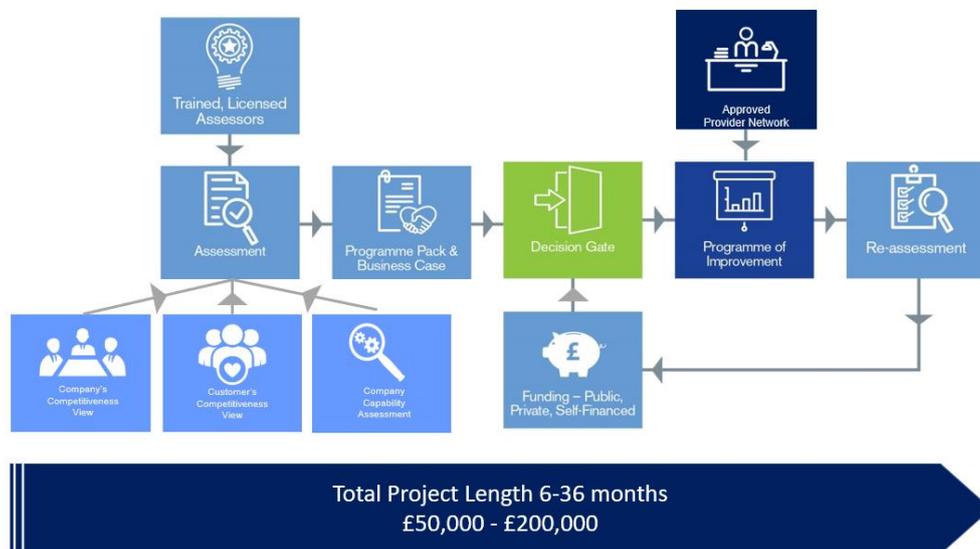


NATIONAL MANUFACTURING COMPETITIVENESS LEVELS (NMCL) – A SHORT BRIEF

To be competitive a company must outperform its rivals over the long term. Assessing a company's competitiveness not only indicates how they are performing, but also highlights where improvement can and should be made. The NMCL is a jointly developed programme by a consortium formed by SMMT and ADS, with additional guidance and support from industry primes and OEMs. The aim is to have a single, national, quality assured, best practice approach to improving the competitiveness of manufacturing supply chain companies to raise workforce capability, boost economic growth and export levels.

Assessing Competitiveness

NMCL provides a framework for assessing the competitiveness of a company of any shape and from any manufacturing sector. Generating an evidenced based Programme Pack, the NMCL assessment is used to support the decision about investing in improvement activities regardless of whether the investment is publicly or privately funded, cash or resource. The business must clearly understand the value of improving.

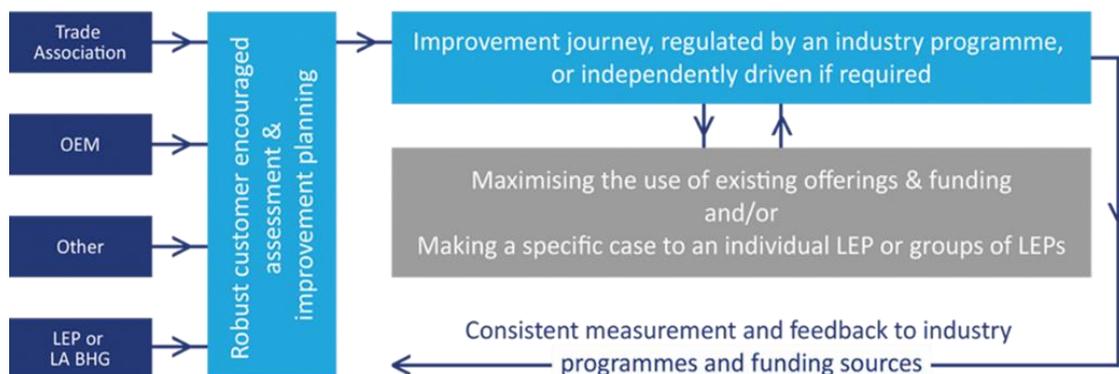


The NMCL Process

The views of the customer and the winning of new business are key features of NMCL; both are tracked, with the success of any improvement activity being measured on customer results and business growth. The result is an assessment that recognises what is really important to the company at that particular stage of its journey

Improving Competitiveness

The framework is designed to remain relevant in a rapidly changing improvement environment and makes use of industry led programmes and existing offerings and funding routes.



Capability Assessment (CA)

The Capability Assessment consists of a structured series of questions examining the capabilities of the company. Scoring in the assessment is viewed against those themes chosen in both the Customer and Company Competitiveness Reviews and where the company is in its growth journey. This along with the company's financial reports helps 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 their key customers, allowing them to select appropriate modules for their business needs.

Following on from the Capability Assessment, the NMCL assessor is able to identify where the improvement is required, with priority being given to areas where capability is potentially 'order losing', so then improve their performance to match that of other competitors.

Improvement Modules (IM)

The improvement modules are broken down into four key business themes, shown below:

- Competitive Strategy and Management Systems
- NPI & Lifecycle Management
- Manufacturing Operations
- Supply Chain

Within each of the themes above, a number of work packages further identify specific areas of the business, within which a number of improvement modules are contained. In total, there are 25 work packages and 122 individual improvement modules within the 4 themes.

Re - Capability Assessment (CA)

Following the implementation of the improvement modules and improvement actions, NMCL is used to report benefits realised and return on investment. The assessor undertakes a further re-capability assessment to measure improvement, a customer competitiveness view to determine customer views and a customer revenue profile to understand whether the company's financial performance has benefitted as a result. From this, the assessor can evaluate the company's current NMCL assessment and understand the value of the improvement activity that took place.

Competitiveness Focussed Improvement

Jointly developed by SMMT, ADS, industry primes and OEMs, NMCL provides a complete end-to-end development journey from IP centric start-up to a large manufacturer. The principle benefits of using NMCLs are:

- The common framework reduces the overheads of both investors and improvement programmes.
- Investment decisions are supported by consistent, impartial evidence.
- It encapsulates the view of the customer with improvement being demonstrated by improved customer feedback and increased orders.

It recognises when some elements of competitiveness are 'good enough' removing the temptation to improve everything regardless of whether it is important.

Deployment

SMMT and ADS remain committed to a single, national, quality assured, best practice approach to improving the competitiveness of manufacturing supply chain companies, to raise workforce capability, boost economic growth and export levels. The government have dictated a sector level deployment approach, and have already announced the launch of the programme within the Automotive sector.

Within the Aerospace and Defence Sector the approach is known as **SC21 Competitiveness + Growth (C+G) Initial companies are already undergoing their Capability Assessments and developing**. ADS are working with Government (BEIS) to further shape the equivalent Aerospace and Defence Sector support package.

For further details or to submit Expressions of Interest please visit either the National Manufacturing Competitiveness Level website <https://www.nmcl.co.uk/2018/09/27/call-for-expressions-of-interest/>, or the ADS website <https://www.sc21.org.uk/sc21-how-do-i-sign-up/cg-opportunity-to-participate/>

www.nmcl.co.uk