

TOP NINE CHALLENGES & SOLUTIONS FOR PROCESSING NCRs

Supplier non-conformance reports (NCRs) often cause chronic headaches for capital projects in energy and other sectors. By managing NCRs correctly and efficiently, smart projects save money and time recurringly – every day. This fact sheet summarizes the challenges and solutions of processing NCRs.

Typical Projects

Challenge

The fiction and misperception that a project with a well established NCR processes is automatically efficient is dispelled by the extensive time it takes to close out NCRs.

Solution

A smart project reviews work processes and learns from failures and successes. It uses continuous improvement to lower costs and risks, maximize efficiencies, maintain quality standards, and reduce timelines.



1

Tribal Knowledge

Challenge

The knowledge gap and a dearth of resources cause personnel to rely on ever-changing and undocumented tribal knowledge.

Solution

A smart project supports knowledge transfer by documenting tribal knowledge so processes become more formalized and systematic while simultaneously making tribal knowledge less prevalent.



3

Supply Chain Complications

Challenge

NCRs complicate supply chains by inopportune timing during production and the need to use the supplier's quality management system (QMS).

Solution

A smart project does not wait for the supplier to act and instead designates a dedicated, experienced, professional NCR coordinator as a go to resource and NCR champion.

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Document Management Stressors

Challenge

NCR approval and record keeping become document management stressors when only some personnel can access NCR-related files. For expedience, a project will use informal processes, at least initially, to manage NCRs (e.g., emails or phone calls).

Solution

A smart project identifies which NCRs require project approval (i.e., either all NCRs or only specific types) and how, and when NCRs shall be recorded in the document management system (DMS). Then, key personnel can independently verify the status of an existing NCR (e.g., before making a payment).

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Problematic Suppliers

Challenge

Problematic suppliers consistently make too many mistakes and deliver products late. If industry demands their products, they need not rely on an efficient organization for success.

Solution

A smart project enforces strict expediting protocols (close and frequent monitoring) and covertly pads the delivery schedule for problematic suppliers.



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Hidden Knowledge Gaps

Challenge

Hidden knowledge gaps exist. Industry has little and varying detailed documented guidelines for how to process NCRs.

Solution

A smart project proactively provides resources that support the processing of NCRs. For example, it will assign an NCR coordinator, establish clear requirements, and provide coaching-training.



2

Email and Electronic Infrastructure

Challenge

Inefficient email applications, Microsoft (MS) Excel spreadsheets, and shared folders demand unproductive effort be managed.

Solution

A smart project employs the inexpensive solution of using MS SharePoint or similar software to efficiently acquire and analyze data, and effectively share documents.

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Supply Chain Stressors

Challenge

The discovery of a non conformance during production can severely impact the schedule and other stakeholders.

Solution

A smart project provides personnel and suppliers with go to resources to assist with decision making and navigating NCR work processes.



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Frustrations with NCR Completion

Challenge

Not learning from lessons learned while processing and closing out NCRs to eliminate, manage, or mitigate future non conformances.

Solution

A smart project obtains, analyzes, and uses data about past failures and successes to be applied as lessons learned for continuous improvement in current and future projects.



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