

THE LIVING VALUE CHAIN – Transforming inputs into final product

The Challenge: Accurate Metal Fabricators, a Bolero Associates client company, in Seal Beach, California wanted to find a way to connect their culturally diverse work force together as a high performance team. All departments and shifts worked well as a unit; however, employees did not see how their job impacted the total job flow.

The Situation: Accurate Metal was committed to growth. Management decided that the way to grow into a formidable sheet metal company was to train and empower their employees to work more effectively as a team.

After several months of training, the culture at Accurate was changing. Many employees were participating in problem solving teams to find solutions to long-standing problems. In one class, a process called the "Living Value Chain" was used to show how each department was connected to the next. Individual employees



were assigned to represent different departments. A job ticket was passed from employee to employee to simulate how a real job moves from department to department.

The desire was to create a visual image that everyone would understand regardless of cultural or language barriers. This was important because Accurate was attracting customers with increasingly more complex jobs. If it could be shown how work flowed through the manufacturing process, the employees would better understand the importance of their jobs and how their job impacted the next department. Understanding this concept would remove waste, while improving quality and morale.

The Simulation: It was decided to put together a "Living Value Chain" at a company-wide communication meeting. Twenty-nine process points were identified from the time an order was received from the customer through the final step, delivery of the product to the customer.

The "Living Value Chain" was created using a typical job to use as the model. Sales Order Announcements, Work Orders, Engineering Plans, Job Travelers, Status Sheets, Shipping Bills, and Invoices were created and enlarged to poster board size and



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given to employees representing individual departments. The participants identified inputs and outputs to each process. The job was tracked through each process point from a sheet of raw material, through creation of the finished product, packaging, delivery to the customer, and payment of the invoice.

The Sales Director began the simulation with the customer order. Employees observed as the metal, drawings and job traveler were given to the Brake Department Manager. The job moved from process point to process point, input and output each real and clearly visible. Shipping walked the finished product, in its shipping carton, back to the customer; the invoice was walked to the customer; the customer sent payment for the job, final process point.

The Results: The reaction was beyond expectation. Employees were saying: "I didn't know that happened?" and "I didn't know you couldn't work on that job until I completed what I was doing".

Without question, the "Living Value Chain" was exactly what was needed to demonstrate the flow of work and impact on individual jobs in the process.

