## MMOG/LE Version 5 Stakeholder Review Summary





# What is New in MMOG/LE v5?



- Overview of the proposed improvements
  - <u>Alignment with IATF 16949</u> (e.g., corrective actions, supplier performance, cascading best practices and standards through the supply chain...)
  - More emphasis on <u>risk management</u> and contingency plans throughout the supply chain including a <u>cyber security</u> policy
  - A deeper alignment between strategies, <u>objectives</u> and continual improvement
  - More emphasis on minimizing or eliminating <u>skills gap</u>
  - Further emphasis on systems integration and leveraging the planning system
  - Strengthen the requirements in <u>Chapter 6: Supplier Interface</u> (e.g. supplier selection and assessment, use of supply chain metrics in assessment process...)
  - Strive to achieve the <u>electronic exchange of data</u> to 100% EDI
  - Adoption of <u>advanced technologies</u> (Industry 4.0...) to increase performance and efficiency





# What is New in MMOG/LE v5?



- Chapter 1
  - Strategies and objectives (KPIs) sections were significantly strengthened
  - Aligned corrective actions with IATF 16949
  - More emphasis on continual improvement
  - New: Leverage advanced technologies in order to improve outcomes (e.g., skills gap, equipment failure)
- Chapter 2
  - New: Standardized work instructions for all SCM in the language and include rules for operator safety
  - Skills and qualifications required for each job function are documented
  - Assess employee opportunities for training
- Chapter 3
  - Streamlined and merged EDI questions in order for simplification
  - Integrated planning and scheduling system to clarify
  - The production planning system automatically generates supplier schedules





# What is New is MMOG/LE v5?



- Chapter 4
  - More specific requirements on what needs to be communicated in a situation that negatively impacts the customer
- Chapter 5
  - Added more specifics around documentation required when the customer authorizes deviations from what was improved during PPAP (e.g., results of review, authorizations, actions, retain information)
- Chapter 6
  - NEW: The SCM agreement includes inventory policies based on customer requirements for long lead-time and critical parts
  - Strive to achieve 100% EDI/Web or meet customer requirement
  - Sub suppliers to be assessed for new product launch or performance review







• Full

v4

v5

Weight	Criteria	Criteria Points		Distribution (Points)
F3	34	102	17%	29%
F2	83	166	42%	48%
F1	80	80	41%	23%
	197	348		

Weight	Criteria Points		Criteria Points		Distribution (Criteria)	Distribution (Points)
F3	43	129	23%	36%		
F2	79	158	42%	45%		
F1	67	67	35%	19%		
	189	354				







## • Full

Chapter	F1	F2	F3	Total
1 - Strategy & Improvement	6	11	6	23
2 - Work Organization	17	14	4	35
3 – Capacity & Production Planning	15	6	9	30
4 – Customer Interface	8	15	9	32
5 – Production & Product Control	11	16	7	34
6 – Supplier Interface	10	17	8	35
Total	67	79	43	189







## • Full

	F3's		F2's		2's	F1's		L's
Chapter	v5	v4		v5	v4		v5	v4
1 - Strategy & Improvement	6	4		11	17		6	8
2 - Work Organization	4	3		14	9		17	23
3 – Capacity & Production Planning	9	7		6	5		15	15
4 – Customer Interface	9	11		15	15		8	11
5 – Production & Product Control	7	7		16	16		11	12
6 – Supplier Interface	8	2		17	21		10	11
	43	34		79	83		67	80







## Basic

v4

v5

Weight	Criteria	Points	Distribution (Criteria)	Distribution (Points)
F3	34	102	34%	43%
F2	59	118	58%	50%
F1	13	13	13%	6%
	106	233		

Weight	Criteria	Points	Distribution (Criteria)	Distribution (Points)
F3	43	129	42%	54%
F2	50	100	49%	42%
F1	9	9	9%	4%
	102	238		







## Basic

Chapter	F1	F2	F3	Total
1 - Strategy & Improvement		4	6	10
2 - Work Organization	3	9	4	16
3 – Capacity & Production Planning		4	9	13
4 – Customer Interface	2	10	9	21
5 – Production & Product Control	4	12	7	23
6 – Supplier Interface		11	8	19
Total	9	50	43	102







## Basic

	F3's		F2's		F1's	
Chapter	v5	v4	v5	v4	v5	v4
1 - Strategy & Improvement	6	4	4	7		
2 - Work Organization	4	3	9	7	3	7
3 – Capacity & Production Planning	9	7	4	4		
4 – Customer Interface	9	11	10	12	2	2
5 – Production & Product Control	7	7	12	13	4	4
6 – Supplier Interface	8	2	11	16		
	43	34	50	59	9	13





# Global MMOG/LE Version 5: Scoring



Scoring

v5	v4
<ul> <li>A-Level classification will be realized by achievement of all the following:</li> <li>1) Compliance to all F3 criteria</li> <li>2) Non-compliance to <u>fewer than 9</u> F2 criteria</li> <li>3) A total score of <u>95%</u> or higher</li> </ul>	<ul> <li>A-Level classification will be realized by achievement of all the following:</li> <li>1) Compliance to all F3 criteria</li> <li>2) Non-compliance to fewer than 10 F2 criteria</li> <li>3) A total score of 90% or higher</li> </ul>
<ul> <li>B-Level classification will be realized by achievement of all the following:</li> <li>1) Compliance to all F3 criteria</li> <li>2) Non-compliance to no more than 15 F2 criteria</li> <li>3) A total score greater than 85%</li> </ul>	<ul> <li>B-Level classification will be realized by achievement of all the following:</li> <li>1) Compliance to <u>all F3</u> criteria</li> <li>2) Non-compliance to <u>10 to 15</u> F2 criteria</li> <li>3) A total score greater than <u>75% and less than 90%</u></li> </ul>
<ul> <li>C-Level classification will be realized from any of the following:</li> <li>1) Non-compliance to any F3 criterion</li> <li>2) Non-compliance to 16 or more F2 criteria</li> <li>3) A total score less than 85%</li> </ul>	<ul> <li>C-Level classification will be realized from any of the following:</li> <li>1) Non-compliance to any F3 criterion</li> <li>2) Non-compliance to 16 or more F2 criteria</li> <li>3) A total score less than 75%</li> </ul>





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**Email** enquiries@industryforum.co.uk

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### WOULD YOU LIKE TO BE PART OF THE MMOG/LE VERSION 5 STAKEHOLDER REVIEW?

Please contact <a href="mailto:courses@industryforum.co.uk">courses@industryforum.co.uk</a>

Offices & Learning Centre SMMT Industry Forum Ltd 2680 Kings Court Birmingham Business Park Birmingham B37 7YE Tel: +44 (0)7890 608747