



FIRST CHOICE

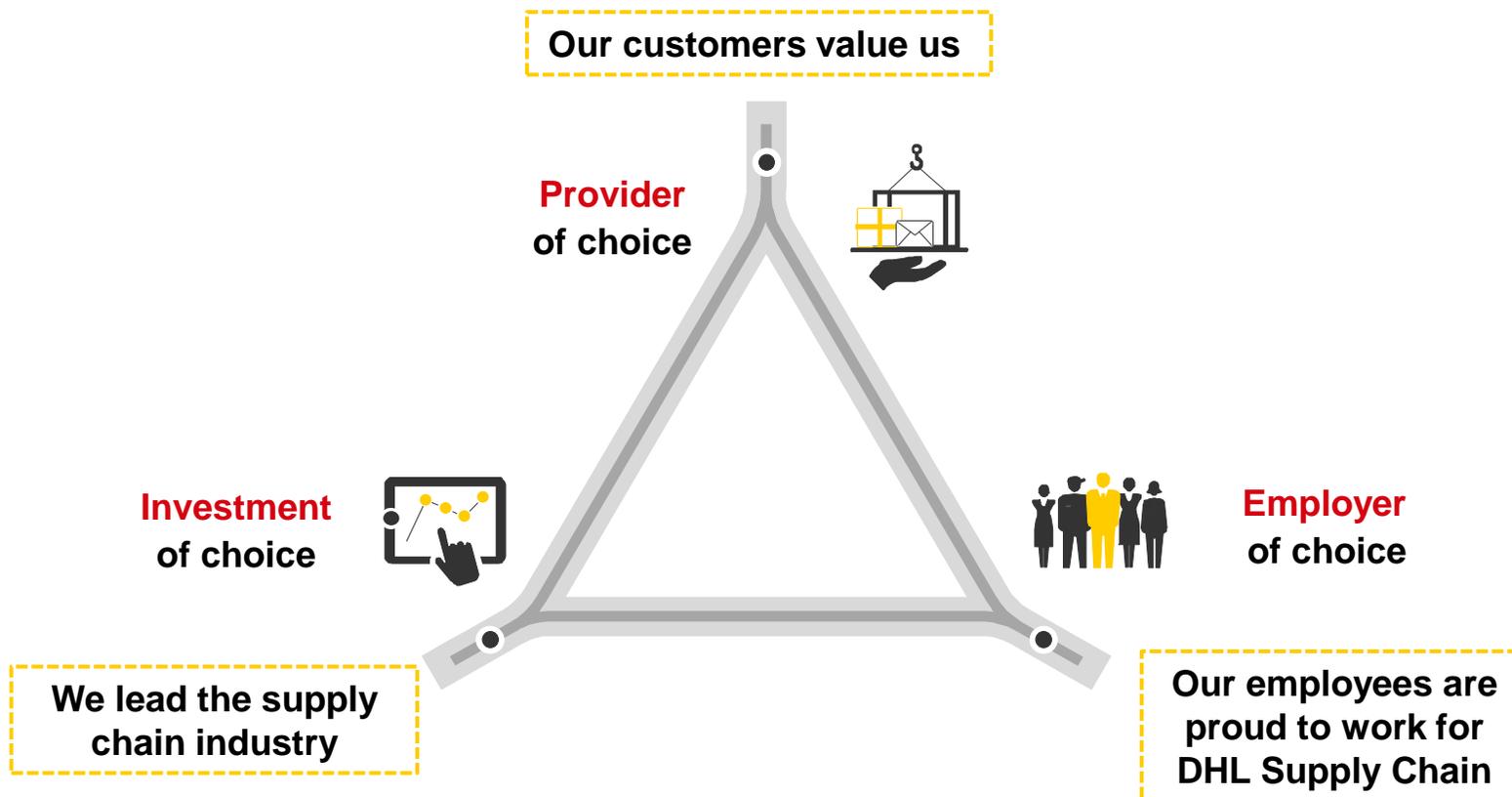




Supply Chain Strategy 2020 brings focus to our approach

Vision

The Supply Chain Solutions Company for the World, through the delivery of standardized, cost efficient, high quality and innovative solutions.



If a business is like this...



How can you get to this?



We translate Strategy 2020 to specific and simple actions on shop floor level

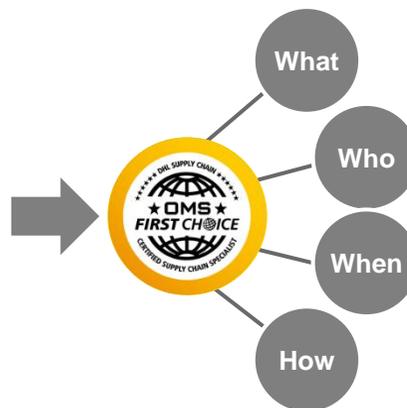
To achieve our ambitious targets for 2020, we need to translate our Vision into simple and specific actions by integrating our business initiatives and tools into one holistic operating system.

What is an Operating System?

Defines the way a company operates, translating business objectives into specific actions to deliver results and achieve competitive advantage.

Our DSC Operating System

Strategic Objectives



Processes

Behaviors

Infrastructure

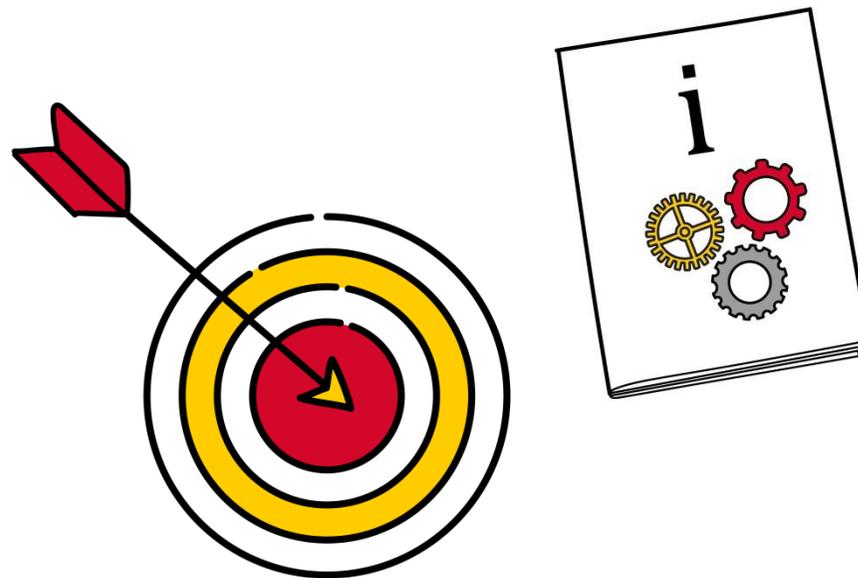
Tools

Example Companies with their own Operating System

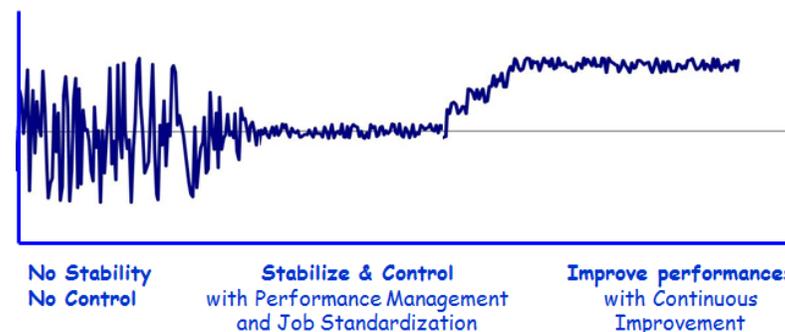


OMS First Choice develops a high performance culture where...

- **Clear objectives** are set to all levels of the organization
- Workers **follow standards** all the time



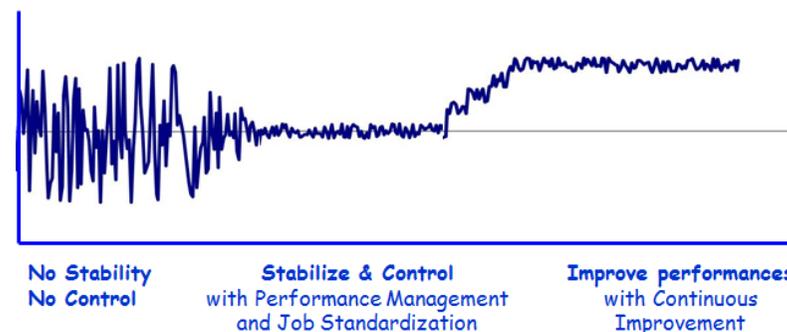
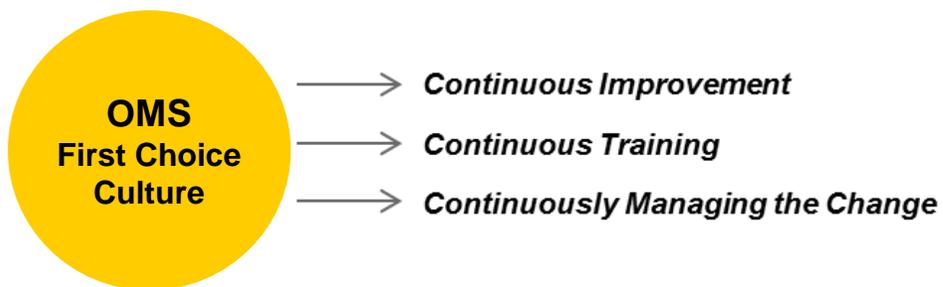
- *Continuous Improvement*
- *Continuous Training*
- *Continuously Managing the Change*



OMS First Choice develops a high performance culture where...



- Individual **performance is measured** and feedback well received
- Continuous on the job **training is a way of life**

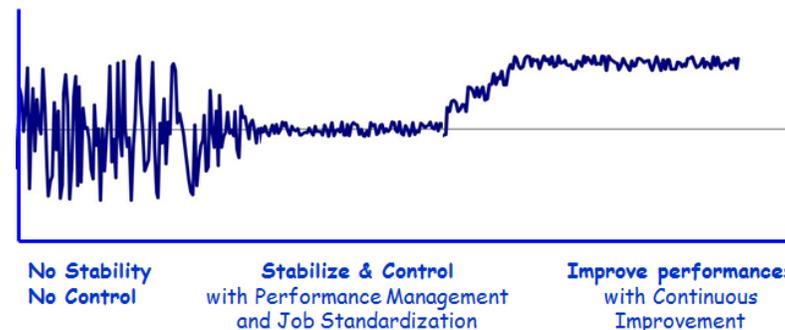


OMS First Choice develops a high performance culture where...

- All associates are **continuously thinking of ways to improve** their performance
- People have a **better work/life balance**



- *Continuous Improvement*
- *Continuous Training*
- *Continuously Managing the Change*



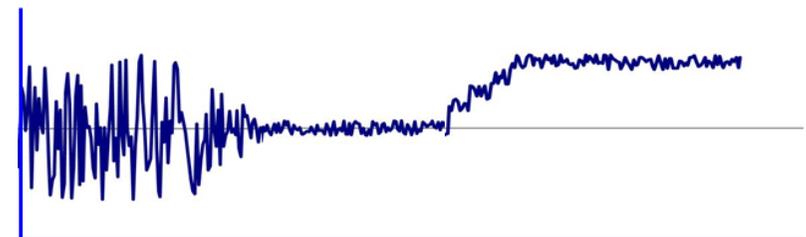
OMS First Choice develops a high performance culture where...



- Site management team becomes **coach instead of 'bosses'**
- Site leaders are continuously **managing the change**



- *Continuous Improvement*
- *Continuous Training*
- *Continuously Managing the Change*



No Stability
No Control

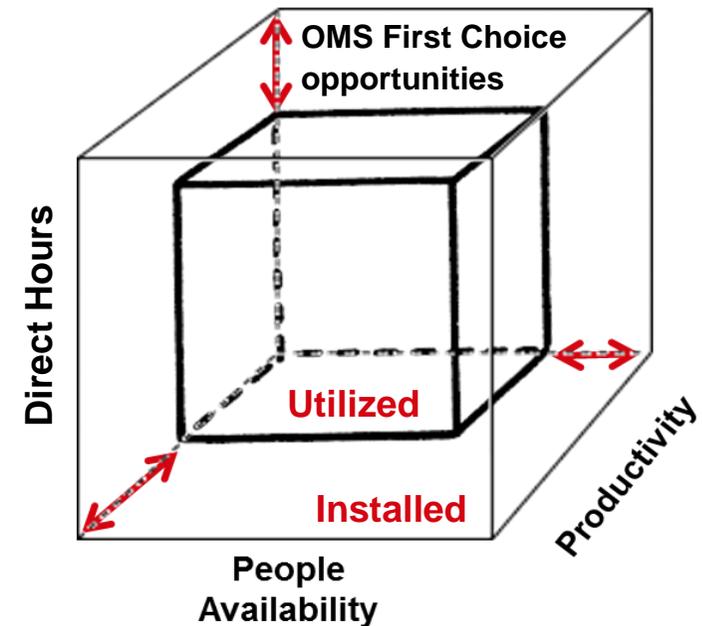
Stabilize & Control
with Performance Management
and Job Standardization

Improve performances
with Continuous
Improvement

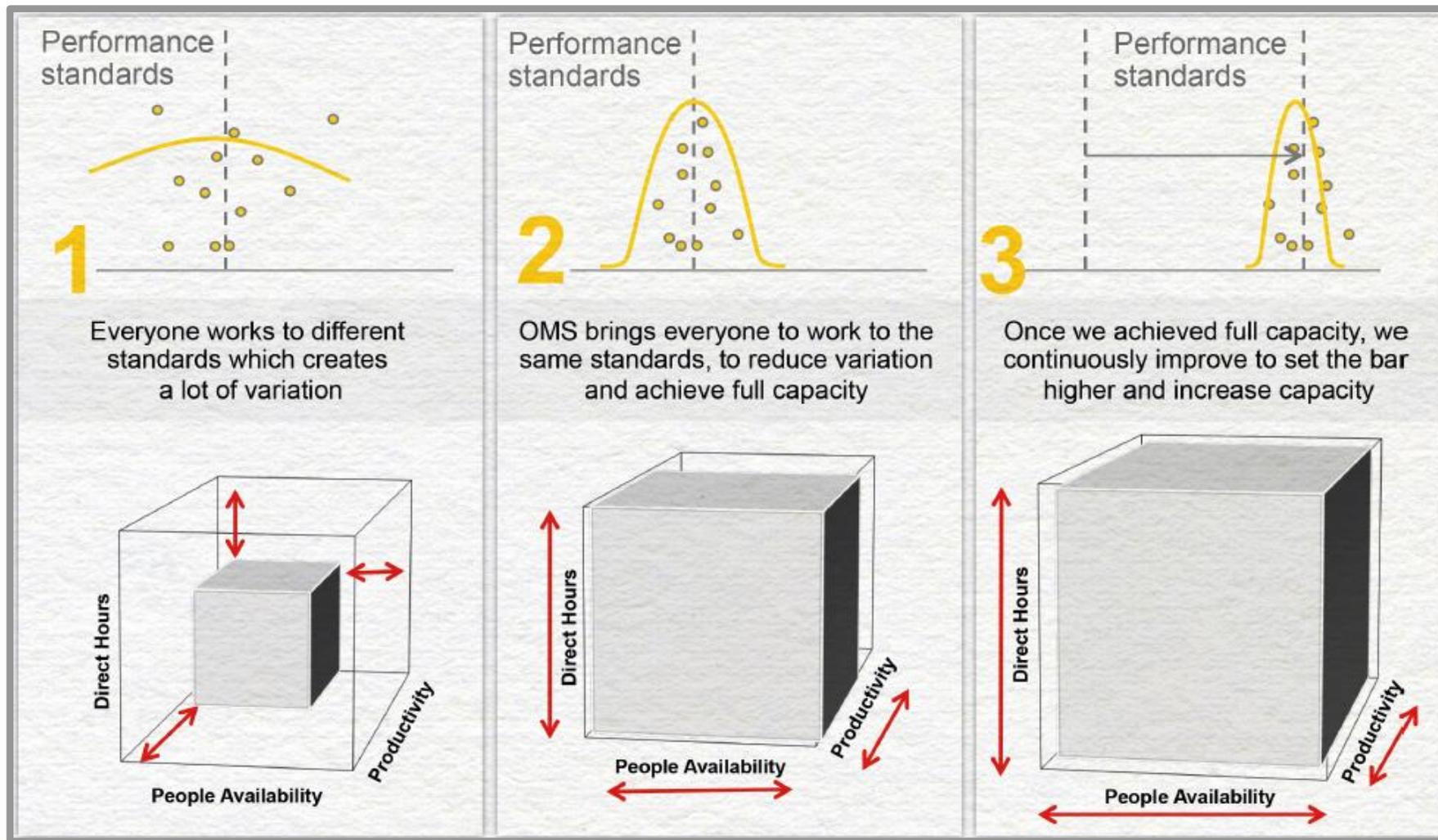
We maximize performance along three dimensions

A site's potential is measured along three dimensions and visualized through the 'cube'. OMS First Choice focuses on reducing variation across the three dimensions to systematically close the gap between current and maximum performance.

1. **People Availability:** Is your headcount as required and not more?
2. **Direct Hours:** Are the available people working their available hours?
3. **Productivity:** Is the work in those hours meeting the rates required in line with the planned and trained standards?



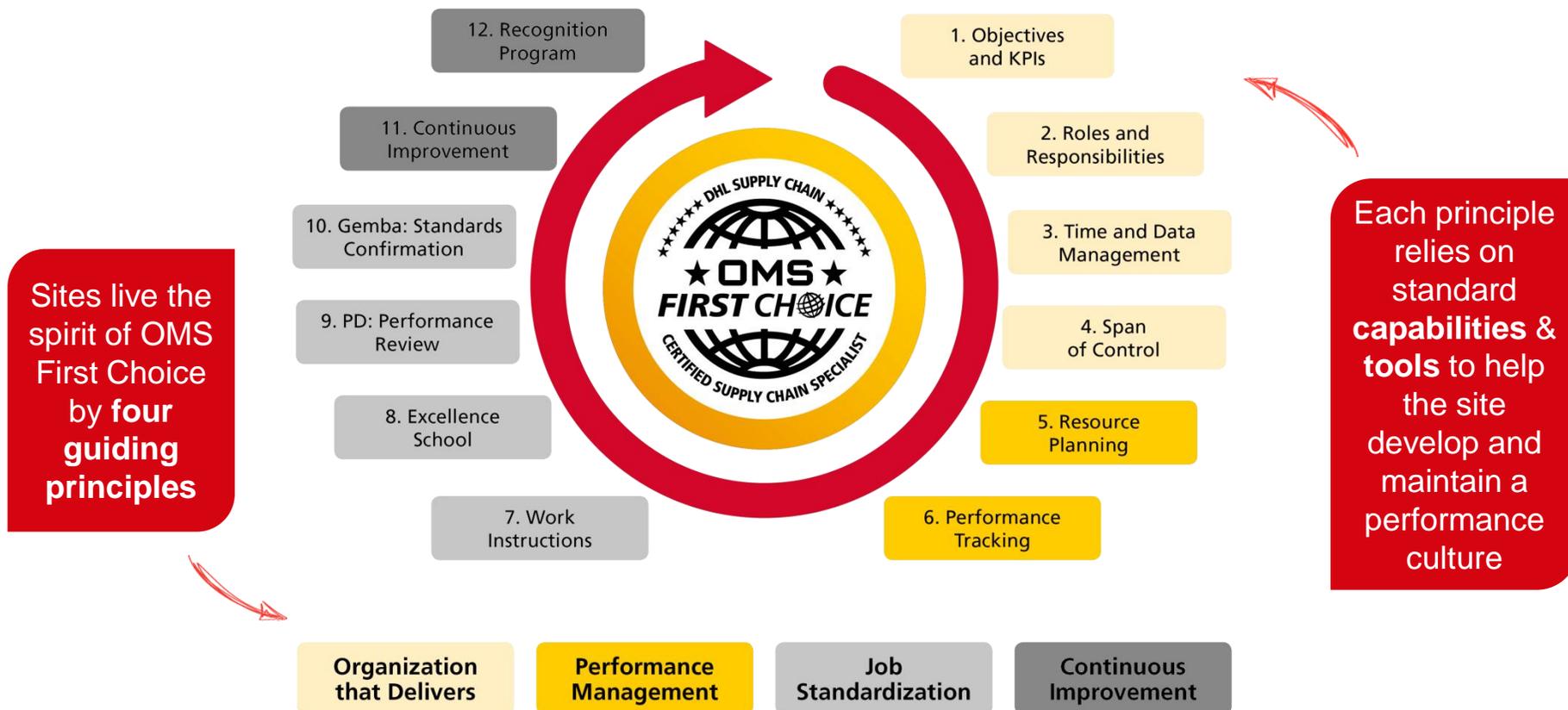
Reducing variation to drive performance improvements





OMS First Choice principles and elements

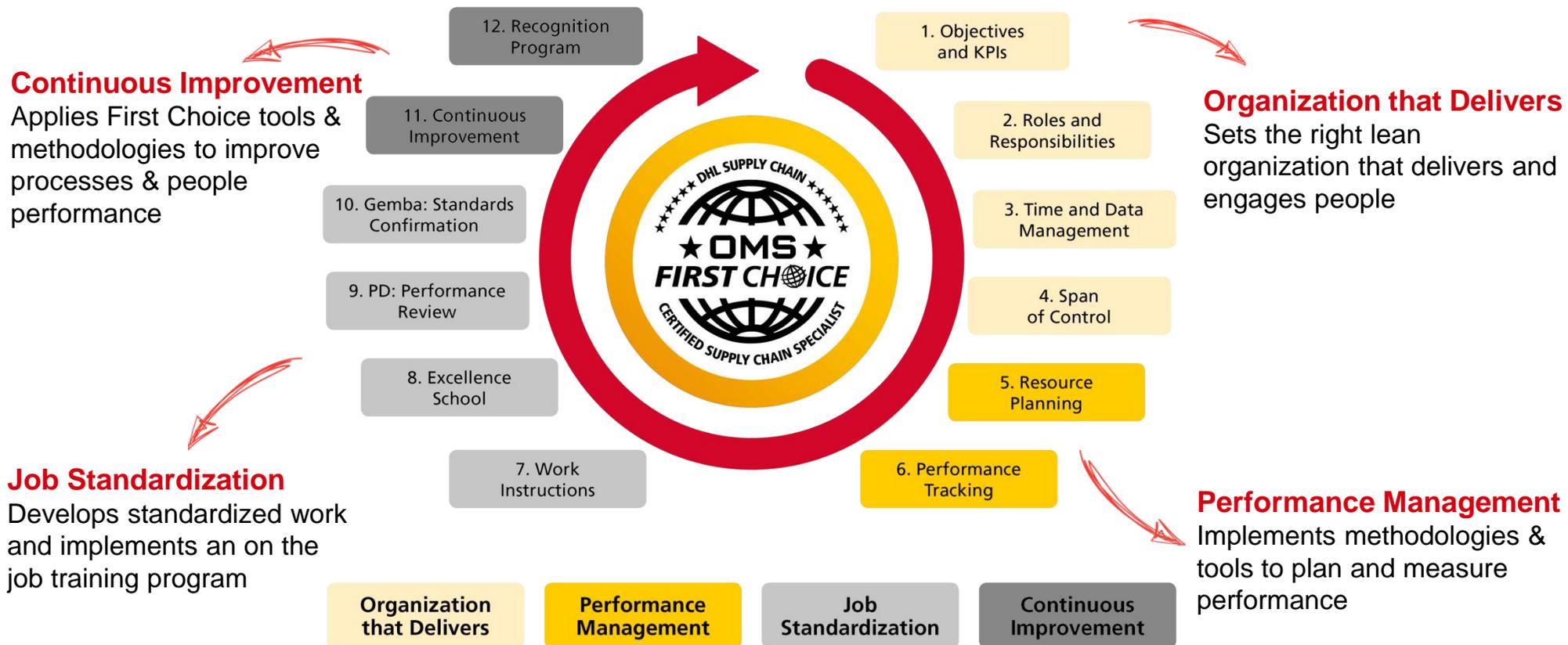
OMS First Choice is a management system focused on supporting sites to fulfill their maximum performance potential through standard setting, behavioral change and routine management.





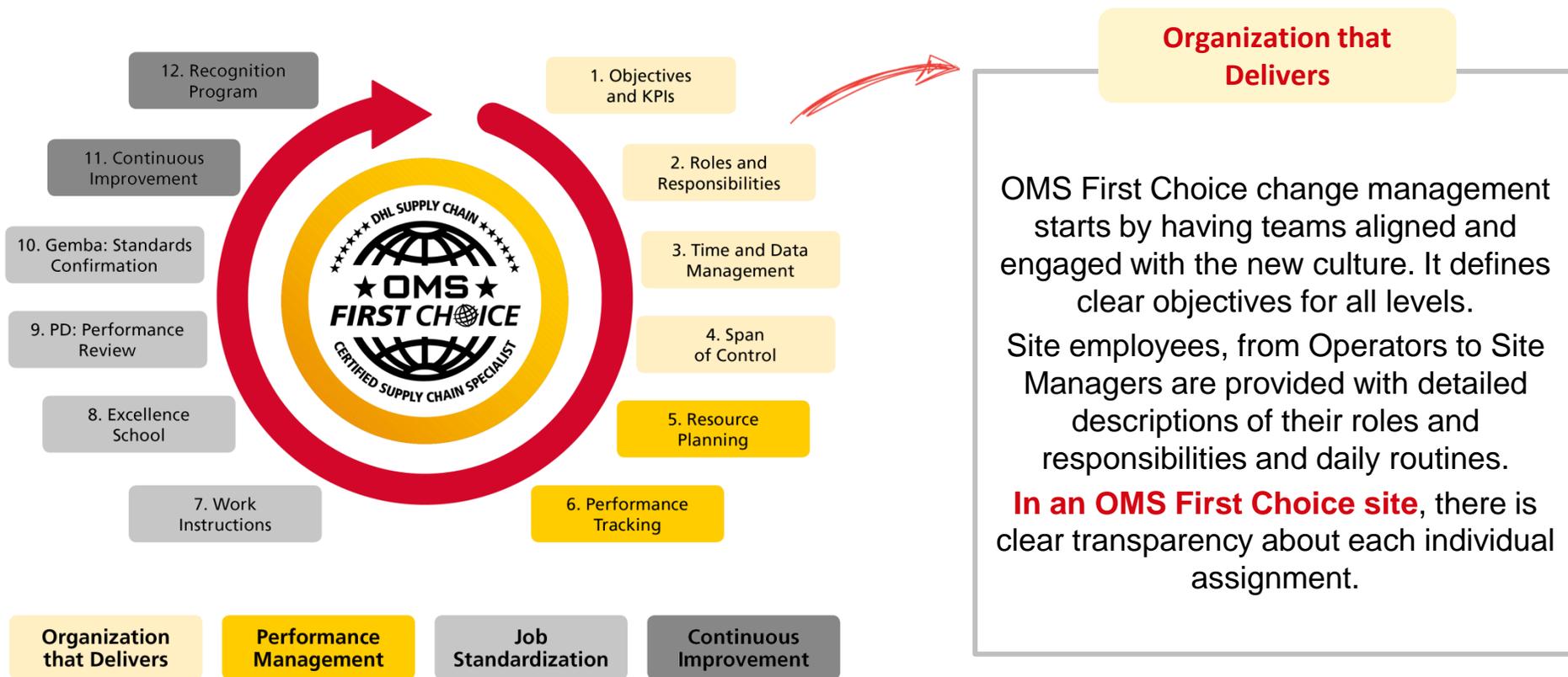
OMS First Choice principles and elements

OMS First Choice connects four management principles with 12 elements that when fully implemented and continuously lived, support sites in achieving their maximum potential.



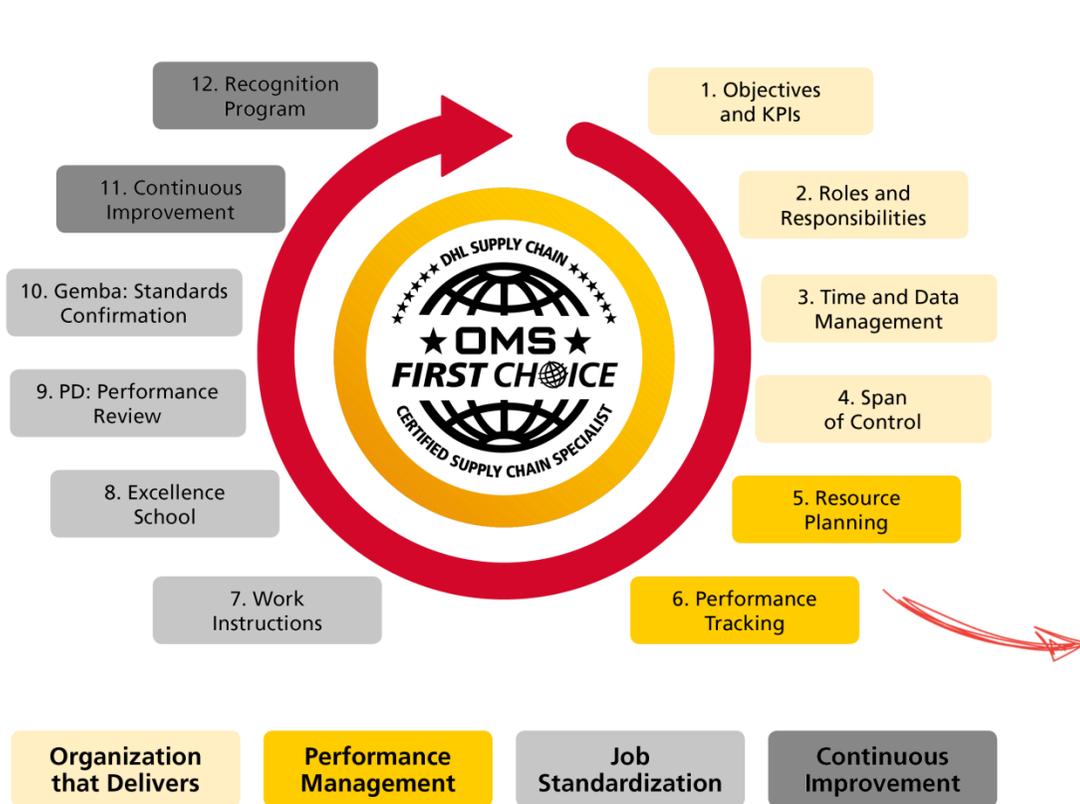


OMS First Choice Principle 1





OMS First Choice Principle 2



Performance Management

OMS First Choice provides the sites with the methodologies and tools to measure performance at the individual level. In an OMS First Choice site opportunities are clearly identified.

In an OMS First Choice site, the tracking and planning elements are closely related since the improvements registered in the tracking tool are synchronized with the level of labor required to perform a given task.

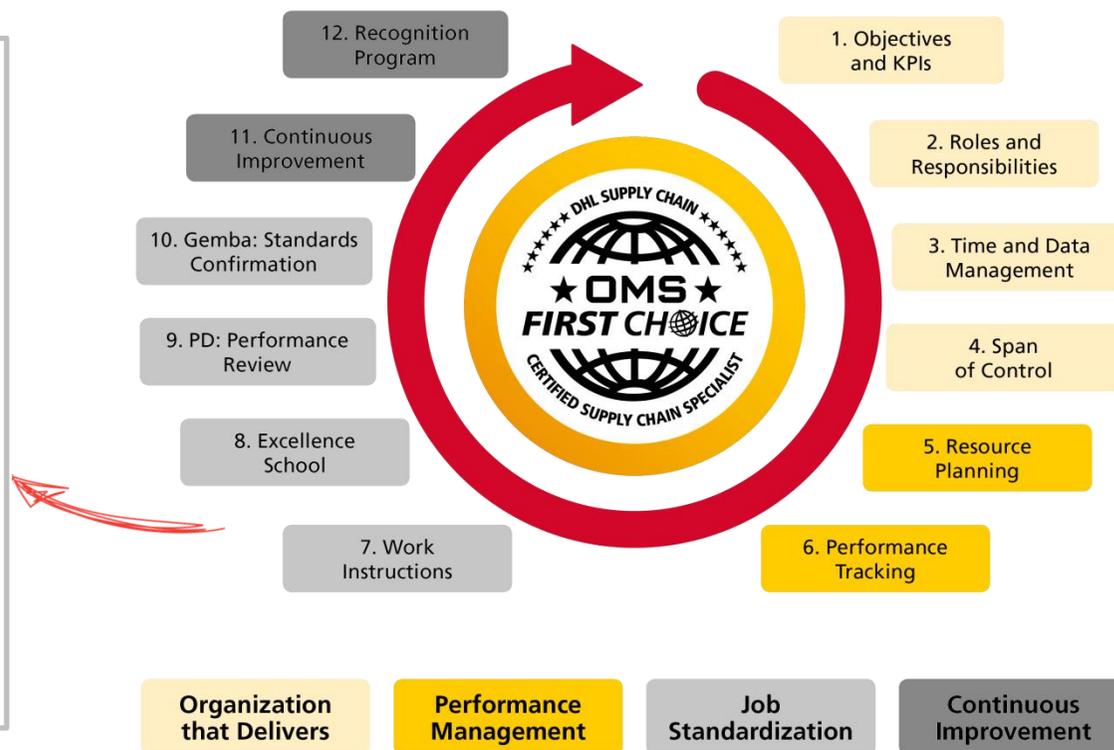


OMS First Choice Principle 3

Job Standardization

OMS First Choice creates a precise and commonly understood way to conduct every essential step in every process. Workers follow Safety, Quality and Productivity standards all the time. They are trained at the Excellence School to master their abilities and become certified specialists.

In an OMS First Choice site, site leaders become coaches and provide feedback to focus the team in delivering against opportunities.





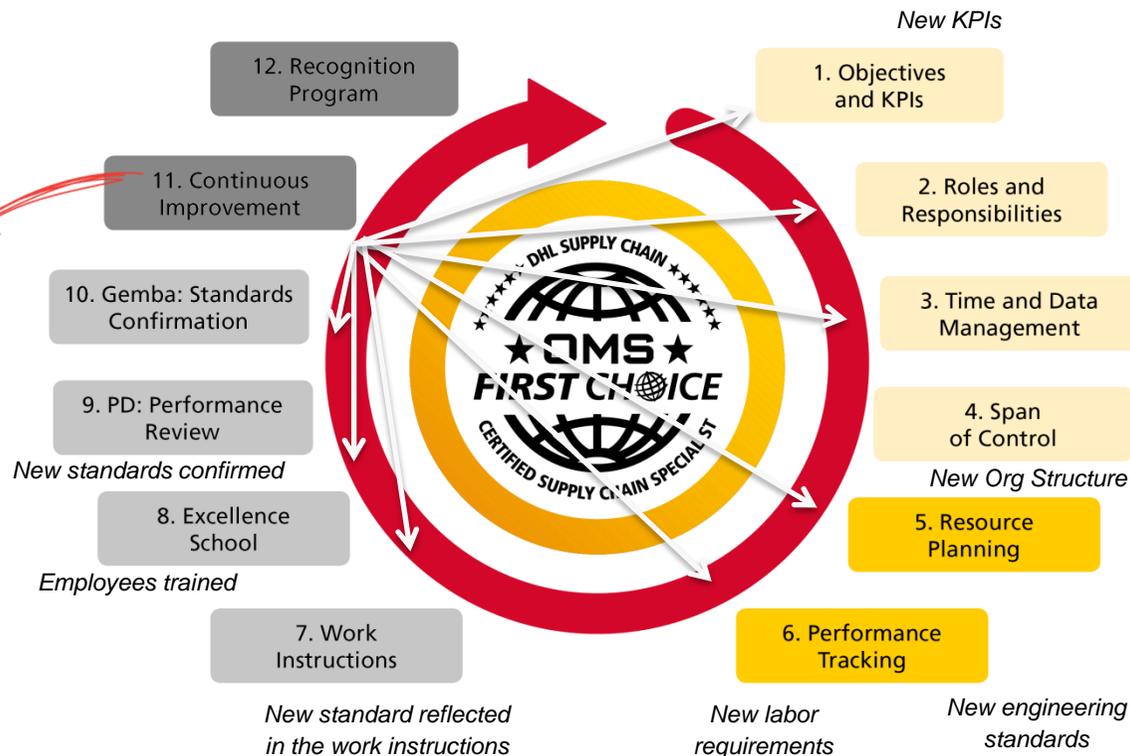
OMS First Choice Principle 4

Continuous Improvement

First Choice continuous improvement tools are used to identify and break bottlenecks and reduce process waste, to maintain continuous flow and release additional capacity.

Continuous Improvement requires to have **all OMS First Choice elements connected** to reflect the new standards.

In an OMS First Choice site, employees contribute with ideas for improvement all the time.





OMS First Choice in a nutshell

All associates are **continuously thinking** of **new ways** to improve their performance

Objectives are defined to all levels of the organization

Continuous on the job **training** is a way of life

Site management teams think and behave as **coaches**, not bosses, to continuously **manage the change**

Workers follow **standards** all the time

Individual performance is **measured** and feedback is **well received**





FIRST CHOICE

