrow with an opportunity. That is, as a next phase, SouthGrow could work with the IASA to develop a networking group and have yet another "pipeline" to organizations for the purpose of productivity education and awareness.

SouthGrow had also planned to showcase organization that were undertaking the productivity improvement journey and encourage other organizations to "join in" and therefore encourage a culture of continuous productivity improvement. However, as will be discussed in the Implementation section of the report, only five organizations participated in the Lean Assessment and most of the organizations failed to implement recommendations as a result of mis-matched expectations.

Implementation

The awareness and education initiatives undertaken resulted in interest in the “menu” of productivity items amongst organizations in the region. The table below summarizes the types of companies that showed interest and the outcome. Where possible, one-on-one company visitations took place amongst those companies that were interested in the initiative in order to discuss opportunities and challenges impacting improvement. In addition to the productivity initiatives, topics such as challenges experienced as a result of the economic times, productivity measures undertaken and the impact of the labour situation were discussed.

Organizations Approached Regarding Productivity

Company	Location	Size	Sector	Outcome
Kawneer Lethbridge	Lethbridge	Large (about 300 employees)	Building Materials/ Metal Fabrication	Lean Assessment Lean 101 Interested in Self Assessment
Lucerne Lethbridge	Lethbridge	Large	Food Processing	Lean Assessment Cancelled Lean 101
Ring Container	Lethbridge	Large	Plastics	Lean Assessment Lean 101 Interested in Self Assessment
Lethbridge Iron Works	Lethbridge	Large	Metal Fabrication	Lean Assessment Interested in Self Assessment
Town of Cardston	Cardston	Medium	Public Administration	Lean Assessment Lean 101
Lucerne Taber	Taber	Large	Food Processing	Not interested
Green Prairie International	County of Lethbridge	Medium	Agriculture Value Added and Transportation	Not the right time Interested in Self Assessment
Flexible Solutions Inc.	MD of Taber	Medium	Agriculture Value Added	No Response
Kodiak Mountain Stone	Cardston	Small	Building Materials	Interested, but majority of manufacturing operations are in Utah.
Let's Pasta	Lethbridge	Small	Food Processing	No time.
Casey's Wood Working	Coaldale	Small	Value Added Wood Products	No Response
Graphcom Printers	Lethbridge	Small	Printing	Operations are perceived to be efficient already
Haul All Inc.	Lethbridge	Medium	Metal Fabrication	Considering it.
Vulcan County Administration	Vulcan County	Medium	Public Administration	New CAO, too early

Company	Location	Size	Sector	Outcome
Town of Vulcan	Vulcan	Medium	Public Administration	Interested in the Lean 101 Workshop and the Lean Assessment. To be contacted by the Productivity Improvement Unit.
Extendi-Care Vulcan	Vulcan	Medium	Health Services	Currently going through Accreditation with Accreditation Canada. Therefore, focus is on attaining this.
Markert Seeds	Vulcan County	Small	Value Added Agriculture	Not interested at this time.
Benci Seeds	Carmangay	Small	Value Added Agriculture	Not interested at this time.
Peter Dawson Lodge	Vulcan	Medium	Health Services	Not interested at this time.
2 nd Opinion Grain and Agronomics Consulting	Vulcan	Small	Consulting	Interested in Self Assessment

Lean 101 Workshop

Several organizations participated in the Lean 101 workshop. Following the workshop, participants were asked to complete an evaluation and provide feedback in terms of value. A total of 9 evaluations were received. The following are the questions asked and the aggregate results:

Please indicate the degree to which the following statements can be made pertaining to the Lean 101 Workshop, with 1 being “not accurate” or “can’t agree” and 4 being “accurate” or “fully agree”. Please provide comments as your feedback will help us to improve the services that are provided in the SouthGrow Region.

1. The information provided in the Lean 101 workshop was applicable to our workplace and my job.

1 - 0 responses
2 - 1 response
3 - 4 responses
4 - 4 responses
N/A - 0 responses

2. The workshop presenter provided the information in an easy to understand manner.

1 - 0 responses
2 - 0 responses
3 - 1 response
4 - 8 responses
N/A - 0 responses

3. The workshop was the right length of time.

1 - 0 responses
2 - 0 responses
3 - 1 response
4 - 8 responses
N/A - 0 responses

4. I found the workshop simulations to be valuable in my understanding of the Lean Principles.

1 - 0 responses
2 - 0 responses
3 - 2 responses
4 - 7 responses
N/A - 0 responses

5. I can take away one or two key things from the workshop and apply it to my work place.

1 - 0 responses
2 - 1 response
3 - 1 response
4 - 7 responses
N/A - 0 responses

6. I found the workshop presenter helpful with suggestions for our particular workplace, especially in response to questions that I or others had during/after the workshop.

1 - 0 responses
2 - 2 responses
3 - 4 responses
4 - 2 responses
N/A - 1 response

7. I would recommend the Lean 101 workshop to others.

1 - 0 responses
2 - 0 responses
3 - 1 response
4 - 8 responses

N/A - 0 responses

8. I would be interested in participating in similar workshops in the future.

YES - 8 responses

NO - 1 response

9. The top three things I learned during the workshop are:

- A simplified work process; How to do more with the same amount of workers; Office structure
- Streamlining processes are valuable; changing the set up of the officer can greatly improve efficiency; much more can be accomplished with the same staff members.
- Emphasize customer needs; cross training.
- Process need to be changed to be more efficient; one person can be given more responsibility to make more decisions; keep staff in the same office areas, it is more efficient.
- Eliminate the “red areas”; do work that is initiated by the customer; people are not the problem, the process is the problem.
- Remove steps that are “repetitive” or not needed; perfection is a continual thing; and work together and cross-train.
- Look outside of the box for solutions; working smarter, not harder; think about how to do things better.
- Importance of accepting new ideas and changes; keeping the attitude of always looking for a better way and not being caught in the tradition of “its always been done that way” attitude; to train all employees of the complete process so the work will proceed forward in case of emergency (i.e. submitting payroll).

10. I disliked the following about the workshop:

- It didn’t apply directly to our department

11. I would recommend the following be changed pertaining to the workshop:

- Have a simulation that better fit our organization.
- Should have the assessment first then the workshop could be more directly related to our organization (3 responses).

Overall, the Lean 101 Workshop was well received and met the dual objectives of learning about Lean and team building amongst workshop attendees. The one challenge experienced amongst companies interested in the Lean training was gathering the critical mass of participants. That is, having the number of employees required for a successful workshop was a challenge. Scheduling was a challenge, both amongst companies and with the Lean 101 Workshop facilitator, in cases where critical mass of employees could potentially be gathered by combining organizations. Therefore, there is potential in the SouthGrow region to hold more Lean 101 Workshops.

Lean Assessment

For those companies that were interested, Productivity Improvement Unit (PIU) Facilitators were asked to conduct free, on-site assessments of the clients' operations with the expectation (as described on the PIU website and in SouthGrow marketing materials) that clients would be provided with a recommended improvement plan or a checklist of activities (innovative ideas and business solutions) for implementing Lean principles within their organization. The following is a summary of the challenges outlined by the company, the recommendations and observations made by the PIU Facilitator and the feedback received from the organization representatives.

Kawneer Lethbridge

Challenges Outline by Company:

- Inventory build-up in the middle

Recommendations Made:

- Link Lean initiatives to business strategy, engraving these into the business plan and linking them to financial performance.
- Attend/Host Lean Workshop
- Appoint a Lean Leader
- Develop a Lean Facilitation Team
- Join a Lean Consortium
- Take the 40 hour advanced Lean Leadership course
- Value Stream Mapping
- Pilot a Lean Project
- Engage coaching services of a consultant or PIU.

Observations made:

- Consider a process layout that work orders are loaded only at one location of the process.
- Extend the windows cellular layout to the rest of the plant where the concept can be used.
- Have the material flow through a clearly marked natural visual path that is hard to miss.
- Explore a great visual communication tool that may be positioned at the most visible location in the plant to inform all employees about their current overall performance in relation to the expected performance.
- Employees should be trained on problem solving techniques.
- Review the performance measures that are monitored. Individual equipment performance and individual sectional performance must not be emphasized or worse still be used to determine employee performance.

Feedback Received From Company Representative:

- Report was non-informative and very generic
- The problems were already identified in the initial information submitted to the expert.
- As a result of the tour, we were hoping for specific action items to address the inventory build-up.

Lucerne Lethbridge

Challenges Outline by Company:

- High changeover times

- Human resources
- Market growth and expansion

Recommendations Made:

- Link Lean initiatives to business strategy, engraving these into the business plan and linking them to financial performance.
- Attend/Host Lean Workshop
- Appoint a Lean Leader
- Develop a Lean Facilitation Team
- Join a Lean Consortium
- Take the 40 hour advanced Lean Leadership course
- Value Stream Mapping
- Pilot a Lean Project
- Engage coaching services of a consultant or PIU.

Observations made:

- Lucerne may reduce changeover times using a Lean technique, “Single Minute Exchange of Dies.”
- After achieving quick changeovers, Lucerne should schedule shorter runs of products initially to maintain maybe half a period of stock and eventually get as close as possible to JIT processing.
- Lean implementation is a good opportunity for Lucerne to engage and empower employees.
- Employees should be trained on problem solving techniques.
- Review the performance measures that are monitored. Combine as much as possible the performance of both the processing and maintenance functions of the operations.
- Lucerne should explore a large visual communication display that may be positioned at the most visible location in the plant to inform all employees about their current overall performance.
- Lucerne may review the processing operations and build in “mistake proofing” techniques as much as possible..
- Do a detailed analysis to determine the consumption rate of different replacement parts that are used to maintain the equipment.

Feedback Received (verbatim) from Company Representative:

- The questionnaire was very lengthy but I believe that some of the questions were not needed in order to do the assessment. For example: market shares and whether the business is Canadian or US owned. As well, I believe that he used the answers to our questions more than his physical assessment of our plant to complete his own Lean assessment.
- The expert took a tour through our plant after a lengthy discussion with both myself and the plant engineer. He asked some questions but focused a lot on how orders were placed instead of how the lines ran.
- The information that he provided was basically what we told him were already our downfalls - both verbally and written in the questionnaire. He commented that our biggest area of improvement was changeover times but yet he never physically watched one to see if it was actually a detriment to the plant or if we were on par with what a lean manufacturing plant would do. Additionally he stated that we need to have a Lean Champion in the plant in which we had already told him in the tour was myself and the plant engineer. Also, for an expert, when he was writing up his final report he had to ask what RCA and VPM stood for which are 2 major elements of Lean Manufacturing and World

Class Philosophy. This made me question his expertise as a whole and his ability in Lean Manufacturing.

- Yes the recommendations are practical but they were already items that we were presently acting on to make better. What we were expecting were actual recommendations not just a vague reiteration of our beginning comments. I expected to get actual tips from his experience in other plants on how to improve our operation - instead all we received was an assessment letter stating that we needed to find our own path in improving the organization.
- I think that the idea behind the assessment and course is terrific- Lean is a wonderful tool that can aid any manufacturing company. Despite this though I believe that specific ideas needed to be presented as well as having someone with more expertise in the field to present these ideas.
- We always look forward to new ways of improving our business and learning new skills. It was just unfortunate that this initiative was not suitable for us.

Ring Container

Challenges Outlined:

- Process flow
- Inventory write-offs and write-ups

Recommendations Made:

- Link Lean initiatives to business strategy, engraving these into the business plan and linking them to financial performance.
- Attend/Host Lean Workshop
- Appoint a Lean Leader
- Develop a Lean Facilitation Team
- Join a Lean Consortium
- Take the 40 hour advanced Lean Leadership course
- Value Stream Mapping
- Pilot a Lean Project
- Engage coaching services of a consultant or PIU.

Observations Made:

- The finished goods inventory seems to be way too high. There needs to be an analysis to find out the root causes of holding such a high inventory then solve the root causes and reduce the inventory to unlock the hidden spaces.
- The changeovers are long and the start up production is unreliable. Continue to apply Single Minute Exchange of Dies (SMED) to further reduce the changeover times and make them more consistent.
- Explore further the use of overall plant performance and display the performances to employees to reflect how they are performing collectively.
- As new lines are designed there should be a serious consideration of how current lines are running. For example a line may incorporate “mistake proofing” techniques such that consistent optimal performances are achieved regardless of the operator’s skills levels.
- The plant might consider installing a lights-out line. This is a production line that is designed to run unattended for a certain period of time. Cameras give a remote visual look of the line and remote access may trouble shoot or call in the employees on call.
- Cross training is a good Lean tool to advance the flexibility of employees such that they can perform multiple tasks.
- Employees should be trained on problem solving techniques.

Feedback Received from Company Representative:

- Report was repetitive.
- Amos made good observations, but our system was not totally broken either.
- The pilot project is a good idea, but these days, it is not a practical idea in that we have to get things done.
- The value of the assessment was that it was good to have another set of eyes. It confirmed that we are on the right track.
- A lot of other organizations could get more bang out of this than we did.
- The report needs to be tailored to the organization:
 - For those that understand Lean, we don't need to be taught Lean theory.
 - Need to be given examples of why recommendations would work.
 - A lot of the real value is not in the report, it is in the VSM

Town of Cardston

Challenges Outlined:

- Inter-department efficiency
- Labour efficiency
- Stakeholder communication

Recommendations made are not outlined due to the fact that we are not privy to the report.

Feedback Receive from Organization Representative:

- The workshop was good and Amos was extremely knowledgeable.
- Disappointed with the assessment report. It was not practical.
- We chose the P.O. process to focus on during the tour and expected to get some indication of how to improve it.
- We were convinced that given the information requested from us and the corresponding information we provided (copy of office layout, map of the town, identification of where things were, etc.), we were going to get some answers on how to improve the P.O. process. Our staff was excited about the potential to make change. We even gave him copies of a typical P.O. transaction and all documents related to it.
- Recommendations seemed to be boilerplate.
- We chose the P.O. process because it involved every single department and would have been a good process to improve and kick start our productivity journey.
- Amos seemed to be in a hurry to leave town. The assessment tour took only an hour or so.

Lethbridge Iron Works

Challenges Outlined:

- Rising costs
- Globalization of customers

Recommendations Made:

- Link Lean initiatives to business strategy, engraving these into the business plan and linking them to financial performance.
- Attend/Host Lean Workshop
- Appoint a Lean Leader
- Develop a Lean Facilitation Team

- Join a Lean Consortium
- Take the 40 hour advanced Lean Leadership course
- Value Stream Mapping
- Pilot a Lean Project
- Engage coaching services of a consultant or PIU.

Observations Made:

- A Lean principle called “mistake proofing” or “poka yoke” may be used to redesign those functions such that lower skilled operators are able to perform those functions without compromising the exceptional performance.
- After the current Value Stream Map is drawn, look out for the opportunities to reduce the 3 days windows between functions.
- The 2 automated storage and retrieval systems are an impressive piece of work. Hopefully the sole purpose for these systems isn’t to hold WIP.
- A harmonized operation lends itself to simple and effective scheduling methods.
- Employees should be trained on problem solving techniques.

Feedback Received from Company Representative:

- The report was non-specific.
- It was a lot of “Lean rah-rah”.
- Our operations are custom ... we schedule around customer needs.
- A lot of the recommendations made pertained to layout, but it is pretty difficult to change layout in a 100 year facility.

It is clear from the feedback received that company representatives’ expectations were not met. That is, solutions and specific items to correct/improve in relation to the issues identified by the company during the initial contact were not identified. Based on the feedback received after the Lean assessments, the following is concluded:

1. During the initial contact with SouthGrow, Lean assessment was marketed as an assessment that will result in identification of areas to improve with associated recommendations. This strategy was employed after reviewing the Productivity Improvement Unit website and aligning the messaging with that of the website. However, emphasis was not placed on the coaching role that the Lean experts play.
2. The marketing materials used to communicate the “menu of items” was based on the Productivity Improvement Unit Website and again marketed the Lean assessment as a tour that was going to result in specific recommendations for improvement rather than a coaching exercise.
3. Once a company expressed interest in the Lean Assessment, company representatives were asked to complete and initial contact information sheet that required them to provide detailed information about the company operations as well as to identify top three challenges/areas for improvement. This may have lead company representatives to believe that specific recommendations were forthcoming.
4. During the Lean assessment tour, company representatives touring with the Lean expert were asked to discuss challenges. The Lean expert took pictures, probed for further information and in many cases, after the Lean assessment tour contacted the company representatives for additional information such as plant layout/floor plan.
5. The bulk of the report that was prepared for the company marketed Lean and this was seen as an attempt to “sell” Lean rather than provide specific recommendations for improvement. The report did include a section at the end of the report on specifics

pertaining to the company. However, this section may have been lost since it was at the end.

6. Recommendations made in the reports pertained to such things as Lean training and Lean pilot projects. Again, the impression was the while these things are important, they were not going to solve the problems that companies faced.
7. Some companies were interested in items such as the 40-hour Lean Leader Certification Program. However, such training is not offered in the Province of Alberta. In fact, when SouthGrow investigated where such training could be offered, a trainer was found that offered the Certification in Nevada. At a cost of close to \$2,000 per person for a minimum of 12 people, the trainer could be brought to the SouthGrow region. Therefore, the recommendation, while good, is seen as not practical.

Productivity Self-Assessment

The on-line Productivity Self-Assessment was introduced by the Province in February 2010. In anticipation of its introduction, this item was included in SouthGrow's marketing of the Productivity Improvement Project. In discussions with company representatives, this item was introduced and company representatives were asked if they would be interested in completing the self-assessment, once on-line. Most representatives indicated an interest in such a tool (even if they did not indicate an interest in other productivity improvement tools). Once introduced by the Province, company representatives were sent the link to the tool and asked to provide feedback to SouthGrow, if appropriate.

To date, SouthGrow has not received any feedback.

Labour/Training

During the 2008 Productivity Improvement Project, SouthGrow organizations were asked to comment on labour and training. The following is a re-cap of the results:

SouthGrow companies undertake the following types of training:

- Orientation of new employees (75%)
- Health and safety (71%)
- Technical skills (64%)
- Teamwork (54%)
- Lean/continuous improvement (46%)

SouthGrow companies required improvement in the following workplace skills:

- Technical skills (44%)
- Problem solving (33%)
- Supervisory/Management (33%)
- Innovation/creativity (33%)
- Learning/flexibility (33%)

In the SouthGrow region, about 55 percent of the companies were experiencing problems with labour in 2008. The top three consequences were competing for labour with other businesses/sectors; significant increases in labour costs and specific and general skill shortages are constraining growth.

In order to address the challenge of future labour needs, companies in the SouthGrow region were upgrading skills of current employees, implementing workplace practices to encourage retention, hiring younger people, increasing the degree of automation and increasing emphasis on recruitment.

As a result of this feedback, in addition to the training inventory (detailed in Appendix A & B) being made available to interested organizations, companies visited were asked to elaborate on their labour and training situation as it pertaining to the economic times of 2009. That is, 2009 resulted in a reversal of fortune for the province whereby falling revenues, uncertainty in the global economy and weak financing conditions translated into projects being cancelled in several sectors including oil and gas, construction, and manufacturing. The effects reverberated into many sectors. The result has been a reduction in cost pressures and a softening labour market. For the province, the unemployment rate rose in March 2009 to 5.8%, nearly two and a half points over November 2008. The overall employment contracted by about 48,000 over the same period.

The following are comments received when organizations were asked about their current situation:

- The boom was terrible. We were at the mercy of our employees. It was hard to keep labour.
- We used the Foreign Temporary Worker program and it worked quite well. Now, labour is not an issue.
- For one position, we had 55 applications and 25 were good; 5 applicants had the necessary certification and 15 were NAIT students.
- Training is not an issue. For administrative staff, the continuing education that is around here assists them.
- It would be good to get some sort of a mobile trades training program ... when two companies in our municipality shut down, 100 people were laid off. Seventy percent of

these people were un-skilled. They can be developed with trades training ... it would be nice to have it available in the rural areas.

- When we had the first set of layoffs, we were fine with them as we essentially got rid of the mediocre workers. The Second set were painful as we started to lose good people. The labour situation is a bit better and we are now on a work share program.
- There are no issues in training ... people are relatively unskilled. The training they receive is on the job training.
- Worker attitude is the biggest issue. It will increase productivity. They are not innovative on the job and are resistant to change.
- Work ethic is an issue, but recognizing this, we are sharpening our interview process.
- We used Mexican workers and they were very good. We would love to continue using them.
- During 2008, our turnover rate was 34%. In 2009, our turnover rate was less than 15%.
- Our challenge has always been to keep people after we got the right staff. Our solution for retention has been to pay better than industry standard.
- We experience high employee absenteeism.
- There is also an opinion at our company that employees aren't remunerated adequately as compared to the industry standard. Therefore we don't necessarily attract employees with the highest quality of skills and/or they are not necessarily very dedicated to their work. We also have a minimal training budget available.

Based on the feedback received, specific productivity training was not developed for implementation. It does seem as though while the labour pressures have eased on organizations in the SouthGrow region, the struggle remains for quality labour. The biggest item impacting front-line productivity is worker attitude/ethic.

Networking

Networking for the purpose of sharing productivity challenges and identifying solutions is key to creating a culture that fosters productivity improvement in the region. Many of the other larger centers across the province have manufacturing groups that provide a forum for discussion of productivity challenges and opportunities. Below are the details of three of the major groups in Alberta.

NAME	# OF MEMBERS	STRUCTURE	MEETING FREQUENCY	PURPOSE	KEY PROJECTS
Greater Edmonton Manufacturing Cluster	15	Informal networking group facilitated by Edmonton Economic Development Corporation.	Every 8 weeks	To provide a forum for discussion of common needs and interests.	Leading a manufacturing productivity certification program with NAIT.
Calgary Manufacturing Action Committee	15	Information networking group facilitated by Calgary Development Corporation.	Monthly meetings	To provide forum for discussion of common needs and interests; provide input on industry support programs.	Leading a manufacturing productivity certification program with NAIT.
Central Alberta Rural Manufacturing Association	40	Incorporation, formal networking group facilitated by Mark Burggren who is supported primarily by CAEP and Red Deer College.	Monthly Meetings	To provide a forum for discussion of common needs and interests; provide input on industry support programs; and provide educational events.	Leading on-going educational events.

In preliminary discussions during the one-on-one visitations, organization representatives were asked if they would be interested in being part of a networking group. Several individuals indicated interest. However, the individuals did not want something formed that would be overly formal and costly. Instead, they expressed a desire to have a less formal group that truly did get together to network and discuss issues and ideas.

Next Steps

The Productivity Improvement Project provided SouthGrow the opportunity to develop stronger ties with industry and attempt to directly and positively impact industry in the region. Through this initiative, company representatives provided valuable feedback that will enable both SouthGrow and the Productivity Improvement Unit progress and make improvements, building on past successes. The following are recommendations that will enable productivity to remain at the forefront in the region:

1. The Lean 101 Workshop was seen as being valuable to the organizations that participated in it. The workshop has appeal to manufacturing oriented organizations as well as companies in other sectors. While individual companies in the region are challenged to organize a critical mass of people required for a successful workshop, SouthGrow should organize one or two workshops within the region whereby anyone can register, with registration cut off at the required number of individuals.
2. Changes need to be made by the Productivity Improvement Unit to the Lean Assessment. Specifically, it is recommended that:
 - a. The name should be changed to Lean Coaching or Lean Tour or something similar. The word “assessment” gives the impression that a report card of sorts will be provided to the company representatives.
 - b. The description of the Lean Assessment should be changed as well and it should more accurately reflect the coaching nature of the exercise.
 - c. The initial contact information sheet should not require as much detailed information from the company representatives. The detailed submission of information leads to the expectation that it will be used in the assessment of the issues and the development of the recommendations.
 - d. During the tour, the Lean expert should not ask for information pertaining to the organization that is not directly related to Lean coaching. Further, after the visit, additional information should not be sought from the companies unless it pertains to Lean coaching.
 - e. The report should be modified to include company specific information in the main body of the text. Information geared towards “marketing” Lean should be included in the Appendix. The emphasis on Lean marketing takes away from the credibility of the report.
3. It is clear from the interest expressed by companies in a Lean Assessment that such a product needs to be developed by the Productivity Improvement Unit. The Canadian Manufacturers and Exporters (CME) provide such an offering for its members. There is an opportunity for the Province to provide such a helpful product to non-CME companies that are interested in improving their operations.
4. There was great interest in the Productivity Self-Assessment tool. While specific feedback has not been received by SouthGrow from individuals that have completed this self-assessment, it is clear that this tool can be very useful strategically. That is, the tool should be marketed as something that top management in organizations can use prior to their strategic planning efforts in order to ensure that company strategy and business plan incorporates Lean.
5. One of the issues raised when representatives were asked about labour challenges pertained to the Foreign Temporary Worker program. Companies that have utilized this program continue to rely on it in spite of reduced pressures on labour, but are

frustrated with changes in the program and the length of time associated with receiving Labour Market Opinions. Since this is not specifically within SouthGrow's mandate, Alberta Employment and Immigration officials need to have discussions with frustrated companies. The IASA may be willing to help organize a gathering of such companies.

6. While SouthGrow's mandate does not allow it to lead a networking group, the regional economic development alliance can facilitate bringing organizations together to address various productivity issues and concerns. The networking group should be informal in nature and start with the development of a formal terms of reference, with items such as mandate, responsibilities, structure, meeting frequency, member recruitment, and fees detailed.
7. Once the networking group has been formed, members should be engaged in focused initiatives that will provide it with success that can be built upon. Two initiatives that SouthGrow should undertake during the next budget year that the networking group can be participate in are:
 - a. Productivity Conference - The networking group can provide input into format, speakers, etc. so that the conference is industry driven and targeted.
 - b. Productivity Publication - The networking group can provide input into companies within the region that can be showcased to better position the SouthGrow region as prioritizing excellence.
8. SouthGrow should continue to maintain a strong relationship with the Productivity Improvement Unit, providing feedback from the networking group, garnering advice in organizing the conference and publication and offering to pilot tools as they are developed. This will ensure that productivity remains at the forefront in the region.

APPENDIX A – Short-Term Training in SouthGrow Region

PROVIDER	COURSE OFFERED	DESCRIPTION	LENGTH	COSTS
LETHBRIDGE COLLEGE	Bookkeeping Skills	Overview on the basics of bookkeeping emphasizing GAAP principals	3 hours per week for 12 weeks	\$418.95
LETHBRIDGE COLLEGE	Simply Accounting Levels1	Introducing basic features of the most popular and widely used accounting software package.	18 Hours over 4 days in a two week period	\$288.75
LETHBRIDGE COLLEGE	Simply Accounting Level 2	Advanced features of the popular software packages. Level 1 required	18 Hours over 4 days in a two week period	\$288.75
LETHBRIDGE COLLEGE	Quickbooks	Working with features included in accounting software	18 Hours over 4 days in a two week period	\$288.75
LETHBRIDGE COLLEGE	Payroll Fundamentals 1	Basic payroll preparation.	3 hours per week for 14 weeks	\$375.00 \$105.00 - books
LETHBRIDGE COLLEGE	Payroll Fundamentals 2	Advanced payroll preparation and administration	3 hours per week for 14 weeks	\$375.00 \$105.00 - books
LETHBRIDGE COLLEGE	Retirement Planning (RP) 201	Develop a thorough understanding of how a client plans for retirement.	3 ½ hours per week for 12 weeks	\$575.00 \$63.00 - materials
LETHBRIDGE COLLEGE	Income tax Planning (ITP) 202	Detailed look at how business and financial assets are used to acquire and preserve wealth	3 ½ hours per week for 12 weeks	\$575.00 \$63.00 - materials
LETHBRIDGE COLLEGE	Strategic Investment Planning (SIP) 203	Comprehensive look into the varied investment methods a financial planner may use to help build a client's portfolio	3 ½ hours per week for 12 weeks	\$575.00 \$63.00 - materials
LETHBRIDGE COLLEGE	Business Computer Applications	Learn the entire Microsoft Office Suite. Business Computer Applications covers these courses: (10 books) Keyboarding Skills, Windows XP, Word Processing, Spreadsheets, Databases, PowerPoint Presentations, Publisher, Internet/E-mail.	35 hours per week for 8 weeks (9am-4pm Mon-Fri)	\$2199.00 \$419.95 - materials
LETHBRIDGE COLLEGE	Linux Bootcamp	This fast paced course will introduce students to the Linux operating system	3 hours per week for 12 weeks	\$472.50
LETHBRIDGE COLLEGE	Macs Basics	Learn how to navigate your Mac, open/save/move files and folders	7 Hours - one day course	\$145.95

LETHBRIDGE COLLEGE	Windows XP / VISTA	For people who have little or no experience with the Windows operating environment	6 Hours over 2 evenings	\$145.95 - \$41.95 for textbooks
LETHBRIDGE COLLEGE	Windows VISTA	Level 1 teaches the new information worker how to work effectively with Windows Vista	7 hours - one day	\$145.95 - \$41.95 textbooks
LETHBRIDGE COLLEGE	Assertiveness Skills	Learn how to communicate in ways that will liberate, empower and enhance your life and work.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Business Writing Essentials	This course will lead you through the basics of grammar and punctuation; show you how to re-write, proofread and edit to create polished, professional letters and supportive material	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Effective Meetings	Learn how to prepare for meetings from the initial "we need a meeting" stage, setting an agenda, and through to the follow-up, ensuring all details are covered	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Confidentiality	Topics for discussion include: duties of employees to employers with respect to work-related information, liability of employers for acts of employees, freedom of information and protection of privacy legislation and related legislation, slander and liability.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Customer Service	This workshop will give you the necessary knowledge to be an excellent front-line communicator and will provide hands-on opportunities to practice these techniques.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Dealing with Difficult People	The workshop addresses a variety of topics including listening, work behaviour styles, problem solving, describing and defining difficult people why people are difficult, critical communications, case studies and action planning.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Everyday Selling Skills	Learn the skills of identifying needs and persuading potential customers to respond favourably to an idea that will result in mutual satisfaction for both the buyer and the seller.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Stress Management	Take charge of your stress and learn how to identify and control those common causes of significant stresses	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Coaching/Developing People.	Learn how to grow your people, get higher performance and provide higher job satisfaction through proven coaching techniques used by experts in the field.	7 hours - one day	\$208.95

LETHBRIDGE COLLEGE	Hiring For Success	This course will cover six stages of the hiring process, cost analysis, job analysis and position profiles determining the skills you need. Advertising guidelines, screening resumes, performance assessments, problems recruiters face and interview techniques and barriers will also be covered.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Human Resource Management Skills	This course addresses pertinent issues including progressive discipline, documentation, dismissal, grievance prevention, workplace harassment and workplace conflict.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Intergenerational Workforce	This course examines ideas and innovations to deal with the attitudes and the differences to create healthy and productive interactions in the workplace	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	PR & Media Relations	Topics include media relations strategy, giving good interviews for print, camera and radio in addition to clear communication to ensure the proper message is heard.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Public Speaking	Learn and practice proven techniques to motivate, persuade, teach and entertain your listener	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Stepping up to Supervisor	Learn the most common mistakes made by new supervisors and how to avoid them. Gain the knowledge of how to: overcome resistance to change, plan and organize your work, develop participative decision making skills, and delegate effectively.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Time Management	Learn tools and skills that work and can be applied to any part of your life. Accomplish the right stuff and get more done each day.	7 hours - one day	\$208.95
LETHBRIDGE COLLEGE	Leadership Development Program - Foundations of Leadership	Effective leadership is what sets apart the ordinary from the extraordinary. Discover principles and techniques to move you and your team to levels of elite performance in your work, at home, at school or in the community. This series is based on the theories of renowned leadership and includes the following sessions: SESSION 1: SELF-ASSESSMENT AND ANALYSIS SESSION 2: LEADING SELF AND OTHERS SESSION 3: CHANGE AND LEADERSHIP SESSION 4: CONFLICT AND LEADERSHIP	7 hours a day, once day a week for 5 weeks.	\$1259.99

		SESSION 5: LEADERSHIP WISDOM AND COURAGE		
LETHBRIDGE COLLEGE	Management Seminars for Supervisory Personnel	Course covers five topic areas over five days: DAY 1 - MANAGEMENT FOUNDATIONS DAY 2 - CHALLENGE OF LEADERSHIP DAY 3 - MANAGING FOR RESULTS DAY 4 - EFFECTIVE COMMUNICATIONS DAY 5 - SUPERVISING PEOPLE: SPECIAL TECHNIQUES	7 hours a day, once day a week for 5 weeks.	\$1259.99
LETHBRIDGE COLLEGE	Project Management Certificate Program	Project Management series includes 6 core modules: PROJECT MANAGEMENT OVERVIEW 2. INTEGRATION AND SCOPE MANAGEMENT 3. TIME AND COST MANAGEMENT 4. HUMAN RESOURCES/COMMUNICATIONS 5. QUALITY MANAGEMENT 6. RISK AND PROCUREMENT	Each module consists of 2 - 8 hours days	Each module \$495.00 plus \$52.95 for textbooks
LETHBRIDGE COLLEGE	Small Business Entrepreneurship	Anyone interested in starting or growing their own business will benefit from this 10-session Small Business Entrepreneurship workshop. The program covers a wide range of topics, from developing a business plan to marketing and advertising, as well as a number of important financial and management issues	3 hours per week for 11 weeks	\$417.75 & \$51.98 for materials
LETHBRIDGE COLLEGE	Real Estate	Everyone interested in becoming a licensed real estate associate in Alberta must complete this mandatory program. Successful candidates can begin licensing with the Real Estate Council of Alberta (RECA).	Total of 42 hours over three phases	Phase 1: \$125.00 - textbooks and exams are extra. Phase 2: \$1225.00 - textbooks and exams are extra Phase 3: \$825.00 - textbooks and exams are extra.
LETHBRIDGE COLLEGE	Education to Go	Lethbridge College has partnered with Education To Go to offer a wide range of interactive courses you can take entirely over the Internet. Our instructor-facilitated online courses are informative, fun, convenient and highly interactive. Our instructors are famous for their ability to create warm and supportive communities of learners. It's no	Times vary	Costs vary and start as low as \$129.95

		wonder that many long-lasting friendships have formed in our lively discussion areas. All courses run for six weeks (with a two-week grace period at the end). Courses are project-oriented and include lessons, quizzes, hands-on assignments, discussion areas, supplementary links and more.		
LETHBRIDGE COLLEGE	Unit Clerk Training	The intensive Unit Clerk Training program provides the foundation needed to build a career in this important field. Unit Clerks transcribe and process doctors' orders as well as manage patient records.	Full time for 20 weeks	\$4468.00
Training Inc	Dental or Medical Administration	Comprehensive 19 week course providing skills and knowledge required to secure and maintain employment as a Dental or Medical Administrative Assistant.	19 weeks	
Training Inc	Health Care Aide	Five month program that prepares individuals to work in continuing care facilities as well as in community homecare.	Five months	\$4605.00 \$250 - books and \$50 admissions fee
Training Inc	Computers in the Workplace	Program prepares students to find employment as office professionals.	6 hours a day, 5 days a week for 14 weeks	\$2500 \$250 - books and \$50 admissions fee
Global Training	Oilfield Occupational Training	Provides employability, training and safety certificates for the oil and gas industry. Available to people from the Fort MacLeod, Pincher Creek, VuLethbridge Collegean, Claresholm, Crowsnest Pass and Cardston areas.	4-6 weeks. Also includes a Class 3 Drivers licenses that involves an additional 1-2 weeks.	N/A
Global Training Inc	Occupational Safety Training	Provides participants with the safety certificates, employability training and class 3 drivers training for the oil field industry.		
Global Training Inc	Dental or Medical Administration	Comprehensive program providing skills and knowledge to secure employment as a Dental and Medical Administrative Assistant	19 weeks	
All World Safety & Training Ltd	Safety Training, Monitoring, Program Development and	Company offers a wide range of safety courses. They also build safety programs that are customized to fit	Developed as required	Adjusted to program requirements

		<ul style="list-style-type: none"> - Crash Course in Marketing During Economic Turbulence - Sink or Swim, Your Brand will Decide - Anchors Away, Sales for the Terrified - Plotting your Marketing - Networking for Start-Up Entrepreneurs - Dealing with Challenging, Difficult, Grumpy, Frustrated, Unhappy, Stressed-Out People - Advertising - which media to use - Steering through your competitors with Exceptional Customer Service - Someone's always watching - Business Etiquette - What's Your Image Saying About You - Toss me a Marketing Life Preserver 		
Community Futures - Lethbridge & Community Futures Chinook (video conference)	Business Start Up Series	<ul style="list-style-type: none"> - Starting Your Business - Preparing A Business Plan - Basic Market Research - 	Each component of the series is 3.5 hours	\$35 includes GST
	Marketing & Sales Series	<ul style="list-style-type: none"> - Market Positioning - Client Retention Strategies for the New Economy 	Each component of the series is 3 hours	\$35 includes GST
	Money Matters Series	<ul style="list-style-type: none"> - Record Keeping and Accounting for Small Business - Understanding Your Business Financial Statements 	Each component of the series is 3 hours	\$35 includes GST
	E-Business	<ul style="list-style-type: none"> - Web 2.0 Marketing Answers - Small Business Search Engine Marketing 	Each component of the series is 3 hours	\$35 includes GST
	Business Transitions	<ul style="list-style-type: none"> - Selling a Business - How to Buy a Business 	Each component of the series is 3 hours	\$35 includes GST
	International Business	<ul style="list-style-type: none"> - Going Global: An Introduction to International Marketing - Going Global: An Introduction to International Trade Finance - Going Global: Global Supply 	Each component of the series is 3 hours	\$60 includes GST

		Chain Management		
	Aboriginal Business Series	<ul style="list-style-type: none"> - Business Planning and Financing For Aboriginal Entrepreneurs 	Each component of the series is 3 hours	FREE
Vulcan County Adult Learning & Vulcan Business Development Society	Brown Bag Lunches (offered throughout the Fall)	<ul style="list-style-type: none"> - Setting Up a Family Council - Getting Started in Farm Direct Marketing - How to Prevent and Resolve Business Disputes - Greening Your Business - Exporting Food products - How to Sell to Restaurants and Institutions - Writing for the Web - Employment Standards - Getting it Right - Branding Your Organization - Meaningful Retirement - An Important Step for Effective Succession - Ag Tourism Clusters: Marketing Collaboratively for Success - E-Commerce Applications - Discovering Alberta Local Markets 	Each session is 1 hour	FREE
	Small Business Seminars	<ul style="list-style-type: none"> - Understanding Your Business - Financial Statements - Selling a Business - Market Positioning - So You Want to Be An Entrepreneur - Choosing the Right Business Idea - Making a Business Plan - Record Keeping and Accounting for Small Business - Finances for Your Business - Getting Your Business Started - How to Buy a Business - Starting Your Business - Preparing a Business Plan - Search Engine Marketing - Web 2.0 Marketing Answers - Basic Market Research - Understanding Your Business Financials 	Each session is 3 hours in length	\$25 per session
The Business Link (available via	Business Start Up Series	<ul style="list-style-type: none"> - Starting Your Business - Preparing A Business Plan - Do-It-Yourself Incorporation 	Each component of the	\$35 includes GST

video conference throughout Alberta)		- Basic Market Research	series is 3.5 hours	
	Marketing & Sales Series	- Market Positioning - Client Retention Strategies for the New Economy	Each component of the series is 3 hours	\$35 includes GST
	Money Matters Series	- Record Keeping and Accounting for Small Business - Understanding Your Business Financial Statements	Each component of the series is 3 hours	\$35 includes GST
	E-Business	- Web 2.0 Marketing Answers - Small Business Search Engine Marketing	Each component of the series is 3 hours	\$35 includes GST
	Business Transitions	- Selling a Business - How to Buy a Business	Each component of the series is 3 hours	\$35 includes GST
	International Business	- Going Global: An Introduction to International Marketing - Going Global: An Introduction to International Trade Finance - Going Global: Global Supply Chain Management	Each component of the series is 3 hours	\$60 includes GST
	Aboriginal Business Series	- Business Planning and Financing For Aboriginal Entrepreneurs	Each component of the series is 3 hours	FREE
	Brown Bag Lunches (offered throughout the Fall)	- How to Prevent and Resolve Business Disputes - Greening Your Business - Exporting Food products - Researching Global Markets - Doing Business with China - Web Design that Works! - Writing for the Web - E-Commerce Applications - Setting Up A Family Council - Meaningful Retirement - An Important Step for Effective Succession - Importing Documentation and Procedures - Exporting Documentation and Procedures - Ag Tourism Clusters: Marketing Collaboratively for Success	Each session is 1 hour	FREE

		<ul style="list-style-type: none"> - Getting Started in Farm Direct Marketing - How to Sell to Restaurants and Institutions - Discovering Alberta Local Markets - Communications Plan: Connecting You to Clients - Reaching New Markets - Selling to the Alberta Government - Branding Your Organization - The Secret of Selling: Building Relationships - Profit More from Your Business Experience - Managing Productivity with a Smaller Workforce - Employment Standards - Getting it Right - Productivity 101 - “Lean” Your Business in the Right Direction - Applying “Lean” Practices to the Service Delivery Sector - Innovator’s Tool Box - Business Valuation - Pitching Your Product - Incubate Your Business for Success 		
	Diversity Training Immigrant Entrepreneurs	<ul style="list-style-type: none"> - Integrating Immigrant Employees: Tips for Employers - Understanding Your Client: The Immigrant Entrepreneur So You Want to be an Entrepreneur? - Choosing the Right Business Idea - Making a Business Plan - Finances for Your Business - Getting Your Business Started 	Each session is 3 hours in length	FREE
	Beyond Borders USA	<ul style="list-style-type: none"> - A two-day seminar consisting of key speakers, focused workshops, and a trip to the Canada/US border for a tour of the Coutts border facility 	2-day seminar	

APPENDIX B – Productivity Tools and Resources Available in the Province

Name	Description	Host	Agency	Location
20/20 Smart Sessions: Workplace Learning		Association	Canadian Manufacturers & Exporters (CME)	Alberta/Saskatchewan Chapter
Alberta Indian Investment Corporation	To actively support viable First Nations businesses throughout Alberta through Direct business loans and equity investments.		Alberta Indian Investment Corporation	Enoch, Alberta
Alberta Technology Innovation Program	The Alberta Technology Innovation Program (ATIP) provides financial support for Alberta companies to attend approved national and international technology related trade shows, conferences, seminars and other industry events to foster support for both company and industry innovation and growth.	Federal Government	Food Beverage Canada	Edmonton, Alberta
Apprenticeship Incentive Grant	The Apprenticeship Incentive Grant (AIG) is a taxable cash grant of \$1,000 per year. It is available to registered apprentices once they have successfully completed their first or second year/level (or equivalent) of an apprenticeship program in one of the Red Seal trades (Please see Pertinent Link section for a link for more details on Red Seal trades).	Federal Government	Human Resources and Skills Development Canada	Edmonton, Alberta
Building Communities Through Learning		Educational Institution	Red Deer College - Centre for Innovation in Manufacturing	Red Deer

Name	Description	Host	Agency	Location
ecoENERGY Retrofit Incentive For Industry	Natural Resources Canada's (NRCan's) ecoENERGY Retrofit program provides financial support to homeowners, small and medium-sized businesses, public institutions and industrial facilities to help them implement energy saving projects that reduce energy-related greenhouse gases and air pollution, thereby contributing to a cleaner environment for all Canadians.	Federal Government	Natural Resources Canada	Edmonton, Alberta
Economic Capacity Building (ECB) Program	The Economic Capacity Building (ECB) program aims to increase the ability of First Nations, and their associated organizations, to implement economic development initiatives through the development of learning networks, sharing of best practices and the development and use of training tools.	Government of Alberta	Aboriginal Relations	Edmonton, Alberta
First Nations Forestry Program	The FNFP provides funding and support to improve the capacity of First Nations to develop and sustainably manage their forest resources and to participate in and benefit from forest-based development opportunities.	Federal Government	Natural Resources Canada	Ottawa, Ontario
Group Facilitation Skills (GFS101 to GFS105)		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
Innovation in Agribusiness Management Fund (IAMF)	The Innovation in Agribusiness Management Fund (IAMF) supports projects that are focused on one or more of the three key objectives of the IAMF program: human	Government of Alberta	Agriculture and Food Council of Alberta	Nisku, Alberta

Name	Description	Host	Agency	Location
	resource management, transition initiatives, and leadership. The goal of IAMF is to advance Alberta agribusiness through assisting in the development of innovative management and leadership resources to build growing businesses.			
Innovation Voucher Pilot Program	Innovation vouchers help small technology and knowledge-driven businesses in Alberta get their ideas and products to market faster.	Government of Alberta	Alberta Advanced Education and Technology	Edmonton, Alberta
Instructor -led Onsite		Association	Society of Manufacturing Engineers (SME)	Edmonton/Calgary Chapters
Instructor-led Public		Association	Society of Manufacturing Engineers (SME)	Edmonton/Calgary Chapters
Intro to Lean Training - 101		Association	Canadian Manufacturers & Exporters (CME)	Alberta/Saskatchewan Chapter
IT Solution simulation, testing and training services		Educational Institution	SAIT Centre for Innovation Information Technology	Calgary
Lean Certification Program		Association	Society of Manufacturing Engineers (SME)	Edmonton/Calgary Chapters
Lean Training		Association	Canadian Manufacturers & Exporters (CME)	Alberta/Saskatchewan Chapter
LMC101 World Class Fundamentals		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
LMC102 Introduction to Lean Manufacturing		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
LMC103 Kaizen & Performance Evaluation		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
LMC104 Value Stream Mapping & Analysis		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
LMC105 Continuous Flow & Cellular		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton

Name	Description	Host	Agency	Location
Manufacturing				
LMC106 Accounting & Supply Chain Issues for the Lean Enterprise		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
Local Chapter Meetings		Association	Society of Manufacturing Engineers (SME)	Edmonton/Calgary Chapters
Local Chapter Meetings		Association	Society of Manufacturing Engineers (SME)	Edmonton/Calgary Chapters
Machine Shop Inspection and Callibration Certificate (MSIC101 to MSIC108)		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
Measure Up for Success		Association	Canadian Manufacturers & Exporters (CME)	Alberta/Saskatchewan Chapter
NRC Industrial Research Assistance Program - Internship Program with Innovative Small and Medium- sized Enterprises (SMEs)	This program provides financial assistance to innovative small and medium-sized enterprises (SMEs) in Canada to hire post-secondary science, engineering, technology, business and liberal arts graduates. Graduates work on innovative projects within the SME and may participate in research, development and commercialization of technologies.	Federal Government	National Research Council	Ottawa, Ontario
NRC Industrial Research Assistance Program - Research and Technology Development Activities	To stimulate wealth creation for Canada through technological innovation - is largely accomplished by providing technology assistance to SMEs at all stages of the innovation process, to build their innovation capacity	Federal Government	National Research Council	Ottawa, Ontario
Occupational Health & Safety Leadership (OHL101 to OHL106)		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton

Name	Description	Host	Agency	Location
Operations Management (PMC101 to OMC105)		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
Quality Management (QAC101 to QAC105)		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
Six-Sigma Certification		Association	Society of Manufacturing Engineers (SME)	Edmonton/Calgary Chapters
SSC101 Selection and Prioritization		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
SSC102 Basic Statistics		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
SSC103 Measurement		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
SSC104 Data Analysis I		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
SSC105 Data Analysis II		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
SSC106 Process Improvement		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
SSC107 Process Control		Educational Institution	NAIT Shell Manufacturing Centre	Edmonton
Value Stream Mapping		Association	Canadian Manufacturers & Exporters (CME)	Alberta/Saskatchewan Chapter
Workplace Skills Initiative	The Workplace Skills Initiative (WSI) funds demonstration projects which respond to a range of skills-related challenges in Canadian workplaces, in order to improve productivity and position Canada to effectively compete in the global knowledge-based economy.	Federal Government	Human Resources and Skills Development Canada	Edmonton, Alberta
World-Class Six Sigma Online Training & Certification Partnership		Association	Society of Manufacturing Engineers (SME)	Edmonton/Calgary Chapters

APPENDIX C – SouthGrow Promotional Materials

PRODUCTIVITY FOR BOTTOM LINE RESULTS

Administration & Lean Enterprises

What is Lean?

Lean thinking is about the removal of waste from the value chain. Waste is defined as any activity that absorbs resources but creates no value. Lean methodologies and Lean thinking help to create an environment of trust and accountability, while reducing waste, ensuring quality, embracing employee involvement and increasing productivity. Adopting Lean practices results in the ability to create high quality products or provide high quality services at competitive prices.

Lean enterprises and Lean methodologies apply to much more than just the manufacturing industries. All types of industries and businesses can experience the benefits of Lean to:

- Increase customer satisfaction
- Increase employee efficiency
- Increase employee enthusiasm and morale
- Increase productivity
- Increase reliability and consistency of products and services
- reduce the cost of doing business

Lean Administration

Administrative and office environments can benefit from Lean principles with corresponding decreases in waste (time, products, and activities), and increases in personal productivity and task efficiencies.

When applying Lean principles to an administrative environment, focus is placed on:

- Office optimization which is data or information driven. Lean focuses on:
 - Mapping work-flows for information processes
 - Identifying internal and external customers
 - Defining the value attached to each transaction or activity
 - Assigning quality, labor, and inventory costs to each transaction or activity
- Process rather than the person performing the task.
- Identifying and optimizing multiple value streams (customer demands, customer needs, and mass production vs. customer needs, etc.).

About SouthGrow Regional Initiative

SouthGrow Regional Initiative is a member-driven, not-for-profit regional economic development alliance consisting of twenty-seven communities in south central Alberta. SouthGrow Regional Initiative's mission is to encourage regional collaborations, focus on regional economic development issues and ensure the south central region has equal opportunity for growth and development within Alberta's global possibilities. SouthGrow Regional Initiative's economic development philosophy includes attraction, retention, growth, collaboration, and innovation.



Contact Information

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Tools to Improve Your Bottom Line

- **Lean 101 Workshop** - The workshop introduces Lean principles, simulations, and presents potential benefits that companies achieve after implementing Lean including examples of achievements by other companies. Getting Lean training for your business can:
 - provide the tools you need to understand how Lean operations can be driven by real customer needs, rather than by traditional forecasting.
 - help to identify waste and how waste can be eliminated.
 - show how managers and workers can work together to optimize processes and practices.LEAN 101 Workshops can be 90 minutes (shortened) or 4 hours (full version) in duration.
- **Lean Assessment** - A Process Improvement Specialist will conduct an on-site assessment, which typically includes a walk-through of the operations and can last anywhere from three to eight hours. This generally consists of a meeting with management and executives to explain what will be done through the on-site assessment, a walk-through of the operations with the manager, and a closing meeting. The Specialist prepares a Report of Recommendations, including an identification of major challenges and recommended next steps in the Lean process.
- **Productivity Self-Assessment** - This self-assessment tool considers the three key elements of productivity: Leadership and Management, Innovation, and Operations. It is designed to help you:
 - Identify where your organization is adding value;
 - Indicate where opportunities exist to eliminate waste and increase your level of productive capacity; and
 - Connect to the tools and services that will help improve your productivity.

As you begin or progress along your productivity improvement journey, this tool will help you to investigate, evaluate and measure your organization's capacity for improvement and sustainable long term progress.

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PRODUCTIVITY FOR BOTTOM LINE RESULTS

Food Processing & Lean Enterprises

What is Lean?

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Lean enterprises and Lean methodologies apply to much more than just the manufacturing industries. All types of industries and businesses can experience the benefits of Lean to:

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- Increase productivity
- Increase reliability and consistency of products and services
- Reduce the cost of doing business

Lean Food Processing

Typical food processing environments combine batch manufacturing with continuous flow manufacturing. Like many manufacturing industries, the value stream begins with raw materials, which are then processed through a

series of steps to transform them into the final finished product. Lean principles can be applied to reduce waste and improve product flow through the value stream.

Processes in the food processing industry that often respond well to Lean methodologies include:

- reduction of setup and changeover times impacting batch size and lead time
- optimization of the processes involved in packaging foods and handling materials
- improvement to warehouse operations to reduce errors, improve productivity, and improve response times
- applying PULL (not PUSH) inventory management to reduce excess inventory and material shortages

Applying Lean principles to the food processing industry provides many benefits:

- your organization becomes more flexible and able to meet changing customer demands
- less downtime to changeover equipment
- improvement of food quality
- less labor
- less floor space required
- more product capabilities
- increased production levels

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Tools to Improve Your Bottom Line

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PRODUCTIVITY FOR BOTTOM LINE RESULTS

Health and Wellness & Lean Enterprises

What is Lean?

Lean thinking is about the removal of waste from the value chain. Waste is defined as any activity that absorbs resources but creates no value. Lean methodologies and Lean thinking help to create an environment of trust and accountability, while reducing waste, ensuring quality, embracing employee involvement and increasing productivity. Adopting Lean practices results in the ability to create high quality products or provide high quality services at competitive prices.

Lean enterprises and Lean methodologies apply to much more than just the manufacturing industries. All types of industries and businesses can experience the benefits of Lean to:

- increase customer satisfaction
- increase employee efficiency
- increase employee enthusiasm and morale
- increase productivity
- increase reliability and consistency of products and services
- reduce the cost of doing business

Lean Health and Wellness

The health and wellness field is facing many challenges, especially with care needs climbing, while the availability of skilled resources and reimbursement for services shrink. Lean principles, as applied to healthcare, focus on the needs of the patient (customer), turn-around time, cost containment, space, speed-of-delivery, and quality of care.

Lean healthcare is not necessarily about cutting people or assets, but instead focuses upon improving activities and processes within the system. This is done by identifying and removing wasteful activities, and focusing upon patient value-based activities.

Health industries who apply Lean principles to their organization can expect to experience increases in benefits and performance, such as:

- improved patient care
- better patient education
- reduced wait times for patients
- improved clinical outcomes
- increased staff productivity
- reduced clinic and management costs
- improved employee satisfaction for nurses and staff

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PRODUCTIVITY FOR BOTTOM LINE RESULTS

Manufacturing & Lean Enterprises

What is Lean?

Lean thinking is about the removal of waste from the value chain. Waste is defined as any activity that absorbs resources but creates no value. Lean methodologies and Lean thinking help to create an environment of trust and accountability while reducing waste, ensuring quality, embracing employee involvement and increasing productivity. Adopting Lean practices results in the ability to create high quality products or provide high quality services at competitive prices.

Lean Manufacturing

By using "Lean thinking", many firms have realized gains in productivity and profitability, including 60 to 70% gains in production lead time and process efficiency, and 50 to 60% gains in on-time delivery and inventory turnover.

Lean manufacturing can have an immediate, positive impact on your company. Results will vary, but here are some typical areas where you will see savings and benefits:

- cross-trained employees
- faster market response
- greater efficiency, quality and reliability
- improved customer communication
- improved flexibility in reacting to changes
- improved vendor support and quality
- increased shipping and billing frequencies
- longer machine life
- lower inventories, reduced inventory costs
- lower overall costs
- lower space/facility requirements
- reduced cycle time
- reduced obsolescence
- reduced scrap and waste
- self-directed work teams
- sharper strategic management focus

By implementing Lean practices, you can see measurable changes in your organization, both in the reduction of waste and the increase of productivity.

About SouthGrow Regional Initiative

SouthGrow Regional Initiative is a member-driven, not-for-profit regional economic development alliance consisting of twenty-seven communities in south central Alberta. SouthGrow Regional Initiative's mission is to encourage regional collaborations, focus on regional economic development issues and ensure the south central region has equal opportunity for growth and development within Alberta's global possibilities. SouthGrow Regional Initiative's economic development philosophy includes attraction, retention, growth, collaboration, and innovation.



Contact Information

Shilpa Stocker, Project Manager
SouthGrow Regional Initiative
403-330-7869
westwindsmanagement@shaw.ca

Tools to Improve Your Bottom Line

- **Lean 101 Workshop** - The workshop introduces Lean principles, manufacturing (traditional and Lean) simulations, and presents potential benefits that companies achieve after implementing Lean including examples of achievements by other companies. Getting Lean training for your business can:
 - provide the tools you need to understand how Lean production can be driven by real customer needs, rather than by traditional forecasting.
 - help to identify waste and how waste can be eliminated.
 - show how managers and workers can work together to optimize processes and practices.LEAN 101 Workshops can be 90 minutes (shortened) or 4 hours (full version) in duration.
- **Lean Assessment** - A Process Improvement Specialist will conduct an on-site assessment, which typically includes a walk-through of the plant/business and can last anywhere from three to eight hours. This generally consists of a meeting with plant management and executives to explain what will be done through the on-site assessment, a walk-through of the plant with the plant/production manager, and a closing meeting. The Specialist prepares a Report of Recommendations, including an identification of major challenges and recommended next steps in the Lean process.
- **Productivity Self-Assessment** - This self-assessment tool considers the three key elements of productivity: Leadership and Management, Innovation, and Operations. It is designed to help you:
 - Identify where your organization is adding value;
 - Indicate where opportunities exist to eliminate waste and increase your level of productive capacity; and
 - Connect to the tools and services that will help improve your productivity.

As you begin or progress along your productivity improvement journey, this tool will help you to investigate, evaluate and measure your organization's capacity for improvement and sustainable long term progress.

Creating Opportunities ...to help your business to work smarter

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PRODUCTIVITY FOR BOTTOM LINE RESULTS

Public Sector & Lean Enterprises

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Lean enterprises and Lean methodologies apply to much more than just the manufacturing industries. All types of industries and businesses can experience the benefits of Lean to:

- Increase customer satisfaction
- Increase employee efficiency
- Increase employee enthusiasm and morale
- Increase productivity
- Increase reliability and consistency of products and services
- reduce the cost of doing business

Lean Public Sector

Improving efficiency in the public sector comes mainly by focusing upon time and quality to deliver cost savings. Lean principles can be applied to many public sector organizations to:

- reduce bureaucracy
- avoid duplication of products and services
- improve transactional processes
- increase productive time across government

The largest barrier to implementing Lean methodologies in the public sector exists only in terms of providing appropriate skills, capabilities and experiences to those responsible for carrying out these Lean processes. Within the public sector, the implementation of Lean methodology could include the following:

- analysis of the existing processes
- identification of calendar time gaps (non value-adding activity)
- discussion of development actions, such as step-by-step continuous improvements
- agreement and support of all concerned parties
- measurement of key characteristics, before and after development
- training and coaching of all staff involved in the development plan
- publication of results and networking with other groups to spread best practice methods

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PRODUCTIVITY FOR BOTTOM LINE RESULTS

Service Industry & Lean Enterprises

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- increase customer satisfaction
- increase employee efficiency
- increase employee enthusiasm and morale
- increase productivity
- increase reliability and consistency of products and services
- reduce the cost of doing business

Lean Service

Much of the western economy is now based on service, rather than manufacturing. Surprisingly, some of the biggest opportunities and most powerful results in Lean implementation come from service or transactional processes - even in a manufacturing company! Typically at least 70% of the cost of a business is outside of the manufacturing floor, yet these processes are often ignored in process improvement efforts.

Within a service industry, the root cause of a problem is often the actual process. Most services are full of waste, and can benefit tremendously from Lean processes.

Applying Lean principles to a service industry will:

- drastically reduce the processing time of activities and transactions
- eliminate wasted time, thereby resulting in a reduced cost of doing business
- increase customer satisfaction by giving customers what they need, when they need it
- increase employee enthusiasm and morale by allowing people to implement improvements that they have developed

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PRODUCTIVITY FOR BOTTOM LINE RESULTS

Supply Chains & Lean Enterprises

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Lean Supply Chains

Lean supply chains let you collaborate strategically with suppliers to develop new products, and provide a means to manufacture the components and sub-assemblies without delays. Applying Lean to supply chains enable companies to:

- reduce the supply base
- develop long-term strategic partnerships
- manage suppliers with commodity teams
- certify suppliers
- connect to suppliers using internet technologies

Normal supply chains often result in a delayed response time to customer demands which, in turn, leads to supply difficulties.

A Lean supply chain optimizes the transfer and availability of required products by:

- Building a tiered structure where the number of suppliers in each tier is reduced. Each tier is responsible for developing and building specific major components or sub-assemblies.
- Applying strategic sourcing to reduce the number of suppliers that need to be managed, administered, and scheduled.
- Building long-term collaborative relationships rather than competitive tendering of jobs.
- Using open-book costing rather than secretive costs.
- Measuring performance by quality, reliability of deliveries, and cost reduction.
- Delivering and managing commodity items on the customer's site, at the point-of-use, rather than raw material stores.
- Delivering supplies to a central warehouse where redistribution occurs to each customer, thus preventing shortages.
- Reducing commercial administration by developing long-term contracts.

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APPENDIX D – Education: Accelerate Your Business

ACCELERATE YOUR BUSINESS

A TRANSFORMATIONAL 1-DAY MANAGEMENT WORKSHOP WITH DONALD COOPER, MBA

Presented and sponsored for you by:

Government
of Alberta



Donald will deliver the “straight goods” on how to:

- 1 Create and deliver compelling value and experiences** that will grab your target customers and grow your bottom line.
- 2 Market more effectively** on a tight budget.
- 3 Proactively manage your business, your team and your bottom line.**
- 4 Attract, lead and retain** a top performing team and deal with non-performance.
- 5 Visualize and create an extraordinary and more profitable future** that will fulfill, challenge and reward you and your team.



Donald Cooper is respected by business owners and managers throughout the world as a thought leader and passionate visionary in the areas of marketing business innovation.

As an owner of Cooper Canada, the former world leading sporting goods manufacturer, and the founder, President and Chief Visionary Officer of Alive and Well, an award winning retailer, Donald Cooper

will help you sell more, manage smarter, grow your bottom line and ... have a life!

Why you should attend this extraordinary 1-day Management Workshop

Managing any business today is tough... and getting tougher. We're all faced with more demanding customers, more and stronger competition, increased complexity and shrinking margins. Mediocrity is no longer an option! On top of that, great staff are hard to find and keep...and that problem won't go away anytime soon.

This program is specifically designed for the owners, CEOs and managers of businesses that want to create compelling customer value, world-class efficiency, a sustainable and more profitable future and a competitive advantage over their competitors.

Thursday, September 17, 2009

9 am – 4 pm at the Lethbridge Lodge

COST TO ATTEND: \$50 per person including GST

INCLUDED IN YOUR REGISTRATION FEE:

- An extraordinary day with Donald Cooper
- Course material
- Lunch and refreshments
- Opportunity to network with your peers

TO REGISTER

For more information on this exciting opportunity contact Mary Swanek at 403-394-0615 or mary.swanek@southgrow.com

Registration: Deadline September 10, 2009

APPENDIX E – Education: Productivity and Leadership



PRODUCTIVITY and LEADERSHIP

FULL DAY WORKSHOP WITH DR. DONALD M. CARMONT



SEMINAR FOCUS:

Leadership: Linking Productivity and Innovation to Create the Edge of Excellence

Thursday, March 25, 2010

9 am – 4 pm at the
Lethbridge Lodge Hotel and Conference Centre
COST TO ATTEND: \$50 per person including GST
includes lunch, refreshments and course materials
WHO SHOULD ATTEND:

- Individuals
- Business Leaders
- Production supervisors
- Those who want to lead in transformation for innovation, customer service and excellence from the top floor to the shop floor

TO REGISTER

Register online www.southgrow.com
or call 403-394-0615 or 1-888-989-8488
Registration: Deadline March 22, 2010

Dr. Donald Carmont brings forty years of experience and expertise from having worked with over 10,000 organizations in both the public and private sector that want to excel in leadership and productivity, to improve their bottom line and inspire change. He has worked extensively in Canada, throughout North America, the U.K. and Southeast Asia.

APPENDIX F – Initial Contact Information Sheet

CONTACT					
COMPANY NAME	COMPANY ADDRESS	CONTACT PERSON/TITLE	TELEPHONE	FAX	EMAIL
COMPANY					
MAIN PRODUCT/SERVICE	ANNUAL SALES	GROSS PROFIT (%)	NO. of EMPLOYEES	SQUARE FOOTAGE	MAKE-TO-ORDER/ MAKE TO STOCK?
OPERATIONS					
ON-TIME DELIVERY (%)	ORDER-DELIVERY LEAD TIME	MFG. CYCLE TIME	INVENTORY TURNS	SCRAP RATE (%)	REWORK (%)
MAJOR ISSUE(S) (YES/NO)					
SPACE?	LABOUR AVAILABILITY?	LATE ORDERS?	INVENTORY?	RISING COSTS?	OTHER (SPECIFY)
COMPETITION					
MARKET SHARE	MAJOR COMPETITORS	COMPETITIVE ADVANTAGE			
CONTINUOUS IMPROVEMENT EXPERIENCE					
LEAN THINKING	SIX SIGMA	ISO	EMPLOYEE TRAINING	BENCH-MARKING	CHANGE MANAGEMENT

ADDITIONAL CONCERNS

This image shows a blank sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

APPENDIX G – Detailed Company Information

Lean Enterprise Assessment Program (LEAP) INITIAL CONTACT INFORMATION

Date: _____

Data to be obtained from client prior to LEAP site visit.

Data collected for assessment use only. Strict confidentiality observed.

Company Profile

Date of Contact:	
Company Name:	
Address:	
Contact Person/Title:	
Phone:	
Fax:	
Email:	

1. Company Founding Date: _____
2. Ownership: _____% Alberta _____% Canadian _____% Foreign:
3. List main products/services provided by Company: _____

4. Indicate three biggest challenge facing company, specify order of importance (1 - most important):

• On-Time Delivery	• Customer requirements (Specify)
• Rising Costs	• Space Availability
• Human Resources Issues (List)	• Growth / Expansion
• Other (Specify): _____	

5. List three most important Key Success Factors for company to succeed in business:
 - a. _____
 - b. _____
 - c. _____

Sales and Marketing

6. Name main customers: _____

7. What percentage of total market does company hold: _____%
Domestic market % _____ International market % _____

8. What percentage of total sales was for

Domestic Market:

Current Year _____% Last Year _____% 2 Years Ago _____% 3 Years Ago _____%

International Market:

Current Year _____% Last Year _____% 2 Years Ago _____% 3 Years Ago _____%

Primary Country _____

9. Describe company sales and distribution supply chain method?

10. List competitors' strengths and weaknesses:

<u>Strengths</u>	<u>Weaknesses</u>

Product Design and Development

11. Product design and development activity? YES / NO

If YES how many new products were launched in the last 3 years? _____

12. Describe product development approach:

Manufacturing

13. Production plant square footage: _____

14. List main suppliers and products:

15. List main challenges related to suppliers, purchasing and receiving:

16. Average annual volume: Current _____; Last year _____; 2 Years _____; 3 Years _____

17. Plant operating capacity compared to 24/7 capacity: Current _____% Last year _____% 2 Years _____%

18. Is production process layout available? YES / NO If YES attach a copy

19. List main production processes:

20. Which process is production bottleneck?

21. Average time from receiving order to shipping the order: _____

22. Average production throughput time (without purchasing and engineering time):

23. Average rework rate as a percentage of production/service volume: _____%

24. Average scrap rate as a percentage of production/service volume: _____%

25. On-time delivery rate: _____

Human Resources

26. Number of Employees: _____; Number of Shifts: _____; Duration of each shift: _____

27. Employee turnover: _____

28. Absenteeism: _____

29. Any major health and safety concerns? YES / NO If YES mention concerns; _____

30. Average training budget as percentage of sales: _____%

31. List incentive and motivation programs:

32. Mention other HR challenges:

Management

33. Does company have written business plan? YES / NO If YES attach a copy.

34. Does company have organization chart? YES / NO If YES attach a copy.

35. Does company have facility layout? YES / NO If YES attach a copy.

36. Computer Systems in place? YES / NO: If YES what is the system used for?

Information?	Operations? (specify)
E-business?	Others (specify): _____

37. Has company ever benchmarked against the industry? YES / NO If YES attach a copy

Finance

38. Is budget prepared at the beginning of financial year? YES / NO

39. Are financial statements prepared periodically? YES / NO If YES how frequently? _____

40. Annual Sales: \$ _____ Gross Margin: \$ _____ Net Profit (BIT): \$ _____

41. Describe purchasing process:

42. Describe receiving process:

43. Briefly describe costing method?

44. Average inventory (in thousands of dollars) at any one time:

- Raw Materials: _____
- Work in Progress (WIP): _____
- Finished Goods: _____

45. Number of inventory turns: _____

46. How are new capital investments proposals evaluated?

General Comments and Observations

47. Which are the most important three areas must company improve on?

48. List continuous improvements techniques experienced by company:

49. Any experience with LEAN philosophy?

50. Is company committed to implement continuous improvements techniques?
Like LEAN philosophy? YES / NO

-----END-----