What comes to your mind when speaking of 'performance management'?

Today's Speakers

- **Stefan Siegler,** Chair of IRQB and Vice President Business Excellence and Quality Management, Siemens Mobility
- **Patrice Camilleri,** Global Performance Manager, ALSTOM
- **Jana Jung**, IRIS Development Manager, UNIFE
- **Michael Betz**, Quality Manager, Schaeffler

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Performance Management

Dr. Stefan Siegler
SMO BE

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Value add is created by performance – not only by existence of the management system

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IRIS Certification® is based on ISO 9001 plus railway-specific supplemental and IRIS Certification® conformity assessment 2020

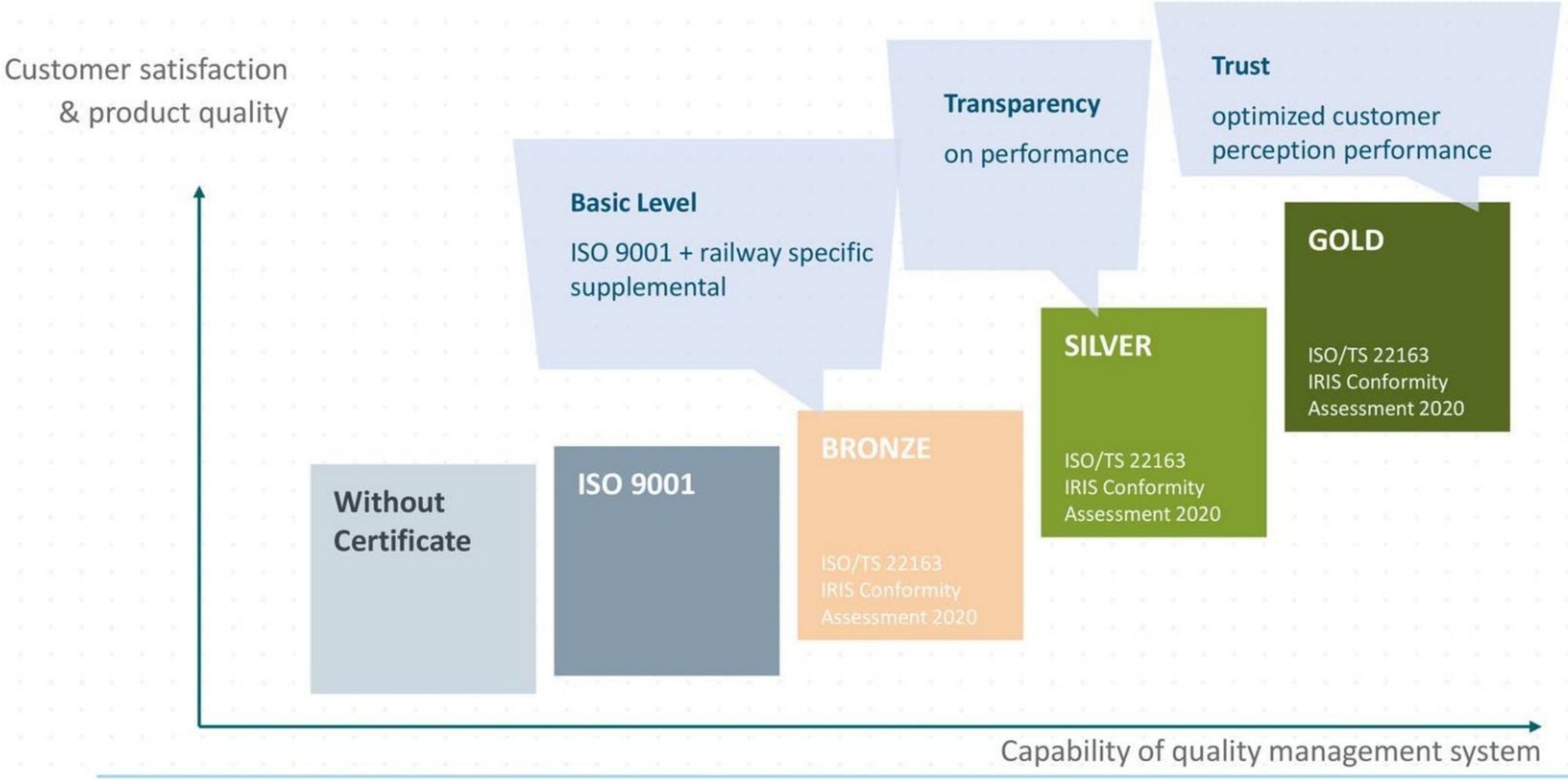
IRIS Certification

ISO/TS22163 Railway Applications - Quality Management System		IRIS Certification® conformity assessment 2020		
ISO9001:2015	**Railway-specific supplemental**	**"Enabler"**	**Customer perception**	**Performance evaluation**
Requirements of ISO 9001:2015	Additional requirements of railway sector with railway specifics: ▪ 22 mandatory processes ▪ 5 mandatory key processes ▪ KO-questions ▪ Mandatory and optional KPIs	Assessment of ISO 9001:2015 requirements and additional railway-specific requirements	Evaluation of Stakeholder analysis, customer feedback and 3 mandatory KPIs ▪ Customer satisfaction ▪ On time delivery ▪ Nonconformities raised by the customer	of the 5 mandatory processes: ▪ Design & development ▪ Requirements management ▪ Project management ▪ EPPPS ▪ Production & service provision
		Existence of the business management system	Capability & effectiveness of the business management system	

ISO

unife

IRIS Certification® gives transparency about the performance of organisations



Experience as a provider of mobility solutions
Siemens benefits from IRIS - ISO/TS 22163 and Conformity Assessment 2020

Supply Chain

Improving quality performance and reduction of effort in the supply chain

Business Management System

Continual improvement of business management system

Performance

IRIS standard guides from process adherence to process performance management

Customer

Increased transparency and trust in quality performance

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IRIS standard guides us from process adherence to process performance management

Standard QM Systems

Compliance with standard specification requirements

Independent selection of KPIs possible

⇨ Standard specification focus

IRIS Certification®

- Compliance with business needs
- Feedback performance results through objective and standardized performance evaluation

- KPI definition is aligned with process customers
- Beneficial mandatory and recommended KPIs helps to control and improve processes

⇨ Business focus

Strengthening of quality management due to increased management attention

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IRQB Performance Management Webinar

Alstom/Transformation/Global Performance
Patrice Camilleri

February 2021

ALSTOM
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How it all started…

- Too many KPIs everywhere, many not formalized in the management system
- Heavy Executive reviews (60+ KPIs reviewed monthly in Operations Mgmt team!)
- Each function with freedom to constantly adapt its dashboard
- Not so clear link with business objectives
- … and a NC on the matter at an IRIS audit !

98%*

of key Operations' KPIs formalized in Management System (up from only 55%)

Taking control over our Performance System

Our guiding principles

1. Having the right KPIs to monitor our strategic execution
2. Simplified governance for performance reviews, what each level sees in terms of KPIs
3. Clear rules-of-the game: target setting, KPI definition sheet
4. KPI selection focused on deployment or result, use both leading vs. lagging, increased focus on look-ahead KPIs to anticipate actions
5. Transparent view on perf across the organization (by function, region), under-performing KPI = action plan
6. Address performance management as part of our certification roadmap (ISO/IRIS,…)

15

Operational KPIs

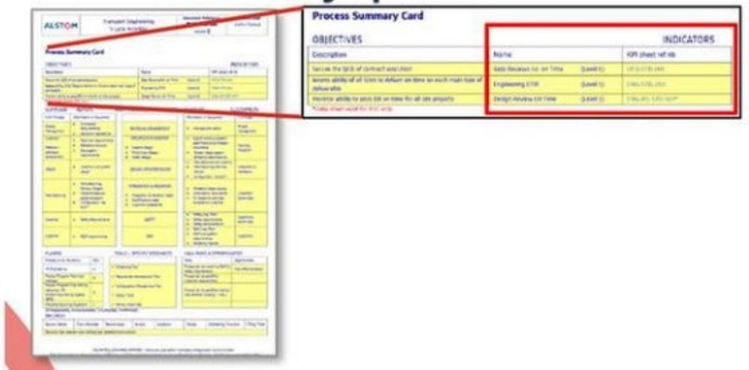
for Top Management Reviews

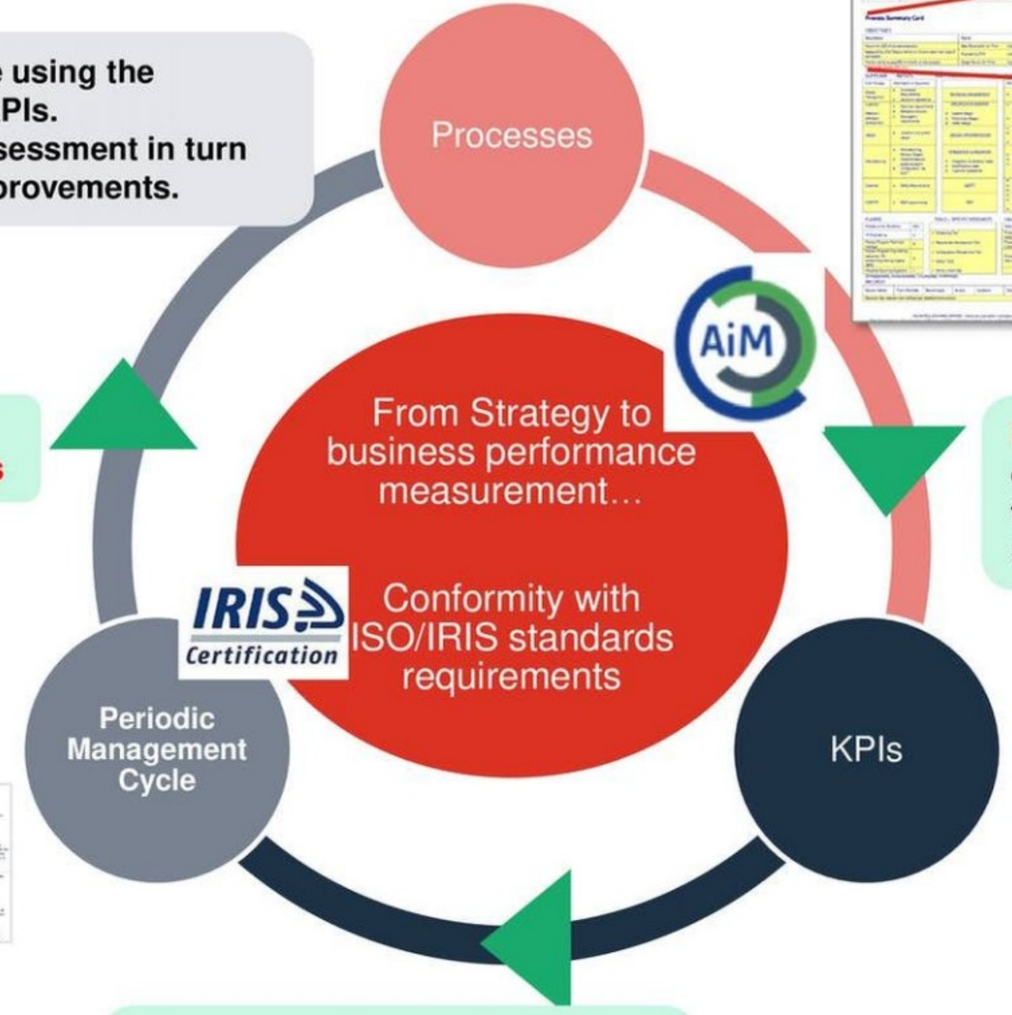
(*): 100% for all KPIs part of the IRIS certification

Back to basics
Alstom performance management scheme is based on 3 key pillars

Back to Index

Review performance using the available standard KPIs.
KPI performance assessment in turn leads to process improvements.





Process Reviews & Management Reviews

KPI SHEETS Well defined and formalized to enable common understanding

Powerful & digitized TOOLS to enable efficient consolidation and great possibilities for analysis to facilitate decision-making

IRIS guideline on KPI

IRIS Guideline 1 KPI rev01 2020.pdf

Enablers/Contributors

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Global Operational KPI Governance: Overview

From Company vision…

AiM

… to KPIs to manage Site

The sum of Level 1, 2 & 3 represent the Functions' Dashboard

Lev.1

CEO/ Region SVP

Lev.1

Excom Pack

+ details for each of the 15 KPIs

Lev.2

COO

Lev.1

Lev.2

Monthly Operations Performance meeting

Review by Regions' COO Lev 1 KPIs. Functiondashboards Lev1.& 2 available

Lev.3

Ops Leadership team

Lev.1

Lev.2

Lev.3

Function dashboard review

Function dashboards reviewed by Function Mgmt Committee and shared with Regions

Site

Site

Site dashboard review

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Key Success Factors for making the change

- ✓ Strong Top Management push was the game-changer
- ✓ Organized governance with a “Neutral Party” Transformation coordinating , clear Roles & responsibilities for each stakeholder
- ✓ Consistency on measured topics, even if not same KPIs
- ✓ Targets set once a year & cascaded across the different layers of the organization
- ✓ KPI definition sheet “culture” → No key KPI without its KPI sheet
- ✓ Communication, communication,… Leverage all possible networks to push the message: method & tools, continuous improvement, QMS, even… internal audit

The future…

- ✓ Key KPIs enforced in our maturity model roadmap (APSYS Alstom Performance System)
- ✓ Facilitated access to KPIs thanks to self-service business intelligence tools
- ✓ Adopting a KPI tree approach to improve data-to-action, leading. vs. lagging indicators

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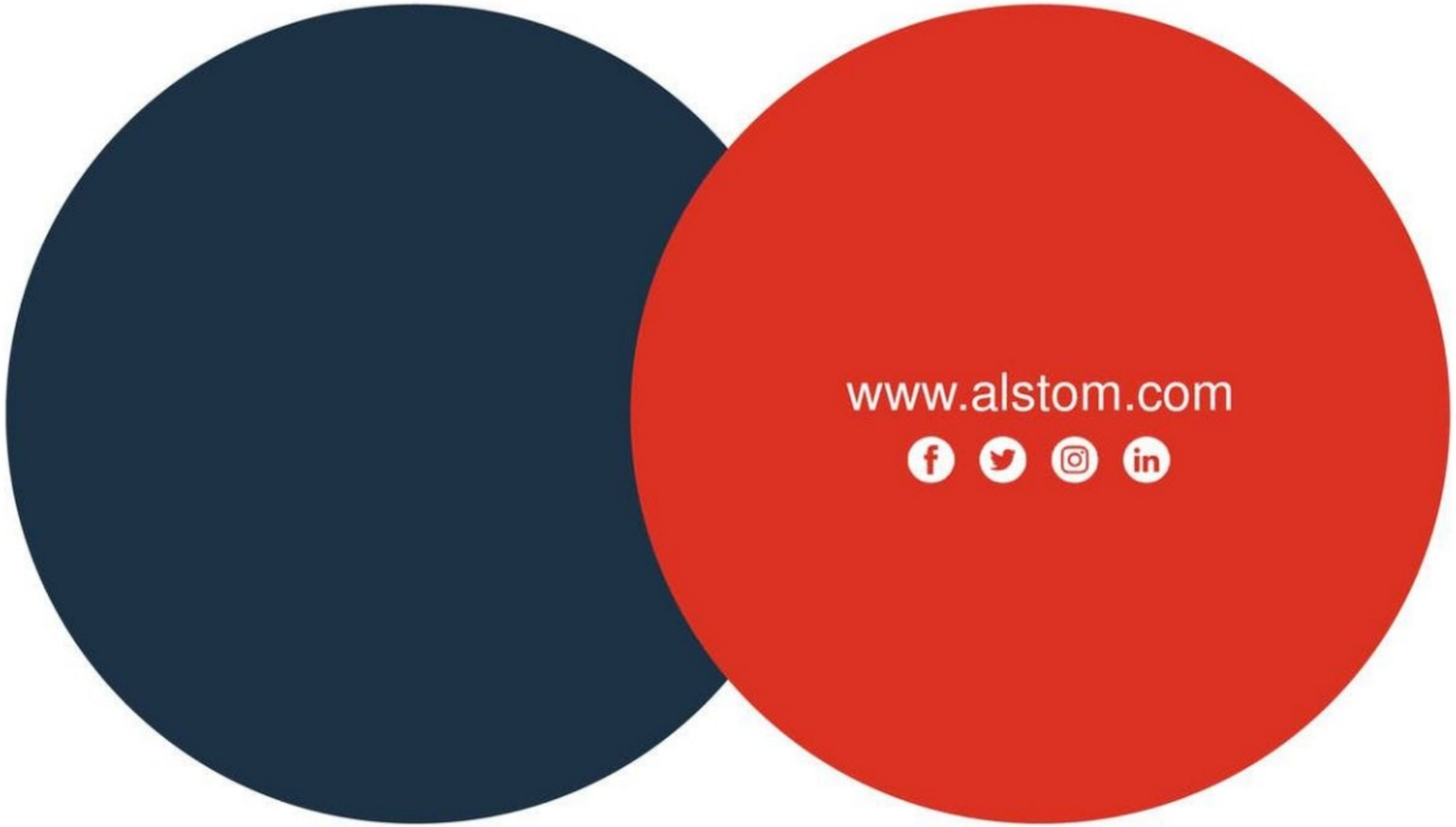

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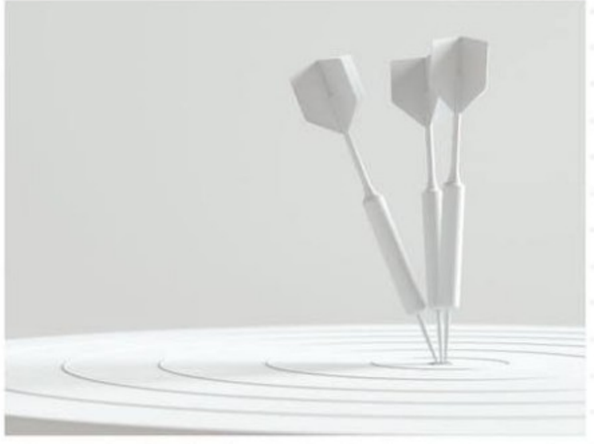
Quality Performance Level
–
A second certificate on trust

05th February, 2021

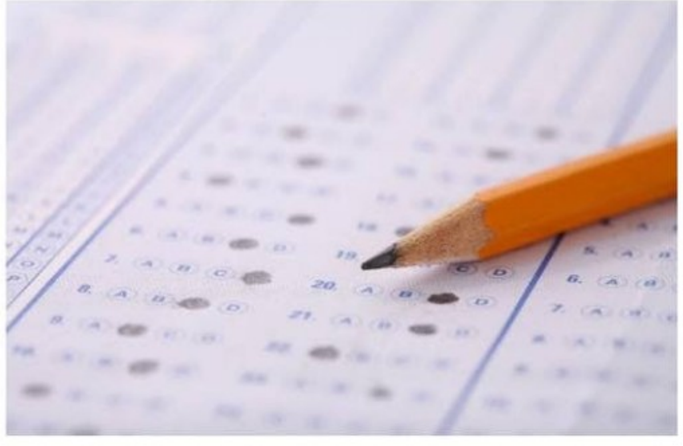
How are these pictures connected to IRIS certification®?



IRIS certification® - Scoring methodology

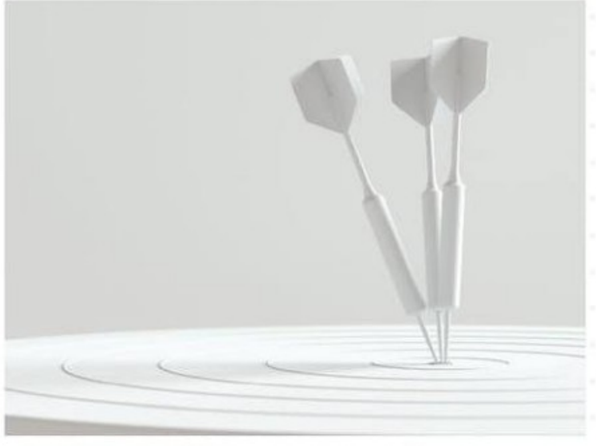
The IRIS certification scoring system is based on:

Enablers evaluation

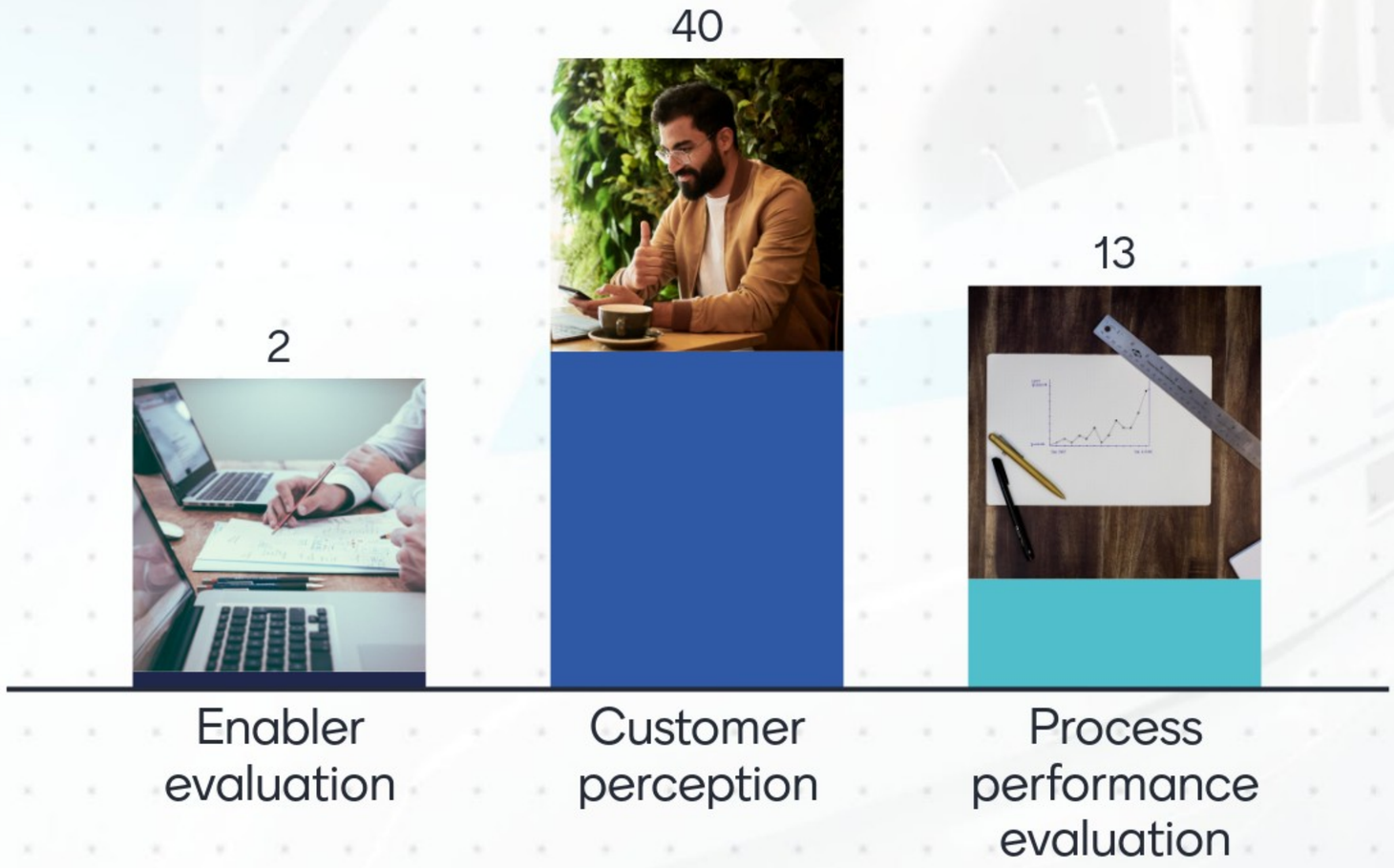


Customer perception

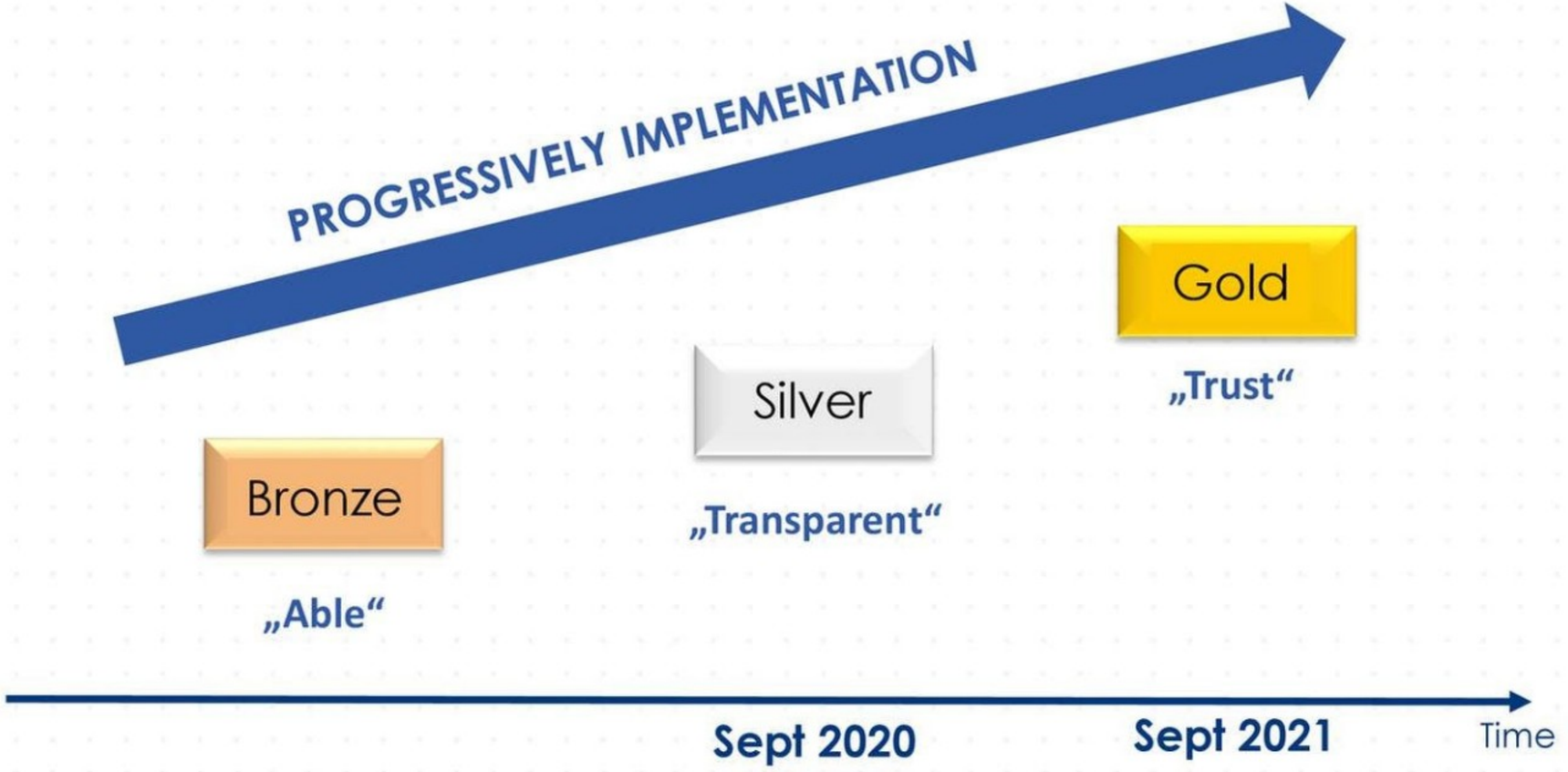
Process performance evaluation



Which pillar from the IRIS certification scoring scheme do you think is the most challenging?



IRIS certification® - Quality Performance Level



IRIS certification® - Quality Performance Level

Promise on product quality:

Performance level	Criteria	Assessment sheet	Customer perception	Performance evaluation
Bronze	○ Management system implemented ○ Management system fits to requirements of ISO/TS	Threshold reached	-	-
Silver	+ performance mgt. system implemented + performing internal processes	≥ 70%	≥ 75%	≥ 80%
Gold	+ meeting regularly customer expectation + top performing internal processes	≥ 80%	≥ 85%	≥ 90%

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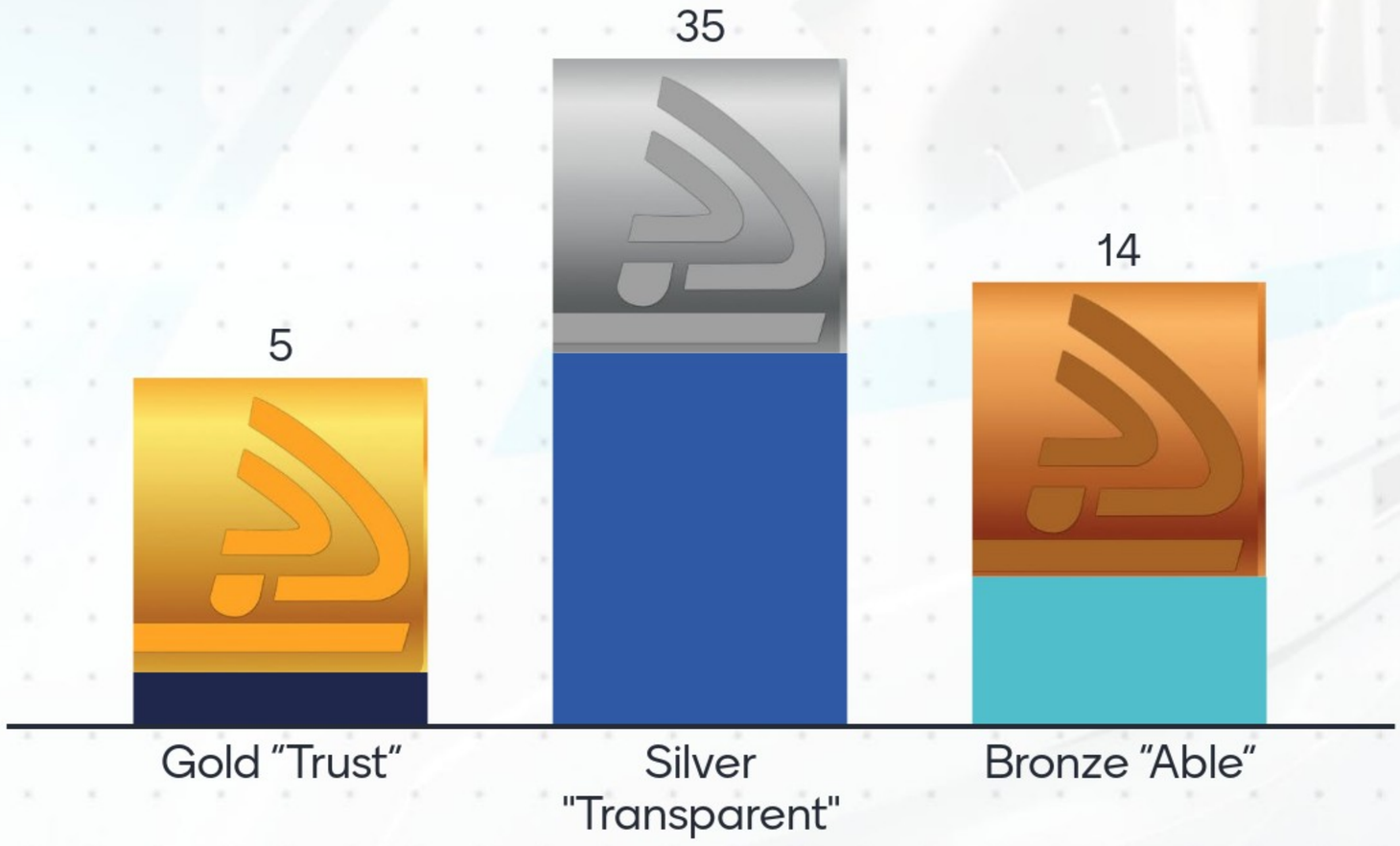
Which quality level do you think your company will achieve during the next IRIS certification audit?



Status of Quality Performance Level

More than **2100** certificates in **53** countries

Bronze

Silver

~ 5%
of certificates

Gold

Gold potentials: **~ 1%**
of certificates

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IRIS Performance Management at Schaeffler

IRQB webinar; Feb. 5th, 2021; M. Betz

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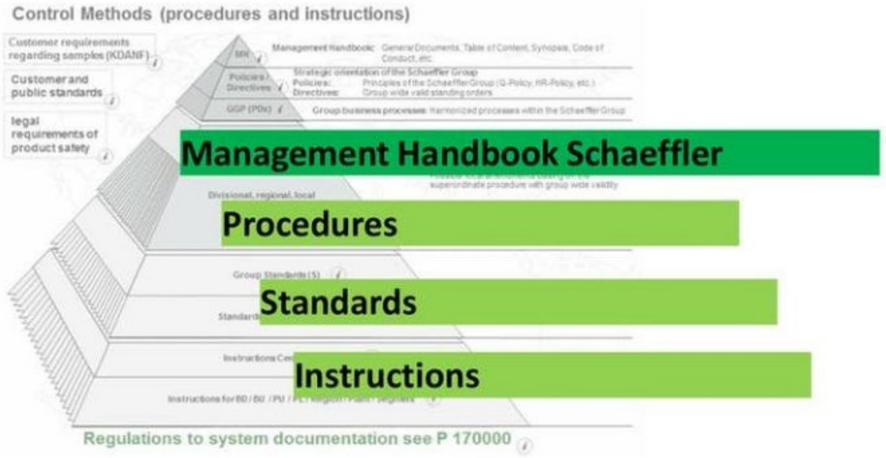
IRIS performance management – implementation by Schaeffler Q-System

+



BU Rail (Instruction IRIS)

...

Customer perception

Stakeholder analysis

Mand. Processes f. Evaluation

Process Review

...

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IRIS performance management – challenging implemented proceedings

1 Enabler Evaluation

2 Customer perception

Stakeholder Analysis

Customer feedback

KPI

3 **Process Performance Evaluation**

External view gathering	**Internal view** monitoring	
Regular feedback/detailed data <u>from</u> customer missing	**Quality issues (all in)** → Complaint → Service → ...	**Delivery performance** → Individual Schaeffler plant to focus customer

ISO/TS	**KPI available**		**KPI monitoring**		**Process evaluation**	
	RBU/ Region	**local**	**RBU/ Region**	**local**	**RBU/ Region**	**Local**
8.1.3	X	O	X	O	X	O
8.2	X	O	X	O	X	O
8.3	X	O	X	O	X	O
8.4	X	X	X	X	X	X
8.5	X	X	X	X	X	X

How to receive measurable data from customer?

Breaking requirements down?

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IRIS performance management – benefit for Schaeffler

Schaeffler Business Unit Rail

sector specific benefits	influence	corporate success

- ✓ system-technical requirements beyond the minimum
- ✓ ensure transparency for customers and suppliers
- ✓ all parties involved in the business – increase appreciation
- ✓ early adjustment of customer needs and expectations
- ✓ increase efficiency of processes

strengthen customer relations

increase competitiveness

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Thank you for your attention!

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Register for the next IRQB Webinar on Remote Auditing (5 March 2021, 14 PM)