Revision of TPM Excellence Awards



Japan Institute of Plant Maintenance TPM Awards Office

This revision is effective from 2024 TPM Excellence Awards.

However, it is possible to be assessed for the three-year period from FY2024 to FY2026 by applying requirements and checklists prior to the revision.

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1. Purpose of revision

As the business environment changes day by day, the organizational structure of manufacturing sites is diversifying, and technological innovation has brought about major changes in various activities, including equipment and improvements. TPM has continued to evolve in this environment, and is currently being introduced by many companies globally.

TPM Excellence Awards has been revised in line with changes in the corporate environment. The latest revision is also made with an awareness of the need to adapt to "organizations specializing in production functions" and "expansion (mixing) of activities other than TPM ". In addition to making it easier to evaluate activities mainly at production sites, we believe that this will help manufacturers to maintain and continue TPM activities, or to further expand and step up their TPM activities.

2. Major changes due to revision - 1

- In TPM, it is essential to maintain and continue activities. However, there are some companies that are satisfied with award and stop TPM activities themselves. The TPM Excellence Awards allows to challenge for the same award category again and again. We have clearly institutionalized this. Please use the award system not only to evolve and expand your activities, but also as a mechanism to maintain and continue them. [Refer 3. 1) Classification/structure of award categories]
- This revision will make it easier for organizations that specialize in production functions, i.e., those that do not have development or administrative functions, to use the TPM Excellence Awards. Although TPM activities are based on the eight pillars, it is possible for organizations, including higher-categories, to be assessed without the two pillars of <u>Early Management</u> and <u>Improvement of the administrative and indirect departments</u>, depending on the organization and the form of the activity. [Refer 3. 2) Requirements]

2. Major changes due to revision - 2

- For first-time applicants, it may be difficult to judge whether they have achieved enough to challenge for the TPM Excellence Awards. JIPM has Pre-Assessment system for this problem. However, in order to allow companies to make certain judgments and to confirm that they have the basics of TPM activities in place, we prepare a "Self-Checklist" for the first category of TPM Excellence Awards. [Refer 3. 3) Self-checklist]
- TPM activities are based on Genchi Genbutsu (actual place and thing), and the TPM Excellence Awards assessments are also conducted by visiting the plants. However, there are risks and burdens associated with flights and travels. For this reason, we have decided to allow online assessment for the 2nd Stage Assessment of the TPM Excellence Awards if certain conditions are met. [Refer 3. 4] Assessment method]

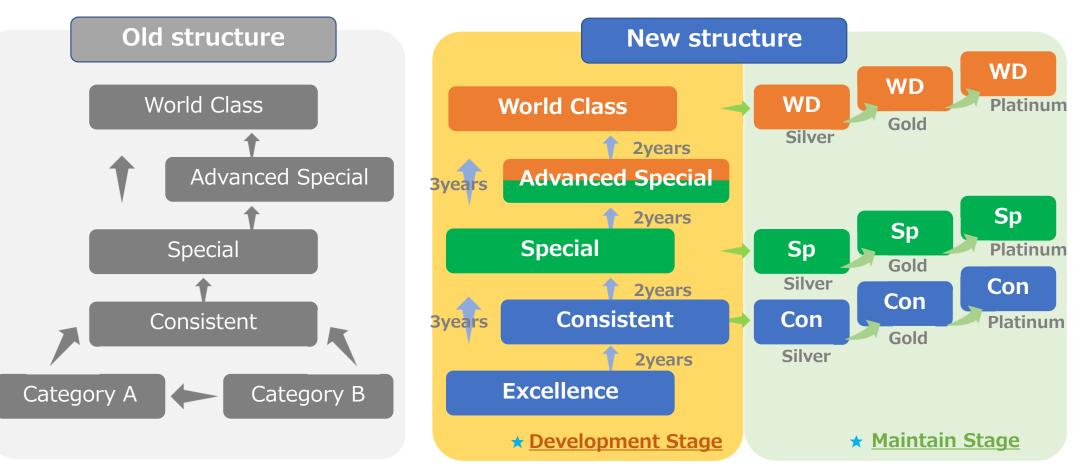
1) Classification/structure of award categories -1

The categories of the TPM Excellence Awards are changed as shown in the table below. A graphical representation of the old and new category classifications and structure can be found on the next page.

Old		New
The first award category to be challenged is "Category A" or "Category B".	\rightarrow	Category A" and "Category B" are integrated. The first award to be challenged will be the "Award for TPM Excellence".
After receiving Category A or Category B, "you must receive Award for Excellence in Consistent TPM Commitment to challenge for Special Award for TPM Achievement."	\rightarrow	After receiving Award for TPM Excellence, "it is possible to challenge for Special Award for TPM Achievement without receiving Award for Excellence in Consistent TPM Commitment".
It was not clearly indicated that "the same award category could be accepted multiple times."	\rightarrow	Newly established "Stages of repeat assessment".

3. Description of changes 1) Classification/structure of award categories -2

TPM Excellence Awards Category Structure Chart



1) Classification/structure of award categories - Explanation

First Step Category in the Award is the "Award for TPM Excellence"

The most significant change in category classification is that "Category A" and "Category B", the first step categories in the TPM Excellence Awards, will be merged to become the "Award for TPM Excellence". As described below, the minimum requirements will be six pillars for all categories.

Special Award for TPM Achievement" can be challenged without receiving "Award for Excellence in Consistent TPM Commitment"

Until now, it was necessary to have received "Award for Excellence in Consistent TPM Commitment" to be eligible for " Special Award for TPM Achievement". In this revision, awarded of the "Award for Excellence in Consistent TPM Commitment" is not a mandatory requirement. However, assessment criteria themselves will remain the same, and Special Award for TPM Achievement will still require that "maintenance and continuation of activities have been established as a mechanism", which was previously checked for the " Award for Excellence in Consistent TPM Commitment ".

1) Classification/structure of award categories - Explanation

Maintain Stage" for repeated challenges in same category

While it has always been possible to repeat challenges all categories, "Maintain Stage" has been newly established to clearly indicate this. We have positioned "Development Stage" as a stage in which activities are evolving and expanding in order to achieve higher-level awards category. "Maintain Stage" is intended to be used by companies that wish to steadily continue their activities. "Maintain Stage" has been established for the "Award for Excellence in Consistent TPM Commitment", the "Special Award for TPM Achievement", and the "Award for World-class TPM Achievement". From second challenge, title will change to "Silver", "Gold", or "Platinum" depending on the number of repetitions, to indicate that TPM activities have been continued for a long period of time.

1) Classification/structure of award categories -Reference

Reference> Positioning of "Award for Excellence in Consistent TPM Commitment" and "Advanced Special Award for TPM Achievement "

As described after, activities for "Special Award for TPM Achievement" are to have unique strengths, and activities for "TPM World Class Award" are to be the world No. 1 or Only 1 company/plant. On the other hand, "Award for Excellence in Consistent TPM Commitment" is positioned as the establishment of a foundation to maintain and continue what has been established in the "Award for TPM Excellence" and to create a unique strength for "Special Award for TPM Achievement". Similarly, "Advanced Special Award for TPM Achievement" will have the following two objectives: to establish unique strengths created in "Special Award for TPM Achievement" and to engage in activities aimed at becoming No. 1 or Only 1 for "TPM World Class Award.

Due to this revision, "Award for Excellence in Consistent TPM Commitment" and "Advanced Special Award for TPM Achievement" are no longer mandatory requirements to receive higher award categories, but they can be used depending on activities that company/plant is aiming for.

3. Description of changes2) Requirements

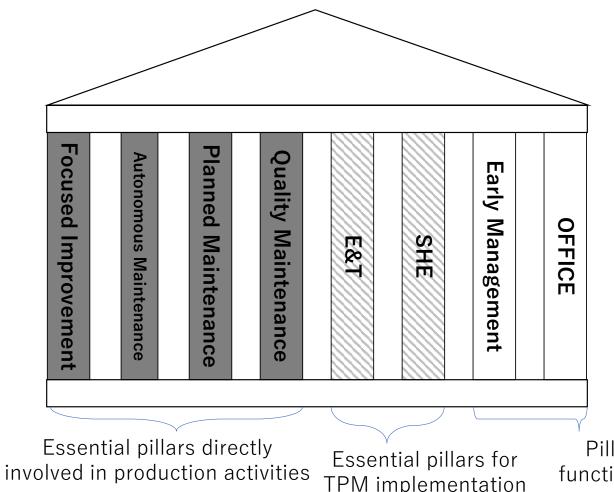
Requirements for TPM Excellence Awards have been revised as shown in the table below.

(Only changes are noted)

Old requirements		New requirements
All categories except Category B (5 pillars) require 8 pillar activities	\rightarrow	All categories are based on 8 pillar activities, but Early Management and Office pillars can be excluded from the assessment
To be eligible for Special Award for TPM Achievement, the applicant must have received Award for Excellence in Consistent TPM Commitment		To be eligible for Special Award for TPM Achievement, applicant must have received Award for TPM Excellence (No requirement to have received Award for Excellence in Consistent TPM Commitment)
Advanced Special Award for TPM Achievement must establish important items	\rightarrow	Establishment of important items is not required

In addition to the above, there are some modifications in wording

3. Description of changes2) Requirements

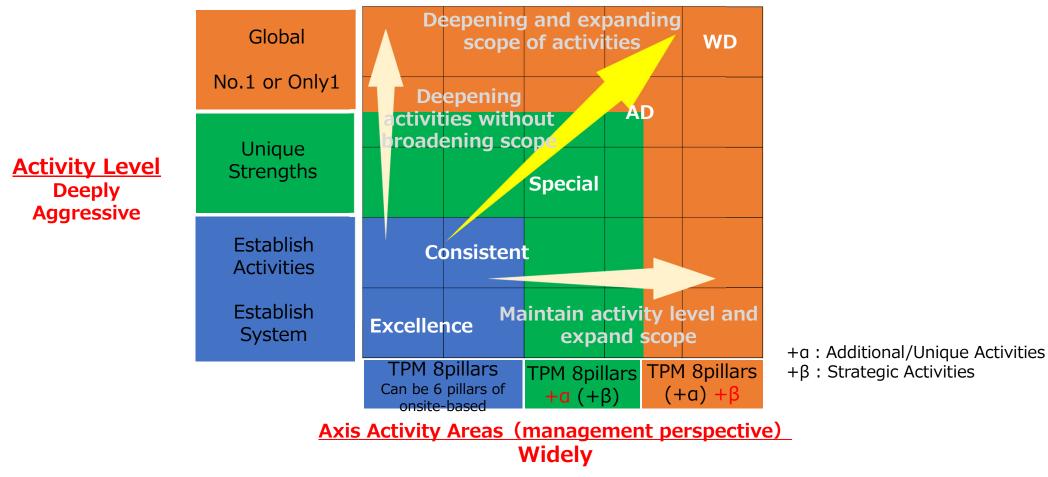


- Pillars of Focused Improvement, Autonomous Maintenance, Planned Maintenance, and Quality Maintenance are directly related to reducing losses and improving OEE in production activities, and must be implemented.
- Pillars of Education and Training, Safety, Health, and Environment are activities required to implement TPM.
- Pillars of Early Management and Office (Improvement of the administrative and indirect departments) may be excluded from the assessment for the TPM Excellence Awards, as some plants may not have that function.

In practice, even if the activities of each pillar are developed uniquely, such as being promoted under composite (or under a different name), JIPM may accept application if the elements of each activity are included and auditee can provide explanations. However, it is preferable to consult with the TPM Awards Office in advance (preferably at the time of consideration for challenging assessment).

Pillars that do not have that function in some plants/factories

Diagram of new requirements



Concept of Axis Activity Areas (Widely)

The minimum requirements for TPM Excellence Awards assessment are six pillars of onsite-based activities. However, especially in higher categories, it is necessary to consider expanding the scope of activities as follows, based on nature or scale of the business.

+a activities : Additional or Unique Activities

Activities mainly within or adjacent to plant/factory operations

+β activities : Strategic Activities

Mainly activities involving outside plant/factory (head office functions, suppliers, etc.)

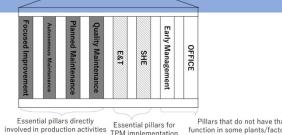
Concept of Activity Level (Deeply/Aggressive)

As TPM activities proceed, it is also necessary to further advance and evolve or deepen the activities to date.

Award for TPM Excellence and Award for Excellence in Consistent TPM Commitment are for the stage of establishing a system to make the activities take root and become a mechanism.

Special Award for TPM Achievement clarifies the company's unique strengths, and Advanced Special Award for TPM Achievement further solidifies these strengths. Award for World-class TPM Achievement is for that have developed their strengths and are aiming for the position of Global No. 1 or Only 1.

- Enhancement of basic activities
 - $\boldsymbol{\cdot}$ Six pillars of onsite-based activities
 - Early Management (Equipment)
 - Office



Example of + a activities (Additional or Unique Activities = Activities mainly within or adjacent to plant/factory operations)

- \cdot 'Cost Activity' as a derivative activity of Focused Improvement
- \cdot 'Mold Maintenance Activity' as a derivative activity of Planned Maintenance
- Early Management (Products)

• Safety, Health, and Environment are divided into 'Safety and Health' and 'Environment'etc.

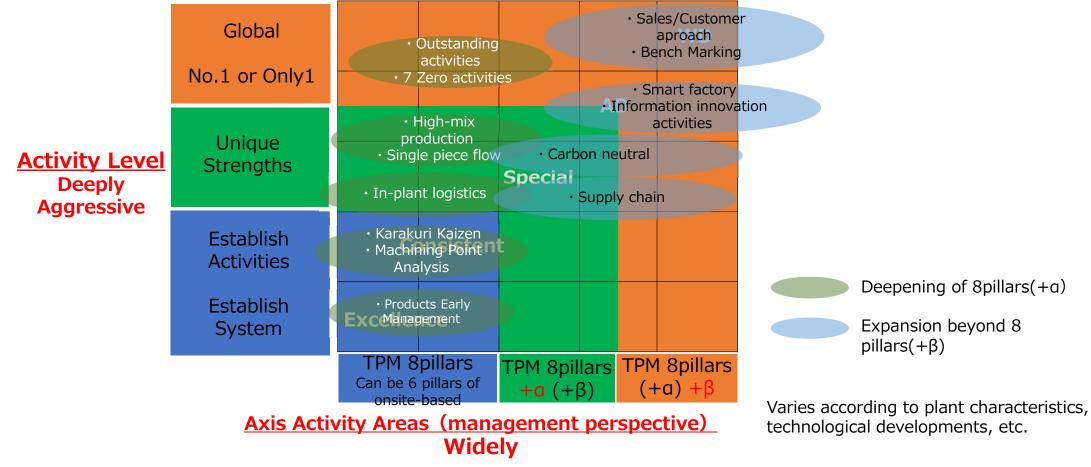
• Example of $+\beta$ activities (Strategic Activities = Mainly activities involving outside plant/factory)

- Supply chain activities (related to logistics, sales, purchasing)
- · Information innovation activities (related to IT, Web utilization, marketing)
- Smart factories (related to low-cost automation)
- · Carbon neutral, Energy reduction, Environmental activities
- TPM at Vendors …etc.

Example of Deepening activities

- 7 Zero activities
- \cdot Outstanding activities $\cdots etc.$

Diagram of new requirements (plots of additional/deeper activity examples)



3. Description of changes3) Self-checklist

Self-checklist

In revised TPM Excellence Awards, the first award category to be challenged is the "Award for TPM Excellence". Self-checklist indicates the activities or activity levels to be cleared before challenging this category, which is the first step in the process. It can also be used as a target for activities to be undertaken in pursuit of the award.

What's Self-checklist?

□ You can judge for yourself if you are eligible to challenge for Award for TPM Excellence.

□ During the assessment, assessors will also use this list as a reference for its evaluation.

3. Description of changes3) Self-checklist

Own judgment by self-checklist

Considering challenge for Award for TPM Excellence, applicant must answer all of the questions on the self-checklist and meet the following two criteria.

1. <u>All "Required items" must have a score of "3" or higher.</u>

2. <u>Average score of all items must be at least "2.5" at the time of application.</u>

(6 to 8 pillars depending on company declaration)

Note that even if a plant/factory meets these criteria in its own evaluation, this does not guarantee that it will receive Award for TPM Excellence.

3. Description of changes3) Self-checklist -Explanation

Positioning of Self-checklist

Self-checklist will replace existing checklist for Award for TPM Excellence and Award for Excellence in Consistent TPM Commitment. For Special Award for TPM Achievement, Advanced Special Award for TPM Achievement, and Award for World-class TPM Achievement, there will be no change from the previous checklist. Self-checklist is designed to allow a score evaluation from 0 to 5 points, depending on the progress of the activity. Self-checklist can be used as a guideline for self-judging whether your activities are at a level that will allow you to challenge for Award for TPM Excellence. Award for Excellence in Consistent TPM Commitment will also be assessed using the self-checklist, but the score for all items must not be less than score for the Award for TPM Excellence.

3. Description of changes4) Assessment method

Changing assessment method

Currently, except for special cases due to the impact of Covid-19, TPM Excellence Awards assessment is conducted in principle by an on-site assessment by assessors visiting auditee's site. On the other hand, in consideration of the fact that there are special circumstances, such as regions where travel is difficult or the time of year, JIPM will allow online assessment only for 2nd Stage assessment. Assessors in charge of 1st Stage Assessment and TPM Awards Office will decide whether or not to conduct the assessment online after receiving a request from the auditee to do so.

4. Effective Date of the revision

	2024	2025	2026	2027
New system	Apply			
Old system	Available	Available	Available	NOT available

When new system will be applied

Since new system focuses on revisions that will make it easier for auditee to use TPM Excellence Awards, it will apply from 2024. On the other hand, for plants/factories that were aiming for Category B, application under the old system (5 pillars) will be accepted for 3 years from 2024 to 2026, since this revision will increase the pillars of their activities. In principle, assessment for "Award for TPM Excellence" will be based on Self-checklist, but assessment based on old checklist is also possible upon request.

TPM Awards Office

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