

Opportunities for participation by British Columbia companies

Background

The Government of British Columbia (B.C.), in partnership with industry, is exploring the creation of a new multi-year, multi-sector supplier development program to respond to the need for greater participation by local businesses in global supply chains.

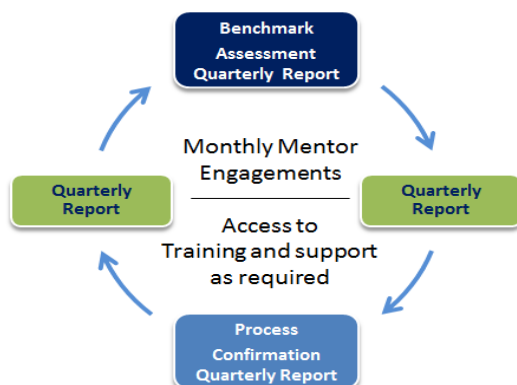
The concept is to model a program after the best practices in supplier development from around the world and focus on operational excellence. A critical value-adding component of such a program would be the linkage of participating companies to successful OEM/Primes and Tier 1 companies through mentorship and Steering Committee reviews.

Pilot Overview

A Supplier Development Pilot project is being run this year to validate design concepts and training materials and to confirm the utility of a sustained program of support for enhancing the global competitiveness of B.C. businesses.

The pilot will follow a program cycle, including:

- **Benchmark assessments** across the whole of the business; using global standards for world-class performance;
- **Mentoring** for the senior leadership team;
- **Assistance in developing improvement plans** tailored to the strategic needs of the business;
- **Training & expert support** focused on the company's priority improvement areas; and
- Quarterly reviews by an industry Steering Committee; providing **objective feedback from senior industry personnel**.



Benefits to Participants

- Provides a structured approach and support for achieving the transformative change required for improved global competitiveness.
- Creates direct linkages to large, top-tier companies through both mentors and the pilot's Steering Committee; providing guidance and feedback on improvement activities.
- Offers access to affordable, high-quality training and expert support in critical areas of business operations.
- Delivers a detailed benchmarking report that assesses the company's performance across the whole of the business to global standards for competitiveness.
- Immediately differentiates your business to the market as a company committed to improvement and operational excellence.

Benchmark Assessments

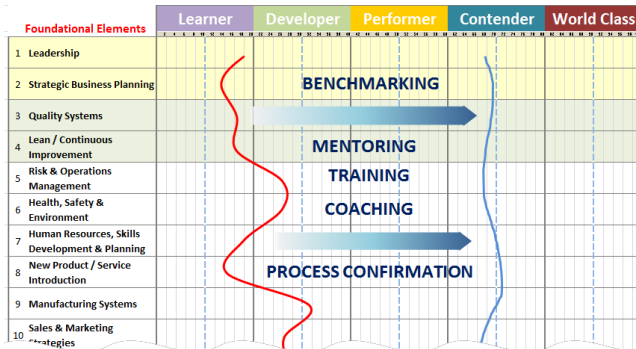
Benchmark assessments are a key aspect of the pilot. They provide a direct measure of the current state of the business; they are the foundation for developing company improvement plans; and they provide the hard data for measuring and charting actual improvements over time. Key features of the assessments include:

- Assessments look across the entire business; 12 foundational process elements.
- Assessments are conducted by two qualified assessors for accuracy and thoroughness.
- Evaluations are based on observed evidence of systems and behaviour for maximum objectivity.
- Performance is scored across a multi-level scale from Learner to World-Class; based on benchmarks established by global OEM/Prime companies.



Following benchmark assessments, assessors work directly with participating companies to identify key areas for improvement, based upon the company's business strategy, and to develop effective and achievable improvement plans.

Benchmark Reports



Benchmark assessments look across the whole of the business. Currently, the pilot is designed to evaluate performance in the following twelve (12) foundational processes:

1. Leadership
2. Strategic Business Planning
3. Project and Risk Management
4. Lean / Continuous Improvement
5. Make versus Buy
6. Skill Planning and Development
7. Information & Communication Systems
8. Innovation
9. Collaboration
10. Infrastructure and Facilities Management
11. Sales and Operations Management
12. Quality Systems

Experience has shown that having sustained leadership commitment and support and a clear picture of where the business is moving to are critical for a successful implementation of transformative change. For this reason, all companies participating in the pilot will focus on Leadership and Strategic Business Planning for their first pilot cycle.

In subsequent cycles, the immediate and strategic needs of the business directly drive the focus of improvement efforts. Normally, no more than two foundational processes are targeted for improvement at any one time. This narrow focus helps ensure that best efforts are made in the most critical areas and avoids spreading resources too thinly.

Operational Excellence

By focusing on operational excellence, the BC SDP pilot:

- **facilitates the pull of innovation** and allows the adoption and application of new technology in the most productive ways possible;
- **opens productive capacity** and creates the capability to pursue new products and new markets (exports);
- **enables the most effective and efficient utilization of resources**, including skilled workers; and
- creates an environment for **elevating the performance** of companies **across the whole supply chain**.

Company Commitment

Transformative change requires time and effort. If the pilot leads to the creation of a program, then future program participants would be expected to continue with the program for a minimum of three years.

Active leadership, participation and commitment by the company's senior leadership team is critical. Supplier development support is intended to assist companies that recognize the value of global competitiveness, are willing and able to invest in themselves, and desire support with their improvement efforts. Senior management commitment is a key selection criterion for participation in the pilot and any possible future program.

Financial Cost

Participation in the pilot is being made attractive and affordable by financial support from government and industry. Mentoring and Steering Committee reviews are provided at no cost beyond participation. Access to expertise for benchmarking assessments, training and expert support are incentivized with participating companies paying only 40% of the total actual costs.

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