



Honeywell Operating System (HOS) at FM&T

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October 2014



“Live and Embrace HOS / Accelerating Enterprise Wide World Class Performance”



HOS Is An Integrated System Built on Six Sigma Foundation to Drive Sustainable Safety, Quality, Delivery, and Cost Improvements In Our Operations

- A broad application of Lean and Six Sigma tools against a construct of:
 - Cleanliness; Orderliness; Visual Management
 - Standardized work; Rapid Problem Solving
 - Continuous improvement through Employee Engagement
- Organization Development focus ensures sustainability

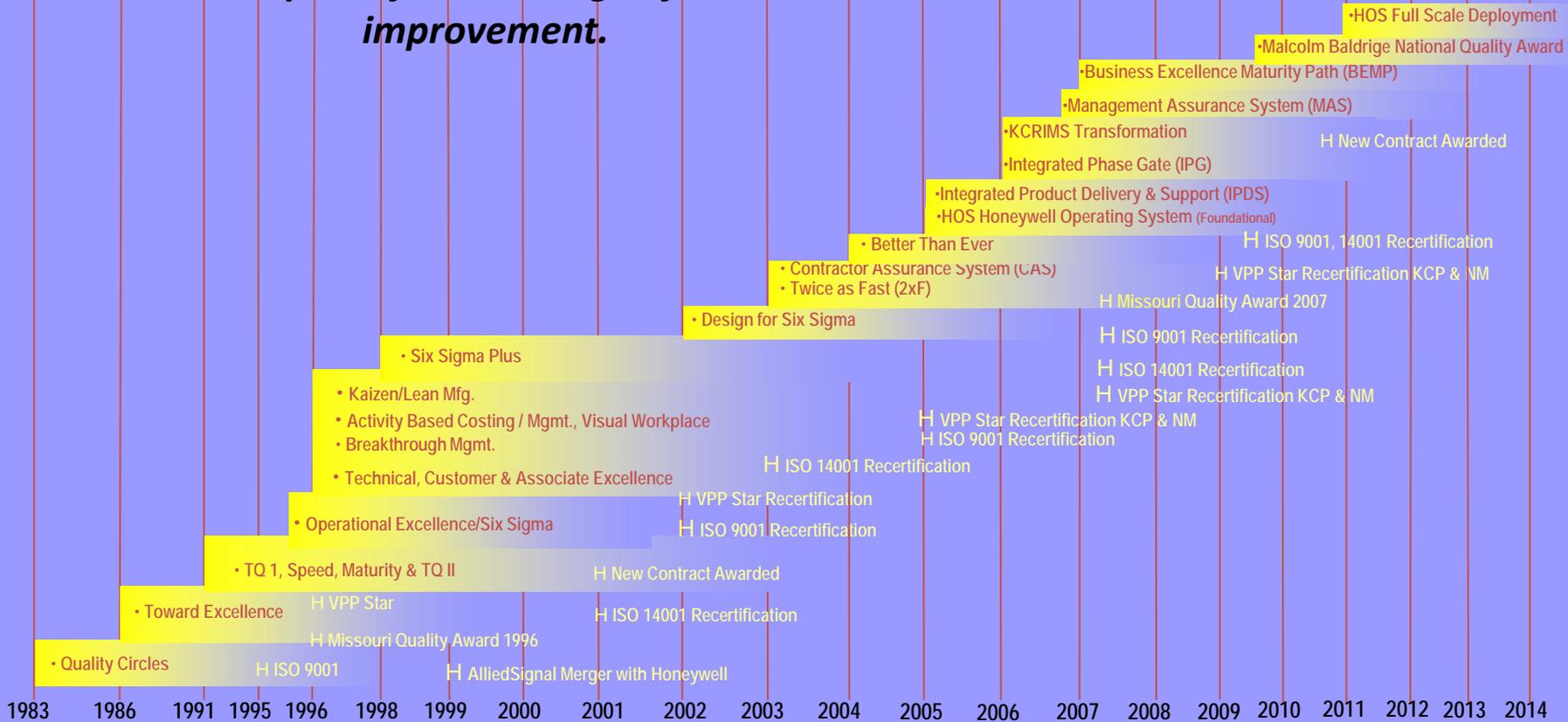
Building A 20 Year Competitive Advantage

HOS Defined:

- **A comprehensive, integrated business approach to drive sustained exceptional performance in key business metrics**
- **Provides an enabling organization structure, management systems, and leadership roles / responsibilities. Not just a “tool set”**
- **Drives accountability at all levels of the organization**
- **An enabler and a differentiator for our business**
- **Foundation is employee engagement / continuous improvement**

HOS – Integrates Safety, Quality, Delivery & Continuous Improvement

Honeywell Operating System (HOS)...It's how we work...and part of our heritage of continuous improvement.



HOS - Continuous Improvement Journey

What's in it for me?

All Employees

- Have more say in how work is done
- Daily feedback on performance of you and your team
- More control of your work and your work environment
- Clear expectations

Managers

- Know in a glance what's going on with the process
- Emphasize the coaching role

Customers

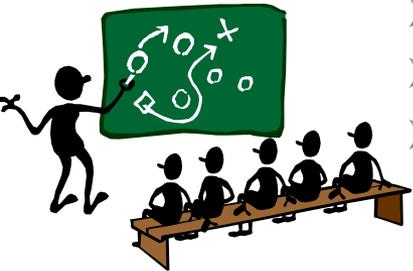
- Know who is responsible for what and where to get information
- More ownership from processes relied upon for a product or service

HOS integrates employee, leadership and customer needs

What is my role as an employee?

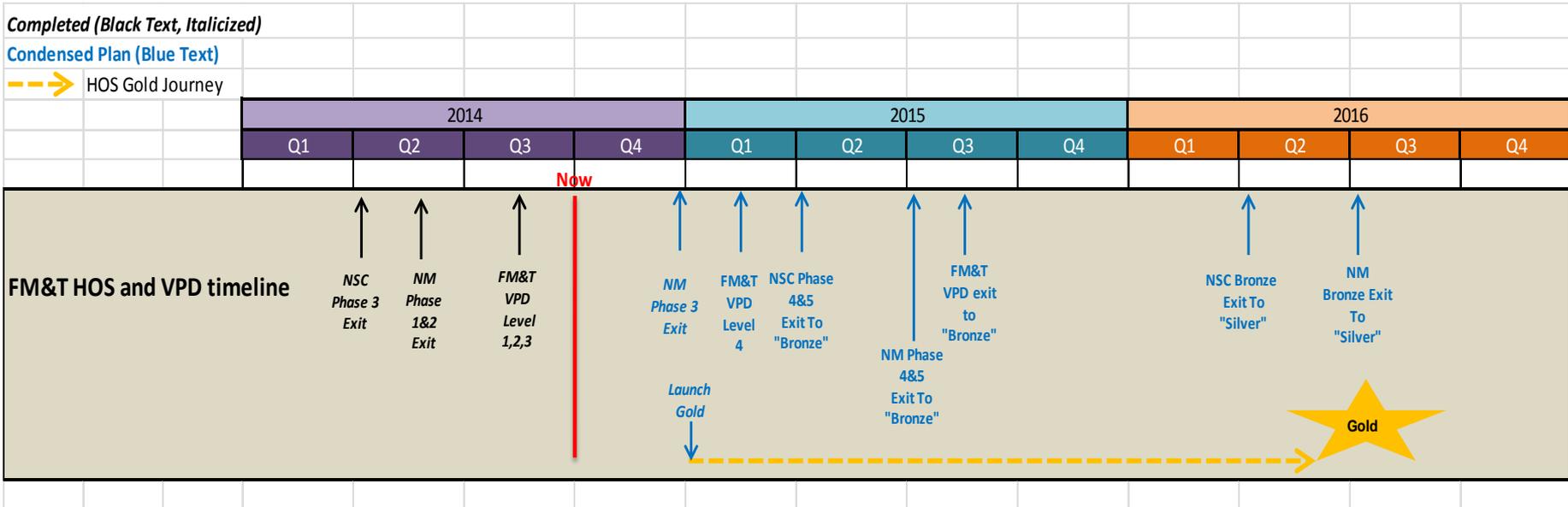
- **Be engaged:**

- Be accountable for individual and group performance
- Support identifying and executing actions driving our performance vs. goals
- Join a Continuous Improvement (C/I = kaizen) team
- Lead a kaizen team
- Use HOS Tools:
 - Submit Continuous Improvement suggestions (C/I's)
 - Rapid Problem Solving (RPS)
 - Visuals (Tier Boards, other boards, kan-bans, etc.)
 - 5s
 - Standard Work
 - Leader Standard Work



HOS creates employee 'engagement' opportunities

HOS Maturity

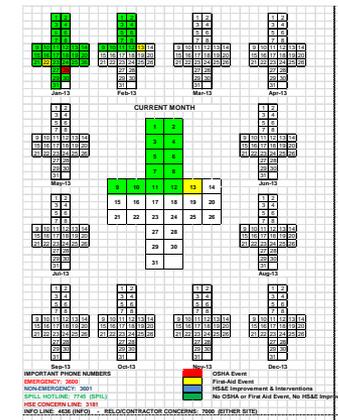


HOS assessment process assures maturity of system

Visual Workplace:

- Helps simplify, clarify, highlight, and separate the normal from the abnormal conditions in our workplace
- Drives the workplace to be:
 - Self-Explaining
 - Self-Cleaning
 - Self-Regulating
 - Self-Improving

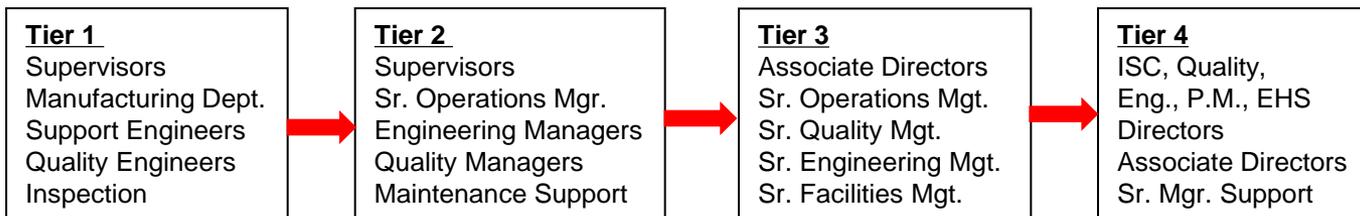
2014 Plant Safety Cross



Tier Meetings:

Goal: A simple standardized Tiered Accountability process leveraging engaged teammates, evaluating the health of our business, and escalating risks and issues to obtain needed support.

- **Tier Meeting Focus – SQDIC:**
 - Safety
 - Quality
 - Delivery
 - Continuous Improvement



HOS Tier Meetings enable info sharing, issue management/escalation and continuous improvement

- **Safety performance**
 - National Safety Council, ‘Campbell Safety Award’ finalist
 - Honeywell Aerospace HS&E Excellence Award (Large Site)
 - National Safety Council “Perfect Record” Award - 12 consecutive months without an occupational injury or illness that resulted in days away from work or death
 - National Safety Council “Significant Improvement” Award
 - FM&T OHSAS 18001 Certification – Complete 2014
- **Quality performance**
 - PPM performance at 258
- **Delivery performance - Consistent performance at 99.9%**
- **Continuous improvement / engagement**
 - Suggestions up from 155 per month to 460

HOS an ‘Operating System’ focused on SQDIC