

Westinghouse Supplier Quality Oversight Lessons Learned and Operating Experience

Jamie Vasquez
Director, Supplier and Field Quality Oversight
Westinghouse Electric Company
March 13, 2013



Agenda

- Nuclear and industrial safety
- Supplier oversight & control strategy
- Metrics
- Example of applying the strategy
- Key observations
- Summary



Nuclear Safety Culture Quiz

1. Leadership Safety Values and Actions
Leaders demonstrate a commitment to safety in their decisions and behaviors.

2. Problem Identification and Resolution
Issues potentially impacting safety are promptly identified, fully evaluated, and promptly addressed and corrected commensurate with their significance.

3. Personal Accountability
All individuals take personal responsibility for safety.

4. Work Processes
The process of planning, and controlling, work activities is implemented so that safety is maintained.

5. Continuous Learning
Opportunities to learn about ways to ensure safety are sought and implemented.

6. Environment for Raising Concerns
A safety conscious work environment is maintained where personnel feel free to raise safety concerns without fear of retaliation, intimidation, harassment, or discrimination.

7. Effective Safety Communication
Communications maintain a focus on safety.

8. Respectful Work Environment
Trust and respect permeate the organization.

9. Questioning Attitude
Individuals seek compliance and continuously challenge existing conditions and activities in order to identify discrepancies that might result in error or inappropriate action.

- What are the three “basic” attributes that make nuclear technology special and unique?
 1. Large amount of fuel stored in a “small” location
 2. Fissionable, radioactive material
 3. Decay heat

Lesson Learned: Many suppliers do not understand this nor the other principles. We must educate them.



Why is Supplier Safety Performance Important to Westinghouse?

- Westinghouse considers industrial safety as a leading indicator of an organization's performance... simply put, if you are not working safely, you are not performing well.
- Supplier safety performance is an indicator of:
 1. Continuous Improvement Focus
 2. Tolerance for Events
 3. Organizational Effectiveness
 4. Culture & Management Oversight Effectiveness
 5. Procedure Use & Adherence
 6. Risk-Taking Behaviors



Supplier Quality Oversight Summary

- Oversight and control of suppliers is critical to industry success.
 - First of a kind scope / new suppliers represent a new level of challenge
 - Flow down of requirements; must ensure implementation
 - Quality program effectiveness as a foundation for product quality
- Westinghouse is proactively and systematically evaluating our processes and driving continuous improvement
- Driving oversight and early action to predict and prevent supplier quality issues
 - Multiple processes with proactive oversight
 - Frequent review
 - Systematic monitoring & trending

Initial improvement has been realized (e.g. intrusive oversight, SCAR volume, supplier development); continued focus and vigilance required.



Westinghouse Supplier Quality Oversight



Responsible for the assessment, qualification, oversight and development of suppliers, globally, including:

- Performing new and existing supplier qualifications.
- Commercial Grade Surveys.
- Maintenance of the Westinghouse Qualified Suppliers List.
- Perform supplier surveillance and source inspection.
- Document and manage supplier issues and Corrective Action Requests.
- Develop supplier quality risk analysis and development plans.
- Performance monitoring and improvement.



Supplier Quality Oversight & Control Strategy

Holistic Approach to Supplier Quality Oversight

- ✓ Supplier organizational effectiveness is critical to predicting quality performance.
- ✓ Audits and Witness/Hold points alone are important but not enough to achieve this

Implementing a layered, intrusive system to predict and prevent issues.

Obtain independent assessment to determine if your plan / strategy has any gaps.

Westinghouse

Metrics

- Ensure you have metrics in place to monitor your and your suppliers' performance.
- Be thoughtful with this.... It is not always easy to find meaningful metrics for a diverse supply base.
- Balance your metrics between leading and lagging to monitor performance.

Westinghouse

Metrics - Supplier Quality Dashboard

- A monthly tracking of Quality Performance to identify trends for suppliers:
 - Systematic process to identify & predict declining scores
 - Data driven identification of suppliers requiring additional attention and action

Underlying data used on a monthly basis to:

- Trend and identify any declining performance
- Predict and determine actions to avoid issues

Provides systematic identification of supplier for enhanced actions, attention and management reviews

- Note: Lowest suppliers to be reviewed by management

Westinghouse

Summary

- Oversight and control of suppliers is critical to industry success
- Applying a proactive and aggressive approach to predict and prevent issues is paramount
- Define an oversight strategy to identify and address gaps and desired improvements
 - Be self-critical and drive improvements



Questions?


