



## How Vendigital’s application of its core capabilities bolstered Meggitt’s ambitious performance objectives – improving profit margins at pace for the FTSE 100 aerospace engineering leader

# MEGGITT

A global FTSE 100 manufacturer of high-performance components and sub-systems for critical applications in aerospace, defence, energy and other specialist markets.

### OVERVIEW

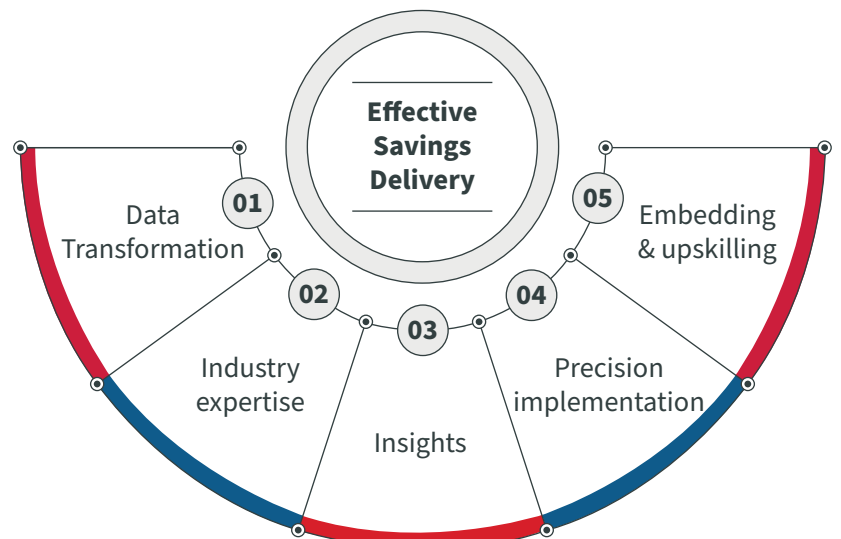
<b>37</b>	Locations globally
<b>6m+</b>	Lines of data analysed
<b>185</b>	Projects managed
<b>40</b>	Project owners
<b>98</b>	Supplier negotiations
<b>£1.5m</b>	Benefits delivered

### THE CHALLENGE

Meggitt have set themselves a series of 2021 targets with the aim of transforming their business. These include improving underlying operating margin by 200+ basis points, increasing inventory turns from 2.6x to 4.0x and reducing purchase costs by 2% per annum. To achieve these tough goals Meggitt asked Vendigital to help drive cost improvement by fully exploiting the millions of rows of transactional data available.

### THE SOLUTION

Working in close collaboration across all levels of Meggitt’s organisation, Vendigital designed a process and programme of work that would deliver rapid sustainable benefits to the bottom line. The programme was designed as something which would empower Meggitt’s team to make the right decisions, informed by quality data, and target their actions in the most effective way possible. Critical to this was ensuring that even though rapid delivery of benefits was key, each stakeholder was taken on the journey and could fully participate in the activity. This approach benefited from clear and vocal support from senior leaders within Meggitt.





What I appreciate most about Vendigital, is not what they do, but how they go about doing it. They take the time to understand our sector, immediate and long-term needs, and provide a tremendous degree of transparency in their thinking and solutions - and they do exactly what they say they'll do. They drive outcomes, with full traceability, and we can directly see the impact to our bottom-line. We've been very proud to highlight their work as a success story at our quarterly Investor Relations reviews.

Simply put, working with Vendigital is easy. The way they upskilled our people while simultaneously building personal relationships with the teams was highly impressive. They brought our teams on the journey with them in a collaborative, non-threatening, jargon-free manner. We are truly excited for the continued collaboration.

**Chris Bryant, CPO, Meggitt**



This programme really illustrates the unique capabilities of Vendigital which enabled us to deliver fast, tangible and auditable benefits for Meggitt. Our extensive data transformation experience, together with our expert data science solutions and industry leading specialist consultants meant we knew the right questions to ask of the huge volumes of data involved and, crucially, how to drive meaningful actions from the answers.

We pride ourselves on the outcomes we deliver for our clients. It has been all the more rewarding on this programme because of the legacy we have left behind in upskilling the team and giving them the tools to deliver ongoing benefits themselves.

**Grant Millard, Director, Vendigital**

## THE SOLUTION (CONTINUED)

Vendigital utilised its world class data science capability, extensive sector expertise and deep practical experience to identify “big data” insights, which then created targeted actions to deliver real savings. This was complimented by the set-up of a rigorous governance and coaching support network that allowed Meggitt to deliver on these actions with Vendigital’s expert assistance. The programme spanned across 185 projects with 40 Meggitt stakeholders leading those projects. To ensure a legacy, a series of toolkits and processes was established for Meggitt teams to continue utilising.

## THE RESULTS



**£1.5m** of tangible cost savings achieved in 16 weeks



Savings delivered in just 16 weeks and **50% quicker** than the target



**40 buyers upskilled** and provided with the toolkit and accompanying practical guides

Having a wide range of individuals actively involved in the projects meant that the methodologies and approach utilised in the programme were embedded throughout the organisation.



Structured, data focussed conversations have led to more effective, fact-based negotiations, which the team now use in all interactions with their suppliers.

Insights are now automatically generated to allow Meggitt to be self-sufficient in delivering sustainable benefits into the future.