



SENTE TEST RESOURCE MANAGEMENT™ SAVES TIME AND REDUCES SPEND FOR A FORTUNE 150 DEFENSE CONTRACTOR. > >





Several locations of a Fortune 150 company developing combat systems for defense.

CUSTOMER CHALLENGE


A corporate-wide initiative had all of the customer's divisions focused on return on assets (ROA). The local Engineering Finance team launched a project called Return On Invested Capital (ROIC). The team's goal was to identify high-leverage areas in the business to maximize their ROA.

When team members classified the assets in their engineering labs, they found much more test equipment than they had anticipated. "From our perspective in finance, we had a problem," one team member said. "However, when we asked the engineers if they needed all of the equipment they emphatically answered 'yes, and we need more!'"

The business also wanted to streamline the capital process. Business leaders wondered whether all of the right projects were getting approved, and whether more projects could be funded if the company managed its test resources more effectively. One team member remarked that "In some cases it seemed like our approval process was 'the people that shout the loudest get the capital!'"

The customer turned to The Sente Group to provide a quick, grounded assessment of the test environment. Sente's assessment produced the following findings:

- ❖ In addition to finance's fixed asset accounting database, 24 separate, localized spreadsheets were used to track test equipment in the customer's 30+ labs.
- ❖ Equipment utilization was 9%
- ❖ Nearly half the equipment was no longer supported by the OEM, putting a number of projects at risk
- ❖ Test equipment was not standardized across the labs, further decreasing the likelihood of equipment sharing
- ❖ Engineers were fearful that any solution to more effectively manage their equipment would leave them with less than they needed to do their jobs

At the same time, the customer had significant new business opportunities on the horizon. Team members decided to address their test asset issues in a way that would increase the capacity and flexibility of their engineering teams. This would enable the customer to not only maximize ROA, but capitalize on its near-term business opportunities. 

THE SOLUTION


To leverage Sente's Test Resource Management™ (TRM) expertise, the customer contracted with Sente to perform a Quickstart™. The Quickstart process allows Sente to work with all of a customer's key stakeholders and apply their change management background to provide insight into the customer's organization, help identify champions, develop a communications plan and set up a governance structure.

Proven processes and tools, tailored to fit the customer's needs, were installed in the engineering labs. The rigorous operational and financial metrics that were put in place at the start showed that TRM fully funded itself in less than six months.

With Quickstart complete, the customer, with input from Sente, decided that the best way to fully implement and evolve a long-term TRM solution was to designate an internal team to execute day-to-day operations. Sente helped the implementation team outline the key roles, and trained team members to use the TRM processes and tools. **"Sente was very responsive in tailoring specific screens and reports in order to help us,"** one team member said. "They even helped with re-training when we ran into some unexpected turnover."

The TRM solution located the customer's test resources and brought them under control. Individual engineers and projects now have better access to more equipment than ever before. In the 12 months following the TRM implementation, the customer increased its workforce by 10% without missing a beat.

Leaders in the customer's organization had high praise for Sente and TRM. "Sente provided us with the tailored processes, tools and training we needed to regain control of our test environment," one leader noted. **"Most critically, Sente shared their expertise so our internal team could implement and evolve the program in a way that accelerated results, eliminated missteps and quickly gained the confidence of the engineers."**

Today, the customer continues to leverage Sente's expertise for "tune-ups," process and tool enhancements, and practices that deliver ever-increasing value in the test environment. 

THE RESULTS

The following results were achieved during the first year of TRM installation while the business was growing by 10% year over year.

- Utilization nearly tripled going from 9% to 26%
- Capital spend was 75% below historical norms
- Total inventory was reduced by 35%
- The inventory of obsolete, unsupported equipment was cut by 50%
- The number of non-standard manufacturer/models was reduced by 25%
- Lab space was freed up, producing quick capacity to allow for growth of personnel
- The capital approval process was streamlined; over 95% of all requests are now fulfilled through re-deployments from current inventory
- ROA increased and cash flow savings exceeded the goal



“ With Sente’s TRM, engineers quickly get the best equipment for their testing needs. This time savings is a tremendous benefit. Some of the functions that today we measure in fractions of an hour we used to perform in days or weeks. ”

—Director of Engineering

Sente’s Test Resource Management™ (TRM) solutions bring proven tools and processes to your test environment.



The Sente Group is dedicated to our mission of increasing productivity by reducing costs and cycle time through Test Resource Management™ (TRM) solutions. We offer numerous options for companies to get started and improve their ability to manage their test environments, including self-assessment tools, Sente's Blueprint For Action™, our Quickstart™ services, tailored processes, tools and training to enable internal test equipment management groups to deliver best-in-class performance, periodic "tune-ups" and turnkey service provider solutions.

Contact us at 888.BY.SENTE or www.sentegroup.com to explore how you can leverage our Test Resource Management (TRM) solutions in your environment.



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