

Chrysler ATT Group and RWD: The power of the long-term relationship

www.solutionsthatperform.com

Chrysler Overview

- Founded in 1925
- Headquartered out of Auburn Hills, MI
- 130,000 employees
- Ranked as one of America's Big Three automotive manufacturers

Client Challenge

Few business sectors are as challenging as the global automotive industry. And few automotive manufacturers have faced the succession of challenges that Chrysler has over a period of decades. The fact that Chrysler remains a major presence in the marketplace is a testament to the dedication and hard work of its workers and management. Needless to say, they cannot afford to rest on any laurels.

Whatever the difficulties, Chrysler (formerly DaimlerChrysler) is obliged to rapidly and successfully launch new vehicles in the fiercely competitive global market. Well-trained plant-floor workers are essential to the processes of building automobiles. Yet many Chrysler employees have lacked certain knowledge and skills for operating high-tech manufacturing equipment. And though there was certainly demand at Chrysler for advanced technical training, the training department and individual plants didn't always have resources adequate for the job.

That's precisely why, over the course of 17 years, Chrysler's Advanced Technical Training (ATT) group has turned to RWD to provide customer end-user training. Whatever the challenges, RWD has provided training solutions that work, at the costs that Chrysler needs—remarkably, even *pro bono* for one six-month period.



Working shoulder-to-shoulder with ATT

Founded in 1925, Chrysler has ranked as one of America's Big Three automotive manufacturers for many decades. Some of its highly recognizable marks include Chrysler, Dodge and Jeep. Now privately owned, Chrysler is headquartered in Auburn Hills, Michigan and employs over 130,000 people around the world.

To help address Chrysler's shortfall in qualified high-tech equipment operators, RWD personnel—many of them former Chrysler employees—begin by performing analyses of current technology transfer solutions. Using performance-based training and documentation methodologies, RWD identifies areas of potential performance improvement. Equally as important, RWD works shoulder-to-shoulder with Chrysler engineers and suppliers to understand the impact of new products and processes and the equipment that supports them—translating that knowledge into training requirements that support launch readiness. In addition, RWD evaluates the training developed by equipment suppliers.

RWD experts then gather technical data from the supplier community to create performance-based training materials. Designing the curriculum and defining the specific content of each training program are both critical. RWD understands that trainees may only need to know certain things and addresses only the relevant tasks in curriculum development. Then the creation of the learning elements to be used in training delivery comes. These include participant and instructor materials, exercises, assessments and supplemental support such as job aids. RWD has also developed curriculum and courses that are used to “train the trainer”—allowing Chrysler personnel to train for new equipment and processes.

The courses are delivered in classrooms throughout the Chrysler system supported with technical manuals, training aids and hands-on exercises. This active, hands-on approach is essential to effective learning. RWD also creates on-the-job training—in the form of controlled practice sessions—using actual production equipment. Additionally, RWD evaluates the learning process in order to provide improvements and cost savings.



Product launches and beyond

There are few more critical times for an auto manufacturer than product launches. And RWD vehicle and equipment systems experts are there on Chrysler's factory floors during launches—reinforcing the skills and knowledge that were taught in the classroom. RWD is also there to assist ATT in solving unexpected quality and manufacturing issues—whether in a launch or non-launch situation.

In processes as complex as product launches, effective project management is a key element in achieving success. Throughout their years together, ATT has integrated many of RWD's project-management practices into its own system—streamlining and strengthening these practices over the years. In addition, ATT has worked with RWD in matters of financial management support and general administration of its learning programs.

Some specific tasks carried out by RWD at ATT's direction have included:

- Applying EST process to all equipment training purchases.
- Eliminating redundancies in technical training provided by various DCX organizations.
- Off-shoring a supplier to reduce design and development costs.
- Addressing contractual inhibitors that impact the cost of training.
- Embedding ATT into the Product Engineering and AME processes.

Benefits and successes

A client and contractor don't partner together for 17 years unless the relationship is highly rewarding for the client company. And that's the case for Chrysler's ATT. RWD has provided ATT with numerous benefits and successes.



Here are just a few of them:

- The EST process carried out by RWD resulted in an ongoing annual savings/cost avoidance of \$3.2 million and assured that equipment suppliers' training is economical and effective.
- RWD's gathering of data from suppliers for training development enabled DCX to reduce costs and increase quality and efficiency.
- RWD's curriculum design expertise minimized learners' time away from their jobs and assured immediate competency on their return.
- With RWD help, ATT improved instructor utilization by 50 percent in the first year.
- RWD created \$750,000 in savings for just a single plant's vehicle launch by reducing equipment training time.
- Through more efficient use of classroom time and structured exercise, RWD created savings of \$4 million.
- RWD's efficiency in course development led to savings of \$64,000 to \$109,000 per 40-hour course, with a minimum of \$4 million savings per year and has reduced course development time by 40 percent.
- RWD modified existing methodologies to include mentoring and coaching on the job—qualifying system experts as trainers and establishing ongoing evaluation of training effectiveness.

Since the relationship began in 1991, RWD has supported every major ATT product launch and equipment launch—that is, roughly 70 product launches and literally hundreds of new equipment launches. RWD answered Chrysler's call to increase its minority sourcing participation—with a growth of 1453 percent. RWD staff members average seven-plus years working with ATT. And when ATT has needed rate reductions, RWD has worked hard to provide them. In fact, from June to December of 2003, RWD provided *pro bono* services equaling 11,540 hours, or just over \$875,000. RWD prides itself on pricing its services fairly—while providing the lowest overall cost.

Chrysler ATT and RWD's first 17 years together have shown how powerful a long-term, trusting relationship can be—even in the context of challenges that might defeat a lesser partnership. The intimate knowledge that RWD has of Chrysler processes and culture continues to lead to results that virtually no other training firm could possibly equal.