Speeding to Synergy - Communication Process Improvement for Rapid Merger Integration



Lawrence Research Associates

Delta Airlines Technical Operations Division

Since its merger with Northwest Airlines, Delta Air Lines now offers service to more destinations than any other global airline. Delta's Technical Operations Division is the largest airline MRO (Maintenance, Repair, and Overhaul) organization in North America. Delta TechOps serves more than 100 aviation and airline customers from around the world, specializing in high-skill work such as engine, component, hangar, and line maintenance. Delta TechOps employs more than 6,500 maintenance professionals and is one of the most experienced airline MRO providers in the world.⁷

Delta Airlines and its TechOps Division use the Management By Strengths (MBS) system to support continuous improvement initiatives. Brett Haupt, TechOps Leadership and Development Facilitator said: "We started using MBS in a ground swell effort to work better, faster, cheaper, than our competitors out there. We learned not only how to work with others better, but also to have greater self-awareness – to be more effective in the future...It's all about doing the right things for the right reasons...We are now using MBS as part of our management leadership development training corporate-wide. All our divisions, from airport customer service, reservations, technical operations, in-flight operations, to operations control are being introduced to methods for communicating better with others." With respect to the merger integration efforts, he observed, "Regardless of 'religion' or politics, or even location within the country or worldwide, temperaments are still easy to read and understand. People are people. It is really helping us understand, regardless of the challenges still ahead of us, that working with others and understanding how they like to be communicated with is the invaluable X factor to get anything accomplished."

Delta TechOps has accomplished a lot during the past couple of years, winning the prestigious "Race to Excel" Robert E. Fox Award for Large Private Organization at the 2008 Continuous Process Improvement Symposium in recognition of their remarkable improvement in performance. Delta's application of the Theory of Constraints (TOC), Six Sigma and LEAN improvement techniques, took the TechOps Division from being a cost center and, with no additional resources, dramatically improved it to the point that it became a money making branch of the company by contracting work for other airlines.

The TechOps Division grew operating revenues to \$547 million in 2008, and TechOps President Tony Charaf forecasted strong growth towards his aim of building it into a \$1 billion business. Interviewed at the MRO Americas convention in Dallas, Charaf said: "While the economy is down we are working this time to really focus on what is core to us - IT, continuous improvement, and absolutely delighting our customers. For example, we have always been very committed and focused on continuous improvement – Six Sigma and then lean – and now we are setting about absolutely dramatic change – reducing time in shops, and I am not talking small numbers but about something like 50%...Starting in engine maintenance and going onto everything. Our people are so connected to the strategy it is unbelievable. People ask more and more about customers and who is coming in. We have been so transparent in our leadership process and we share everything, and our communications are second to none, and [our people] have access to us at any time."