



Photo: Kenneth Sundh

The most important thing is the employees' commitment and attitude to their work and with quality education you can reach even further, Regina Lundell believes.

# Building knowledge to reach new levels of improvements

Seco Tools has a clear global structure for their improvement work that runs in half-year cycles. In Fagersta, Sweden, they have managed to significantly reduce rejections in production. Now, new steps are being taken in the improvement work to find even better solutions – among other things by investing in skills development.

**SECO TOOLS** is part of the Sandvik Group and manufactures hard steel and carbide inserts for cutting machinery such as milling and turning. Seco is located in 75 countries and its head office is in Fagersta, where the largest production unit is also situated with its 800 employees. It's a complex production in many steps and with many dif-

ferent process paths, from raw material to finished products.

## Improvement work is based on strategies

In Fagersta, *Regina Lundell* is head of technology and quality. She explains how the work on quality and improvements is structured in the production.

– We have a global improvement structure that we call Life2 and which runs in half-year cycles where each cycle starts with a seminar together with the employees, at which we review a strategic rationale for the next six months. The senior managers of each function are in charge of these seminars.

The strategic reasoning clarifies the importance of the work ahead, what customers do and need, competitors, trends, threats and opportunities. This translates into priorities for the various functions and is then funneled to the different levels of the organization, all the way down to the work shifts. At the beginning of each cycle, we also have development talks where employees set personal goals for the coming six months.

The teams at different levels determine how to contribute to the overall strategy. Every second week there are follow-up meetings. On a monthly basis the teams present and share what has been done and what results have been achieved. Then we get an updated strategic direction for the next period.

### **Important that everyone feels accountable**

– Much of the improvement work is concentrated on streamlining manufacturing processes, shortening lead times and improving quality. A lot of effort is also spent on understanding the customer-supplier dependencies in the value chain. We have so many handovers in our processes and it is important that everyone understands how a change that you make will affect the next operation, says Regina Lundell.

– We work a lot with the degree of awareness. Everyone should understand their part and accept responsibility. Quality is the responsibility of the production and of every individual employee, not of the quality department.

Regina Lundell elaborates further: since starting her Life2 program, there has been an increasing focus on cross-functional improvement teams, with the right skill sets for each problem definition. There are several examples of how much has been gained from this. Among other things, she mentions an old problem that had been around for a long time and that they have now managed to reduce significantly.

– When we pooled all our brain power in this way instead of blaming each other, we solved the problem.

The improvement work at Seco in Fagersta has led to important results for several years now. For example, the amount of rejections has gradually been reduced by 37 percent between 2012 and in 2018.

### **New level of improvement work capabilities**

– This work continues based on the same structure. We have now harvested

the low hanging fruits but need to take the improvement work to a new level to find even better solutions and to solve even more complex problems. That is why we are investing more in skills development in problem solving and in root cause analyzes, for example, says Regina Lundell.

One should look more closely at the various tools available to make progress, including tools within Six Sigma. Regina Lundell has attended a Quality Manager course at Sandholm Associates. A colleague is currently attending the Black Belt training. Recently Sandholm Associates also trained 20 Green Belts on site at Seco Tools. These programs include, among other things, the implementation of real improvement projects, which often give good results. For example, one of the projects, currently progressing at Seco, has an annual savings potential of SEK 9.6 million.

### **Skills development provides wide and deep know-how**

Competence development in this area, according to Regina Lundell, provides both broader and deeper capabilities of the improvement work.

– More employees can work on problem solving by themselves, using statistical tools and root cause analyzes. You do not always need the help of specialist skills, which otherwise tend to be overloaded if there are many improvement projects going on at the same time. And for the specialists, technicians and others, skill development means that the organization can reach higher levels in the improvement work than before.

– I believe that what matters the most is the attitude our employees have to their own work and that they feel involved and included. With quality training you can go even further. The leaders also need a certain form of training in how to work on improvements and understanding that each individual is important, says Regina Lundell.

### **Be persistent, strategic ... and nice**

One of the challenges in the improvement work is, according to Regina Lundell, to keep up the disciplined work and to allocate time for improvement activities, also when there is much else to be done. It's about prioritization. Here, she believes it is also important to avoid overloading certain individuals and skills and to get the teams to find improvements they can make

by themselves. Another challenge she mentions is to renew the improvement work, to gain new commitment, without changing everything.

### *What advice would you like to give to quality colleagues in other businesses?*

– That you should be persistent and stick to what you believe in. Be like an ambassador, convey the message and demonstrate why it is important. You also need to have a strategic mind-set about which individuals you need to get onboard and then get support from. It is also important to ensure that the responsibility for quality gets properly delegated and understood in the entire organization. It is not the quality function that should have that responsibility. Our task is to be coaches.

– It is also a good thing to be positive and nice and have the courage to try new approaches. It's OK to fail as long as you learn from your mistakes. When improvement work is perceived as fun, you get the employees' commitment and a willingness to do more, says Regina Lundell.

In Seco Tools' quality work in Fagersta, Sandholm Associates has contributed with consultation to the management team, Quality Manager course, Black Belt training and internal Green Belt training for 20 people.