INTRODUCTION

This paper summarizes the comments offered by the Transition-to-Lean Team on the preliminary high-level roadmap for building lean supplier networks, in a meeting at MIT on February 4. The Transition-to-Lean Team includes Prof. Debbie Nightingale (MIT), Dr. Kirk Bozdogan (MIT), Mr. Ron Milauskas (Retired, Textron Systems), and Dr. Joe Mize (Retired, Univ of Oklahoma). These comments are advisory in nature and are presented for the consideration of the LAI Supplier Networks Research Team.

GENERAL COMMENT

It might be useful to distinguish between the overall enterprise value stream, spanning multiple product platforms or programs, and the supplier value stream supporting individual product platforms or programs, where the latter is a subset of the former. The optimal supplier value stream from the standpoint of individual product platforms or programs may well prove to be suboptimal in terms of the overall enterprise value stream, or vice versa.

So, the larger issue is how best to define and manage the interplay (interfaces) between the enterprise-level roadmapping process and the supplier-level roadmapping process, regardless of whether the supply chain management process itself is largely centralized or dispersed. The following types of questions may help sharpen this general issue:

- What are the critical interfaces between the enterprise-level roadmap and the roadmap for building lean supplier networks?
- What should be done differently at the enterprise level as a result of how we define and implement the roadmap for building lean supplier networks? What are some key two-way information flows connecting the two roadmaps (enterprise-level, supplier networks level)

SPECIFIC COMMENTS

Specific comments offered by the TTL team are summarized below:

1. **Create lean vision**: By virtue of the fact that this roadmap will be linked (hyperlinked?) to the enterprise-level TTL, use the word “adopt” rather than the word “create.” Also, use active verb-action format consistently (i.e., do x or y, etc.); so, turn “lean is key” into a “do x” type statement.

2. **Develop strategic plan**: The general comment offered above by the TTL team applies here. Also, here are some of the questions that were raised:

   - Assuming that we already have an enterprise-level value stream map, what are its implications for designing the supplier network (at the strategic level)?
   - How can you develop a compelling strategic plan unless you understand supplier capabilities (e.g., your own enterprise’s core competencies as well as that of your suppliers)?

3. **Assess supply chain**:
• Shouldn’t this be accomplished, at least to some degree, as part of “develop strategic plan”?

4. Education and training:

• Assemble lean toolset (rather than “develop lean toolbox”; develop new tools if needed)

4. Implement lean strategy:

• Big problem here (as noted earlier under “general comment”) is the interaction between the enterprise-level roadmap and the lean supplier network roadmap (Question: what would you do differently at the enterprise level as a result of “implement lean strategy” at the supplier level?)

• Pilots: Pilots are, by definition, isolated from the rest of the enterprise, so that if they fail, they don’t “infect” the rest of the enterprise and, if they succeed, the success is spread only through deliberate action (e.g., pilot-evaluate-scale-up). The implementation strategy, and its execution, should consider a wider set of change/transition management options, such as incremental change (“gradualism”) or radical change (“shock-therapy”).

• What are the timing issues associated with implementation?
• Under what conditions would implementation be optimal?

6. Continuous improvement:

• Add “capture and adopt new knowledge”