

MANUFACTURING | PRODUCTIVITY | PROFITABILITY

Aerospace Industry | Case Study



Challenges

The context is a manufacturing process of high performance alloys mainly for the aerospace industry. Low productivity on the shop floor, poor planning & scheduling practices and the lack a robust Sales & Operations Planning (S&OP) process caused accumulated delays, resulting in a significant decrease in new orders and profitability. Critical operating management tools were not in place. Sales department needed a set of management tools to drive increase in volume and margin.

Approach

The implementation of a streamlined planning & scheduling process kept production in line with budget objectives. Structured and effective weekly performance meetings created a team environment, giving all departments a forum to share valuable information and break silos. Production line workers increased efficiency as a result of short interval control added to the workflow. A solid monthly S&OP process enabled alignment and synchronization across departments leading to an increase in productivity and profitability.

Outcomes & Results

Implementation of robust Sales & Operations Planning process to order the right raw materials at the right moment and at lower costs.

Development of Sales Management Operating System to support the process of obtaining new orders & increase margin.

Implementation of visual management across the shop floor to capture production deviations and display KPIs.

Reviewed and streamlined organizational structure along with clarification of roles and responsibilities clarified to align deliverables across departments.

Redesign and implementation of preventive maintenance strategy routines to reduce cost and downtime.

27%


EBITDA Improvement

"After a first phase with Magellan Consulting Group, we have reached our production objectives. It is now necessary to improve and align our performance across all departments. This will allow us to better serve our customers and increase profitability."
Managing Director

 **15%** increase in **Productivity**

 **11%** increase in **OTD**

 **22%** increase in **new orders**

 **90%** increase of preventive maintenance operations