# Effective Problem Solving Leader Guide

1<sup>st</sup> Edition

**>>>>** Insight

>>>> Expertise

**>>>>** Results





Effective Problem Solving Leader Guide

Version 1 Issued 9/2012

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Founded in 1982, AIAG is a globally recognized organization where OEMs and suppliers unite to address and resolve issues affecting the worldwide automotive supply chain. AIAG's goals are to reduce cost and complexity through collaboration; improve product quality, health, safety, and the environment; and optimize speed to market throughout the supply chain.

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**CQI-21** *Effective Problem Solving Leader Guide*Version 1 Issued 9/2012





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#### **FOREWORD**

It was reported by leadership of OEMs and suppliers that problem solving in the automotive industry is not effective. A Project Team was convened at AIAG to address the problem due to:

- Turnover/new hires/new job responsibilities;
- Lack of effective leadership support;
- Leadership misunderstanding of problem solving;
- Understanding the appropriate tools/problem complexity;
- Lack of triggers to apply tools and processes and/or methods to identify;
- Lack of appropriate metrics to identify problem trends and status.

The concern as identified was not that there is a lack of tools, but rather a lack of implementation.

So, as a leader, what should you do next?

Do what you do best: lead and reinforce the values and behaviors that you already know are important to your business:

- Protect the customer first;
- Develop a good understanding of the problem solving process;
- Lead by example;
- Ask the right questions which will drive right behaviors;
- View problems as opportunities for improvement;
- Ensure that the organization has competency in appropriate problem solving tools and methods;
- Empower the people;
- Remove roadblocks to success;
- Monitor status to ensure timely resolution of issues.

Leading an organization with the right Effective Problem Solving (EPS) values can ensure the right behaviors by insisting that your culture responds to the right measures and metrics of effective problem solving.

When all is said and done, for EPS to be effective in an organization, the top leaders and managers at all levels must get involved and "lead by example." This Guide provides the foundation. It's up to you to act.

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#### INTRODUCTION

Quality pioneers Edwards Deming, Joseph Juran and Phillip Crosby among others, began their careers as quality practitioners, e.g. statisticians. As their experience grew, each shifted their attention from the tools for quality to focus on top leadership and creating an organizational culture where quality can be nurtured and achieved. It is no different today. Edwards Deming pointed out that the commitment of top management to quality and productivity is not enough. He said "they must know what it is that they are committed to—that is, what they must do. These obligations cannot be delegated. Support is not enough: action is required." Deming also said, "Quality is made in the boardroom. When I want to know what an organization stands for, I look first to the actions of senior managers."

In this Guide, we will provide leaders with helpful guidance for how they can stay involved over time to drive effective problem solving into their culture.

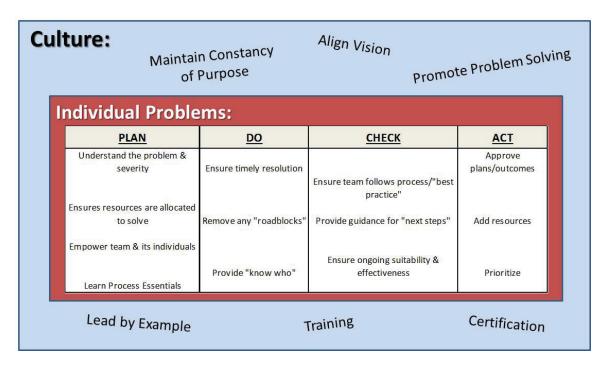


Figure 1. Executive Leaders and Problem Solving

Figure 1 shows the critical elements of an organizational culture necessary for Effective Problem Solving (EPS) as well as the actions leaders should take for engagement with individual problems that may arise over time. The individual problem actions are grouped by the steps in the PDCA cycle, also known as the Deming or the Shewhart cycle, named after Quality pioneers who widely promoted its use.