

Executive Summary: - Team 2

The global demand for the aerospace products is growing steadily at the rate of 5.5 % every year. The aerospace companies and organizations are expected to step up their management strategies to meet the growing demand in the future. How can the industries improve their management strategies? Can lean management be an option? The purpose of this project is to study the formulation and management strategies by Lockheed Martin Skunk Works to check the feasibility of implementation of lean and non-conventional management techniques into the aerospace industry.

Implementation of lean strategies into the aerospace industry has always been a complicated process due to the quality and safety focused nature of the aerospace industry. The Skunk Works has been a pioneer in implementing lean and innovative approaches without compromising in the quality of the products. Innovation, concurrent engineering, and change management were identified to be the key contributor for the success of Skunk Works. The project attempts to study the above-mentioned factors in detail and provide guidelines for traditional organizations to adapt these techniques to improve their productivity and to meet the growing demand. Feasible pathways and modifications of the Skunk Works techniques are recommended to improve the operational efficiency of the industry.

The Skunk Works, during their initial days, were free of many practical constraints like funding, bureaucracy, and other risk factors. Therefore, Lockheed Martin Skunk Works can be classified to be a 'True Skunk Works'. Whereas the aim of this study is to propose ways for implementing these strategies that will result in a 'Transitional Skunk Works' inside an organization. The 'Transitional Skunk Works' type of teams are a part of a bigger organization that are useful to accelerate the design for new product development. This type of Skunk Works is preferred to be highly effective for an organization aiming to implement the Skunk strategies into their operational approach.

Further, the importance of maintaining a small talented team without hierarchy and ability to take calculated risks are stressed upon as this opens up the aerospace industry by developing the innovative front of the organizations. These strategies could provide the necessary platform for the aerospace industry to ramp up the production similar to the automobile industry in the future.