

### CLIENT OVERVIEW

#### REGION

Europe

#### INDUSTRY

Software Development

#### CUSTOMER PROFILE

Client delivers products and systems for dynamic positioning, navigation, and automation to merchant vessels and offshore installations. It employs 4,080 people in 55 offices in 18 countries.

#### BUSINESS SITUATION

Company needed to elevate its navigation systems to “best in world status” by improving quality of navigation system. But too many software improvements were delayed by inadequate development capacity.

#### SOLUTION

Client used the Pinnacle Strategies’ **RABIT** process to increase the rate at which navigation software issues were resolved.

## Software Developer Achieves \$6 Million in Reduced Costs, 960% Increase in Throughput

### CHALLENGE

#### Navigation software improvements “lost” in oceans of issues.

Regarded as a leading provider of navigation software and positioning systems, the client is headquartered in Europe and employs 4,080 people in eighteen countries. While the company has been recognized for having the world’s best dynamic positioning systems, its navigation systems have not enjoyed comparable esteem. To elevate both its navigation software product quality and the organization’s status, the company implemented a “problems and improvements” (P&I) metric to monitor progress. The client’s initial P&I numbers proved discouraging: exacerbated by the disconnect between customers in the field and software developers in the office, progress was stalled by too many unclear issues and too many conflicting priorities. As a result, software engineering efforts were constantly sidetracked by interruptions, delays and lack of consistent focus.

### SOLUTION

#### Organize the workflow, set the right focus.

On September 6, 2011, Pinnacle Strategies organized a Rapid Analysis and Bottleneck Improvement Team (**RABIT**™) that would bring order, speed, and productivity to the software development workflow. Working with project leaders and software engineers at the client company, Pinnacle Strategies designed a process for scheduling, work standardization and performance management that had four crucial elements:

**MASTER AND MONITOR THE WORKFLOW** Within days of arriving on site, the Pinnacle Strategies team realized that software engineers were not only responsible for inputs from the formal P&I pathway, but were flooded with informal and unpredictable requests from the field. They quickly created a ViewPoint™ Visual Board of all activity that became the centerpiece of ten-to-fifteen minute project review meetings. Team members were able to improve the engineers’ productivity, identify bottlenecks, and focus on the most important tasks.

**PRIORITIZE THE ISSUES** The **RABIT** team created a simple prioritization number (PN) that ranked priority by the combined value of category, severity, and business impact. With the PN on hand, the team established Tasks Queues—transparent to all stakeholders—that accelerated progress on the client’s top priorities. They began working on the most important issues first, which had a tremendous positive impact on the customer.

### RESULTS IN NUMBERS

WARRANTY COSTS REDUCED BY  
**\$6+ MILLION**

**960%** IMPROVEMENT  
IN THROUGHPUT

WARRANTY  
CLAIMS DOWN **57.6%**

BACKLOG OF “PROBLEMS AND ISSUES”  
REDUCED BY **80.4%**

**ESTABLISH A COMMON CONTACT** To reduce distractions and interruptions, the client created a single point of contact: a toll-free number for field engineers to contact to one software engineer who had the ability to provide immediate support and the authority to make inputs to the Task Queue. Concentrating the contact function reduced support calls, emails and visits to individual software engineers by 47%.

**CREATE AN FAQ** Too much time had been occupied handling simple, and frequently repeated, field requests. The **RABIT** team built a Frequently Asked Question page within the client's intranet that reduced support calls, reduced interruptions, and improved field engineer access to searchable information.

The **RABIT** process, a product of years of practical experience in improving project management processes, consistently produces dramatic increases in process output and productivity. So much so that we can confidently promise 20% more output in two months.

#### What's a RABIT?

**RABIT** stands for Rapid Analysis and Bottleneck Improvement Team. **It is the tool you need when you must improve throughput fast.** Our unique approach has been proven in environments ranging from make to stock manufacturing, to software development, to engineering. In fact, every **RABIT** we have conducted has reached or exceeded the goals of our client.

#### Proven Results of the RABIT process

- Average lead times reduced 28% and output increased 200%
- 20% more output in two months
- Improved communication, collaboration, focus, and prioritization

#### How RABIT Runs

The process focuses on three aspects of the workflow/project management process:

- 1 Resource task engagement—increasing the productivity of the people who accomplish the work of the project/process
- 2 Proactive scheduling—implementing a single, rational task priority management system
- 3 Performance management—providing clear feedback on process performance so the stakeholders can improve their effectiveness

#### Collaboration & Communication

The process engages stakeholders and works to align all team members. A **RABIT** team is composed of a cross-functional group of process stakeholders. This team, under the guidance of a Pinnacle Strategies facilitator, then learns, understands, and implements the process improvements.

This alignment provides focus in identifying and opening the bottleneck. The **RABIT** leverages the value of focused people, with focused thoughts, executing focused actions.

To further ensure that all parties are in the loop, a **RABIT** team provides regular reports to senior leadership, thereby creating accountability so results can be measured, modified, and sustained.



**“The RABIT process took a stoppage in production and got it moving to its maximum capacity of eight units a month. After five weeks, we had put out the fire and opened the bottleneck. After 10 weeks we had changed our focus from multitasking to building a focused process. It took just two-and-a-half months to see major results and success.”**

— Fredrik Glette, Global Manager,  
MPS Core Components, Subsea  
Systems, FMC Technologies

## RESULTS

Resolution rates leap from 0.5/week to 5.3/week

In just two months, the client realized dramatic improvements in its Problems and Issues resolution process.

Before Pinnacle Strategies implemented the **RABIT's**, the average number of issues resolved in a week was 7.0; by their departure it was 11.3, a 61% gain.

The rate of P&I resolution per week jumped from 0.5 to 5.3, an increase of 960%.

Morale improved as well; according to a Department Supervisor, “The efficient daily 5–10 minute meeting replaced the totally inefficient 2–3 hour weekly staff meeting.”

A year later, the results proved to be even more impressive: overall P&I's were reduced by 80.4%.

But the real goal had been to improve the overall quality of the company's navigation systems. Here, the client achieved striking gains, reducing warranty claims by 57.6%—an improvement that cut warranty costs by over \$6 million.

#### BEST PRACTICES SOLUTIONS

Pinnacle Strategies is an international management consulting firm focused on operations management excellence. We work with organizations to increase shareholder value by developing high-performance business processes that significantly enhance productivity, reduce costs and time to market, improving profitability and accelerating sustainable growth. Pinnacle Strategies offers results-driven consulting solutions in the areas of performance management, project management, operations management, and supply chain.

#### ELEGANT SOLUTIONS TO COMPLEX PROBLEMS

Book a best practices briefing for your management team. Contact Pinnacle Strategies at:

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