

Next Generation Manufacturing Council
Wednesday, February 4, 2009, Noon-1:30pm

Present: Marcia Arndt, Bill Berezowitz, Claus Dunkelberg, Brian Grabowski, Karl Grunewald, Cathy Harrison, Ken Heins, Mary Isbister, Jim Kerlin, Mike Klonsinski, Mike Mortell, Pat O'Brien, Mark Rolison, Colin Scanes, Jim Scherer, Duane Schultz, Elizabeth Thelen, David Tomczek, Sam White, Marjorie Yoshida

Mike Klonsinski, WMEP

The ground-breaking study to assess the global competitiveness of Wisconsin manufacturers reveals that Next Generation Manufacturing strategies are a powerful catalyst for world-class performance and success and that manufacturers that are achieving world-class NGM benchmarks - whether they are large, midsize or small companies - reach much better levels of operational performance.

More than 500 manufacturers responded to the Wisconsin Next Generation Manufacturing Study, which was conducted by the Manufacturing Performance Institute (MPI), a global research firm that annually conducts the largest study of manufacturers in the U.S. Re-surveys will take place in 2012 and 2015 to measure improvement.

Next Generation Manufacturing refers to a framework of forward-looking strategies that are driving manufacturing growth and profitability in the 21st century.

NGM Is About the Future

- ▶ Wisconsin's manufacturers need to be *good* to survive the recession of 2009.
- ▶ Wisconsin's manufacturers need to aim toward a 2015 economy if we want to be *great*.

Manufacturing and the Wisconsin Economy

- ▶ 10,000 Manufacturing firms
- ▶ 500,000 jobs (direct)
- ▶ \$47 billion GSP (21% of state GSP)
- ▶ *100,000 jobs at risk*

NGM Scorecard

- ▶ Customer-Focused Innovation
- ▶ Advanced Talent Management
- ▶ Systemic Continuous Improvement
- ▶ Extended Enterprise Management
- ▶ Sustainable Product & Process Development
- ▶ Global Engagement

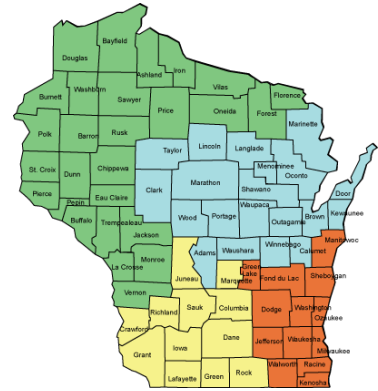
NGM Performance Gap Assessment, Methodology & Rationale

To assess performance gap in the 6 NGM Attributes against:

- ▶ Awareness of importance
- ▶ Self-assessment of performance
- ▶ Real performance (output)
- ▶ Real Commitment to required input (*Input is controlled by CEO and influenced by policy - output is not)

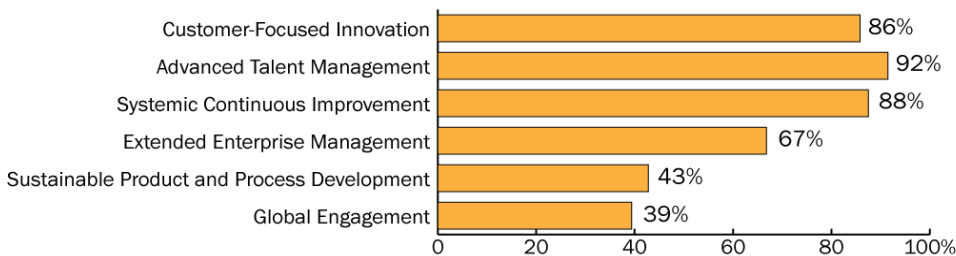
NGM Key Demographics

- ▶ 531 Manufacturing leaders responded to the NGM Survey
- ▶ North/West Central (6.2%)
- ▶ East/Central (20.2%)
- ▶ South (18.5%)
- ▶ 284 Southeast (53.9%)
- ▶ No Region Identified (1.2%)



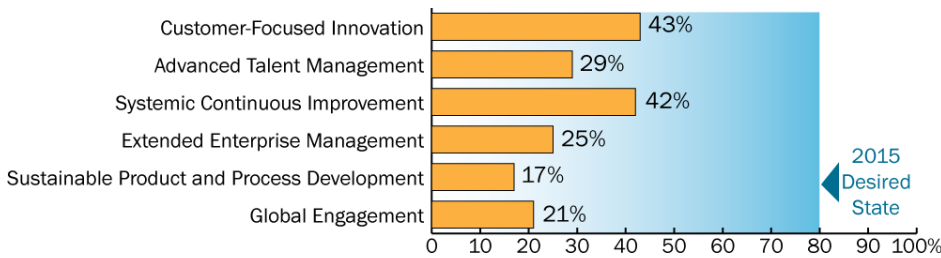
NGM Awareness

Wisconsin manufacturers understand the need for world-class performance.



NGM Self-Assessment

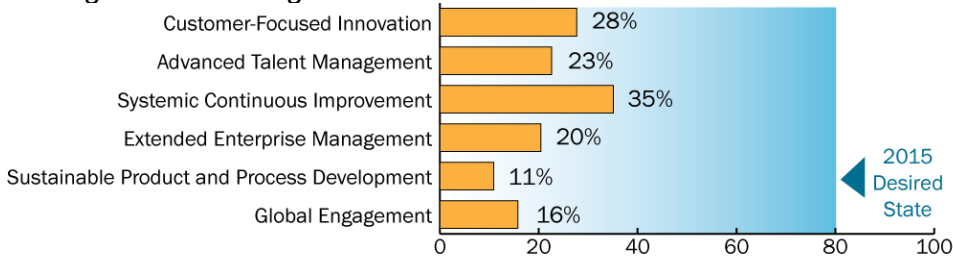
Wisconsin manufacturers have made uneven progress in achieving world class performance in the 6 NGM Success Attributes



80% of companies need to achieve good to world-class performance by 2015.

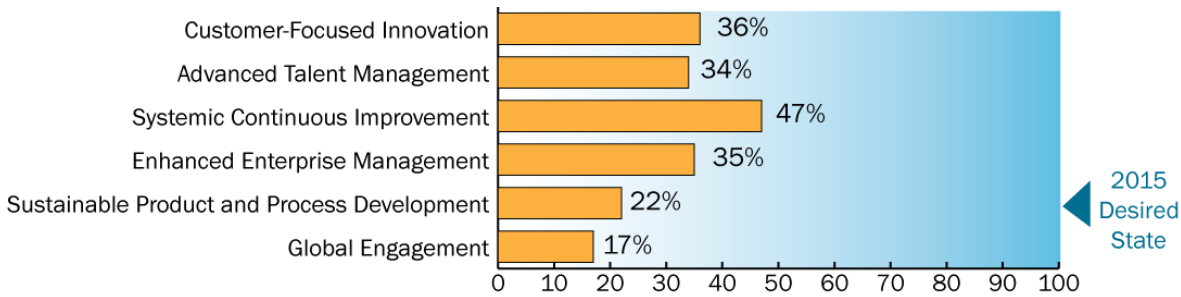
NGM Measurement Gap

What gets measured gets done.



80% of companies need to achieve good to world-class performance by 2015.

NGM Regional Support Evaluation
Perception of Strategy Support



100% of companies throughout WI need the resources available to reach NGM by 2015

NGM Key Performance Indicators

	Performance Indicator	Current	Desired
Customer-Focused Innovation	% investing >5% of sales in R&D	27%	80%
Advanced Talent Management	Training Hours >20 per employee	28%	80%
Systemic Continuous Improvement	% with >75% of workforce engaged in CI	42%	80%
Extended Enterprise Management	% view suppliers as strategic partners	22%	80%
Sustainable Product & Process Development	% with >90% of products completely recyclable	25%	80%
Global Engagement	Companies with >1 out of country sales office	37%	80%

Full statistical tables of the Next Generation Manufacturing Survey, consolidated analysis of the statistical tables, to learn more about the NGM Survey, and to learn more about the six major NGM Success Attributes, go to <http://www.wmep.org/NGMSurveyResults.aspx>

Annual Manufacturing Matters Conference: May 19.

Elizabeth Thelen, Regional Workforce Alliance
NGM Marketing/Branding: Create our own website

Website proposed content:

- ▶ Industry Tours
- ▶ Career Days in High Schools
- ▶ Listing of Certificates to Advanced Degrees
- ▶ Companies with Internships and scholarships
- ▶ Informational Websites (include dreamitdoit.com)
- ▶ Media / Marketing connections and happenings
- ▶ Career Decision-Making Process: Show career seekers that manufacturing has careers and how to get them
- ▶ Shout the positives of manufacturing: images and stories showing the innovative side of manufacturing
- ▶ Sourcing Career Manufacturing Information: A place to coordinate / share regional information

Phase I – Develop Website

Phase II – Expand, Monitor

Phase III – Monitor, Measure, Expand

NGM Website Questions:

- ▶ Who is the audience? Students or manufacturers? Or both? Can it be the same site?
- ▶ How do we measure success?
- ▶ Audience is students? What will they watch or look at? What will interest them?
- ▶ Audience is manufacturers? Where to go for training for employees? Sources of funding/grants? International Trade services and knowledge? Department of Commerce and Workforce Development resources, services, and funding? What exactly will be useful to you, the manufacturer?
- ▶ Technical issues: Hosting? Staffing? Funding? Marketing?

NEXT NGM COUNCIL MEETING: Wednesday, May 6, 2009, Noon-1:30pm