



# Supplier Development and Continuous Improvement: Operational Lean Assessment

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## Background

**Newport News Shipbuilding (NNS)** partners with our supply base through a series of engagements designed to share the mission of shipbuilding and the Navy, link our shared business processes and improve communications to foster good relationships. NNS utilizes a range of industry wide best practices and tool sets, modified to complement the expectations and requirements of DOD shipbuilding.

The NNS **Supplier Development and Continuous Improvement Program (SDCI)** contributes to the Supply Chain Management mission of developing a healthy supply base, lowering NNS acquisition costs, improve quality and seeks to compress lead times to satisfy planned and emergent demand. The Program's tools sets range from on-line / in-person training, operational assessments, lessons learned events and the analysis of our shared value stream. The Program methodically improves our understanding of doing business with one another, seeks clarity in technical requirements and provides the means for the supplier to become a capable, reliable partner to meet both our quality and delivery requirements.

## Operational Lean Assessment - Overview

The Operational Lean Assessment (OLA) enables organizations to obtain an understanding of how effective and efficient their operations are when compared to "Best Practices" of known Lean Enterprises. The assessment focuses on six major categories:

- Communication Systems
- Organizational Culture and Awareness
- Lean Principles
- Continuous Improvement
- Supply Chain Management
- Management Commitment/Sustainability

Lean tenets and principles are the foundation of the OLA. The assessment is a focus on the Supplier and adjusted to the type of work invoked and the business model. Subject Matter Experts perform the assessment at the supplier's site, typically in one day. There are eight segments to the Lean Principles category: Balanced Production, Pull Systems, Quality Systems, Process Changeover, Standard Work, Workforce Training, 5S/Workplace Organization, and Operational Flexibility. The other categories stand on their own.

## Partner Information

NNS contracts the GENEDGE alliance to assist and administer the OLA. GENEDGE is the Commonwealth of Virginia's Manufacturing Extension Partnership (MEP), part of a nationwide MEP network under the National Institute of Standards and Technology (NIST) and the Department of Commerce. NIST MEPs work with U.S. manufacturers to help generate and retain jobs, increase profits, and save time and money through the application of tools, training and experience. NNS utilizes our local MEP, GENEDGE, to contact and contract the Supplier's local MEPs across the nation to conduct the OLA. The Supplier can contract the local MEP after the OLA as a partner for innovation and improvements.

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## Operational Lean Assessment – Process

### Pre:

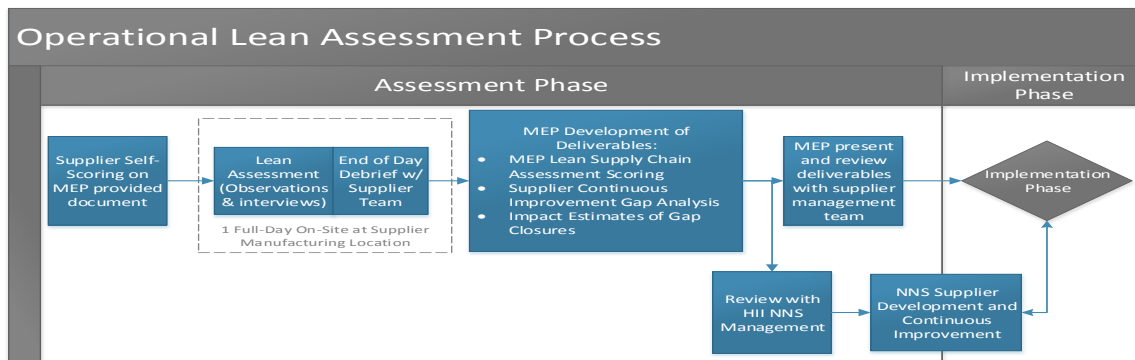
- NNS and GENEDGE contacts the local MEP and determines the availability of the appropriate skill sets and experience. GENEDGE may conduct the assessment if a local MEP is not available
- The Supplier receives the assessment worksheets a minimum of two weeks before the arrival date
- The Supplier performs their own self-assessment using the assessment worksheets prior to the arrival of the assessors

### During:

- The Supplier and NNS participate in the assessment activity at the Supplier, facilitated by the MEP
- An operations tour is expected for Q&A with subject matter experts and employees
- Conduct individual interviews with operational staff as necessary
- Towards the end of the day, the assessment team will provide an debrief to share results and ideas

### Post:

- Your local NIST MEP representative will compile assessment data and prepare:
  1. The completed and scored Operational Lean Assessment
  2. A gap analysis, consisting of prioritized recommended first steps to address the issues defined in the assessment and analysis
  3. Impact estimates expected from improvements
- The local MEP will present the assessment results gap analysis to NNS and the Supplier
- The Supplier is encouraged to embark on the improvement activities using resources, internal and/or external, that meet the suggested needs through a supplier self-funded mechanism
- NNS will follow-up with the supplier at regular intervals (30/60/90 day, etc.) in the form of visits and/or conference calls to check on progress and celebrate success.



## Who is needed from the Supplier's Organization?

- Subject matter experts in the areas of the assessment should be available to speak with the assessors.
- A representative from your organization needs to be dedicated to the assessment process to keep the process moving, doing things such as tracking down people/subject matter experts when question arise, supporting last minute items, logistics, necessary escort, etc.

## Who is needed from Newport News Shipbuilding / MEP?

- One or two representatives from the NIST MEP network. One to two representatives from the NNS Procurement Office and/or the NNS SDCI Program.

For more information, contact the Newport News Shipbuilding Supplier Development and Continuous Improvement Program at [NNSSDCI@HII-NNS.com](mailto:NNSSDCI@HII-NNS.com).