

LAI Concept of Operations

...Phase 3: Enterprise Value Started 9.01.02

Overarching Goal: Accelerate the lean enterprise transformation of the U.S. aerospace enterprise

Overarching Metric: Meeting LAI stakeholders' expectations

Goal 1: Support the ongoing lean transformation of industry

Goal 2: Enable lean, value-creating supplier base

Goal 3: Support lean transformation of the government

Goal 4: Educate and train stakeholders in value-creating lean principles and practices

Goal 5: Enhance the effectiveness of the national workforce

Goal 6: Support member implementation efforts by sustaining tools and knowledge base and by organizing outreach events

Lean Aerospace Initiative (LAI)

...Co-Chairs Direction (August 20, 2002)

Co-Chairs

- Gen Les Lyles (Air Force)
- Mrs Darleen Druyun (Air Force)
- Dr Bill Kessler (Industry)
- Prof Sheila Widnall (MIT)

Direction

- Use the LAI venue in support of the AF “Lean Now!” initiative

Background

1. What is LAI?

- Unique legal venue – discuss defense aerospace issues

2. What has LAI done?

- Accelerated Toyota lean production deployment to Aerospace
- Moved “Lean” from factory to enterprise level

3. Where is LAI headed?

- Help accelerate government-industry lean enterprise transformation to meet mission and war fighter requirements

4. Next actions...for 2002 “Lean Now!”

- Select the “prototype” processes
- Workshop with leadership of “prototype” processes
- AF Leadership review of progress ... Dec 12 LAI Exec Board

A Collective Challenge

- **AF focus is on transformation...of entire value stream!**
 - **War Fighting**
 - **Products and Solutions Used in War Fighting**
 - **Acquiring, Delivering and Maintaining Products & Solutions**
 - **Capable Processes Enabling Acquiring, Delivery, and**
 - **Capable Processes Include Workflow, Skills, Behaviors, Systems and Tools... From Beginning to End!**
 - **Capable Processes Can Dramatically Reduce Span Times**
- **Capable Processes Translate Into More Force Structure**

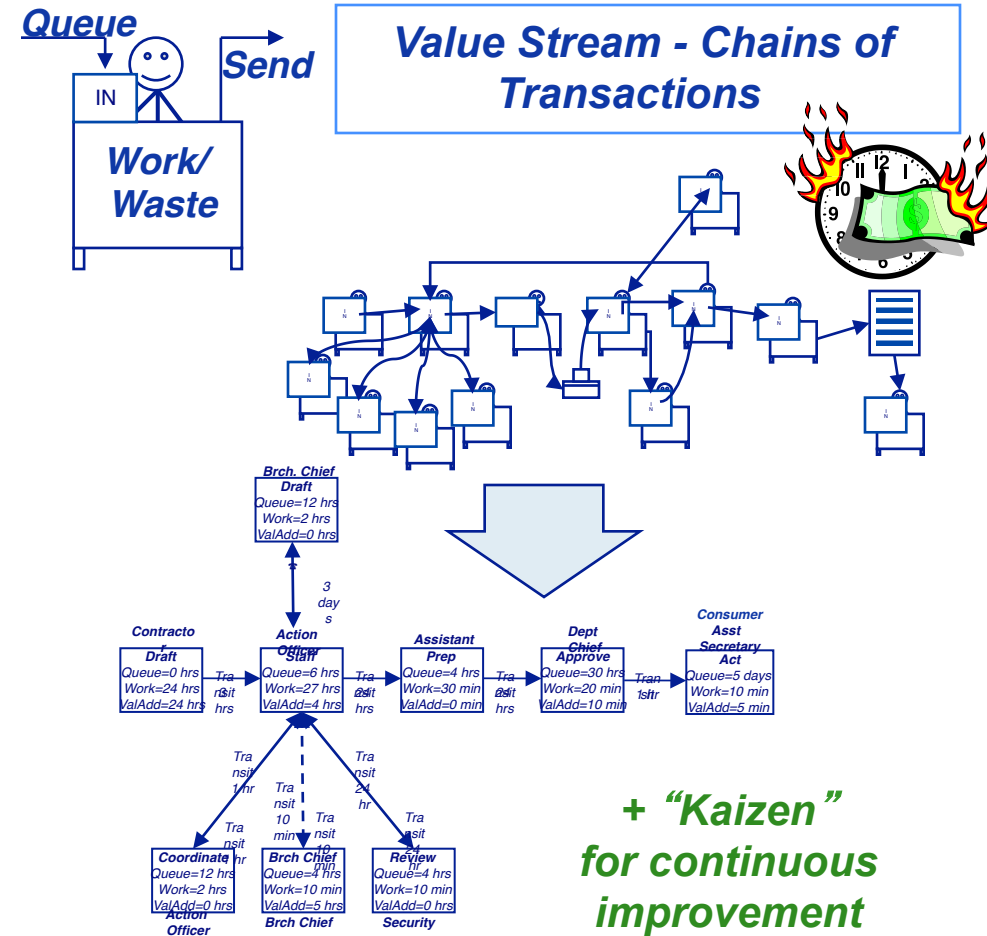
Deploying Capable Processes That Support War Fighter Requirements...Involves Government and Industry

Transforming to More Capable Processes

- **AF Initiative “Lean Now!”**
 - **Apply Lean Principles To Government-Industry Critical Processes ... Align Capability With War Fighter Requirements**
 - **SPO- Industry Program Interfaces**
 - **Across AF- Industry Business Processes**
 - **Across AF- Industry Operational Processes**
 - **Leverage Industry Experience in Process Re-engineering, Transformation and Improving Capability**
 - **Model Deployment After Successful “ADR First” Initiative**
 - **Kick-Off With a Few “Prototype” Processes ...Then Institutionalize**

AF Will tap the Lean Aerospace Initiative (LAI) Venue For knowledge and expert agents to catalyze Lean Now!

Candidate “Prototypes”



Candidate Processes

1. AF Leadership Process

- Deploy roles and responsibilities of enterprise and program managers

2. Core Value Process

- SPO-Industry Program Interfaces & Efficiency

3. Enabling Process

- Business, e.g.
 - Payment
- Operational, e.g.
 - DT and OT
 - Use of Gov Test Facilities
- Change Management

LAI venue allows coaches & trainers from all member companies to support AF initiative

“Lean Now” Leadership Workshop

...Developed by LAI’s SMEs

- **DAY 1 (Afternoon)**
 - Introduction (4 LAI Co-Chairs)
 - Ice Breaker
 - Simulation (Importance of Total Value Stream Focus)
 - Out Briefs and Lessons
 - “Home Work” (5 ideas and 5 barriers)
 - Expectations for Day 2
- **Social, Dinner and Speaker**
- **Day 2 (Morning)**
 - Tool Kit of Lean Methods and Tools
 - Team Meetings – Integrate “5 and 5”
 - Team Reports
 - Lessons Learned – Implementing Lean
 - Closing Session – Highlighting “Leadership Tool Kit”
 - Team Meetings – Commit to Plan & 12.12 Expectations

“Lean Now” Leadership Workshop

...Support Needed from LAI Group 1

1. Read Ahead Package for Workshop Attendees

- **Target Government and Industry Total Value Stream**
- **Minimum Manufacturing, Maximum Transaction**
- **Case Study Summaries**
- **Keep it Simple and Useful**
- **Integrate Relevant Findings from Past LAI Research**
- **Need This in October!**

2. Engage With SMEs on Workshop Methods & Tools

- **Requirements**
 - **The Methods and Tools Used on Lean Now Need to be Applicable Through the Total Government-Industry Value Stream. This “Common Language” Will Accelerate Transformation**
 - **“LAI Blessed” --- Validating Value of Using the LAI Venue**