



## MRO Provider Diversifies its Market

A provider of highly responsive aircraft engine maintenance, repair, overhaul (MRO) and test services, has a strong reputation for quality and service. They deliver customized business solutions and supply reliable logistics support to commercial companies around the globe as well as with U.S. and international military operations.

The Client was under tremendous pressure to change the culture from a government contractor to a strong service provider to commercial customers. Years of federal funding had covered up inefficiencies that needed to be corrected.



### DB&A Analysis

Our Analysis Team conducted work studies with the management team over two weeks. The goal was to identify inefficiencies and improve performance.

We observed:

- Existing Processes
- Equipment and Materials Utilization
- Culture
- Service Levels
- Quality Shortfalls

The Client had hired a new Operations Manager who struggled to overcome embedded behaviors and mindsets that was resulting in late orders and high levels of re-work.



## The DB&A Difference

### Analysis Financial Proposal

- Proposed Project Cost: 1,865,060
- Guaranteed Savings Rate: \$2,038,000
- Guaranteed ROI: 1.1:1

### Actual Financial Results

- Actual Project Cost: \$1,865,060
- Annualized Savings Rate: \$3,096,000
- Actual ROI: 1.66:1

### Project Results

- 17.5% improved performance
- 41% reduction in overtime
- 20% reduction in hours per engine

Additionally, the Client had failed at the first attempt to complete a commercial pilot contract. The Client realized they did not have the resources to change 40 years of entrenched culture.

The Client agreed that DB&A's approach of focusing on front-line manager execution was a huge opportunity. The business objectives were to improve on-time delivery and performance, decrease cost associated with poor quality, and establish performance metrics in the areas of Production, Quality, Engineering, Program Management, and Test Cell.

## Implementation Actions

The Client retained DB&A for an initial project implementation of 30 weeks that focused on installing a uniform management system across the entire facility. The implementation involved DB&A consultants working on-site for the duration of the project. The DB&A team consisted of one project manager and six consultants.

The Client's supervisors and managers struggled to get a handle on managing the schedule and costs. To help address this challenge, DB&A helped the management team implement a systematic metric-based approach to proactively manage their people and processes. This included one-on-one coaching on tools and concepts designed to help them plan and execute work, as well as provided a structure for them to control the outcome in their respective areas daily.

## Management Culture Transformation

DB&A expanded the management team's capabilities and overall capacity leading to the following results:

- 17.5% improved performance to budget on Bag and Tag engines - all delivered on time and under budget using an average of 676 hours per engine
- 41% reduction in overtime from 876 to 676 hours per engine
- 20% reduction in hours per F110 engine from 905 to 724
- Engine test performance results on subsequent commercial engines (after first fail) exceeded margin standards required which opened doors to new commercial business



DB&A guaranteed annualized savings of \$2.38 million and completed the project with \$3.96 million in actual annualized savings - a savings rate of 166% at project completion.

DB&A faced the difficult challenge of helping the Client reinvent themselves as a commercial service provider in response to quickly changing market conditions.

One moment of pivotal shift in the overall culture occurred during the completion of the first full MRO engine. The final stage of the test work was laid out on a schedule by shift for the first time. The manager divided all of the work with estimates so he could communicate to the team how much true time was needed at the end of the process in order to deliver the engine on time. This allowed for proper planning and ultimately a timely execution of the work.

This was not an isolated incident. Since the completion of the project, the Client has been consistently meeting and exceeding expectations in on-time delivery and quality.

“I cannot say enough about the DB&A team's professionalism and willingness to dive into any situation we needed help with.”

- Operations Manager

Since 1987 DB&A has provided cross-industry management consulting delivering 15-20% in operational and financial improvements to our clients with a financial guarantee. We deliver customized solutions that maximize existing resources to increase efficiency, capacity, and productivity. Our approach is to work with all levels of management to transform management culture in order to drive accountability where it matters most: the front-lines. For more information visit [www.dbareresults.com](http://www.dbareresults.com) or email [contact@dbareresults.com](mailto:contact@dbareresults.com)