

Our discussion will have some sub-divisions.
We will stop for questions and comments after each.
Some major subjects are

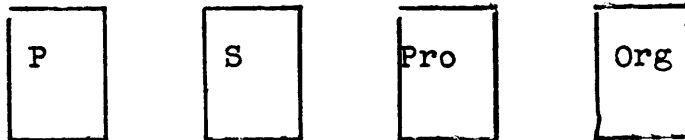
- "Measurements"
- "Securing the Measured Value"
- "What the Men Do"
- "What the Managers Do"

All Mgt. Orientation

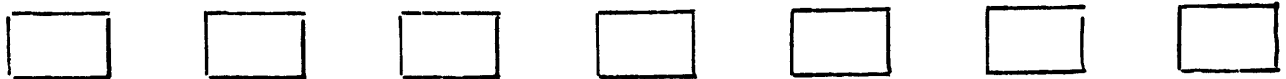
Thank you Mr. Nicolin

There have been developed some very useful approaches to the increasingly important management task of preventing unnecessary costs. It is my opportunity to tell you about them here.

A product or a service or a procedure or an organization



Use product



Management is simpler if factors are measurable.

What will be the base.
Amperes Ohms Kilograms

Most basic is Function

Function
Use Asthetic
Meas.

A system of meas. is being produced.

A few examples.

Some methods

Stud 60φ
50φ
3φ)
2φ) 5φ
4φ

Comparison

Why

Gas tank 2500 kv
150 kv
300 kv
400 kv

Comparison Modified

Why

Insulation 75 kv
1 ka
10 kv

Tech. Data

Why

Open and close circuit

Comparisons



Discuss measures

Later discuss

Securing the meas. res.

Men do

&

Mgt. do

Securing the measured results

Men Do -- (Mgt. Do)



Some of the steps.

All work in man sized steps.

Modified tools

Blast - Create - Refine
Stud - Gas Tank
Refrigerator Condensor

Ans. only best source

Dust Cover
VP Sales

Part of what ea. responsible man knows is wrong.

Steel part —
3000/year
Tools 400 kr
Cost 2 kr
Spend 400 kr
Save 15,000 kr/yr
Kirksite

Concentrate

Knowledge and creativity at the key point.

Creativity

5 years ahead
Seeds
Developing seeds
Hang it with rope.

Identify and dealwith each roadblock using...

Knowledge
Creativity
Assistance

Particle Analysis

Dozens more

Discussion

What men do to secure the measured results.

But a huge and difficult job for managers

Warm blood

Experience shows that these factors will control results by
at \pm 50%

A no embarrassment environment must be created by mgt.

hard

"water downstream" millwheel

Idea not "thought of"
Metal not discovered

Still---mgrs. can't resist temptation

3 bad examples

"men or boys"

Why not before tools 150,000 kr
250,000 kr avg.

J-79 Jet

Save 40,000 kr

Cost 100,000 replacement

Annual avg. - 2,000,000 kr

"You decreased results by 50%"

Decisions

Personal loss

Whole atmosphere - one of credit

DISCUSS WHAT MGRS. DO

To elaborate a little

Summarize & Conclude

Growing system of meas. to aid mgr. to systematically and efficiently achieve good economic results.

Parts of this system point out in which company area work must be done, how much and when so that only the proper men - who can solve the situation are working on it.

TV Switch

Mktg. area

Precisely what functions customers want and want to pay for

What use functions?

What asthetic functions?

Assign cost to questionable ones

Example

Special manual - hand- instead of screw driver
latches - customer always required.

"Do you really want to pay 20 kr/motor
extra for those"

Eng. approach or concept

Precisely what use functions
Precisely what aesthetic functions
What cost meas.
Establish approach to achieve it
If unable to - get help
Raising and lowering into oil
Called specialist on linkages
Met and went far below cost meas.

Eng. detail design

Implement the chosen design approach
Meet the economic meas.
If unable - get help

Manufacturing approach and operation

Meet established cost measures
If unable - get help

Procurement

Usually spends half of the co.'s money
Meet the established measures
If unable - get help.

To the extent that you reduce fear of embarrassment and fear of personal loss by creating an environment where only credit to all people can come from new approaches - you will have exponentially increased results in economic objectives.

Telephone

Discussion

Use approach
Switch blade
Military - KAPL

Use Cold Control

Chinese Abacus
Airplane
Propeller
Jet

Fly part of airplane

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Piano
Sheet music

This was all right...would be good to have a little humor to spice it up here and there. Men were very intent.

Few questions were asked -- but that's expected with three levels attending.

LD Miles/H