

Association for Manufacturing Excellence (AME) Dallas 2016 International Conference

Performance Coaching at Newport News Shipbuilding

October 25, 2016

Rob Hogan

Vice President, Manufacturing & Supply Chain Management



WHO WE ARE

Newport News Shipbuilding
A Division of Huntington Ingalls Industries

Who We Are – Compliance and Ethics First

"Establishing and maintaining a culture dedicated to compliance and ethics takes discipline and commitment. It's a journey, not a destination. It's a process, not a program. But most importantly, it's everyone's responsibility."



Mike Petters, President and CEO

Ethics is doing the right thing at all times.



Who We Are – Our Values

We believe that putting our values into practice creates long-term benefits for shareholders, customers, employees, suppliers and the communities we serve. To meet our commitments, we must always demonstrate our Company Values:

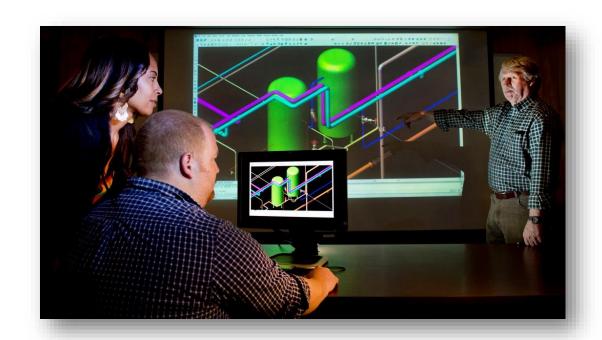
> Integrity Safety

Honesty

Engagement

Responsibility

Performance



Integrity is at the heart of who we are and what we do.



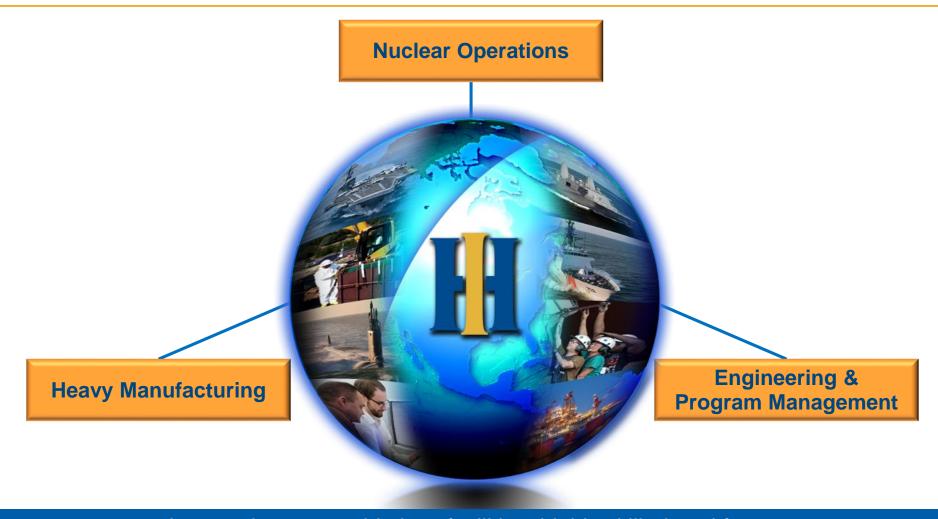
Who We Are – Our Business

- Over a century designing, building, overhauling and repairing ships for the U.S. Navy and the U.S. Coast Guard
- The nation's sole industrial designer, builder and refueler of nuclear-powered aircraft carriers
- One of only two companies capable of designing and building nuclear-powered submarines
- The nation's leading provider of major surface combatants (destroyers, cruisers, and amphibious warships) for the U.S. Navy and sole builder of National Security Cutters for the U.S. Coast Guard
- Have built over 70 percent of the U.S. Navy's current surface combatant fleet
- After-market services maintenance, repair, and overhaul support a wide array of naval ships
- A wide variety of products and services to the commercial energy industry and other government customers, including the Department of Energy.





Core Competencies



Leveraging our world-class facilities, highly skilled workforce and culture of safety, ethics and compliance



Newport News Shipbuilding

- Sole supplier of U.S. Navy Aircraft Carriers
- One of two builders constructing Virginia-Class nuclear submarines
- Exclusive provider of refueling services for nuclear-powered aircraft carriers
- Largest non-governmental provider of fleet maintenance services to the Navy
- Largest industrial employer in Virginia approximately 20,000 employees



Aircraft Carriers





Focus on Execution: Current Carrier Work



Gerald R. Ford (CVN 78) Launch 2013 Deliver 2016



John F. Kennedy (CVN 79) Keel Laying 2015 Deliver 2022



USS Abraham Lincoln (CVN 72) RCOH Deliver 2017



USS Enterprise (CVN 65)
Inactivation



USS *Ronald Reagan* (CVN 76) Yokosuka, Japan FY17 SRA



USS George Washington (CVN 73) RCOH Planning Ship Arrival 2017



USS Theodore Roosevelt (CVN 71) San Diego FY16 PIA



USS G.H.W Bush (CVN 77) Norfolk Naval Shipyard FY18 PIA



USS Harry S. Truman (CVN 75) Norfolk Naval Shipyard FY 16 PIA



USS Dwight D. Eisenhower (CVN 69)

Norfolk Naval Shipyard

FY17 PIA



Puget Sound Naval Shipyard FY 17 PIA

Focus on Execution: Current Submarine Work



Washington (SSN 787) Christened March 5, 2016



Delaware (SSN 791)
Keel laid April 30, 2016
Scheduled for delivery in 2018



Worldwide Fleet Services
Currently Working 8 Submarine
Fleet Support Contracts



Integrated PY: SSN 688 & SSN 21 Class Engineering



ORP Design Support



People

- Approximately 20,000 employees
- Third-, fourth- and fifth-generation shipbuilding employees comprised of [approximately]:
 - 3,300 engineers and designers
 - 1,450 employees with advanced degrees
 - 19 different crafts & trades employed
 - 3,200 veterans
- More than 840 Master Shipbuilders (40 years or more)
- Focused on building a workforce culture that leverages diversity and demonstrates inclusiveness

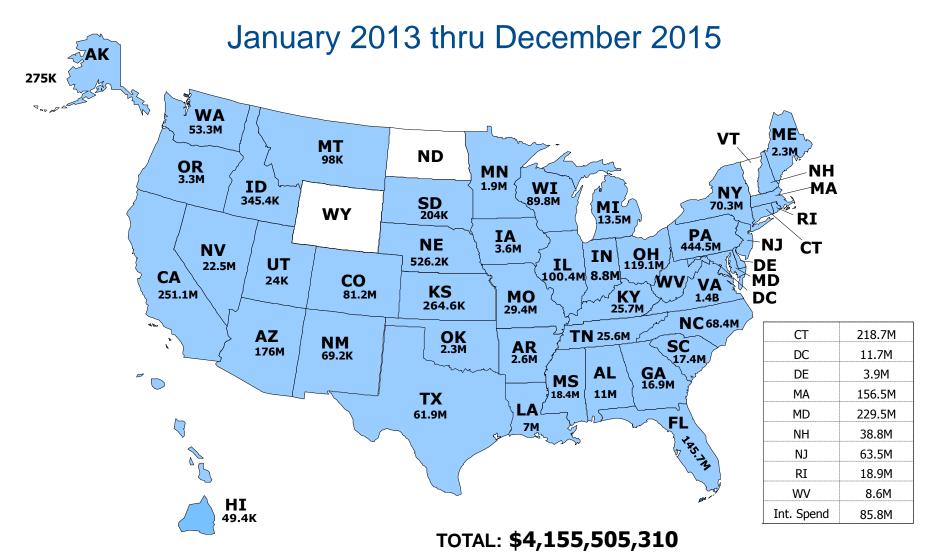


Integrity is at the heart of who we are and what we do. We are each personally accountable for the highest standards of ethics and integrity. We will fulfill our commitments as responsible citizens and employees. We will consistently treat customers and company resources with the respect they deserve.

The True Key to our Success



NNS Spend Demographic





Newport News Shipbuilding - Manufacturing

OUR FOCUS:

- Always working Safely
- Providing Quality products
- Delivering our products On-Time
- Being Responsive and Agile to emergent needs
- Continuously Improving our performance
- Enjoying and taking Pride in our work

Component Fabrication and Assembly

- Foundry
- Machine Shops
- Pipe Shops
- Electrical Shops
- Sheet Metal Shops
- Hanger Shops

BOTTOMLINE.....

- Over 2,500 skilled crafts men and support personnel
- Over 2.3M ft² of manufacturing footprint
- Delivering over a half a million products and assemblies each year: from washers to 550+ ton modular units

Structural Fabrication and Assembly

- Steel Fabrication
- Steel Production and Assembly Shops
- Blast and Coat





Performance Coaching

Coaching for Improved Performance

- There are 15 coaches deployed yard-wide in all Navy programs, Operations, Manufacturing and SCM, and NNI
- Coaches work with leaders at every level (from front-line supervisor to Vice President) to create alignment around the things that are most important to that organization. Some of the ways coaches work in organizations are:
 - Helping to develop tools to improve business management (score boards, one-pagers, metrics, etc.)
 - Helping to develop strategies to accomplish major initiatives
 - Helping the leader develop techniques for team and employee development
 - Helping the leader accomplish personal development goals
- The key aspect of performance coaching is the maturing of individual leaders in FAIR* behaviors.
 FAIR describes the leadership behaviors which lead to higher engagement and sustained high performance:
 - FOCUS
 - ACCOUNTABILITY
 - INVOLVEMENT
 - RESPONSE
- Every interaction is an opportunity to display FAIR behaviors, but it is critical that organizations have a routine pattern of communication that aligns the entire organization around its business objectives.
 We call this Operating Rhythm*.

Dedicated resources to help change the culture to improve performance



Basic Beliefs About People

- People want to do good work—meaningful work that they can be proud of.
- 2. People want to win.
- 3. To win, people need to know the goal, and the score.
- The people closest to the work are in the best position to identify opportunities for improvement.
- 5. Leaders have more influence than they realize.



Photo taken by NNS photographer Ricky Thompson



FAIR: Engaging our People in the Business



FAIR describes the leadership behaviors which lead to sustained high performance. Every leadership interaction is an opportunity to display FAIR behaviors. Through this lens we can see how the leader enables his or her team to succeed in every organizational goal.

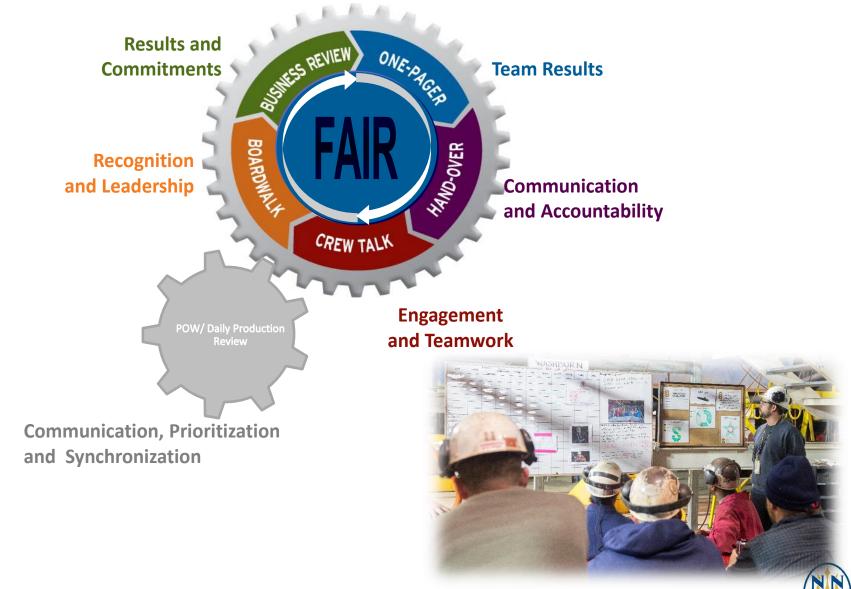
- Does the leader clearly **FOCUS** his or her team on the things that are most important through effective goal setting? Does the team know what winning looks like each day or week, and how they impact overall results? Does the leader bring the strength of the team to bear on the organizational goals? Does he or she set priorities and remove barriers that keep people from focusing on the things that matter?
- Does the leader provide ACCOUNTABILITY for achieving the results? Does he or she provide the score? Does he or she
 discuss what is driving the score? Does he or she facilitate the formation of action plans that will lead to improved results?
- Does the leader **INVOLVE** those closest to the work in the innovation of solutions? Is everyone on the team included in problem solving and team-building initiatives? Does the leader document these suggestions and follow up on them?
- Does the leader RESPOND effectively to both good and poor behaviors and results? Does he or she provide appropriate recognition? Does he or she effectively coach for corrective actions?

FAIR Leadership Behaviors Influence all Indicators

FAIR behaviors are consistent with Engagement, in fact, the purpose of those behaviors is to engage people in the business.

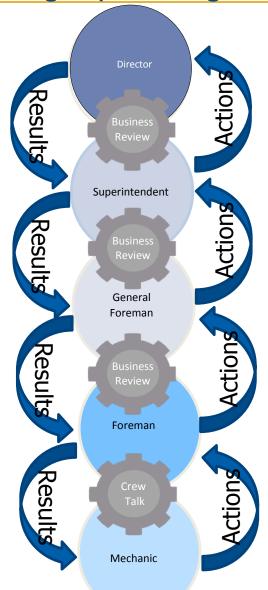






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Photo taken by NNS photographer Ricky Thompson



While FAIR is the foundation, FAIR is not the point. The point is that we achieve desired performance in all pillars. Every interaction is an opportunity for FAIR, and each leader can achieve maturity in FAIR, but not achieve business results. That is because organizational performance depends on everyone working towards common objectives. This is why OR is so essential. It aligns the organization. Each of these routine interactions is an opportunity to demonstrate FAIR behaviors in pursuit of organizational goals.







Crew Talk: Engagement and Teamwork

Attendees: Crew

Primary Speakers: Crew

Frequency: Weekly

Covers: Safety, Quality, Schedule, Cost, Engagement, 5S

Content (past, current and next weeks):

- Team's results from last week and what drivers contributed to the win/loss
- Specific goals/milestones in next two weeks and progress towards those goals
- Specific actions they are taking to improve performance/solve problems, and what their specific expected results are for this week
- Identification of barriers to performance requiring higher support



Effective Crew Talks yield "Game Changers"

Inclusion:

Uniqueness of each individual is welcomed and leveraged for learning and informing better decisions

Innovation

Engagement:

Committed individuals working to their full potential

Business Environment:

Goals, objectives, contract pressure, challenges, etc. that inform our performance measures and necessitate improvement



Actual Innovation from Deckplate Crew Talks

"If we change the staging position, I won't be reaching so far for this joint, and can get a better quality weld." "If we sequence this job differently, we'll have less verticals and we can do it cheaper and faster."

If we mix this small quantity of paint on the job, and use a different brush, it won't streak so bad and we can do it in one coat."

"I think you should let [Mechanic X] do that job—he's the best at that type of welding and we know it will be high profile."

"If we insert that sleeve and secure this end first, we will avoid the alignment problems we had at the other end on the last hull." "If you move the entrance of that staging to the right, we won't have a trip/fall hazard when we crawl out of the hole."



"If we sequence this job differently, we won't block out the welders and they can run more automatic."

"If we stand this plate up, we can run the transvers structure on both sides, saving time and footprint."





General Foremen Business Review: Results and Commitments

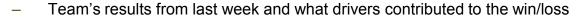
Attendees: Foremen

Primary Speakers: Foremen

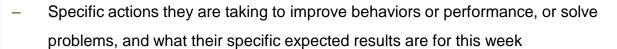
Frequency: Weekly

Covers: Safety, Quality, Schedule, Cost, Engagement, 5S

Content (past, current and next weeks):



Specific goals/milestones in next two weeks



Identification of barriers to performance requiring higher support







Construction Superintendent Business Review: Results and Commitments

- Attendees: General Foreman, Construction Supervisors, Production Control, Planning, Manufacturing Engineer, Support Trades as needed
- Primary Speakers: General Foreman
- Frequency: Weekly, Monthly or as needed
- Covers: Safety, Quality, Schedule, Cost, Engagement, 5S
- Content (past month, upcoming quarter):
 - Team's results from last period and what behaviours contributed to the win/loss
 - Specific goals/milestones in next three months and progress towards them
 - Specific actions they are taking to support deck plate improvements with ECDs
 and what the specific expected benefits are for the upcoming time frame
 - Identification of barriers to performance requiring higher support and removal ownership







- Attendees: Foremen and Lead Crew Members, General Foremen, Construction Supervisors, Support as needed
- Primary Speakers: Foremen and Crew Members
- Frequency: Monthly
- Covers: Safety, Quality, Schedule, Cost, Engagement, 5S
- Content (past, current and upcoming period):
 - Team's results from last period and what behaviours contributed to the win/loss
 - Specific goals/milestones in next two weeks
 - Specific actions they are taking to improve performance and solve problems
 - Identification of barriers to performance requiring higher support
 - Recognition for outstanding performance and actions
 - Big picture provided by senior leader—reinforcing team's contributions to overall objectives





Construction Supervisor POW / Daily Production walkthrough: Communication, Prioritization and Synchronization

- Attendees: Construction Supervisor, Foremen, Support Trades
- Primary Speakers: Foremen
- Frequency: Weekly or Daily
- Covers: Safety, Quality, Schedule, Cost, Engagement, 5S
- POW focuses on the goals and objectives for the week with the combined team, identifies services needed, prioritizes and coordinates work among trades, and identifies work-center situation or condition changes
- Daily Production walk-through addresses any immediate risk, assesses progress to the plan, and determines actions needed to keep the team on track



Summary

At NNS, Performance Coaching is the way we:

- Work with leaders at every level of the company to create alignment around the things that are most important to the organization.
- Create a culture where teamwork is promoted and clear expectations are the norm.
- Help leaders focus on ways to improve their business outcomes by developing tools & strategies to achieve their goals and techniques to develop their teams.
- Help leaders understand the proper response for the behaviour exhibited
- Provide continuous training to develop leaders, individuals and teams the heartbeat of this company



References

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Session: #TP/13
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