

# [“On the Record” Equipment Repair/Upgrade Site Visit Interview](#)

08/28/2015

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During our executive equipment repair/upgrade site visit, DoD administrators were talking about the money a technician had saved purchasing a particularly expensive piece of equipment:

“I wonder if anyone else knows about this?”

Chances were slim that anyone else at repair/upgrade site knew about that particular deal. At that time, technicians were each responsible for sourcing their own parts & there was no formal or centralised system in place at DoD for sharing information.

We recommended DoD undertake a comprehensive reorganisation of the sites processes & work needed to commence immediately to meet mission requirements. As part of that effort, the entire parts ordering process was revamped & centralised, resulting in huge benefits to the entire repair/upgrade operation.

With technicians spread across multiple installations w/ no centralised parts procurement system at DoD, there was no easy way for technicians to share information about good deals on parts or problems with suppliers.

“One technician may have found a good source in terms of pricing or quality, but that information was rarely shared beyond that one Site.”

“Across our system, we had lots of technicians doing the same type of work, but weren’t getting the same information.

It was clear DoD had deficits in their repair/upgrade operations & were missing an opportunity to share information.

Beyond that, each technician was doing it all—sourcing & buying parts, plus expediting, tracking, & invoicing-- spending lots of time on the procurement process every day.”

Another problem was overstocking of parts.

“Technicians who want to provide as much uptime as possible tend to over-order parts.”

“That leads to a huge cache of excess parts at each repair/upgrade site.”

We recommended DoD reorganise its entire upgrade/replace site processes & parts procurement process was a key target for improvement. We undertook a study of the process, which revealed that “big chunks” of technician time per day was being spent on parts procurement.

We found consistent overstocking of parts & fragmented communication among technicians regarding the best sources for parts on both cost & quality.

It was clear that a new process was needed.

“We were mandated to take advantage of those opportunities to cut costs, free up wrench time for our technicians & have specialists focusing on parts procurement.”

Here is the solution: Centralise the parts procurement function.

“Step one in the centralisation process was to recruit & hire a quality executive who knew DoD sourcing business as a direct result of extensive reviews of the organisation.”

“Step two was to collect, catalogue, and centralise our spare parts”

Initially, front-line technicians resisted this centralisation, particularly those in long-standing upgrade/repair regimes.

“We had to go back multiple times to get the stuff that techs did not have tracking processes in place.”

DoD must identify the work space and set up information systems with high fidelity, creating a central cache of parts that is now accessible across the system.

DoD had to look at the equipment parts system as a whole to determine what was still useful, what to throw out & what to move to other installations.

“Much was obsolete or at the end of its useful life. There was a lot of waste in the old system.”

We recommended setting up centralised systems where techs would no longer allowed to order on their own. Most requests go directly to purchasing & are immediately approved; only questionable items are flagged for administrative review.

“We didn’t want to create a bottleneck. It’s critical to get parts ordered & turned around, so we’ve made the process as streamlined as possible.”

Parts modules were created to provide an interface between disparate information systems.

The new process has the technicians enter the required part directly on their work order, ensuring that all parts & associated costs are captured.

The parts request, identifying the urgency, then goes directly to the parts team who communicates back to the technician with notification at several steps of the purchasing process.

This flow of information cuts technician follow-up time and keeps everyone in the loop on parts status. At any point in the process, parts details are available on the central work order screen to anyone needing an update on equipment status.

The new information systems allows the technicians to plan their time more efficiently, resulting in huge productivity gains.

Automated systems let the team track & trend details on equipment parts, which can then be applied to making better decisions.

“We’re able to monitor costs & identify which technicians are ordering parts & not installing them right away. These lead to opportunities for retraining our technicians.”

Entry into new information systems allows for identification of problems with suppliers in terms of speed, specialisation & quality of parts. For example, suppliers whose parts are routinely not in good order are removed from the supplier list.

“Our preferred supplier lists are very fluid. We may have particular supplier at the top of a list, but if we encounter problems, they may not stay there.”

The parts procurement specialists monitor the work order screen for new part requests, process a part to be moved

from the working cache, or create a purchase report.

For specialists, level of parts sourcing expertise has grown with experience. They are able to predict the need for parts in high demand based on upcoming periodic repair/upgrade checks & service history, keep stocks of key items for immediate use.

Specialists are also learning to consolidate purchases & reduce the total number of purchase orders processed, leading to even greater mission success..

“We have proven that a centralised system works.”

Since implementing the programme, DoD has seen consistent advances in parts operations & significantly increased technician satisfaction & productivity. Plus, results show better parts tracking contributes directly to increasing equipment uptime.

Much of the wrench time saved is due to the more efficient parts ordering process. While technicians initially had a hard time letting go of their procurement tracking responsibilities, they now trust the system.

“I need a part, I find it the next day. I just request a part, and it shows up. We have seen equipment downtime greatly reduced due to centralised sourcing policy.”

Increased collection of key supplier information made possible by the centralisation was of clear benefit.

We recommended DoD address the need to share information among the technicians, including information on lowest cost suppliers, best quality & best delivery time.

“By collecting and evaluating supplier information, we can make better decisions & that effort will help us continue to get better.”

In all, our revamp of the parts ordering process is part of the overall aim to allow technicians to focus on their core competency.

“Is their core competency fixing equipment, ordering parts, generating reports, or answering phones? We want to optimise our investment in the technicians. By centralising the parts function, we’ve been able to do exactly that.”