



**Newport News
Shipbuilding**

NNS Supply Chain Continuous Improvement: Lean Assessments

Background

In March, 2012, Newport News Shipbuilding (NNS) refreshed their Supplier Development and Continuous Improvement (SDCI) Program to develop a sound and sustainable approach to supplier continuous improvement that is integrated into the NNS value stream. More efficient suppliers and the processes shared between the Supplier and NNS should reduce program costs, improve NNS and Supplier profitability, and lead to a more robust and responsive value chain.

Process Overview

NNS selects Suppliers for the SDCI Program based on performance history, strategic procurement outlook, and an understanding of a Supplier's continuous improvement maturity. To start, Suppliers participate in a 1-day introductory session at NNS, followed by a Supplier on-site assessment or workshop. We'll capture and follow-up on shared actions, improving our partnered processes.

Partner Information

GENEDGE alliance will be assisting NNS with the Supplier Strategic Continuous Improvement program. 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). NIST MEPs work with U.S. manufacturers to help them create and retain jobs, increase profits, and save time and money. Local MEPs throughout the nation will be used to conduct assessments based on Supplier location. Your local MEP can be a cost effective partner for Supplier improvements, as needed, based on Supplier internal resources.

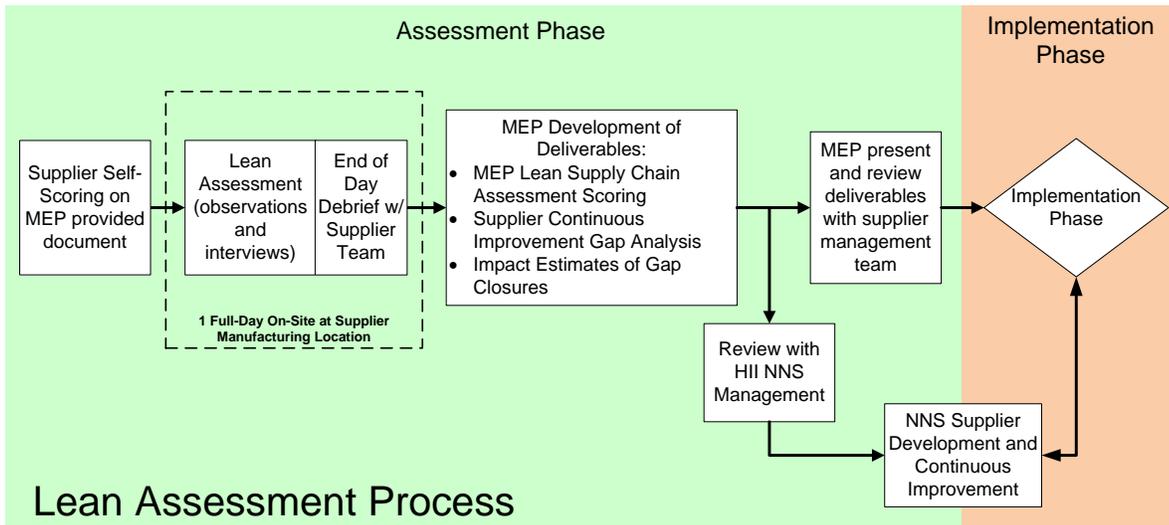
Lean Assessment

The Lean Assessment uses the national MEP Supply Chain Lean Assessment tool to evaluate 93 Lean manufacturing best practices in 13 functional areas: Communication & Cultural Awareness, Visual Systems & Workplace Organization, Standard Work, Continuous Improvement, Operational Flexibility, Mistake Proofing, Safety, Rapid Changeover, Total Productive Maintenance, Pull Systems, Balanced Production, Supply Chain, and Quality. This 1-day developmental assessment focuses on the Supplier and begins with your own self-assessment using the MEP Lean Assessment self scoring module, performed prior to NNS / MEP arrival. The MEP Lean Assessment self scoring module will be provided to you a minimum of two weeks before the assessment date.

The Supplier and NNS will participate in an assessment activity at the Supplier, facilitated by the local MEP. The assessment process is shown below:

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For the one-day on-site, who is needed from your 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 questions arise, supporting last minute items, logistics, escort, etc.

For the one-day on-site, who will be there from NNS and the MEP network?

- One to two representatives from your local NIST MEP network office to run the assessment. One to two representatives from the NNS Buying Office and a NNS Supply Chain Process Improvement representative.

Post Assessment:

- Your local NIST MEP representative will compile assessment data and prepare:
 1. The completed and scored MEP Lean Supply Chain Assessment,
 2. A Supplier Continuous Improvement Gap Analysis, consisting of prioritized recommended lean supply chain projects to close performance gaps and address issues defined in the assessment and analysis, and
 3. Impact estimates expected from those improvement projects.
- 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 support the partnered continuous improvement dialog and mentorship and to check on progress, possible challenges, and celebrate successes.