

A leading international high-technology Group Mission Accomplished

Case Study Aerospace & Defense

Creating a win-win relationship with critical suppliers in the Aerospace industry

Company Name: n/a

Location: France

Sector: Aerospace & Defense

Funtion: Purchasing

Business Challenges:

Become a key player in client portfolios by implementing LEAN principles to improve supplier performance and reduce costs

Consulting Services:

Operations Management, Operational Transformation, Change Management

Capabilities: Asset

Management, LEAN and 6 Sigma, Process Excellence

Situation

The client is a leading, international high-technology Group operating in the aerospace, defense and security markets. Its challenge was to create a highly competitive supply chain in a complex environment. As part of a Group wide initiative led by Purchasing, a supplier excellence programme was launched to roll out performance improvement projects at preferred suppliers. Celerant Consulting was appointed to set up the initiative, create internal Supplier Development (SD) resources and support first analysis.

Approach & Delivery

Celerant Consulting used its own value chain model from Sales to Project to build and deliver the approach. We positioned the client buyers as sales people responsible for developing a new supplier relationship and provided them with sales briefs, credentials, engagement tools and Supplier Development (SD) support according to needs and negotiation steps.

We then transformed them into analysts and projects managers by training them in tactical and technical analysis methodology and the basics of asset management, quality management, monitoring system and Sales & Operation planning (S&OP). We also supported them during the first analysis to monitor the new process, secure results and create ownership of the methodology.

Backed with a robust business case and a shared vision with individual supplier management, these internal SD assets were then able to negotiate sustainable price reductions. Project deployment was built up to achieve the expected results and ensure that a culture of Continuous Improvement was embedded into preferred supplier organisations.

Results

The initiative enabled the client to negotiate substantial and sustainable price reductions and secure future supplier performance and ability to absorb ramp up.

A Supplier Development (SD) team was created within the Purchasing department supported by internal LEAN Sigma resources. This team is now qualified to launch and deliver qualitative analysis and projects at suppliers.

Celerant Consulting also engaged the buyer community in developing a new vision of their role by setting up collaborative actions.

Client Satisfaction

"Beyond the technical approach and the quality of the studies we delivered, I'm pleased that we created so much interest and enthusiasm at our suppliers." Head of Supplier Development Department