

-- Speaker 0 00:04 Make it right. The manufacturing podcast. Welcome to the mega bride podcast. I'm Janet Eastman. I hope you had a chance to listen to last week's show, episode 71, which was part of my conversation with tire hubs, CEO and manufacturing executive, Peter Gibbons. Peter's been in manufacturing for 40 years, having had leadership roles with toy maker, Mattel, global coffee company, Starbucks, and a global paint manufacturer. And in episode 71, he offered some truly great learnings from his tales, from the trenches in manufacturing. And today we continue that conversation. There's a lot going on in a manufacturing plant. A lot can go wrong. How do you actually tame that disorder

Speaker 1 00:56 disorder? That's a great word. There's a lot of entropy in a factory, a lot of eh, eh, a lot of things happening, whether it's, you know, the specs of raw materials, the vagaries of human beings, the, you know, machines that work that don't work. Uh, there's a lot of things conspiring, uh, to make it feel like, uh, overly complicated beast as hard to team. Uh, the joy comes from taming it right from taming that, uh, disorder. And, you know, there's a few things. It's, you know, we've got to learn to hit schedule, right? So we've got to be predictable and reliable. Uh, to do that you have to have processes that are right first time. So we have to use, you know, ingenuity and science and technology to improve processes, to avoid, uh, uh, defects and make sure we have rate for staying up much higher level.

Speaker 1 01:46 We've got to create standard work, you know, that we have a way of working and we all do things the same way and until we find a better way, and that's where continuous improvement comes in. That, you know, until we improve something, we should all do it the same way. Standard work is the, the Japanese would typically call it, Toyota would call it. Uh, and then when we find a better way, we all adopt it. So, you know, you want to pick, uh, a few key areas, uh, that get in the way of doing those things and attack them one by one. Uh, and when you do that, you have plant becomes, you solve problems and as you solve problems, you master. How to make a product, how to run a line, how to manage people more effectively than other people. And I'm a bit of an idealist, Janet when it comes to manufacturing, but I've seen it worked.

Speaker 1 02:30 Right? Manufacturing to me is a whole application of human ingenuity and science and engineering. And you know, when you view it like that and keep driving to make this machine, let's call it this machine, this factory is a machine. If I can learn to run that machine better than anybody else, I will make more money than them. I will have a more successful company. I'll have a better workforce. Uh, you know, health and safety is another great example. The best factories have got world class, uh, safety performance because you know, disorder causes people to do poor things. They don't stick to the way of doing things and they make mistakes or they cut corners because we've told them all that matters. There's production, you know, the factories I ran, we reduced and Starbucks reduced, used Mattel. We're just an ICI. We reduced our injury rates by 60, 70, 80%. And these businesses because we focused on doing things right, not cutting corners, learning how to do things effective. We're training people, you know, having leaders who took personal accountability for the welfare of the people. You do all those things, you, you team the beast. Uh, and it's great. It's wonderful when it happens

Speaker 0 03:39 and it all goes to the bottom line, doesn't it?

Speaker 1 03:42 It does actually. Then you can, you know, you're a more successful business and it's based on knowledge. You know, it's based on knowing how to do this better than other people.

Speaker 0 03:50 <inaudible> you told me a story previously about going into, to start up a new program in a new plant and you know, you talked to a bunch of people in um, I don't know, a lunch room or something and you had a question about the window. Can you please share that story?

Speaker 1 04:09 Oh, the Brooklyn windows story. This is,

Speaker 0 04:11 it's a great story.

Speaker 1 04:13 It's the best story. You know, I was quite young in my career and I'd been asked to assess this complicated factory that had some problems and I had my MBA and I was so ar --

-- rogant and sure of myself and I had this fabulous plan. Me and my two engineering colleagues, we, there's great plan that I owned and I led them. And I was so proud of this plan, Janet, as to how we were going to turn this factory around. And I stand up and I'm presenting this plan and people are glazing over and I'm dying thinking, why are people, you know, why are people not cheating my brilliance? And a, a guy called Bishop punctual, that was his name. Mr. Bishop put his hand up at the end and said, can I ask a question? And I said, sure. And he said, eh, can you fix the window?

Speaker 1 04:57 And I said, I bet I don't know what you mean. And he said, I'm just asking, can you get the window fixed? I looked at him and says, I, I'm sorry, I don't understand. I just looked at me and said, uh, sir, if you look over your shoulder, you'll see what I mean. And I looked over my shoulder and there was a big window in this break room that looped over across the rest of the factory and the countryside and a diagonal crack right across from the top corner to the opposite bottom corner covered with tape masking tape. There was stains down the wall where water and rain had leaked and, and he said, can you get the window fixed? And I asked, how long has it been broken? And he said six weeks. And I just thought, Oh my gosh, for all that work I've done understanding this plant, I don't understand anything because I never asked people what was getting in the way and how is the leadership acting.

Speaker 1 05:56 And I, I ran off and phoned the site engineer guy called Lee Lawrence, who been a great and close personal friend of mine ever since. And I said, Lee, you don't know who I am. I need you to fix the window. And he said, well, it's probably in the the job list somewhere to get it fixed. We'll get our own tested. Nalliah I need a favor. I, I've got to go back and either this afternoon off tomorrow to talk to the next shift and you've got to fix this window for me. And he said, I don't even know who you are. So, Oh, my name's Peter. And we got the window fixed. And I went back and spoke to the next shift. And at the end somebody said, there, are you the guy that got the window fixed? I said, eh, actually why I'm the guy that got it organized. And he said, well, you're all right. You're okay. You'll be, you'll be fine.

Speaker 1 06:42 And you know it. I'll just say this, I didn't say this to you before. It reminds me very much from my father. And my father was, uh, uh, a principal for high of a, of a school. And, uh, he would tell stories about fixing things to make sure that, you know, parents had the kids educated in his school. And I thought, gosh, this is what my dad has done. He wouldn't have had a broken window in his school. He's had it fixed and it just, it meant to be more of a, the business. It's a, if the leadership can't even fix the window in your break room, I would you trust them to do anything for you,

Speaker 2 07:15 right? Yeah.

Speaker 0 07:19 In your career, Peter, you have worked for toy companies, pink companies, coffee companies are the challenges all the same. Basically,

Speaker 1 07:29 you know, a certain level. They are right. It's people, materials, machines, products. Uh, you know, in a coffee plant you're roasting coffee and packaging it in a tie plant as old discreet manufacturing, molding, assembly, packaging, painting, decoration, and a paint plant. You've got all these sometimes dangerous chemicals being stored and pumped and mixed and then all the packaging lanes. Uh, but you know, th it's solid about people. It's, uh, if I could put it, let's say you walk into a factory at 10 o'clock at night, 10 o'clock is the best time at night. All the staff I've gone away and it's even time is not in the middle of the night and it's just a feeling in a factory in the late evening when the factory is running and it's the best feeling in the world. Uh, well, one of the best feelings in the world and whether it's a coffee plant or paint plant type plant, it's sort of the same, right? It's people trying to uh, make processes work right first time, be reliable, be on schedule, make great products that people love, that you're proud of. And on a certain level is the same problems, reliability at the schedule, make things right first time, look after the people, continuous improvement, be transparent, engaged people. That's on a certain level, it's all the same. The --

-- technology as little bit different, the processes are a bit different, but you're essentially trying to do the same thing.

Speaker 0 08:56 What's your biggest manufacturing challenge that you can remember and how did you overcome it?

Speaker 1 09:02 Well, eh, so this, this is back in my days in the paint industry and we were, we're launching a whole new set of products for our, our biggest customer in the world. I a big, big, big retail chain and we had three weeks to make all the product and we're gonna sh we're going to swap over there, you know, really start shipping this new product. And a <inaudible> would see weeks to build up the inventory to send us inventory out to this big retail chain. And we, it was brand new product, we would change the entire range, new raw materials, new formulations. It was great. And we started making the product across seven different factories and by day three we started getting phone calls from plants one by one, each plant phones and says, I've got a problem. The products <inaudible> is strictly in these huge amounts of filtering.

Speaker 1 09:50 There's something wrong. And by the end of the first week, we've actually just stopped production across seven factories for this whole new set of products with 200 different, uh, esky years. And we spend a second week front it. We're trying to work out what an earth is causing this quality problem and the only way you could fix it was to filter and strain the product, which was costly. Expensive <inaudible> slow and then this guy called Steve, Steve Warren, really smart, smart, smart guy. He comes to NSA's. Peter, I think we've worked out that we've, one of the things we did to this, it was completely changed the surfactants and the paint and surfactants are like soap. He said, I think I know what's going on. I think the new paint with all these surfactants are cleaning the pipes in our factories.

Speaker 0 10:40 Cool.

Speaker 1 10:41 Anything that's kicked in the inside of the paper is actually been cleaned off by the paint surfactants doing his job. So basically that's what's happening. I said, well Steve, that's great. Well done. What is the answer? He said, you're not gonna like the answer though. You can imagine the stress and this is our biggest customer in the world. \$600 million customer. We're changing out the entire product range, which three weeks to build it old first week we made 50% of what we should have made. The second week we've made nothing. We've got one week left and this is a Monday morning, and he says, you're not going like the answer. I said, well, where's the answer? He said, I think the answer is just make lots of bean. Okay,

Speaker 0 11:16 okay.

Speaker 1 11:17 But it's slow and it's dirty. I've got a strainer. And I said, I know, but my hunches that we'll eventually have cleaned the pipes and the problem will go away. I said, that's your plan. That's the plan. And we all locked ourselves in a room and we analyzed the data and we thought it all through. So that's answer. So that Monday afternoon we fired up the seven plants and these products and we made, it wasn't bad product, it was probably that had to be strained and filters. It was really slow and dusty and messy and half producing at the rate and on the weddings day of actually phoned up and says, Hey, everything's good. And Wednesday night. Another plant phone says everything's good. By Friday morning in a meeting at eight o'clock on Friday morning to decide, do your launch on Monday as planned. And we basically said it's a go.

Speaker 1 12:12 We're going to fire up these plants, we're going to make product, we're going to work the whole weekend. We rallied the workforce and every flight and said, we've got to work all weekend. We're really sorry. Here's why everybody got it. Everybody was bought in and we made something like I think, I can't remember. It was some ridiculous amount of product in three days and we hit the launch on the Monday we were ready and it was uh, it was a, there is a tell that story is because the answer was to G keep doing something. That was a problem because by doing it it would fix the problem. And it was not the answer. And if I was would, I wanted to hear, but Steve was right. He's a smart, smart guy. The plants were fantastic and we held our nerve and that's a great lesson business. You have to hold your nerve. And we made the lunch. That was amazing.

Spea --

-- ker 0 13:02 Yeah. That is an amazing story. And it just goes to show you that you, you have the expertise in your plants. Somebody always going to be able to figure it out and no matter how crazy the answer is, you know what? Sometimes that is the answer.

Speaker 1 13:18 That's right. That's exactly right. That are, you know, seven, eight, 9 billion people. No oral, someone somewhere knows the answer.

Speaker 0 13:26 Gotcha. That's a cool story. You said twice in this conversation when you're making a big decision and you're trying to get buy in with your team, that you'll hold hands.

Speaker 1 13:38 Yup.

Speaker 0 13:39 Tell me, tell me about that.

Speaker 1 13:41 Well, you know, the, uh, it's so easy to be unilateral, right? And there are a couple of times where as the boss, you are going to be unilateral, but the best decisions are made for new. Everyone looks each other and says, you know what? My destiny is in your hands, your destinies in my hands. This is the way forward. We should, Oh, we're all gonna March forward together. And then it's not about who's right and who's wrong. It's not about pointing fingers. It's not about, uh, you know, I'm going to be out on my own on all M it's, we're in this together, right? We're in it together. And uh, it's, it's a stronger, better feeling though. There are times where as the boss, you have to just say, folks, this is it. And you'd still rather get everyone to vote and see, well, what's not the right word. You still rather get everyone to affirm, yes, this is where we should go. But there are, you know, it's always stronger where you have a chance to have a conversation and you'll look each other and see, yeah, this is, this is it. We've got to do that. And it's more performance. That's more fun.

Speaker 0 14:49 Peter, it's been a pleasure talking to you and I imagine that people who work for you really enjoy their jobs. So thank you very much for sharing your stories.

Speaker 1 14:59 Oh, it's a privilege. Thank you so much for letting me talk with you and share some experiences and ideas and it's a great fun. Thank you.

Speaker 0 15:06 Uh, I just love your plat passion that you have for manufacturing. And I hope in the future that we can chat again about your adventures with tire hub cause I think there's a very good story there as well.

Speaker 1 15:16 Oh, we'd love to. It would be very hard for to share, you know the tire hub story something. Yup.

Speaker 0 15:20 Yeah. Okay. Peter, thank you. Peter Gibbons is a business and supply chain executive and the CEO at tire hub. That is our show for this week. Please check out our Twitter and LinkedIn feeds and subscribe and share this podcast with your friends and colleagues through iTunes, Google play, Stitcher, Spotify, and YouTube. Until next time, I'm Jen at Eastman. Thanks very much for listening to the make it right podcast.

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