



## PRIZE WINNER IN LEADERSHIP & CONSTANCY OF PURPOSE

### ORGANISATION PROFILE

- Country: Poland
- Number of employees: 1168
- Turnover: 1,155 billion Euro
- Sector: Fabricated metal products
- Track record in Awards:
  - Recognised for Excellence 2006
  - EEA 2007 – Finalist
  - EEA 2008 – Finalist

### APPLICANT OVERVIEW



Volkswagen Motor Polska Sp. z o.o.'s (VWMP) main activity is assembling diesel engines and, to a smaller extent machining of engine components. The number of engines reaches up to about 670.000 per year covering 89 different variants. In 2008 production of components to the new Common Rail (CR) engine will start and in 2009 assembly of the CR engine will be launched.

### ROLE MODEL AREAS

## **Role Model Area – Leadership and Constancy of Purpose**

### **Approach**

- At start of operation thorough selection of staff according to developed profiles
- Young people resource with strong interest to learn and to develop
- Qualification of leaders from own people resource
- Driving improvement at all levels with the goal to achieve extraordinary performance results
- Achievement of leadership for Diesel engines in production cost, quality and logistic performance in Volkswagen group
- Successful in acquiring Common Rail Technology together with a low CO2 emission small block Diesel engine production line
- Seamless change of the plant leader, successful turnaround in the crisis
- No redundancy program need despite reduced numbers of engines produced, rather sourcing in of workplaces to safeguard know how for VWMP
- Long lasting and ongoing partnership programs with service suppliers still in place after  
in sourcing of activities
- Impressive examples for production line improvements (faster throughput by use of less people and space of building) together with new inbound, ready for use logistic approaches
- Implementation of flexible production lines and with a schedule over 3 years the implementation of the Volkswagen production program

### **Deployment**

- All ongoing approaches are deployed in the organisation with clear participation of the leaders
- Leaders have implemented a set of regular meetings at “GEMBA” and they are personally involved
- For the Volkswagen production system a project plan is established in order to implement the different maturity levels

### **Assessment and Review**

- A clear and defined set of performance indicators is regularly reviewed. Measures are taken and followed up if targets are under risk to be not achieved
- Main task to master the crisis in economic terms has been successfully achieved

- The development of a strategy for VWMP is currently ongoing and is scheduled to be finished in the 3rd quarter of 2009 – as well as to be presented to responsible Volkswagen board member and agreed
- The impact of the crisis on shop floor people still has to be fully understood. After all the years of success and ram up the change in the people aspects is a new learning

Under usual business conditions there would be no need of any changes of the approaches.

### **Impact on performance**

The Volkswagen group is obviously the one OEM that is hit by the automotive crisis to the smallest extent (about 10% reduction in cars overall). With strong position in China and South America and – in this situation a benefit – with still minor position in the USA, Volkswagen will have the best position if cars are asked for again.

Furthermore Volkswagen has an excellent mix of trademarks (likely to include soon Porsche) and the right technology (low CO2 emission Diesel, gasoline direct injection engines and flexible fuel/gas engines).

Having in this context a leading position for Diesel engines in production costs, quality and logistics and producing in country where people qualification and salary is still in a very good balance – the opportunities for VWMP in the Volkswagen group are very promising. Having seen all the examples for major improvements in the production lines and the systematic implementation of the Volkswagen production system as a methodological framework there is still a big potential existing to compete successfully with the other engine production sites.

The strategy for VWMP, currently under review and development, will be a essential cornerstone in order to develop the site further and to draw upon the existing potentials.

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