

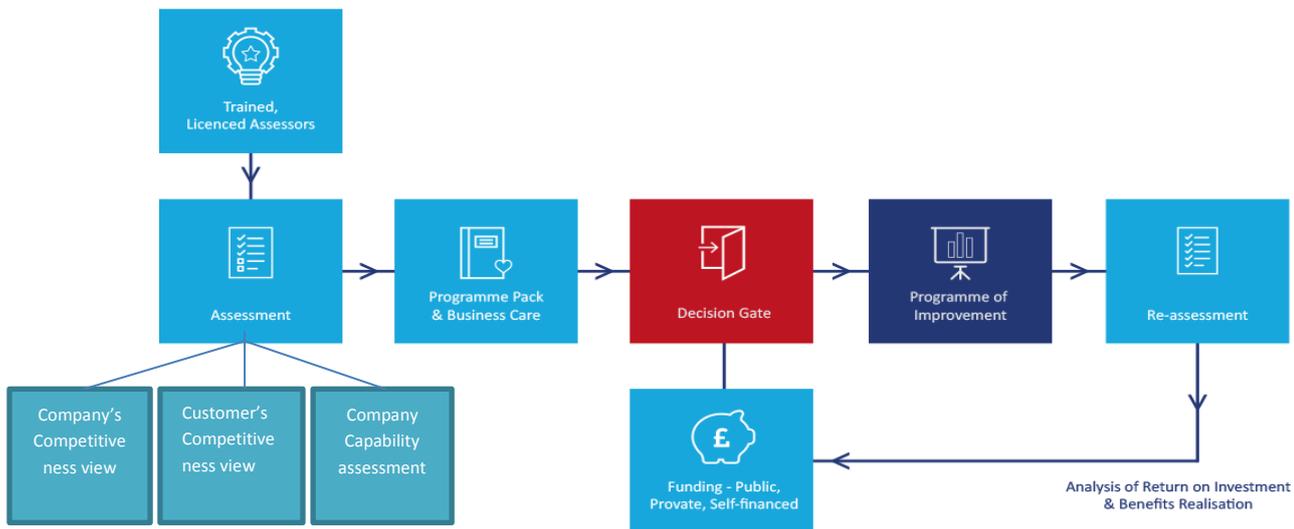
NATIONAL MANUFACTURING COMPETITIVENESS LEVELS (NMCL) – A SHORT BRIEF

To be competitive a company must outperform its customer’s understanding of parity amongst its peers. Assessing a company’s competitiveness not only indicates how they are performing, but also highlights areas where improvement can and should be made. NMCL is a system developed by an ADS Group Limited (ADS) and Society of Motor Manufacturers & Traders (SMMT) led consortium, supported by industry primes and OEMs. The aim is to establish a single, national, quality assured, best practice approach to improving the competitiveness of manufacturing supply chain companies to raise workforce capability, increase productivity, boost UK economic growth and increase export levels.

Assessing Competitiveness

NMCL is a framework that assesses the competitiveness of a company of any shape and from any manufacturing sector. Generating a Programme Pack consisting of supporting evidence, the NMCL assessment is used to direct the decision about investing in improvement activities regardless of whether the investment is publicly or privately funded. The business must clearly understand the value of improving.

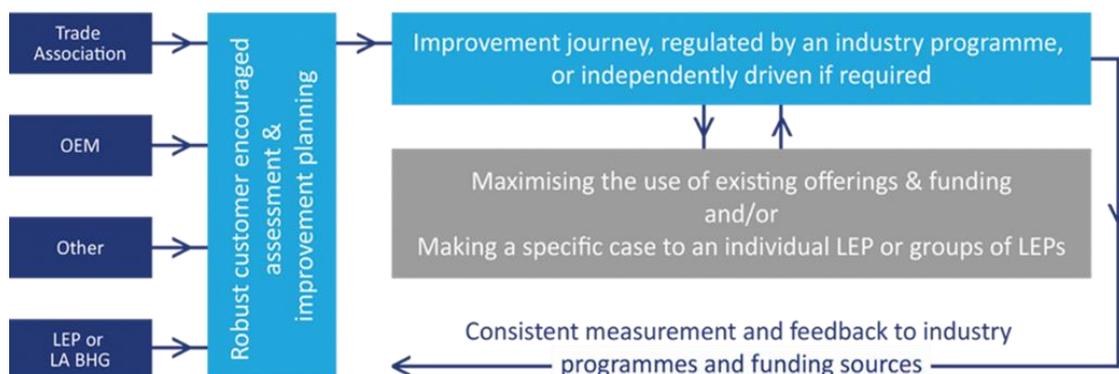
The NMCL Process



The customer’s perspective and the securing of new business are key elements of NMCL; both are tracked, the success of any improvement activity being measured based on business growth. The result is an assessment that recognises what is essential to the growth of company at that particular point of time.

Improving Competitiveness

NMCL is designed to remain relevant in a rapidly changing environment and can be incorporated within existing industry led programmes, such as Supply Chains for the 21st Century (SC21) and a variety of funding routes.



Capability Assessment (CA)

The Capability Assessment consists of a structured series of questions, led by an industry expert, that examine the capabilities of the company. Numerical scoring in the assessment is analysed against the views of the company's customers and also with consideration to the rate of the company's growth and how far through that growth cycle it currently is. This is combined with the company's financial reports, to build a business case for the improvements to be undertaken linked directly to improved performance. The result is an assessment that recognises what is really important to the company and focussed on their key customer's needs.

Utilising the wealth of knowledge gathered during the Capability Assessment phase, the NMCL assessor is able to identify where improvement is required, giving priority to areas where lack of capability is potentially 'order losing'. Improvement activity is designed to improve their performance to at least match that of other competitors.

Improvement Modules (IM)

The improvement modules are aligned to four key business themes;

- Competitive Strategy and Management Systems (42 Modules)
- New Product Introduction (NPI) & Lifecycle Management (21 Modules)
- Manufacturing Operations (26 Modules)
- Supply Chain (33 Modules)

The themes contain a number of work packages that detail specific areas of focus within the business. In total, there are 25 work packages and 122 individual improvement modules.

Whilst there are a large number of Improvement Modules available, use will only be recommended if they can be financially justified, and increase the competitiveness and productivity of the company.

Capability Re-Assessment

Following the implementation of the selected improvement modules and associated actions, NMCL enables benefits to be realised and return on investment captured. Once the Improvement Modules have been completed, the assessor will perform a re-evaluation of the company's NMCL assessment to understand if the anticipated improvements have been achieved, whether there has been the expected enhancement to the company's financial performance, and to determine if the company has become more competitive against their peer.

Competitiveness Focussed Improvement

Developed by the ADS/SMMT consortium and supported by industry primes and OEMs, NMCL provides a complete end-to-end development journey including, but not limited to, Intellectual Property (IP) centric start-up companies but also to a large manufacturers. The principle benefits of using NMCL are:

- The common framework reduces the overheads of both investors and improvement programmes.
- Investment decisions are supported by reliable, impartial evidence.
- It encapsulates the view of the customer demonstrating improvement by means of better customer feedback and increased business orders.
- It recognises when some elements of competitiveness are 'good enough' removing the temptation to improve everything regardless of whether it is important.

Deployment

ADS and SMMT are committed to a single, national, quality assured, best practice programme to significantly improve the competitiveness of the UK manufacturing supply chain to advance capability, increase high value skills, boost economic growth and seize export opportunities. Government have dictated a sector level deployment approach, and have recently announced the launch of a competitiveness programme within the Automotive sector. The Aerospace and Defence sector programme is known as **SC21 Competitiveness + Growth (C+G)**. Initial Companies are already undergoing their Capability Assessments and developing Programme packs. ADS are working with Government, specifically the Department for Business Energy and Industry Strategy (BEIS) to further develop the equivalent business case for the Aerospace and Defence sector.

For further details please visit the National Manufacturing Competitiveness Level website:-

www.nmcl.co.uk