

# Volvo Group magazine 3.2015



## **BETTER AND BETTER**

CONTINUOUS IMPROVEMENT AT  
VOLVO CE'S BRAZILIAN PLANT

## **SERVICE PIONEERS**

WHY CUSTOMER SERVICE IS –  
AND ALWAYS HAS BEEN – CRUCIAL

## **THE JAPAN MASTER PLAN**

LARGE GAINS IN EFFICIENCY  
AND REDUCED COSTS

# Byhاليا goes big

New centre at the heart of parts distribution restructuring in North America



## We are all working for our customers

**A**S I WRITE, we have just presented the result for the first half of 2015. It is very pleasing to note that we are well on the way to matching our ambitious targets for the year. A great deal of work still remains and some of the effects will not be seen until next year. It is extremely important that we continue to focus on our customers, in spite of the efficiency programmes we are implementing. They, too, are ultimately designed to give the customer a better offer.

It makes no difference what role you perform at work. If you are employed within the Volvo Group you work – in exactly the same way as I do – for our customers.

Our customers come in every conceivable shape and form for a global Group with a large number of brands. They include the haulage company that carefully evaluates the total cost and earning capacity of its trucks or the excavator operator who chooses the machine that is going to generate the whole of his income in an owner-operator business. Then there is the boatyard that selects an engine supplier, the city that purchases buses or the contractor who has secured a new waste-management contract. What is more, our customers can be found on every continent. They have many different factors to consider when they select their suppliers – costs, financing, performance, specifications and other soft and hard values.

**ALL OUR CUSTOMERS** have one thing in common, however, regardless of continent or the product or brand they choose. They have decided to trust us.

This means that each and every one of us can contribute to sales by making sure that the things we do at work every day generate confidence in the company, our representatives and our brands.

The service we offer our customers is also one of the focal points in this issue of *Volvo Group Magazine*.



**JAN GURANDER**  
ACTING PRESIDENT AND CEO,  
VOLVO GROUP

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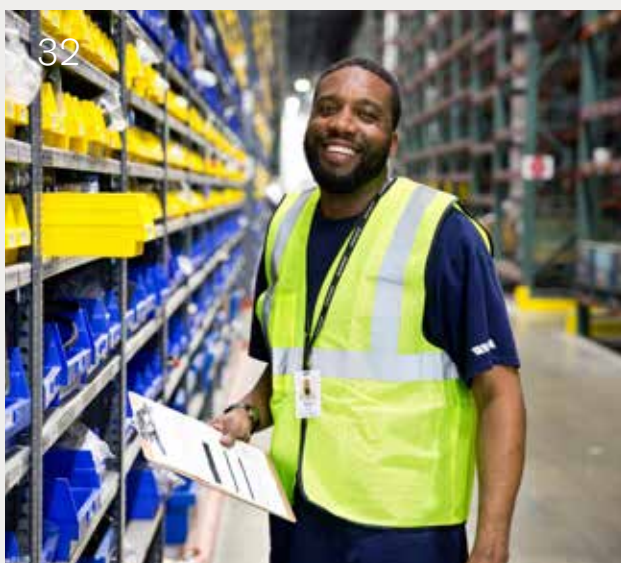


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# Volvo Group magazine 3.2015



## 10 Pioneers for customers

Avoiding downtime is key to the customer's business. This is why the Volvo Group has to keep up with changing customer needs.

## 24 Safety does not happen by accident

Safety Director Peter Kronberg talks about how the core value of safety has shaped the Volvo Group and how technological advances are now making it one of the hottest topics in the industry.

## 28 Lessons from RnD30

Since its start in 2010, the RnD30 programme has identified key areas for cutting lead times for new products. As the project draws to a close, here is a look at what has been learned and what will be carried into the future.

## 32 Bigger and better

As the Volvo Group in North America restructures its logistics operations, one major outcome is a brand-new distribution center in tiny Byhalia, Mississippi. The center is the largest in the Volvo Group.

## 40 VPS and OD programmes lead to top results

The Pederneiras Volvo CE plant has become one of the most high-performing plants in the Volvo Group thanks to its strategic way of working with systems for continuous improvement.

## 47 A family affair

For the Thornsberrys, some colleagues not only feel like family – they are! Four generations of the family have chosen to work at the New River Valley Plant in Virginia.



## Are you keeping an eye on the compass?

I have a colleague who spends his free time devoted to renovating an old wooden boat. "With boats it's so simple," he says. "You mend a hole and it either leaks or it doesn't." It is black or white. This is in direct contrast to his workday where he is devoted to solving problems that seldom have easy answers.

This is the way things are for many of us. There are processes to follow and earlier experiences to fall back on but often we also need to face entirely new situations.

We need to dare to make decisions. That is why it's important to understand where we are going – as a team, as an organisation and as a company.

Even if road signs are missing and the map is difficult to interpret you can at least take a look at the compass and start out in roughly the right direction. Later, it is often possible to adjust to the exact course along the way.

And here is why it is vital to talk about direction and goals with colleagues across functional and

organisational barriers. This type of discussion creates understanding and engagement. Volvo Group Magazine is a complement to this dialogue, by showing both where we are going and how our colleagues contribute to getting there, every day and in many different ways.

### MARKUS LINDBERG

**SVP Internal Communication and Editor responsible under Swedish press law of Volvo Group Magazine**



PHOTO: Christer Ehrling

### THE EDITORIAL TEAM



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**Joanna Gałczyńska,**  
Editor Business Areas

### ONE MAGAZINE - THIRTEEN LANGUAGES, THREE EDITIONS

▷ Volvo Group Magazine is published in 13 languages and in three different editions: Sales, Operations and Technology.  
▷ The cover page of each edition differs – at the top of the cover

it specifies which edition of the magazine you are reading.  
▷ While most of the magazine is the same for all readers, about one-fourth of the material is edition-specific.

▷ This specialised content aims to give each target group more of an in-depth understanding of their respective area.  
▷ All editions of the magazine can be read on Violin.



**Sussi Nyman, Niclas Karlsson and Helene Leht**

## VGAS now open

The 2015 Volvo Group Attitude Survey (VGAS) is being conducted between 1-25 September and managers will get the results at the end of October. There are no changes in this year's survey.

"We believe it is very important to keep the consistency and be able to track trends from previous years," says Ulrika Jacobsson, Director VGAS Strategy and Development, Corporate HR.

A four per cent decline in the Employee Engagement Index was noted last year, which led to a number of actions.

"Our employees are the most important asset in this company and their voices are extremely important in order for us to constantly develop."





PHOTO: SÖREN HÅKANLUND

## Cycling to fight cancer

Three cyclists from the Volvo Group took part in a 1,200 km bike ride from Lund, Sweden, to Paris in July to support the Swedish Childhood Cancer Foundation.

Helene Leht, IT Services, Niclas Karlsson, GTT, and Sussi Nyman, Group Business Areas, are part of a team of 30 cyclists and 10 service team members in Team Rynkeby Göteborg 2015 that took part in the bike ride between Sweden and France. For the past year, they have been part of Team Rynkeby, an annual Nordic project which raises money to fight childhood cancer.

"We have a really strong team in the saddle with big warm hearts and we have worked hard in an effort to collect donations for the Swedish Childhood Cancer Foundation," said the Team Captain Sussi Nyman before

setting out on the journey.

After a week's ride to reach Paris, Team Rynkeby Göteborg 2015 and its team members from Volvo Group joined 1,450 other Team Rynkeby cyclists from various destinations across Nordic countries to cross the finishing line in Paris together.

In 2014, the Gothenburg team completed the ride despite tough conditions, including rain, strong wind and cold weather, and also managed to be part of a record-setting sum of 11,1 million SEK, together with the six Swedish teams. In total, the project raised over 44 million SEK in 2014.

On 13 September, Team Rynkeby will present this year's cheque to the Swedish Childhood Cancer Foundation. "Our hope is that we will have a new record by then," says Sussi Nyman.



PHOTO: JONAS TOBIN

**Ulrika Jacobsson,**  
Director VGAS  
Strategy and  
Development,  
Corporate HR

## Transportation co-operation with China

Electrification, advanced safety and modular system were demonstrated when Mr Yang Chuantang, Minister at the Chinese Ministry of Transportation (MOT), visited the Volvo Group in Gothenburg in May. The visit resulted in a Memorandum of Understanding (MoU) between China and Sweden in the field of transportation, as well as an extension of the China Sweden Research Centre for Traffic safety, where Volvo Group is a partner. "Both electrification and traffic



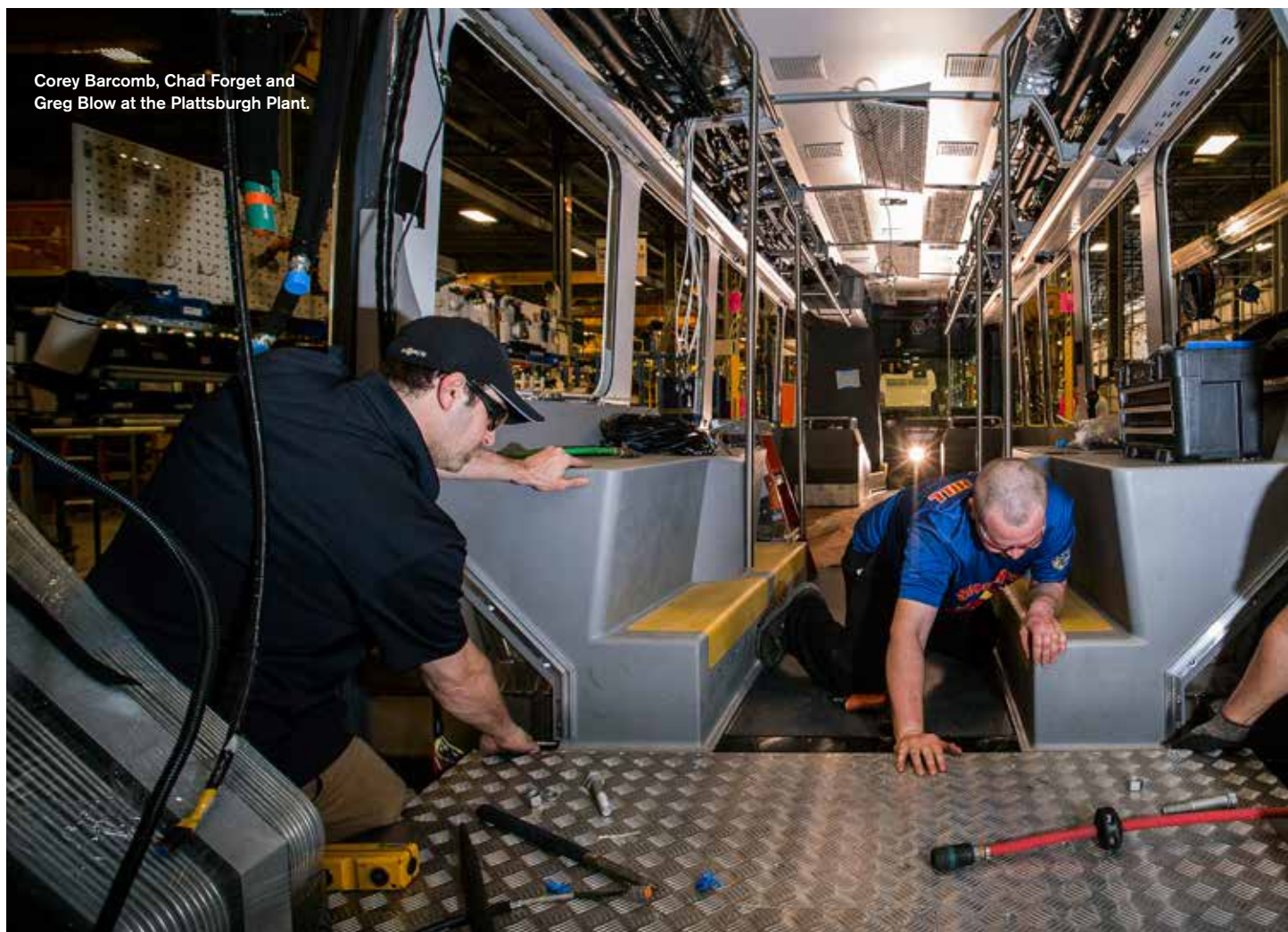
PHOTO: LARS ARDARVE

**Niklas Gustavsson,**  
Volvo Group Chief  
Sustainability Officer,  
**Yang Chuantang,**  
Minister at the  
Chinese MOT and  
**Håkan Agnevall,**  
President Volvo  
Buses.

safety are high on the agenda in China and Volvo Group has a strong reputation, not least through

our joint ventures with Sunwin and Dongfeng," says Mats Boll, Director Transport Policy, Public Affairs.





Corey Barcomb, Chad Forget and Greg Blow at the Plattsburgh Plant.

## SDLG excavator wins prize for energy efficiency

The SDLG LG6460E excavator was named one of the best construction products in China during an event in Beijing in April. The TOP50 award, founded by the China National Construction Machinery Association in 2006, focuses on recognising advances in equipment design that improve efficiency and promote progression in the construction industry.

The LG6460E was awarded for its energy efficiency, high power, wide variety of heavy-duty applications and ergonomic cab features. "We are very privileged to receive another TOP50 award, especially given the increased competition in the listing and its growing reputation," said Guo Shaohua, SDLG's Brand Communication Director.

With more than 50 national patents in China, Shandong Lingong Construction Machinery Co., Ltd. (known as Lingong), which manufactures the



SDLG range of products, is one of China's leading construction equipment companies. Volvo CE owns 70 per cent of the SDLG brand in a joint venture with Lingong.

## Donation to earthquake victims

The worst earthquake in 80 years hit Nepal on 25 April. It measured an estimated 7.8 on the Richter scale and was felt as far as India, Bangladesh and Tibet. A second earthquake struck eastern Nepal, near Mount Everest, two weeks later. The Volvo Group donated 500,000 SEK to Oxfam for their work on water and sanitation and 500,000 SEK to the World Food Programme for food distribution to the victims of the earthquake.

"By distributing the gift in this way we will be able to support with water, sanitation and food supplies," says Malin Ripa, SVP CSR Management, Volvo Group.



PHOTO: TRISTAN BRAND



## Plattsburgh doubles up

Nova Bus in North America is aiming to double the output capacity at the Plattsburgh Plant, USA, by the beginning of 2016. This is the result of a successful Capacity Increase Project (CIP).

The goals of Volvo Bus North America are to establish sustainable profitability, meet customer commitments following market successes of the past few years and position the Nova Bus brand to seize new opportunities. Nova Bus, part of the Volvo Group since 2004, historically had its manufacturing base in Canada. For the past five years, the vehicles have also been produced in Plattsburgh, New York.

The CIP project kicked off in late 2013. It brings together an international team of experts representing Nova Bus, Volvo Buses, Volvo Bus North America and Prevost, with input from key suppliers and customers.



Several operational improvements have been made with regard to quality, logistics and efficiency, including reduced takt time.

"CIP is a significant undertaking! Doubling our capacity in the Plattsburgh plant will require a strong commitment over the next 12 months, but I am convinced we have what it takes to drive CIP to success," says Ralph Acs, SVP Business Region Americas.



Ashley Stroud (right) receives his handcrafted Johnny Cash commemorative Martin & Co. D-35 guitar from Robb Mariani (left).

## Cashing in on precious first prize

One lucky Mack Trucks fan walked away from the Mid-America Trucking Show earlier this year with an extra special souvenir: a handcrafted Johnny Cash commemorative Martin & Co. D-35 guitar.

Ashley Stroud, a heavy-duty truck mechanic from Wilmington, North Carolina, was named the winner.

"My girlfriend got the call that we had won, but we both thought they were kidding," Stroud said. "We ran over to the Mack booth and, sure enough, we won. The next thing you know, I was being handed that beautiful guitar."

"The Mack Trucks Guitar Giveaway was the perfect blend of three American icons: Johnny Cash, Martin Guitars and Mack Trucks," said John Walsh, Mack Vice President of Marketing. "We couldn't be more excited to have someone like Ashley, a true Mack enthusiast, win the grand prize."

# 100

years ago the name Volvo was first registered. An application was handed in to the Swedish Patent and Registration Office on 11 May, 1915.

Mats Bredborg test drives the LEGO® Technic Volvo CE models.



PHOTO: CICI JONSON

## Global brands receive collaborative award

When two global brands join forces, they can create amazing things, not least for the younger audience – as shown through a collaboration between LEGO® Technic and Volvo CE.

Now the collaboration has won the Volvo CE Communicators Award 2014, for best overall communicative effort and for best marketing

campaign. The ambitious project involved building a LEGO® Technic model of a radio-controlled L350F wheel loader that doubles as an A25F articulated hauler.

The project was launched in steps and was highly praised when it was unveiled at ConExpo in 2014 and later at toy exhibitions.

“The global exposure exceeded our expectations,” says Mats Bredborg, Director Global Brand Management, Volvo CE. “Supported largely by social media, this multi-channel awareness campaign was aimed at a wide target audience. Thousands of children and their parents will now associate Volvo CE with construction equipment.”



## Mack launched its new LR model refuse truck at WasteExpo 2015

Mack Trucks launched the new Mack LR model low-entry cabover refuse truck on 2 June at WasteExpo 2015 in Las Vegas. Following the customer event, Mack conducted launches for employees in Greensboro and Allentown. Mack product experts and managers used the opportunity to explain the product planning and commercialisation efforts leading up to the LR's market entry and its

importance to the Mack brand.

The LR series was designed and engineered using customer feedback to highlight key characteristics important to customers who transport refuse – outstanding driver comfort, efficient operation and exceptional visibility and safety.

The LR will initially be available in three-axle 6x4 configurations powered by diesel or natural gas.



# 2,000

Volvo hybrid buses have been sold since its introduction in 2010. This reinforces the Volvo Group's leading position in electric buses, as reduced exhaust emissions, low energy consumption and quieter operation are increasingly valued by cities all over the world.

## Consistent customer service is all about uptime

Uptime is the name of the game in aftermarket operations. At a recent Uptime Aftermarket Event in Dallas, USA, dealer parts and service managers from throughout North America met to discuss how to deliver this to customers. The GTS North America aftermarket team and industry suppliers and vendors shared the latest trends

with dealers to help them address heavy-duty trucking's most pressing concern: how to keep trucks on the road and functioning at optimal capacity. Participants heard from Dennis Slagle, Head of Group Truck Sales North America, who spoke on using uptime as a differentiator in providing consistent customer service.



PHOTO: TOM SVENSSON/NORDENS ARK

## Off to a roaring start in life

In April, a trio of Amur tigers cubs were born at Nordens Ark, a zoo in Bohuslän, Sweden. With only around 400 left in the world, Amur tigers are one of the world's most endangered animals and they are also Volvo Trucks' "icon animal".

The Volvo Group is one of the main sponsors of Nordens Ark Foundation, which helps to save and protect several endangered species.

Both the cubs' mother and father were transported safely to Nordens Ark in Volvo trucks.

PHOTO: JONAS TOBIN



Teaching children about safety around trucks is vital work.

## Be part of Volvo Group's road safety campaign for children

Every day, more than 3,400 people are killed in traffic accidents around the world: this is well over 1.2 million fatalities per year. The World Health Organisation estimates that, without drastic action, the number of road traffic fatalities will increase by 45 per cent by 2030.

Since the cause of the majority of road accidents involves human behaviour, the Volvo Group has decided to work on raising children's awareness of how to behave safely in traffic through its Stop, Look, Wave campaign. This campaign is based on activities developed by Volvo Trucks and executed since 2001 in several

countries. For example, in Denmark alone, 80,000 schoolchildren have been trained in traffic safety with the help of Volvo Trucks.

"Volvo Group employees – based all around the world – are encouraged to get involved in promoting safety awareness sessions, to help children in their immediate environment understand how best to behave around trucks, buses and cars to stay safe," says Peter Kronberg, Volvo Group Safety Director.

**Turn to the last page to find out more about Stop, Look, Wave.**



# ALWAYS AT YOUR

# SERV

The Volvo Group has always been at the forefront of customer care. Twenty-five years ago, Volvo Action Service was introduced – and changed the way of helping customers. Now increasingly sophisticated solutions can even prevent breakdowns.

And there is more to come.









**C**USTOMER CARE HAS long been a central pillar for the Volvo Group, but ways of working within the service field are constantly evolving. Technological breakthroughs, trends in society and new business models influence both what customers want and the level of support that can be provided.

As Senior Vice President Volvo Group Strategy, it is part of Hans Ristner's job to identify game-changers and make sure the Volvo Group really delivers the support that customers need. We talked to him about how this is done and what to expect from the future.

**What are the major trends in customer service?**

"In the last twenty years, we have seen a major advancement in technology. In 1993, around 10 per cent of a car was software enabled, now it is 60 per cent. The same goes for trucks.

This has led to two major changes. Firstly, by using Remote Diagnostics we can see if trucks are about to break down and can catch them in advance. This has enabled us to be proactive instead of reactive, thus increasing uptime. Secondly, this is leveraging a lot of data, which is also helping us to develop our service offerings and increasing our customers' productivity."

**Why is it important to know the customer?**

"We now know our customers much better, we





Hans Ristner believes that using information obtained via new technology will be key to successful customer service in future years. This already allows the Volvo Group to be more proactive in customer relationships.

know how they use our products, the distances they travel, the cargo they carry etc. This not only makes it possible for us to prevent breakdowns and facilitate planned workshop visits, but it has also enabled us to advise the customer on the proper configuration of the vehicle. This enables the customer to increase productivity and in many cases can help to reduce the number of variants, in turn reducing the cost of operations. And we can use this knowledge when we develop products and services."

**Is there a big difference between mature and developing markets as regards the service sector?**

"Yes, in a way you can say that there is. Most importantly, in developing markets you often don't >

## The target is 99 % product availability

More than two million trucks, manufactured by the Volvo Group in the past ten years, operate on roads worldwide. Efficiency behind the scenes at Volvo Group Trucks will ensure product availability for the customers. The ambitious target is set at 99 per cent.

### Why is product availability so important to focus on?

"The customer buys the truck to have it on the road, not at the workshop or at the wayside due to an unscheduled stop. To have the truck running increases customer satisfaction and of course also the customer's earning capacity. A lot of effort has been put into increasing product availability over the last couple years. It can be a real differentiator, improving our customers' total cost of ownership and also warranty costs," says



**Fredrik Högberg**

by that strengthen customer business relationships; avoid unplanned stops, make sure repairs are done quickly and strive to prevent maintenance through improved design and effective planning of services. Availability to spare parts is also essential to avoid delays. All of these factors require collaboration among GTO, GTT and GTS, including learning from each other.

"Global sharing of regional best practices, and all of the resulting benefits, offers further assurance that our customers have a positive service experience," says Rich Ferguson, SVP Aftermarket and soft products, GTS in North America. "In the future,

we'll continue to see further sharing of processes and services. For example, in North America, we've recently incorporated the Volvo Production System and 5S, concepts we saw work in the United Kingdom and France. We believe this integration will result in increased throughput capacity, allowing dealers to be more efficient, offering a direct benefit to our customers."

New product ranges are a challenge to introduce in several aspects, not least when it comes to detecting and solving quality issues that may impact the high requirements on uptime. Quality Action Group, QAG, a team with specially selected representatives from GTO, GTT and GTS, is working to secure speed and precision from detecting the issue in the field up until there is a solution in place. There is also a lot of focus on proactively safeguarding the availability of spare parts.

"In the event of a back order we spare no expense at tracking down spare parts, and we fly out spare parts to any place in the world if it's really necessary," says Göran Eriksson, Vice President Materials Management at Logistics Services, GTO.

ANN-MARI ROBINSON

### 3 success factors ...

... to reach 99 per cent product availability:

- ▷ Avoid unplanned stops
- ▷ Ensure quick repairs
- ▷ Optimise preventative maintenance



“All of us, whatever we do, need to think of what is important for the customer. How will this product be used? Not just now, but in ten to fifteen years.”

HANS RISTNER, SVP VOLVO GROUP STRATEGY



make as much money from your business, so you can't pay for the same service offerings. At the same time, we live increasingly similar lives. More people than ever live in cities. Most people in India have a mobile phone. Customer service is important in every market, so the big challenge for us is to adapt our service offerings for different markets.”

#### How is this achieved?

“That is a tricky question. Just distinguishing between mature and developing markets is often too simplistic. Rather, we need to look at both industry segments and geography. If you compare construction equipment used in mines in Africa and in Europe, they use the same, very advanced, machines. Yet if you compare long-haul in Africa and Europe, you see much greater differences. It is therefore key for the Volvo Group to understand the customer context and what industry it is operating in.”

#### 5 TRENDS SHAPING CUSTOMER SERVICE

- ▷ Telematics enables maintenance to go from reactive to preventive.
- ▷ Data makes it possible to offer industry specific services in collaboration with partners.
- ▷ Autonomous vehicles and semi-autonomous services will put new demands on customer service.
- ▷ As the transport systems increase load factors and become more integrated and sensitive to disruptions, customers will look for support to ensure uptime and productivity leveraging information across their value chain.
- ▷ Customers want to operate their own devices and will demand that they work flawlessly with our vehicles. The Volvo Groups will need to ensure interoperability and support.

#### How do the Volvo Group further strengthen its customer service?

“All of us, whatever we do, need to think of what is important for the customer. How will this product be used? Not just now, but in ten to fifteen years. We must have a lifecycle focus. When one encounters a quality problem, it requires a cross-functional effort to solve it. Quality and customer care are everyone's responsibilities.”

#### Which future trends do you believe will be most important?

“The leveraging of information via new technology and the proactive nature of dealing with customers will still be in focus. This also makes it possible for us to pinpoint problems and act accordingly. For example, we are able to see if there is an engine problem in trucks that drive at a certain speed and altitude. Before, we would have had to look at all the engines.

Automation will be increasingly important in the future. Often we can learn from other businesses, since many go through the same technology shifts.

IT is also increasingly important for customers. They expect to be connected wherever they are, they expect us to understand this development and have the right partners to solve their problems. The customers expect that the vehicles should be easy to integrate into their system environment. As an important player, Volvo Action Service will no doubt be dealing with such issues in the coming years.”

ALASTAIR MACDUFF



# “When your trucks don’t drive, you’re losing money”

Lauser Transporte has been transporting goods in Germany’s Baden-Württemberg region for 35 years. Philipp Lauser took over the company from his father, and while much has changed between the two generations, uptime remains absolutely vital.

## How would you describe your business?

“I think what makes us unique is that we offer that little bit extra. We don’t just drive from A to B like all the others – we also equip our trucks with extra features to help with the unloading as well. To deliver beverages, we have trailers with collapsible side doors for easier access. We also have trucks with forklifts, which enable us to unload anywhere without any additional equipment.”

## How does uptime affect your business?

“In my opinion, uptime is the most important factor when it comes to profit, because if the truck doesn’t drive, you lose money and you will lose your customers. Our customers also have to satisfy their customers, so obviously uptime affects their service. Ultimately the biggest

## Did you know?

**1** day downtime  
≈  
**€ 1,000 loss of revenue for the customer**

consequence is lost income, because you’re not earning money, you’re spending money on repairs, and it’s much harder to satisfy customers with fewer trucks.”

## How important is servicing to maintaining high uptime?

“It’s the easiest way to achieve high uptime. Just service your trucks the best you can and it will automatically reduce downtime. At the moment, we have service agreements with some of our trucks and in future I think we will have this agreement with all our trucks.”

## What is the advantage of having a service agreement?

“Because of all the electronics in a truck, when you have downtime, you often can’t say what’s wrong. It takes time to check all the electronic parts and the result is that you can’t calculate the cost of a repair. But a contract is something we can calculate. In addition, there is less stress for us because everything is managed at the workshop.”

NIC TOWNSEND

## LAUSER TRANSPORTE

**Location:** Wiernsheim (near Stuttgart), Germany

**History:** Jürgen Lauser started the company in 1980 and originally delivered milk in the Baden-Württemberg region. Today he runs the company in conjunction with his son, Philipp.

**Fleet:** of approx. 50 trucks, roughly half of which are Volvo trucks

**Assignments:** transporting beverages and building supplies throughout Baden-Württemberg and beyond.



PHOTOS: SÖREN HÅKANLIND



25 year after setting up the first VAS call centre in Warwick, Greg Williams (left) and Killy Sandhu visit the current centre in Rugby.

## 25 YEARS FROM CALL TO ACTION

In 1990, a small team in Warwick, UK, set up the Volvo Group's first purpose-built breakdown call centre. It proved to be the beginning of Uptime Solutions, which today provides 24-hour multilingual support worldwide.

TEXT NIC TOWNSEND PHOTOS CRAIG ECCLESTON



WHEN GREG WILLIAMS JOINED the Volvo Group back in 1988, he was given a daunting challenge: establish a new purpose-built call centre for Volvo Trucks and Volvo Buses in the UK. At the time, a domestic breakdown service was outsourced, while, internationally, a number of dedicated individuals were managing an informal arrangement with other markets using one of the company's first ever mobile phones.

"It was very ad hoc and we needed something more professional," recalls Greg, who today is CAS Product Sales & Marketing Manager, GTS. "But running a call centre was not part of our expertise at the time. We had no experience, no infrastructure, no personnel – everything had to be created from scratch."





Peter Bryant, who took the first ever VAS call in 1990, with a photo of the original team.

Over the next couple of years, Greg put together a team and began assembling all the necessary components and resources, while simultaneously educating himself on call centre management. Their tasks included sourcing equipment such as phones, computers and desks; designing new IT systems; establishing work processes; recruiting new staff and establishing a new working environment complete with staff facilities. "It was a fascinating challenge to take on," says Greg. "It's a rare privilege to be given an opportunity to create something new from virtually a blank sheet of paper."

**THE NEW CALL CENTRE WAS** based in a converted office in Warwick and was equipped with what were then state-of-the-art phones and videodisc touchscreen mapping systems, as well as voice recording onto VHS video cassettes and a purpose-built computer system based on System 38 IBM mainframes. "I recall spending quite a lot of time locked away with a computer programmer, he writing the programme, me describing what I wanted. Between us, we finally got what I thought would be a workable solution."

On 1 July 1990, Action Service Europe (ASE) – as it was originally called – was ready to start taking calls

and the switch-over was scheduled for midnight. It was an anxious wait for the first call, which came in at 1am and was taken by Peter Bryant, who continues to work at the call centre today. From that point onwards, everything went smoothly. Pretty soon, the new call centre was fielding thousands of calls and customers were noticing a marked improvement in service.


"Volvo Trucks was the first to bring its breakdown service in house, and it gave us a real competitive edge in the UK," recalls Carl McQuistan, who originally joined the team in Warwick in 1989 in the role of call centre supervisor and later succeeded Greg Williams as manager. "Immediately, we started getting positive feedback from customers, who really appreciated getting support from people directly involved in the company rather than from an external supplier."

The success of ASE attracted attention from Volvo Trucks' head office in Sweden and other European markets. Based on the Warwick template, a new call centre was opened in Ghent, Belgium, in 1993. Originally housed in a small building near the Volvo Parts central warehouse, it quickly grew into a 24-hour multilingual call centre and training facility and remains central to Uptime Solutions' operations to this day. Now the Volvo Group Uptime Solutions >



"Whilst many things have changed over the years, we've retained a consistent focus on taking care of customer needs in the best possible way."

JEANETTE MOORE, MANAGER, UPTIME SOLUTIONS



“Even though our main job role never changes, no day is the same and that’s what I like most about being at Uptime Solutions.”

ELOISE ELLARD, UPTIME COORDINATOR

To the rescue around the globe

## *Volvo Action Service*

got its present name in 1998.

Previously it was called Action Service Europe.

16

NUMBER OF  
LANGUAGES SPOKEN  
AT THE UPTIME  
SOLUTIONS CALL  
CENTRE IN GHENT,  
BELGIUM.

## *Xhosa and Zulu*

are two of the languages spoken at the Uptime Solutions call centre in Johannesburg, which serves customers in all eleven national languages of South Africa (English, Afrikaans, Ndebele, Sotho, Northern Sotho, Swazi, Tswana, Tsonga, Venda, Xhosa, Zulu).



Eloise Ellard has worked for Uptime Solutions in Rugby for nine years, and met her husband Steve there: "We have a good working relationship where I let him be boss for eight hours."

provides support to Volvo Trucks, Volvo Buses, Volvo Penta, Renault Trucks and UD Trucks, while additional call centres have since been opened in France and South Africa. Meanwhile, the Warwick call centre has relocated to Rugby and now takes calls for Renault Trucks' customers as well as breakdown calls from Australia.

"The Uptime Coordinators make a fantastic team, with a wealth of experience from varied backgrounds," says Jeanette Moore, Manager, Uptime Solutions, who is based in Rugby. "Everyone has the same mission: offer the best solution in the quickest time. Whilst many things have changed over the years, we've retained this consistent focus on taking care of customer needs in the best possible way."

**NATURALLY, A GREAT DEAL HAS CHANGED** in 25 years, not least the technology. The original ASE team in Warwick relied on pagers and faxes and in some cases even physical maps when it came to locating dealerships outside of the UK. In contrast, Uptime Solutions now uses telematics, GPS mapping and satellite tracking.

Killy Sandhu started as a breakdown co-ordinator for ASE in 1992 and stayed for 13 years. During that time, he believes industry demands and expectations increased, but so too did Customer Solutions' services. "When I started, our customers faced challenges like limited working hours for French truck drivers on Sundays and siestas in the

middle of the day in Spain," recalls Killy, who is now a Claims Operations Supervisor in Warwick. "But gradually each market started to understand that truck drivers and bus operators required a 24/7 round-the-clock service, which was something that was offered within the UK & Ireland. Over my 13 years, we saw a huge increase in call volume and the level of service has increased with it."

However, while much has changed, Warwick's legacy remains strong. "There have been some major improvements over the years, but, at its heart, Uptime Solutions still has all the hallmarks of what we created 25 years ago," says Greg Williams. "Developing a robust process for managing calls was very important when we started, since, in a call centre, you have constant shift changes. We developed a process revolving around status points for each of the various stages a breakdown had to go through before completion, which you can still see in use today."

**CARL MCQUISTAN, WHO IS NOW** based in Japan and is currently involved in establishing a new call centre for GTS, can still draw on his experiences in Warwick. "Many of the discussions we are having right now are the same as we had 25 years ago. It shows that our concept has stood the test of time. The technology has changed rapidly, the operation has gone global in scope, but at the end of the day the basic principle remains the same: supporting customers with good service, 24 hours a day." ☉

## Greensboro

is the most recent addition to the Volvo Group call centre network. It was opened in 2014, and accepts calls 24-hours for Volvo Action Service and Mack OneCall. Every month agents handle an average of 19,000 inbound calls and make approximately 30,000 outbound calls.

## Volar

IS THE EMERGENCY ACTION SERVICE FOR VOLVO TRUCKS, MACK AND VOLVO BUSES IN SOUTH AMERICAN COUNTRIES INCLUDING ARGENTINA, CHILE, PERU AND PARTS OF BRAZIL.

# 1988

GREG WILLIAMS JOINS VOLVO TRUCKS UK AND IS TASKED WITH ESTABLISHING THE VOLVO GROUP'S FIRST PURPOSE-BUILT CALL CENTRE.





# ALL GOING TO PLAN

The Japan Master Plan is due to be completed at the end of the year and it has already delivered large gains in efficiency and cost reduction, as well as creating a more agile organisation.

TEXT NIC TOWNSEND & CAROL HUI AKIYAMA PHOTOS JUNICHI TAKAGI

**A**FTER THREE YEARS of extensive changes, GTO's operations in Japan have been completely transformed into a leaner, more efficient organisation that is much better placed to meet the Volvo Group's Strategic Objectives. All GTO functions are now consolidated on one site, production is more flexible and better aligned with demand and all non-core activities have been phased out. The Japan Master Plan's target of reducing operational costs by 43.5 per cent has already been met and even exceeded.

"We are dealing with a new reality in Japan, so we needed to change accordingly," says Ary Lima, SVP

Asia Transformation Office, GTO, who has led the project. "We have a new organisation, we have different product ranges for the Japanese and Asian markets and we have a new Volvo Group industrial footprint in Asia, where Japan now has its role defined."

The Japan Master Plan is also driven by the Volvo Group's Strategic Objectives and Asia transformation, which has created a new industrial footprint in the region. The Ageo site will now only produce trucks for the Japanese market, while truck production for other Asian markets has been moved to Thailand.

Consequently, production capacity has been reduced from 50,000 to 13,500, with the flexibility to deviate by 20 per cent.

As a result of all these changes, GTO's workforce in Ageo has been reduced by more than 1,500 people. "A major part of this reduction has



Ary Lima

## JAPAN MASTER PLAN

THE JAPAN MASTER PLAN INVOLVES SOME 30 MAJOR ACTIVITY STREAMS INCLUDING:

- ▷ Transfer of the remanufacturing plant from Ota to Ageo
- ▷ Consolidation of Logistics Services offices
- ▷ Relocation of the BiW line from the light-duty truck plant to the main plant in Ageo
- ▷ Divestment of the Konosu foundry, which has been used to produce light-duty engines. All 148 employees at the facility have also transferred to its new owners, Global Component Technology (GCT)
- ▷ Hanyu transmission plant to be optimised and operations relocated to Ageo by 2017
- ▷ Divestment of N-Tech, an affiliated company that specialises in pipe-bending technology and produces exhaust and brake tubes. All 82 employees transferred to the new owners. N-Tech will continue to supply UD Trucks under its new owners Kihara Manufacturing
- ▷ Phase-out of CKD production, with CKD plants in Thailand, India and China converting to complete truck manufacturing plants

The main plant in Ageo, which has not been renovated for 50 years, is being reorganised area by area. Marcus Wahlberg stands on the dividing line between old and new.

been made through divestment, where we have made sure employees remained under the new owners,” says Marcus Wahlberg, Project Manager for the Japan Master Plan. “Others accepted a voluntary package or were transferred to GTS, but overall it was an exceptionally humane way of reducing the head count.”

The need for the Japan Master Plan comes from the organisational set-up inherited by the Volvo Group when it acquired UD Trucks (formerly Nissan Diesel) in 2007. Operations were spread out over a

number of sites, covering a wide range of activities, and production capacity was geared towards a high level of growth that had long ended.

“This is quite common for Japanese companies that expanded in the 1950s, when the economy was booming and the main issue for automotive manufacturers was simply keeping up with demand,” says

Marcus Wahlberg. “Many companies formed strategic alliances with affiliated companies, with the aim of making themselves self-sufficient as production companies. This created organisations that did everything, from selling insurance to dealing with scrap metal. But a lot has changed since then and we needed to adapt.”

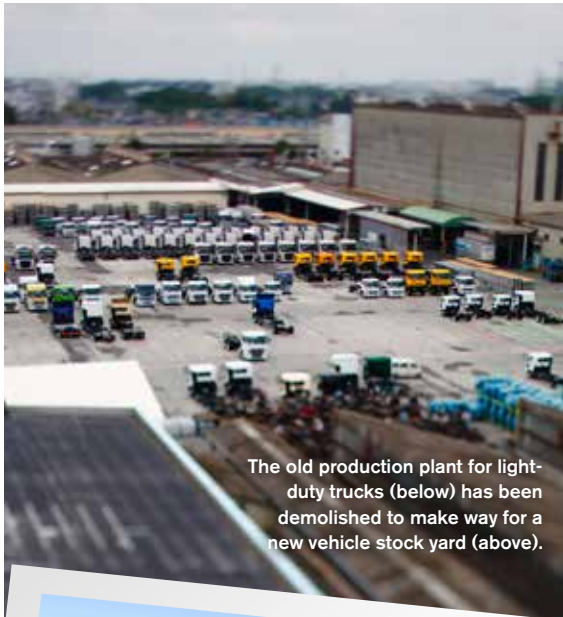
Since 2012, Ary Lima and Marcus Wahlberg have set about dismantling the last remnants of the old organisation. All non-core activities have been divested or phased out, most notably the light-duty engine production left over from Nissan Motors. Over the coming years, the production of parts for UD Trucks’ earlier models will also be phased out. At the same time, GTO’s facilities, which were scattered over a number of small sites, have relocated to GTO’s main site in Ageo. In total, this consolidation has resulted in a reduction of 17 sites and a significant reduction in leasing costs.

**DESPITE THE JAPAN** Master Plan meeting all its targets, Ary Lima and Marcus Wahlberg do not see their work as being complete. “We need to ensure these

### JAPAN MASTER PLAN - IN SHORT

- ▷ Consolidate all GTO operations to the main site in Ageo
- ▷ Divest all non-core activities and phase-out legacy products
- ▷ Adapt production capacity at the Ageo truck plant to 13,500 units (plus/minus 20 per cent)
- ▷ Optimise engine assembly capacity to 13,500 (plus/minus 20 per cent)
- ▷ Optimise the entire supply chain for the Japan market





The old production plant for light-duty trucks (below) has been demolished to make way for a new vehicle stock yard (above).



Personnel at the Ageo site enjoy their newly renovated offices.

changes stay in place and the new organisation continues on the same course, with no further restructuring needed," says Wahlberg. "The single biggest challenge has been changing mind-sets. Until now, the tendency has been to work on your specific task and deliver accordingly. Now we want people to take more responsibility for driving the business. It is a huge change." ●

### Yoshihiro Satou, Cab Engineering

"Making things more streamlined to reduce costs and improve efficiency was at the heart of this project and we had to get rid of many excesses. One major cultural obstacle was the traditional Japanese idea of "mottainai" which is about not wanting to waste or discard things. We had to throw away old equipment that had become useless, but people still believed it might be of use some day. Fortunately, we were able to make good progress in closing down our outside locations without any major setbacks."



### Hidetoshi Adachi, General Foreman, Engine Assembly

"The Japan Master Plan greatly altered my work, because, previously, I had been manufacturing new engines, but now I am responsible for the rebuild process. We are now working towards finding the optimal way of balancing all tasks. This requires input from many people and the benefit of everything being centralised in Ageo is that communication becomes much easier."



### Takuo Igawa, Real Estate Services

"I was responsible for the shutdown of certain facilities to optimise the facility scale. With these activities I hope we can increase the productivity to increase our profitability."



### Natsumi Asoma, Powertrain Production Logistics

"For me, it has been a wonderful learning experience to work on a project of such a large scale. In the past, we used outside distribution centers, but the Master Plan moved everything on site. As an engineer, it is a rare opportunity to be able to give my input on the physical layout of the factory to make the entire production process more efficient."



### Yoshiyuki Negishi,

General Foreman, Rebuilt Plant

"It's been good having more concentration in one area and narrowing our focus has increased our production efficiency. In the past, we had a separate engine factory and one for transmissions. But, by consolidating, we can quickly send people over between the two if needed. Our next target is to develop the skilled technicians for better cross functional work "



### Yuuji Matsumoto,

Supervisor, DC Ageo, Logistics Services

"Before the Japan Master Plan, my job was managing the logistics of overseas parts for the domestic market. Now, part of my job in the consolidation process was to move the parts from the offsite logistics center to a facility half the size on the main Ageo site.

We managed to do this by using space vertically, since we were limited horizontally."



# “We have a unique opportunity to contribute”

Safety is not only one of the Volvo Group's core values. It is also a cornerstone of the company's product development and global social engagement. What does the future look like? **Peter Kronberg**, Safety Director, talks about the Volvo Group's opportunities – and obligations.

TEXT HANNA ZAKAI PHOTOS JONAS TOBIN





the Volvo brand represents. It is primarily through Volvo-branded products that we make our greatest investment in advanced safety technology. But, we also have a responsibility to ourselves and to society as a whole to work on traffic safety in every part of the Volvo Group.”

**The word “safety” can have many different meanings. What does it mean in your world?**

“You get different answers to this question depending on who you ask. A customer buying a vehicle will probably think about the safety of the driver or other road users. But a plant or an office within the Volvo Group has to work to live up to the expectations we have set for ourselves. If we are scrutinised by others - and this happens all the time - we need to be able to stand tall and be confident we perform well in all parts of our operations. So, our core values need to characterise everything we do.”

**Why is it so important for safety programmes to be run on several fronts?**

“If we fail to deliver world-leading solutions, it will be difficult for us to claim that we stand for safety. At the same time, we influence the communities in which we operate. We have the knowledge – and the duty – to help to increase safety. Our involvement at a societal level opens doors. For a long time now, we have had a high profile at a high political level and this helps us to deal with important issues. We are able to influence the way transport investments are made on an international and national level, the way research funds are allocated and to ensure that future regulations generate clear-cut benefits to society. Not everyone has the chance to do this. When the Volvo Group speaks, people listen. We have credibility because, time and time again, we have demonstrated that we do things that produce proven benefits to society. But credibility doesn't simply fall from the skies! It's also fragile. We must never stop working with the facts of an issue or deviate from our systematic approach.”

>

**Y**ou are responsible for the core value of safety. What does this actually involve?

“The Volvo Group's core values represent a natural focus on the issues that characterise everything we do. Developing the world's safest products is *one* way of living up to our core value of safety – others include our involvement in social issues, our active sharing of know-how and expertise and our responsibility for the safety of our co-workers. The Volvo Group's joint core values are also what

**Why are safety programmes a social responsibility for the Volvo Group?**

“Our vision is to be a world leader in sustainable transport solutions and we have our core values. If we consider the challenges facing the world – many fatalities in traffic, poor mobility, climate change, it's obvious that we need to work on these issues. We have a unique opportunity to contribute thanks to our credibility, effective solutions and expertise. Some of our markets are on their knees as a result of problems in the transport network and traffic. More than 1.2 million people die in traffic every year and 50 million are injured for life. In markets where we are looking to expand, these are gigantic problems and they are a real obstacle to social development. We have to help and we are doing this with products that contribute to greater safety and through social involvement. Good examples include our work on driver training in India, our traffic safety programme in Brazil and the current ‘Stop, look, wave’ concept, which teaches children how they should behave in traffic.”

**What are the greatest challenges when it comes to working on safety in the future?**


“From a commercial angle, maintaining our leading position. The more mature the technology associated with active safety, connected vehicles and automation becomes, the more generally available it will be in the industry. Creating a profile when the standard becomes increasingly similar may prove to be a challenge. From a social perspective, the challenges are enormous, as the number of accidents rises when transport volumes and urbanisation increase. In the most developed countries, traffic safety has improved dramatically during the past 25 years, but there are other countries in which traffic safety is deteriorating every year. We can help to improve things in these countries through our global presence and our knowledge.”

**How can the Volvo Group's employees help when it comes to safety programmes?**

“Our co-workers may very well have applied to work for the Volvo Group because they share our values and, in this case, they are probably dedicated to the safety work as individuals. We don't have a range of processes that govern the way we think and feel about the core value of safety as such. We are building a value platform, a culture, and it's going to create a powerful driving force to take us in the







“When the Volvo Group speaks, people listen. We have credibility because we have demonstrated that we do things that produce proven benefits to society.”

PETER KRONBERG, SAFETY DIRECTOR, VOLVO GROUP

right direction. At the same time, we can all influence everyday decisions at every level. People can always reflect on the core values and how they impact their work. What could benefit safety, quality and the environment in my area?”

**Why is it important for safety to play a prominent role in product development?**

“If the Volvo Group is at the barricades shouting ‘We represent safety’ and there are competitors who are better, we won’t keep our credibility for long. We – and the Volvo Group’s products in particular – have to be at the cutting edge. Innovation and technology also generate opportunities to further improve traffic safety.”

**More and more competitors are focusing on safety. What is your take on this?**

“It’s only natural for them to invest in safety. Everyone wants to take the lead. We can see a tendency for our competitors to make explicit claims that they are best at safety. This is a fairly recent development and probably has something to do with the fact that, nowadays, traffic safety is more closely associated with advanced technology. However, compared to our competitors, the Volvo Group has so far

taken a lead on the societal side of the issue as well. Here we have created a clearly defined niche for the Volvo Group. It’s difficult to measure exactly where we stand when it comes to safety, but we can get an indirect indication by the response from our customers and other people we meet. We are able to measure the way our brands are ranked through the Brand Tracking Survey and it shows us that the Volvo branded products are in a powerful position and that all our brands are ranked quite well in general terms when it comes to safety. But we can also see that the competition is fierce.”

**How does the Volvo Group gauge its customers’ views when it comes to safety?**

“Through close customer relationships of course. But we also have a method for capturing safety-related aspects. It’s a unique heritage in the form of the Accident Research Team (ART), which was set up in 1969 and investigates accidents in order to understand them in detail. This is a promise to our customers. We will learn everything there is to know about the risks our customers are exposed to. We identify the problems we need to prioritise, implement solutions, and take one step closer to realise our vision of ‘Zero Accidents with Volvo Group products!’.” ©

**PETER KRONBERG**

**Title:** Safety Director Volvo Group

**Age:** 36

**Family:** married

**Background:** graduate engineer with a degree in mechatronics and intelligent machines. He has a background in research and development and has worked on safety-related issues in different roles within the Volvo Group.

**Leisure interests:** sport – especially ball sports. I enjoy playing golf when I get the chance. Also, I have several different small hobbies. They frequently involve building things. I make furniture and I am shortly going to start work on building a cottage.

## PETER KRONBERG HAS SELECTED THREE IMPORTANT EVENTS IN THE VOLVO GROUP’S SAFETY HISTORY

### 1. THE STATEMENT THAT SHOWED THE WAY

“When our founders, Assar Gabrielsson and Gustaf Larson, said that safety is important to Volvo, they defined our company’s direction. Without it, we would never have focused on safety in this way for such a long time.”

### 2. A PIONEERING INNOVATION

“The safety belt is probably still the most important safety product we have in traffic. Wearing a three-point belt significantly increases people’s chance of surviving a collision compared with not wearing one. Of the truck drivers who die in traffic accidents today, the majority are not wearing safety belts.”

### 3. A SYMBOL FOR THE FUTURE

“Here, I’d like to highlight the Accident Research Team, our safety cab from 1977 and airbags in trucks... the list is incredibly long. But as a symbol for the future, I would choose the Volvo Safety Concept Truck. It pointed the way to an imminent paradigm shift in traffic safety development – advanced technology and connected, automated vehicles.”

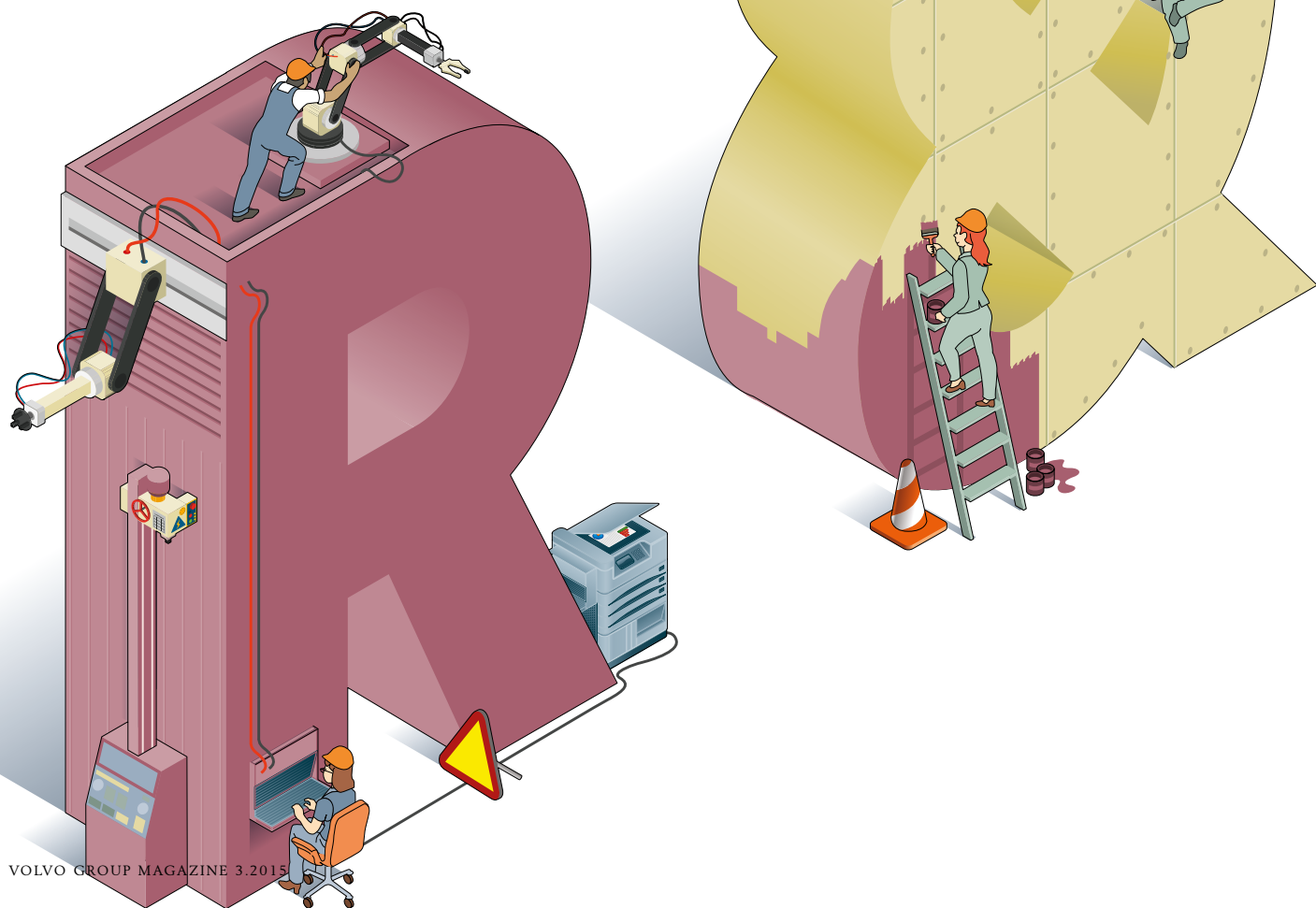
# GATHERING THE R&D STRENGTH

In 2010, RnD30 was initiated in the Volvo Group. It aims to cut costs and improve efficiency within product development by reducing lead times and creating a more balanced product portfolio.

TEXT INGRID JOHANSSON

ILLUSTRATION PETTER LÖNEGÅRD

PHOTOS STEFAN EDETOFT





## 7 end states for effective projects

- ▷ Predictable launch
- ▷ Stable C release (ready for industrialisation)
- ▷ Knowledge created, captured and reused
- ▷ Verified concept
- ▷ Verified technology
- ▷ Balanced product portfolio
- ▷ Product project objectives aligned with business strategies

*“We are in a competitive market – always aiming at a moving target.”*

ANDERS YDERGÅRD, SVP PROCESS & IT, GTT

**G**IVEN THE EVER increasing competition in the automotive sector, a flexible, adaptable structure for research and development is the key to the effective product development needed to meet complex

demands from different markets.

Historically, the car industry has been at the cutting edge when it comes to technology development, but the call for faster development and new products is also being stepped up in the truck industry.

“The constant competition can sometimes feel really challenging, but, when the results are seen in sales figures and income, it is simultaneously very stimulating,” says Anders Ydergård, SVP Process

& IT at GTT and process manager for Product Development at the Volvo Group.

In 2010, the Volvo Group therefore introduced the RnD30 programme to cut costs and improve efficiency within product development, by reducing lead times and creating a more balanced product portfolio.

**“THERE ARE A NUMBER OF ACTIVITIES** that are critical in a product development project, so, by making them more effective, we can cut the total project time. This is the idea behind RnD30,” explains Anders Ydergård.

The programme has identified a number of key areas for cutting lead times.

“To launch new products in time with the right quality, the right cost and the right features, you

>

need stable products that have been thoroughly tested. The starting point is a verified concept based on mature technology. All the knowledge in the project has to be fed back so that it can be re-used. The product portfolio must be linked to the product strategy and the strategic objectives," says Anders Ydergård.

### So what drives the technology development?

"Right now, technology development is really fast, driven largely by electronics and software. We are following developments by collaborating with our suppliers, for example. It's important to continue developing and acquiring know-how, as well as managing, capturing and re-using the knowledge we acquire," says Anders Ydergård.

As the Volvo Group sees it, it is a question of optimising its product offer, while ensuring that the projects that are run are the most profitable.

"There's constant interaction between the market and society's needs, between the driving force that propels us and ensuring that products can actually be produced. We are making increasing use of simulation rather than testing physical vehicles, thereby reducing lead times and cutting costs."

**THE FINAL PROJECT IN THE RnD30 programme** has now been completed and transferred to the line. Work on improving efficiency and cutting lead times will continue in the different companies and in joint forums like DCP Governance (Develop Product and Aftermarket Product Portfolio), with common tools and working methods. "I sense a growing understanding of the fact that we are operating in a competitive market and that our work must be driven through continuous improvement. We don't necessarily need to work harder, but we must be smarter in the way we work and think differently. We can't simply sit back. We are always chasing a moving target," says Anders Ydergård. ☉



Anders Ydergård emphasises the importance of RnD30 for the Volvo Group to offer its customers a more extensive product range, developed faster and at a lower cost.

## *This is RnD30*

- ▶ Started in 2010, after a pre-study in 2009. The aim was to cut costs and improve efficiency in research and development.
- ▶ The target is to reduce costs in product development projects by 30 per cent. (Lead times are going to be cut by 20 per cent, while the product portfolio will be optimised by 10 per cent.)
- ▶ All the Group's product development divisions have been involved in the project (Group Trucks, Volvo Buses, Volvo Penta and Volvo CE).
- ▶ Important components include managing knowledge, the product portfolio and concepts, lean innovation, verification and tests in different phases.
- ▶ The RnD30 was completed in June 2015 when it was brought to the line in Group Trucks.





"I see many good examples where we have been able to learn from each other"

**PELLE BOKEDAL**

**VP Core Values, Processes and Systems, Volvo CE**

Pelle Bokedal has led the RnD30 programme at Volvo Buses, but he is now working with Volvo CE, which he describes as something of a benchmark within the Volvo Group. Several of the Volvo Group organisations have applied Volvo CE's methods internally. Volvo CE has had a very stable implementation of projects. Between 2012 and 2015 the QDCF metric, which measures quality, delivery, cost and features, rose from 54 to 89 per cent.

"Product quality has also improved, which means in



concrete terms that uptime for our customers has improved. We use the DMAIC\* improvement model both in the field and in production, which means that we can solve problems faster. Naturally, quality is a core value which we should never stop focusing on."

Volvo CE Technology is also working with continuous improvements according to the Operational Development (OD) concept, which has saved over 80 million SEK per cycle over the past two six-month cycles.

"Most importantly: through RnD30 I see many good examples where we have been able to learn from each other within the Volvo Group," says Pelle Bokedal.

**\* DMAIC is a model for improvement projects that are grounded on the 5 phases D (Define), M (Measure), A (Analyze), I (Improve) and C (Control).**

"Cross-functionality is a must for success"

**ELIZABETH HARRINGTON**

**Senior Project Manager, GTT**

"For Group Trucks, the RnD30 programme has resulted in a change of mind-set when it comes to cross-functionality. The engineers, purchasers and the manufacturing side have been working together in the early stages of a project in order to reach stable C releases – the point in the project when it is possible to invest at suppliers and when the plants prepare for industrialisation. "Communication, expectations and objectives – it's crucial for everybody involved to communicate and synchronise expectations and objectives," says Elizabeth Harrington.



To achieve this "the stable C-release checklist" has been used. It describes what each person needs to do to make the C-release stable, helping the team to focus on one common objective.

"Mindset change is never easy. For us in North America, it took a major mindset shift to drive a huge process change. We evolve every day to find the best way to drive cross-functional work without causing meeting overload and to ensure all functions are involved at all levels," says Elizabeth Harrington.

"It is important to obtain as much knowledge as possible early in a project"

**PETER FRANZÉN**

**Chief Project Manager Electric Hybrid, GTT**

"Communication, customer focus and the early involvement of suppliers have been the formula for success for Volvo Buses' electric hybrid project. The project has run in parallel with RnD30 and, along the way, some of the programme's working methods have been adopted.

"Through this parallel approach in the initial stage, we become more confident that what we are developing can really work on a larger scale and we can fix any teething problems. The customers in this case are operators, but they also include politicians, city planners and electricity companies," says Peter Franzén.

The focus has been to achieve what in RnD30 is called a verified concept. This also applies to suppliers, such as Siemens, who supply and install charging stations.

"It is important to obtain as much knowledge as possible early in a project, so we want to involve suppliers who are in possession of a lot of knowledge that we don't have," says Peter Franzén.

Communication within the project has taken place through regular so-called pulse meetings with various stakeholders present. This means following another important RnD30 principle, namely making problems visible by visualising the work flow.

# GOING BIG

At one million square feet, the new Central Distribution Center in Byhalia, Mississippi, is currently the largest parts distribution center in the Volvo Group. It is also the heart of a major restructuring of the Logistics Services parts distribution network in the region.

TEXT JANICE KIZZIAH PHOTOS STEVE JONES





### Linda Brewster:

"Every time I pass a new person, I try to be upbeat," says Linda Brewster, who transferred to Byhalia from the Memphis distribution center. "I'm a representative of this company, and I want people to feel comfortable working here and excited about the job they're doing."



The Central Distribution Center in Byhalia is currently the largest of its kind in the Volvo Group at one million square feet, and there is the opportunity to expand another 250,000 square feet when needed.

#### CENTRAL DISTRIBUTION CENTER - BYHALIA, MISSISSIPPI

- ▷ First parts distribution center owned by the Volvo Group in North America and the largest of its kind in the Group
- ▷ Construction began in April 2014; official grand opening held 30 June 2015
- ▷ 250 employees
- ▷ Located off Highway 72 in Byhalia, Mississippi, approximately 35 miles from Memphis, Tennessee

#### Sustainability Features:

- ▷ Fast-charging stations for battery-powered utility vehicles, with zero environmental impact
- ▷ Thicker walls and ceiling insulation containing crushed stone to maintain even air temperature
- ▷ LED and motion sensor lighting
- ▷ Space available on grounds for future solar panels to generate electricity

**W**HEN LINDA BREWSTER was offered a chance to relocate to the Volvo Group's new parts distribution center in Byhalia, Mississippi, she saw it as a fresh start.

After 20 years as an Administrative Assistant at the Volvo Group's former distribution center in nearby Memphis, Tennessee, Brewster joined the Byhalia Central Distribution Center (CDC) earlier this year as a Shipping and Export Coordinator.

The fast pace of Linda Brewster's new job suits her. So does the Byhalia CDC team spirit that has developed among its 250 employees – including more than 80 people who transferred from other facilities. "The people we're bringing in are enthusiastic, and they want to see us prosper," Linda Brewster says.

Onur Örcün became the Byhalia CDC Director last September after spending four



Onur Örcün

years as the Istanbul CDC Director in his native Turkey. He was immediately impressed by the commitment of the employees in Byhalia. "They want to contribute to something bigger, which for us means getting customers the parts they need to maintain uptime."

While the restructuring represents a USD 70 million investment by the Volvo Group, the expected payoff is high. Reducing the number of facilities and staff, along with consolidating freight shipments, will save on operating costs. Streamlined shipping and receiving for all parts will mean faster and more accurate parts deliveries to customers.

Faster delivery was one of the reasons the project team chose tiny Byhalia, population 1,300, as the location. It is about 35 miles southeast of Memphis, where several US interstate highways intersect. The Memphis airport has a FedEx hub, so dealers who place late orders can have them shipped the same night. An intermodal facility with rail connections is only minutes away from the Byhalia Center, across Highway 72.

On 30 June, Volvo Group colleagues from across North America and Europe came together to >



*Rhonda and David Atkins:*

Husband and wife David and Rhonda Atkins transferred to the Byhalia CDC in January from the Jacksonville, Florida, distribution center. "It's good that we have people from different locations coming in," Rhonda says. "It helps you to grow and learn." David is pleased that the management team encourages feedback from everyone. "When I first came, Onur gave me his email address and told me to let him know what I thought about the new operation," he says.



## Richard Green:

Richard Green was among the first employees from the Memphis distribution center who transferred to the Byhalia CDC last November. "When we get everything moved in and set up, it's going to be good down here in Byhalia."



## Jimmy Bowens:

"We're taking the best ideas and combining them into this facility," says Jimmy Bowens, who moved to Byhalia to work in operations after 16 years at the Memphis distribution center. "We want to get faster and stronger to serve the customer better."



celebrate the official opening of the Byhalia CDC. It is at the heart of a long-awaited restructuring of parts distribution in North America. For the first time, all fast-moving and medium-moving parts for Mack Trucks, UD Trucks, Volvo Trucks, Volvo Construction Equipment and Volvo Penta have been brought together under one roof.

The Volvo Group's existing parts distribution center in Columbus, Ohio, is being downsized and will handle all slow-moving parts, or those that sell less than four times a year. As part of the consolidation, three distribution centers have closed, including the Memphis facility, and six smaller distribution centers will distribute parts to dealers in Canada, Mexico, the U.S. West Coast and other regions.



Marcus Avenstam

Marcus Avenstam, previously the Director for Logistics Development in North America, has been involved in the restructuring plans from the beginning. "The Volvo Group had grown through acquisitions, inheriting additional parts distribution centers, and consolidating the inventory would streamline the operation and save money," Avenstam says.

He became Project Manager for the Parts Restructuring in Supply Chain Management, Americas study and implementation (PRISCMA) in 2013. Since

then, Avenstam and the project team have managed the design and construction of the distribution center in Byhalia. "Building the new distribution center has been the easiest part," Avenstam says. "Executing all the moves, closing facilities, asking people to move, that's much more complex."

The team is now looking forward to seeing the Group's investment pay off through faster, more efficient and more cost-effective parts distribution for all Volvo Group brands in North America. The new Byhalia facility is critical to the strategy.

"The intent is for the Byhalia distribution center to be the benchmark in terms of layout and sustainability features, but also the people and processes," Avenstam says. "We're aiming to be the best of the best." ☉

### PRISCMA PROJECT - QUICK FACTS

- ▷ Establish one central distribution center for fast-moving and medium-moving parts for all Volvo Group brands in the US and a second distribution center for slow-moving parts
- ▷ Close three distribution centers: Memphis (Mack and Volvo truck brands), Atlanta (Penta) and Dallas (UD Trucks)
- ▷ The existing Chicago, Baltimore and Jacksonville distribution centers converted to smaller regional operations

- ▷ All Canadian parts distribution moved to Toronto

#### Benefits

- ▷ Reduced inventory
- ▷ Lower facility costs
- ▷ Consolidated freight transport
- ▷ Reduced staffing costs
- ▷ Improved logistics for international shipments
- ▷ More flexibility for delivering emergency shipments



# A STRATEGY AGAINST COPYCATS

Piracy is a continuous threat to the Volvo Group, but a new strategy is designed to better protect Intellectual Property (IP).

TEXT  
NIC TOWNSEND

PHOTOS  
SÖREN HÅKANLIND  
& ANNA TÄRNHUVUD



Volvo FL  
 I-Sync I-See Magnum  
 Quester Titan by Mack TerraPro  
 Bulldog Emergency Fuelwat  
 Volvo FH brake Condor  
 Volvo Action Service Muzzle Load  
 Volvo FMX

**I**F LEFT UNCHECKED, piracy can cause irreversible harm to the whole Volvo Group. Counterfeit parts and infringements can quickly damage a brand's reputation and lead to lost customers. They undermine aftermarket businesses and negatively impact the Volvo Group's profitability. Significant resources are invested in product development and marketing, to ensure each brand represents a high level of quality and performance, and Intellectual Property (IP) rights are vital to protecting this investment.

In the battle to protect the integrity of the Volvo Group's brands, Volvo Group Intellectual Property (VGIP) is equipped with an extensive portfolio of IP rights including patents, designs and trademarks. However, the battle is global in scope and is being fought on multiple fronts.

"At a recent trade show in Istanbul, we found 71 different exhibitors, each with at least one infringement," says Niels Lagerkvist Lehmann, Trademark & Design Counsel, VGIP.

"Since there are so many, we have to prioritise and choose which to act upon," adds Susann Vahlenbreder Hecht, Senior Legal Counsel IP and Head of VGIP Trademarks, Designs & IP Enforcement. "We have to decide which are the most serious cases."

So what makes one case more serious than another? Are some IP rights more important to protect than others? It is questions like these and a number of other aspects that have led to the development of a new IP strategy, for the Volvo Group. "Previously, we had no common methodology when it comes to IP strategy," says Anna Bjerkelund, SVP Legal & Group IP, GTT. "With this new strategy, we have now aligned IP protections and other IP work with our overall business plans. In the current Group IP strategy the new methodology has been applied in certain pilot areas, but over time the IP strategy will cover all our products and main technology areas."



"Taking action is not optional. We invest a lot in developing new technology, so we need to enforce our IP rights."

NIELS LAGERKVIST LEHMANN, TRADEMARK & DESIGN COUNSEL

By syncing IP strategy with commercial strategies, the Volvo Group will be able to ensure that IP activities are concentrated in the right areas and the protection is focused on what is commercially most valuable. "We shouldn't measure the number of IP protections," adds Anna Bjerkelund. "We need to focus on quality and not quantity when it comes to registering and protecting IP rights."

**PLAN, CREATE, EXTRACT** – this is how Henrik Olsson, Global IP Director and Head of VGIP – Patents & IP Strategy, summarises an enhanced way of working based on the new strategy. "The first step is to plan and acquire a strategic view, so that our IP strategy is

“The new IP strategy will help us identify which IP rights are most valuable and which infringements we should act against.”

SUSANN VAHLENBREDER HECHT,  
SENIOR LEGAL COUNSEL IP

dependent on our other strategies, such as the Volvo Group Technology Plan, market plans and business plans,” says Henrik Olsson. “The second step is to then put the resources in place to create the IP rights we need and, finally, we have to ensure we are using those rights to extract value.”

**ONE IMPORTANT WAY** to extract value is by enforcing IP rights. This includes forcing a violator to cease and desist from further commercial exploitation, seizing infringing goods or claiming damages – all done in collaboration with local authorities and through litigation in court. Every year, the team at VGIP – Trademarks, Designs & IP Enforcement – receives countless reports of infringements from across the globe and it is up to the team to support the investigation and subsequent actions. In addition, they also visit the industry’s main trade shows and exhibitions and actively seek out offenders.

“When we get a report, we have to assess whether or not we should act upon it, and which action to take,” says Susann Vahlenbreder Hecht. “This will be easier with the IP strategy, since it is intended to help us identify which IP rights are important for creating value for the Volvo Group.”

The Volvo Group’s brands are distinguished in their respective industries and each represents a unique and strong asset, so each has different priorities when it comes to IP rights. “VGIP treats all brands equally and, together with Brand Management, we ensure that

the various brand distinction strategies are reflected in the various brand IP portfolios,” says Niels Lagerkvist Lehmann. “For example, Mack Trucks has certain highlighted parts that are brand distinctive from a visual perspective, while Volvo

#### VOLVO GROUP IP PORTFOLIO – THE NUMBERS

10,000 patents  
2,500 design protections  
2,000 trademarks



Can you spot the fakes? Susann Vahlenbreder Hecht and Niels Lagerkvist Lehmann show off a mixture of genuine and counterfeit parts.





Volvo FL  
I-Sync I-See Magnum  
Quester Titan by Mack TerraPro  
Bulldog Emergency  
Volvo FH brake Twin Y  
Volvo Action Service Muzzle Load  
Dynafleet Volvo FMX  
I-Park cool Volvo  
Dynamic Steering

Trucks has other parts. This helps us prioritise when evaluating cases.”

Having an IP strategy is also important for building a long-term view of which IP protections create value. “Many design registrations are unexamined rights, meaning that they can only be validated in a court case,” adds Lagerkvist Lehmann. “The outcome of a possible court case will guide us so that we know for the long term what we should be protecting in the future.”

AS LONG AS THE VOLVO GROUP continues to boast renowned brands and industry-leading products, it will be targeted by pirates. However, the new IP strategy is an important first step in ensuring that efforts to combat piracy are co-ordinated and optimised for maximum protection. ☉

## IP value models

All Intellectual Property (IP) protections need to create value for the Volvo Group and, as part of the new IP strategy, all applications for IP rights need to fit into one of the following IP value models.

- ▷ **PRODUCT EXCLUSIVITY** IP protection for maintaining brand differentiation and preventing competitors from producing copies.
- ▷ **AFTERMARKET EXCLUSIVITY** IP protection for parts against counterfeiters in order to secure the spare parts business.
- ▷ **LEVERAGE** IP protection that secures knowledge and control of technology in relation to third parties, such as suppliers.
- ▷ **LICENSING** IP protection that enables the Volvo Group to license technology and generate licensing revenue.
- ▷ **LIBERTY** IP protection that ensures that the Volvo Group is not hindered by competitors' IP portfolios.

# SPARKING IMPROVEMENTS

Volvo CE's plant in Pederneiras, Brazil, has successfully combined the two systems for continuous improvement: OD and VPS. "They complement each other, covering both hard and soft results," says Plant manager Wladimir Garcia.

TEXT  
LOTTA BÄVMAN AND JOANNA GAŁCZYŃSKA

PHOTOS  
PAULO FRIDMAN





**T**he Pederneiras plant started working with the Volvo Production System (VPS) in 2007 and has since added a number of tools and programmes. Combining VPS with Operational Development (OD) is seen as crucial.

“Here in Pederneiras, both OD and VPS contribute to developing the culture of continuous improvement, teamwork, focus and efficiency,” says Luis Rossini, fabrication engineer and OD team leader.

A new Andon system, a tool used to support lean manufacturing, is one of the recent improvements at the Pederneiras plant. Using a set of colour-coded lights, employees can alert colleagues to problems, calling for help when necessary.

The system was developed internally using existing technology and has resulted in reduced costs and more efficient communication on the shop floor.

“Time is money and the Andon system is good for detecting and troubleshooting. It allows us to identify problems and solve them quickly and hopefully for good! It also helps us improve our processes and facilitates communication between the leadership and the shop floor,” explains Pedro Paulo, excavator welder.

**THE SUCCESSFUL USE OF THE NEW** Andon system was one reason the plant in Pederneiras scored so well in the most recent assessment of how it is implementing the Volvo Production System (VPS). In an audit in December 2014, its score rose from 2.3 to 3.1, making it one of the five most high-performing plants within the Volvo Group.

The plant also uses operational programmes such as process stability and production levelling to improve consistency and workflow. Quick Response Problem Solving (QRPS) and the First Time Through (FTT) are also important tools at hand.

In addition, the Pederneiras plant has developed some programmes of its own, like the Factory of Ideas and the Improvement Hour.

“Through the Factory of Ideas programme last year, each employee implemented 13.5 improvements on average in the factory, hitting a new record,” says

Plant manager Wladimir Garcia.

The Gemba Walk 'Improvement Hour' is a weekly event in which the management team visits specific areas on the production line. The team members present the improvements and positive findings of their own specific areas to the leadership. "However, it is vital that people don't feel monitored, so we created a constructive feedback system where people can only coach and not criticise. It's important to give employees recognition for their achievements," says Wladimir Garcia.

The Pederneiras plant is championing middle-management development with managers conducting workshops for their respective areas, where both success stories and difficulties are shared. The role of management is to help the teams find their own solutions, but responsibility remains with the team.

"Feedback is very positive," says Ligia Cappelli, internal communication co-ordinator at the Pederneiras plant. "People feel recognised for their work. It has also increased people's understanding of their role in the organisation – opening people's eyes to improvements and creating visibility."

The culture of learning from others also contributed to the good VPS score. At Pederneiras, inspiration is found both within the Volvo Group and elsewhere, where lean principles have been successfully implemented.

"What has been the biggest eye-opener is that everybody at the Pederneiras plant is so



To Communication Co-ordinator Ligia Cappelli, it is very important that people feel recognised for their work.

passionate about what they do and that is the best achievement," says Wladimir Garcia.

**BASED ON THE** results of previous VPS assessments, much effort has gone into creating strong employee engagement and a widespread feeling of ownership and responsibility.

"By giving our employees an important role to play, we create a favourable working environment, which translates into excellent results both when it comes to VGAS engagement and for the business," says Wladimir Garcia. ☺

## What can we learn from Pederneiras?

**CHRIST DE BAERE, HEAD OF OD/VPS VOLVO GROUP:**



**"MANAGEMENT HAS** paved the way for people involvement by combining the OD and VPS systems.

At sites with a good continuous improvement system we see a good correlation with better VGAS results for employee engagement, as well as an improved business result.

There is also a willingness to change and to learn from others at Pederneiras. It's extremely important as everyone has something to learn, we have significant experience that can be used in the Volvo Group."

### **What are the key challenges for the OD/VPS Group function?**

"In the coming years we will focus on implementing the combined OD/VPS framework. It's a perfect mix with the OD focus on people engagement, leadership, direction setting and change management coupled with VPS delivering a better performance and using lean practice. The new, combined, system focuses on having an impact on the business and bottom line results. Working with continuous improvement, there is a clear link to creating value for the customer via quality improvement and lead-time reduction, as well as less internal waste."

LOTTA BÄVMAN

### **THE GROUP FUNCTION OD/VPS**

▷ The Group Function OD/VPS (Operational Development and Volvo Production System) provides the Volvo Group with the right ingredients to work on continuous improvement.

▷ Focus is on both soft skills (like culture and leadership) and hard skills (like structures and tools).

▷ The Group function consists of 28 people who are globally spread and who support different organisations in the Volvo Group.





Dario de  
Godoy



**LUIS ROSSINI - FABRICATION ENGINEER,  
OD TEAM LEADER:**

"Our site has used the OD structure and strategy to get the results and develop innovative solutions by putting VPS tools in place. The OD culture also helped us to improve efficiency on projects and daily activities!"



**RODRIGO ESTÁBILE -  
CENTRAL MARKET/STOCK:**

"Kanban, 5S, Poka-Yoke, Standardized work, Kaizen and Andon are part of my day. I always have a piece of paper with me to write down all the improvement opportunities I find during my workday."



Wladimir  
Garcia

**DARIO DE GODOY -  
TEAM LEADER ARTICULATED  
HAULERS ASSEMBLY LINE:**

"The OD programme brings focus and discipline so that we can devise and implement strategic improvements that will bring us many benefits. VPS, in turn, is the structure and the toolbox that allows us to achieve incredible results."



Pedro Paulo



# VOLVO POLSKA – A TOP EMPLOYER

An innovative trainee programme is attracting new talent to Volvo Polska. But mentoring and development opportunities at work are also factors that explain why this is one of Poland's most popular employers.

TEXT TADEUSZ RAWA PHOTOS ADAM LACH



Łukasz Wieloch and Marta Zbanyszek have chosen to work at Volvo Group in Poland because of strong development opportunities there.



**M**ARTA ZBANYSZEK HAS only worked at Volvo Polska for around a week. She has just become the junior HR administration specialist at Americas & Global Deliveries department, which handles personnel matters for the Volvo Group in the United States. Prior to this, she had a two and a half month long internship in the HR department at the Volvo Buses plant in Wrocław. She felt that she wanted to stay within the Volvo Group – and this is exactly what she did.

When describing what makes a good employer, Marta says that all company employees must be met with the same respect, no matter what they work with. There should also be opportunities for development and a good atmosphere in the workplace.

“As an intern, I was the lowest in the hierarchy, but I was treated with the utmost respect from the start. I have worked with some employers before this but this was the first time I had experienced such a thing,” says Marta.

Every year, 60-80 people join the Volvo Group's trainee programme in the Polish city of Wrocław.

“We are working closely with a number of colleges and universities in the region,” explains HR Manager Bożena Michońska.

**THIS IS ESPECIALLY IMPORTANT** as there is competition for specialists in the economically strong Wrocław region. The Volvo Group needs to stand out and has so far succeeded in doing so. Volvo Polska can in fact boast about having received the prestigious Top Employers award for the sixth consecutive year.

“Many people apply for an internship with us, not least because approximately half the 60-80 trainees we take in each year are offered a job afterwards,” says Bożena Michońska.

Being an intern at the Volvo Group is a question



Bożena Michońska (centre)  
chats with Sławek Kołodziejki  
and Agnieszka Solecka.

“We are working closely with a number of colleges and universities in the region.”

**BOŻENA MICHONSKA**

of not just developing skills but also understanding what constitutes the Volvo Group's culture. When she recruits, Bożena Michońska does not simply look at a person's formal skills.

“A super specialist that is too individualistic and who does not share our values would not have much of a chance of getting a job with us, even if that person had good formal qualifications,” says Bożena.

Volvo Polska is also implementing several programmes helping employees develop in the workplace, which is something Łukasz Wieloch really appreciates. He has worked at Volvo Polska for three years, one and a half of which were spent as head of a department which managed personnel matters in different parts of the Volvo Group in Sweden.

**ŁUKASZ SAYS HE WANTS** to make the most of the development opportunities available at Volvo Polska. Among other things, he has gained a mentor, through the much-appreciated mentoring programme.

“Under the guidance of an experienced supervisor, you can learn about and become familiar with areas other than those you are currently working in. This offers a broader perspective and perhaps a chance to discover something that you would like to switch to. >

#### **VOLVO POLSKA**

**Head office: Wrocław**

**Number of employees: approx 3,000.** The vast majority, 2,500, work in Wrocław, 1,300 of them within the manufacturing of buses. In addition, there are corporate function centres – Corporate Process & IT, Accounting & Company Control and HR Services.

**History:** the Volvo Group has been established in Poland since the 1970s. The production of buses started in 1996 in Wrocław and is today the home of Volvo Buses' largest plant in Europe, producing city buses, intercity buses and coaches.



“We are dealing with other cultures, laws and time zones, providing fantastic opportunities for the exchange of expertise.”

MARTA ZBANYSZEK



Competition for talent is fierce in the Wrocław region, but the Volvo Group is working closely with local universities.

This facilitates flexibility and mobility within the company,” says Łukasz.

He has also participated in the ‘Exploration of Emerging Leaders’ programme, which he really liked.

“It was something new, so at first I was a little unsure, but it turned out to be an amazing experience. A group of young people coached each other, got to know each other and shared their knowledge and experience, in preparation for future leadership roles.”

Both Łukasz Wieloch and Marta Zbanyszek emphasise how important it is to develop interpersonal skills. They have many contacts with colleagues in other countries, mainly in Sweden and the USA.

“The documents we work with are clearly the same within the whole Volvo

Group, but it is important to interpret them correctly. We are dealing with other cultures, laws and time zones, providing fantastic opportunities for the exchange of expertise,” says Marta Zbanyszek.

**THE VOLVO GROUP, INCLUDING** Volvo Polska, is in a transformation period with several structural changes, one of them being the discontinued production of Volvo CE backhoe loaders in Poland, affecting approximately 150 employees. Being a good employer involves trying to support people in finding new jobs.

“When other employers in this region heard the news, we started receiving calls from other companies interested in hiring our staff. This is definitely a recognition of how skilled our employees really are,” says Bożena Michońska. ☺

#### TOP EMPLOYERS

► The Top Employers Institute is an international certification for employers meeting extremely strict standards. Volvo Polska has received its award six times, most recently in 2015.



PHOTO: NICKIE JOHANSSON

## Four generations in New River Valley

When Eric Thornsberry Jr. started working at the New River Valley Plant in 2014, he was the fourth generation of his family to do so. "It already feels like home," says Eric Jr. "It's still work but most days you have a good time doing it."

Eric Thornsberry Jr.'s great-grandfather first joined the plant in 1975 when it was the White Motor plant in Dublin, Virginia, starting a family tradition that has lasted 40 years. Today, Eric Jr.'s father, Eric Thornsberry Sr., is a Team Facilitator on the engine line and Eric Sr.'s two brothers also work at the plant. "This has always been a good place to work," he says. "Your opinion matters here and, as a facilitator, I have input into how the work is done."

In 2013, Eric Sr.'s wife Ellen Thornsberry joined the NRV Plant as a flat top kitter. She had held several other jobs in the automotive industry before joining the company but she says the Volvo Group stands apart. "Everyone is treated the same, regardless of your age, or gender or the kind of work you do. It's one of the best things about working here."

Second-generation New River Valley Plant-worker Homer Thornsberry has now retired after 31 years of working at Dublin plant. He himself originally signed on to work at the plant in 1977, through a recommendation from his father-in-law. He is proud that new generations of his family are also part of the Volvo family. "This company gave me the life I've had and made me who I am today," he says.

JANICE KIZZIAH

Eric Thornsberry Jr. (front) is the fourth generation in his family to work at the GTO New River Valley plant. Behind him stand his parents, Ellen and Eric Sr. His grandfather Homer (back) has now retired.

# 4

## QUESTIONS TO CAROLINE FRANSSON

Digital Brand Director – Portfolio Brands and member of the Volvo Group's Mobile Core Team

Mobile Core Team has a clear mission: to align all mobile activity within the Volvo Group. "Mobility is more than a buzzword – it is a global revolution that we simply have to join forces to capture," says Caroline Fransson.

### 1. Why is there a Mobile Core Team?

"Mobile devices, including smartphones, tablets and wearables, are globally taking over from laptops and computers as the preferred way to research, purchase and interact. A wide range of different mobile services are available today and more keep coming, including many from the Volvo Group and its different brands. The Mobile Core Team was created to provide a central hub for co-ordinating mobile activity, which will only continue to grow in the coming years."

### 2. What opportunities does mobile technology offer?

"On one side, business opportunities are being created by all the data that is acquired through connectivity, which can be translated into improved knowledge of our products and

how they are used. Mobility is already improving our services by enabling customers to optimise total cost of ownership, find dealers and obtain operating instructions on the go, to name just a few examples. On the other side, there are also opportunities to optimise our own internal operations, by enabling colleagues to perform tasks, access real-time information and interact with each other, whenever and wherever. Regarding opportunities, we could go on and on!"

### 3. Why is co-ordination needed?

"At the moment, we have quite a scattered approach across the Group. Great mobile initiatives are launched, but we think these can be further leveraged and increased collaboration can optimise usage. For example, there are around 200 mobile apps published for one of

our brands. How will customers know which one to download? Each brand, function and process is naturally responsible for setting and executing its own mobile roadmap, but through consistent and cross-functional co-ordination, we can be far more efficient, provide greater user experiences and decrease time to market."

### 4. What can the Mobile Core Team offer?

"Our mission is to work proactively as a business partner within the Group in the mobile context. We provide guidance about various topics, from brand experience aspects to publishing standards, as well as mobile intelligence on trends and user behaviour. The team consists of specialists and experts from various business entities and corporate functions and is headed by the IT Services Solutions Delivery Unit.

NIC TOWNSEND





PHOTOS: CHRISTER EHRLING

To find out more,  
search for mobile  
core team on Violin.



## Dhruvajit draws a crowd

When Dhruvajit Sarma started drawing cartoon strips for the newsletter produced by his Volvo Group department in Bangalore, India, his colleagues quickly got the message and he has now become something of a local phenomenon.

### What got you started on using illustrations, cartoons and logos in your working environment?

"The 'Phantom' and 'Mandrake the Magician' comic strips that used to feature in the local daily newspaper during my childhood days still inspire me to this day. I was a part of a school magazine committee too.

However, the inclination to use cartoons and logos only increased after I completed my Master's in Business Administration, wherein I studied Brand Management in great detail. The concepts behind logos, cartoons and advertisements are so fascinating. And, ever since, I have never missed an opportunity to work on them."

### Where and how were your cartoons first published?

"The name of the newsletter that publishes them is 'In Touch In Tune: SAP India Newsletter'. It is published within the India SAP Department. A few months ago, the idea of including a cartoon strip was considered in order to increase readability. It has been the motivation from the Department Manager and Line Managers that has kept the flow of cartoons going."

### What is the philosophy behind your illustrations?

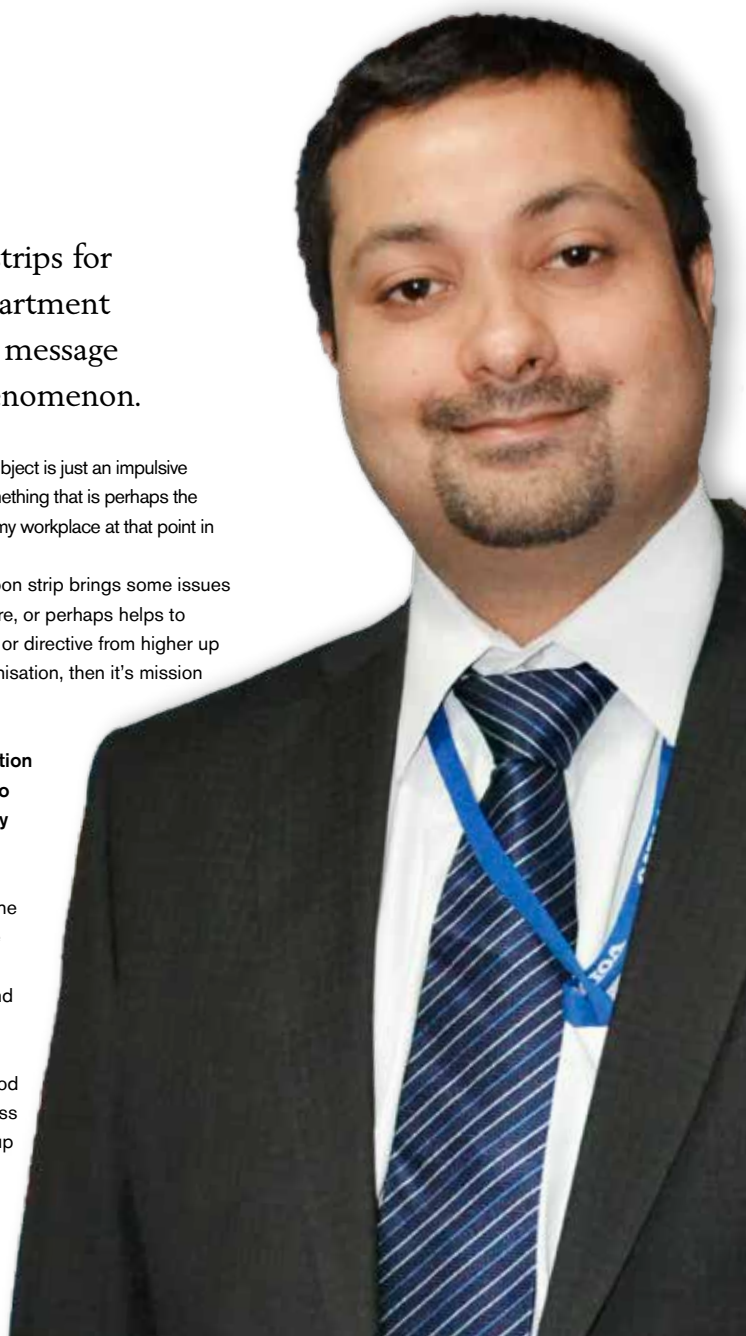
"Most of the time the subject is just an impulsive decision. I try to depict something that is perhaps the focus of much attention at my workplace at that point in time.

Sometimes if my cartoon strip brings some issues and discussions to the fore, or perhaps helps to communicate a message or directive from higher up to other parts of the organisation, then it's mission accomplished for me!"

### What has been the reaction of colleagues/readers to your work in the monthly newsletters?

"So far I haven't faced any opposition to any of the illustrations and they have received their due credit. There is a little truth behind the sarcasm and a little information behind every humorous line. It feels good when I hear people discuss the comic strips over a cup of coffee."

ALASTAIR MACDUFF







"BOLBO BHARAT KARYALAY is the name I use to show the inside of the office in my illustrations. BOLBO is used for VOLVO, BHARAT is a synonym for INDIA in Hindi and KARYALAY is a Hindi word meaning OFFICE. So, together, BOLBO BHARAT SAP KARYALAY in place of VOLVO INDIA SAP DEPARTMENT."

DHRUVAJIT SARMA

Age: 33

Lives: in Bangalore, India

Work: has worked at Process & IT since December 2011. Joined as a Senior Solution Consultant in the SAP CRM Area and was promoted to become an Assistant Manager last year. Currently working with the SPM Project for Trucks EMEA and NA.

JESSICA BAI

## "Strong roots and a diversity of leaves"

**I** FEEL THAT A COMPANY culture is the DNA or the soul of the organisation. Personally, I think that the Volvo Group's culture is very inspiring, attractive and unique. It is a bit like glue – it keeps people working very closely with each other. The glue has various ingredients: trust, respect, passion, seamless co-operation, friendliness, openness, energy, humour, fun, result driven, creativity, diversity, accountability, happiness...

Everyone knows that the Volvo Group is a global matrix organisation. To work towards the goals and objectives quite often requires us to work with people from different countries, different global functions, divisions and business areas. Sometimes we have opportunities to meet with other colleagues in person when we work together and it's also quite often that we do not have the opportunities. Even though we may have worked together for years through email or Lync, we may not even know what the other person looks like. The person on the other side of the Lync meeting may be of different nationality, ethnicity, age, religion, lifestyle and in a different time zone, but that does not block smooth communication. What enables us to have this smooth communication and seamless co-operation is our common core values.

**IF I TAKE A TREE AS A METAPHOR** for a company, the roots of the tree are like the company's culture; the trunk of the tree is like the company's strategy, objectives and operations; the branches are like small teams and the leaves are like people. If the roots are very strong, positively positioned and deeply grounded in the earth, the trunk of the tree is normally very strong and has the potential to grow to be very tall. It is very important that the company culture and strategy are fully aligned.

Each leaf is unique, different in colour and shape. The diversity of leaves makes the tree more lively and beautiful.

Personally I feel that the Volvo Group culture is very well aligned with most people's core values, it unites us to work closely with each other. In the meantime, it also enables diversity and appreciates and respects the unique colour and shape of each leaf.

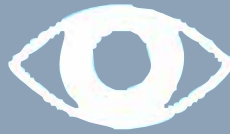


Jessica Bai

Talent Management & Competence  
Management Director, Staff & Support  
Functions, Volvo Group in China



**STOP**



**LOOK**



**WAVE**

As a company committed to safety, the Volvo Group has decided to work on raising children's awareness of how to behave safely in traffic through a global campaign. It is based on three vital ingredients; Stop, Look, Wave.



PHOTO: JONAS TOBIN



Carl Johan Almqvist, Global Director of Safety for Volvo Trucks, conducts a traffic safety training at an elementary school in Gothenburg, Sweden.



Scan the code to read more about the campaign

**VOLVO**