

CASE STUDY



Streamlining Processes and Increasing Profits

4aBetterBusiness and iGrafx help an International Aerospace Contractor to reduce cost, complexity and improve profitability

Background

Aerospace Company is a major international aerospace and defense contractor, with more than 80 years of experience in the field, providing complex, highly-engineered products to global aerospace and defense markets.

The Challenges

Aerospace Company faced increasing government and commercial customer requirements and a need to improve operating performance. The needs included a better approach to managing dozens of technically complex projects, and achieving ISO 9001 certification as a part of this improvement effort. Initially, Aerospace Company pursued a traditional, text-based system based on the sections of ISO 9001. The Director of Quality for Aerospace Company said, "This proved to be a daunting task. Hundreds of items of legacy documentation, developed over an extended period of time, presented a fragmented picture of the company's operations. Text documentation also made it hard to understand all the interactions that exist, did not improve operating performance and lacked employee buy-in."

The Solution

One of Aerospace Company's divisions had successful experience with a process-centered, implementation-based approach from 4aBetterBusiness, Inc., helping raise execution capability, reduce core costs and improve productivity. Certification itself isn't the primary focus, but is achieved as a by-product of the dramatically improved performance of the business. Aerospace Company hired 4aBetterBusiness to work with the company to improve performance and prepare for ISO 9001 certification.

4aBetterBusiness, Inc.

"4aBetterBusiness assistance and the visual processes made it easy to identify and use everyone's expertise to streamline processes and eliminate complexity and non-value-added activity".

-Director of Quality

4aBetterBusiness engaged the entire organization, including people at every level and every function of the business, in two divisions of the company. From the individual interviews and small group discussions, within weeks, over 250 natural processes were identified and captured. The collaborative assessment done with employees as processes were captured and reviewed achieved immediate improvements. 4aBetterBusiness recommended using the iGrafx solution for process management and visual process documentation as a key tool in this approach.

Paul Vragel, President of 4aBetterBusiness, said “We’ve always found that people are receptive to the idea of visual documentation vs. text documentation. With visual documentation, you can easily see how processes work across multiple functional areas. Loose ends and non-value-added activities are readily visible, and people can more readily identify opportunities to streamline operations and eliminate complexity.”

“We’ve also found the iGrafx process mapping tools to be superb for quickly capturing and readily updating information. iGrafx is very easy to learn, making it easy to transfer expertise to the organization. iGrafx products also provide a natural means of document control and distribution. On a process map, you can link directly to other documentation and reference material. The process maps themselves can be made available over a network or over the web. This means employees can access the documentation from anywhere, and you can always assure that people have the correct copy of documents, forms and reference material.”

Aerospace Company’s Director of Quality said, “4aBetterBusiness’ approach and the speed with which we saw results developed immediate, enthusiastic employee buy-in, participation and contribution, and their ownership of the results. As we captured the processes, we replaced literally thousands of pages of fragmented documentation with easier-to-understand and easier-to-use process maps. Aerospace Company has always been technically very strong. But we found over time processes had changed and the cumbersome process of updating multiple text procedures had not kept pace. 4aBetterBusiness assistance and the visual processes made it easy to identify and use everyone’s expertise to streamline processes and eliminate complexity and non-value-added activity.”

Managing Thousands of Document

Another important aspect of Aerospace Company’s operations is the ongoing management of dozens of technically-complex projects. “We needed a system to deal with thousands of additional project-specific documents”, the Director of Quality explained. “Previously, different functional areas would each maintain their own copy of certain documentation, and it wasn’t easy to identify the current version. Project documentation was generated by many individuals, and we lacked an effective way to make information easily available to others who might need it for the same or subsequent projects.”

“We needed a system to deal with thousands of additional project-specific documents. The Process Central repository provided a single place that everyone could access online”.

-Director of Quality

4aBetterBusiness introduced Aerospace Company to the iGrafx® Process Central® document repository system. From the first time he saw the demo, the Director of Quality saw that Process Central had the capabilities to address Aerospace Company's project management documentation needs. The Process Central repository provided a single place that everyone could access online to get process and other documents they need, with the appropriate security controls and search capabilities.

4aBetterBusiness provided assistance with structuring the iGrafx Process Central repository, developing the internal processes and practices needed to leverage the functionality of the system with Aerospace Company's process-based systems and design needs, and hands-on training of dozens of users which enabled them to immediately use the system as part of their day-to-day work.

Today, about 35,000 documents have been incorporated and the time to access current documentation has been reduced by 90%.

Results

The Vice President and General Manager of Aerospace Company said, "The expertise provided by 4aBetterBusiness and the tools provided by iGrafx have had a dramatically positive effect on our business."

The profit potential of programs increased through improved integration and execution capability in product development, extending from marketing and proposal management through program management, engineering, purchasing, manufacturing, testing and post-delivery support. Engineering changes were reduced by 50% and engineering costs were reduced by \$2 million.

Activities required to comply with Department of Defense requirements and International Traffic in Arms Regulations (ITAR) were integrated into all applicable processes.

Not only were complexity and cost eliminated in every area of operations, but Aerospace Company achieved ISO 9001 certification on the first attempt.

Aerospace Company was a privately held company. Within 18 months of the completion of the organization-wide process-based system development described above, the company was sold to a Fortune 500 aerospace and defense company. The due diligence team was especially complimentary about the scope and depth of the operating systems in place, and the process understanding and buy-in to ongoing improvement they saw in the employees. The improved profit potential and performance added 75% to the valuation of the company.

For More Information

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