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Aerospace Supply Chain

Red Flag Overview: Update 2014

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Red Flag Process: Process Highlights



- ❑ Drives escalation on the few, focusing resources to resolve the difficult issues with the maximum impact.



- ❑ Drives involvement of the right levels at the right time, bringing together the leadership teams of the supplier and Rolls-Royce, to support resolution.

- ☑ Getting the **KEY** senior people driving the **KEY** issues at the **KEY** suppliers.



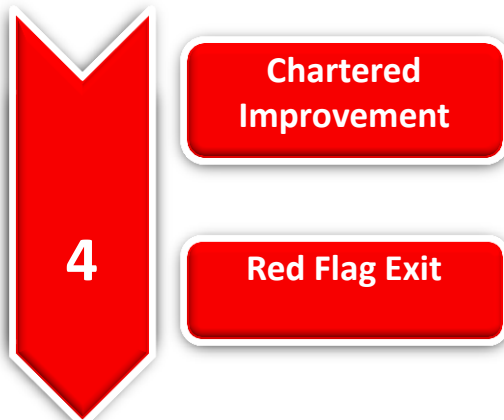
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Red Flag : Process Summary

Red Flag Performance Management



RED FLAG ESCALATION



- ❑ 4 simple steps, taking the supplier from initial warning through to full escalation:
 - Steps 1 to 3 (Red Flag Warning) address the performance degradation through the rapid deployment of focused improvement actions.
 - Step 4 (Red Flag 'Full' Escalation) is used where all other efforts have not yielded the desired results, such that an intensive improvement effort is required with dedicated resources and executive sponsorship.
- ❑ The process is designed to supplement current supply chain management techniques.



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