


QUALITY *in* **PRACTICE**

Bringing Quality Principles to Life at KARLEE⁴³

KARLEE is a contract manufacturer of precision sheet metal and machined components for telecommunications, semiconductor, and medical equipment industries, located in Garland, Texas. KARLEE provides a vertically integrated range of services that support customers from initial component design to a finished, assembled product. Their services include:

- Advanced design engineering support
- Prototype production
- Manufacture and assembly of precision machined and sheet metal fabricated products
- Product finishing (painting, silk screening, plating)
- Value-added assembly integration (cabling, power supply and back plane installation, and electrical testing)

Throughout its business, KARLEE exemplifies the principles of total quality in its business practices. Some of these are described below.

Customer Focus. KARLEE made a strategic decision to carefully select customers that support its values—particularly, a systematic approach to business and performance management, desire for long-term partnerships, and global leadership. Management and Team Leaders work with each customer to establish current requirements and future needs, and each customer is assigned a three-person Customer Service team that is on call 24 hours a day for day-to-day production issues.

Leadership. Senior Executive Leaders (SELs) and the KARLEE Leadership Committee (KLC) set the strategic direction of the company, and communicate and reinforce values and expectations through performance reviews, participation in improvement or strategic projects, regular interactions with customers and team members, and recognition of team member achievements.

Involvement of People. Production and delivery processes are designed around cell manufacturing. Teams are responsible for knowing their

customer's requirements and producing according to those requirements. Teams are empowered to change targets recommended during strategic planning if they believe it will help them achieve higher performance, as well as to schedule work, manage inventory, and design the layout of their work areas.

Process Approach. Processes such as prototype development, scheduling, production setup, fabrication, assembly, and delivery require process owners to be responsible for maintaining the process to customer requirements. A Quality Assurance team member works with manufacturing teams to create process documentation.

System Approach to Management. KARLEE'S strategic planning approach includes a strategic assessment of the entire company, and aligns corporate objectives and goals with its key business drivers. KARLEE uses information and data to set goals, align organizational directions and manage resource at the operating, process, and organizational levels.

Continual Improvement. Teams use a structured approach to evaluate and improve their processes, documenting them and presenting a status report of improvements to senior leaders and the KARLEE Steering Committee. Teams benchmark competitors, "best practice" companies, and customers to learn from others.

Factual Approach to Decision Making. Teams analyze defect data, customer-reported problems, and control charts generated during production to identify problems and opportunities for improvement. Every business goal and project has defined methods for measurement, and senior leaders meet weekly to review company performance and ensure alignment with directions and plans.

Mutually Beneficial Supplier Relationships. KARLEE selects and develops suppliers that share their commitment to customer satisfaction to

ensure they have the materials and services needed to support their customers. Supplier performance issues and expectations are discussed with individual suppliers and presented at the annual Supplier Symposium.

resulting in KARLEE receiving a Baldrige Award in 2000.

All this has contributed to an increased sales growth, and high levels of customer and employee satisfaction, and quality and operational performance,