



SENTE TEST RESOURCE MANAGEMENT™ SAVES MILLIONS FOR A FORTUNE 150 HIGH-TECH PRODUCTS MANUFACTURER. ➤ ➤




**THE
SENTE
GROUP™**
What's next in test.™



Several divisions of a Fortune 150 company focused on developing and integrating technologies, products and systems for space and terrestrial-based communications.

CUSTOMER CHALLENGE

The customer had 1600 engineers working in development and operations on 140 different projects within three separate divisions located in a multi-building campus. Each of the independent projects had its own profit and loss responsibility and schedule demands.

The customer's business was growing. The engineers never seemed to have the right test equipment—or enough of it—available when they needed it. Project teams hoarded equipment to keep it available on a “Just In Case” basis—sometimes concealing it in filing cabinets or other inconspicuous locations. Budgets were strained, engineering productivity was taxed and product development schedules were adversely impacted.

Business, finance and engineering leaders all agreed that test assets—the company's largest investment outside certain fixed assets were not being managed effectively.

After securing an executive sponsor, the customer assembled a cross-functional, business-wide team of 10 people representing engineering users, finance and metrology/calibration. The goal of the team was to analyze the situation and make a recommendation of how to move forward. After two months of interviews, focus groups and database analysis, the team gave their report.

- ❖ Test assets were costing the company over \$10M annually in ongoing costs:
 - \$7M in equipment-related hard costs
 - \$3.5M in engineering productivity impacts
- ❖ Test resources were not being effectively managed as “Just In Case” inventories and reactive processes fueled inefficiencies
- ❖ Implementing and institutionalizing a solution—due to logistics, expertise and the deep-seated and habitual hoarding practices of the engineering product groups—would not be a trivial task

Team members also asked themselves this question: “knowing a company should only focus on a handful of core competencies, should test equipment management be one of them?” Their answer was “no,” so the team looked outside their company for expertise.

THE SOLUTION

After evaluating proposals from The Sente Group and a test equipment OEM, the team selected Sente. A key differentiator was the strength of Sente's Test Resource Management™ (TRM) implementation strategy with its attention on the current culture and practices.

Selecting a partner that understood the critical “people” side of managing test resources was essential. As one team member noted, “We were convinced that Sente would do something **with** us—collaborate as a partner—and not act like a vendor doing something **to** us.”

Two additional attributes made Sente's TRM the right choice: 1) A complete, systemic solution that blended powerful tools, processes and people/expertise; and 2) An installation that scaled at a pace that drove results while incorporating direct customer feedback. This let the customer manage the investment, return and risks every step of the way.

By leveraging Sente's expertise (rather than doing it themselves), the customer avoided the pitfalls that often doom similar projects. Whether Sente was aligning inventory capacity or technology needs, the user customers were put at the center. This approach secured user buy-in and ultimately accelerated financial, cycle time and productivity benefits.

Speaking from the user perspective, a test technician said, “Before Sente, our test equipment mentality had degenerated to ‘if you need it, steal it from someone else.’ **Sente makes everyday life easier. We get equipment much faster, too.**”

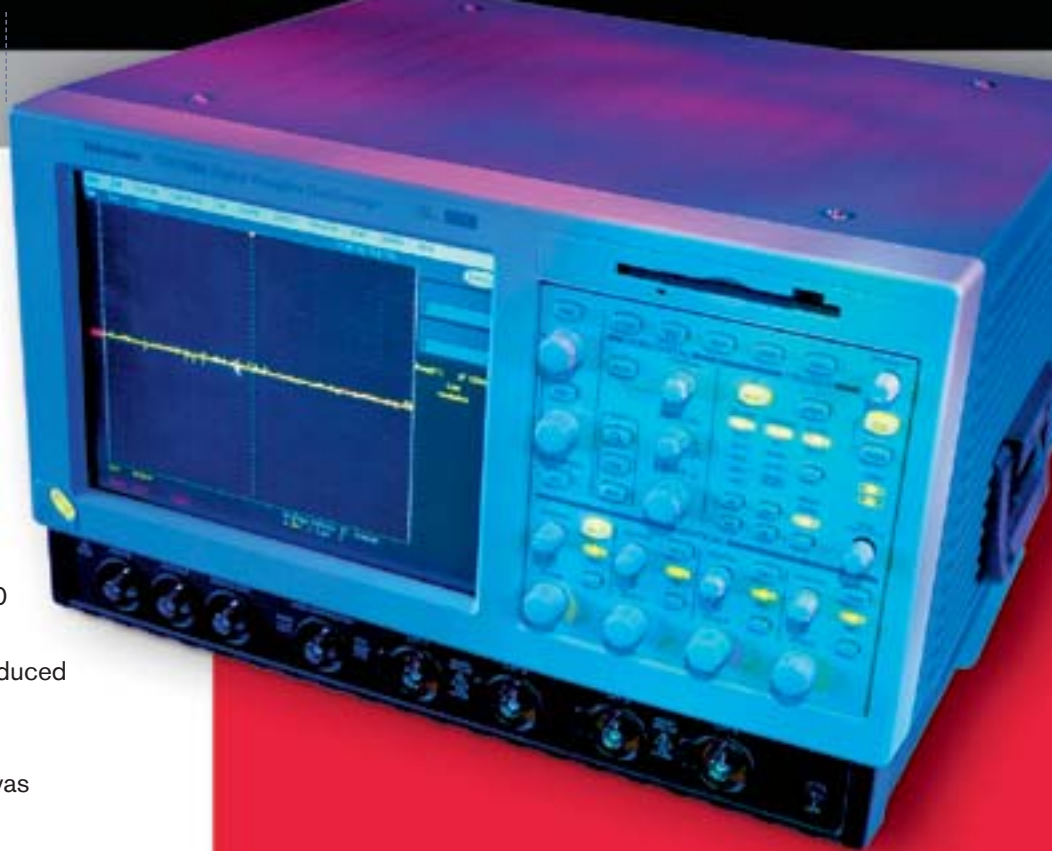
Finance leaders in the company appreciate the hard dollar savings, while also acknowledging the “soft benefits” of the solution. A division controller said, “**Sente's inside knowledge of our company's culture has been a huge asset in helping us move the organization to a point where people are open to adopting new practices.**”

Today, Sente continues to mature the TRM solution installed in the customer's environment, further increasing savings as new innovations add higher level capabilities.

THE RESULTS

The following results were achieved while the business was growing by 15%.

- Utilization more than tripled, reducing the inventory of test equipment needed from 19,000 pieces of equipment to just 11,600
- The annual test equipment spend was reduced from \$9.6M to \$1.7M
- Control of the test equipment inventory was dramatically improved:
 - Write-offs were reduced from \$800K to less than \$8K
 - Past-due calibrations went from 10.5% to less than 1%
- Project delivery time was reduced by 20%
- Significant improvements in efficiency:
 - Bench-to-bench calibration cycle time reduced from 10 days to less than 2 days
 - Equipment lead-time from user request to arrival of test equipment was reduced from 16 weeks to less than 1 day
 - 20 man years of productivity saved each year



“ The Sente Group’s Test Resource Management solution saved us millions and made our engineering teams more productive. TRM saved me six weeks during a six-month project. This delighted our customer, and enabled me to focus my key technical talent on a new project six weeks earlier than I had planned. ”

–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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