

CBI creates cultural changes in Danfoss Heat Exchangers

New Future Formula's Continuous Business Improvement concept has streamlined the administrative work processes, strengthened collaboration across the organization and created a culture change where improvement projects are a natural part of the employees' working life.

Danfoss Heat Exchangers is one of the world's largest manufacturers of heat exchangers. With an uncompromising focus on innovative technologies, a well-thought-out product design and individually adapted solutions that match the customers' needs, energy consumption is reduced while creating a more sustainable world for our children and grandchildren.

After the acquisition of SONDEX and the implementation of OneERP, Danfoss Heat Exchangers stood on a burning platform.

- We came from a culture where we worked individually and solved the tasks and challenges along the way. In OneERP, we had to work much more structured and standardized with the processes, but we were not at all ready to use the many new options in the system. Instead, we continued to work hard and run fast, says Janni Nina Jepsen, Head of Operations Europe, Danfoss Heat Exchangers

Inefficient work processes are a thing of the past

Today, the burning platform is a thing of the past. Inefficient business processes are replaced by stability, cohesion and a collaboration to work smarter and not harder. This is what Supply Chain Consultant Morten Thordal and Head of Customer Service Mette Baltzer, Danfoss Heat Exchangers, say.

Together with Janni Nina Jepsen, they are among the key people in the rollout of New Future Formula's Continuous Business Improvement (CBI) concept, which has kick-started the work to improve and streamline the administrative work processes in the heat exchanger business.

- We identified and mapped over 60 improvement potentials at the first CBI workshop. After thorough reflection, the employees voted on which potentials should be acted upon. This resulted in 18 Quality Improvement Projects (QIPs), which the individual employees were responsible for implementing in the first of several 100-day CBI waves, says Morten Thordal.

The employees take ownership of the CBI concept'

He does not hide the fact that he initially doubted whether the organization was ready to implement the CBI concept.

- The organization was already busy, and I was worried whether the employees could hijack the work with the continuous improvements. Fortunately, my concerns were put to shame, as the structured format of regular Friday meetings, review after day 40 and formal completion of the individual QIP on day 100 quickly showed results. The employees embraced the concept and worked motivated, committed and took ownership because they experienced that their efforts and desire to make a change gave meaning and value across all levels of the organisation, explains Morten Thordal.

Communication tool reduces redundant emails

The continuous work with CBI has created a better working day at Danfoss Heat Exchangers. Unclear communication has been reduced considerably, meetings without an agenda are a thing of the past

and employees have been given a platform where they dare to offer improvement projects without hesitation.

- The employees today understand better than ever before that their work is part of a larger process and that we are obligated to each other. They know that initiatives are valued and that by taking responsibility and ensuring progress we make a difference to their colleagues and customers, explains Head of Customer Service Mette Baltzer, who has experienced the value of the CBI concept firsthand.

- I previously experienced being given the same task by different colleagues, or that a colleague was already working on the task. A QIP created a communication tool built into the Microsoft Team Channel. The tool works as a sluice channel, and it ensures that all relevant information is included the first time and that it is only sent to the relevant colleagues. According to our calculations, the communication tool optimized our time spent on e-mail by no less than 5,500 hours, says Mette Baltzer.

CBI pushes for cultural change

At Danfoss Heat Exchangers, Janni Nina Jepsen, Morten Thordal and Mette Baltzer have no doubt that the CBI concept plays an important role in the development of the culture in the company. The concept gives employees responsibility and work meaning, just as it creates cooperation and understanding across functions and locations.

- Although it takes time to change a culture in a company, we can feel that the culture of improvement is creeping in in several places. A good example is that an employee took the initiative to set up inbound control in the goods reception in Christiansfeld. Suddenly, they caught errors in the deliveries, and this has caused the suppliers to pick themselves up. The result is a higher quality and far fewer deviations, explains Morten Thordal.

"No touch" automates work processes

Danish companies are clamoring for qualified labour, but skilled employees are difficult to recruit. Therefore, several of the foot improvement projects have been about realizing the Danfoss concept "No touch", where the administrative processes run fully automated without "touching" employees.

- "No touch" has, among other things, given birth to the automation of parts of the purchasing process. OneERP automatically creates a purchase order based on the customer's order and the master data in the system. It's smart and optimizes our time, which we can instead spend on creating real value for customers, explains Janni Nina Jepsen, who, together with Morten Thordal and Mette Baltzer, is happy about the fruitful collaboration with New Future Formula and Niels Gørup Christiansen

- The CBI concept solved both our here and now challenges and has kick-started a culture change. This is not least due to the fact that Niels is dedicated, experienced and knows the concept to his fingertips. He is a good communicator, takes hands on action and is not afraid to hold his ground and challenge us. The CBI format makes a difference and has moved our employees and the organization. The burning platform is a thing of the past, and Niels and the CBI concept have a great merit in that, emphasizes Janni Nina Jepsen, Head of Operations Europe, Danfoss Heat Exchangers.