

Shared Services Group President Tim Copes said SSG's work behind the scenes allows its business partners to focus on their core businesses. BOB FERGUSON/BOEING

A portrait of Tim Copes, Shared Services Group President, looking directly at the camera. He is wearing a dark suit jacket over a light-colored shirt. The background is a blurred blue and green pattern.

# Partners in productivity

SSG contributes to Boeing competitiveness by providing effective services at affordable cost

By DEBBY ARKELL

In Boeing's drive toward growth and productivity, you may not think the Shared Services Group could have much of an impact. But think again.

Over the past 10 years, Shared Services—a multibillion dollar functional unit that provides common internal services across Boeing's global enterprise—has reduced the company's infrastructure costs by approximately \$1 billion. And, with ongoing Lean+, Internal Services Productivity and other improvement efforts under way throughout the organization, in many ways SSG is just getting started.

"The improvements we make directly contribute to the company's profitability and its ability to research, develop and deliver the products and services it needs for the future," said SSG President Tim Copes. "SSG can be a competitive discriminator. The company is counting on us."

Indeed, the mission of Shared Services is to "enable Boeing competitiveness by providing effective services at an affordable cost." Since

taking the helm of Shared Services 16 months ago, Copes has been rallying his 9,000-person team around this idea.

"We want our team to think with the end-user of our services in mind, and we are emphasizing our strategy—which is to develop and engage our people, improve our services and how we deliver them, and achieve operational excellence in all areas of our business," he said. "In the past, we haven't always had this unified focus. The exciting thing is that our team understands the challenge and is eager to help."

## PRODUCTIVITY ENABLER

Like Boeing's business units, Shared Services uses the Boeing Management Model as its guide. Within the model, Copes said SSG clearly recognizes its greatest contributions to the company's success are in finding ways to help increase productivity across the enterprise.

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products at a competitive price for their customers,” Copes said. “Our role really is that of productivity enabler.”

That thought may, at first, seem counterintuitive, since Shared Services is fundamentally an internal cost center. However, SSG is keenly focused on working together with the business units it supports—its “business partners.”

“We must be tightly aligned and integrated with BCA, IDS and other Boeing businesses to be successful and to help them be successful. In this sense, we are very much partners,” Copes said. “We must continue to add value and help guide the business units to the most-effective service solutions. This is a different way for everyone to think about SSG and its responsibilities.”

Shared Services often likens its work to that of a Broadway production, where its employees are the stage hands supporting a successful show. Its work “behind the scenes” allows its business partners to focus on their core businesses and enhance their own productivity as services operate seamlessly, globally and without impact.

One way SSG does this is through economies of scale, such as the leverage it has in purchasing nonproduction equipment and supplies for the Boeing enterprise—namely, all goods and services that aren’t delivered with the company’s products. That extensive list ranges from office supplies and computers to janitorial services, tools and safety glasses. For example, by establishing standards and consolidating contracts, Shared Services saved Boeing more than \$750 million in 2007.

**FOCUSED IMPROVEMENT**

Shared Services has identified three areas it believes will help focus the team and advance its strategies. These involve:

- Improving the quality and delivery of services that currently experience significant defects or impact large numbers of Boeing employees. Shared Services teams are involving Boeing business units extensively in a variety of value-stream mapping activities to gain end-user perspectives and take holistic approaches to the process improvements that will be made. Travel is one such area where business partners say Shared Services can do much more to provide better, more affordable service. There is a significant effort under way to do just that.

“Improving the Boeing travel and expense system and processes is our highest priority,” Copes said. “The travel improvement project in many ways is a pathfinder for many of the improvement approaches we are trying. Today it is too complex, inefficient and costly, and it represents another huge productivity opportunity for Boeing.”

- Using Lean+ tools and principles throughout SSG to achieve productivity and total cost improvements.

“For Shared Services, this focus area is really about putting our own house in order,” Copes said. “The goal on all of our improvements is to apply Lean+ methodologies to drive total cost improvements through the value streams. More efficient service execution will drive down service costs and contribute to Boeing’s bottom line.”

- Developing a standard, sustainable process that will provide facts and data to Boeing business units to help them better understand and optimize their use of SSG services. Again, consider travel. Booking business travel two weeks or more in advance can save business partners a great deal of money. In applying what Shared Services calls a “demand management” approach, Boeing managers and travelers will be able to see the budget impact that their decisions and behaviors have on travel costs. This will allow people to make informed decisions that optimize their dollars spent and services consumed.

“Demand management is the focus area that arguably could have the greatest impact,” Copes said. “The Boeing business units have clearly told us they are hungry for detailed data about their service consumption. It’s Shared Services’ job to develop a robust system to provide that and then actively work with them to manage and optimize consumption.”

Indeed, strong partnerships are at the heart of understanding unique business needs and challenges—and working together efficiently and effectively to deliver effective services at an affordable cost.

Copes acknowledged that it will take a tremendous commitment on the part of all Shared Services employees to make that journey and forge the partnerships that will get them there. “SSG can’t delegate, and we clearly can’t offload cost pressures onto other parts of Boeing,” he said. “SSG and the business units must work together to reduce service costs and advance the business.” ■

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**Shared Services Group each day,  
*by the numbers***

Here's a quick look at some of the activities SSG employees accomplish every workday.

**3,300** Pieces of critical equipment maintained to ensure at least 99 percent uptime

**160,000** Number of employees and visitors Boeing Security validates for entry into facilities

**16,500** Number of parts ordered in support of Boeing Site Services maintenance and construction activities

**\$15.7 million**  
Amount contracted with small and diverse suppliers by SSG Supplier Management

**24,000** Number of miles (38,600 kilometers) driven by the Boeing transportation fleet