Boeing Executive Management Receives Recognition

The U.S. Department of Defense (DoD) has awarded the Boeing Executive Management Council in Mesa its top recognition award for single process initiatives (SPI) that significantly cut costs on government contracts.

Specifically, the DoD's Defense Contract Management Command (DCMC) praised the Mesa Executive Management Council for accomplishing a combination of 10 "high payoff" SPIs that will save the government millions of dollars on current contracts and many more millions in cost avoidance on future contracts.

SPIs, which were developed as part of the DoD's acquisition reform initiatives, are tools that allow best practices to be quickly and simply applied on all appropriate government contracts at a production site. The practice may be new or from the commercial world, not necessarily already on one contract at that location.

"This is just another step in changing our acquisition process, which enables improved weapon systems to be developed at a more affordable cost," said Lt. Col. David P. Miller, commander of the Defense Contract Management Command in Mesa, and chairman of the site's Executive Management Council.

"Our success in working with the Army on these initiatives is an example of how the DoD's acquisition reform efforts are giving Boeing and our suppliers the flexibility to become more efficient while producing better products at lower cost," said Martin S. Stieglitz, vice president, Apache program manager.

In giving the award, the government cited the "phenomenal" coordination and communication between Boeing and representatives of the U.S. Army and several DoD agencies that enabled suggested changes to be processed and put into action in relatively short periods of time.

Among the changes put into action by Boeing are processes for improving the production of manufactured parts called "hardware variability control." The new process reduces scrap, rework and manufacturing variances. Other process changes modify the way electrical assemblies are made, reducing weight and using fewer kinds of wire. Two other initiatives save cost through the use of commercial aircraft paint and the use of air conditioning parts originally designed for automotive use.

The Mesa Executive Management Council includes representatives from Boeing, the DCMC commander, Army Aviation and Missile Command, Defense Contract Audit Agency, and Armament and Chemical Acquisition and Logistics Agency. The council meets regularly to review cost saving initiatives that can be applied to work being done locally and to other government contracted work.

Boeing in Mesa produces the AH-64D Apache Longbow helicopter and automatic cannons for the U.S. Army and international customers. It also produces electrical assemblies for various military and commercial aircraft. The SPI award was given for work on these and other production projects underway at the Mesa facility.

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