

# Employing a Digital Strategy To Drive Portfolio Company Efficiency and Growth

## Client

A \$40 million private equity-owned manufacturing company focused on machined parts of aerospace and military aviation systems

## Industry

Aerospace & Defense, Aviation Manufacturing

## Services

Fractional CIO/COO, Post-Acquisition Integration, Digital Diligence and Cybersecurity

## Situation

A middle-market Private Equity Fund approached Cherry Bekaert's Fractional CIO/COO team to enhance efficiency and drive value through digital and operational optimization for its newly acquired platform portfolio company, a \$40 million manufacturer of aviation system parts and U.S. Department of Defense contractor.



## Client Objectives

- ▶ Drive operational efficiency into manufacturing and business processes
- ▶ Develop data sources for the information needed to run the business more effectively
- ▶ Grow organization capability for analysis, improvement and collaboration
- ▶ Improve Cyber Maturity Model Certification (CMMC) compliance procedures, an evolving requirement for Defense Contractors, while reducing complexity
- ▶ Implement systems and structures that scale efficiently as the business grows

## Challenges

- ▶ Outdated Enterprise Resource Planning (ERP) software, minimally configured for accounting and procurement essentials, supplemented with manual processes
- ▶ Minimal-to-no capability to efficiently measure:
  - Shop production (good parts, scrap)
  - Machine operations (throughput, down time)
  - Summary of improvement or overall equipment effectiveness (OEE)
- ▶ Nascent CMMC processes; largely manual and burdensome cyber controls
- ▶ Basic office network, no factory connectivity and limited wireless coverage around the facility
- ▶ Lean staff with multiple designations and responsibilities

- ▶ Lack of advanced planning and scheduling tools; push production mindset driven by customer “hot lists”
- ▶ Little history of operator involvement or understanding of improvement methods
- ▶ Limited space under current facility for repositioning machinery and process flows

## Solution Discovery

Cherry Bekaert worked with company management to conduct a baseline operations assessment to identify targeted processes for improvement. Using a maturity model to demonstrate “current state” and “gap-to-future state,” Cherry Bekaert developed a “crawl, walk, run” deployment model that addressed changes in people, processes and technology. The company engaged Cherry Bekaert’s Fractional CIO/COO team to address the needs for continuous operational improvement and optimal technological support.

## Outcomes

- ▶ Identified data acquisition technology platforms for factory machine data, conducted review, selected and negotiated service contracts
- ▶ Implemented new network and help desk support environment
- ▶ Deployed machine data acquisition system; identified and configured operational dashboards
- ▶ Completed CMMC assessment and identified improvements to better adhere to compliance requirements; scoped and produced RFP, bid and selected third-party CMMC support providers
- ▶ Migrated to Microsoft Office 365 GCC High, designed for DoD government contractors; deployed virtual desktops to improve CMMC compliance footprint
- ▶ Initiated operational engagement to analyze and improve key metrics

## About Cherry Bekaert

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- ▶ Managed delivery of projects and coordinated on-site resources; regularly reviewed progress with company management and collaborated on adjustments
- ▶ Provided ongoing support as designated by management

Cherry Bekaert’s Digital Transformation team supports Private Equity Funds and their portfolio companies throughout the Aerospace, Defense and Government Services Industry across the U.S. and abroad.

## The Digital Difference

Cherry Bekaert Digital Advisory helps organizations ignite growth by quickly assessing, transforming and sustaining business strategies based upon priorities, strategic plans and budget. Utilizing an agile and flexible approach, we help you to reengineer your business operations and services offered, examining each area with a focus on people, process, technology and culture.

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