Sustaining Excellence into a Challenging Future

Content

- Presentation of Robert Bosch GmbH Bamberg Plant

- Leading with Vision: Creating and Deploying a Sound Strategy

- Succeeding through People: Sustaining Excellence into the Future
Sustaining Excellence into a Challenging Future

Robert Bosch GmbH Bamberg Plant
Bamberg Plant in the Heart of Europe
Bosch Group
> 52.4 billion Euros in sales, 306,200 associates, 290 manufacturing sites

Bamberg Plant: A Part of the Bosch Group

Business Sector
Automotive Technology
- Gasoline Systems
- Diesel Systems
- Chassis Systems Control
- Electrical Drives
- Starter Motors & Generators
- Car Multimedia
- Automotive Electronics
- Automotive Aftermarket
- Steerings Systems

Business Sector
Industrial Technology
- Drive and Control Technology
- Packaging Technology

Business Sector
Energy and Building Technology
- Security Systems
- Solar Energy
- Thermotechnology
- Bosch Energy and Building Solutions

Business Sector
Consumer Goods
- Power Tools
- Households Appliances

7,300 associates
1 billion Euros turnover
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BaP Products and Components: Clean and Economical Driving

Diesel Systems
- Common rail injector 1st/2nd generation
- Common rail injector 3rd generation (piezo)
- Nozzle
- Piezo actuator

Gasoline Systems
- Spark plug
- Sensor element for lambda sensors
- Injection valve
- High pressure injection valve
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The Heart of Excellence: **BaP Vision and Strategy**

We at Bosch Bamberg are the driving spirit for innovative products, processes and services, we inspire our customers and lead the international network to success!
## Sustaining Excellence into a Challenging Future

### The Heart of Excellence: BaP Vision and **Strategy**

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<th>Strategy Map</th>
<th>Bosch Bamberg</th>
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<td><strong>Result Focus</strong></td>
<td>Achieving Cost Leadership</td>
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<td><strong>Customer</strong></td>
<td>Aspiring Highest Customer Satisfaction</td>
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<tr>
<td><strong>Products</strong></td>
<td>Assuring High Quality for Products, Processes and Purchased Parts</td>
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<td><strong>Services</strong></td>
<td>Managing Services Efficiently</td>
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<td><strong>International Network</strong></td>
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<td><strong>Processes</strong></td>
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<td><strong>Bosch Bamberg – The Driving Spirit</strong></td>
<td>Extending Leadership in Technology and Innovation</td>
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Prioritizing Strategy Every Year: Focus Topics 2013

Prioritized strategic goals

<table>
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<th>Focus approach</th>
<th>Associated process</th>
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<tr>
<td>Increase in efficiency in value streams and administrative processes</td>
<td>Policy deployment process through System and Point CIP</td>
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<tr>
<td>Reduction of inventory</td>
<td>Supply chain process</td>
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<td>Improvement of flexibility of labor costs</td>
<td>Human resources management process</td>
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</table>

Achieving Cost Leadership

- MOE AL
- LOG
- HRL

Maintaining Performance and Enhancing Motivation and Qualification of Our Associates

- AL
- MOE

- Improvement of personal leadership behavior
- Leadership RADAR
- Driving TOP (team oriented production)
- TOP process

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Realising Our Strategy: Our Processes

**Leadership Processes**
- Strategy Process
  - PO: PC, PT, PT-D
- Target Deployment Process
  - PO: PC, PT, PT-D
- Organization Management Process
  - PO: PT, PT-D

**Core Processes**
- Product Development Process
  - PO: COS
- Supply Chain Process
  - PO: LOG (incl. product value streams)
- Lead Plant Process
  - PO: MSE4

**Supporting Processes**
- Human Resources Management Process
  - PO: HRL
- Correction, Prevention and Improvement Process
  - PO: QMM
- Communication Process
  - PO: DBE
- Financial Management Process
  - PO: CTG
- Infrastructure Management Process
  - PO: TEF
- Customer Management Process
  - PO: PT-D
- Technical Services Process
  - PO: TEF
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Strategy Deployment through Process Improvement

1. Define a target state for this process step
   - Standard procedure
   - KPI target
   - Stability criteria

2. Define sub-projects to reach this target state

3. Implement this project with PDCA approach

4. Select the process step with the major influence on target achievement

5. Select the sub-process with the major influence on target achievement

6. Select the most important target within the Business Requirements

7. Stabilize the reached target state

Business Requirements for the process or value stream

- Strategic Goals
- Business Plan
- Stakeholder requirements
- Changes during the year

KPI tree for target

Business Requirements for the process or value stream

• Strategic Goals
• Business Plan
• Stakeholder requirements
• Changes during the year
Achieved Results

Performance Indicators

Achieving Cost Leadership

Cost Development

Scorecard Results

Aspiring Highest Customer Satisfaction

Overall Evaluation of Customer Perception
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Achieved Levels of Business Excellence

EFQM Excellence Award 2011:
Double Prize Winner for
“Leading with Vision, Inspiration and Integrity“ and
“Managing by Processes“

EFQM Excellence Award 2012:
EFQM Excellence Award Winner 2012
In addition two Prizes for
“Leading with Vision, Inspiration and Integrity“ and
“Succeeding through People“
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Strategic Challenges of Bamberg Plant

**Strategy Map | Bosch Bamberg**

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<td>Performing an International Simultaneous Engineering Center</td>
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<td>Using Process Management Efficiently</td>
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**Bosch Bamberg – The Driving Spirit**

- Extending Leadership in Technology and Innovation
- Fostering Sustained Environmental Protection
- Maintaining Performance and Enhancing Motivation and Qualification of Our Associates

**Demographic Change**

- We need unshakeable commitment of all associates to our strategy
- We need even more expertise for technology and methods in the future
- Our associates are the key for sustaining our excellence!

Shorter product life cycles
Greater volatility of markets and customer demands
Customers’ requirement of local for local production
Increasing coordination efforts within International Production Network
New products with enhanced technology
Energy efficiency of products and processes
Reduced mass production in High Cost Countries
Center of functional excellence
Inspiring the Small Ones for Technology: KiTec Project

- Awakes young children’s interest for technology
- Increases long term attractiveness of technology and Bosch
- 73 partnerships with educational institutions
- 144 childminders have been trained
- Over 2,500 children in the region are enthusiastic about playing with the construction kits
Sound and Extensive Apprenticeship: Junior Factory

- Prepares the apprentices perfectly for their future job
- Trains them on improvement process and the Bosch Production System
- Fosters entrepreneurial thinking

- 3 Junior Factories in different areas
- Significant improvements and savings
- Award for “Special Orientation on Associates” of Bosch Diesel Systems 2010
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Keeping our Associates in Shape: Befit 20 Program

- For preserving or regaining health and improving quality of life
- For learning ways to lead a healthier and longer life

- 93% of the participants appreciate the concept as good or very good
- 97% show measurable improvements of their physical conditions (e.g. higher oxygen absorption)
Gaining and Retaining Associates’ Commitment: Communication Concept

- Consists of four components
- Creates a culture of open communication, involvement and empowerment

- Associates highly appreciate the open communication
- Associates are committed to our strategy
- Associates are encouraged to contribute with their full potential
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Thank you for your attention

Dominic Lang, Robert Bosch GmbH Bamberg Plant