

21st century supply chains



SC21



WHAT'S IN IT FOR YOU?

Vital information from the
Midlands Aerospace Alliance for aerospace
and defence companies across the Midlands
on how you can benefit from the national
SC21 programme.

**Solutions
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INTRODUCTION



What is SC21?

SC21 is a change programme designed to improve the competitiveness of the aerospace and defence industry by raising the performance of its supply chains.

SC21 is largely about doing what we already do, but in a more efficient and coordinated way, with customers and suppliers working together under one UK-wide programme:

- ❖ Making certification and quality improvement (AS/EN 9100, Nadcap) more efficient
- ❖ Using the same lean and business improvement tools (based on Manufacturing and Business Excellence) across the industry
- ❖ Improving relationships along the supply chain (relationship management matrix tools)
- ❖ Recognising SC21 companies for excellent performance (bronze, silver, gold awards).

If you are part of a supply chain, SC21 could help you win business by making you more competitive.



'As chair of the MAA SC21 working group and also as a business leader in the Midlands, I fully support the programme to develop sustainable supply chains under the SC21 banner delivering world class performance into our businesses'

– Annette Oliver, vice-president supply chain,
Aero Engine Controls

Background to SC21

International competition and other pressures on performance necessitate rapid improvement in the effectiveness of our supply chains. Industry must ensure that it delivers competitive solutions for customers while maintaining profitable business growth.

An initiative led by the aerospace and defence industry, SC21 was launched at the Farnborough airshow in 2006, and since its inception there have been real, tangible improvements made in the UK supply chain.

For more information visit www.adsgroup.org.uk/sc21, the website for the national industry body advancing AeroSpace, Defence and Security (AIDIS).

The Midlands Aerospace Alliance (MAA) is the regional partner to AIDIS and is supporting companies across the Midlands to engage in the national SC21 programme, with a dedicated SC21 manager – Tim Holmes – in post. The MAA and our partners the Manufacturing Advisory Service (MAS) have been funded by Advantage West Midlands (AWM), the East Midlands Development Agency (*emda*) and the European Regional Development Fund (ERDF) to provide assistance to companies at all levels of the supply chain.



'The MAA is here to make sure all our companies can reap the benefits of participating in the national SC21 programme.'

– Tim Holmes, MAA SC21 manager

WHAT CAN THE MAA DO FOR YOU?



❖ Demonstrate a route through the process –

This may include site visits, one to ones with senior management, the delivery of information about SC21 to companies or teams of internal staff.

❖ Help companies get started on SC21 –

Focusing resources on the initial stages of the programme from customer engagement and metrics alignment through diagnostic tools and producing an SC21 Continuous Sustainable Improvement Plan (CSIP).

❖ Facilitate supply chain cluster activity –

Offering support in the formation of cluster groups of companies within the region working together as suppliers into a key customer, or as groups cooperating to implement SC21 in their respective companies.

❖ Identify expert support for SC21 implementation –

Advising on qualified consultants and trainers and the range of services on offer, from accredited delivery of Business Excellence and Manufacturing

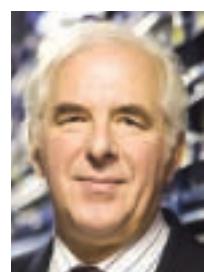
Excellence, to facilitation of supply chain relationship workshops and the implementation of the whole suite of lean tools to help companies at all levels achieve performance improvements.

❖ Assist in securing access to direct and indirect funding for companies engaging in SC21 –

With almost £2 million of secured SC21 funding to be tapped into in the Midlands, there is often financial support available to companies from the MAA or MAS, funded by AWM, emda and ERDF.

❖ Act as a link to the national programme –

Providing valuable feedback at the national level, highlighting the successes and challenges faced by companies carrying out SC21 activities in the Midlands, giving equal voice to supply chain companies of all sizes.



'Participation in the SC21 programme clearly demonstrates a commitment to improving supply chain performance.'

– Clive Snowdon, chief executive of Umeco,
MAA chairman

'Over the past 12 months SC21 has become increasingly important as a supplier development tool for the Rolls-Royce Submarines business. It is essential that we remain committed to improving our supply chain and I view the SC21 programme as the most effective strategic process for achieving this. I fully expect that SC21 engagement will become one of the key supplier differentiators as we continue to develop and embed our Category Management strategies.'

– John Fitchett, director, procurement & supply chain capability,
Rolls-Royce Submarines

A TYPICAL ROUTE THROUGH THE SC21 PROGRAMME



The MAA can help at every step...

**Sign up to SC21 at
www.adsgroup.org.uk/sc21**

Customer engagement

Select your key customers or suppliers and agree the metrics that will be used to assess performance. Agree working guidelines using Supply Chain Relationships in Action (SCRIA).

Assess current performance

Diagnostics

Using a suite of industry-devised tools, an independent assessor will identify strengths and weaknesses in your business and customer-supplier relationships to identify opportunities for improvement.

Generate your improvement priorities

Continuous Sustainable Improvement Plan (CSIP)

Deploying the diagnostic tools generates a bespoke implementation plan, which is directly linked to key measures to ensure your efforts are achieving results.

Quality accreditation

Certification

AS9100 and Nadcap for special processes are foundations of SC21. Moving to a process-based quality management system is a common early step.

Implementing the changes

Making the change

A systematic approach to the use of lean tools and improvement techniques generates sustained measurable change.

Securing a bronze, silver or gold awards

Recognition

A sustained 12-month performance of **>90% delivery** and **>98% quality** will bring national recognition and demonstrate world-class performance to potential customers.

CASE STUDY: G&O SPRINGS



G&O Springs became the first company supported by the Manufacturing Advisory Service – West Midlands (MAS-WM) to achieve the Bronze Award in the region.

The Redditch-based company manufactures springs for the aerospace industry. It was conscious of the need to improve operations and was implementing 5S activities on an ad hoc basis. Management realised this was not sustainable and embarked on the SC21 programme for a more structured and professional approach.

Action Industry Forum, supported by MAS-WM, conducted a manufacturing and business excellence audit to determine areas that needed improvement. The audit identified that lead time reduction, along with 'society and people', where the company initially gained a score of zero, as areas that needed attention.

Diagnostics Industry Forum generated a Continuous Sustainable Improvement Plan (CSIP) to integrate the company's business strategy objectives with customer requirements relating to quality and delivery performance improvement.

The plan was completed in line with the SC21 guidelines and considered:

- ❖ Impact on business
- ❖ Impact on performance
- ❖ Customer satisfaction
- ❖ Cost savings
- ❖ Payback and the necessary resources and time needed.

As a direct result of this project, G&O Springs has established an infrastructure that will enable it to continue to develop its capability and achievements.

A performance management system, centred around the use of quality, delivery

and cost measures to drive ongoing business improvement activities is now in place from individual cells to business level.

To improve the company's society and people score in the Business Excellence assessment, managing director Steve Boyd organised a social responsibility day where all members of staff helped design and build flower beds for a local children's centre.

As a result of the SC21 programme, the company has improved its OTIF delivery and quality to achieve best supplier status for three of its top six accounts.

Production lead time has become accurate, reliable and consistent with the company reducing average lead time from 45 days to 25. G&O recently recorded its first ever 'perfect' month with all jobs delivered on time with zero defects. All this has contributed to G&O Springs being the first West Midlands company supported by MAS-WM, and funded by AWM and ERDF, to achieve the SC21 bronze award.

'SC21 demonstrates to our customers that we can deliver to an exceptional standard on a regular basis.'

– Steve Boyd, managing director,
G&O Springs



FREQUENTLY ASKED QUESTIONS



Q. Can anyone join the SC21 programme?

A. Any organisation will benefit by implementing SC21, but only companies supplying into aerospace and defence supply chains can gain recognition at the end of the process.

Q. Who's involved in SC21?

A. SC21 is industry led, and with the support of the UK's aerospace and defence primes, it is the most widespread improvement process the industry has undertaken. A national programme delivered regionally, with companies of all sizes engaging, there are dedicated resources working throughout the supply chain, with expertise in private companies, accredited service providers and public sector organisations.

Q. What makes SC21 different from other improvement programmes?

A. The framework of SC21 makes it effective to any supply chain company regardless of its accreditation status, maturity in lean implementation and customer relationships. The diagnostic suite of tools will generate a bespoke improvement road map, identifying strengths and opportunities, based on an organisation's current performance.

Q. What will it cost me?

A. The current price for deploying the diagnostic tools and generating a CSIP ranges from £3,300 to £7,000 dependent on the size of the company – a company eligible for match funding will be reimbursed up to 50 per cent of the total cost. The costs involved in implementing CSIP actions vary by company – many can be undertaken by your own staff. A progressive company will consider the outlay as an investment, with bottom line improvements outweighing the costs involved.

Q. What can I receive funding for?

A. Typically the funding is broken into two elements; these are **generating a CSIP** and **implementing CSIP actions**.

Generating a CSIP is typically match funded where an accredited consultant will deliver the diagnostic and generate a CSIP with you – the cost of this would be shared 50/50 by the company and MAS or MAA.

Implementation can involve many activities, from training staff to accessing external resource to assist in lean projects. Some additional support funding is available for these elements, to be considered on an individual basis as applications are received.

Q. Can anyone receive funding?

A. Yes – with over £2 million pounds of secured funding available for companies in the Midlands, any company engaging in SC21 will be considered, subject to funding stream eligibility.

Q. How long is funding available for?

A. The MAS and MAA SC21 support projects run until September 2011. Companies are invited to apply for funding as soon as possible so that it can be earmarked for their SC21 work.

Q. Am I guaranteed new business?

A. SC21 won't guarantee new business, but engaging in the programme demonstrates you're serious about supplying world-class products and services to your customers and improving your competitiveness through SC21 will make you more likely to win future work.

Q. Is MAA membership a requirement?

A. No, but we hope that our support will encourage you to join.

SC21 – CAN YOU AFFORD NOT TO?

A supply chain fit for the 21st century requires positive steps – and regional assistance is available from the Midlands Aerospace Alliance and Manufacturing Advisory Service. We will help you on the SC21 journey of accreditation, performance improvement and relationship management.

For more information on how to get help for your company, contact:

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Tel: 07980 315393
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or visit www.midlandsaerospace.org.uk



For detailed information on funding in the West Midlands, contact:

Cliff Johnson, SC21 Project Manager
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cjohnson@mas-wm.org
or visit www.manufacturingmatters.co.uk



For detailed information on funding in the East Midlands, contact:

Phil Houlton, MAS Advisor
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Mobile: 07826 948143
phil.houlton@mas-em.org.uk
or visit www.mas-em.org.uk



For information on SC21 at national level, or to sign up to the SC21 process and be entered on the national implementation plan visit:
www.adsgroup.org.uk/sc21

