

The Exemplary Worker Series of Courses

Here is an example of one of HDC's internal training resources that could benefit your company. The training focuses on a **generic work strategy** used by exemplary performers to effectively contribute to business success. To fill the **gap** between corporate performance initiatives and employee execution, this *high performance work strategy* integrates optimization and loss control methods.

Over many years of developing job procedures and customized training, we gained insights into how exemplary performers approach their work to contribute to business success. We integrated their approaches into a practical work strategy, LO-PEMEO[®], for optimizing performance and minimizing losses. LO-PEMEO[®] is a word that stands for loss and optimization of people, equipment, material, environment, and organization. The strategy helps employees **think through their work** so that they can do their jobs more safely, efficiently, and effectively and in a way that contributes to the corporation's business goals. Using our integrated optimization and loss control strategy before, during, and after completing work, operations personnel will directly contribute to improving corporate and job performance. This generic strategy also gives employees the **flexibility** to quickly and effectively adapt to new or changing work and job conditions.

This generic work strategy provides the basis for our internal consultant training program titled "Optimization and Loss Control—Corporate, Job, and Employee Performance." The manual is approximately 500 pages and includes review questions and exercises. I have included an example of a few pages from the first chapter.

Yours truly,

Gordon D. Shand
President

Optimization

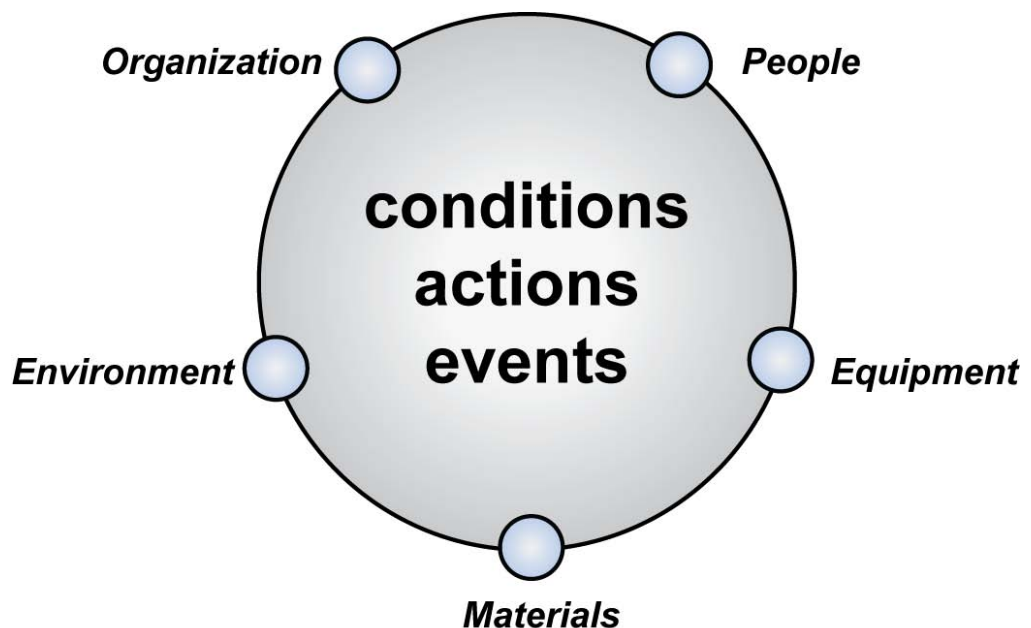
Loss Control

Corporate, Job,
and Employee
Performance

Asking the
right questions...

Line employees play an important role in contributing to business success. Within their job functions, employees must work in ways that optimize the use of business assets and minimize losses. Employees need strategies to identify issues affecting the business and to contribute to business goals.

Before, during, and after completing work, exemplary performers use an integrated thinking strategy to determine if there are any applicable optimization or loss issues. They consider five domains: people, equipment, materials, environment, and the organization (PEMEO) as illustrated below.



By asking themselves specific questions, exemplary performers determine if any conditions, actions, or events can have an impact on one or more of the domains. For each domain, they look for the potential for loss and opportunities for optimization, hence the word LO-PEMEO[®].

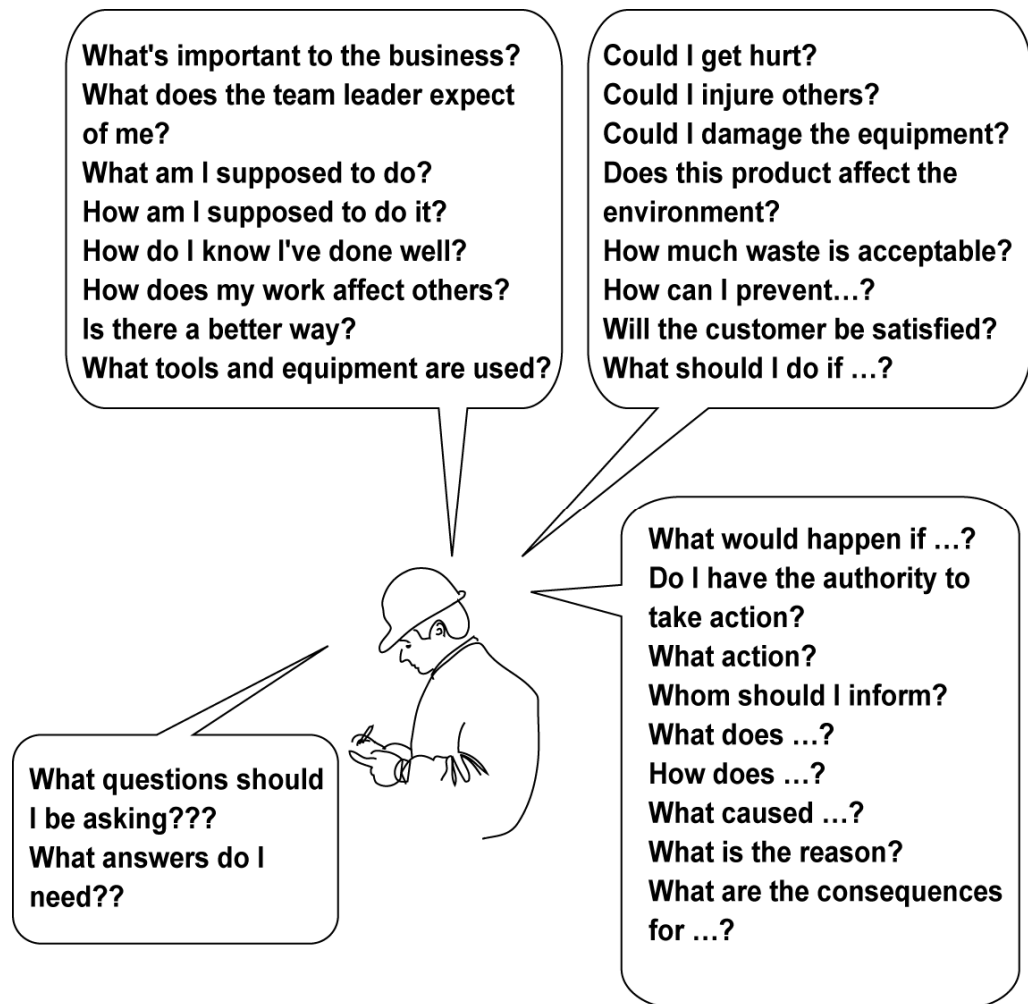
Using the integrated optimization and loss control strategy before, during, and after completing work, employees directly contribute to improving job and corporate performance.

PERFORMANCE REPORT

| | |
|------------------------------|-------------|
| <i>Customer Satisfaction</i> | <i>UP</i> |
| <i>Production</i> | <i>UP</i> |
| <i>Product Quality</i> | <i>UP</i> |
| <i>Equipment Run Time</i> | <i>UP</i> |
| <i>Equipment Damage</i> | <i>DOWN</i> |
| <i>Energy Consumption</i> | <i>DOWN</i> |
| <i>Material Waste</i> | <i>DOWN</i> |
| <i>Personal Injuries</i> | <i>DOWN</i> |
| <i>Maintenance Costs</i> | <i>DOWN</i> |
| <i>Environment Damage</i> | <i>DOWN</i> |
| <i>Rework Time</i> | <i>DOWN</i> |

[Signature]

In this illustration, an employee new to a job is asking questions about the job. To perform effectively the employee needs the answers to these questions.



Each question addresses one or more domains of PEMEO. Questions generated by the integrated optimization and loss control strategy address many performance issues, including those alluded to in the illustration:

- What is important?
- What are the issues?
- What questions should I ask?