Next Gen Sector Partnership Set to Launch
by Bob Zaruta, President/CEO, NWIRC
A new partnership is brewing in northwestern Pennsylvania. NWIRC was recently asked to assist manufacturers in launching a Next Generation Sector Partnership in eight counties of NW PA by serving as the convener. You may be wondering, “why a new group or initiative for manufacturing, and why now?” - when there are numerous workforce boards, economic development agencies, and other organizations and partnerships in the region already focusing on manufacturing.

Next Gen is not an initiative. It’s a way for manufacturing leaders in the region to come together and work on common priorities. These priorities aren’t necessarily always workforce-related. In my travels I hear from companies about supply chain, infrastructure, regulatory, and other issues that are frequent concerns in manufacturing. The Next Gen partnerships working across the country have also demonstrated successes in focusing on a variety of topics like these. Agendas are based on industry-determined priorities, not geared to specific programs available or already in motion. Manufacturing leaders champion the priorities they identify and look to community resources to respond. So partners, such as workforce development, economic development, education, service organizations, and other groups, work together to provide current resources and program solutions to get the work done, or develop new ones, if needed. Since Next Gen Sector Partnerships are organized around the topic that interests business leaders most—’what it takes to ensure that their company thrives’—the work is more sustainable over time.

Several manufacturers in the region are the face of a Next Gen Sector Partnership launch meeting invitation recently sent to companies across the eight counties, they include: Greg Wasko, Vice-President of Starn Tool and Manufacturing; Ashleigh Walters, President of Onex Inc; Don Smith, Operations Director of Franklin Industries; and Mike Walton, CEO of Jamestown Coating Technologies.

To borrow an abstract from the invitation itself, “Across Northwest Pennsylvania there are pockets of success in working together to address common issues. We want to take this work to the next level by forming a regional, business-led partnership that will bring manufacturers together to tackle the priorities that matter most in making our industry stronger.”

NWIRC has been asked to distribute their invitation, but also pass along information about the launch meeting via this article, because it’s possible that companies were missed or perhaps the invitation overlooked. The Next Gen launch meeting will be held on November 6th from 9:00am-11:00am at Honeywell, 1345 15th Street Franklin, PA. This is an invitation directed to manufacturing company owners, presidents, and executive decision-makers in the region. Please contact me directly if you’d like to participate at rzaruta@nwirc.org.

SEPCO-ERIE: Improvement Kata Makes Problem-Solving Second Nature
Founded in the mid-1960s, SEPCO-Erie has progressed from a one-man, one-car garage operation focusing strictly on electronics production to a 17,000-square-foot, air-conditioned facility that primarily works with CNC machining and ultra-modern tube cutting techniques to provide various components for local industrial corporations, as well as multiple tube mills nationwide.

Meeting customer demands and exceeding customer expectations for quality and delivery are paramount at SEPCO. With these goals in mind, the company recently invested in a new...
Italian-made machine, known to employees and customers as ‘Sophia’. In addition to positioning the company to better serve existing customers, Sophia’s high-speed capabilities would enable the company to seize new market opportunities and customers particularly for small batch jobs. However, set-up times approaching 3 hours prevented the company from achieving its goals. The equipment capacity was underutilized and the return on its new asset was not where it needed to be.

To address the situation, SEPCO’s President and Owner, Dan Ignasiak, knew he needed to engage a small team in an improvement and coaching kata event. Dan had visited a manufacturer located in Michigan, a world-class machining company that SEPCO benchmarks from, who implemented Kata with impressive results. Dan turned to the NWIRC who offers Kata training and implementation assistance by a certified coach. With the assistance of the NWIRC, the SEPCO team set the overall challenge – a perfect set up in 30 minutes.

NWIRC’s Tom Weible, TWI Certified in kata, coached SEPCO’s core team to apply improvement kata working towards their overall challenge. Team members participated as learners in repetitive coaching sessions designed to help master the improvement kata to 1) assess current conditions based on data; 2) establish target conditions that are in alignment with the challenge; 3) identify and evaluate obstacles; 4) select an improvement path; 5) establish expectations; 6) implement experiments; 7) measure results; and 8) learn from the experiences.

The team’s improvement experiments were centered around their current condition of equipment set-up time at nearly three hours- with an improved time targeted for each new experiment and the review of outcomes. Through multiple rounds of learning, experiments, and short coaching sessions, the employees were the drivers of this process improvement with measurable results.

As a result of this project, SEPCO increased machine capacity by improving set-up time from 2.75 hours to 56 minutes and they plan to continue kata experiments to reduce even further- positioning them for an estimated $100K in increased sales from new customers over the next twelve months and an estimated $150K in retained sales as existing customer satisfaction improves. The company also expects to realize a cost savings of $35K over the next year.

Team lead and SEPCO Maintenance Manager, Paul Brown, said “before learning kata, we often used a shotgun approach to solving problems and never really knew what solved the issue or the actual impact of the change or improvement. Now we work as a team to determine the next target condition towards the goal. Documentation is key to keep track of things we’ve tried and the results, so we don’t try the same thing again. It’s one step at a time, and having a coach helped keep us on target and motivated.”

Dan said improvement kata enhances their company culture and supports their continuous improvement initiatives, specifically with 2 second lean. “We first heard about kata during a tour of a world-class company that we benchmark against, but had no idea how to pursue this new (to us) problem-solving method,” he said. “NWIRC’s Tom Weible coached us through our first kata challenge with amazing results that are proving to be long-lasting. We now use kata as the basis for all our improvement efforts.”

**Side Note:** Tom Weible will facilitate an Improvement and Coaching Kata training on December 11 and 12 in Erie. Class size is limited, and as an added bonus, each participant receives a 2-hour post-workshop coaching session onsite at their facility to work on an actual improvement using kata skills.

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**Recent Industry Forum Focuses on Employees**

NWIRC hosted a MFG DAY Industry forum last month in DuBois focused on attracting, developing, and retaining employees. In his opening remarks, NWIRC’s Bob Zaruta, commented that the title could have easily started with Retain…due to the high costs of recruiting and training new employees. “It’s much more efficient and economical to keep the employees you have.” Zaruta said as he cited statistics from the 2018 Work Institute’s Retention Report.

NWIRC’s Susan Hileman gave the attendees a lesson on the generations and highlighted points in history that define the generation and their common traits- from Traditionalists and Baby Boomers to the Millennials and Zs.

Denise Ball, a Training Specialist with ToolingU, focused on the importance of strong on-boarding…and knowing how to work with personalities in each generation.
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A company that Ball worked with recently actually had a regimen of texting new employees during their first few weeks of orientation saying things like…“look forward to seeing you tomorrow, training will start at 8am.”

Employee Development Specialist, Lisa Pustelak, talked about the importance of company culture to attract and retain employees. Emphasizing that in order to enhance your company culture, it’s important to know where you currently are and she offered tips on how to assess culture on various levels.

The program’s finale featured Scott Covert, Training Coordinator at Penn United, who brought his presentation down to the shop floor- sharing innovative ways the company has used training and forging relationships to help with recruitment and retention efforts.

One of the key takeaways for the day was that- letting employees know their value in the company, how they contribute to the overall mission, and offering opportunities for growth- are some best practices for both attracting and retaining employees.

WiM Western PA Chapter Holiday Meeting Planned at Daffin’s Candies

The Women in Manufacturing Western PA Chapter is hosting a holiday event and meeting at Daffin’s Candies (factory location at 7 Spearman Avenue, Farrell PA) on Thursday, November 29th from 3:00-5:30pm. The event includes a plant tour and keynote presentation. Since 1949, Daffin’s Candies has created high quality, locally made chocolates and other confections. Through the passion and founding legacy of the Daffin family, Daffin’s Candies continues to produce time-honored chocolates and new sweet creations for their local community and people all over the world. Attendees will gather for a brief Chapter meeting and tour of the Daffin’s facility. After the tour, guests will hear from keynote speaker Dr. Ellen Van Oosten, Associate Professor, Organizational Behavior at Case Western Reserve University. Her presentation will focus on Emotional Intelligence. Chocolate samples will be available, along with hors d’oeuvres and beverages. The cost is $10 for WiM members and $15 for non-members. See details at www.nwirc.org/events.

Lean Together 2.0 Working Group Learns About ‘Company Academies’ from Manufacturing Peers

The Lean Together 2.0 working group had a special session in late summer featuring a panel of guests from prominent area manufacturing companies. The session was focused on having those companies share how they educate employees about their company and various aspects of the business, along with how this has transformed their culture. Viking Plastics shared details of their Viking Academy, American Turned Products gave a glimpse into their ATP Business School, and Finish Thompson, Inc. reviewed details and curriculum for their FTI University.
YOUR STRATEGIC BUSINESS ADVISORS

If you have questions, or would like to speak with someone from NWIRC about services, please contact your Strategic Business Advisor (SBA):

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UPCOMING EVENTS

Lean for the Office  
Mov 7 and 14  
Locations: DuBois and Erie  
Lean principles focus on reductions in waste due to overproduction and waiting. You don't need to be on the shop floor to benefit from improving productivity in whatever your role. This training will help participants understand how to apply lean principles and tools to office and administrative processes.

AS 9100D Internal Auditor  
Nov 13-15  
Location: Erie  
For manufacturers working within the aerospace industry, this course provides your internal auditors the understanding of AS9100 requirements; and how to prepare, conduct, report, and close-out an audit in accordance with AS9100 Revision D.

Measurement System Analysis (MSA)  
Dec 6  
Location: Erie  
MSA is another tool for your quality system. Participants will learn the concept for assessing, measuring, and improving the reliability of the measurement system. You will review different sources of measurement variation and techniques to identify, isolate, and reduce measurement variation.

Engage and Equip Your Team with Kata  
Dec 11-12  
Location: Erie  
This two-day training will focus on Improvement and Coaching Kata- a pattern of scientific-thinking used to achieve goals and challenges turning employees into problem-solvers. Participants also receive a 2-hour post-workshop coaching session onsite at their facility.

For more information or to register for training, visit www.nwirc.org