DATA ANALYTICS – CB BREAK OUT

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Introduction

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Worked at IAOB for 14 years

Currently the project lead on several IATF strategic initiatives, including Data Analytics

Previously worked for Ford and Visteon for 13 years in various roles before joining the IAOB

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Background

• IATF started the data analytics project in August 2018 to build dashboards for the OEMs, Oversight offices, and certification bodies to help all stakeholders manage the scheme more effectively

• Approved as an IATF strategic initiative in October 2018 under the scheme effectiveness strategic imperative
How will data analytics drive scheme effectiveness?

• Providing CBs and Oversight offices with “purpose-driven” data
  – Supplier performance to the IATF OEMs
  – Compelling visualization that tells a story
  – Focus CBs and Oversight offices on where actions are needed

• Connecting the dots
  – Looking at linkages between performance to the customer, previous CB audits, supplier’s certificate status and effectiveness of the corrective action process
  – Viewing historical data

• CBs intervene when data suggests that a supplier’s quality management system may be “off track” in between audits
  – Regular follow-up with suppliers (i.e. emails, conference calls, etc.)
  – Focus on effective actions to move the suppliers from red to green
  – Provide appropriate help and support to suppliers before they lose certification
How will data analytics drive scheme effectiveness? (2)

• If the supplier fails to improve, defining when certificate should be withdrawn

• Develop appropriate key performance indicators (KPI) to measure CBs and Oversight offices on improvements in the supply base performance

• Collaboration and feedback loop between CB, their relevant Oversight office, and participating OEMs

• Real power comes from full scale adoption

• When everyone pulls together, the results can be remarkable!
  – Show the value of IATF 16949 certification to the auto industry
  – Be a benchmark for other industry sectors
What is the IATF trying to achieve?

Certification equals product quality

MUST
What does the dashboard show?

**OEM A Dashboard Example**

**No. of Certified Suppliers & Performance Level**

<table>
<thead>
<tr>
<th>Total Suppliers</th>
<th>3,647</th>
</tr>
</thead>
<tbody>
<tr>
<td>Performance Level (Green)</td>
<td>95.0%</td>
</tr>
<tr>
<td>Performance Level (Red)</td>
<td>5.0%</td>
</tr>
</tbody>
</table>

183 (5%) of the suppliers are NOT meeting performance expectations. These suppliers continue to hold valid IATF 16949 certificates.

Note: Data as of August 2019
What does the dashboard show? (2)

OEM A Dashboard Example

Supplier Performance by Oversight Office

OEMs are expecting the Oversight offices to get involved

Note: Data as of August 2019
What does the dashboard show? (3)

OEM A Dashboard Example

Breakdown of supplier performance by CB

Consider how this is perceived by the OEMs. What are the CBs doing to address this situation?

Note: Data as of August 2019
What is the status of this initiative?

- Created IATF KPI Hub website

- IAOB developed and launched standardized supplier performance dashboards and reports for OEMs, Oversight offices, and CBs

- Piloting for past 6 months
  - 1st pilot with GM supplier performance (March 2019)
  - Expanded the pilot (April 2019) to include Ford supplier performance

- Started with IAOB CBs, but other Oversight offices have voluntarily participated in the pilot

- Other IATF OEMs have shown interest in providing their supplier performance information
  - FCA US committed to join in Q4 2019
  - Groupe PSA
What is the status of this initiative? (2)

- Dashboard is developed by joining GM and Ford supplier performance indicators with the suppliers’ certificate information entered in the IATF Database
  - Common key is the OEM supplier code
  - Accuracy of the OEM supplier codes in the IATF DB is critical!
  - GM and Ford send monthly supplier performance files to the IAOB
  - The supplier’s performance indicator is shown as:
    - “R” (Red = not meeting OEM performance expectations)
    - “G” (Green = achieving OEM performance expectations)
    - Criteria are determined by each OEM (i.e. GM based on BIQS level and Ford based on Q1 score)
  - Participating CBs receive a screen shot of their dashboard and a detailed data report (via e-mail)
    - CBs are expected to have access to the IATF KPI Hub in late Q4 2019
What is the status of this initiative? (3)

• CBs focus on suppliers who are not meeting OEM performance expectations (i.e. Red)

• CBs investigate and request action plan from supplier

• CBs create and submit an action plan for each red supplier to their relevant Oversight office

• IAOB consolidates and publishes the action plans into the dashboard reports for Oversight and OEMs to view

• IAOB has been continuously improving the process and the visualizations based on lesson learned/feedback
Live Demo
(CB Dashboard)
Final Thought…

What can you do to help us drive forward?
Questions?

Email your questions to mmmaxwell@iaob.org or see me at the Stakeholder evening event