



Halla Visteon Climate Control Corp.

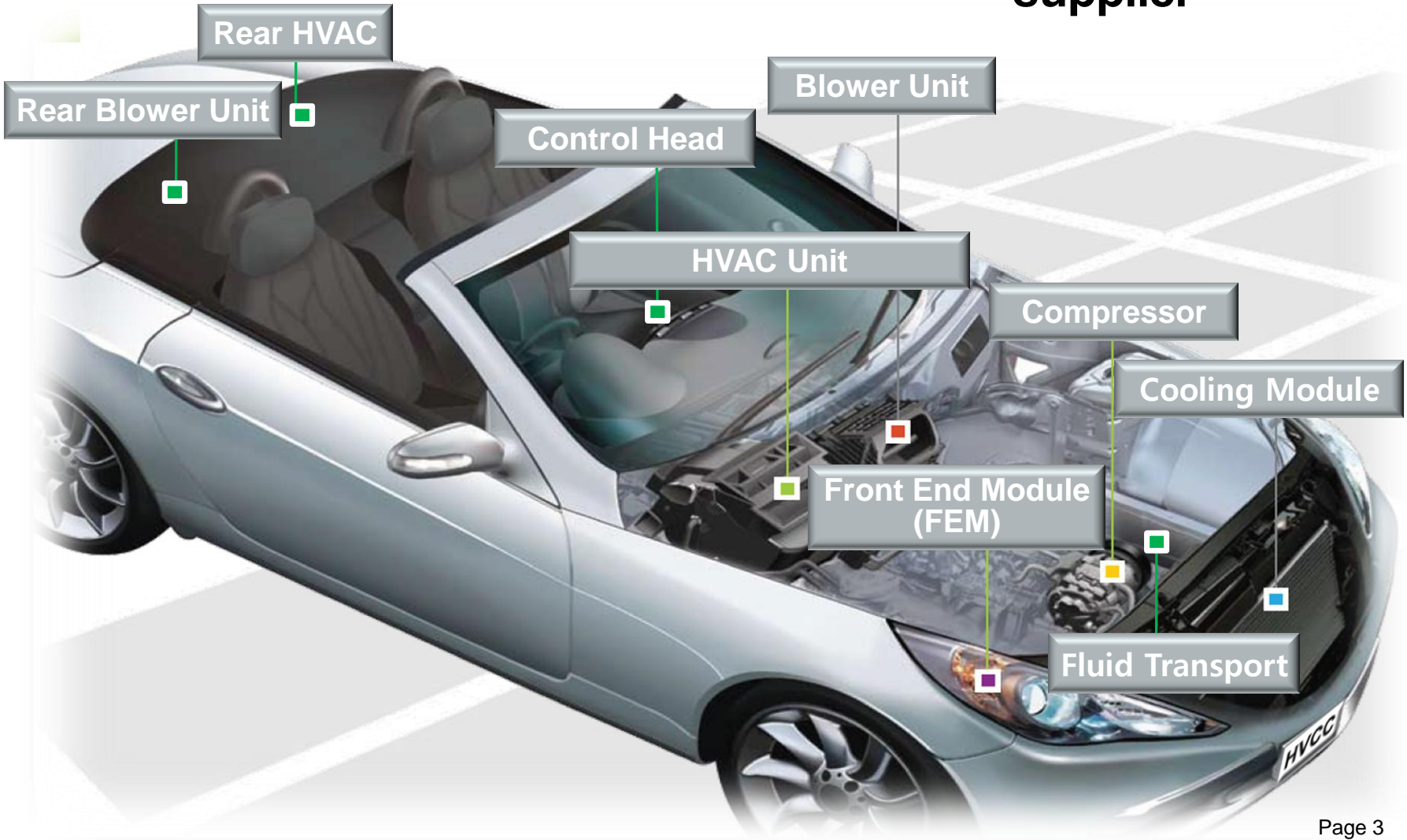
Leadership Development: Helping Our Team Succeed

November 4, 2014

Halla Visteon Climate Control Canada, Inc

Who is HVCC Canada?

World's second largest automotive climate supplier



Where are we?

- ▶ Established in 1989
- ▶ 205K ft² in Belleville's Northeast Industrial Park
- ▶ 360 University Avenue & 440 College Street



- ▶ Workforce
 - 60 salaried staff
 - 50 indirect support staff
 - 350 production team members

- ▶ Shipping approx. 6 million end items per year

- ▶ Annual sales revenue of approx. \$100 million

- ▶ TS16949, ISO14001 & OHSAS18001 registered

What do we make?



Where were we?

- ▶ Tended to 'promote from within'
- ▶ Focused on 'functional abilities' of leaders
- ▶ Limited focus on 'leadership attributes'
- ▶ An informal 'learn as you go' model
- ▶ Only mandatory training for leaders was the 3A's of Leadership from LTKC

- ▶ Too much trial & error!
- ▶ Inconsistent management practices & priorities
- ▶ Mixed messaging to Cross Functional Teams
- ▶ Slow decision making...analysis paralysis!
- ▶ Erosion of an already weakened morale!



What did we do about it?

- ▶ We reminded ourselves of our Shared Values:
 - ▶ **People** – our greatest resource
 - ▶ **Customers** – the reason we exist
 - ▶ **Technology** – critical to our ongoing success

- ▶ We agreed as a leadership team on our daily operational priorities:
 - ▶ **Safety** of our team members
 - ▶ **Quality** parts that meet specification
 - ▶ **Delivery** on customer & shareholder expectations
 - ▶ **Cost** should be competitive

- ▶ We shifted our culture to focus on *accountability* at a leadership level (up & down the org chart)
- ▶ We began a true movement to a team focused, cross functional environment
- ▶ We embraced disciplined problem solving methods (Six Sigma's DMAIC+R) and trained all managers/supervisors first!
- ▶ Began work on simplifying our systems, processes & approvals (still building on this one!)

What did we do about it?

- ▶ We made Accountability a real place!



What did we do about it?

- ▶ It happens daily, and everyone is there!



- ▶ The daily Accountability Meeting became a very effective check & adjust for us
- ▶ We saw an overall improvement in our Key Performance Indicators, but there were still regular misses & disruptions due to issues within our control
- ▶ Leadership consistency improved, but we continued to encounter disconnects on priorities

What were we missing?

- ▶ Working with Heart of the Matter Consulting & Loyalist Training and Knowledge Centre
- ▶ Started with personal coaching
- ▶ Provoked discussions about broader contributions to loss of learning
- ▶ Recognized the contribution of leadership focus on culture wasn't in balance with the focus on production (*what you focus on is where you go*)
- ▶ Moved from classroom learning to working on culture actively while learning

- ▶ 3A's of Leadership refresher training
 - ▶ Align – do people know what to do & how to do it?
 - ▶ Assure – do people feel confident & competent to contribute?
 - ▶ Activate – are people taking ownership of their role?

- ▶ Distinguishing between leadership roles
 - ▶ content (technical knowledge of jobs)
 - ▶ method (methodologies used to produce outputs)
 - ▶ systems (mindset, values, front line facing philosophy)

- ▶ Work on the barriers at senior managers level
 - ▶ Are we modeling the behaviour we are asking of others?

- ▶ Life Styles Inventory & Coaching Sessions
 - ▶ Confidential assessments by your peers
 - ▶ Feedback provided on thinking & behavioural patterns to improve effectiveness
 - ▶ Gain understandings of personal, management & leadership styles
 - ▶ Individual coaching sessions (3-4 over several weeks)

- ▶ Completing these through 2014 & Q1 2015 for all 14 members of our Operating Committee

Is it working?

- ▶ Despite a 10% revenue drop since 2010:
 - ✓ 21% improvement in Build-To-Schedule
 - ✓ 65% reduction in material scrap
 - ✓ 34% improvement in direct labour efficiency
 - ✓ 17% reduction in total L&OH costs

What's next?

- ▶ Starting up facilitated coaching meetings with all supervisors (similar to senior managers)
 - ▶ Strategies to engage team members
 - ▶ Daily role in creating a positive, proactive culture

- ▶ Planning to expand LSI 360^o Evaluations with all supervisory level team members

- ▶ Longer term goal is to revisit LSI 360^o Evaluations on a 2-3 year cadence

- ▶ New round of sessions with senior managers to work on our implementation of corporate operating principles launched in Feb 2013
 - ▶ **C**ommunication
 - ▶ **A**ccountability
 - ▶ **T**ransparency
 - ▶ **S**peed

- ▶ Leadership is most effective when played as a team sport, but leaders still need individual attention
- ▶ Leaders must be aligned and working with a set of common daily priorities (for us, SQD and then C takes care of itself)
- ▶ Development is ongoing & dynamic, not just a course or two delivered at moments in time
- ▶ It all starts at the top! We have to pattern the behaviour we are expecting from others
- ▶ Put the effort into building a learning culture

Thank you!