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**Accu-tec shall be an integral part of each customer's success**

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## *A message from our President & Chief Operating Officer* Key Performance Indicator (KPI)

The key to success of a business is dependent on good management information. Thus while monitoring profitability and cash flows, a business also need to keep its Key Performance Indicators (KPI) under a tight check.

Key Performance Indicators are quantifiable measurements that reflect the critical success factors of an organization. Based on beforehand-agreed measures, they reveal a high-level snapshot of the organization. They vary depending on the kind of organization they characterize; for instance a business may have a KPI as the annual sales volume, while KPIs of a social service organization may have to do more with the number of people helped out. Moreover, colleges may have number of students graduating per year, as one of their KPIs.

Thus before any Key Performance Indicators are selected, it is vital to identify what the organization's goal is, which are in turn dependent upon the its mission and its stakeholders. Consequently, KPIs act as a measure of progress towards these goals. Whatever they may be, they must be critical to the success of the organization.

The application of Key Performance Indicators provides business executives with a high-level, real-time view of the progress of a company. They may consist of any combination of reports, spreadsheets and charts. They may be sales figures (global or regional), trends over time, supply chain information or any other long-term consideration, which may be essential in gauging the health of the organization. However, it should be noted that Key Performance Indicators should not only reflect the organizational goals but should also be quantifiable.

For a Key Performance Indicator to be of any value there must be a way to accurately define and measure it. This is so because a KPI may meet the criteria of reflecting the organizational goal, which may for instance pertain to being the most popular company. However, since a company's popularity cannot be measured or compared to others, therefore the KPI would be useless.

Considerations regarding how a Key Performance Indicator is to be measured should also be established in advance. Definitions as to exactly how the indicator is to be calculated and whether it is to be measured in dollar amounts or units should also be specified. Moreover, it is imperative that the organization then sticks to these definitions from year to year in order to allow for annual comparisons.

After the Key Performance Indicator has been defined and a way to measure it has also been determined, a clear target has to be demarcated which should be understandable by everyone. The target should also be specific so that every individual can take actions towards accomplishing it.

*(continued on page 2)*

Here it is needless to say that to achieve a particular target level of Key Performance Indicator for a company, every department has to work in synergy towards it. For this purpose, all the units of an organization need to define their respective KPIs, which should in turn work towards accomplishing the overall KPIs of the organization.

It is important that after Key Performance Indicators and their relative components have been identified, they should be used as a performance management tool. Best ways to represent variance (from the target levels) should be defined, eventually making sure that everyone in the organization is focused towards meeting target levels of the Key Performance Indicators.

***Stephen J. Homola***

President/Chief Operating Officer  
Accu-tec International  
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***Accu-tec shall be an integral part of each customer's success!***

## **Making the change from survival to making a profit**

Last year at this time we were making plans to survive a challenging economy and be ready for 2010 when the economy was going to "pick back up". We did things like cutting back hours, cross training and re-writing some of our process to be more efficient, so we could endure the year, with the goal of living to tell the tale being key.

2009 came and went and we did survive; now we are looking at 2010 and the economy looks to be flat at best and we cannot just carry on, we need to make a profit, as all businesses need to do. We need to make new strategies that will take us from a survival model to a more profitable model with the current volume of sales we have forecasted for this year.

To do this we couldn't ask the customers for price increases because we share the same boat. We are going to do this by making the personnel adjustments we held off doing last year hoping the economy would pickup.

We have asked a lot from our employees last year, but we are going to have to ask for even more from them this year. They will need to become even more cross trained and flexible moving from job to job to create the efficiencies we need to assist the bottom line for Accu-tec and fulfill our Mission Statement to our customers that ***Accu-tec shall be an integral part of each customer's success.*** This will also help maintain our customer quality and production needs.

This year will require a lot of creativity and hard discussions from all of us at here to be able to take us from an endurance model to an even greater efficiency machine.

**Roy Kraemer**  
Vice President / General Manager  
Accu-tec International



## The Impact of the “Great Recession” on Organizations and Employees Employee Engagement

There is no question that the recession has impacted the relationship between employers and employees. As employers reduced payroll costs to sustain the business during the downturn, employees experienced a high degree of uncertainty regarding the security of their position with their employer. Consequently, the stress and anxiety levels of employees increase, causing morale, productivity, and employee engagement to decrease.

In the past, organizations have focused on the 4 P's of business to succeed in the market: **place**, **price**, **product**, and **promotion**. Over time, businesses excelled in these areas; neutralizing the 4 P's as key success factors. Businesses now recognize there is a 5<sup>th</sup> P to utilize to garner a competitive advantage: their **people**. According to an article from Accord Management System, Inc., “The Facts Beneath Employee Engagement and Assessment”, the distinguishing factor in a company's performance today is how well employees are engaged by their jobs. In fact, Gallup estimates that actively disengaged employees cost their employers from \$292 billion to \$355 billion per year. Disengaged employees are less productive, less loyal to their employer, less satisfied with their personal life, and are more stressed and insecure about their work.

The results of improving employee engagement are absolutely staggering. When companies manage in a way that focuses on improving employee engagement, Gallup found that productivity improved in the range of 25% or more. Interestingly, Gallup also found that this often results from the existing top performers improving more than the lower performers, primarily because the top performers increase their engagement level, while the bottom performers remain unengaged.

The challenge for today's managers is engaging employees in an environment where managers' primary responsibility is to reduce costs. During major economic downturns, companies target two of their largest costs - compensation and benefits - for reduction. The current “Great Recession” is no exception. A survey conducted by the Families and Work Institute in May 2009; to analyze the impact of the recession on employers, found that 77% of employers have taken at least one step to reduce labor and operational costs in the past 12 months, including 64% who had laid off employees. Reducing headcount is not the only cost cutting strategy used by employers to decrease labor costs. In addition to terminating employees, the survey found that employers have taken the following measures to reduce labor and operational costs:

- 69% of employers are decreasing or eliminating bonuses and salary increases.
- 61% have implemented hiring freezes.
- 57% have reduced hours, either voluntarily or involuntarily.
- 27% have reduced salaries and wages.
- 22% have increased the use of compressed workweeks.

Reducing labor costs through measures other than terminating employees provides many benefits for the employer. First, the employer realizes cost cutting benefits associated with retaining employees, including the following:

- The elimination of severance packages;
- The elimination of costs to rehire and train employees once the economy improves; and
- The reduction of wages and salaries due to fewer hours' worked and mandatory un-paid furloughs.

Although 70% of employers are increasing their communication efforts to address or avoid employee concerns, the impact of these efforts seems to have minimal impact on employees. This isn't surprising. While organizations typically rely on managers to manage employee issues, due to the instability in organizations and fewer resources, managers spend 16% fewer hours per week managing employees than they did a year ago so that they may spend more time on tasks once performed by their employees. The tumultuous work environment has led many employees to feel their employer does not care about them. A survey of 50,000 employees by the Corporate Leadership Council (CLC) indicated that 42% of employees believe their employer does not look out for their best interests.

Accordingly, "employee engagement has suffered: the number of employees putting forth the highest levels of effort on the job has decreased by 50% since 2007." Unsurprisingly, employees are reporting they are experiencing higher levels of stress and are fearful of their employers. Employees are assuming a heavier workload, having to meet deadlines and complete projects with fewer resources, increasing stress and mental health issues among employees.

This past year has been one of endurance. Employers have had to make many difficult decisions regarding their workforce in an attempt to ensure they will still be around when the economy rebounds, Accu-tec included. We have always strived to treat our employees with respect and dignity, maintain our top talent, and balance the needs of the business while serving our customers.

<http://www.accordsyst.com/business.html> "The Facts beneath Employee Engagement and Assessment".  
[http://www.hrmguide.net/usa/commitment/actively\\_disengaged.htm](http://www.hrmguide.net/usa/commitment/actively_disengaged.htm) "Actively disengaged workers cost US hundreds of billions a year".

<http://www.accordsyst.com/business.html> "The Facts beneath Employee Engagement and Assessment".  
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*Tina Mann*

Controller/Human Resource Manager  
Accu-tec International



## In the Pursuit of Excellence - Everything Counts!

*"Our belief is the pursuit of excellence as a standard in all that we do."*

*This is one statement from Accu-tecs' mission execution. ([view here](#))*

*Inspiring excellence is driven with showing that everything counts.*

### **Leadership**

One of the management maxims that have stood the test of time is "You get what you measure." Performance measurement exists for one reason only: To Enhance Performance. It should lead to an observable difference in behavior and performance.

### **Results**

When measuring performance, effort is not the same as accomplishment, and intentions are not more important than actions. The fact is high achievers are intensely results oriented. High achievers are very focused, they hardly ever complain and maintain a very positive frame of mind and never procrastinate.

### **Execution**

The best effort or most honorable intention cannot survive poor execution. Good execution is all about making good decisions and making things happen. It's about building the capabilities to be efficient and effective in respect to those factors that are critical to your success.

### **Quality**

A devotion to quality allows no detail to be overlooked, neglected or regarded as trivial. A compulsion to be tidy, orderly and well organized is a natural impulse and by-product in a workplace where quality is taken to heart. Quality is a character trait for excellence.

### **Attention to Details**

Ultimately, the key to quality in every aspect of our lives is doing little things correctly — all the time, every time, — so that each action produces a quality result. When every detail is attended to, and each step in the process is given complete and careful attention, the end result inevitably will be of the highest quality. Consistent attention to the small details produces excellence. That is why we must all sweat the small stuff!

### **Sweat the Small Stuff**

All the power and leverage is with the customer and they will exercise their power by leaving one business in favor of another over very small things, things that maybe could have easily been avoided by simply paying attention to the small stuff. If you have any interest in being competitive than start sweating the small stuff because every little thing does count.

### **Self Improvement**

Every day requires dedication, discipline, good judgment, energy — and the feeling that there's something about yourself that you can make better. No one is perfect; no one walks the straight and narrow line all the time. And this absence of perfection leaves the door open for improvement. If we are to experience greater levels of performance, it begins with a rigorous focus on personal development.

### **Step Up**

Ask yourself if on any day, there was ever not a need for honesty, integrity, compassion, character, good judgment, discipline, self-control or focus. In addition, there will never be a day of your life that does not provide you with an opportunity to; take initiative, do better, demonstrate excellence, or make the world a better place. You must step up, and you must answer the call when opportunity presents itself.

Larry F. Leopold  
Industrial Engineer



## **We are always ready to help!**

I recently had to replace my automatic garage door opener. Sometimes it would open the door and sometimes it wouldn't. It was a little inconvenient having to manually open the door, especially in the rain, but it wasn't a priority on my "to-do" list since our holiday credit card purchases were due this month. After receiving a few comments from my wife about the situation, I reserved one of my Saturdays to make the change.

The project took me about four hours to complete after sorting through all the hardware and reading the instructions several times. It cost me valuable time, I am not sure the cost of doing it myself versus a having professional installation saved me any "real" money. I'm sure they could have completed the job in less than four hours because they do more than one every ten years.

You may have a project that is not a priority at this time. It may be one that you are considering doing yourself. Saving money should be a priority. Why not take a little time to determine if you really are saving money by doing it yourself. We are only a phone call away. Tell us what you need and we'll be happy to help you.

Gary Klass  
Inventory Control Manager  
Louisville Facility  
Accu-Tec International



## 3 Weeks of Patience / 2 Supervisors Training

My patience is forced when it comes to training. Another supervisor, or a manager should train a supervisor. I am fresh out of supervisors so I have to do this myself.

My training routine goes something like this. The first day they shadow everything I do. The second day they do everything with me telling them exactly what to do. The third day and going forward I shadow everything until I am comfortable it is being done correctly, saying no as they get ready to hit the wrong key and making them think it through. Keep going over the same things again and again and don't lose your cool.

After the first steps learning to make schedules, complete reports, read spreadsheets, we move on to the next steps that are much harder to achieve. The focus is to train the supervisor where you want them to be. New supervisors that are not yet comfortable with their environment will make mistakes. Indecision, perfectionism and not enough delegating are mistakes to avoid.

Show them how to gather information and gain control of the environment. Clarify the reason for procedures they don't understand. Make sure they ask questions until sure of the answer.

Keep a training matrix and halfway through the training probation period do a no secret-no surprises evaluation. At the end of the training/probation period have confidence in knowing your supervisor is more than capable of the position they have been assigned.

I remember long ago when I was in supervisor training something that I cut out of a training manual that stuck with me.

### Six Classic Principles of Influence

1. Self-control
2. Enthusiasm
3. Time consciousness
4. Flexibility
5. Cooperative attitude
6. Honesty/Directness

Train yourself and your employees require continuous attention. Keep the lines of communication open.

**Patty Bentley,**  
**Production Manager**



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## Congratulations and hope for happiness

### Mr. & Mrs. Brandon Peters

On January 2<sup>nd</sup> 2010 Accu-tec Materials Supervisor Brandon Peters became married to Kerrey Chadwell. Even though they had the wedding in the middle of the U of L vs. U of K game we still wish them a great life together filled with much happiness. However, I am still in trouble with her mother (my girlfriend) for introducing them to each other in the first place.

Charles (Rusty) Green  
Warehouse Manager  
Accu-tec International



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**ACCU-TEC PERSONNEL  
NOTES**

**February Birthdays**

Shams Rashid February 14  
Kevin Parsons February 22  
Jasvir Gill February 25  
Danny Williams February 26

**February Anniversaries**

Gloria Botchway 9 years  
Kirandeep Dhani 9 years  
Mercy Opoku 9 years  
Tom Clodfelter 4 years  
Rosa Glenn 4 years  
Valencia Jones 4 years  
Joseph Young 3 years

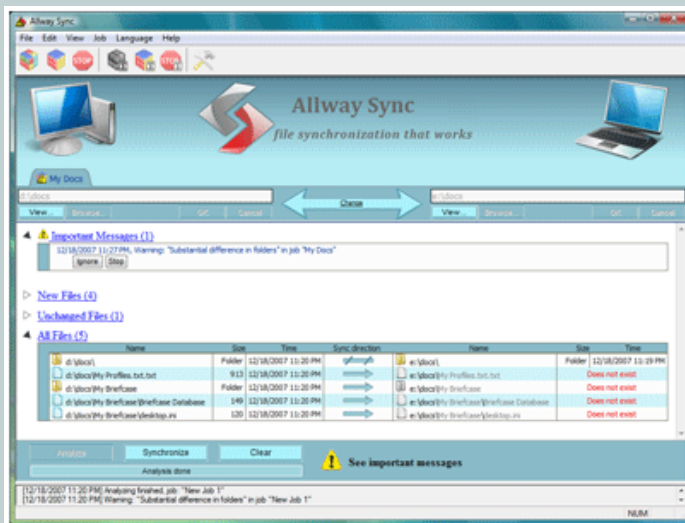


In today's electronic world it seems we are constantly bouncing from one PC to another. But that in itself starts the problems. See if this sounds familiar..... It starts with a file you created on you home desktop, a thought hits you "it sure would be handy to have it on my laptop as well" then you think well I could just add it to my flash drive so I always have it. Before you know it you have the same file on several computers/flash drives/etc. only to realize "you forgot which copy is the most current/up to date version" not to mention having to manually update/save each copy of the file. Well as the iPhone users say "There's An App For That!!" Sorry I couldn't resist.

A little program named Allway Sync (which is free for the moderate home user) handles all the synchronizing automatically for you. With its user friendly interface setup is painless yet offers a wide range of options.

Some of the options available are:

- True bi-directional and n-way file and folder synchronization
- File modifications and deletions are tracked in a local database
- Specify independent synchronization parameters for any number of sets of folders (multiple jobs)
- Supports files of any size



Once you have the job or jobs setup you are basically finished, it does the rest and it is all automated. Oh forgot to mention there are licenses available for the heavy/business users as well. The only difference between the free and licensed version is the amount of data you would be synchronizing on a regular basis. But even the licensed version pricing is surprising low for a product of this quality.

*Danny Williams*  
IT Manager  
Accu-tec International





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## Questions, Comments, or Feedback

*We at Accu-Tec International take great pride in our work, customers, friends, associates, and business partners. For that reason we are incorporating this section as another enhancement in the opportunity to contact us regarding general questions, comments, or feedback. This will be reviewed by our management staff as they come in. The option to fill out the Request for Quote (RFQ) on our web site is still available at <http://www.accu-tec.com> or call us directly for one on one assistance. We look forward to hearing from you.*