



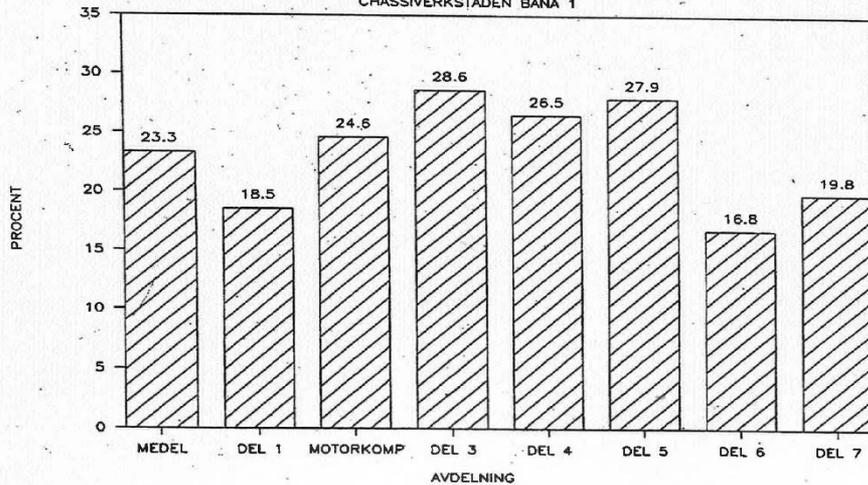
Leif Östling
The Scania Way

Problems during the 80's

- * High employee turnover
- * Quality problems
- * Health attendance

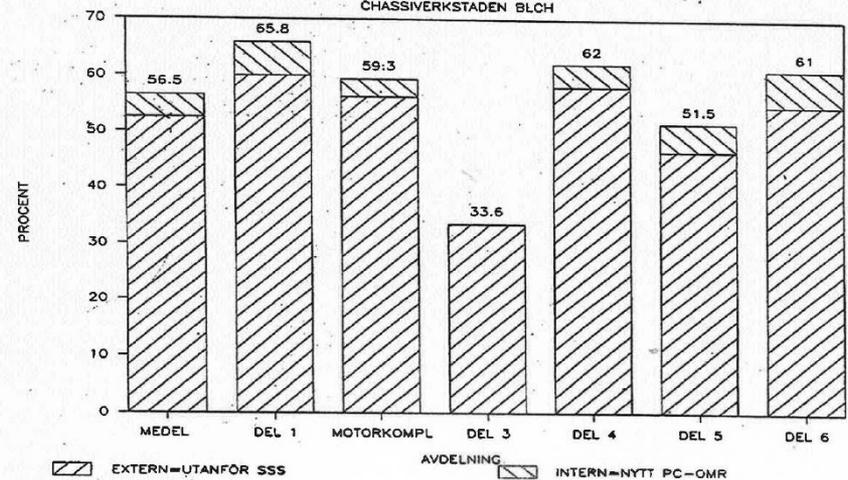
KORTTIDSFRÅNVARO 1:a KVARTALET 1990

CHASSIVERKSTADEN BANA 1



PERSONALOMSÄTTNING BANA 1 1989

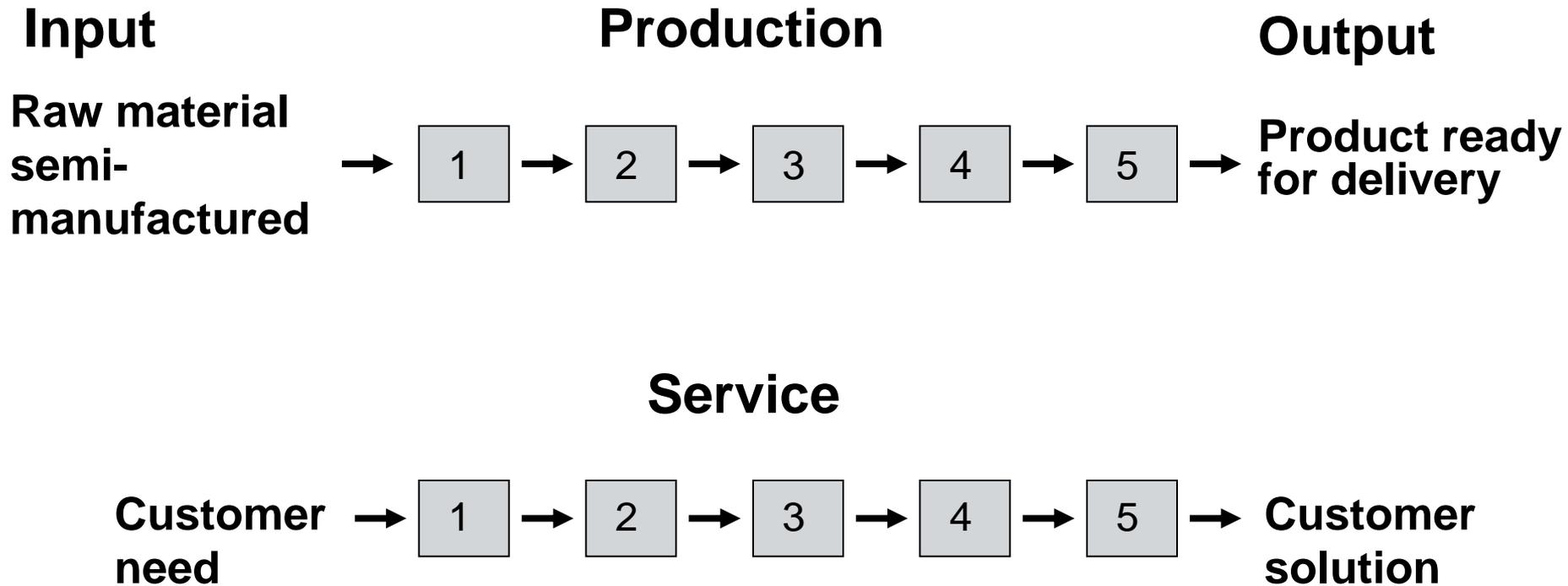
CHASSIVERKSTADEN BLCH



BILIA 5:2

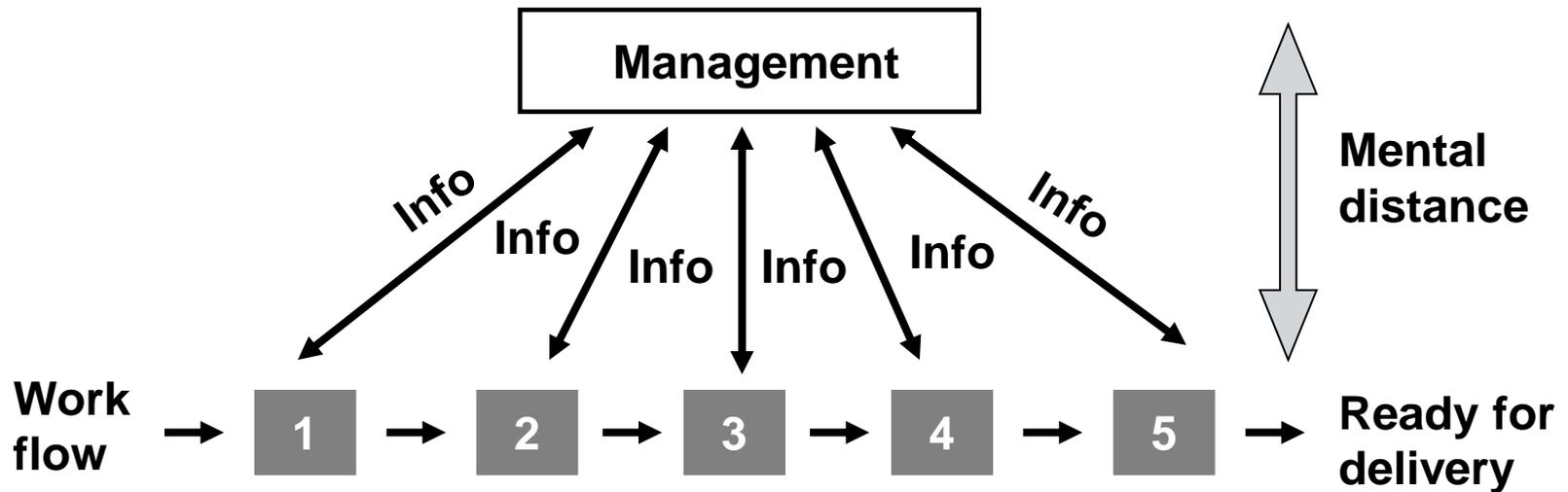


Flow of activities in an organisation



Leadership

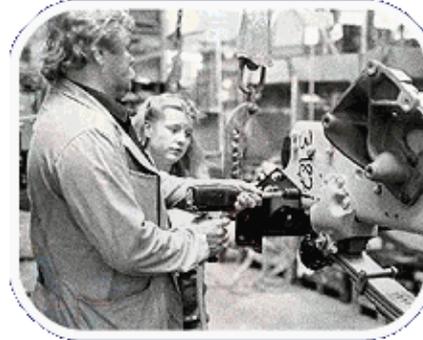
Traditional western – Focus on result



”Order giving management”
Information ”disconnected” from the flow

Old leadership

- before 1995



Production

- Flexible production system
- Difficult to identify **waste**

Leadership

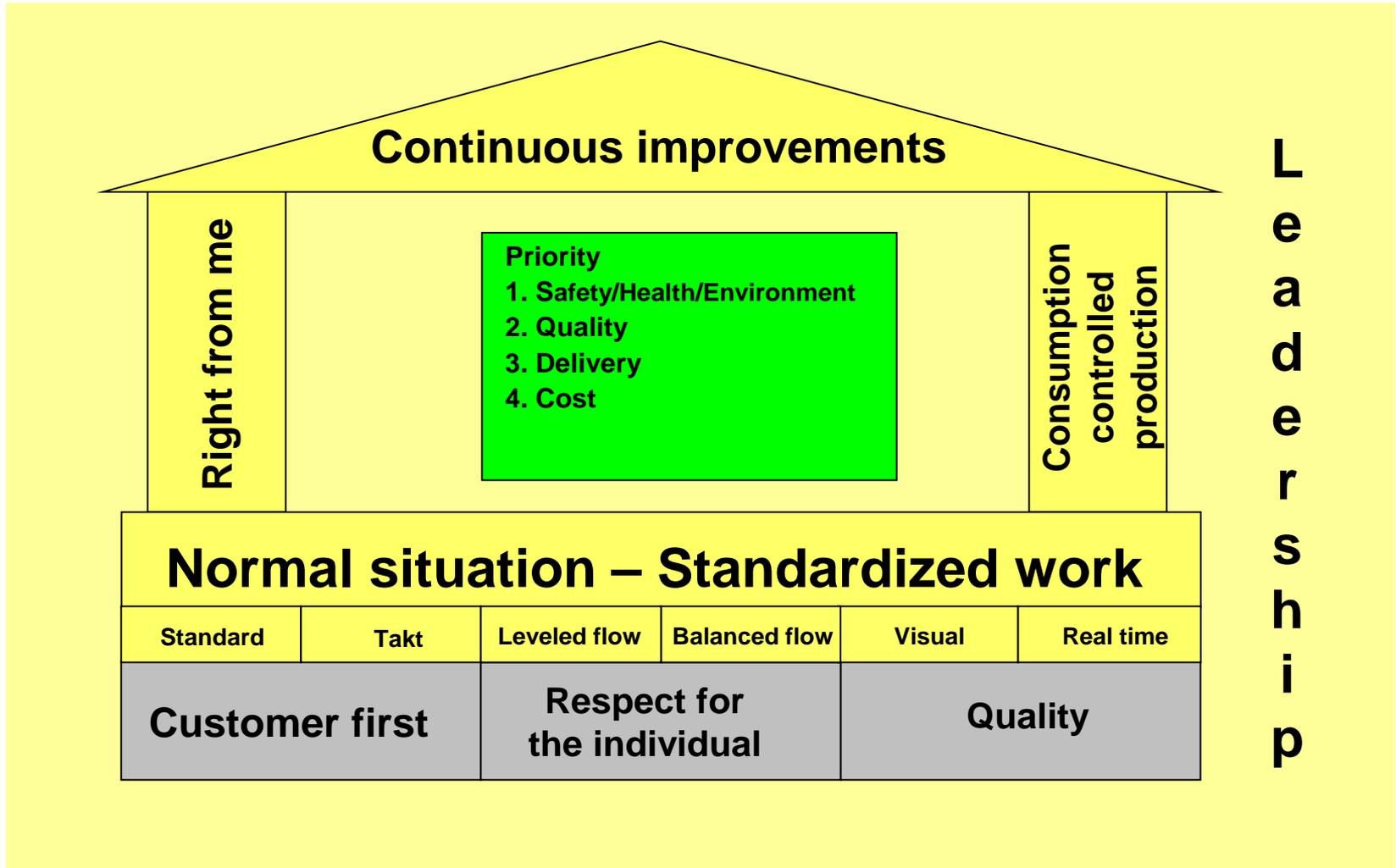
- Leadership focusing on **result**
- Unclear priorities

Employees

- **High absence**
- High personnel turnover

Management by result

1996



Scania Production System

1996 –



Production

- Standardised work
- Visual waste
- Continuous improvements



Leadership

- Training focusing on standards
- Coach
- Present leadership



Employees

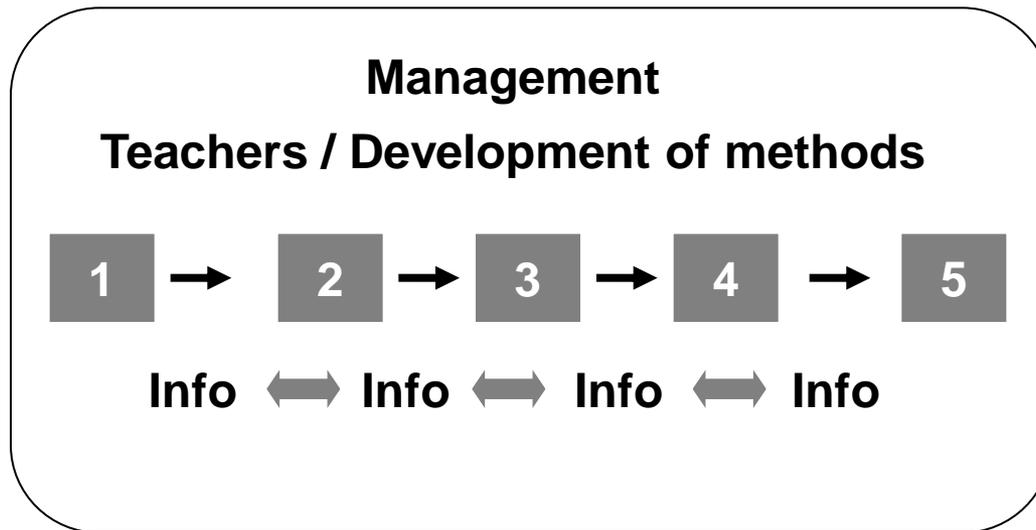
- Empowered personnel
- Involvement
- Less absence
- Less personnel turnover

Leadership

Teaching management
"Holistic"

Input

Flow of products and services →



Output

→ Ready for delivery

To find out the "normal" flow and focus on waste



Elimination of waste – Quality

Two sides of the same coin

**Low waste
High efficiency**



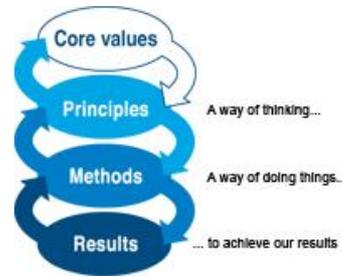
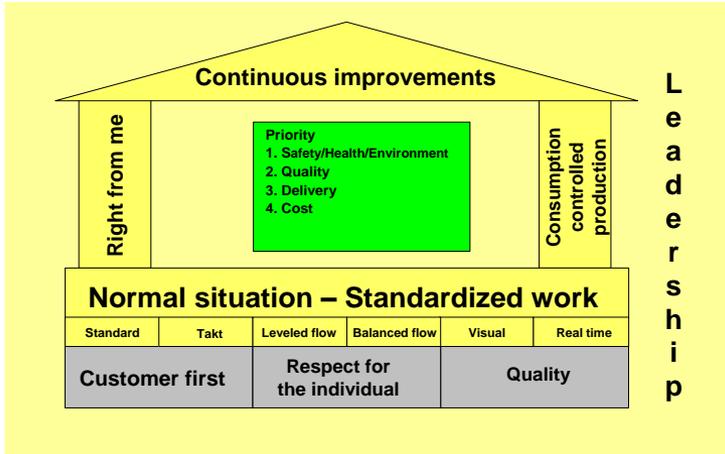
High Quality

**High waste
Low efficiency**

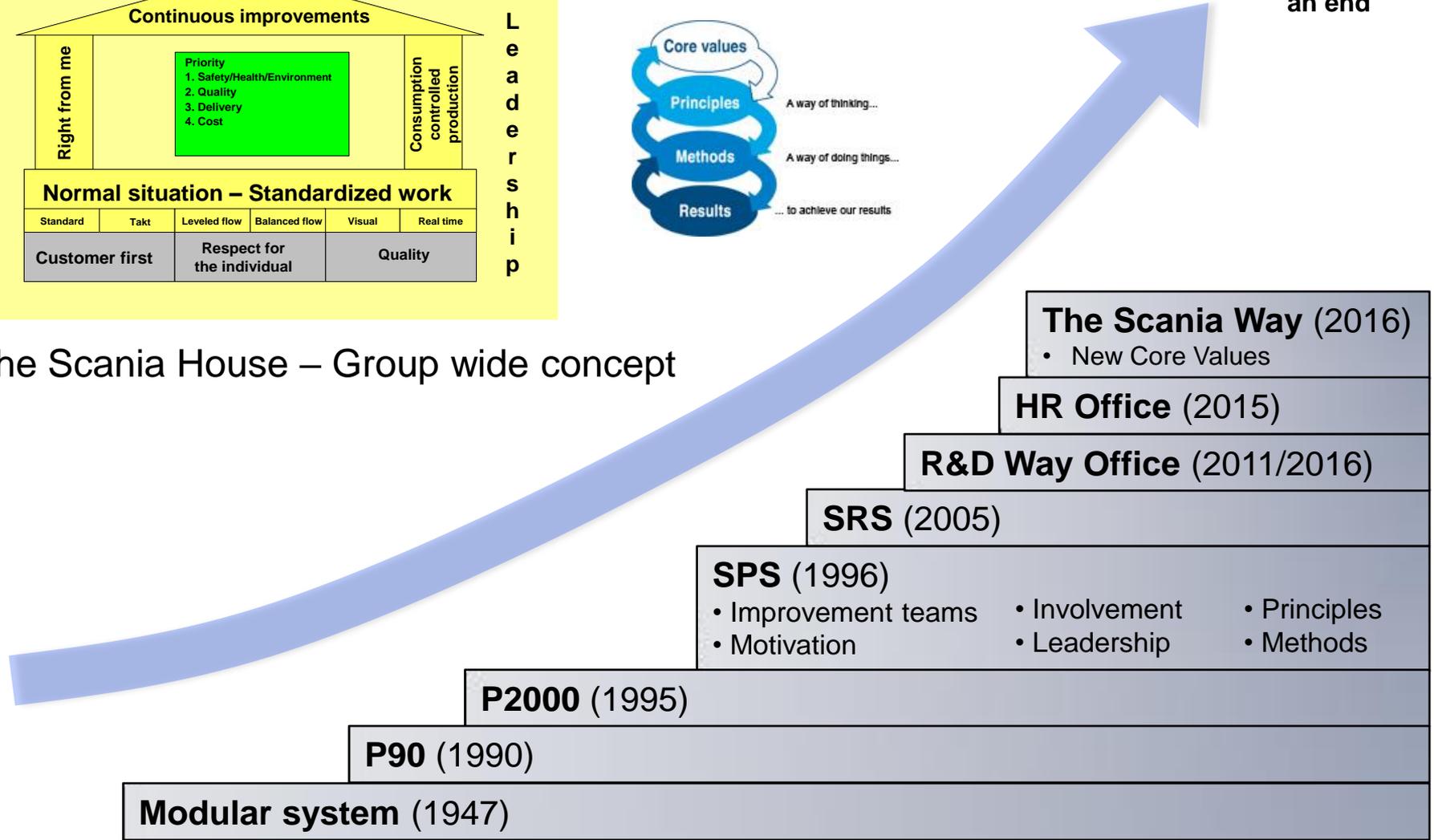
Low Quality

Evolution step

A journey without an end



The Scania House – Group wide concept



The Scania Way (2016)

- New Core Values

HR Office (2015)

R&D Way Office (2011/2016)

SRS (2005)

SPS (1996)

- Improvement teams
- Involvement
- Principles
- Motivation
- Leadership
- Methods

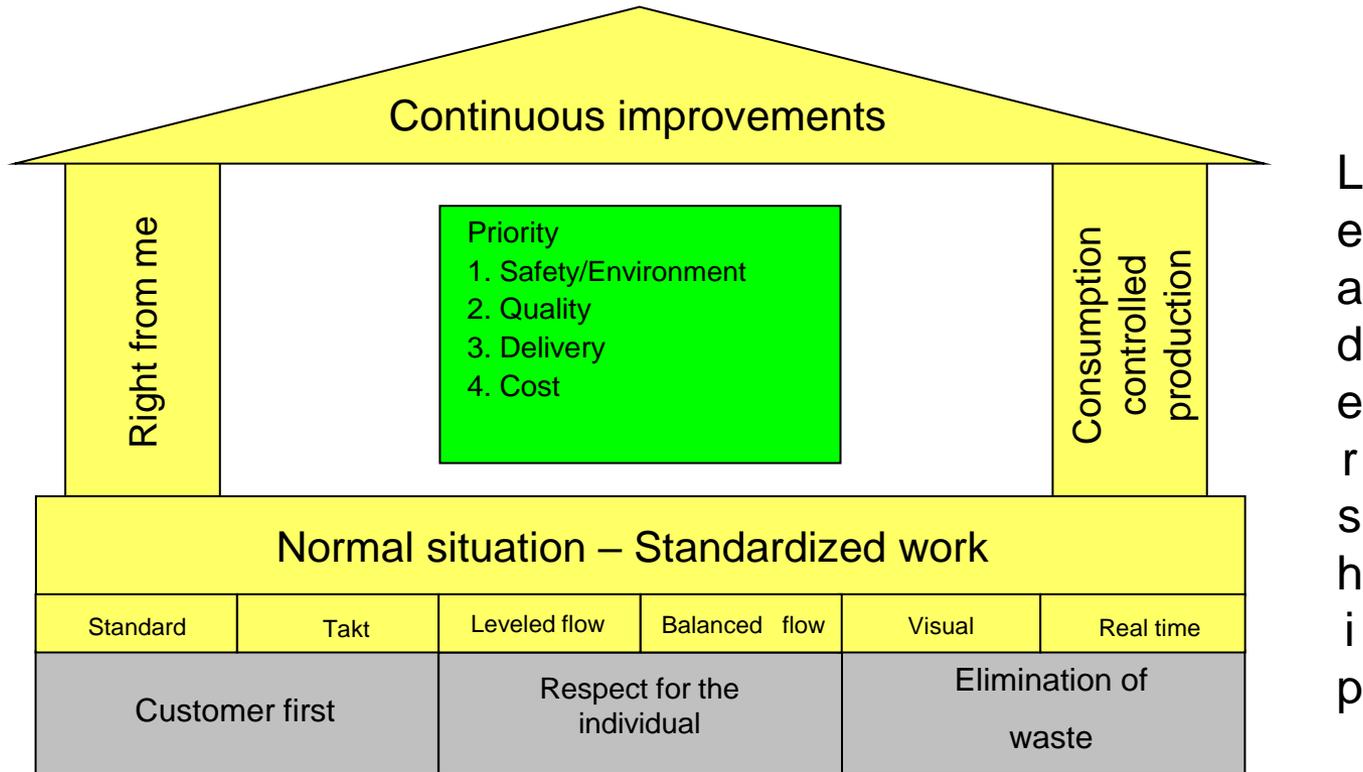
P2000 (1995)

P90 (1990)

Modular system (1947)



Scania's Produktion System



The management system contains a lot of answers,
but what are we trying to solve?

Every principle solves problems

Standard

- How do I know how to do my job?

Takt

- How do I know if I´m falling behind?

Leveled flow

- How do I get a predictable and stable situation?

Balanced flow

- How do we work together?

Visual

- What is our situation right now?

Realtime

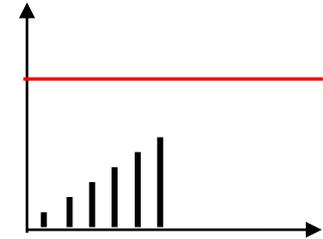
- Solve the problem while its small!

Normal situation - Standardized work

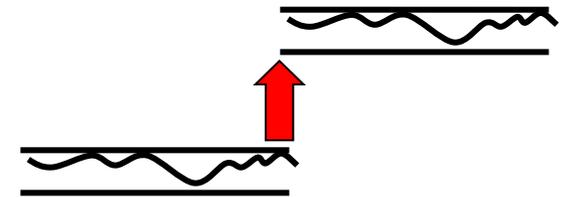
Continuous improvement



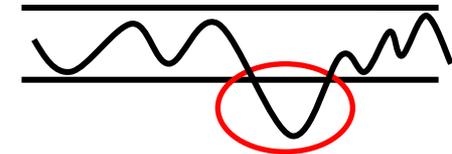
Challenge



Improve



Deviation



Normal



That was the easy part... Here comes the tricky part!

The 90 % trap...

Research shows that fewer than 10%
of all companies succeed in implementing Lean
→ Tools & Methods.



What is the secret ingredient?

Key to the success!

INPUT

MACHINE

MATERIAL

METHOD

A system in three levels

- The individual, creates a result
- The team, gives a context
- Leaders, coaches and teachers

Man / Team



Converter

The key competitiveness factor nr 1!
The one thing that cannot be copied
by our competitors!

OUTPUT

SAFETY / HEALTH /
ENVIROMENT

QUALITY

DELIVERY

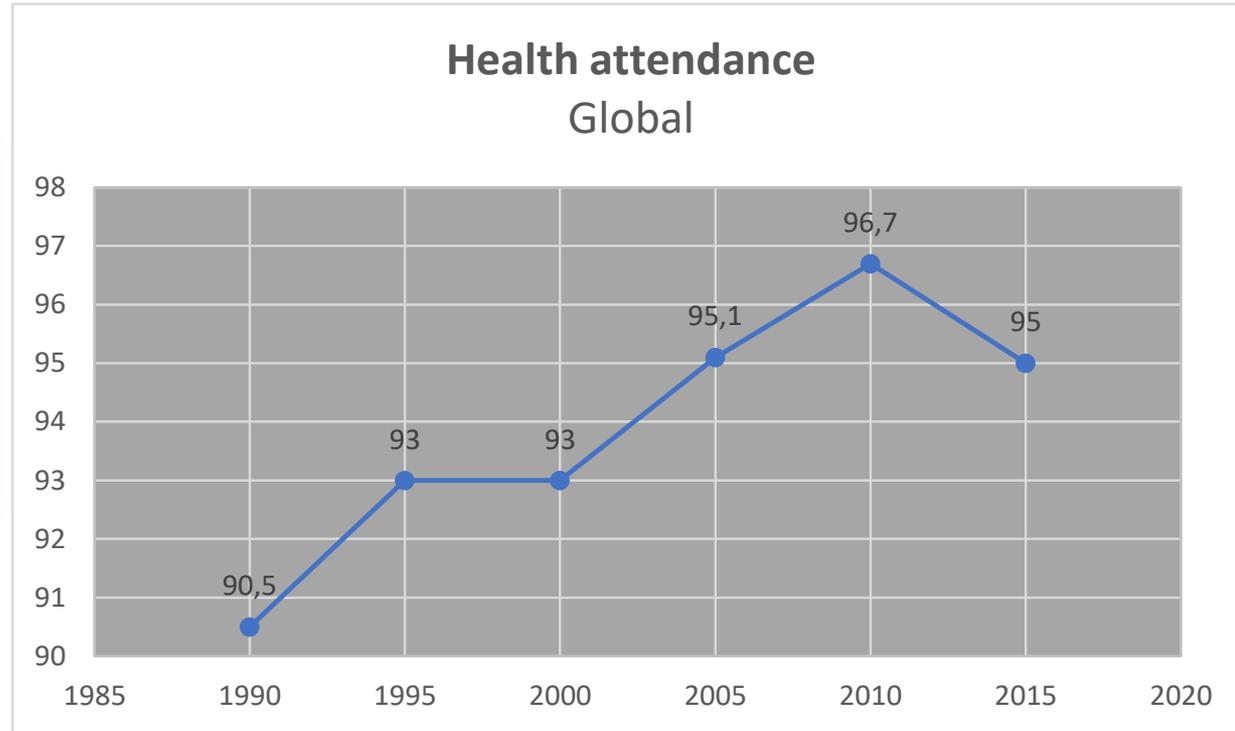
COST



Documented success

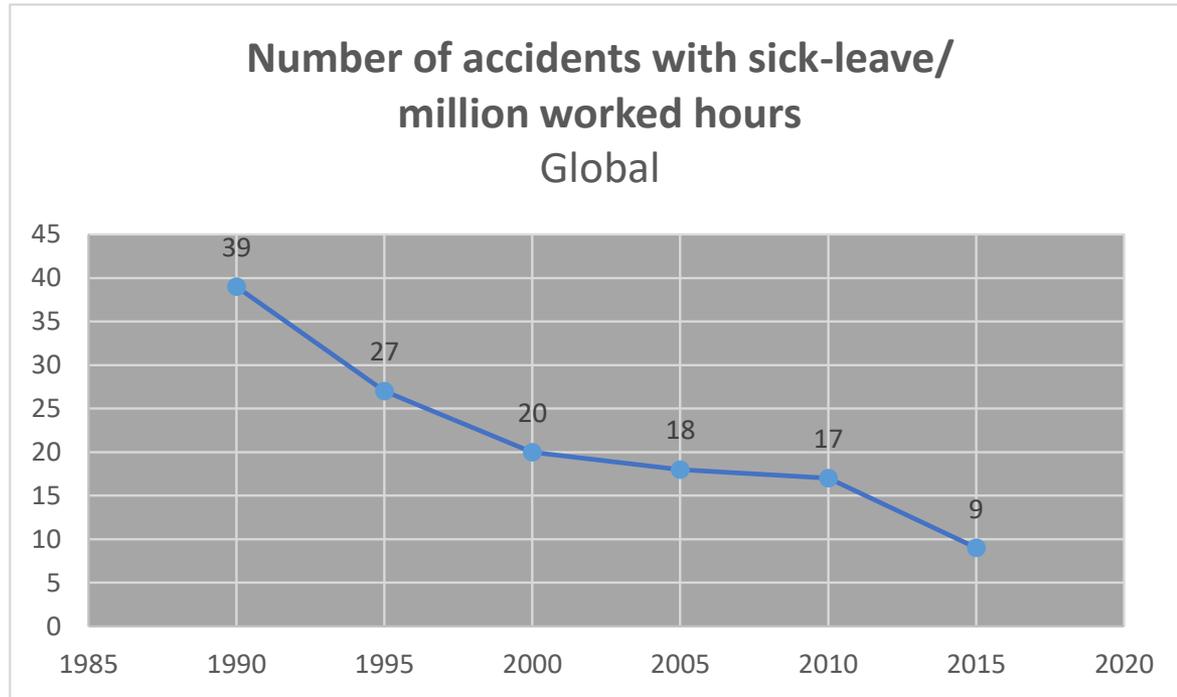


Respect for the individual



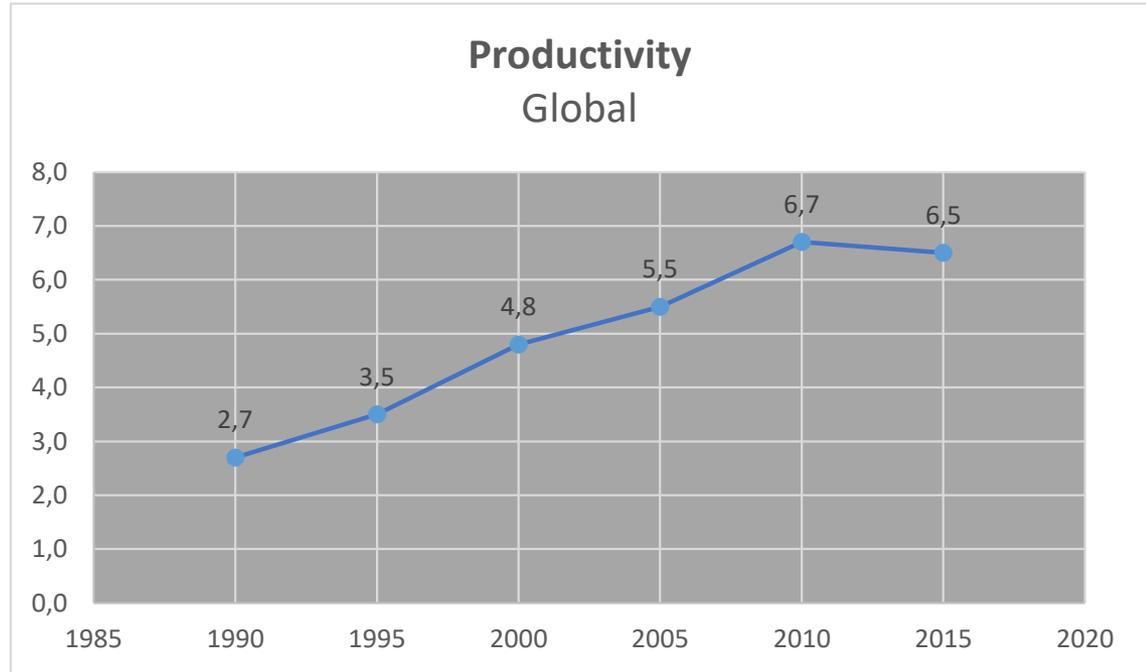


Respect for the individual



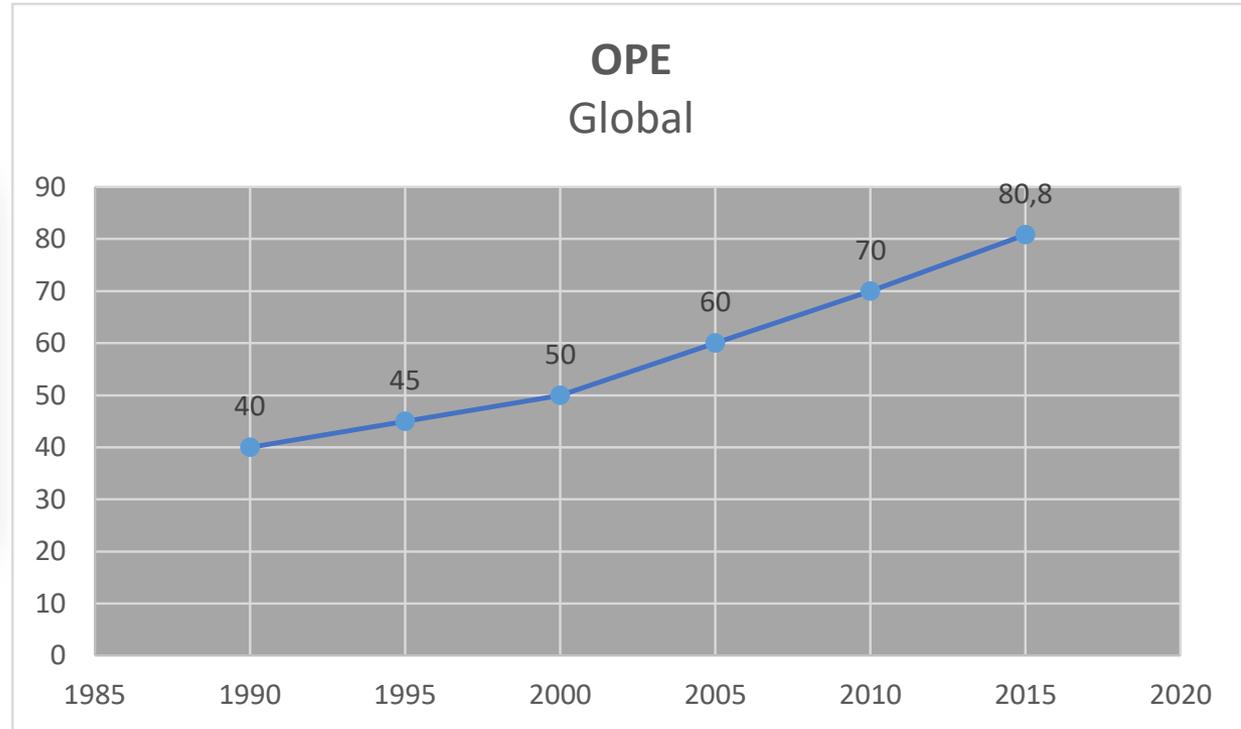


Customer First





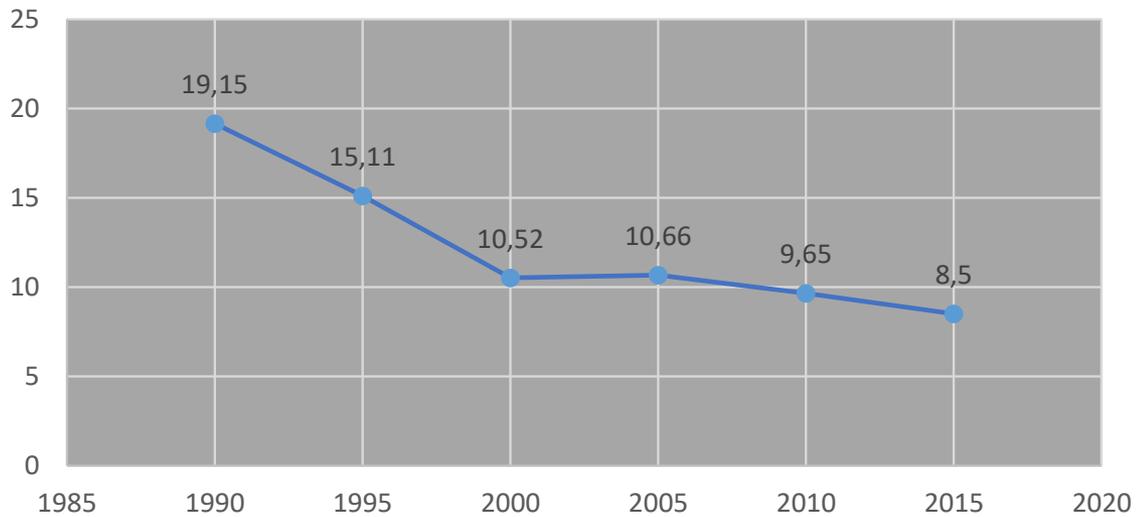
Quality





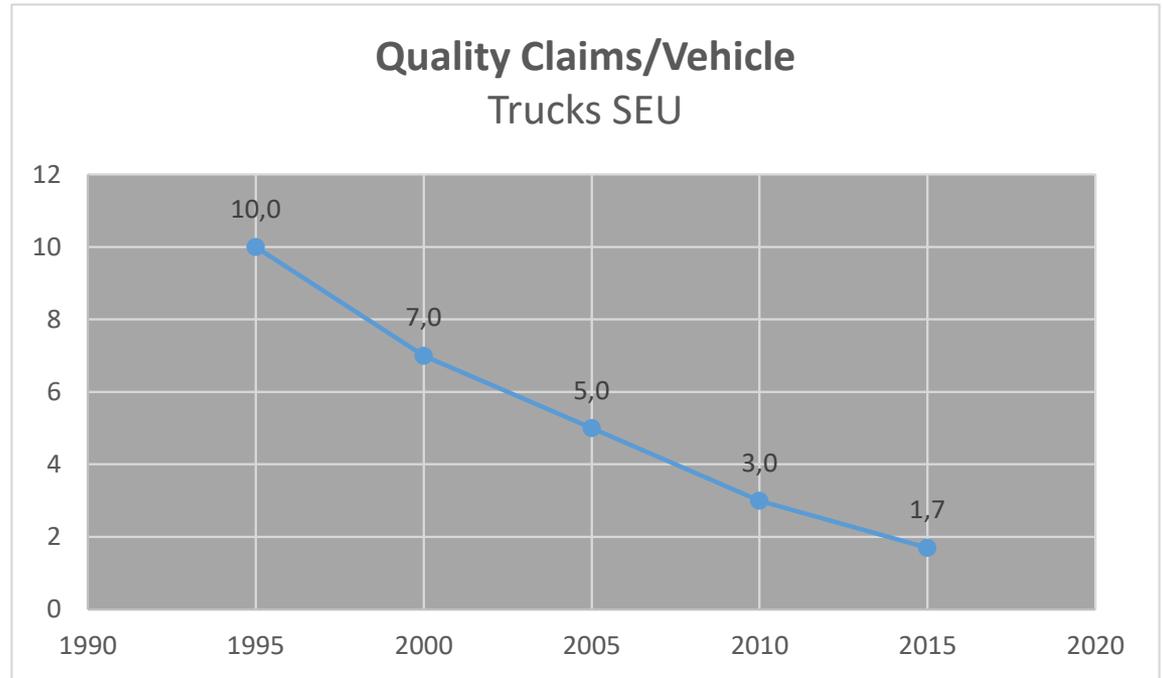
Customer First

Environment responsibility MWh/Vehicle Global production





Quality



Lean

”First 20 Years”

Resource efficiency

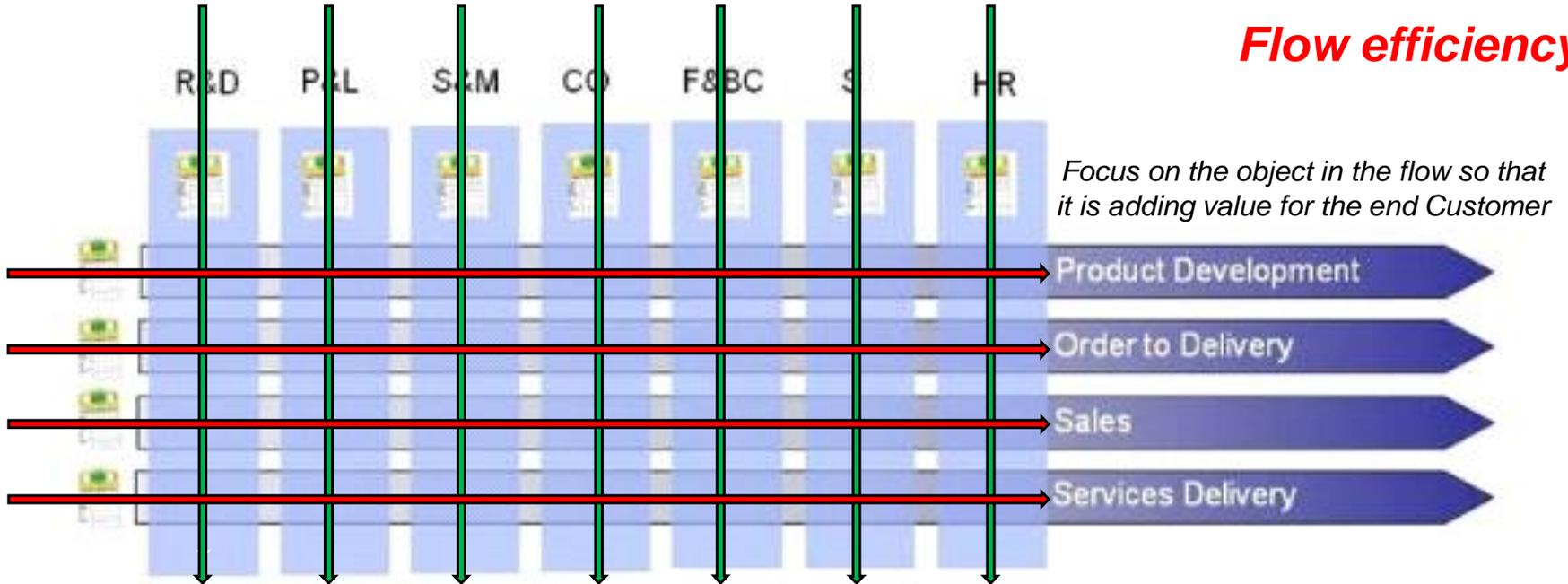
- In more than 200 years, history of traditional industrial development has been based on the benefit / refining resources (resource efficiency).
- *Focus on that one single resource (man or machine) is 100% utilized e.g. OPE and Workload*
- *Focus on Operational profit, EBIT*

Traditional Industrial Industry

*Focus on that one single resource (man or machine) is 100% utilized
e.g. OPE and Workload (200 years)*

Balance sheet
ROCE >40%

-
Flow efficiency



Income statement
EBIT >10%

-
Resource efficiency



**Business excellence through
motivated employees**