



Case Study

“Strategic Turnaround”

Manufacturing – Aerospace Electronics

Situation

The electronics manufacturing division of an international aerospace corporation was failing. R&D had not produced a new product in over a decade. Manufacturing yields had fallen to the single digits. Cycle times routinely exceeded six months and on-time delivery to commitment was less than 50%. Senior leadership turnover was high, employee morale low. The decision framework: Shut it down, turn it around, sell it, spin it off.

Opportunity

Provide the leadership to immediately evaluate and execute the option representing the greatest value.

Approach

Our associate was made general manager of the division. Evaluation of intellectual property and technical capability revealed several one-of-a-kind low-volume competencies. All of these competencies provided competitive advantage and revenue potential. However, two immediate interventions were required to turn the facility around. By creating work-in-process rules and allocating capacity to new product development, current and future revenue streams were unlocked.

Result

Cycle times dropped by 10x. Throughput went up to record levels while operating costs were reduced. The increased cycles of learning resulted in improved manufacturing yields into the high double digits. R&D began to produce successful new revenue producing products. The value of the facility became apparent and the decision was taken to invest in the technical capability of the factory, ensuring its viability and future.

“By a rapid triage process, this leader was able to identify the critical assets of the facility and resolve the issues that were blocking realization of this value.”

Group President– International Aerospace Company

Compass Heading – Strategic Project Navigator

Waypoint project directors follow a process developed over years of experience. Initial assessment is followed by organization and tool set changes as needed. Because we are dealing with troubled projects, a priority is placed on immediate triage.