



Quality Transformation and Problem Solving

Project Overview

The bike industry relies heavily on discretionary spending. Hence, it could be easily impacted by economic conditions. The trend towards a green environment, and healthier lifestyle, indicates that this is potentially a growth industry in the long term. However, the industry will attract more competition, and with a medium to low entry barrier, a best-in-class manufacturing and quality discipline can instill a competitive advantage. The client, a world leading bike components company, has embarked on a journey of quality transformation. CGN Global was engaged in October 2014 to work alongside the Quality Team in Asia to facilitate and support this effort. The transformation was laid out in 3 phases: stabilization & containment, consolidation & sustainability, and executing a quality vision.

Business Objectives

With most of its global production in Asia, the client launched a program, transforming the Asian manufacturing quality standard and supplier base. CGN was charged with driving the facilitation of major quality problems resolution, using the Eight Disciplines (8D) process, to design and develop a supplier QMS assessment, and an 8D work manual, as well as performing a quality systems audit of new and strategic suppliers. Training sessions, on the 8D work manual, began with an emphasis on problem solving techniques and tools; creating a costing method for computing quality cost of the selected problems, along with a problem solving gap analysis and assessment summary.

Unique Challenges

- The client had no standard operating procedure when CGN introduced the 8 discipline process
- Lack of audit methods or a standard QMS assessment
- Quality issues were difficult to solve due to low understanding of the 8D approach
- The supplier quality department did not have the qualified resources or experience to perform a supplier quality system audit
- The client had no prior training material, methodologies, problem solving assessment skills

CGN's Approach

CGN Global evaluated the challenges confronting the organization and developed an approach that began with the creation of a critical

mass of employees and managers with knowledge of the 8D process. Next steps included the design and development of a quality management system audit checklist along with the creation of a standard operating procedure. CGN's next course of action involved an assessment of primary, potential and strategic suppliers, followed by supplier improvement solution design and implementation. To further develop the client's understanding and sustain overall improvement, CGN evaluated the client's problem solving skills and reviewed training material and costing methodologies.

Results & Conclusions

- Client's quality team was trained & guided to use the 8D approach to address quality issues leading to stabilization, and establishing a foundation for executing the SOP
- The audits/ assessments identified key areas for improvement, leading to adoption of the overall methodology
- Quality systems improvements for strategic suppliers were realized
- 465 client team members were trained
- The costing method led to a full understanding of the client's current cost impact
- Final assessments were submitted to upper management where overall savings would be calculated

Our Expertise

The Problem Solving and Quality Improvement methodology we use at CGN is a proven approach toward improving operational performance. Our 20+ years of Problem Solving experience enables us to quickly and accurately identify key problems, detect the causes at the most foundational level, and provide/implement the solution to improve overall organizational effectiveness.

CGN Global's Problem Solving Service is based upon 4 fundamental constructs that must fit within any problem solving process. These constructs have been defined and validated through years of practical experience and thought leadership:

- Problem Definition
- Fault Isolation
- Root Cause Analysis
- Corrective Action and Error Proofing