

CONTRACT MAINTENANCE 101

RELIANCE[™]
AEROTECH SERVICES



“Contract maintenance professionals can provide the flexibility, quality and dependability today’s maintenance organizations require.”

Ron Jordan
General Manager



Your Guide to Selecting the Best

Successful maintenance organizations face the challenge of how to maintain a qualified workforce while meeting the need for flexibility in workflow and cost reduction. In this environment, contract maintenance providers are emerging as the clear solution for many of the industry’s best-known names.

But how can aviation companies work with contract maintenance providers to ensure they are receiving more than just another warm body when they make a decision to use a personnel services organization for their MRO needs? This guide helps customers understand the role contract maintenance providers can play in your organization.

More Than Just Good People

Traditionally, a good contract maintenance company supplies well-trained and experienced people to either augment an existing workforce, or satisfy an unfulfilled need. The best among these companies have a proprietary screening process to match contractor experience and expertise with the values and attitude necessary for success in your workplace.

Today, leading contract maintenance companies function as “solution providers” offering a comprehensive range of services that go beyond simply providing quality people to fill job vacancies. These companies work with customers as a partner to provide solutions to practically any aircraft maintenance or logistics needs on a contract basis.

What Can You Do for My Organization?

- 1. Fill a short-term project need** > When it does not make sense to hire employees and then dismiss them upon completion of a short-term project, a personnel services company can be a cost-effective solution. A contract maintenance provider can provide flexibility in meeting periodic needs such as ADs and modification programs.
- 2. Manage an unpredictable workload** > As personnel needs vary seasonally or due to fluctuations in arrival of project aircraft, contracted personnel can prove to be an excellent solution for managing the peaks and valleys in production loads. Some maintenance facilities maintain a baseline number of employees and then rely on contract professionals to adjust the total number of workers as needed.
- 3. Prevent “bad hires”** > Many leading contract maintenance companies offer a “contract-to-direct” program, giving customers the option to offer direct employment to contracted personnel following a predetermined period of time of working in their facility. The contract-to-direct advantage is the customer can experience the contracted person’s skills and work ethic before offering a permanent position.

DEPENDABLE AVIATION SOLUTIONS

4. **Create a mobile work force** > When you have a project at a satellite location and do not want to take employees from your home base, a contract maintenance organization can provide a road ready workforce. If you have a situation where there is a need to repair an away aircraft, the best solution is often to send a member of management to the site along with a team of contract professionals, minimizing disruption to existing programs.
5. **"Gap fill"** > When the need arises to quickly staff a new and/or immediate demand, contract maintenance providers can provide personnel while a company's HR department is engaged in recruiting for direct hire employees. Maintenance organizations can benefit by providing the HR department ample time to find direct employees who fit into an organizations' culture.
6. **Meet the needs of an entirely outsourced business model** > Some maintenance organizations staff their operations with management personnel and then rely on contract maintenance providers to supply the regular workforce. So what is gained in this business model? Imagine having a work force that views you as a customer rather than an employer. The maintenance manager simply calls the maintenance provider and requests personnel additions, reductions or removals.
7. **Import talent where a lack of skilled workers exists** > In the midst of the current aviation labor crisis, OEMs and MROs can bridge their organization's skill gaps by using experienced contract personnel to lead new programs and expand established ones. Knowledge is transferred from experienced contract professionals to an organization's existing personnel.
8. **Meet a small business partnership requirement** > Many state or federal government contracts require large companies to enter into a small business partnership. Contract maintenance providers who are small businesses provide an opportunity for large maintenance organizations to win these contracts.
9. **Support cash flow** > As the typical invoicing terms for contract maintenance providers runs from 15-day to 30-day account receivables, the invoicing process can result in maintenance organizations paying their contract labor costs later than having to pay wages for direct employees. When a maintenance organization has to wait weeks before being paid by its own customer, the contracted personnel model can be an attractive way to help even out cash flow.
10. **Fill in for an absent employee** > When a regular employee is unable to work for an extended period of time due to extended sickness/injury, jury duty, or an armed forces reserve recall, a contracted professional can fill a temporary extended vacancy. This enables production to be maintained while allowing for flexibility in accommodating a valued employee who is absent.



To learn more about how contract maintenance personnel can meet your organization's needs, please contact:

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