

CASE STUDY:

PROJECT MANAGEMENT OFFICE - AUTOMOTIVE

The Client

TRW Automotive, a world class leader in automotive components and one of the 10 largest automotive suppliers in the world.

The company supplies more than 40 major vehicle manufacturers, 250 nameplates and holds leading positions in all of its primary product categories.



The Project

TRW is a major supplier to FIAT group and has a large presence in Turin, Italy.

One particular sales unit within TRW, handles the full lifecycle of braking systems for FIAT group. From the business sourcing and contractual agreements, product design and modelling, production coordination, interfaces and assembly, testing and final delivery, and customer relationship and support.

The sales unit is made out of 9 account managers carrying out the above responsibilities

This integration of sales and product management within the same unit has both the advantages of deep product knowledge through the sales process and full contractual respect during the development process.

Although the account managers are efficient in their roles and have excellent knowledge of their client, products and processes, much of their work is in fact project based, permitting higher efficiency and better communication and control if they were to structure and manage it as such.

2 Projectize partners were tasked with identifying all projects within the process and setting up the organisational and operational structure that would handle the planning, control and delivery of these projects.

The Challenge

To establish an infrastructure that will allow full visibility of the progress of the various products being proposed and developed for FIAT with the purpose of:

- Identifying the timelines necessary for product development and delivery
- Tracking the delivery of all products and identifying any delays in time for recovery actions to be still feasible
- Identifying any issues or problems that may have an impact on delivery and having a procedure to address them efficiently.

The infrastructure should be simple and easy to maintain by the account managers after completion, taking in consideration that none of them has any particular IT expertise beyond the standard use of office software such as word processing, spreadsheet, email, etc.

Available Systems

- The sales unit has its own internet and internet network
- Each account manager has Microsoft Office installed on his PC as well as Microsoft Project.

The Solution

- Establish a process for product proposal to FIAT. The process involves a defined set of documentation including a high level plan to ensure the timelines and costs proposed are realistic.
- Establish the use of scheduling software as standard practice for product development. Identify the phases and milestones and develop standard templates for the various types of products.
- Design a master plan that dynamically incorporate all project plans within the sales unit. The master plan allows full visibility of resource utilisation and effort allocation.
- Implement “issue and risk” database accessible by all account managers for viewing. All risks are logged on upon identification and allocated owners for their tracking and management. Criteria for escalation and contingency planning are set.
- Design a set of key reports and their update cycle. Reports cover progress, risk monitoring and resource usage across the group and can be drilled down to project level.
- Establish a bi-weekly meetings with the account managers to review reports, share efforts and resource, and propose new solutions.

The above activities are performed alongside the sales unit coordinator who has been assigned as the person responsible for running and maintaining the PMO.

Results

- Products proposed had a much more accurate time and cost estimate, significantly reducing the risk of reduced profitability or failing to meet FIAT’s time expectations.
- Complete visibility across the sales unit as to “what is being done” and “who is doing it”, allowing immediate identification of efforts and opportunities for resource sharing, therefore increasing cost efficiency and reducing delivery times”.
- Coordination and control of all activities with the ability of identifying and rectifying delays as soon as they start to occur.
- The new PMO acted as a central point of support on planning and methodology to the account managers, enhancing their capabilities and providing them with appropriate assistance where needed.
- All risks were kept under strict monitoring and control which meant that the account managers were no longer “caught by surprise” and “fire fighting” due to mismanagement of issues and risks.

Critical Success Factors

- Management Support and account managers buy-in for the setup of the PMO
- Full communication to all involved on the use and benefit of the new project infrastructure
- Comprehensive training to the account managers in the effective use of scheduling tools and their added value to the project.
- Regular and defined PMO meetings and project update cycles