SPIRIT AEROSYSTEMS

Speeding production with analytics via the SAP HANA® platform

High performance. Delivered.
To combat cost overruns and production backlogs, Spirit AeroSystems worked with Accenture to obtain more current information by implementing in-memory computing based on the SAP HANA platform. As a result, the client gained timely business intelligence that led to improvement projects boosting productivity, reducing delays and cutting costs.
**EXECUTIVE SUMMARY** Spirit AeroSystems needed better insight into cost overruns and production delays. Based on a long-standing relationship, company leaders turned to Accenture, which brought market-leading knowledge of SAP and experience with the SAP HANA in-memory computing platform.

Accenture’s team, which flexed in size from three to nine based on the projects under way, integrated data from multiple sources, implemented the SAP HANA platform, and developed data models to produce ongoing analytics within the supply chain and assembly operations.

Statistical analysis provides insights into the status of production orders in near real-time to shop-floor mechanics and managers, which has led to well-targeted improvement projects. Among the projects yielding major gains, cutting cycle time in a product line is expected to significantly reduce overtime labor costs and inventory levels.

**How Accenture helped**

Accenture helped implement the SAP HANA platform in a highly regulated aerospace environment. Replicating data from the company’s core system into SAP HANA paved the way to obtain better business intelligence in near real-time. To structure and organize information sources, members of the project team built data models—all taking advantage of SAP HANA’s in-memory approach—to integrate data and make it accessible for analytics-driven applications.

Acting on insight from data-driven analytics, the client focused initially on a handful of pilot projects in finance and production. The size of the Accenture team flexed from three to nine, based on the scope and complexity of the projects.

Among projects executed in 2013, some of the most impressive work involved analysis of manufacturing buffers. In this context, buffers are time allotments, including contingencies, for assembly stages. Analysis of buffer incursions, which are overruns of the allotted time, enabled the client to pinpoint areas slowing down assembly, and devise ways to accelerate production.

In addition, key performance indicators, displayed on management dashboards, presented a visual update of performance statistics. Having up-to-the-minute data enabled productive daily operational meetings to discuss improvement opportunities in supply chain coordination, facilities and equipment maintenance.

**High performance delivered**

Accenture helped Spirit AeroSystems enhance supply chain management, hold down costs and streamline operations in an industry known for tight operating margins.

In 2014 InformationWeek listed the aerospace manufacturer among the “Elite 100,” the publication’s annual ranking of the leading US users of business technology.

The ongoing flow of business intelligence provides accurate and near real-time status of orders to shop-floor mechanics and managers. In particular, the buffer-incursion analytics initiative delivered insights so teams at Spirit AeroSystems could map out actions designed to drive down:

- Production time in aircraft component assembly
- Overtime labor costs
- Inventory levels

In addition, Spirit AeroSystems sped up cycle time for financial reconciliation by a week (an improvement of more than 100 percent). The company is also benefiting from greater data accuracy, reduction in rework and faster month-end closings (down from roughly a week to only two days).

Overall, the availability of timely data is accelerating business decisions based on statistical analysis, which positions this aerospace leader for greater gains in holding down costs and accelerating its journey to high performance.

**THE STORY**

**Client profile**

Spirit AeroSystems, Inc., headquartered in Wichita, Kansas, designs and manufacturers structures for commercial, military and business jets. The company has facilities in the United States, United Kingdom, France, Russia, Malaysia and China.

**Business challenge**

Up-to-the-minute business intelligence can improve cycle time and stem cost overruns. Company leaders turned to Accenture based on a long-standing relationship, as well as market-leading SAP knowledge and 30 years of experience working with SAP to help organizations generate greater value from their software investments.

SAP HANA enables the entire SAP product suite to operate as an in-memory database, which accelerates calculations and processing, and improves visibility into daily operations. As a result, managers are able to see concise statistical analyses on dashboards, rather than waiting weeks or months for information to be assembled before making critical business decisions.

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About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 293,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world’s most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US$28.6 billion for the fiscal year ended Aug. 31, 2013. Its home page is www.accenture.com.