Enhancing Enterprise Value:
An LAI Plenary Conference
A Multidimensional Value Framework

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Presented By:
Joyce M. Warmkessel
MIT
Understanding Value is the Key to Becoming Lean

➢ Eliminating waste is important, but incomplete as a vision for being “lean”

➢ Without understanding how the enterprise creates value, there is no basis to identify waste

➢ Focusing on providing value provides direction and motivation for the future lean enterprise
Observation on Creating a Value-Based Enterprise

- Big benefits come from viewing the Defense Aerospace Enterprise as a whole
- The enterprise is made up of multiple stakeholders and multiple programs
  - Stakeholders deliver contributions to aerospace products/programs and derive benefit from the extended enterprise
  - Defense systems are key outputs of the extended enterprise and are delivered by “programs”
The Extended Enterprise Today

- Workforce (both government and company) that enables acquisition, development, production and operation
- Companies that develop and produce the products - including OEMs and the supply chain
- Investors that provide investment capital to the companies
- Acquirers that structure and manage the programs
- Users of the defense systems

Key:
- Prog1
- Prog2
- Prog3
- Progn

Other Government Agencies

Executive Branch

Congress

Public