



TRANSPORT

# KNOWLEDGE, SKILLS AND EXPERIENCE FOR ADAPTING TO A TURBULENT BUSINESS ENVIRONMENT



# INDUSTRY CHALLENGE

**Today's business environment is marked by economic turbulence stemming from factors such as financial volatility, supply chain disruptions and labour shortages**

The global supply of materials and parts faces unprecedented challenges, impacted by recent events like the COVID-19 pandemic, natural disasters, geopolitical tensions and growing protectionism.

In addition, the transportation industry is in the early stages of a large-scale revolution, as the shift to alternative forms of energy for powering transportation gathers speed and impact. This important change is accompanied by rapid growth (generally) in many areas that have an impact on transportation manufacturing, such as demographics, advances in design, material science and production and assembly process innovations.

The ability of many companies in this sector to respond to these conditions has been constrained by an ongoing lack of professional technical-knowledge workers with talent and experience. To address this need in an era of business turbulence, new models of service and partnerships are actively being explored.





# COMPANY CHALLENGE

## THE PRESSING NEED FOR INNOVATION

Damera Corp. is in the business of selling and delivering public transport vehicles to its end clients, and as such is responsible for the final completion-for-delivery, quality inspections and warranty support for the vehicles. It sub-contracts coach and bus repairs and maintenance to MBTC (Mississauga Bus and Transit Corp). MBTC also carries out the final order-fulfillment process prior to Damara's delivery of new vehicles, which may involve last-minute modifications, waiting for and installing missing parts, and all other necessary finish work.

Constantly changing conditions in the face of fluctuating levels of demand led MBTC to begin exploring new more efficient and flexible ways of maintaining consistently high-quality operations. It faced shortages of qualified professional skilled labour and critical materials, making flexibility and wise use of resources – finding and managing the necessary resources in effective ways – a key strategic advantage.

Responding effectively to this problem required experimenting with new approaches to finding, developing and engaging workers capable of working in flexible ways. There is a growing need for the ability to adapt to a continuous flow of new technical requirements and processes and fluctuating levels of demand.

# OPPORTUNITY

## EXPLORING NEW WAYS OF MANAGING TALENT AND PROJECTS

As the transportation industry recovers from the impacts of the global pandemic, AAA has been exploring various ways of packaging its core resource and competency – professional technical knowledge, talent and experience – in flexible ways to meet their clients' fluctuating needs for skilled and flexible workers. At the same time, transportation manufacturers are looking for ways to optimize the work required for completing manufacturing and assembly processes.

The packaging of specialized technical and project management skills in flexible ways opens possibilities for new and better ways of adding value to the transportation manufacturing and assembly processes.

**“AAA has been exploring various ways of packaging their core resource and competency.”**





## THE MOST PRACTICAL EXAMPLES INCLUDE:

- Ongoing availability of knowledge and experienced technicians and seasoned project managers for improving processes and delivery
- Greater amount of workforce flexibility due to the volatility of current and foreseeable business conditions

This is a good target for innovation. Today and tomorrow's business conditions demand the development of new models for the kinds of professional knowledge-work services offered by AAA. This is of particular interest to AAA's focus on rapid recovery and growth following the difficult business conditions experienced during the global pandemic that occurred in 2022-2023.



## PROFESSIONAL SERVICES INNOVATION FOR THE TRANSPORT SECTOR

During a 2023 industry conference on innovation in manufacturing and assembly, AAA Canada's Director, Key Accounts & Business Development, and industry colleagues from MBTC identified a potential opportunity for AAA to "fill the gap" in MBTC's process for delivering new buses that fulfilled all the terms, conditions and requirements of new-vehicle orders.

Carrying out this kind of final-process operation in a turbulent business environment fits AAA's sweet spot – supplying knowledgeable and skilled professionals who understand the manufacturing and assembly processes from end-to-end on-demand to operations like MBTC. AAA's contribution to a new form of professional service combines technical skills and know-how with project management experience.

This combination offers MBTC a flexible resource to meet the current demands of its contract for improving the effectiveness of the order fulfillment process. "AAA has been exploring various ways of packaging their core resource and competency." "AAA's sweet spot, supplying knowledgeable and skilled professionals" 3 AAA Canada – Case Study It was also clear that AAA's experience with temporary contract-based expertise would allow it to offer this type of service on a flexible "as-needed" basis.

**“AAA’s sweet spot, supplying knowledgeable and skilled professionals.”**





# SOLUTION

## A STRATEGIC FIT AND POTENTIAL WIN-WIN PARTNERSHIP

MBTC and AAA developed an initiative aimed at adding significant value to MBTC's final order fulfillment, repair and finishing services.

The initiative is an initial version of an emergent professional service for finalizing new vehicles that have been deemed not ready to deliver for one or several reasons, whether quality defects or incompletions.

Together they developed a specialized demand-based program of technical support and maintenance program for completion (order fulfillment) of new vehicles prior to final delivery. With this program, AAA Canada provides a team of knowledgeable and skilled senior technicians to MBTC, bringing more effective use of resources and general project management skills to the final processes of vehicle completion prior to final delivery.

Providing this expertise in flexible ways means using the "just-in-time" principle of scaling up (or down) the number of project-management-focused senior technicians, based on the volume of repair and completion work required by current and projected projects.

**“MBTC and AAA developed an initiative aimed at adding significant value to MBTC's services”**





# SOLUTION

More specifically, the MBTC-AAA agreement and partnership is offering the transportation industry sector a contract-based service of order-fulfillment for new vehicles that encompasses:

- **Repairing defects**
- **Completing quality-of-work inspections**
- **Carrying out any additional assembly and completion work necessary before delivering the completed vehicles**
- **The ability to provide better warranty-bound repairs and maintenance**

**“A flexible format designed to meet the existing and projected volume of work required”**





#### DIGITAL INTEGRATION



#### STRATEGIC PARTNERSHIP



#### OPERATIONAL EXCELLENCE

# RESULTS & FUTURE OUTLOOK

## THE PROJECT TO DATE

The partnership is a trial project to assess and evaluate the value added by the use of flexible resources provided by AAA. This service is offered in a flexible format designed to meet the existing and projected volume of work required, which aligns with AAA's core competency and business model.

This approach provides skilled and experienced senior technicians to fill gaps in project management as business volume dictates. In addition, carrying out the work at MBTC's stand-alone facility in Winnipeg adds to the flexibility, as MBTC does not need to provide any additional specialized space for the order-fulfillment operations.

Thus far, the concept is working well. AAA and MBTC and their client expect to continue working together and adding scale to the project. The partners are considering the work so far to be an example of 'win-win-win', given that the concept brings:

- Better and faster completion of the order fulfillment process for the end client,
- Reduced pressure on MBTC with respect to its capabilities for delivery of new vehicles,
- Enables AAA to provide new services to a wider potential clientele in the transportation sector.

**“The partners are considering the work so far to be an example of ‘win-win-win.’”**

# ‘WIN-WIN-WIN SCENARIO’

## LEARNING AND BEST PRACTICES FOR THE FUTURE

With this initiative, AAA and MBTC are actively exploring new and flexible ways of delivering skills, talents and capabilities to improve MBTC’s order-fulfillment capabilities. It enables a degree working ‘just-in-time’ when and where maintenance, assembly and finishing skills and experience are most valuable, thus improving MBTC’s performance of its contracted services.

The results thus far are helping the participants adapt more easily to fluctuating business conditions whilst carrying out high-quality completion work. It is anticipated that this service will become a regular offering to various transportation systems (municipal, large transportation manufacturers, etc.).

All three participants in the flexible collaboration – the end client, AAA and MBTC – are demonstrating that a ‘win-win-win’ is possible. In addition, it provides AAA with a good example for selling similar packages of flexible value-added services.

As the transportation industry sector changes based on new sources of energy, new and more ‘intelligent’ materials and streamlined ways of putting experience and know-how to work, AAA Canada will continue to learn, adapt and grow in order to remain ‘best in class’ in its service to clients.

**“All three participants are demonstrating that “win-win-win” is possible”**







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