

Supplier Management Assistance



CASE STUDY

Industry:

Aerospace

Scope of Work:

The client requested Global Partner Solutions' support to work with their supplier to fix the following issues. The supplier's lead times were too long, which resulted in a high number of late shipments. In turn, this prevented them from having time to plan. There were significant discrepancies between the supplier's list of late shipments and that of their clients.

Because there was no scheduling method in place or daily work lists, it prevented them from planning timely activities to ensure on-time delivery. They did not use systems for production management - from customer purchase order to delivery. There was only a partial supplier management system. They did not have the right tools to help the supplier in measuring and managing business performances. In addition to this, no purchasing management system was in place. Having this type of system would have enabled the supplier to know what material or parts were in stock. The lack of available data also prevented them from identifying capacity problems which in turn caused delivery issues. Communication with customers regarding the information related to purchase orders and late parts was either non-pertinent or non-existent, which led the supplier to be reactive instead of proactive. Its location and status system was not up-to-date. This inaccuracy prevented employees from finding orders. Furthermore, the review of new or revised customer purchase orders was missing, whereas some customer purchase order requirements had either no material purchase orders and/nor parts work orders.

Activities:

Since no scheduling system was in place, we implemented a visual tagging system to help identify orders that needed expediting.

We made several daily walks around the office and shop to ensure that they were working on the tagged orders. We met with key personnel every morning to ensure they were moving the daily critical parts and, they were holding conference calls with customers to discuss progress. Doing so assisted the supplier in prioritizing purchase orders as well as getting commitment dates from customers.

The monitoring of new and revised customer purchase order ensured proper and timely action. Establishing setbacks helped create basic schedules for the following milestones: place material orders, material receipt, manufacturing completion, and shipping.

We implemented KPIs through the use of basic schedules to assist in identifying opportunities and monitor progress. Procedures were provided and put in place to set up a finished parts stockroom which helped maintain a high level of inventory accuracy.

Results:

GPSI designed a system and tools to create a unique visual tagging system, requirement file, orders master file (scheduling), and KPIs. Our agent earned the respect of the people responsible for activities required to get the product manufactured & shipped. We coordinated activities to improve processes that brought about schedule recovery.

Contact us to learn more!

