

2004 Pioneer Award for Quality Recipient

Commercial Electronic Systems (CES), Honeywell – Glendale (formerly Business, Regional and General Aviation [BRGA])



-CES Glendale Facility, Honeywell

Company Information:

Highest Ranking Official: Robert Stites, Site Leader

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Quality Systems Leader
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Type of work: The Honeywell CES facility in Glendale, Ariz., supplies the only complete line of integrated avionics systems to manufacturers and operators of business aircraft, regional airlines and general aviation aircraft, including Avionics, information systems for business jets, turboprops and twin-turbine helicopters, flight management systems, cockpit displays, digital air data computers, satellite communications systems, flight guidance systems, and weather radar.

Workforce: 1900 employees

Testimonial of Value of Arizona State Quality Awards Program

“Receiving the Pioneer Award for Quality is a tremendous accomplishment for Honeywell Commercial Electronic Systems - Glendale. Our employees have relentlessly pursued continuous improvement in the area of Quality, and this award confirms that our efforts have resulted in process excellence.”

- Robert Stites, CES-Glendale Site Leader

Highlights of Organizational Process:

Quality and Performance Results:

- While the aviation industry is known for its cyclical nature, CES-Glendale has maintained a 16.1% compounded annual growth rate for 25 years. The aviation industry has grown a compounded annual growth rate of 10% during the same 25-year period.
- CES-Glendale is the market leader in business and regional jet avionics with revenues of \$660M in 2004 and a customer reputation of a company that offers excellent integrated systems, products and services.
- CES-Glendale utilizes Six Sigma project teams and alliance strategies, demand flow manufacturing, productivity, and cost control measures to improve operating income and operating income rates, which directly relate to positive trends in working capital turns and return on investment.
- CES-Glendale shows positive trends of Voice of Customer (VOC) overall performance. Comparative data on overall performance was provided by a third party and indicates that CES-Glendale has shown consistent improvement when compared to competitors.
- CES-Glendale strives to measure those elements of most significance to their customers. Delinquencies, reliability and acceptance rates are near established benchmark goals. Improved product performance, customer delinquency and reliability ratings have steadily improved over time through the use of Six Sigma projects.

- Data shows a positive trend in the Participative Pay Program results, linking work system effectiveness to sales performance, operating income and cash flow. Attrition rates remain constantly below word class. Additional measures of employee satisfaction such as lost workday and case incidents are below established best in class benchmarks.

Processes:

- CES-Glendale utilizes a synchronized leadership system, which integrates the Strategic Planning (STRAP), Annual Operating Plan (AOP), Management Resource Review (MRR), and Monthly Operations Review (MOR) processes. The leadership system and Balanced Scorecard are linked to set and deploy organization direction and performance expectations to all employees through a Goal Deployment process. Having clearly defined expectations of employees, which are measured, assures that the employees are held accountable to the success of the organization. Each employee is aware of the common set of performance expectations for the organization and how they contribute to the organization's success.
- The CES-Glendale Leadership Team has established a matrix organization that utilizes councils and teams to deploy organizational strategies. Examples of these teams include Product Focus Teams, Customer Core Teams, Six Sigma Project Teams, the Resource Management Team, and the Manufacturing Production Team. This team approach to deployment of organizational strategies reaches all levels of the organization including front-line employees and supports the organization's emphasis on a culture of continuous improvement.
- CES-Glendale utilizes a systematic Voice of the Customer (VOC) process to assure customer satisfaction. CES-Glendale utilizes centralized contact database (ATLAS) for prioritizing, planning, and scheduling visits on-site with customers. ALTAS is also utilized by key contact staff as a closed loop complaint management system. This system assures complaints are resolved and closed based on customer satisfaction and customer-required deadlines. CES-Glendale collects, compiles, and reviews customer requirements throughout the year and ensures that customer and industry requirements have been addressed and solid plans are established to address strategic needs. This enables us to achieve our Balanced Scorecard goals and meet customer commitments through program execution.
- Continuous Learning Councils oversee quarterly milestones of employee development and business aligned training and the Employee Career Center provides to attend training. CES-Glendale balances short- and long-term organizational objectives with employee needs for development, learning and career progression.
- CES-Glendale achieves world class safety performance and improves workplace health, safety and the environment through systems based upon OSHA's Voluntary Protection Program (VPP) and ISO 14001. An on-site Health Services Department includes a weekly visit by a Physician and a full time nurse. An ergonomics program has been implemented to design work areas to include ergonomic factors. Area Safety Coordinators are utilized to perform monthly cross-functional inspections of work areas and provide employee awareness training.
- CES-Glendale utilizes an Integrated Product Delivery System (IPDS) process to manage the life cycle of its products from concept to end of product life. Six Sigma tools and processes are integrated with the IPDS process and include Phase gate reviews and checklists. CES-Glendale utilizes full time Six Sigma/Lean Experts along that are deployed throughout the organization, along with numerous trained and certified personnel who are functionally deployed.