

THE CLIENT

The client is the largest single-site industrial complex in Georgia, employing nearly 24,000 civilians, contractors & military members.

It manages aircraft MRO, plant services, training and safety investigation, besides other functions.

SOLUTION IMPLEMENTED

The reduced flow was due to high WIP resulting from measurements focusing on local optima. The actual touch-time was found to be much lesser than the prevailing lead time, most of which consisted of waiting or queueing time.

- The allowed total lead time was aggressively cut.
- Due dates were assigned with sufficient safety in place. Focus shifted to fulfilling these due dates instead of individual task deadlines.
- Early release was averted. This time was used for full-kitting the work.
- The TOC-based Single Colour System was set up and it became the only basis to decide priorities across teams.

AT A GLANCE

Challenges

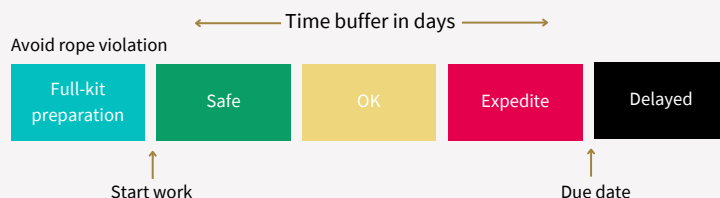
- Low readiness for air combat
- Shortfall of assets (aircraft)
- High lead times for aircraft MRO (maintenance, repair & overhaul)
- High WIP throughout the value chain
- Increasing capital requirements to acquire more aircraft
- Procurement delayed for close to 80% of orders

TOC Implementation Results

- Significant reduction in WIP
- Significant reduction in the number of flow days
- Robust workload increase with no additional capacity

TOC Concepts of Flow

- Improving flow is the primary goal of operations
- This primary goal must be translated into a practical mechanism to prevent overproduction
- A focusing process to balance flow must be in place
- Local efficiencies must be abolished



IMPLEMENTATION RESULTS

Maintenance, Repair & Overhaul • 45% reduction in WIP in 8 months • USD 4B assets returned to services • 65% increase in workload with no additional capacity	Safety Office Investigation • 75% reduction in WIP from 47 to 11 • 63% reduction in flow days from 30 days to 11 days	Procurement Contracts • 78% Due date performance (DDP) achieved from 21%
Security Investigations • 31% reduction in flow days from 102 days to 71 days • 70% increase in capacity without incurring additional costs • Ensured prompt notifications	Plant Services Projects • 79% reduction in WIP from 72 in execution to 15 • 40% reduction in execution gate time	Training Office • 69% reduction in flow days