Opportunity Profile

Lean Manufacturing Manager Tube Fab / Roman Engineering

Afton, MI

Engagement #173-217: 2nd Quarter, 2017















INTRODUCTION

Lean Manufacturing Manager Tube Fab / Roman Engineering Afton, MI

Thank you for your willingness to review the enclosed opportunity profile. The following pages describe an excellent opportunity for a relational lean manufacturing professional to lead the production function of a financially stable automotive industry supplier of good repute.

By documenting our findings in the enclosed profile, we hope to elicit positive responses from successful candidates or referrals to qualified individuals. We trust the following pages will achieve this goal and would welcome the opportunity to talk with someone you know who meets most or all of the requirements described in this profile. As to how they can expect to be treated:

They can be assured of complete confidentiality on our part. Any information shared with us will only be shared with our client and will not be forwarded to other organizations without expressed permission.

They will be treated in the manner we would want to be treated if our positions were reversed. This practically translates into doing what we say we are going to do in a timely manner, promptly returning phone calls and providing frequent and honest feedback to both candidates and clients.

They can be assured that they are dealing with informed management consultants. We understand the job

responsibilities, objectives and accountabilities for the role. We wrote the job model for our client based upon our extensive interactions with the management team over a 60-day time frame. Additionally, we have visited our client on several occasions and have a direct line of open and transparent communication with the president of the company.

As to our veracity in adhering to the above-mentioned points, we invite all interested parties to check us out by contacting anyone with whom we have previously done business. You will find we are unique in that our mission is also our calling: to perform the highest quality executive research work that results in exceptional long-term value for our clients.

Jeffrey R. Ketchum

President & CEO Lordstone Corporation

Disclaimer: Although we have spent a considerable amount of time with our client, seeking to understand their culture, their business and the position, there may be information deemed important to qualified candidates that was not disclosed. As such, we strongly recommend selected finalist candidates thoroughly prepare for interviews and investigate this opportunity with a high degree of diligence and fervor. Finalist candidates should recognize that any and all career decisions should be based upon their own insight, confirmations and details gleaned from interactions with our client.

the OPPORTUNITY

With 40 years of industry experience and committed workforce,
Tube Fab offers a fertile environment for a highly relational, transformative leader committed to excellence.



As a well-run and financially sound automotive industry tubing fabricator, Tube Fab / Roman Engineering seeks a tenured leader to direct its manufacturing function. With 40 years of industry experience, a long-term progressive owner and committed workforce, Tube Fab offers a fertile environment for a highly relational, transformative leader committed to excellence.

As a privately owned, non-unionized company with significant growth potential, Tube Fab is in the process of transitioning into more of a professionally managed business. As a result, the organization is seeking a dynamic Lean Manufacturing Manager capable of leading Tube Fab's continued transition to a lean manufacturer.

Tube Fab is a debt-free, financially sound organization that is conservatively run. The company has an impressive customer base consisting of domestic and Japanese Tier 1 automotive systems suppliers such as Aisin, Continental, Mahle and Cummins Engine. The business is growing, yet is in need of manufacturing leadership that is experienced, relationally focused and can transform the business to profitably meet demand.

Located in Northern Michigan, one of the most beautiful areas in the country, the surrounding areas are ripe with recreational opportunities and peaceful living compared to the hustle, bustle of large metropolitan areas.



the OPPORTUNITY (CONTINUED)







Several reasons may lead an experienced manufacturing leader to explore this opportunity:

- Perhaps you are working at the plant level, within a larger organization, where you have relatively little impact on your employer's overall business. Although you may be a major influencing factor within your plant or division, you may not be able to impact your entire corporation, its culture, business processes and strategic direction. If this describes you, working for Tube Fab could be just the opportunity you have been waiting for all your life. At Tube Fab you will report directly to the owner and president of the organization who leads in a collaborative manner and will rely on your input as a member of the executive team, charged with leading the business.
- Another reason to explore working for Tube Fab is the desire for career progression. Perhaps you are a plant manager now or even division director that has hit a glass ceiling. Although you may be fully qualified for an expanded role within your company, you may have been passed over for promotional opportunities or are unable to progress due to internal politics or a lack of opportunities within your current employer. If this describes you, Tube Fab may provide you a runway for advancement. As Tube Fab ownership/leadership plans for succession within various functions of the business, promotional opportunities may arise as you demonstrate your competency in transforming the manufacturing operations within the company. Thus, this could lead to a VP or COO's role within the organization for someone who compliments the company values, culture and is motivated for success.
- Finally, this opportunity may appeal to someone who grew up in Northern Michigan but currently resides elsewhere in the county and is looking to return home. Alternatively, someone may have frequently vacationed in Northern Michigan and holds an appreciation for what a beautiful area it is during all four seasons of the year. It is full of world-class recreational opportunities and is largely free of the traditional inconveniences of large metropolitan areas such as traffic and high crime rates.



the ORGANIZATION



Tube Fab / Roman Engineering is a third generation, privately held automotive supplier providing fabricated metal tubing and engineered assemblies to large Tier 1 automotive systems suppliers such as Aisin, Continental, Mahle and Cummins Engine. The company employs approximately 200 non-unionized individuals within their 3 buildings totaling 150,000 square feet, located in Afton, MI. Afton is in the Northern Lower Peninsula of Michigan and is within commutable distance of Indian River, MI (8 miles), Onaway, MI (8 miles), Cheboygan, MI (21.8 miles), Petoskey, MI (27.7 miles), and Gaylord, MI (35.3 miles).



Established in 1970, Tube Fab / Roman Engineering has heritage dating back to 1943, when Jewel Redman founded Redman Manufacturing out of his garage in Hazel Park, Michigan. That original company began by making firing pins for grenades and spokes for baby carriage wheels. Tube Fab now focuses on tube cutting, tube end forming, tube bending, and tube assembly. Jewel Redman's grandson, Tom, took over the company 15 years ago and is its current president and owner.

Tube Fab is financially strong, has a diverse management group with extensive outside experience, and has much growth capacity within its current facilities. Tube Fab does well in niche markets and has a reputation within the industry as being a value-driven manufacturer. Current customers like working with Tube Fab because of its size, which is smaller than many companies manufacturing similar products, thus allowing it to react quickly without the bureaucracy that slows down larger companies. The company benefits from serving an excellent customer base with much room to expand, and is on track to reach \$28M in sales by 2017, from its current revenue base of approximately \$26M

Company and Operational Culture

Tube Fab / Roman Engineering is a company that believes in meeting customer requirements and its own fiscal responsibilities in a manner that reflects biblical principles.

the ORGANIZATION (CONTINUED)

The company is debt free and is committed to remaining so, growing at a measured pace, absent of the risk associated with debt. The company strives to foster mutually beneficial relationships with their customers and suppliers, treating them in the same manner as they themselves wish to be treated.



The workforce employed within Tube Fab can be described as being generally "home grown" education with that generally equates to a high school/trade school

diploma. However, experience, integrity and a strong work ethic are prevalent within this workforce which will benefit from an experienced and relational manufacturing leader with strong teaching and mentoring skills.

Change has traditionally taken place at a slower pace within Tube Fab due to the diversity of management philosophy and leadership abilities. There are some managers that are home grown with a pragmatic approach to problem solving and decision making. Others have come from larger companies with a more structured, disciplined management approach. As a result, patience and flexibility will be beneficial virtues in instituting positive change within this organization.

The operational environmental at Tube Fab can be currently described as fast paced with an inclination towards firefighting. Many products were onboarded prior to the

utilization of an APQP process and the plant has numerous non-value add sorting activities in place to safeguard product quality. Extensive problem solving and poke-yoke activities are needed to address such non-value add activities. addition, consistent follow up and accountability are required to support long term adherence to corrective measures.

Ownership's goal is to transform the culture to one that is disciplined, strategic, proactive and consistent, resulting in increased morale, quality of product and profitability for all stakeholders.

Cultural Requirements:

- Train
- Coach
- Mentor
- Inspire
- Empower

From a cultural standpoint, the business requires first and foremost a servant leader. Someone who is accustomed to putting others first and leading from the heart, a handson coach, teacher and mentor who is flexible in

their approach, present on the plant floor and impassioned by leading teams and seeing them win at work and at home. The business needs a relational leader who is an active listener, empathetic and patient but one who is driven to motivate others and organizations to first recognize and then achieve their true potential. A consistent and reliable leader who is progressive and themselves a lifelong learner.

Tube Fab/Roman Engineering operates under the following set of core values:

- Values Based Leadership in which integrity is key and biblical principles are reflected
- Conservative Financial Decision Making which has led to historic profitability and generous profit sharing
- Fostering Mutually Beneficial Relationships with customers and suppliers and treating those customers and suppliers with respect
- Sensitivity to Environmental and Social Impacts that the company and its employees have on the community
- Adaptability to the Global Marketplace which includes utilizing technology, innovation, and experience to maintain a competitive advantage
- Customer Satisfaction which includes knowing and meeting customers' needs while fostering a companywide environment dedicated to keeping customers happy

the POSITION



The Lean Manufacturing Manager will be responsible for translating ownership's vision of the business into a vision for the production workforce.

Reporting to the President of the business, the Lean Manufacturing Manager will be responsible for translating ownership's vision of the business into a vision for the production workforce which currently consists of 115 individuals in Plant The plant functions they will have responsibility for will include the following:

- Operations Group: production scheduling cell, production scheduling router, 2 group leads in fabrication, 1 lead in cutting and 2 second shift group leads.
- Production & Inventory Control: Manager and 3 customer service representatives.
- 3. Shipping and Receiving: 5 individuals
- 4. Material Handling: 1 group lead and 5 individuals
- 5. Production Operators and Cell Leads: 93

Working together with their peers and subordinates, the Lean Manufacturing Manager will help transform and positivity impact workforce training, planning, scheduling, production, maintenance and quality.

The Lean Manufacturing Manager will have responsibility for all plant wide lean initiatives and will continue Tube Fab's transition to a lean manufacturer. Historically, the business has implemented various lean principles over the years, yet today a gap still remains between where the organization is and the efficiencies needed to lower costs and make the business more profitable. Areas of improvement the organization is currently aware of include the production planning process, the ordering of materials, standardized work, running production to a drumbeat rhythm, level loading cells, etc. The Lean Manufacturing Manager will educate and involve the workforce in all lean initiatives such as 5S, standard work, visual management and Kaizen events, insuring the commitment to continuous improvement is consistent, the rewards of which will be recognized in the workforce's gainsharing program.

The new Lean Manufacturing Manager will provide positive, encouraging leadership to the production team, establishing





the POSITION (CONTINUED)

accountabilities and expectations while also providing regular feedback and performance reviews to all involved. They will lead their teams of production personnel in a positive, visually communicative manner that is highly relational versus dictatorial, which will increase morale and decrease turnover. They will ensure that there is permanent commitment to continuous improvement among the workforce, leading by example.

The Lean Manufacturing Manager will design, establish, implement and monitor a training and mentoring program that is proactive and consistently adaptive in nature, based on the operational needs of the business. They will insure that operators, cell leaders and supervisors are adequately trained to do their jobs, while also being consistently developed to meet future leadership needs of the company and an employee's career goals.

From a quality standpoint, the Lean Manufacturing Manager, will assist the Director of Quality, in transforming the operational culture within Tube Fab from one focused on quality control (inspection and defect identification) to quality assurance (process orientation with a focus on defect prevention) while simultaneously pursuing root cause analysis and problem solving on current programs.



The Lean Manufacturing Manager will insure that the scheduling function and the production floor are unified, working together to meet demand and shipping on time. They will ensure that product is being consistently produced according to a lean drumbeat, rather than produced fast, stacked and stored.

A preventative maintenance program is currently in place at Tube Fab but could be continuously improved upon. The new Lean Manufacturing Manager will work with the Manufacturing Engineering Manager responsible for maintenance personnel to ensure that the necessary people, resources and process are in place to proactively maintain all facilities and equipment.

Accountabilities and Expectations:

Upon joining the organization and assessing the situation, the new Lean Manufacturing Manager and the President will review the overall accountabilities and establish a prioritized plan that is jointly agreed upon. Prior to such, the *President has established the following objectives and areas of improvement:*

- *On Time Delivery - Within six months, on time* delivery will have improved from a twelve-month cumulative average of 96% to 98%.
- Sales/Direct Labor Hour Within twelve months, this will be increased from an average of \$149.00 to \$157.00.
- **Cost of Poor Quality** Within twelve months, the C.O.P.Q., as a percentage of sales, will be reduced from current levels of 3.2% to 1.5%.
- **Team Cost As A % Of Value Add** Within twelve months, the twelve month cumulative average will be reduced from 39.4% to 36% or better.
- **Standard Work** Implementation of level loaded standard work within targeted cells (25% of plant within 6 months, 50% of plant within one year, 75% of plant within 18 months, and 100% of plant within 2 years.)



QUALIFICATIONS REQUIRED

The right candidate's success will have been a direct result of the teams they have hired, trained, mentored and grown in an enthusiastic and conscientious manner.



The right candidate will have served within manufacturing leadership roles for a minimum of 15 years, leading teams by establishing credibility, building rapport, maintaining a flexible approach and executing initiatives in a positive and collaborative manner. They will have held successive positions in manufacturing supervision, lean management and have a good working knowledge of plant scheduling, best in class quality principles and HR policies and procedures related to plant personnel.

Their success has been a direct result of the teams they have hired, trained, mentored and grown in an enthusiastic and conscientious manner. As a trainer and caring coach with really excellent interpersonal skills, they have developed the skills and abilities of their direct reports, who in turn have received increased responsibilities and promotions throughout their careers.

They will have successfully led the production efforts of a manufacturer where they increased first time throughput and on-time delivery while reducing overtime and scrap costs. Preferably this will have included the *unification of an operations function with production and inventory control*. Optimally if they achieved these results in a production environment that was linked to *outside*, *secondary processors* (stamping, heat treating, coating).

They have successfully led a lean transformation within an automotive, aerospace or equivalent high volume/high mix environment, resulting in increased profit margins. Of preference would be someone who has adapted or molded lean concepts into smaller operations of 200 employees or less and where they transitioned from batch processing to cellular manufacturing.

They will have continuously set the tone for *proactive problem* solving in their plants. By their *emotional maturity*, hands on approach to problem solving, diversity of experience and understanding of materials and process, they have led their teams to determine the *root cause of problems* and implemented appropriate corrective actions which have increased profits.

A Bachelor's degree or equivalent experience is required for this role and a preference exists for a graduate degree in business or engineering, given the advancement opportunities within the business.

the LOCATION

Residents of northern

Michigan benefit from a

low cost of living,

and towns like Petoskey

have been ranked amongst

America's Best

Small Towns.



Tube Fab / Roman Engineering is located in Afton, in the northern tip of Michigan's Lower Peninsula. Afton is within commuting distance of several of Northern Michigan's most beautiful vacation destinations such as Petoskey, which is 30 minutes away along the Lake Michigan Coast. It is also within 40 minutes of Gaylord, Cheboygan, and the Straits of Mackinaw, where Michigan's premier vacation destination, Mackinac Island, is just a ferry ride away.

In addition to lacking the hassles of large metropolitan areas like traffic and high crime rates, Northern Michigan is home to hundreds of lakes and rivers. It is a prime fishing and hunting destination, features world-class golf courses, several ski resorts, many marinas and boat launches, and numerous state parks and hiking areas. Residents of Northern Michigan benefit from a low cost of living and towns like Petoskey have been ranked amongst America's Best Small Towns.







CANDIDATING PROCEDURE

Lordstone Corporation www.lordstonecorp.com

Tel: (888) 727-2010 **Int:** +1 239 344 9514 P.O. Box 469 Gladstone, Michigan 49837

Lordstone Corporation serves as advisors and consultants to clients, conveying best practices into board, executive and management level structure, hiring, development and long-term effectiveness. We help build executive level & management teams that reflect integrity, excellence and diversity. We are creative in our approach to organizational design, diligent in our search for exceptional leadership and unbiased in our management appraisals. We are committed to the successful integration of newly appointed executives and continuously supportive in their growth and development.

Our mission is to perform the most professional, highly ethical consulting work possible, which results in long-term value for our clients. If you know someone who meets most or all of the requirements described in this brochure, please feel free to suggest that person for consideration.

We fully respect the need for confidentiality of information supplied by interested parties and assure them that we will not disclose any private data with anyone outside of our client. For further information or consideration for this position, please contact:



Jeff Ketchum
President & CEO
Gladstone, MI
jketchum@lordstonecorp.com



Linda NybergVP of Administration
Fort Myers, FL
linda@lordstonecorp.com