

Lean Six Sigma Enterprise Transformation

Oliver Wyman works with organizations to achieve breakthrough operational performance and uncover hidden value through the deployment of Lean Six Sigma processes and techniques. Oliver Wyman's Lean Six Sigma Enterprise Transformation Practice has completed many engagements across a variety of sectors, including aviation, aerospace, defense, automotive, financial services, banking, oil and gas, utilities, and retail. Our consultants have over 100 years of collective experience in this area and consistently deliver high-impact business results for our clients. Oliver Wyman serves major firms worldwide with consultants in the Americas, Europe, Asia, and the Middle East.

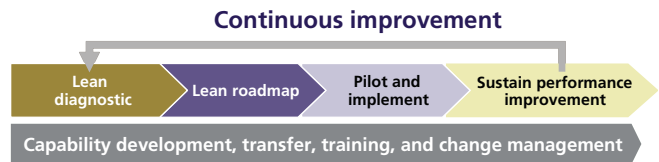


Services

Globalization is making most sectors, not just manufacturing, more intensely competitive. Many organizations are struggling to improve their operating performance in response to market demands for lower costs, higher-quality products and services, shorter lead times, and higher returns on investment in infrastructure and resources.

To address issues of competitiveness and to uncover hidden value, our clients find that Lean Six Sigma Enterprise Transformation is one of the most powerful platforms available; many have even emerged to become market leaders. Through Lean optimization of the enterprise's value chain, companies can better control key strategic operations and reap new value from their business.

Oliver Wyman works hand in hand with clients to significantly improve their operating performance and capacity, service levels, quality, and organizational capabilities. Our approach is based on a simple principle: *See One, Do One, Teach One*. Oliver Wyman promotes change in the client organization by focusing on capability development, transfer, and training. This approach generates both short-term results and sustained performance improvement.



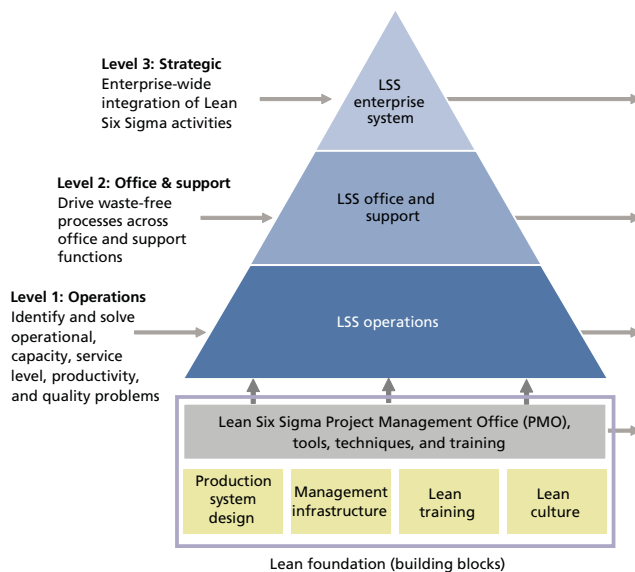
Lean diagnostic. We first identify “quick hits” that can offer immediate savings. Then we conduct a technical and cultural assessment of the enterprise, determine the opportunity, and develop a transformation roadmap. Best-practice analysis and benchmarking often provide insight during this phase.

Lean roadmap. The combined client/Oliver Wyman team begins detailed development and aggressive deployment of the roadmap and initiatives.

Pilot and implement. We identify a high-impact pilot area, implement the Lean Six Sigma process there, monitor results, and absorb the lessons learned. Similar processes can then be deployed across the rest of the organization.

Sustain performance improvement. We work with the client to develop an organizational infrastructure and culture that will support and advance its Lean Six Sigma Enterprise Transformation.

Oliver Wyman offers a complete and integrated portfolio of service offerings



Oliver Wyman's capabilities

- Lean Six Sigma enterprise system**
 - Strategy deployment and performance management
 - Lean enterprise system design and roadmap
 - Change management, leadership, and organizational development
- Lean Six Sigma office and support**
 - End-to-end value stream analysis and redesign
 - Lean product development
 - Lean network and system design
 - Lean Six Sigma project execution
- Lean Six Sigma operations**
 - Operational opportunity assessments/due diligence
 - Lean supply chain management
 - Rapid lean deployment—Kaizen and Kaikaku
 - Operational management and support
- Lean Six Sigma PMO, tools, techniques, training**
 - Lean Six Sigma Project Management Office
 - Methodology, structure, tools, and training
 - Lean Six Sigma program capability development
 - Lean Six Sigma certification program
 - Lean competency center creation
 - Targeted Lean and Six Sigma training and workshops
 - Lean Six Sigma techniques and tools
 - Organization development

Experience

Oliver Wyman consultants have worked with clients worldwide, as illustrated by the following examples:

■ **International cargo carrier.** Oliver Wyman conducted a major Lean Six Sigma project to increase asset utilization for the carrier's fleet of aircraft. The project identified opportunities that will result in reductions of 20% in annual operating costs, 30% in maintenance turnaround time, and 30% in aircraft out of service.

■ **Global financial services firm.** Oliver Wyman consultants led a Six Sigma transformation program across 11 business areas of this firm. Projects were targeted to reduce costs, generate revenue, and mitigate certain risks. Over five years, more than 2,000 projects generated validated benefits of \$750 million. The long-term impact included substantial leadership development, a culture focused more intently on client service, and the participation of operating managers at all levels to drive continuous improvement.

■ **Multinational oil company.** In this Six Sigma transformation program conducted throughout the firm, the initial work focused on downstream activities and expanded to include exploration and production. The benefits of the five-year program exceeded \$800 million and are continuing to provide financial and cultural impact.

■ **Major utility.** For this \$2 billion Midwestern utility, the customized approach addressed all areas, including generation, distribution, shared services, customer service operations, and non-regulated entities. Validated savings have exceeded \$225 million over three years and the results have sustained the development of an effective middle-management team.

■ **Tier 1 OEM supplier.** Oliver Wyman developed and implemented a 100-day stabilization plan and Lean transformation roadmap to address the supplier's problems with financial liquidity, operating performance, and throughput. Improvements included a 25% reduction in inventory, 200% improvement in operating margins, 10% improvement in additional shipments, and 25% improvement in throughput.

Sectors Served

■ Aviation, Aerospace, and Defense

- Commercial Airlines
- Engine and Aircraft OEMs
- Tier 1 and 2 Suppliers
- Commercial and Military MRO (maintenance, repair, and overhaul) and supply chain management

■ Automotive

■ Retail and Consumer Goods

■ Energy

- Oil and Gas
- Utilities

■ Financial Services

- Corporate and Institutional Banking
- Retail and Business Banking
- Insurance

■ Industrial Goods

■ Information Technology

■ Media and Entertainment

■ Private Equity

■ Surface Transportation

■ Telecommunications

■ **Regional bank.** For a top-100 North American bank, Oliver Wyman consultants conducted a full Lean Six Sigma Black Belt program and a series of Kaizen events to improve operating performance and service levels. Improvements to date include a 30% reduction in processing lead-time, a 25% improvement in productivity, and a 10% increase in service levels.

■ **Financial services firm.** This major Lean Six Sigma program was designed to improve operating performance for the client's call centers. The program involved over 20 interrelated projects and generated the following results: a 33% productivity improvement, a 70% increase in customer satisfaction, and a 75% increase in employee satisfaction.

■ **Airline line maintenance.** For a North American carrier, Oliver Wyman evaluated the line maintenance organization and operation. The carrier needed a more robust line maintenance process in order to improve labor line productivity, reduce irregular operations, and increase support staff productivity. Oliver Wyman performed a comprehensive value stream analysis to determine the key drivers in line maintenance and repair. We also completed a detailed critique of the maintenance and technical support organizations against best-practice standards and other carriers. The transformation when fully implemented will result in a labor productivity improvement of 30% and a 25% reduction in irregular operations cost.

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John Seeliger leads Oliver Wyman's Lean Six Sigma Enterprise Transformation practice.

A Dallas-based director of Oliver Wyman, he has more than 15 years of consulting experience in manufacturing and service industries. Mr. Seeliger has directed many consulting engagements for major corporations resulting in significant revenue enhancement, operating performance improvements, and organizational transformation.

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