

# Operational Excellence

Our commitment to quality and customer satisfaction set us apart

Manufacturers and technology providers that strive for zero defects and the elimination of waste are poised to meet today's diverse challenges head on. For Jabil, this is already our default mode of operation. We are committed to safe, efficient production applying the highest quality standards. For our healthcare customers and their patients, quality is more than critically important – it's potentially lifesaving. We apply Lean Six Sigma methodologies to our global operations and foster a workforce of problem solvers through specialized quality programs across our healthcare teams. As a result, our customer-centered teams are focused on continually driving improvements in quality, performance, and safety.

## What is the difference between **Lean and Six Sigma**?

**WHILE LEAN AND SIX SIGMA BOTH FOCUS ON REDUCING INEFFICIENCIES AND DEFECTS, THE TWO APPROACHES DIFFER IN THE SOURCE AND SOLUTION TO THOSE ISSUES.**

### **LEAN**

Proponents look for opportunities to eliminate redundant steps in the production process, which they believe create opportunities for waste and mistakes.

### **SIX SIGMA**

Practitioners believe waste and defects result from process variations: removing those discrepancies can prevent errors.

## **LEAN SIX SIGMA: THE BEST OF BOTH**

Jabil operates according to Lean Six Sigma which combines the mindsets and methodologies of problem-solving from Lean and Six Sigma to create a complementary system. The method delivers a deeper look into maximizing customer value while reducing waste. Lean is a way of thinking about creating value by analyzing processes to eliminate waste and make workflows more efficient. Rooted in the scientific method of problem solving, the main objective of any Six Sigma implementation is continual improvement through the reduction of variation and defect rates in production processes. Our customers benefit from our thoughtful approach to planning for the most effective manufacturing processes possible. This comes from a solid collaboration

between your product teams and our design, engineering, and supply chain experts.

Central to Jabil's approach to Lean Six Sigma in healthcare is our use of state-of-the-art simulation modelling tools. These simulations are deployed from design concept throughout the product lifecycle. Modelling fosters a mechanistic understanding for exploration of the design space and to develop an appropriate control strategy. This fundamental understanding aligns with Lean Six Sigma tools and enables us to incorporate learnings through the product lifecycle, manage supply chain challenges, and introduce new suppliers to mitigate supply issues while assuring quality and security of supply.

## A CULTURE OF EXCELLENCE

While some business approaches are short-lived trends, Lean Six Sigma has stood the test of time and remains more relevant than ever. At Jabil, Lean Six Sigma is not merely a “flavor of the month.” It permeates how we operate daily and is part of our DNA. There are four key principles:

- **A culture of continuous improvement** that expands throughout sites, to all employees and suppliers, and across all functions.
- **Problem solving is embraced** and encouraged for all employees (indirect labor and direct labor) to challenge the status quo and be innovative.
- **Clear site strategy and vision** is communicated and understood by all employees, so they work toward site and customer goals with strategic improvement initiatives.
- **A highly aligned team of servant leaders** working together to achieve a common goal with a focus on process and behaviors; performance goals are achieved as a result.

## HEALTHCARE QUALITY PROGRAMS

To ensure the quality performance required for medical and pharmaceutical devices, Jabil has developed quality programs beyond Lean Six Sigma for our healthcare teams. The rationale for these proprietary programs is to learn about the purpose and outcomes of the healthcare products we touch every day. It creates a connection among Jabil front line employees, Jabil customers, healthcare providers, and most importantly, the patients who use the products we build.



### Patient and Product Awareness

Jabil’s behavior-based quality (BBQ) program helps the production team understand the end product. Our front line associates know that the small component they are working may one day be part of a medical device designed to help someone live a better life — or even save a life.



### Quality Hero Program

This program supports and encourages employees to speak up about problems or opportunities for improvement. The program recognizes and rewards those who alert colleagues to quality issues, practice discipline, follow procedures, and inspire others to respect quality standards.

## RECOGNITION OF OPERATIONAL EXCELLENCE

The Shingo Prize is a recognized symbol of an organization’s successful establishment of a Lean Six Sigma quality culture. Jabil has been recognized by the Shingo Institute twice:

- **Shangahi, China, 2023**
- **Bray, Ireland, 2021**

