SCANIA PRODUCTION SYSTEM

THE FOUNDATION OF SCANIA’S GLOBAL HEALTH PROMOTION WORK

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The world of Scania

Production units

Sweden
Brazil
Netherlands
Argentina
France
Poland
Russia
The world of Scania

Production units
- Sweden
- Brazil
- Netherlands
- Argentina
- France

Sales & Service units
- 1,000 sales points
- 1,500 workshops
- 32,000 persons
- More than 95% parts availability
- Round-the-clock assistance

Production units
Sales & Service units
The road to 150,000 vehicles
SCANIA PRODUCTION SYSTEM

Continuous improvement

Right from me

Priority
1. Safety/Environment
2. Quality
3. Delivery
4. Cost

Consumption-controlled production

Normal situation – Standardised working method

<table>
<thead>
<tr>
<th>Standardisation</th>
<th>Takt</th>
<th>Levelled flow</th>
<th>Balanced flow</th>
<th>Visual</th>
<th>Real time</th>
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</thead>
<tbody>
<tr>
<td>Customer first</td>
<td>Respect for the individual</td>
<td>Elimination of waste</td>
<td></td>
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</tbody>
</table>

LEADERSHIP
Heritage within manufacturing industry

80%

The executing organization (Blue collar)
- Fastening screws
- Push buttons
- Move material from A to B

20%

The thinking organization (White collar)
Decides upon the working method and controls the executing organization
SPS – Improvement group

The executing organization
(Blue collar)
Is responsible for the development within their working area

The thinking organization
(White collar)
• Trains the improvement group in SPS
• Works with tasks assigned by the improvement group
Improvement Group

The most important brick within the organization

- Decision forum
- Process owner
- Problem owner

Responsibility & Authority

- Product
- Vice PC/SPS
- PC - Production coordinator
- Stoptime/Flow
- WE/ Ergonomics
- Material
- Quality
- Maintenance
- Method/flow
PRINCIPLES

METHODS

RESULTS

VALUES

A WAY OF THINKING....

A WAY OF DOING THINGS......

......WHICH LEADS TO THE RESULTS

PRINCIPLES

METHODS

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......WHICH LEADS TO THE RESULTS
HEALTH AND WORK ENVIRONMENT POLICY

Health and work environment activities shall be based on the Scania Health Principle.

<table>
<thead>
<tr>
<th>Organization</th>
<th>Promote and develop</th>
<th>Prevent risks of ill-health</th>
<th>Cure and rehabilitate</th>
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</thead>
<tbody>
<tr>
<td>Group</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Individual</td>
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</table>

To create a healthy work environment we need:

- Leadership which shows respect for the individual and at the same time takes care of, takes responsibility for, and shows involvement in its employees as well as promoting their future development.
- Co-workership which includes taking responsibility for, and participating in, work environment matters as well as taking responsibility for one’s own health development, facilitated by the company providing competence and resources.
- A working organization which promotes team spirit and coherence in order to achieve an efficient working situation and establish the right preconditions for good health.

Co-workers’ competence and experience shall be taken into account.
Through active participation, all co-workers are given the opportunity to take part in work environment activities where continual improvements are a natural part.

Demands in accordance with current legislation, rules and regulations issued by authorities within the field of work environment shall be fulfilled and surpassed with margin. Within the field of work environment, Scania shall be seen as a role-model for others.

Work environment improvements shall be made continuously at the various units. The level of ambition is, however, higher in the cases where new buildings are being erected, new equipment is being installed and in other cases where significant changes are being made.

Ill-health and accidents shall be prevented by systematic work environment management and through a thorough follow-up of deviations in the work environment. The long-term vision is to create good health and eliminate accidents completely.
Common methods

Locally developed

Regionally developed

Centrally developed

Customer need
GLOBAL MISSION FROM EXECUTIVE BOARD

Develop and implement *common methods* to promote the co-workers health and wellbeing within the whole Scania organisation
THE WIDE SCANIA HEALTH CONCEPT
LOGICAL MODEL HEALTH SCANIA

Health principle
All employees are responsible for health development
Together we create the movement to green

Methods
Systematic health & work environment work

Measurement/results
Healthy attendance
Long term healthy
Occupational injuries
Accidents and deviations
Personnel turnover
Co-worker questionnaire
Productivity improvements

- Vehicle volume
- Personnel – Production, direct and indirect

Claims per vehicle:

- 1990: 31,800
- 1995: 46,400
- 2000: 55,600
- 2007: 78,300
- 2010: 100,000
- 2015: 150,000

Positive trend in Health Development at Scania Units in Sweden
The road to 150,000 vehicles
Challenge - to maintain workability…