

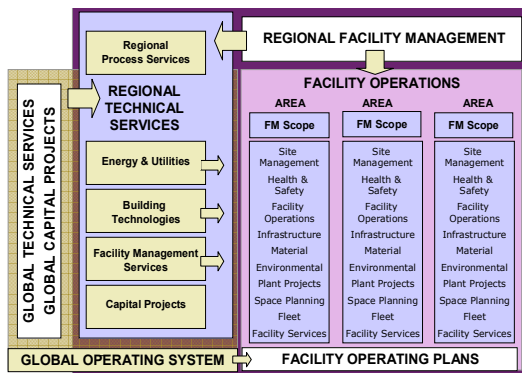
Case Study **Delphi Corporation**
Global Facility Management Operating System

Client	Delphi Corporation
Department	Operations Support Group (OSG) (formerly, <i>Facilities Services Group</i>)
Location	Troy, MI
Project	Consolidation of FM Operations within OSG Global Facilities Management Operating System Leadership Workshop – “Engines of Change”
Deliverables	Phase 1 – Global Operating System Summary Report: FM objectives and operating strategy, scope and structure; Facility Operating Plan framework, process flow and standards; Regional transition tasks, schedule and communications plan. Phase 2 – Leadership Workshop to orient the key regional managers responsible for effecting the transition of 145 managers, supervisors and engineers responsible for 19 million sf of manufacturing, administrative, research and distribution facilities in US.
Participants	Regional Manager, Facility Operations; Manager Global Technical Services Area Facility Managers & Key Facilities Staff Executive Director, Real Estate and Facilities, Director, Facility Operations Vice President, Corporate Affairs, Marketing Communications and Facilities
Staffing	Principals, Documentation Technician
Duration	Phase 1 – Four weeks; Phase 2 – eighteen days
Background	In 1999, Delphi Corporation’s was spun-off from General Motors as a worldwide manufacturer of vehicle electronics and components. A variety of factors forced the company into reorganization through bankruptcy in October, 2005. The company’s global Strategy Board approved an initiative by the Facilities Services Group, now a part of the Operations Support Group (OSG), to consolidate the worldwide staff of facilities managers, supervisors and engineers. The centralized capability would improve the quality, cost and responsiveness of facility operations, and permit manufacturing operations to focus on product quality, cost, and customer satisfaction. The facility operating budgets and hourly workforce would not be allocated to OSG until it demonstrated an effective system for reducing operating costs. The transition was set for 1 January, 2006.
Approach	The Director, Facility Operations assigned two senior managers to spearhead the planning and transition of the consolidation program. They began by evaluating the current state at US locations, focusing on staff functions, priorities and utilization. Regional distinctions across the world, from Mexico, South America, Europe (including Middle East and Africa), and Asia (China, India, Japan, elsewhere) were also identified. Corporate-wide, facility operations manifested a wide range of processes, standards, effectiveness and cost, owing to management priorities and commitment, facility age and condition, product lines, legacy engineering, supervision and operating standards and practices.

Case Study Delphi Corporation – Operations Support Group Global Facility Management Operating System & Leadership Workshop – “Engines of Change”

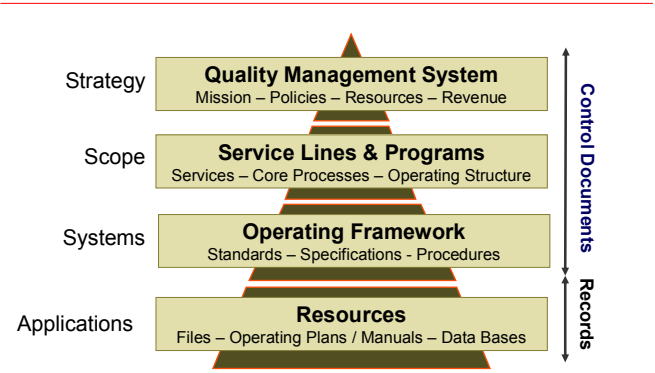
Approach (cont'd) Building upon Delphi’s detailed analysis of the current state, the team articulated a consolidation strategy and a long-term quality strategy that would align facility operations with Delphi’s Absolutes of Excellence and mainstream lean management practices. The goal is to empower the facilities team within a lean, process-driven culture. Delphi’s business units would release their responsibility for facilities, in exchange for heightened accountability from OSG.

Scope – FM Functional Organization



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Quality Environment



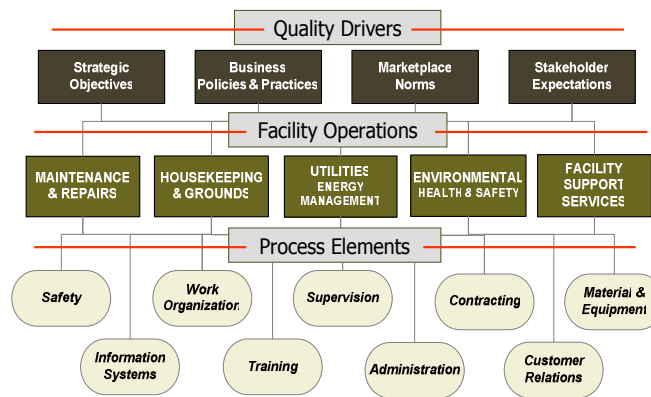
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- The Global Operating System encompasses Maintenance & Repair, Housekeeping, Energy & Utilities, Health, Safety & Environmental and Facilities Services. The Service Level Agreements with each site establish the scope of work and standards for performance.
- The Global Operating System establishes policies, processes and standards that are applied locally and documented in each site’s Facility Operating Plan (FOP). The FOP is the basis for auditing for quality system compliance.
- The FOP documents every functional operation with respect to safety, organization of work, supervision, contract management, material and equipment, information systems, training, administration and customer relations. Each site develops its own plan; works to its plan; and, documents compliance.
- Auditing and reporting on cost and performance are the basis for continuous improvement practices.

Delphi Corporation – Operations Support Group Global Facility Management Operating System & Leadership Workshop – “Engines of Change”

Approach (cont'd) The Leadership Workshop, “Engines of Change”, emphasized the empowerment of the site operation supervisor and the area facility manager, supported by the regional manager and technical and process support teams. The Facility Operating Plans are the blueprints for accountability by the facilities organization. The transition plan is developed as a collaborative process across the FM organization, with all urgency to achieve savings commitments in the current fiscal year.

FSG Global Operating System



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DELPHI

FSG Regional Operations “Engines of Change”

MartinCompany
Management Consultants, Inc.

Benefits

In addressing the leadership workshop, “Engines of Change”, top management assured the team that the facilities staff would no longer be a step-child, and that facilities will never again be incidental to Delph’s business strategies . Applying its expertise through the Global Operating System, OSG will ensure that the corporation’s capital assets will be maintained to benchmark standards for quality, cost and responsiveness.