

SEA Definitions

- 1. Value Stream** – All the processes required to produce a product or service of value to a customer. The term value stream applies to product families or individual products or services. The value stream includes the flow of materials in production as well as information flow. The customers of a value stream could be internal or external.
- 2. Process** – A series of steps to produce an intended output. A process may be part of the Value Stream for a product/service or a business process necessary to run the business and help employees and departments do their jobs.
- 3. Process Group or Value Stream Champion** – A senior executive who manages a group of business management processes and/or value streams with common or related purposes. For purposes of the SEA program, at minimum Champions are needed for Leadership, Operational Excellence, Workforce Development, and each Value Stream or Product Line. The Champion supports Process Owners, prioritizes improvement initiatives, and charters improvement teams.
- 4. Process Owner** – A designated person responsible for achieving ever-higher levels of process maturity and effectiveness; a focus point for the company on issues related to their assigned process. Usually reports to the Process Champion either directly or indirectly.

SEA Definitions Cont'd

5. **Process Maturity Model** - The Process Maturity Model (PMM) is a method for managing overall process maturity within an organization. It provides an orderly process for assigning work and assessing progress. The PMM defines the level of maturity for organizational processes. It functions on a process-by-process basis. As a company moves up the process maturity level from level one to level five, it reduces cost, increases customer satisfaction, and moves from an organizational model of reactive quality to preventive quality.
6. **Standard Work** – The organization and specification of uniform work steps to be performed in a process. The steps are documented in the form of work Instructions. Work Instructions should be used anywhere there is a definable and repeatable process.
7. **Lean Enterprise** - A lean enterprise is an organization that is focused on the elimination of waste through the entire value stream by applying the philosophy and techniques of lean production to achieve goals for cost reduction, on-time delivery, excellent quality, and shorter lead times. A lean enterprise requires a culture wherein all employees work toward lean goals, customer satisfaction, and other organizational goals and continually improve personal and team skills.

SEA Definitions Cont'd

8. **Integrated Supply Chain** – Two or more suppliers accelerate improvement efforts and develop a shared value stream map in order to create a complete supply chain solution for their customer. Such solutions typically provide much faster lead time, better quality, and lower cost.
9. **Master Trainer** – A person trained and certified to train and certify others. The master trainer documents work instructions, trains and cross-trains those who will work in a particular process, and certifies that they can perform the work and quality checks according to the work instructions in the time allowed.
10. **Subject Matter Expert** – A person who has experience and/or expertise in the process. The SME has not been certified to train others but serves as a resource to the Master Trainer. SMEs can become master trainers through certification.
11. **Managed Process** – A process selected by senior management for improvement. This process might be selected during strategic planning or other coordinated leadership activities. Managed Processes have a process owner, master trainer, and SME assigned to improve the process. Managed Processes have a team assigned for Kaizen, Six Sigma, or other Process Maturity improvement activities as appropriate.

SEA Definitions Cont'd

12. **Procedure** - A procedure is a document that describes the responsibilities for a process. It contains the purpose and scope of the process, what shall be done and by whom; when, and where. It is recommended that companies have an approved procedural format.
13. **Policy** - A plan or course of action, as in a guiding principle, intended to influence and determine decisions, actions, and other matters in order to preserve the prevailing thinking of an organization or individual.
14. **Hierarchy of Definitions** – We have adopted the definitions most often used and adapted from the International Standards Organization.
 - **Policies**
 - **Value Streams**
 - **Procedures**
 - **Processes**
 - **Work Instructions**
 - **Records**
15. **Annual Improvement Plan** - a plan completed by a supplier usually during process 1.1.1 that sets out Goals, Targets, and Objectives for the following 24 months.

SEA Definitions Cont'd

- 16. Quarterly Performance Review** - a process managed by SEA that includes the elements of (1) quarterly report submission, (2) examination by a trained examiner, and (3) feedback report. The purpose of the QPR is to ensure a high level of continuous improvement to improve the standing of the SEA Supplier brand.
- 17. SEA Certification** - a process managed by SEA that includes an onsite audit, a feedback report, and an official declaration of certification by an independent auditor.
- 18. SEA Supplier Registry** - a list maintained by SEA that includes Certified and Performing Suppliers. This list is featured on the SEA website.
- 19. Performing Supplier** - a supplier who has submitted a quarterly report that has been accepted by the SEA examiner. Performing suppliers have been verified to be continuously improving based on their actions and metrics.
- 20. SEA Roadmap** - a step-by-step model for implementing the SEA Lean Enterprise System.

SEA Definitions Cont'd

21. **Balanced Scorecard** - A grouping of metrics that support the management of company performance. The balanced scorecard goes beyond financial measures and includes three additional dimensions – customer, employee, and operational - to drive a balanced and more comprehensive review of organizational performance.

SEA Definitions - Cont'd

► Vision - Mission - Strategic Goals

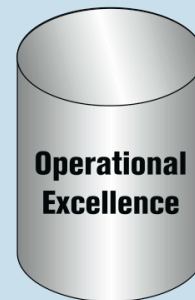
Process Group Champions



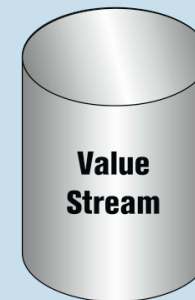
**Leadership
&
Culture**



**Workforce
Development**



**Operational
Excellence**



**Value
Stream**

Processes & Owners

Standard Work Definition, Master Trainers & SMEs