

HONEYCOMB

Case Study



Honeycomb transforms challenges of new business venture into prospering manufacturing services capability by focusing on customer expectations.

Study at a Glance

Industry	Aerospace structures manufacturing services
Challenge	Enable Honeycomb’s ability to achieve performance expectations for a new customer and new services-based chemical processing and primer operations through commitment to Honeycomb’s Mission, Vision, and Core Values.
Solution	Conduct a rigorous Continuous Improvement project resulting in a refined Honeycomb operations solution that provides consistent delivery of correct and on-time products and services.
Key Successes	<ul style="list-style-type: none">▪ Consistent 100% correct and 100% on-time products and services▪ Renewed customer relationships▪ Creation of a refined and stabilized chemical processing service capability and revenue stream

Honeycomb Mission, Vision, and Core Values

Mission: *To be a leader for best-in-class aerospace manufacturing and services.*

Vision: *We manufacture and repair aerospace component parts and assemblies with superior quality, on-time delivery, and exceptional service to our military and commercial customers.*

Core Values: *Teamwork, Integrity, Customer-Focused, and Ownership.*

The Challenge

Honeycomb engaged in a new business venture providing chemical processing and primer application services for a new customer. Performing these operations is common practice at Honeycomb as part of our aircraft assembly manufacturing business. We do it every day and we do it well. The variance of providing these operations as individual services was thought to be a minimal departure from our current operations. However, it introduced more challenges than anticipated. We discovered Honeycomb was so attuned with our existing customers and operations that a focused initiative was necessary to successfully accommodate a different set of expectations.

Honeycomb Philosophy

Honeycomb launched a Continuous Improvement (CI) project framed around a very basic principle:

Our customer's success is Honeycomb's success.

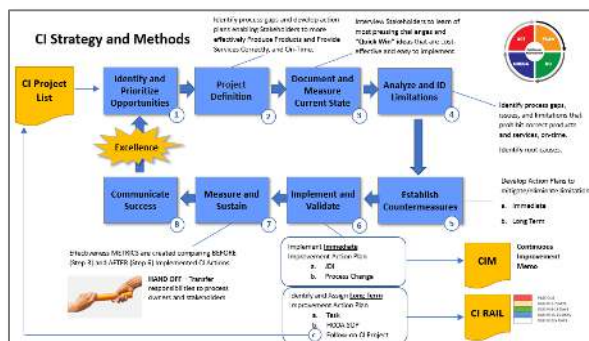
Company performance objectives and growth potential are anchored in our belief of consistently meeting customer expectations through customer-focused, effective, and efficient operations. Customer expectations goes beyond meeting product and service requirements. It also includes establishing and fostering a relationship built on dependability and trust. This basic principle was further refined into a specific project objective for our chemical processing and primer capabilities:

Create a business operations system that enables consistent delivery of 100% correct and 100% on-time products and services.

The system would include all supporting business functions and capabilities needed to achieve success. Our approach was to place priority on effectiveness. Meet customer expectations! Activities to improve efficiencies would then follow.

Honeycomb Solution

Honeycomb used an internally developed CI Strategy and Methods process to tackle this challenge. An in-depth current state study of business operations was conducted examining the full life cycle process of an order from RFQ (Request For Quote) through delivery of serviced product. The study identified 85 process gaps that inhibited the successful delivery of correct and on-time products and services. Root cause analyses were conducted and preventative action solutions were developed and immediately deployed.





The action plan incorporated the following elements of successful business operations:

- External customer expectations are defined and communicated through Honeycomb.
- Product and service requirements are captured and flowed to responsible internal stakeholders.
- Processes and mechanisms are created enabling effective, continuous flow of product and information.
- Ownership and performance expectations are established for each stakeholder to achieve correct and on-time results for their internal customer.
- A pull system is established by keeping internal suppliers accountable for correct and on-time deliveries.
- Each stakeholder is enabled with the support needed to be successful. This includes procedures, training, tools, materials, and facilities.
- Customer requirements are verified.
- Standard Operating Procedures are created followed by additional training and continued auditing to help ensure new business practices are sustained.

Results

Success! 100% correct and 100% on-time parts and services for nine consecutive orders. The order immediately following deployment of the preventative action plan resulted in 100% correct and 100% on-time delivery of serviced parts with only five process gaps. The eight subsequent orders resulted with the same performance and zero process gaps. With customer expectations and process effectiveness achieved, the next steps are to further refine the newly established business operations system by continuously improving efficiencies.

Key Benefits

Customer

- Customer expectations met and exceeded.
- Customer was able to meet their business commitments through Honeycomb's dependable and effective services.
- Customer's complete confidence in Honeycomb.
- Customer seeks additional growth opportunities with Honeycomb.

Honeycomb

- Established new services capability and revenue stream.
- Stabilized sales forecast with dependable, predictable performance.
- Strengthened relationship with current customer.
- Prepared Honeycomb to take on additional services based opportunities with proven processes, tools, and skills.