PELiCO

BEHIND THE SCENES OF A SILENT TRANSFORMATION

From the Parallel Universe of Spreadsheets to the Collaborative Management of Factory Disruptions

Summary of the digital transformation of a leading Aerospace Manufacturer

Key Achievements

18%

WIP reduction

50%

Reduction of logistics cycle times

+80%

Team productivity

120

Team members onboarded

X20

Pelico users in 9 months

7

Teams onboarded

Context & Challenges

For this aerospace manufacturer, securing revenue and ensuring OTD was becoming more and more difficult

Value at stake

25% YoY Growth

37% Revenue Blocked by Part Shortages

64% Delivery Delays Due to Part Shortages

Parts produced

Flight actuators

700 Part numbers

6 BoM levels

200 Suppliers

At a more granular level, each team had its own challenges

Production Control

Anticipate production blockers, increase planning adherence.

S&OP

Optimize detailed production schedules based on resource availability

Purchasing

Synchronize orders with real production needs: avoiding shortages while controlling cash & inventories

MRO Logistics

Reduce logistical TAT and spot process gaps

Due to daily supply chain disruptions, factory teams were facing highly volatile & complex environments

Daily disruptive factors occurring frequently...

- Part shortages
- Late supplier deliveries
- Quality issues
- Specific customer requests

...hindered factory operations...

- Difficulties to **align teams** & **prioritize subjects**
- **Time consuming spreadsheets** maintenance
- **Firefighting mode** creating high stress levels amongst teams
- **Lack of visibility** on factory forecasts & performance

...affecting supply chain performance

- Delayed **customer deliveries**
- Costly **last minute solutions**
- Higher **inventory & WIP level**
- Sub-optimal **manpower management**

On the operational level, these disruptions represented multiple variables to be adjusted daily

1 Disruption

- Late supplier delivery
- Quality issue
- Demand change
- Delayed operations
- Machine unavailable
- Multiple spreadsheets to update
- Etc....

300k+ impacted data points

7 teams to coordinate

Production scheduling

100+	**1K+**	**100+**
Work orders	Dates	Operations

Customer Support

100+	**1K+**
Customer order lines	Forecasted orders

Production Controller

Material Management

100+	**1K+**
Parts shortages	Purchase order lines

Engineering

10+	**3**
Open quality issues	Derogation requests

Process latency, inaccurate data and inadapted tooling made the daily adjustment to these disruptions even more challenging
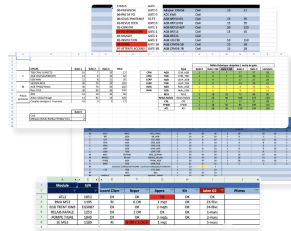
198h/day adjustments to factory disruptions

Data preparation & analysis
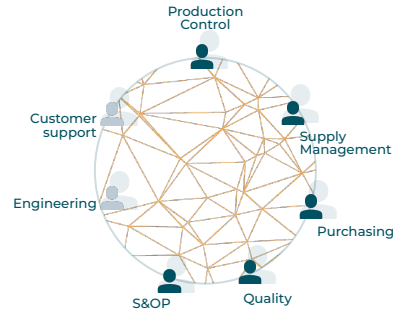
Cross-functional collaboration

▸ **Multiple data tables required**

▸ **Ad hoc Excel & Dashboards**

▸ **Complex cross-functional coordination**

Production Control

Customer support

Supply Management

Engineering

Purchasing

S&OP

Quality

Wrong decisions taken as they were based on:
▸ Inaccurate information
▸ Siloed data
▸ Partial data

On the emotional level, these disruptions led operational teams to experience stress & frustration

> " *Surprises in production are stressing us, sometimes in meetings, I just lose control. I don't want surprises anymore.*
>
> *Christine A.*
> **S&OP**

Difficulties to prioritize subjects because of scattered data

Struggles to justify results in front of leadership due to lack of forecast

Complicated team alignment due to siloed data and competing objectives

Cognitive workload by cause of growing complexity and speed at which the environment is changing

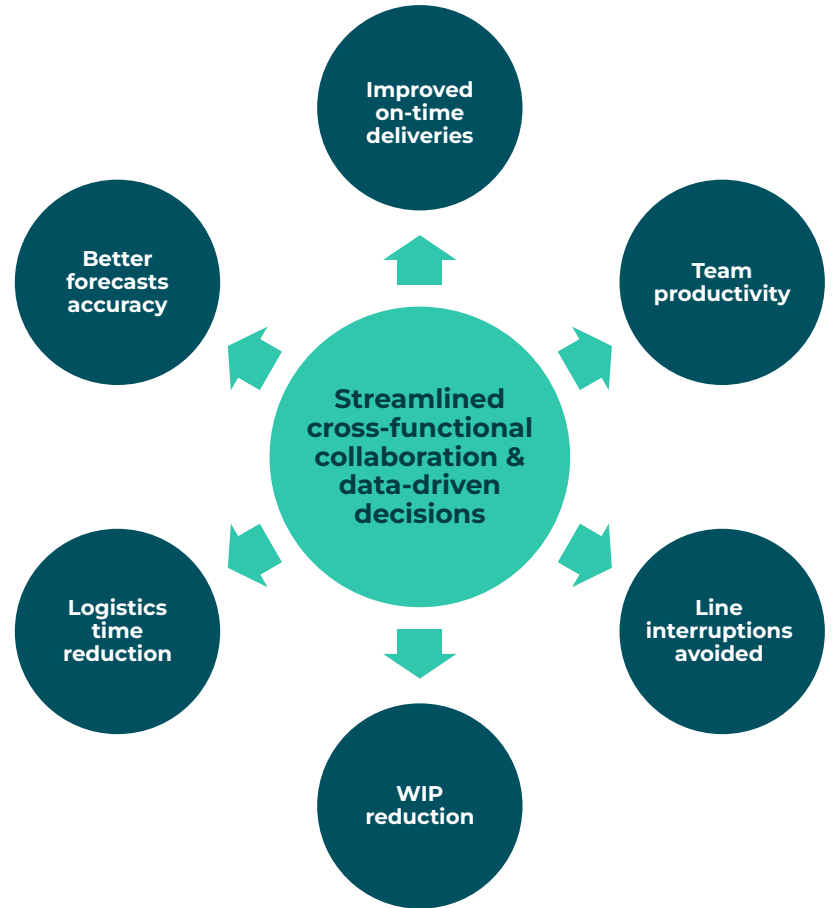**Constant firefighting** caused by daily last minute supply chain disruption

Work-life balance difficult to achieve because of increased overtime

Approach

To address the challenges faced by its teams, this leading aerospace manufacturer partnered with Pelico

The global objective: leave the parallel universe of spreadsheets, streamline cross-functional collaboration and improve the overall factory performance.

Streamlined cross-functional collaboration & data-driven decisions

- Improved on-time deliveries
- Team productivity
- Line interruptions avoided
- WIP reduction
- Logistics time reduction
- Better forecasts accuracy

The manufacturer opted for an iterative approach to achieve a **silent transformation**

To ensure its digital transformation would be smooth and time-efficient, **the group adopted an iterative approach, starting with a team** of production controllers.

Initial Scope — 1 PLANT

6
PRODUCTION CONTROLLERS

Global Scope — 2 PLANTS

120 Users

7 TEAMS

- Customer Support
- Purchasing
- Quality
- Engineering Managers
- S&Op
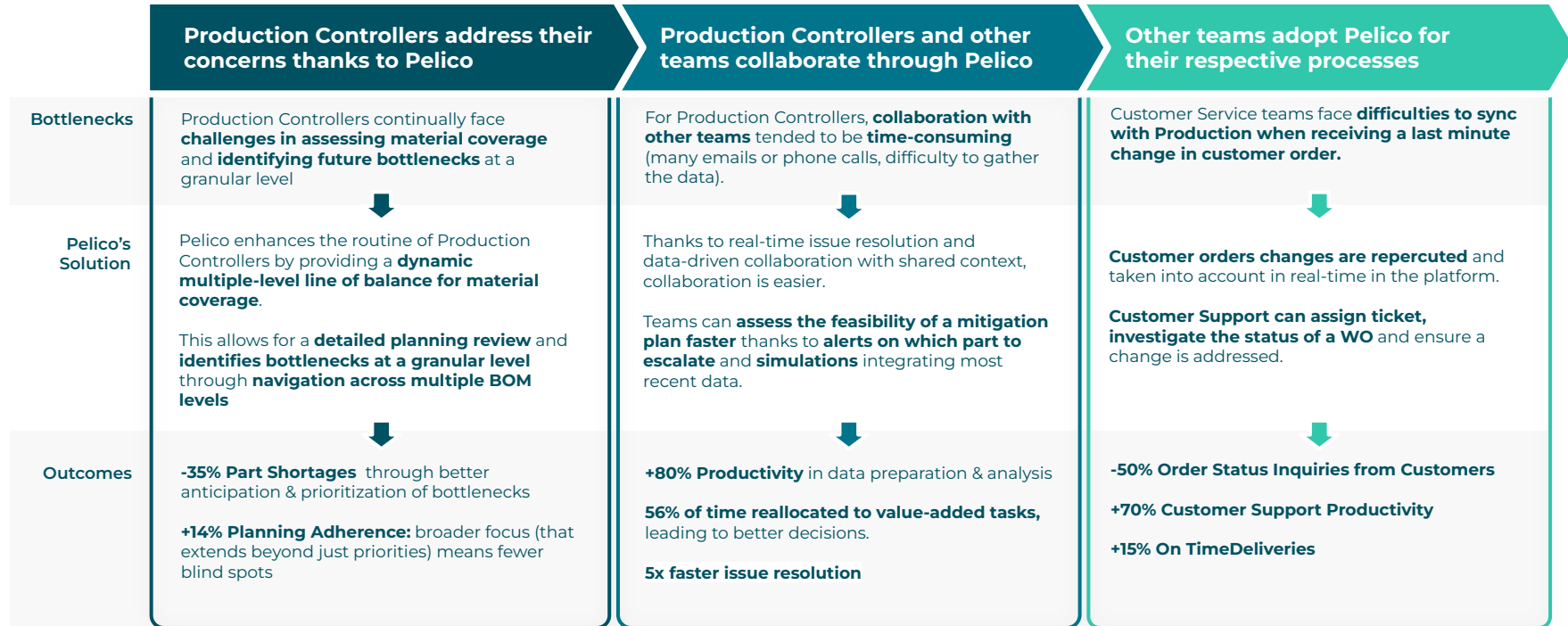- Production Control
- Supply Management
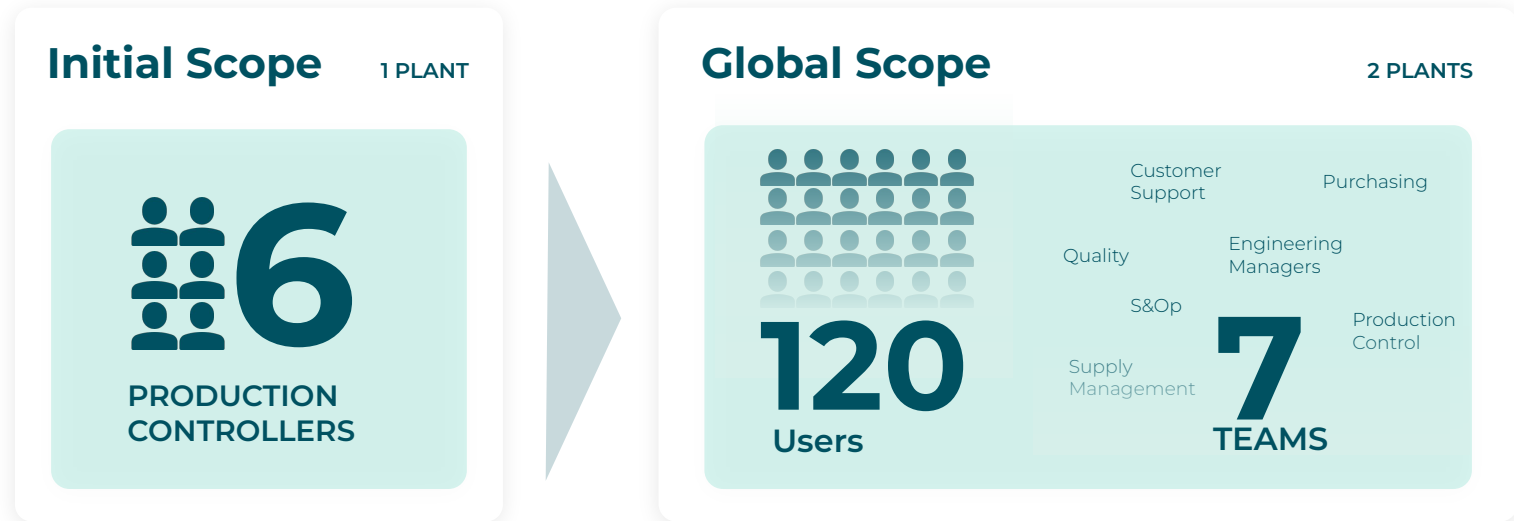
💡 **DATA and DATA CLEANING:** At every step of the process, Pelico provided support regarding data, and collaborated with IT-services. The support provided notably encompassed Platform Set Up & Security review, Apps Config & Deployment, Data Mapping for routines and ETL as well as Custom Data Integration & Refinements.
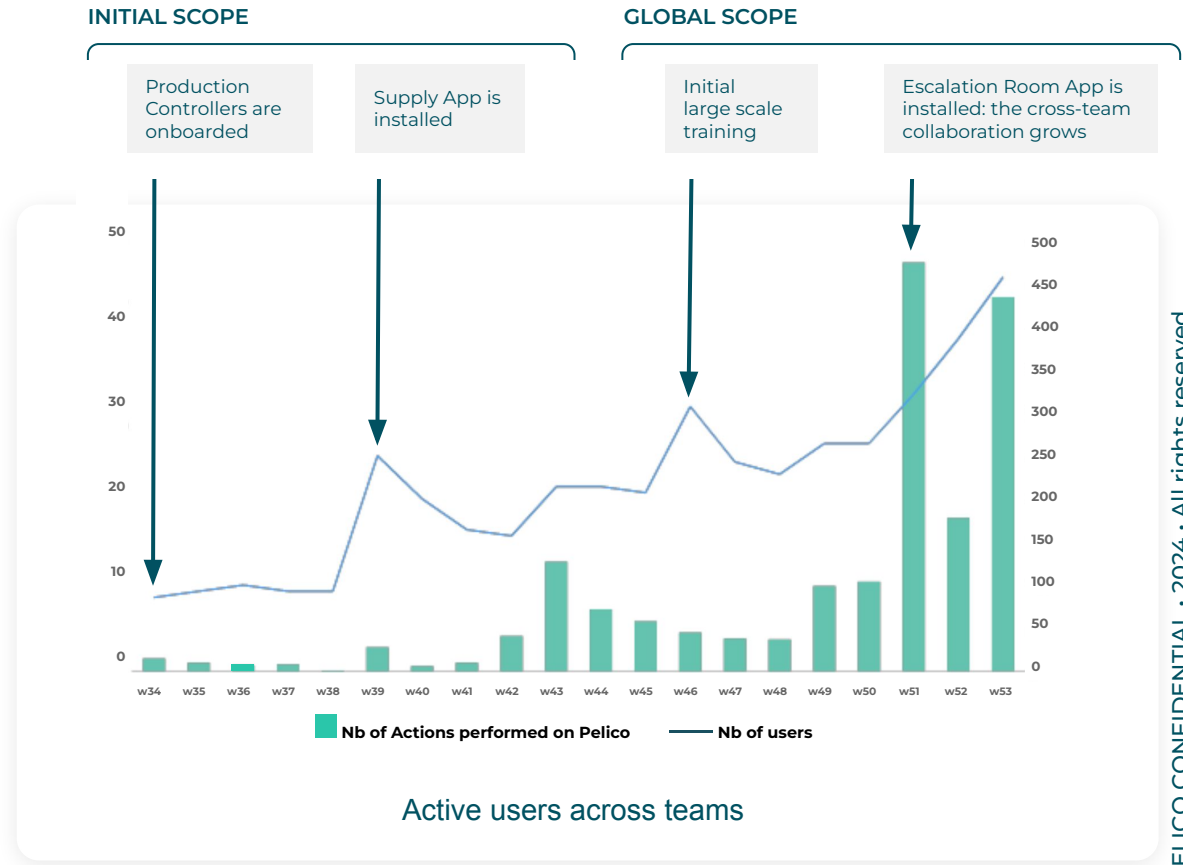
How it went:
Initial Scope

To avoid a long and extensive process change, Pelico's setup is done by gradual iterative & deployments

Pelico embedded in existing routines and made progressive deployments to support the teams' processes and foster adoption.

	Production Controllers address their concerns thanks to Pelico	**Production Controllers and other teams collaborate through Pelico**	**Other teams adopt Pelico for their respective processes**
Bottlenecks	Production Controllers continually face **challenges in assessing material coverage** and **identifying future bottlenecks** at a granular level	For Production Controllers, **collaboration with other teams** tended to be **time-consuming** (many emails or phone calls, difficulty to gather the data).	Customer Service teams face **difficulties to sync with Production when receiving a last minute change in customer order.**
Pelico's Solution	Pelico enhances the routine of Production Controllers by providing a **dynamic multiple-level line of balance for material coverage**. This allows for a **detailed planning review** and **identifies bottlenecks at a granular level** through **navigation across multiple BOM levels**	Thanks to real-time issue resolution and data-driven collaboration with shared context, collaboration is easier. Teams can **assess the feasibility of a mitigation plan faster** thanks to **alerts on which part to escalate** and **simulations** integrating most recent data.	**Customer orders changes are repercuted** and taken into account in real-time in the platform. **Customer Support can assign ticket, investigate the status of a WO** and ensure a change is addressed.
Outcomes	**-35% Part Shortages** through better anticipation & prioritization of bottlenecks **+14% Planning Adherence:** broader focus (that extends beyond just priorities) means fewer blind spots	**+80% Productivity** in data preparation & analysis **56% of time reallocated to value-added tasks,** leading to better decisions. **5x faster issue resolution**	**-50% Order Status Inquiries from Customers** **+70% Customer Support Productivity** **+15% On TimeDeliveries**

A holistic methodology resulting in a successful silent transformation

Thanks to Pelico's approach, teams of this aerospace manufacturer gradually adopted the platform.
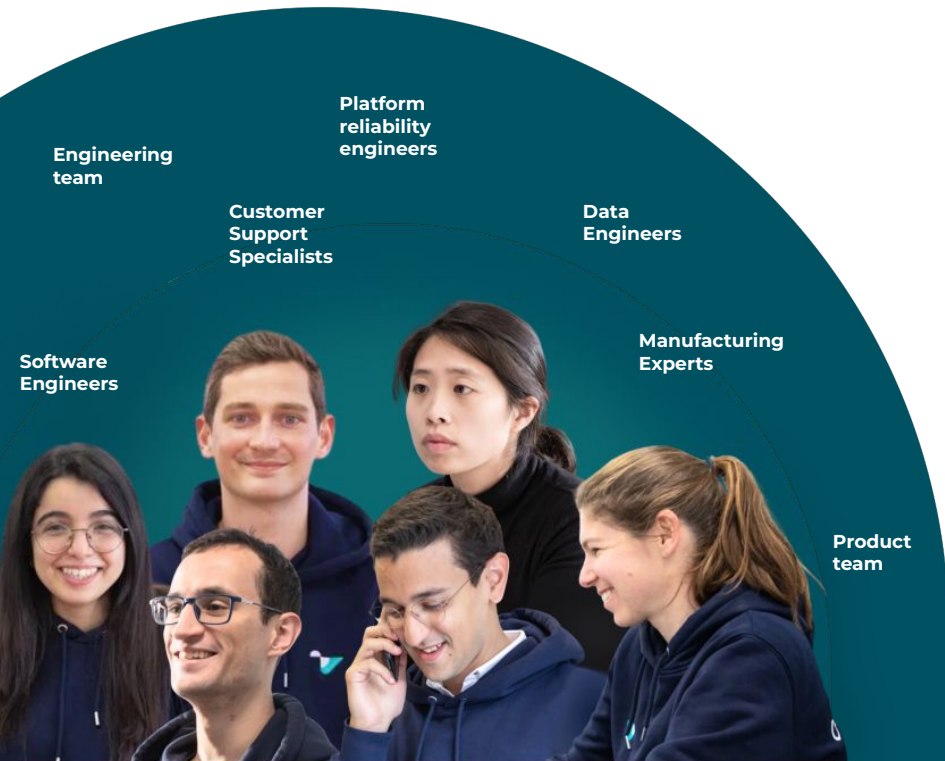
INITIAL SCOPE

Production Controllers are onboarded

Supply App is installed

GLOBAL SCOPE

Initial large scale training

Escalation Room App is installed: the cross-team collaboration grows

Active users across teams

■ Nb of Actions performed on Pelico   — Nb of users

How it went: From Initial to Global Scope

Within 9 months, Pelico has become a **cornerstone of digitized factory operations**

Global Scope

2 Factories

Pelico Apps

Production control

Supply

MRO

Pelico Modules

User Management

Escalation Room

Simulation Engine

Analytics

Users: 120 users

- ► Production Controllers
- ► Purchasing
- ► Supply Managers
- ► Quality
- ► Engineering Managers
- ► Sales & Operations Planners
- ► Customer Support

Initial Scope

1 Factory

Pelico App

Production control

Users: 6 users

- ► Production Controllers

9 months

Thanks to multidisciplinary experts from Pelico, all teams smoothly adopted the platform and left the parallel universe of spreadsheets

Engineering team

Platform reliability engineers

Customer Support Specialists

Data Engineers

Software Engineers

Manufacturing Experts

Product team

6 Kaizen sessions with users

24/7 Data monitoring & alerting

Data health checks

Trilingual support 🇺🇸🇫🇷🇩🇪

20+ Platform video tutorials

Thanks to comprehensive training and support, the factory teams quickly ramped up on the Pelico platform.

Within a few weeks following Pelico's deployment, MRO teams experienced significant results

18%
WIP reduction

50%
Reduction of logistics cycle times

Turnaround Time | Gate 0-2 inclus

- TaT per work order
- rolling average
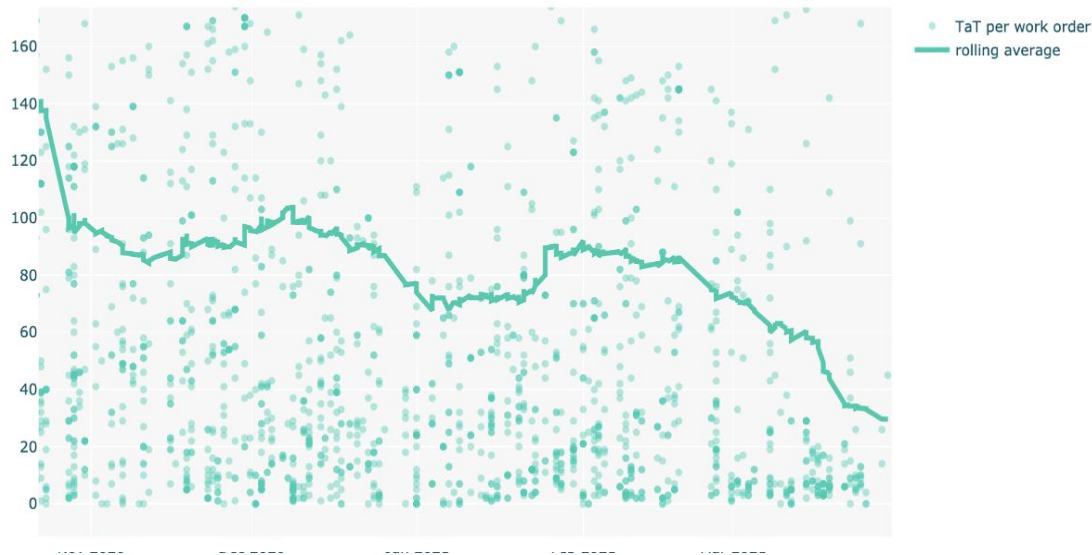
Pelico reached 97% user adoption rate (high and fast user adoption)

Escalation Room
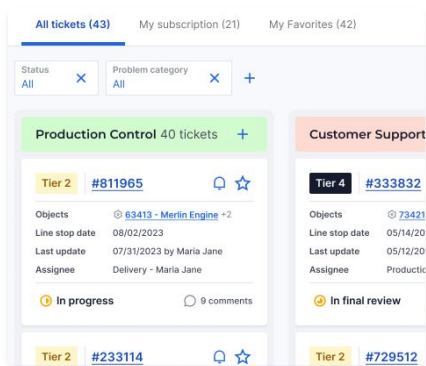
As often, the **Escalation Room App played a major part in the quick adoption of Pelico.**
From this Pelico Platform App, each team can create an escalation ticket, escalate an issue, and identify a colleague on a ticket to investigate the status of the part shortages.

High & fast user adoption

Extensive user adoption across teams

Weekly unique visitors

Legend:
- Engineering
- Customer Support
- Quality
- Purchasing
- S&OP Planners
- Supply
- Production Control
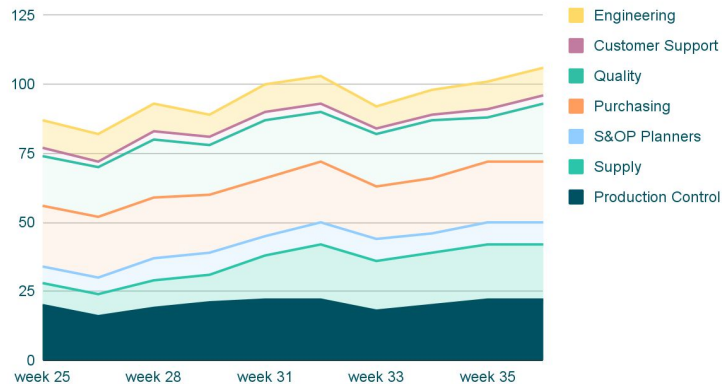
How it is
going now

Productivity improved by 80% in data preparation & analysis, leading to decisions made 5x faster

Piecing together data
in a constantly changing environment

Making & implementing decisions
to mitigate supply chain disruptions

Data preparation & analysis

Cross-functional collaboration

Time-consuming data analysis

5x
faster

Data prep. & analysis

Cross-functional collaboration

Automated
data analysis
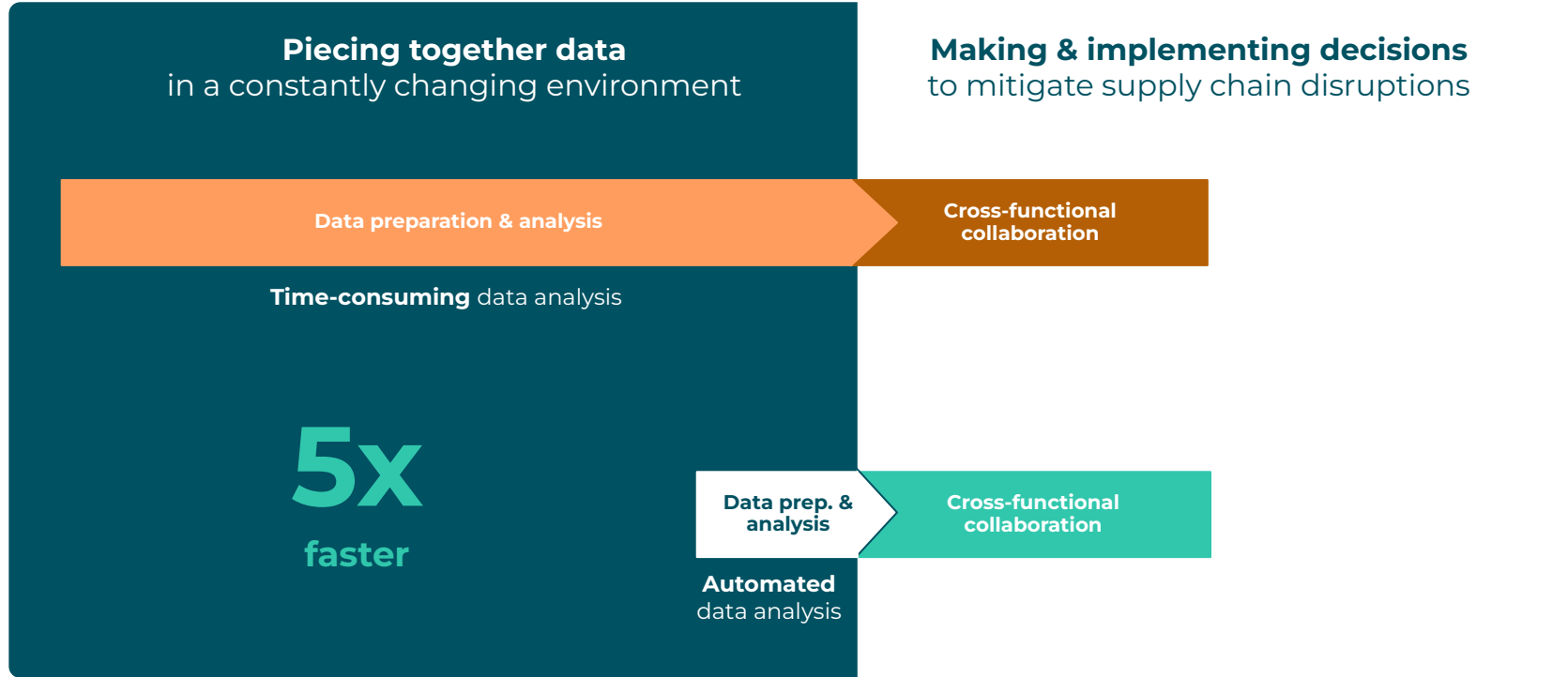
Better decisions and 56% of time reallocated to value-added tasks

Piecing together data
in a constantly changing environment

Making & implementing decisions
to mitigate supply chain disruptions

Data preparation & analysis

Cross-functional
collaboration

**Inefficient,
last-minute decisions** based
on accurate, siloed and
partial data

56%
of time reallocated to
value-added tasks

Data prep. &
analysis

Cross-functional
collaboration

+

Focus on new
value-added tasks

Data-based decisions for
streamlined cross- team
collaboration

Optimization
of supply chain performance

Today, Pelico is at the heart of the daily routines of
7 operational teams from 2 factories

101	7	21
average weekly active users	different teams	weekly connections per core user

Core teams

	Active Users	Team weekly adoption rate	Weekly connections per user
Supply Managers	20	80%	38
Production Controllers	22	75%	33
Purchasing	22	63%	13
Quality	16	74%	16
S&Op Planners	8	59%	22

Secondary teams

	Active Users	Team weekly adoption rate	Weekly connections per user
Engineering Managers	10	46%	5
Customer Support	3	21%	6

Behind the Scenes:
What Users Say

MRO

"*Thanks to the different features of Pelico, on the MRO side, our WIP went from 2,000 work orders to 1,600 work orders in a year. This is due to the fact that the Production Control team re-oriented their focus on problem-solving and the implementation of corrective actions rather than low added-value activities.*"

Hakim B.
MRO operations

"*Emails were reduced by 20% thanks to Pelico's cross-functional collaborative platform. All teams gained around 15 hours per week as they spent less time looking for siloed information and re-oriented their focus on the implementation of prioritized mitigation actions.*"

Matthias B.
Production Control

Supply Chain

"*Pelico helped us re-orient our teams' focus on real value-added activities by providing us with structured & organized data, which enabled us to easily identify bottlenecks & spend more time to manage & solve them. It also streamlined cross-functional collaboration and got us out of working in silos mode towards real teamwork & great synchronization on our action plans.*"

Pauline C.
Supply Chain Director

"*Our dedicated Pelico team worked closely with our teams. They spent time with them to truly understand their need and processes. This proximity enabled a swift adoption of change and a strong user adoption.*"

Pauline C.
Supply Chain Director

PELiCO

SUPPLY CHAIN OPERATIONS MANAGEMENT PLATFORM

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