

Turnaround & Stabilization Operations – Defence Supplier

Context

A medium-sized group of companies is rapidly growing into the defence sector and is developing from a project-driven provider to an integrated series supplier with end-to-end added value. With this growth, complexity is increasing significantly – in particular due to regulatory requirements, higher quality and verification obligations and increasing pressure of expectations from defence OEMs.

However, the organization is not developing structurally at the same pace:

- Lack of end-to-end accountability and functional silos
- Unclear control and lack of planning system
- Low visibility into KPIs and cash

Operational consequences:

- Unreliable on-time delivery (OTD)
- High inventories (WIP) and long lead times
- Quality issues and rework

👉 The organization is not in a position to steer growth and complexity in a stable way.

Mandate

Turnaround and transformation manager for the entire group of companies and assumption of the role of **interim COO / Head of Operations** with a clear mandate:

- Immediate stabilization of delivery, quality and cash
- Build a scalable, controllable operating model
- Introduction of clear governance, KPI and planning structures
- Ensuring the ability to deliver to defence OEMs

Procedure

Phase 1 – Stabilization (0-6 months) | Control before optimization

- Clear overall operational responsibility is established
- Daily control of cash, flow and quality is introduced
- Binding weekly production plan is implemented
- WIP is reduced and priorities are consistently managed (incl. cash focus)
- Quality is ensured by first part inspection and outgoing goods inspection
- Fast decision-making and escalation logics are introduced

👉 Result: Immediate Visibility and Operational Control

Phase 2 – Structuring (6-9 months) | Structure instead of improvisation

- Clear management structure and responsibilities are established
- Critical functions (planning, logistics, quality) are centralised
- S&OP logic (demand vs. capacity) is implemented
- KPI system with a clear target cascade is introduced
- Shop floor management is established

👉 Result: Stability through structured control

Phase 3 – Organizational Stabilization (9-15 months) | System beats heroism

- End-to-end responsibility along the value stream is anchored
- Organization is aligned with a value stream
- Interfaces and handovers are reduced
- End-to-end planning replaces siloed area optimization
- Control is carried out via central KPIs (OTD, DLZ, WIP, Cash)
- Leadership takes place at a fixed pace instead of in escalation mode

👉 Result: Sustainably controllable surgical system

Results

- Improvement of delivery reliability (OTD) by reducing throughput times and WIP inventories
- Significant improvement in product quality (significantly fewer complaints)
- Full transparency of operational KPIs and cash
- Stabilized ability to deliver to Defense OEMs
- Significantly improved process efficiency

👉 The organization is once again delivering in a predictable, stable and reliable manner.

Success factors

- Consistent end-to-end responsibility
- Focus on a few, high-impact KPIs
- Quick decisions instead of analysis paralysis
- Combination of operational depth and clear governance
- Value stream orientation instead of functional optimization
- Cultural connectivity in the Defence environment

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Relevance for interim mandates

Particularly effective in:

- Defence and security-critical industries
- Scale-ups with ramp-up and growth problems
- Organizations in the transition from project to series business
- Turnaround and restructuring situations
- Companies without a functioning operating system / S&OP

Key messages

When organizations grow, the structures often no longer fit. Often it is not the people who are the problem, but the structure. Organizational stabilization does not primarily take place through methods, but through a systemic approach, clear responsibility and controllability.

Executive Takeaway

Rapid operational stabilization and development of a scalable, KPI-driven end-to-end operating system – with a direct impact on OTD, quality and cash in the defence environment.