



Operations Intervention

A Department of Defense Manufacturing Company

Case Studies

Abstract

A multibillion-dollar Department of Defense (DoD) manufacturing company awarded a major DoD contract was unable to ship quality product at the scheduled production rate causing temporary shutdowns and premium shipments at one of their assembly plants. TPS was engaged to eliminate the quality issues at several sub-suppliers, implement corrective action, and eliminate the production schedule disruptions.

Challenge

- Assembly plant was frequently minutes away from shutting down production due to the lack of quality components.
- Value-add suppliers in the product chain had been given unclear deliverables and were not producing parts to specification.
- Resolve current problems and develop revised quality and production processes that would error-proof all systems in the supply chain going forward.

Execution

- Implemented an interim product containment process for several suppliers to ensure the Manufacturer did not experience plant interruptions with the associated components.
- Drove changes to manufacturing processes that significantly improved both output and first time quality; Established communication between the suppliers and the assembly plant; Developed an attainable production schedule that worked for both the assembly plant and suppliers; And, developed and implemented proper quality/production metrics including an effective tracking system.

Result

Within two weeks sub supplier issues were stabilized, the supply of on hand material began to increase, and production schedules were maintained. By thirty days the on hand inventory of good material increased from less than 1 day to almost 5 days.