

One Step at a Time

Carefree of Colorado is adopting a new corporate philosophy to remain competitive in the global marketplace.

BY DANA NELSEN



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When Carefree of Colorado says its employees will walk the extra mile for an awning customer, they mean it. Literally! The physical distance employees travel in their workstations as they produce a single awning adds up quickly.

In an effort to eliminate waste and offer better service to its customers, the com-

pany is changing its corporate mindset and switching to a manufacturing philosophy called Lean Manufacturing. The change has already impacted nearly every segment of the Broomfield, Colorado-based company — including saving employees some unneeded walking.

Generating Enthusiastic Customers
and 100% Customer Satisfaction
is Foremost!



(L to R) Customer service reps Laura McCauley, Michael Scott and Rhonda Mead field calls from dealers at Carefree of Colorado's corporate office.

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When Venita Fortune, Carefree of Colorado's director of administration, initially looked into strategic manufacturing processes, she examined Six Sigma, Advanced Product Quality Planning (APQP) and Lean.

Fortune ultimately chose the Lean Enterprise because she felt it offered solutions that would benefit Carefree, its customers and its employees – a requirement from the company's President, Jeff Rutherford. It also offered a method to keep manufacturing jobs in the U.S. (and Colorado) without sacrificing the company's ability to compete with off-shore operations.

"Lean is a philosophy, a way of doing business that continuously shortens the time between the customer's order and shipment," Fortune says, "by eliminating everything that increases cost and time."

Great Strides for the Customer

The real benefit of Lean to Carefree's customers stems from the compressed manufacturing cycle and carefully defined procedures used to make awnings. Every process in the production chain from receiving an order to shipping a product is examined. Detailed instructions are created on how to perform each task and employees are then uniformly trained, ensuring consistent product quality.

"We have identified more than 600 procedures and documented over half of those now," Fortune says. "We are

no longer going by tribal knowledge, but actually have documented policies and procedures to follow. It encompasses every area in the company, from accounting to engineering, to human resources, to manufacturing. The policies have been put out on the company's shared drive for any employee to review."

Faster order fulfillment for Carefree's customers was part of the reason Carefree of Colorado switched to Lean's order-directed production system. By focusing on products customers have ordered, workers don't allocate time to producing awnings that may not be immediately needed. Back order times are eliminated or greatly reduced by the more focused manufacturing approach.

Reducing build time is also a major factor impacting order fulfillment speed. Fortune says that on one high-end product, the company identified 489 manufacturing process steps to build the awning. After removing redundant or unnecessary steps and streamlining the workflow by rearranging workstations and raw material locations, Carefree reduced the required processes by 51 percent. Start to finish, single unit production went from 2.5 hours to 1.4 hours. The number of physical steps the three employees took on the line was reduced from 1.6 miles to 0.6 total miles. The number of units produced and customer orders filled improved dramatically because of the changes.

The Employee Journey

“About a year and a half ago, our president, Jeff Rutherford, announced to our employees that they were each going to be touched in some way by training throughout the coming year,” Fortune says. “Every single employee will be trained in the Lean Enterprise.”

From the very start, Carefree of Colorado sought complete employee buy-in to reach its goal. Lean’s focus on employee involvement matches perfectly with one of Carefree of Colorado’s 10 guiding credos: No one knows more about a job than the person doing it.

The transition began by sharing Rutherford’s vision of enhanced customer service. Lean provided the method by allowing employees to change their work environment to eliminate waste and improve plant efficiency.

“It is just amazing to me, when you walk out on the floor there are improvements taking place everywhere, everyday. We found that by involving all of our employees at the very basic level and giving them the decision

(L to R) Nancy Arellano and Chris Ortega work on a heat sealing machine that ajoins fabric together on a Traveler awning.



(L to R) Eneya Mejia, Maria Garcia and Sylvia Retana are working on the line cutting a canopy for an Eclipse awning.



(L to R) Patty Gonzalas works with Alex Martinez to package the hardware of the Eclipse awning.

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making ability results in great progress,” Fortune says. “We have seven projects that just came out of a VSM (Value Stream Mapping) training session we did two weeks ago, all with the objective of increasing customer satisfaction.”

The ongoing training program began 18 months ago and the company’s warehouse has been transformed through employee suggestions. Workers in every area of the company have been cross-trained to other areas of the factory and a “pay for knowledge program” is in place for employees to earn more

money based on the number of areas they have been trained to work in.

“It’s so delightful to me to see someone go into a training workshop and by the second day of training, it’s like you see a light bulb go on. There are smiles on everyone’s faces and our employees are looking at ways they can apply it, not only to their personal job, but to different areas of the business,” Fortune says. “I am not kidding you, we take the shyest person who comes in everyday to do their assembly job, and to see that person suddenly say, ‘How about this? What if we move this work station; and what if we move this closer to that operation?’

CAREFREE INFORMATION CENTER

Fortune updates the company's information center regularly to ensure employees know of the many opportunities within the company.

We can eliminate a step.' It's very encouraging to see this level of participation."

Each area of the company has a white board available where employees can write down their improvement ideas. Employees make changes daily and then cross their ideas off the board when they are completed. Larger-

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scale ideas that require additional planning are placed onto a long-term "parking lot" list with three, six and 12-month goals.

Fortune says that while a great deal of effort has been made to fulfill Rutherford's vision of "every employee touched by training," the company has a long way to go.

State Funded Grant

When Carefree of Colorado was in the fledgling stages of employee training, the company learned of a state-funded grant to assist manufacturers with training initiatives called the Colorado First Grant. The grant was established for Colorado companies adding technology or changing business strategies to stay competitive in the marketplace.

Carefree applied but was not selected to receive the grant. Fortune says she remembers getting the call rejecting their application. The grant director said Carefree had "the most compelling presentation I've ever had to decline."

"I was on a business trip in a hotel room and I remember when the director called me to tell me that we did not receive the grant funding we had applied for. I told her that we were committed as a company to the Lean program and would proceed without the grant."

Dan Breslin, Colorado Association of Manufacturing and Technology, trains Carefree employees on ways to make their workstations more efficient.

BUSINESS PROFILE




Fortune shakes hands with Jose Cruz, a shipping department employee.

Three weeks later, Fortune says the director called back to tell her that some of the money had gone unclaimed. The director said, "I'm so excited to tell you that there has only been a handful of companies that have been asked to reapply for a portion of the grant. Yours is the first phone call I've made."

Carefree received an undisclosed amount which they were required to match 40 percent in kind. The grant money must be spent by the end of June but Fortune says the company will continue long after the grant threshold expires. Carefree plans to work with local community colleges, CAMT and the Association of Manufacturing Excellence. They will continue to offer tuition reimbursement for its employees as part of its training initiative. She says training like English as a second language, updated forklift certification and enhanced safety training are a few of the programs the company may offer.

"I get so jazzed about it because I love watching people grow," Fortune says. "With as much as we have accomplished, we have just scratched the surface. Jeff in particular is so enthusiastic about this; it's second on his list only to safety. He will not allow anyone to take training off their agenda.

"A company that is satisfied with the status quo and who isn't making an investment in their employees and training won't be around for long," Fortune says. "There is world-wide competition and we must find ways to do things better and faster, eliminate waste and invest in the knowledge of the people who know the job best. To me, Lean Manufacturing and the Lean Enterprise is all about keeping our manufacturing competitive in the global market while producing a quality product that exceeds our customer's expectations." ■

A wide-angle photograph of a factory floor. In the foreground, a woman in a black shirt is operating a machine that is processing a large roll of white fabric. In the background, another worker in a safety vest is visible. The factory is filled with machinery, conveyor belts, and stacks of materials. An American flag is visible in the distance. The lighting is bright, typical of an industrial setting.

Damaris Martinez and Eliseo Garcia slide fabric onto a roller tube in the patio awning line.