

RS InfoCon Inc.

- Case Study -

Outside Operations Process Improvement



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Case Study: Outside Operations Process Improvement

Solution Summary

R S InfoCon implemented process improvements that reduced inventory errors by \$1.8 Million for a global leader of aerospace and industrial products. Products in the client's industrial division have a complex build process that requires several outside operation steps such as painting, and subassembly. R S InfoCon conducted a detailed study of the process, presented the findings to the client, and implemented the proposed solution within three months.

Solution Profile

This case study on Outside Operations Process Improvements has been developed by Rajiv Surana, President, R S InfoCon.

The client's construction division handles over 2500 different component parts that must be assembled into uniquely configured machines that meet each customer's individual requirements. Because compressed air solution products are critical tools for so many industries, the fill rate and delivery time are critical elements to maintaining satisfied customers. A detailed study of the outside operations for the construction division concluded the following:

- Some outside operations purchase orders didn't have the required work order numbers associated with them.
- A large number of item receipts were stuck in receipt routing and had not been moved to stock.
- Multiple GL records were created for the same receipt.
- Some GL records were created for double and triple the original amounts.
- The various inventory discrepancies had lead to a general lack of confidence in the process and extensive monitoring by the Users.

After completing an analysis of the processes in place, along with the data setup, R S InfoCon initiated the following:

- Created verification queries and reports for all of the related transactional files.
- Inventory issues were reviewed, categorized and the problems identified.
- A resolution was developed and documented for each issue category.
- Process improvements were implemented where possible to reduce the number of issues.
- Conducted training and worked with the end users to promote process improvements and the early detection of errors.

The entire corrective process was implemented in twelve weeks and achieved the following benefits:

- Implemented outside operations improvements to five different processes that resulted in a reduction of inventory errors by \$1.8 million.

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- Improved on-time completion rates by reducing the amount of inventory delayed in the receipt routing process.
- The reduction of issues created a friendlier environment and improved communications with the outside operations facilities.

Distinguishing Feature

R S InfoCon strongly believes in using the base JD Edwards functionality to its fullest extent. We deliver custom configured solutions for every client, incorporating software modifications for strategic process gaps only. Our proven methodologies and business solutions enable our clients to be successful. We are experts at training, mentoring, and knowledge transfer. Our goal is to implement quickly, provide knowledge transfer and turn over support to our client's staff.

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