

Success Motivation® International, Inc.

# World Client of the Year

## Jon de Lapatza

### Amurrio Ferrocarril y Equipos, S.A.

Amurrio, Álava, España

**A**murrio Ferrocarril y Equipos, S.A. (AFE) is one of the international leaders in the design, manufacture, installation, and maintenance of railway turnouts, crossings, switches, track apparatus, and components plots for High Speed lines, Conventional Rail, Subway, Tram and Heavy Haul railways.

AFE is located in the north of Spain in the Basque Country. This region is one of the most industrialized areas in Spain, with the longest industrial tradition beginning in the 15th Century. Since the very beginning, the company has been involved in the (railway) turnout business and today it is the main activity of the company, delivering goods to more than 70 countries all over the world.

At AFE, we have designed, produced, and installed railway equipment since 1880, the year our company was founded in Bilbao. In 1929, we moved to a new, bigger and better equipped production facility in the neighboring town of Amurrio. From our present facility, we have taken part in the main railway construction projects developed in Spain and in Europe throughout the 20th century.

In 1995, under the new name of Amurrio Ferrocarril y Equipos S.A., we embarked on a new stage in the development of our company, which involved making large investments in new technologies with the aim of strengthening our presence on the international railway market. AFE is the accredited supplier of all Spanish railway companies, as well as leading European, North Africa, Middle East, Asia and South America. The average export rate reaches 40% of production.

At Amurrio, we want our clients to consider us their technological partner in

*They (SMI® programs) are based in a deep logic, they have been tested in several countries and with different cultures, and we have experienced real improvement through real facts.*

*The programs touch the person from a complete point of view, as an individual, as part of a family, as part of a business. It promotes and brings a harmonious way of dealing with all sides of the personal life, so that, they bring real benefits that anyone can feel and the people surrounding them as well.*

*It is a great option to find the good way to really improve in all areas of life!*



**Jon de Lapatza**  
Manager

**Amurrio Ferrocarril y Equipos, S.A.**

Amurrio, Álava, España

all their railway projects. We establish a link that goes beyond the trust that exists between a supplier and his client. We accept his targets as if they were our own.

We contribute all our know-how to resolve the multiple challenges involved in any railway project. In this way, we have secured our position as leaders in the technology applied to the design and manufacture of railway equipment for high-speed railways, tram ways, metropolitan railways, conventional, and heavy haul railways throughout the world. We have become a reference model for quality in the design, manufacture and installation of track apparatus all over the world.



## A Personal Perspective

*My name is Jon de Lapatza, and I am the Manager, being the 3rd generation running the company. I'm 50 years old and I've been working in the company since 1990. I'm an economist and received my MBA by the Spanish Instituto de Empresa.*

*I love what I do, and because of that, I was always arriving home late, putting my family always on a second level. So, my way of doing things was against me and the people surrounding me!! One of my friends talked about this program and I decided to try it. This suggestion came at the right time not only for me personally, but for my company. I will try to explain it:*

*In 2012, we started a new transformation inside the company, coming from a traditional way of doing business to a modern one based on lean manufacturing principles. To make a real evolution, we needed to go from a very hierarchical system of management to a more decentralised one. We created a management committee with different area managers, most of them already working in the company for a long time. We defined the main functions of each area and we decided the main indicators to be checked all together.*

*Some nice changes came, and an increase in productivity was seen in the areas where we focused our attention to apply lean principles. We started to create our own way, but there was a lot of tension within the management team; we were failing to reach our targets and after a common analysis, we thought they were not properly defined or not coherent enough with the real needs for the evolution of the company.*

*After a deep revision in 2014, the management team agreed on the main topics and targets for the year. We were all involved and apparently deeply committed, but again...we failed. A new analysis was done and the "excuses" we found were the lack of time, a lot of urgencies, etc. At the time of this analysis I already started my training and I thought it was exactly that what we needed. We started to implement this program at the area managers level, descending on the hierarchy of the organization to the level of the supervisors.*

*With this program we found several interesting things we were doing wrong that were the roots of our failures:*

- *The really important things for the organization and their areas*
- *The way to define and deploy the strategic decisions*
- *The way to use our time*
- *The way to solve the interdepartmental conflicts*

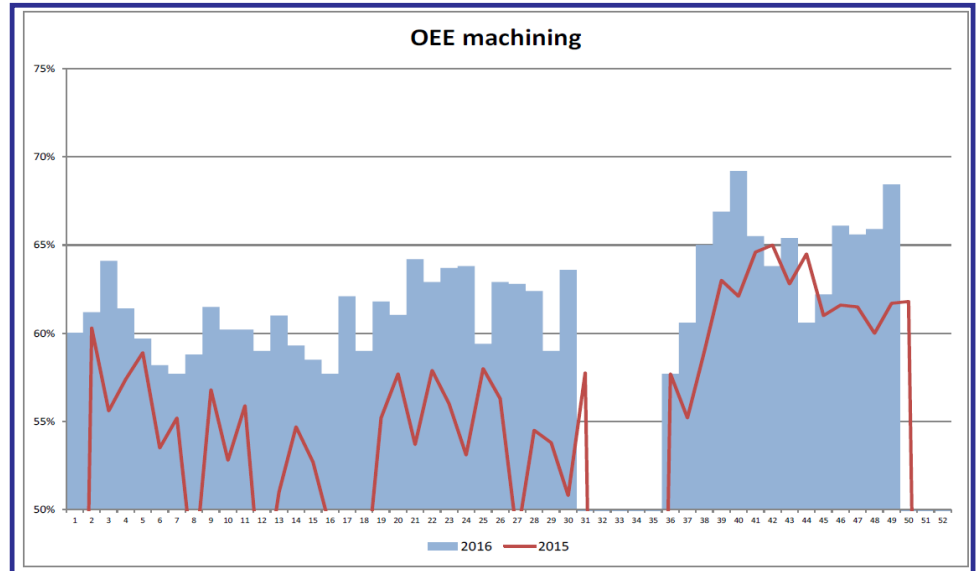
*Some of the specific positive results of participating in the program, include:*

- *Better relationships between managers, no conflict, and quicker resolution of problems*

- *The team is aligned with strategic targets, because we made a better definition of our Mission, Vision, and Values.*
- *Clear positive evolution in key performance indicators traditionally impossible to improve up to that date.*

Some of these key indicators include:

- *The frequency of accident rate (number of accidents every 1.000.000 working hours) reduced significantly, and*
- *OEE (Overall Equipment Effectiveness) machining improved. OEE measurement is commonly used as a key performance indicator (KPI) in conjunction with lean manufacturing efforts to provide an indicator of success.*



### EXPECTED TARGETS FOR 2017:

*We will close this year with defining key strategies for the next 3 to 5 years and will establish clear targets for the year. In this regard, we expect:*

- *a clear improvement in delivery performance in all production lines*
- *an important decrease in customer claims and quicker solutions*
- *a decrease in the emission of our quotations and an increase of the "success ratio"*
- *the installation of a new process we were subcontracting up to now.*



**Jonathan Burley**  
Master Licensee