Direct Product Ordering Model

GE Aircraft Engines

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Project Leader Title: Project Coordinator & CGB – OEM Management

Project Start Date: January 20, 2003

Master Black Belt: Steven Bonacorsi

Customer Profile – Global design & production company for Aircraft Engines

Business Problem & Impact
Fixed assets ordering, to fulfill the GE ITS contract with GE Aircraft Engines, did not fit into existing GE Product Ordering methodologies. As a result, turnaround time suffered by a manually-intensive review and approval process for every order. The existing process was not cost effective.
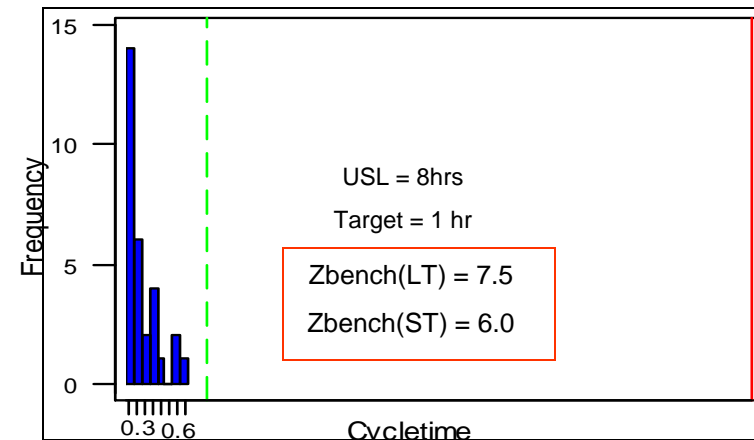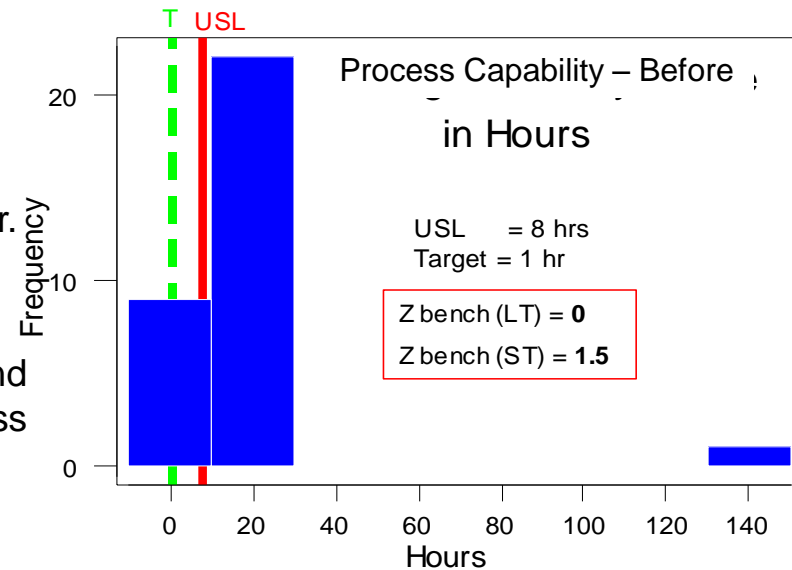
Measure & Analyze
Data Collection: Time to place online orders was measured and compared with IntelliSales/Herman orders. The existing process sigma was 1.5(ST).
Root Causes: Internal, manual processes involving multiple Approval levels, erroneous loading of data into Oasis system (not IntelliSales), and no backup support for approvers were identified as root causes.

Improve & Control The improvement solution was direct, web-based ordering, in this case, through Ingram Micro. The pilot revealed no adverse effects when tested over a 3 week period.

Results/Benefits Using the new method (out-of-the-box thinking) resulted in immediate approval of orders, with >90% of shipments occurring on the date of the order.

Process Capability – Before in Hours

USL = 8 hrs
Target = 1 hr

Z bench (LT) = **0**
Z bench (ST) = **1.5**

USL = 8hrs
Target = 1 hr

Zbench(LT) = 7.5
Zbench(ST) = 6.0

A Customer Savings of US $10K & ITS $20K in 2003