

In this dynamic and competitive industry, staying ahead of the curve is difficult. Long-term success comes down to balancing execution on your core business and programs, while investing in next-generation product capability, decreasing cycle time and development cost, and applying advanced supply chain and manufacturing technology to increase competitiveness.



Growth, new market adjacencies, and global expansion

Whether protecting your core markets or growing beyond your core (vertical content, adjacent markets or global expansion), sorting through and prioritizing markets, growth and innovation investments, or adjacent growth opportunities can be difficult challenges.



Portfolio shaping through M&A

Whether doubling down in core markets, adding vertical content, moving to adjacencies, or completely repositioning your portfolio, developing an optimal M&A and portfolio strategy is highly complex, along with conducting effective diligence and capturing synergies through efficient integration.



Innovation and future technology investments

Prioritizing, managing, and measuring R&D progress and ROI is always challenging. Aligning innovation and R&D to strategic objectives and choosing the right operating model can help reduce the complexity.



Digital disruption

Understanding how and where digital can add value to your business and enable your strategy—whether to aid in revenue growth, improve operations on the factory floor, or make your back office more efficient—can help achieve your intended outcomes and maximize ROI.



Improving competitiveness

Developing and maintaining differentiation is difficult in the current competitive landscape. Companies must continuously identify, prioritize, and execute levers to improve competitiveness—whether it is to grow the business, improve cost structure and performance, or fund future investments.



Supply chain effectiveness and operations efficiency

Supply chain risk and issues remain highly prevalent and these challenges cause substantial disruption to operations. Cost, quality, schedule, and reputation also impact the bottom line. Identifying risks and applying leading practices can help mitigate these issues and positively impact performance.



Workforce and talent management

The growing number of retirement-eligible employees remains one of the aerospace and defense industry's most pressing concerns regarding their workforce, followed by steep competition for critical skills. Recognizing, predicting, and developing strategies to combat these challenges, including attracting and retaining the next generation of talent, is a crucial imperative for the future of the industry.



Data and analytics

Many are discussing using advanced data and analytics (D&A) to inform strategic decisions, drive performance improvements, or manage investments. However, few are capturing the bulk of the value potential. D&A opens new avenues for business models and processes to drive both top-line growth and bottom-line performance improvements.

Our methodologies: How KPMG can help you

Corporate strategy, growth, and innovation

Corporate and business unit strategy:

- Funding the future
- Portfolio strategy
- Enterprise strategy
- Market assessment
- Competitive landscape assessment
- Competitiveness assessment
- Profitability assessment
- Customer strategy

Growth strategy:

- Market entry, new markets and adjacencies
- Global expansion

Innovation and R&D:

- Innovation/R&D operating model assessment and design
- R&D portfolio assessment
- R&D effectiveness and monitoring

Tax:

- Tax legal entity rationalization
- Tax credits and incentives for expansion
- Tax credits for R&D

Deal advisory services

Pre-deal M&A strategy:

- M&A strategy
- Corporate development models
- Acquisition identification

Deal:

- Buy-side support: Financial due diligence, operational due diligence, and customer due diligence
- Sell-side support
- Corporate finance/i-banking

Post-deal:

- Value capture
- Operational restructuring
- Integration
- Separation/carve-out
- Performance improvement

Tax:

- Tax strategy and structuring
- Tax buy-side or sell-side due diligence
- Tax accounting methods and credits review

Supply chain and operations optimization

Supply chain and supplier strategy:

- Supply chain strategy/operating model optimization
- Supplier management assessment/improvement
- Sourcing strategies
- Make versus buy assessment
- Supply chain risk management
- Tax-efficient supply chain

Procurement:

- Future of procurement
- Procurement strategy development
- Procurement operating model design
- Procurement maturity assessment
- Process optimization
- Global value sourcing
- Procurement technology enablement

Operations and supply chain:

- Operations strategy
- Inventory management
- Manufacturing, capabilities, and footprint optimization
- Supply chain/operation technology assessment and enablement
- Digital factory of the future (I4.0)
- Factory performance improvement and turnaround
- Integrated business planning
- Demand planning and forecasting
- Network optimization

Tax:

- Trade and customs analysis
- Tax capitalization/expensing strategy
- Sales and use tax planning and compliance

Selling, General, and Administrative expenses (SG&A) optimization and accounting services

SG&A optimization:

- Future of functions/functional operating model
- Future of finance
- Financial management
- Cash flow and working capital improvements
- IT strategy and optimization

Shared services and outsourcing:

- Shared services strategy and optimization
- Process automation and redesign
- Global business services
- People and change:
- Talent management
- Future of HR transformation
- Workplace intelligence
- Workday and technology automation

Accounting advisory services:

- Revenue recognition
- Specialty accounting services
- Government accounting
- Cost structure design

Risk strategy and compliance:

- Regulatory and compliance transformation
- Internal audit, risk, and compliance:
- Internal audit of the future
- Contract compliance services
- Enterprise risk management
- Governance, risk, and regulatory compliance
- Internal audit and SOAS strategic sourcing
- Compliance transformation

Tax:

- International tax
- Federal tax
- State and local tax
- Site selection and tax incentives analysis
- Tax compensation and benefits analysis

Performance improvement and business transformation

Business transformation:

- Cost transformation
- Margin improvement
- Business/organization consolidation
- Organization/operating model assessment and design
- Delayering

Extensive benchmarking capabilities

Engineering transformation and optimization

Program management maturity assessment/improvement

Focused cost reduction:

- Design for affordability
- Product cost reduction
- Function and organizational cost reduction
- Complexity management

Product execution:

- Launch readiness
- Cycle-time improvement/reduction
- Product lifecycle management
- Engineering transformation

Tax:

- Tax department co-sourcing and outsourcing

Digital enablement

Strategy:

- Internet of Things
- Connected customer and enterprise

IT strategy:

- Future of IT/optimization
- IT integration and separation management
- Enterprise architecture
- Technology strategy and selection
- IT organizational design
- Digital innovation strategy

KPMG alliances: Trintech, Oracle, ServiceNow, Taulia, IBM Watson, Google

Solution transformation:

- Enterprise cloud strategy
- Data center, cloud strategy architecture, and migration
- Technology operations and automation
- Cloud-enabled resiliency
- Modernize and secure the network
- Technology risk assessment: Cybersecurity, data privacy, and compliance

Digital strategic initiatives:

- Robotic process automation (RPA)
- Artificial intelligence
- Intelligent automation
- D&A
- Digital internal audit

Tax:

- Automation of tax compliance and planning