



## Telecom Equipment Manufacturer Enhances QMS to Streamline Returns Center and Meet Demand

### Highlights



- Eliminated waste and rework via streamlined processes
- Instilled higher accountability through a more disciplined Quality program
- Furthered support of ISO certification
- Increased customer satisfaction via more 'perfect' orders and timely 'closed loop' feedback
- Formalized Process Improvement Teams drive improved returns center operations.

**The Challenge:** In order to meet increasing customer demand, a Fortune 500 Telecom Equipment Manufacturer added another remanufactured product line to their Special Customer Operations returns center. Spinnaker, who managed the client's returns functions, was asked to provide more product processing; including testing and light manufacturing work. By leveraging elements from a proven Quality Management System (QMS) already in place, Spinnaker would be critical in ensuring client readiness for the recently added product line. They were asked to evaluate the existing Digital Equipment Facility Testing (DEFT) lab protocols and product inspection processes to streamline operations and create new material workflows.

**The Approach:** Spinnaker's QMS, a key element of their Rapid Transformation Toolkit, was used in collaboration with the client to methodically assess key processes, identify gaps, and implement improvements to enhance the process, quality, and flow of materials within the DEFT lab. The approach included proven tactics such as Process Improvement Teams that encourage front-line staff to actively seek out and lead operational improvements, and KPIs to measure performance across areas such as service, safety and budget.

Spinnaker then went a step further, driving a comprehensive assessment of other practices surrounding the test lab, including those within the remanufacturing center, where they uncovered additional improvements that could be addressed simultaneously with the overhaul of the DEFT lab.

A disciplined approach to knowledge transfer and documentation was implemented to institutionalize the set of QMS processes for the client. This would enable faster adoption and help the client to meet critical ISO certification requirements.

**The Solution: Smart thinking in the center and beyond:** Process improvement initially began within the DEFT lab, where new material flows were created for handling non-conforming materials. This enabled product planners to have a more disciplined protocol for assessing underlying product issues and drive more timely resolution for goods failing this level of inspection. Beyond the lab, the Spinnaker team expanded their analysis to look at pre-inspection, pack & ship processes, and customer care practices. Each major process area was painstakingly assessed, with some traditionally ad-hoc practices eventually becoming more formalized processes (e.g. the internal customer complaint process).

**Transformational Tools – How Spinnaker delivers:** Spinnaker's QMS tools helped to embed quality within the returns center. New or improved processes were submitted for executive-level approval, and final versions of all QMS assets were archived and readied for staff training. These assets included job aids like checklists, process flows, and detailed work instructions. Knowledge transfer activities ensured that Spinnaker's 'First Time Right' philosophy would be at the core of the returns center culture.


**The Results:** The client, who initially relied on Spinnaker to enhance product inspection and test lab processes for a given product line, will reap the long-term benefits of a more comprehensive quality management program. The work performed has enabled the operations center to:

- Minimize the amount of rework which is saving both time and labor costs
- Foster accountability for quality through more disciplined procedures
- Instill a mindset of quality and 'First Time Right' throughout the returns center
- Better support corporate ISO certification requirements
- Increase customer satisfaction through improved communication and more 'perfect' orders

QMS methodologies like root-cause analysis, corrective action measures, and closed-loop feedback have ensured continuous improvement in the center and supported the client's ISO certification compliance. Superior customer experience would now be driven by more streamlined, well-documented procedures.

**About Spinnaker:** Spinnaker is a supply chain services company that helps clients grow, manage risk, reduce costs, and improve customer service by developing world-class supply chain capabilities. Our services help clients develop the right supply chain strategy for their business challenges and implement the process and technology solutions to improve Demand/Supply Planning, Procurement and Sourcing, Logistics and Warehousing, and Reverse Logistics business performance. Spinnaker offers a unique service delivery model that combines the strength of deeply experienced management and technology consultants with a seasoned team of business process outsourcing (BPO) and 3rd-party logistics (3PL) professionals. Founded in 2002, Spinnaker has offices in Boston, Columbus, Denver, Houston, Memphis, Pittsburgh, London, and Singapore.

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