



## Competitive Business Solutions

# Building a Sustainable CAPEX Process for Defense Industry

With a workforce of nearly 100,000 employees in over 40 countries, this U.S.-based organization operates on an international scale, providing important protection for people, information and infrastructure in an era of increasingly complex threats. As one of the world's premier global defense, aerospace and security companies, its mission is to support and leverage technological advances and to continually improve efficiency, cost-effectiveness and its own internal processes.



### INDUSTRY

Aerospace and Defense Company

### SOLUTION AREA

Product and Program Management

*"CBS gave the entire organization new visibility into critical issues. Projects were implemented faster, which saved money."*

## THE CHALLENGE

With customer demand increasing, the company was obliged to expand its operations with additional capital equipment. While they were quick to request and approve the necessary capital equipment purchases, implementing the equipment on-time and within budget proved to be an insurmountable problem. With over \$54M approved for 14 projects, all in various phases of implementation, the company realized its need for external consulting support.

## THE APPROACH

An initial meeting with company leadership helped CBS pinpoint issues and begin to develop a "go forward" plan that addressed immediate issues and established a foundation for future needs. A CBS expert was integrated into the company's team in the role of project manager, helping to drive accountability and ensuring that key elements of the project plans were identified and implemented in a timely

and cost-effective way. Given the proposed timeline of sixteen weeks, CBS immediately established a sustainable and repetitive project management process and aggressive—yet attainable—implementation timelines. A robust employee training program was also initiated, and for the first time, all stakeholders were held accountable for working according to plan.

## ESTABLISHING A PROJECT PLAN

CBS quickly integrated into the organization to fully understand the depth and breadth of all the capital projects being implemented. CBS then worked with the company's area operations managers to create an integrated, end-to-end project plan that detailed each element required to complete the project on time and within budget. This plan included:

- Identifying the critical path
- Identifying key stakeholders
- Streamlining timeliness
- Managing resources accountability

## INTEGRATING SUPPORT AND COURSE CORRECTING

Recognizing the importance of fully integrated support, CBS worked with key company stakeholders to make sure they were staying on task—and provided guidance and support wherever it was needed. Specific focus areas included:

- Quick reporting where project slippage or overruns may occur, so the leadership team could course correct
- Coaching leaders to pose probing questions that helped ensure that suppliers were fully forthcoming and transparent

*“Basically, we built a reliable, formalized process that simply wasn’t there before,” said Keith Yeater, a member of the on-site CBS team. “The key is to create an approach that’s repeatable and sustainable. The other success factor was training. It’s important to leave behind a framework for others to use,” he said. “We now have people inside the organization who understand the process and have all the skills necessary to execute on each plan. That helps ensure success moving forward.”*

## KEEPING KEY STAKEHOLDERS IN THE LOOP

Weekly, written status reports and activity reviews were essential to success because they kept stakeholders aware of project status and secured buy-in. These reviews included:

- Accomplishments since the previous meeting
- Key tasks in the upcoming week
- Critical path review
- Identification and discussion of key implementation concerns/roadblocks and suggested resolutions
- Budget updates
- Equipment status updates

In addition, CBS prepared written executive overviews, coordinated all activities across company functions and external vendors, planned schedule production loads, first articles and other requirements to bring equipment online. CBS also prepared comprehensive risk assessments and identified mitigation plans.

*Progress began when the client recognized that the project management “system” was broken—and that external help was needed for a rapid turnaround.*



## STATISTICAL RESULTS

- 100% of all projects planned and reported on a weekly cadence, up from 0%
- 70% of capital projects on plan to “production ready date” where no timing existed before
- 100% of delinquent capital projects with countermeasures put in place with suppliers to minimize impacts of delay
- Training program created and implemented for all relevant employees

## CONCLUSION

Over a period of 20 weeks, CBS was able to both actively manage and build a repeatable system that resolved the company’s most pressing program and project management issues. In order to support the future requirements of the client, CBS consultants worked alongside the company’s internal team to plan and execute a program that included customized templates, timelines, meeting agendas, activation tools and user training. As a result, the entire organization gained important new visibility into key processes and procedures, which in turn increased project “ownership” and accelerated implementation timelines.

**Ready to optimize the transformation of your organization?** We can help.  
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