

# GMS Awards – Entry Form

Plant:	QUERETARO	Entry in the category of:	X	Plant Award	Employee Systems	Quality Systems	Material Systems	Methods & Tools
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To be filled in by the local GMS Coordinator	Date of receipt:	Entry no.:	QRO-00-17
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### Team Leader / Spokesperson

Name: Hector Garcia Padilla  
 Department: Gerresheimer Querétaro Plant  
 Function: Senior Plant Director  
 E-mail: [h.garcia@gerresheimer.com](mailto:h.garcia@gerresheimer.com)

### Information about further team members

Name: Jorge Gaona E-Mail: [j.gaona@gerresheimer.com](mailto:j.gaona@gerresheimer.com)  
 Name: Geovanni Baños E-Mail: [g.banos@gerresheimer.com](mailto:g.banos@gerresheimer.com)  
 Name: Cristhian Rosete E-Mail: [c.rosete@gerresheimer.com](mailto:c.rosete@gerresheimer.com)  
 Name: Ramses Cuevas E-Mail: [r.cuevas@gerresheimer.com](mailto:r.cuevas@gerresheimer.com)  
 Name: Patrice Stazzu E-Mail: [p.stazzu@gerresheimer.com](mailto:p.stazzu@gerresheimer.com)

### Project name:

#### Sustainable quality and service KPI's deliver high customer satisfaction

During the past 3 years after going through a deep restructuring, clear target setting and roll out, clear communication amongst the management team and all the organization and focusing in our strategic priorities, the Gerresheimer Querétaro staff was able to turn the operation around by consistently follow established and new procedures and start with cultural change to sustain performance through a continuous improvement mindset.

Poor KPI performance effects in the short term by what hurts a business the most: losing customers. Lack of leadership and accountability in the organization was generating poor performance, our products being rejected at customer´s incoming inspection was on the 22,000 ppm´s and quality claims and high costs of non quality and poor OTIF were making us lose credibility with our customers. In consequence poor financial performance was placing the QRO plant behind the targeted profitability.

We focused in our top strategic priority: Total Quality. Correlated the KPI´s that effected our relationship with our customers and focused in **quality, costs on non quality, OTIF and response turnaround to customers complaints**. We then identified the correlation between what GMS elements would give us the tools to improve these KPI´s to positively effect our customers satisfaction and at the end, measure the **effectiveness** through the corporate Customer Survey as well as the internal customer survey “smiley face board” implemented as best practice from our plastics division.

Customer Satisfaction is so important because it's a leading indicator of costumer repurchase intentions and loyalty, a point of differentiation against our competition and it's cheaper to retain customers than acquire new ones

As a result, we obtained a significant improvement in the Customer Satisfaction Survey increasing our mark from 57 Tri\*M points in 2013 to 105 points in 2017, which places us as best in class within the Gerresheimer organization plants.

#### GMS Elements utilized (Please name the utilized GMS Elements, e.g. Problem Solving, Job Change Excellence)

A2: TEAM WORK, A4: EDUCATION & DEVELOPMENT \*, B3: CUSTOMER QUALITY SYSTEM, B5: INTERNAL QUALITY SYSTEM, C2: ORDER MANAGEMENT, C3: PROCUREMENT  
 D4 : STANDARIZED WORK, D5: PROBLEM SOLVING, D6 : JC EXCELLENCE

**GERRESHEIMER**



**Gerresheimer Querétaro  
Sustainable Quality and Service KPI's  
deliver high Customer Satisfaction**

March, 2018

# GMS Award 2017 – Plant award

## Gerresheimer Querétaro:

Team: Héctor García Padilla, Jorge Gaona, Geovanni Baños, Cristhian Rosete, Ramsés Cuevas, Patrice Stazzu

### Trigger/Situation before

- Poor quality: CCR at 22,000 (2012) ppm making us lose customers
- High CNQ at 5.22%
- Poor OTIF of 79.4%
- Customer Response in Time always late, average of 42 days vs 21
- High number of notifications and complaints: 242 in 2013
- Low Customer Satisfaction, TRI-M Customer Satisfaction index at 57, below the worldwide mean
- 24 “red” faces in our internal customer survey

### Targets 2017

- CCR (ppm): **5,500**
- CNQ: **3.0 %**
- OTIF: **100%**
- CRIT: **100%**
- High number of notifications and complaints
- TRI\*M Customer satisfaction index: **70**
- Zero “red” faces in internal customer survey

### Results 2017

- CCR (ppm): **996**
- CNQ: **1.62 %**
- OTIF: **98.2%**
- CRIT: **100%**
- Notifications and complaints: **65**
- TRI\*M Customer Satisfaction Index: **105**
- **Zero** “red” faces in internal customer survey

### Implementation

2014

- Restructured the organization
- Setting the baseline using GMS:
- Employee systems: A1 - A2 - A4 - A5 - A7
- Quality systems: B1 – B2 – B3 - B5
- Material systems: C1 – C2 – C3
- Methods and Tools: D4 - D5 – D6 – D7 – D10

2015

- Identified, selected and started laying out and working on a plan utilizing the GMS elements that effected directly in customer satisfaction such as: OTIF, CCR, CRIT, CNQ
- A2, A4
- B3, B5
- C2, C3
- D4, D5, D6

2017

- Executed the plan through :
- A2: TEAM WORK
- A4: EDUCATION & DEVELOPMENT
- B3: CUSTOMER QUALITY SYSTEM
- B5: INTERNAL QUALITY SYSTEM
- C2: ORDER MANAGEMENT
- C3: PROCUREMENT
- D4 : STANDARIZED WORK
- D5: PROBLEM SOLVING
- D6 : JC EXCELLENCE

# GMS Award 2017 – Plant award

## Gerresheimer Querétaro, PPG: Sustainable quality and service KPI's deliver high customer satisfaction

Team: Héctor García Padilla, Patrice Stazzu, Jorge Gaona, Geovanni Baños, Cristhian Rosete, Ramsés Cuevas, Fabio Ramírez

### Plant Overview:

- Employees: 477
- 22 Ampoule machines MM30
- 14 Vial machines (SD36 – KV83)
- 3 Syringe machines, ISO 7/6
- 3 Onion Skin Machines
- 6 Cartridge Machines (3 Tandem)
- Production : 1.2 billion units / year
- ISO 9001, ISO 13485, ISO 14385

### Targets 2017

- CCR (ppm): **5,500**
- CNQ: **3.0 %**
- OTIF: **100%**
- CRIT: **100%**
- Max **70** notifications
- TRI\*M Customer satisfaction index: **70**
- **Zero** “red” faces in internal customer survey

### Situation before:

- Poor quality: CCR at **22,000** (2012) ppm's
- High CNQ at **5.22%**
- Poor OTIF of **79.4%**
- CRIT always late, avrg. of **42** days
- High number of notifications and complaints: **242** in 2013
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- CCR (ppm): **996**
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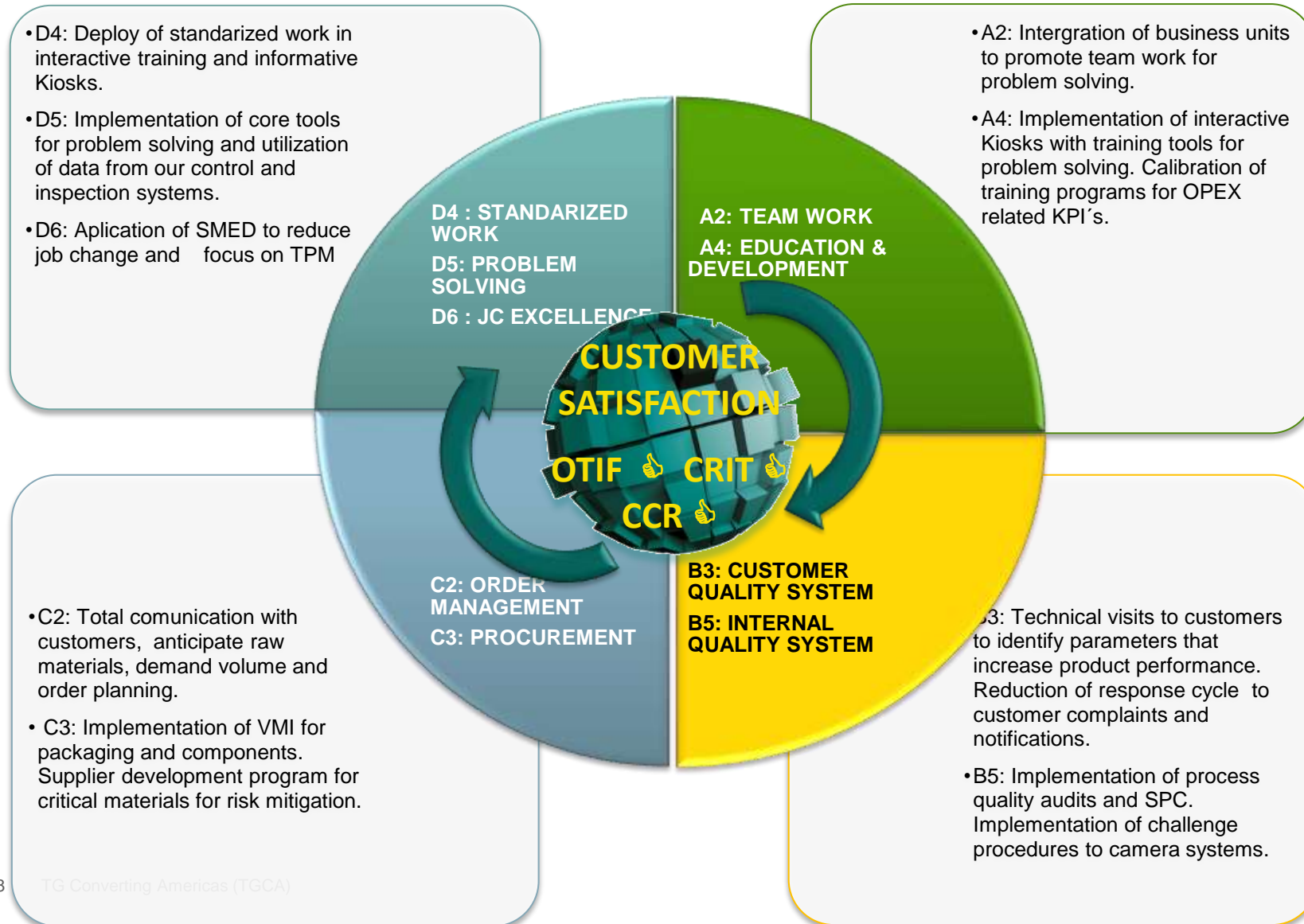
2015

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- A2, A4
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- C2, C3
- D4, D5, D6

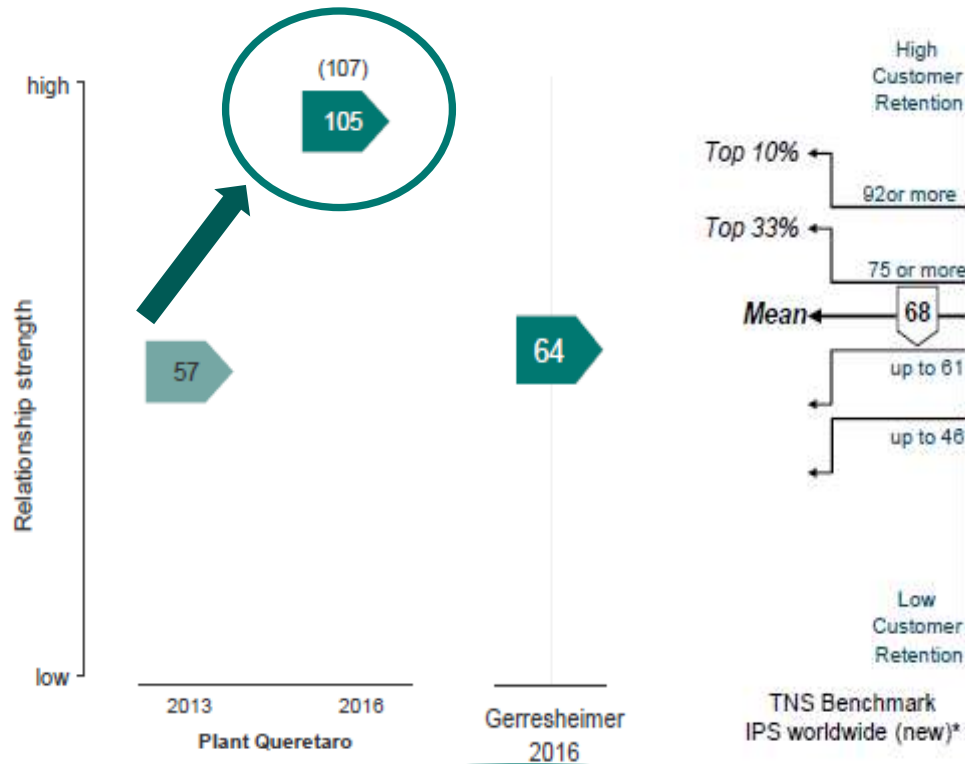
2017

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## Gerresheimer Querétaro Customer Satisfaction model using GMS elements



## Results: 105 points in Customer Satisfaction TRI\*M index

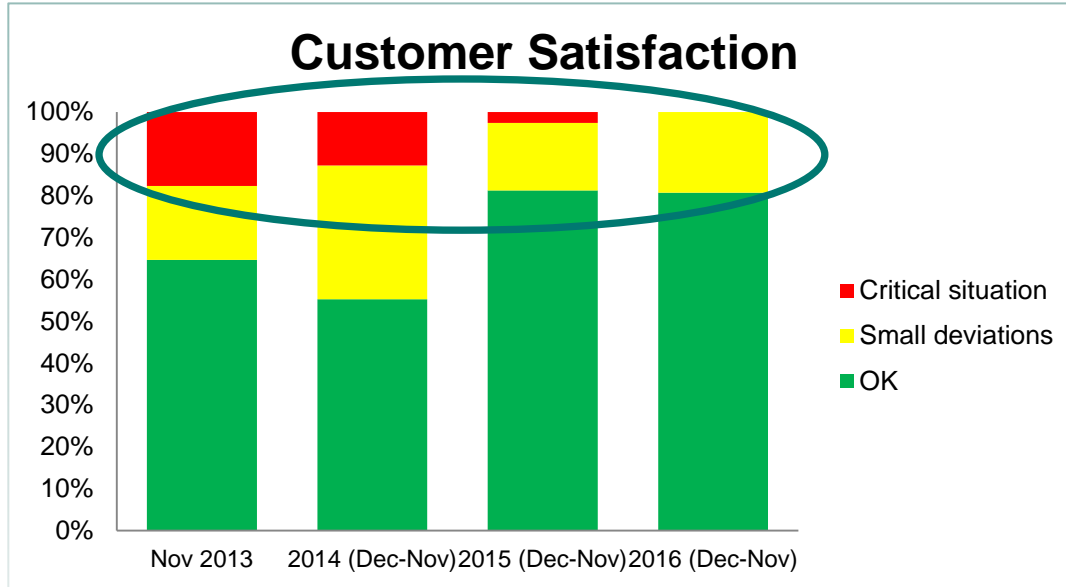


- 2017 TRI-M Customer satisfaction index: **105** placing us in the **Top 10%** worldwide benchmark
- Our relationship with customers is on the “**strong**” relationship strength scale
- A **105** TRI\*M index places us above the worldwide mean of 68 and above the Gerresheimer mean of 64
- An index of **105** places us above the “**Very Good**” scale based on performance and preference to the customers in the market

- Strong relationship: TRI\*M Index > 75
- Moderate relationship: 25 ≤ TRI\*M Index < 75
- Weak relationship: TRI\*M Index < 25

Scale point	Score
Excellent	150
Very good	100
Good	50
Fair	0
Poor	-50

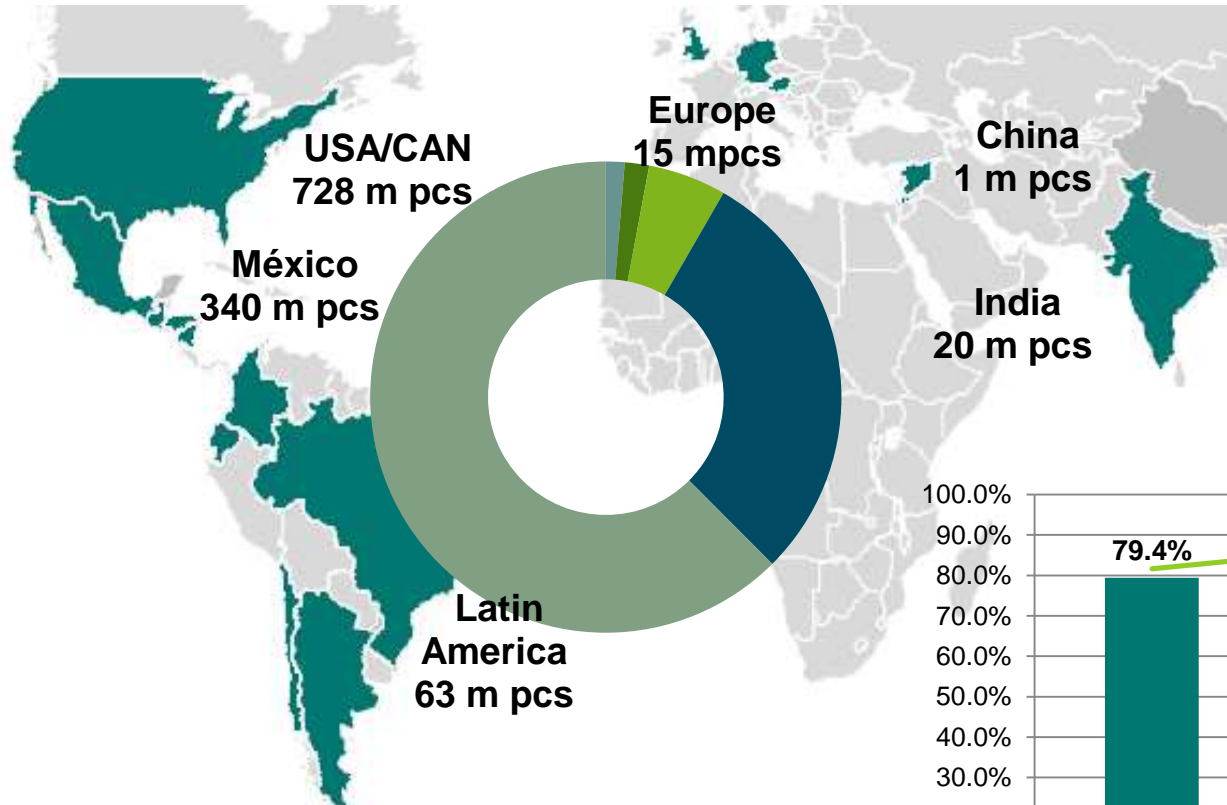
## Results: Zero “red” faces in Smiley Face Board System index



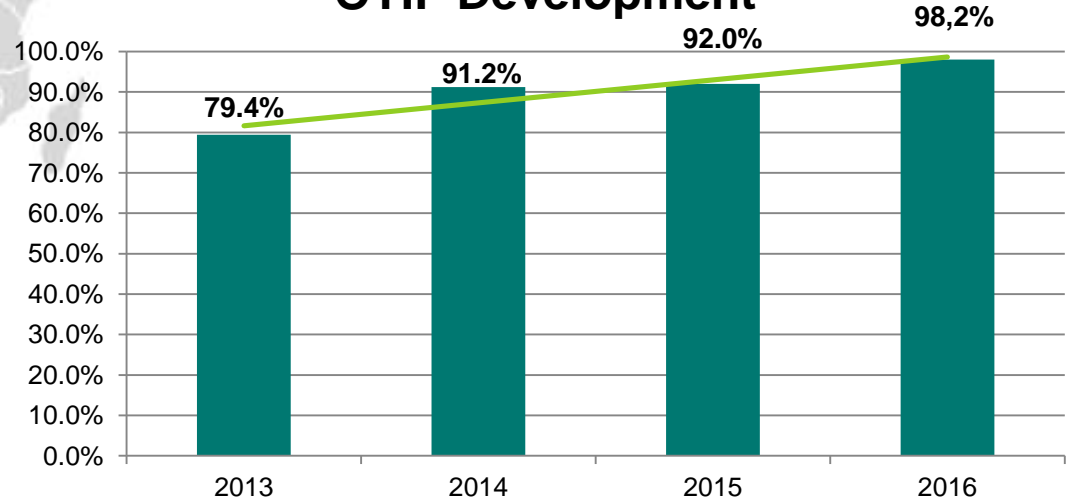
- The smiley face board system is a best practice implemented in QRO since end of 2014. It is an extraction of the GMS Employee System award winner from the Plastic Packaging Division.
- It was developed to measure customer satisfaction in a short time cycle
- It measures month to month the situation with customers based on an internal evaluation being sourced by Customer Service
- It measures:
  - OK Situation
  - Small deviations
  - Critical situations
- Methodology that provides immediate information for a quick reaction to solve any critical or small deviation
- GX QRO was able to reduce the number of “red” smiley faces to **zero in 2017**
- **The red smiley face indicates that a customer is in critical situation either for quality or service**

Fiscal Year 2017	Internal Customer Satisfaction Survey		
	Green	Yellow	Red
Dec 15	8	1	0
Jan 16	12	2	0
Feb 16	5	4	0
March 16	11	1	0
April 16	9	3	0
May 16	12	0	0
June 16	9	2	0
July 16	9	3	0
Aug 16	9	3	0
Sept 16	9	4	0
Oct 16	12	1	0
Nov 16	8	3	0
<b>TOTAL</b>	<b>113</b>	<b>27</b>	<b>0</b>
<b>TOTAL %</b>	<b>80,71%</b>	<b>19,29%</b>	<b>0,00%</b>

**Results: Over 1.1 billion units delivered with 98.2% On Time In Full to 119 Customers in over 22 countries**



**OTIF Development**

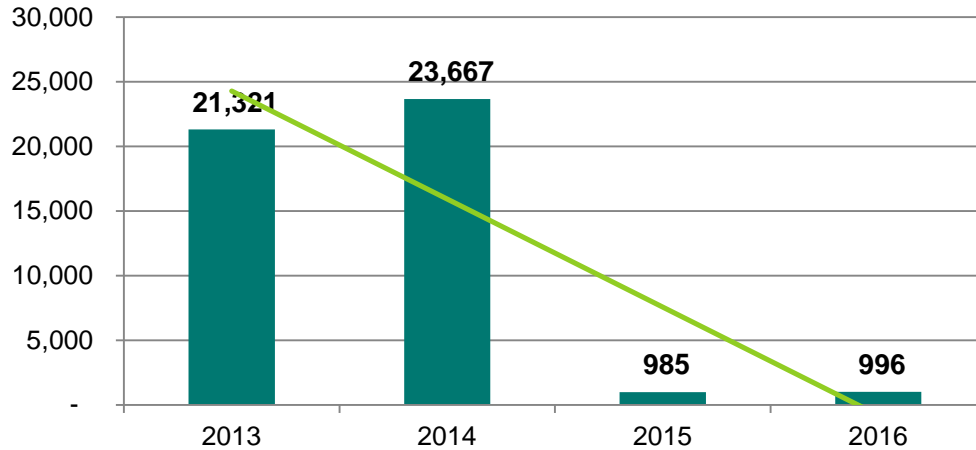




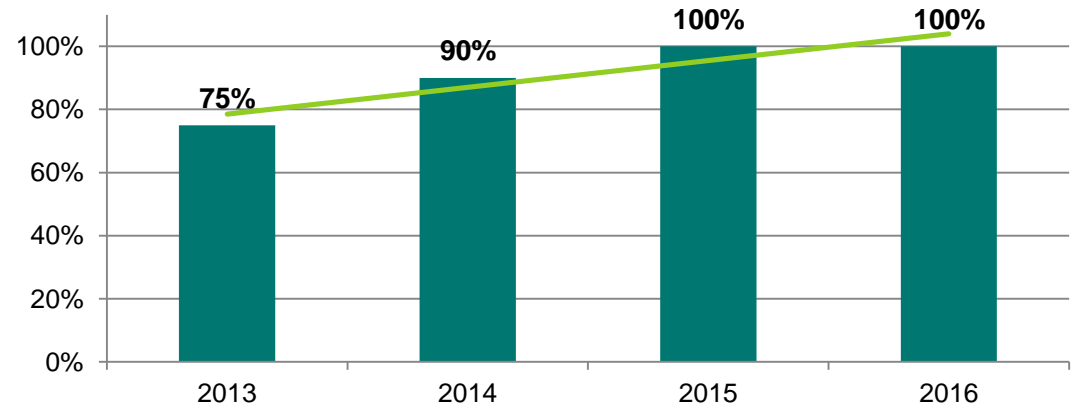
# Results: Quality leading indicators in a consistent and sustainable trend



### Customer Complaint Rate in PPM's

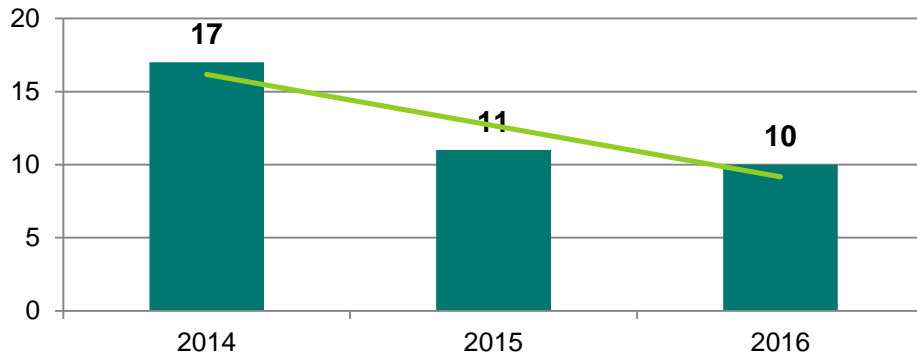


### Customer Response In Time Target: 21 days

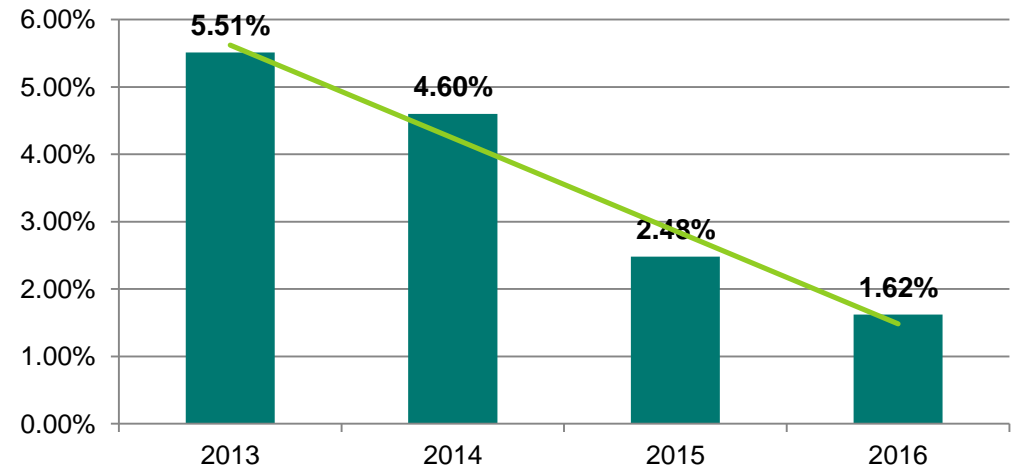


# Results: Quality leading indicators in a consistent and sustainable trend

**Avr. Response of customer complaints in days**  
**Target: 21 days**

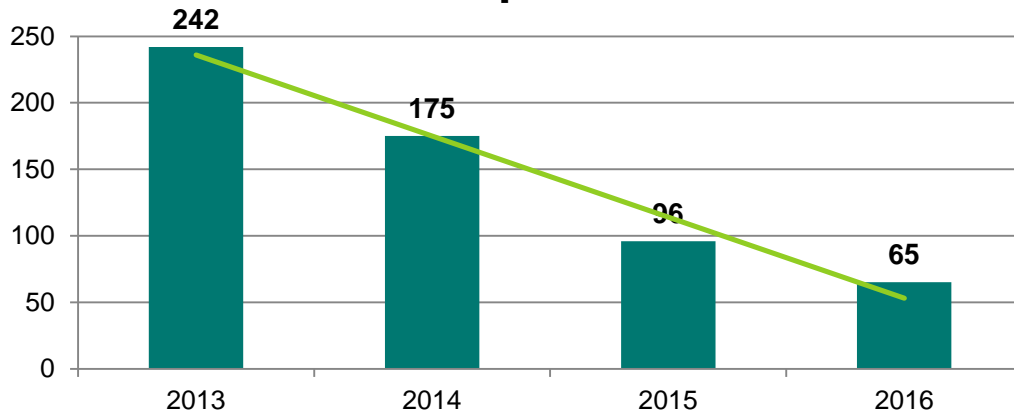


**Cost of Non Quality**

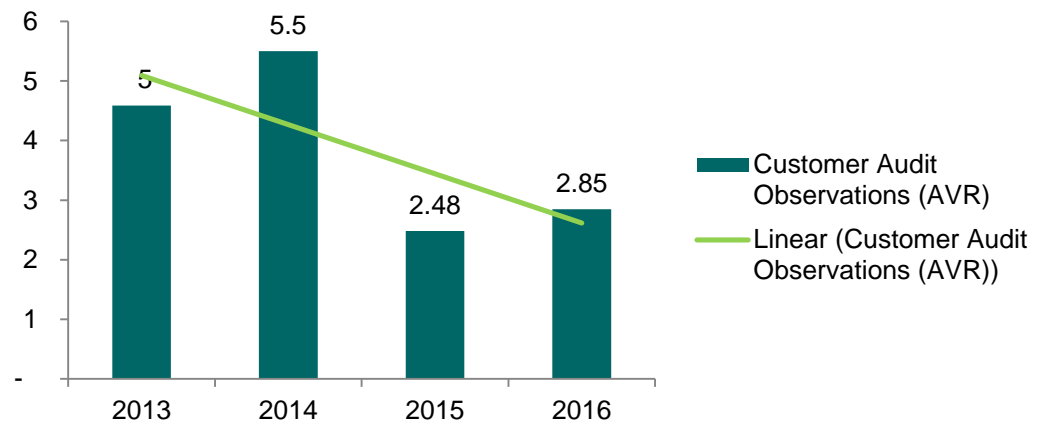


# Results: Quality leading indicators in a consistent and sustainable trend

**Number of Notifications and Complaints**



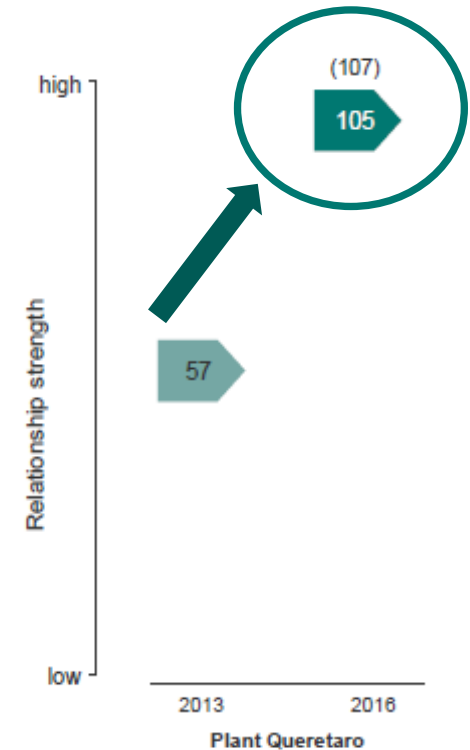
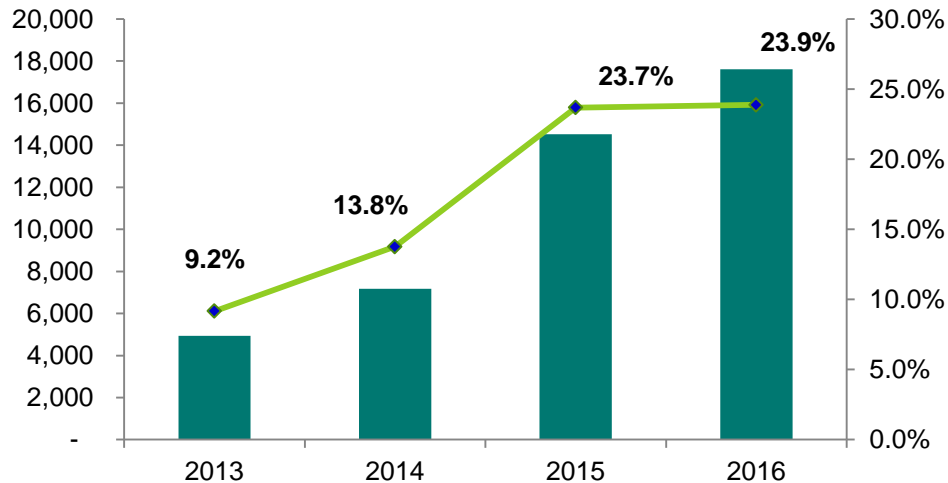
**Customer Audit Observations (AVR)**



# Results: Quality lead indicators in a consistent and sustainable trend...

Deliver customer satisfaction...

And sustainable profitability...



# Our customers



# Quality today....

Excerpts from our CEO on his year end message to all the Gerresheimer employees:

...the most important leverage for customer satisfaction is quality...

...Our customers expect higher quality from us than ever before...

...Increasing quality is not just the task of the plant quality manager. It is an ongoing assignment for all of us...



## Bring tomorrow's rewards...