

June 25, 2023

## Executive Message

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### Lets Get Connected...

We have recently talked about communication and making your voice heard. This month, again, we are talking about that important strategic initiative inside our company.

**Believe it or not, purposeful, intentional, planned communication is a significant part of AMF's corporate strategy.**

Strategy is a well-used word—one we are all very familiar with. We might think about strategy when we are playing a card game or board game. My wife and I use strategy for things as simple as ordering food at a restaurant. We never order the same thing, sometimes we split meals, sometimes, I am embarrassed to say, we go to the mall on Saturday night to eat dinner. Why, because we have four people in our family and everyone wants something different—can you say food court? I order Asian noodles, my wife gets Philly cheesesteak, my middle son gets Chick-fil-A and my youngest son gets Pizza.



Let's Connect!

The point is, we all use forms of strategic thinking every day. **Using strategy, whether in our personal lives or work, basically points toward one thing—winning.**

Good strategy improves your chances of winning.

Several years ago, I coached one of my sons in peewee football. I learned very quickly that sending a play in from the sideline was not a simple task! Consider a bunch of ten-year-old footballers, helmets strapped tightly to their heads with little, tiny ear holes, making it hard to hear, and big hulky face masks, making it hard to see, not to mention their attention to detail, and one can readily see that communicating as a coach was not easy.

I worked hard on play calling strategy. I even went to the effort of scouting the other team the week before, but none of that made the slightest difference if our players could not understand the play I was signaling in from the sideline.

Certainly, as we mature, we get better at remembering, understanding what is important and explaining things but do we really become better communicators. My spouse—and likely yours—would say no.

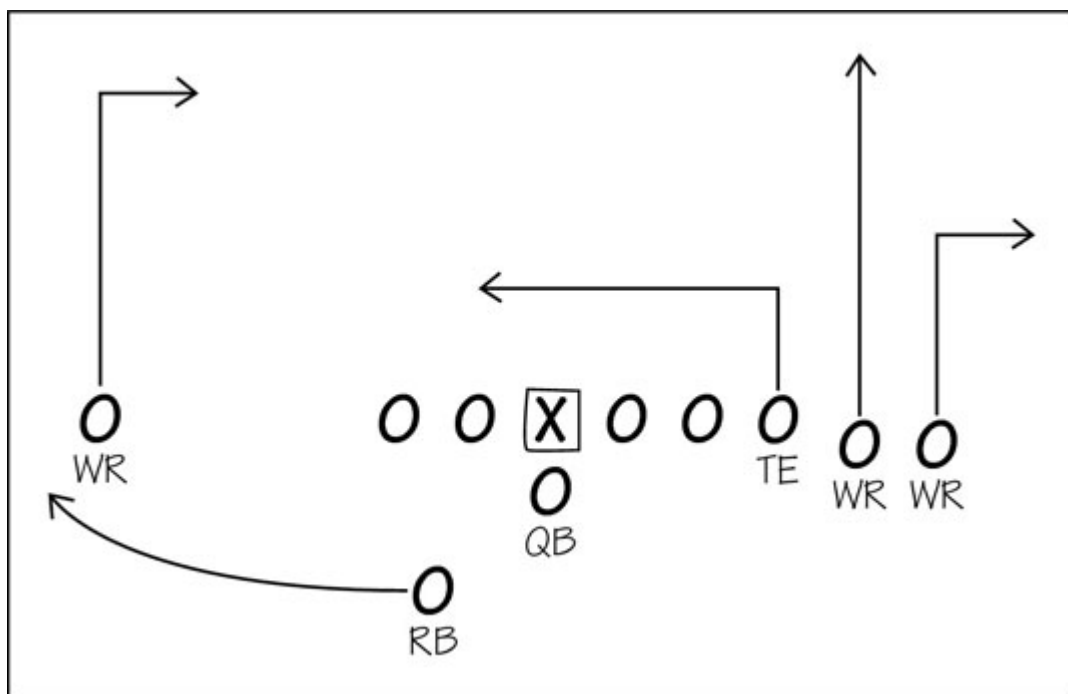
All that is to say, although most of us think we are good communicators, the truth is most of us are lacking.

This month, as a way of working on our inter-company communication, I am asking for two simple tasks:

1. Find somebody doing something good and let them know about it—in fact let all of us know about it by posting it on Yammer.
2. Post something this month on Yammer that you, yourself, are proud about doing. I want to see your work.

The point here is that this is a crucial part of our overall strategy. Define it how you will, but this is what we must do to win—to be clear, AMF by no means is a peewee football team, but just like football, we are here to win.

We are on the goal line my friends—lets punch it in for the victory!



# Employee Spotlight

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## Daniel P

1. **What's something about you (a fun fact) that not many people know?** I have only had two jobs, including working at AMF
2. **What is your favorite hobby?** Golf
3. **Are you binge watching any shows?** Meat Eater & Blacklist
4. **What's the next place on your travel bucket list?** South Carolina
5. **If you had to eat one meal every day for the rest of your life, what would it be?** Ground Tri-tip, Caesar Salad, Baked Potato
6. **One thing you cannot live without?** My Wallet
7. **Where is your favorite place to be?** The Gym
8. **Favorite Travel Destination?** Texas, because of the great food.
9. **Any favorite line from a movie?** "I'm your huckleberry" - Doc Holliday, Tombstone
10. **What music is on your phone?** Classic Rock from the 70's
11. **What chore do you absolutely hate doing?** Dishes and Laundry
12. **Person you would love to meet?** Norm McDonald
13. **Worst Chore?** Cleaning Windows
14. **Want to learn some day?** How do Build a House.



# Quality Message

## Change a Company's Culture

In the last Waste Rapid Improvement Process (RIP) committee, we learned about organizational change and why it is necessary in the ever-evolving world we live in.

AMF has put many tools at your disposal to try and make us more efficient, more competitive, and have an overall better work environment.

Some of these tools are listed below:

- Continuous Improvement submissions for every employee (Reviewed weekly, utilize to drive consistent small changes)
- Preventative Maintenance Program and submission forms (Use to actively reduce downtime of machines and keep them running in tip top condition)
- New training on concepts like: Poke-Yoka, One Piece Flow, Work Standardization, Rapid Improvement Processes

If you take a historical view over the last 200 years, the way we do things has changed significantly. One example we used in the Waste RIP training involved the manufacture of guns (muskets). The old school way was to employ master craftsman who would work on one gun at a time and build through completion. This was an extremely inefficient way of producing a gun/musket for any large volume orders. Parts were not interchangeable, so no two guns were alike, they had varying ranges of accuracy and couldn't be repaired with spare parts.

The first mass production order for muskets was issued to a guy named Eli Whitney shortly after George Washington left the presidency. The order was for 12,000, and the first production run was for 700 guns.

The 700 part release utterly failed, only 2% of the guns could be assembled. That's a 98% failure rate.

This failure rate was largely due to the fact that the old, embedded culture couldn't/wouldn't evolve to support the new processes—no one thought it could be done that way. The old culture eventually prevailed. Eli gave up on the model and converted his factory back to skilled tradesman and lost the huge order from the US government.

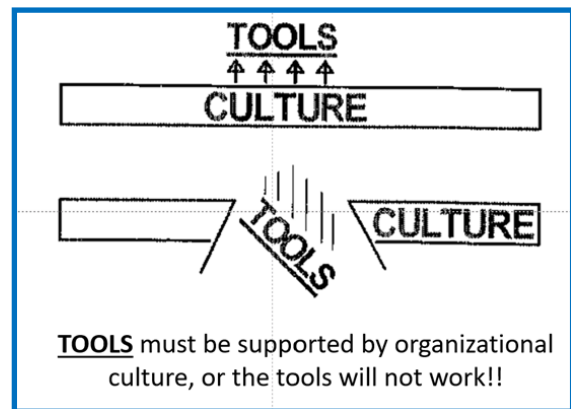
As systems and technology progress, change becomes mandatory for a company's success. Eli's factory failed to make the changes needed, however, others were successful in developing a culture that could support mass production. In retrospect, we all clearly see how important mass production is in the US, but back then it was much harder to see.

Eli built a custom factory and put in place new processes, tools and equipment to facilitate mass production of muskets, however, that massive capital investments was not enough without the appropriate culture and the business failed.

**That is why it is imperative that the tools be supported by the culture, or they will fail for their intended use.**

Embracing change is a required component for successful business and cultural transformation is needed to support change.

How do we go about developing a culture that allows the changes and new tools to work properly.



Often, cultural change involves reshaping the fundamental beliefs, values, and behaviors that drive an organization's functioning. To successfully navigate this transformative journey, organizations must address three crucial sub-transformations: personal transformation, cultural transformation, and tool transformation.

### 1. Personal Transformation:

The first sub-transformation in the journey towards cultural change is personal transformation. This transformation focuses on individuals within the organization, emphasizing the need for self-reflection, growth, and development. It involves fostering a mindset shift that encourages individuals to embrace change and become catalysts for transformation.

To initiate personal transformation, organizations can implement the following strategies:

- a) **Leadership Development:** Empower leaders to lead by example, embodying the desired cultural values and behaviors. Invest in leadership development programs that promote self-awareness, emotional intelligence, and effective communication.
- b) **Learning and Development Opportunities:** Provide training and development initiatives that equip employees with the necessary skills and knowledge to adapt to the changing organizational culture. Encourage continuous learning, experimentation, and innovation.
- c) **Employee Engagement:** Foster a culture of inclusivity, transparency, and open communication. Encourage employees to actively participate in decision-making processes and express their ideas and concerns. Recognize and reward individuals who demonstrate alignment with the desired cultural values.

### 2. Cultural Transformation:

The second sub-transformation focuses on shifting the organizational culture itself. Cultural transformation involves redefining the collective beliefs, values, and norms that govern how employees interact, collaborate, and approach their work. It requires creating an environment that supports the desired cultural attributes and aligns with the organization's vision and strategic objectives.

To drive cultural transformation effectively, organizations can adopt the following strategies:

**Clear Articulation of Vision and Values:** Define a compelling vision statement and core values that reflect the desired culture. Ensure that these are communicated consistently and embedded in all aspects of the organization.

In case you haven't see it in a while here is AMF's Mission and Vision statements, these are reviewed by the management team every month!

- **AMF's Mission** is the never-ending pursuit toward improving individual lives--inside and outside the company. Our relentless commitment is to strengthen people, support families and build communities.
- **AMF's vision** is to be the absolute best company in our industry by amazing our customers with both value and unrelenting service, and by constant, unwavering effort to build a culture of individual respect, continuous improvement and hard work.

b) **Change Agents and Champions:** Identify change agents within the organization who can drive the cultural transformation process. Empower them to inspire and engage their peers. These change agents should embody the desired cultural attributes and serve as role models for others.

c) **Communication and Collaboration:** Foster a culture of open communication and collaboration across all levels of the organization. Encourage dialogue, knowledge sharing, and the exchange of diverse perspectives. Use various communication channels to consistently reinforce the cultural transformation message.

### **3. Tool Transformation:**

The third sub-transformation centers around aligning tools, systems, and processes with the desired cultural changes. It involves examining existing infrastructure, technologies, and practices and making necessary adjustments to support the new cultural paradigm.

To facilitate tool transformation effectively, organizations can consider the following strategies:

a) **Process Alignment:** Evaluate and modify existing processes and workflows to align with the desired cultural values. Identify areas that may hinder cultural change and develop new processes that promote the desired behaviors and outcomes.

b) **Technology Integration:** Invest in technologies and tools that support collaboration, communication, and knowledge sharing. Explore digital solutions that enhance employee experience, promote agility, and facilitate seamless adaptation to the changing organizational culture.

c) **Performance Metrics and Rewards:** Realign performance metrics and reward systems to align with the desired cultural attributes. Recognize and reward behaviors that demonstrate the new cultural values, thus reinforcing the desired change throughout the organization.

Organizational cultural change is a transformative journey that requires a holistic approach. By addressing the three vital sub-transformations of personal transformation, cultural transformation, and tool transformation, organizations can navigate this journey successfully.

We obviously do not fabricate muskets, but what opportunities might we be missing because we cannot see into the unknown future because we are potentially blinded by the tools and culture of the known, but diminishing, past.