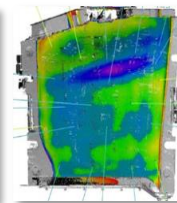
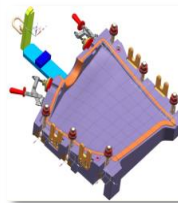


Albuquerque Quality Network

Agenda

- Business Overview
- Strategic Planning Steps
- SWOT Analysis
- X-Matrix
- Key Business Metrics
- Management Operating System
- Tiered Accountability
- Apply Cycles of Learning

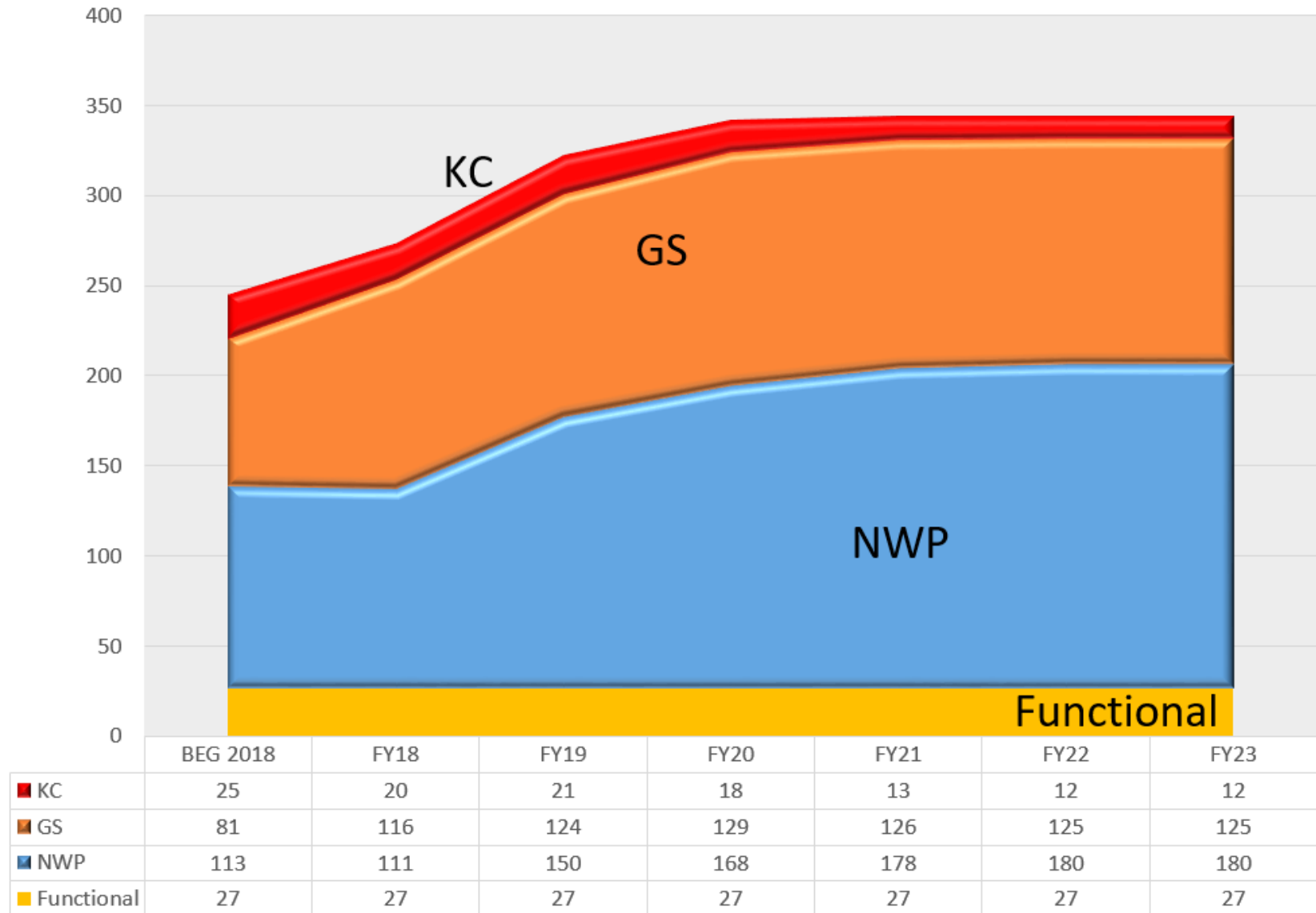


Business Overview

The Kansas City National Security Campus' New Mexico Operations

<https://www.youtube.com/watch?v=BdD2WkJz-w>

Estimated Manpower Loading by Program



Vehicle Systems

- Escort vehicles and tractor trailers
- Build classified/unclassified projects with “cleared” personnel within a U.S. Government-owned property protection area
- Complete life-cycle support



Modular Communication Systems

- Secure VoIP
- Data



Emergency Response Field Services

- Triage
- Stabilization
- Render Safe
- Forensics



Machine Shop

- Classified processing up to Sigma 15
- Precision machining and fabrication (sheet metal, weld, assembly, etc.)
- Master-Cam and Solid Works software
- Full Quality Control (ISO 9001:2008)
- Prototype machining
- Small to medium production runs
- Powder coat, Paint and Welding applications



Cable Fab

- Classified fabrication
- Reverse engineering
- Specialty cables
- All technicians are certified to J-STD-001 soldering specification, IPC-610 inspection, and IPC-620 cable assembly



NMO Specialties

- Technical Software
- Secure Mission Apps
- Technical Documents
- Training

RELEASE CHECKLIST

Release Date	Document Number	Document Name	Notes
		1. PRE-RELEASE DISBURSEMENT	
		2. APPROVAL	

OPUS OVERPACK STORAGE IN COMMERCIAL TRAILER QUICK REFERENCE GUIDE

**NATIONAL NUCLEAR SECURITY ADMINISTRATION
OFFICE OF SECURE TRANSPORTATION**

**SV
FIELD REPAIR GUIDE**

SEPTEMBER 2016

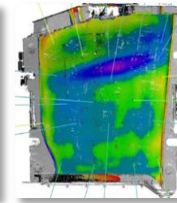
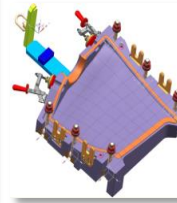
FA9065
SV Field Repair
Issue B
Page 1 of 31



not determined to be UNCLASSIFIED. This text contains clearance for public release. Classifier: G.Mann, Program Analyst, 31.44 Date: 20160921

BE KEPT WITH THE VEHICLE.

Reviewed for classification by: Cyril Moore, Honeywell FMS/FSM, May 12, 2015



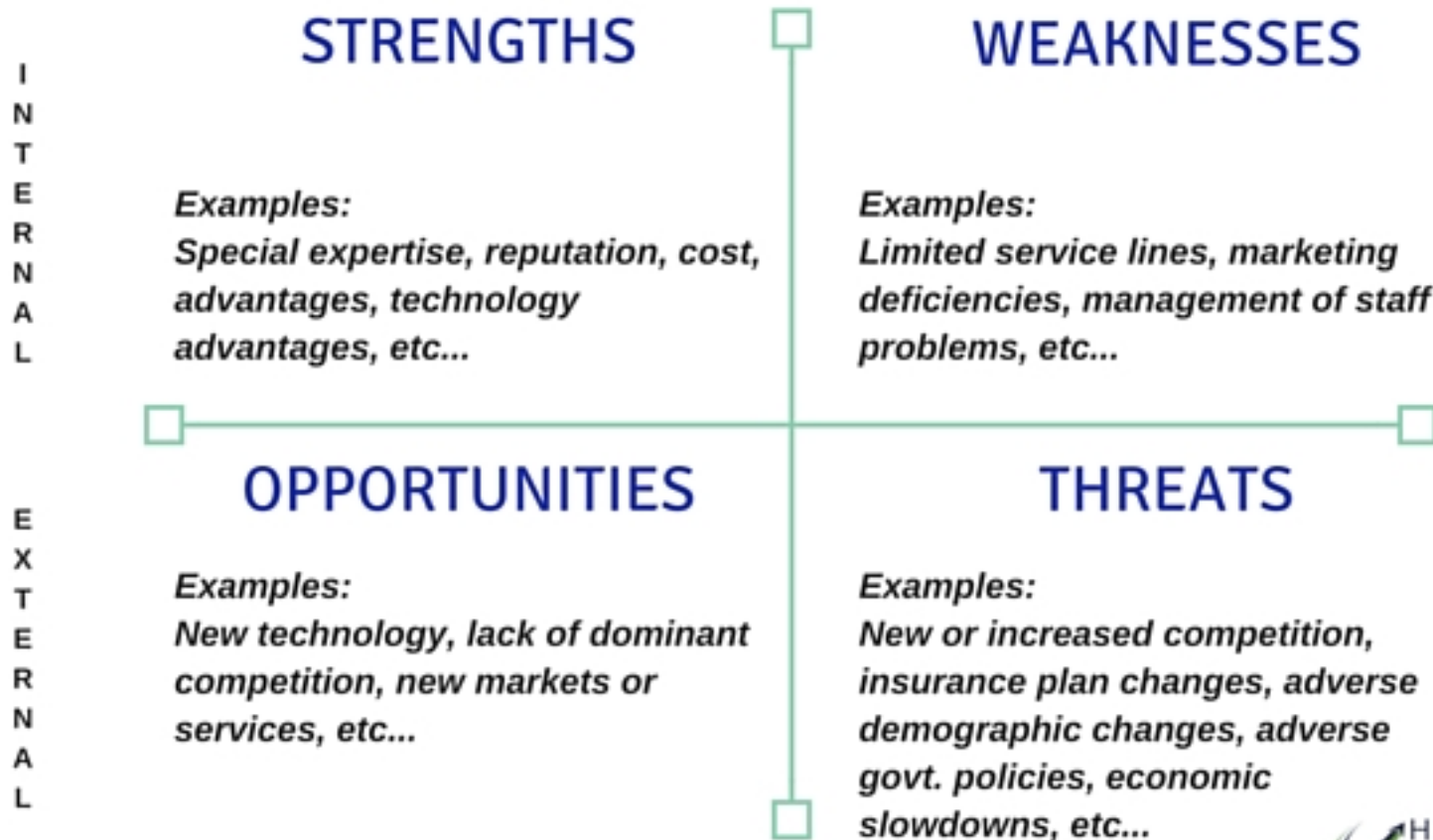
Aligning Strategy with Day-to-Day Operations

Strategic Planning Steps

- Identify and Review Vision and Mission Statements
- Define Strategic Challenges and Advantages (SWOT Analysis)
- Consider five year objectives, the one year objectives to help accomplish them, and what tool to use in order to track progress
- Identify your key metrics for accomplishing the one year objectives, and how to track the status of the metrics
- Apply cycles of learning, and repeat the process annually

SWOT Analysis

- Strengths, Weaknesses, Opportunities and Threats



Example – Strategy Deployment Process Level 1 X-Matrix

<ul style="list-style-type: none"> ● ● Use HOS Gold to reduce complexity and improve productivity incl. HUE and VPD ● Accelerate Growth in HGR ● Accelerate Growth from Adjacencies ● Create and charge for downstream value 																			
Operating Income to 30%, \$205M (AOP 29%, \$ 185 M) External revenue to \$685M - CA GR 8% (AOP \$642k, 5%)	2. Set Annual Critical Few	3. Determine What to Improve/Create Key Improvement Priorities / Process						create VSM for all personas and stakeholders in 2015 - 25% progress Q by Q Reach a revenue of 650K \$ in Germany with EL products in 2015 To reach 44 M\$ total sales with VAPA in EMEA in 2015 instead of 41.6 M\$ Mid - Market Spec and Approval - Q2 Increase customer productivity by 5% (stretch of 10%) by end 2015 Achieve >= 4 star customer experience with all selected touch points Increase Business Productivity by additional 50 bps from HOS Gold Reduce LSW Tasks from 73% to 50%. Increase Confirmation Activity	5. Establish Measures and Timing										
		1. Identify the Vital Few																	
		1st Year Annual Objectives (2015)																	
		Targets to Improve (2015 Targets)																	
		5 Year Critical Few Objectives (to end 2019)																	
								4. Owner & People Resources											
								David Wilson (Project reviews) tbd (Financial review) Karsten Homann Carl Scott Marcus Ostleander Mark Ayton Mark Fenton Jan-Patrick Wiemes John Brandwood Glen Collins Bob O'Hagan Allan Richards Stephane Baudena Klaus Lehan Gangolf Luerweg Sean Clay											
								Responsibility											
●		External revenue growth to \$ 933 Million - 8.0% CAGR (2014 \$685 M)						Primary Responsibility											
●		Op Income growth to \$ 324 Millions - 34.5% ,12% CAGR (27.6% 2014)						Secondary Responsibility											

Example – Strategy Deployment Process Level 2 X-Matrix

<ul style="list-style-type: none"> Build capability to implement HUE improvements in OTC process - Sales Support, Customer Service, Training, Warehouse, Tech Support, Finance (Knowledge base, Apps, Engineer training) 		●	●		●	C	●		○	○	○	○			
<ul style="list-style-type: none"> Use Commissioning Journey Map to drive quick win process improvements for customers on current legacy products - Tools, Panels, Devices 		●	●	●	●	C	○	●	○	○			○	○	
<ul style="list-style-type: none"> Embed HUE into NPI process including investment in formal HUE work in Fusion program, focused on customer productivity from Phase 0 (one man commissioning, Remote monitoring, Loop Diagnostics) 		●		●	●	C	○	○	●	○	○		○	○	
<div style="display: flex; align-items: center; justify-content: center;"> <div style="writing-mode: vertical-rl; transform: rotate(180deg); font-weight: bold; margin-right: 10px;">Use HUE to improve customer experience and productivity</div> </div>	2nd Level Improvement Priorities Validation	Achieve 25% improvement in customer Engineer productivity by end of 2018	Increase customer productivity by 5% (stretch of 10%) on focused HUE touchpoints by end of 2016	Increase % of active projects PG1 to PG5 that have a formal HUE strategy to 10% by end of 2015	Achieve >= 4 star customer experience with all selected and worked-on touch points		Mark Ayton	Karsten Homann	Nikki Crawford	Glen Collins	Stephane Baudena	Sean Clay	Klaus Hirzel	John Lewis	
<ul style="list-style-type: none"> Operating Income to 31.5%, \$240M (AOP 29%, \$222M) 		HUE	HUE	VPD	HUE		Responsibility								
<ul style="list-style-type: none"> External revenue to \$750k - 10% growth (AOP \$715k, 5%) 		Key Metric	Key Metric	Key Metric	Key Metric		●	Primary (Lower case "L")							
							○	Secondary Responsibility							
STATUS															

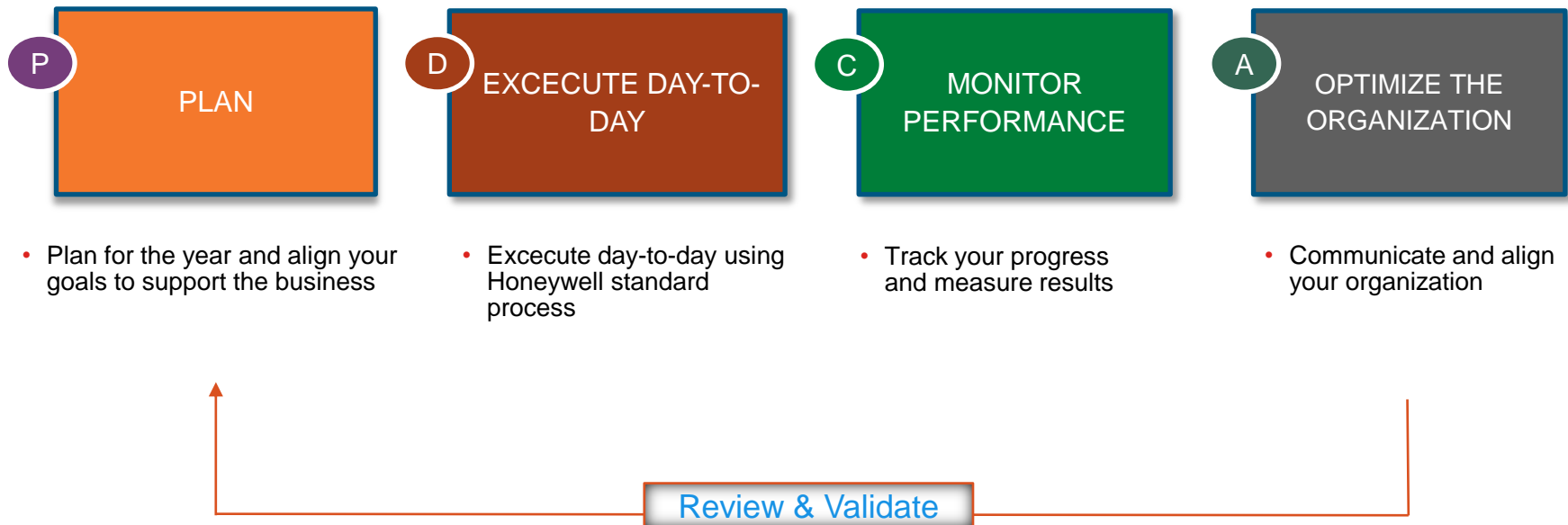
Key Business Metrics

- Consider how to break your one year goals into key business metrics
- Create a metrics scorecard and a monthly leadership meeting to review them

ABC Company									
Balanced Scorecard									
December 2010									
Area	Measurement	Month				Year to Date			
		Actual	Forecast	Var Fsc't	Budget	Actual	Forecast	Var Fsc't	Budget
FINANCE	Sales (x1000)	\$ 1,500	\$ 1,450	\$ 50	\$ 1,450	\$ 19,000	\$ 17,400	\$ 1,600	\$ (1,600)
	Cost of Sales (x1000)	\$ 1,000	\$ 960	\$ 40	\$ 950	\$ 12,000	\$ 11,520	\$ 480	\$ (480)
	Gross Profit (x1000)	\$ 500	\$ 490	\$ 10	\$ 500	\$ 6,000	\$ 5,500	\$ 500	\$ 5,500
	Gross Profit (%)	33%	34%	-1.0%	34%	32%	32%	31%	32%
	SG&A (x1000)	\$ 100	\$ 90	\$ (10)	\$ 90	\$ 1,200	\$ 1,000	\$ (200)	\$ 1,000
	Income from OpS (x1000)	\$ 400	\$ 400	\$ -	\$ 410	\$ 4,600	\$ 4,500	\$ 100	\$ 4,500
	Cash (x1000)	\$ 125	\$ 150	\$ (25)	\$ 150	\$ 1,500	\$ 1,600	\$ (100)	\$ 1,600
	Orders (x1000)	\$ 1,250	\$ 1,500	\$ (250)	\$ 1,500	\$ 18,000	\$ 20,000	\$ (2,000)	\$ 8,378
	Inventory (x1000)	\$ 2,000	\$ 1,900	\$ (100)	\$ 1,900	\$ 2,000	\$ 1,925	\$ (75)	\$ 1,925
	Inventory Turns	2	2	0	2	2	2	0	2
CUSTOMER	On-Time-Delivery %	90%	93%	-3%	93%	95%	95%	0%	95%
	Orders Delivered On-Time	90	95	-5	95	1080	1140	-60	1140
	Orders Delivered Late	10	7	3	7	120	84	36	84
	WIP Orders Past Due (#)	14	15	-1	15	168	180	-12	180
	WIP Orders Past Due (%)	8%	9%	-1%	9%	11%	11%	0%	11%
INTERNAL PROCESSES	Kit OTD (%)	95%	95%	0%	95%	95%	95%	0%	95%
	Supplier OTD (%)	93%	97%	-4%	97	94%	97%	3%	97
	Past Due Purchase Orders	27	50	-23	50				
	Scrap (\$)	\$8,000	\$5,000	\$3,000	\$ 5,500	\$96,000	\$60,000	\$36,000	\$ 75,000
	Rework	\$3,400	\$3,000	\$400	3000	\$40,800	\$36,000	\$4,800	\$ 40,000
	Overtime (%)	5%	7%	-2%	7%	7%	7%	0%	7%
	Open Employment Reqs	5	7	-2	0				
	Internal Audits Conducted	2	2	0	2	22	24	2	24
	External Audits Conducted	1	1	1	1	13	12	1	12
	Cost of Quality	\$10,000	\$10,000	\$0	10000	\$ 120,000	\$ 95,000	\$ (25,000)	\$ 95,000
Safety	97%	100%	-3%	100%	96%	100%	-10%	100%	
INVEST	Training Hours	60	55	5	55	720	600	120	600
	CAPEX	\$12,000	\$12,000	\$ -	\$12,000	\$ 138,000	\$ 140,000	\$ 2,000	\$138,000
	R&D	\$4,000	\$4,500	-\$500	\$4,500	\$ 48,000	\$ 50,000	\$ 2,000	\$ 50,000

What is an Management Operating System (MOS)?

MOS: A system of controls, communication and activity tracking that is used to execute organizational goals and objectives.



- Connects The Dots Across the Organization

MOS – Alignment

P **PLANNING**
“Alignment”

D **DO (Execution)**
Daily, Weekly, Monthly

C **CHECKING**
“Accountability”

A **ADJUST THE ORGANIZATION**

Vision / Mission

VISION: The World's Most Trusted Source for National Security
MISSION: Support national and homeland security objectives by providing exceptional solutions, managed operations, and targeted services through talented people

STRAP



AOP



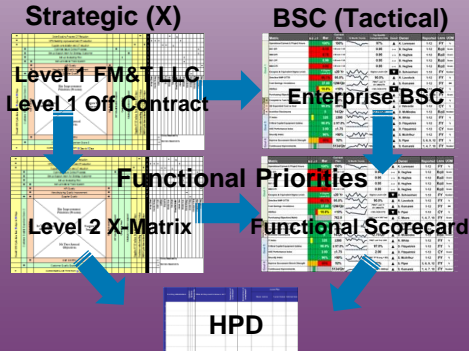
Strategy Development



PEMP



Site Priorities



Tiered Accountability



RPS/ 6M Change Log

Kaizen/CI/Six Sigma



Focused Gembas/LSW/Coaching

Quality Management Board

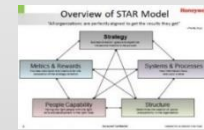


Monthly MOR



Focused Gembas/LSW/Coaching

Business Assessments



MRR – The Right Organization



PER

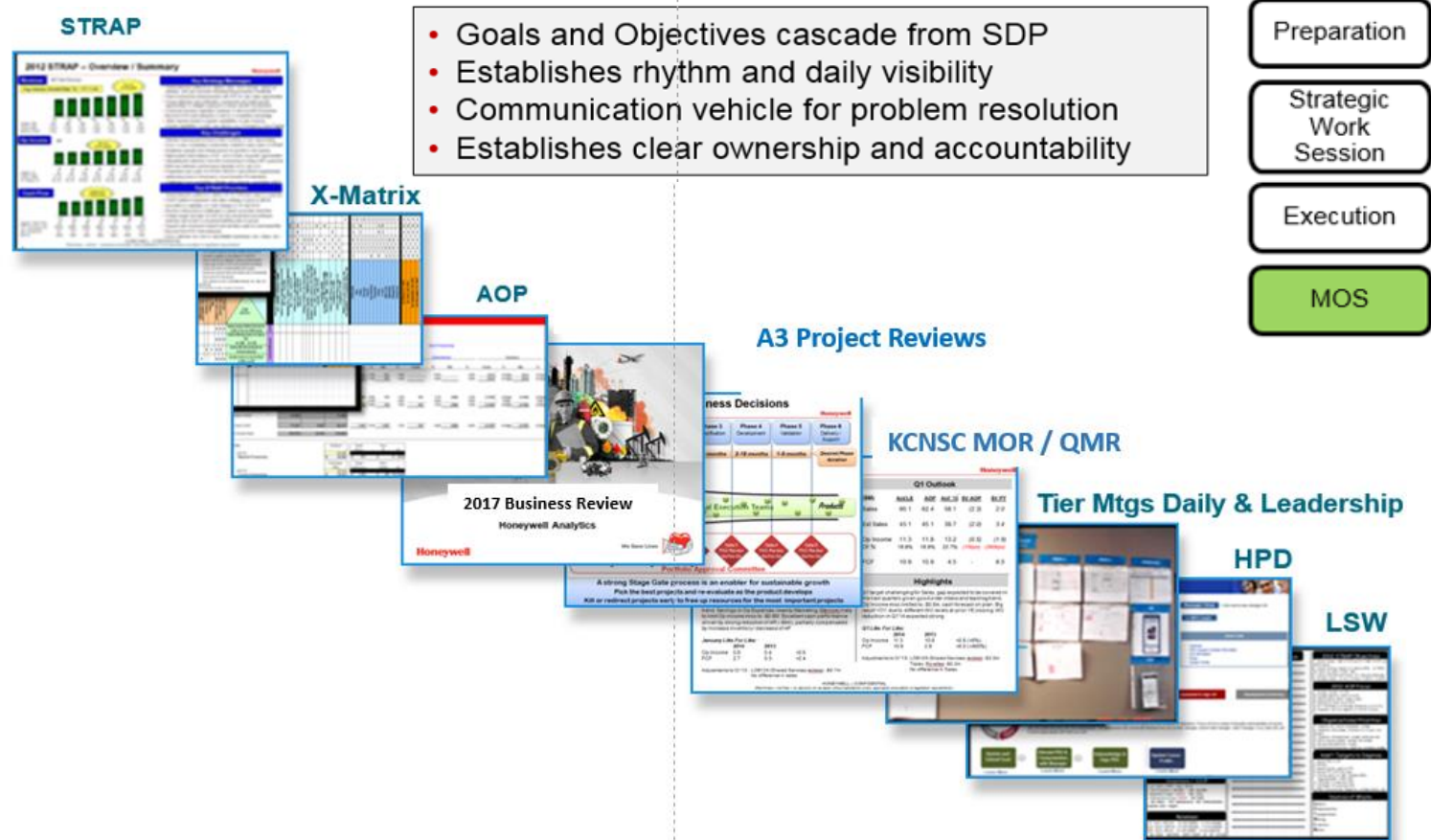
Learning Strategy

Communications Strategy

Change Management

Focused Gembas/LSW/Coaching

Management Operating System (MOS)



- Links Goals with Accountability

Tiered Accountability – (Day-to-Day Operations)

- A daily assessment of team's performance by reviewing metrics and discussing issues / actions needed to assist in achieving our team's goals.
 - Safety/Security, **Quality**, Delivery, Cost
- To ensure follow-up on issues and actions from yesterday's problems.
- To discuss what the team needs to accomplish today
- Pass information up and down the tiers

Quality Focus

- Built in Quality (BIQ) - is designed to protect the customer by creating a culture that "doesn't accept, doesn't create, and doesn't pass on".
- Rapid Problem Solving – is a standard method to capture and resolve problems
- Problem Log – is used to track all issues not in standard.
- BIQ/6M Change Log – should be used whenever there is a change to one of the 6Ms (Man, Machine, Mother Nature, Method, Material or Measurement) in the area.

Apply Cycles of Learning, and Repeat Annually!



The road to continuous improvement never ends!