



Project Summary

A Hit and A Miss When Management Misses the Point

Background

A Fortune 100 defense company was a subcontractor to produce \$10million dollar main fuselage sections for a large commercial aircraft.

Situation

For over 50 years the company, and the industry in general, had a history of hiring former military personnel to manage their company. That practice brought along the authoritarian 'command and control' culture. However, the industry was moving towards a collaborative, teamwork style of management.

After 10 years and over one hundred deliveries, the aircraft customer redesigned the product by add two sections. Production rate was increased from one fuselage per month to one per week. The 2,500 person program was behind schedule and losing \$4M per month.

The company was hiring and training new people at a feverish rate. The on-boarding process required several weeks of classroom and hands-on training. However, management determined the need on the production floor was paramount. On a regular basis, new hires were moved to production before training was complete.

However, the rate changed happened faster than production could handle. Large assemblies were being moved before completion.

Action

The Process Improvement group partnered with training and production to isolate one department. Workers were trained 'in location', disruptions minimized, shift differences resolved, hand tools were repaired and organized.

Production 'cell' began producing on-time with no errors or rework.

Directive

Management saw the improvement. Decided they wanted the same results in the other 21 production 'cells'.

A directive was made to take the production workers from the newly performing cell and disperse them throughout the program.



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Result

- 1) performance of the improved 'cell' went back to previous levels.
- 2) no performance change was seen in the other 'cells.'

Takeaway

Management must have intimate knowledge of how production works.