

projects. Over time, other departments have migrated to a similar model including the use of formal job codes and progression paths in an effort to increase control of their projects.

A focus on project management continues in our company. For example, we recently created a new department—Major Enterprise Projects—headed by a Senior Vice President, reporting directly to the CEO. This department was created to oversee major projects and their interactions. An example of one such project is the potential build of a Nuclear Power Generator.

Our motivation to increase project management maturity was previously internally driven (Year 2000 IT Remediation, Merger with MichCon, Enterprise Resource Planning System Implementation, CMMI Certification, etc.). However, the recent economic shock-wave being felt both nationally and internationally has resonated loudly in Southeast Michigan. We are using Lean Six Sigma continuous improvement to drive waste out of our processes and further streamline our operations. Project management is crucial to bringing our continuous improvement projects to fruition quickly and efficiently. We have revised our Continuous Improvement Project Management methodology to include a feedback mechanism to allow for placing on hold or canceling projects without losing sight of them in the future (Project Identification and Project Selection Phases). We have provided for scalability in our approach by recognizing a range of project types and corresponding requirements. All of these efforts have been championed by senior levels of DTE Energy leadership.

3.12 COMAU⁸

In the second edition of my text, *Strategic Planning for Project Management Using a Project Management Maturity Model*, I stated that the path to maturity can be accelerated with (1) the implementation of a PMO early on in the process; (2) having the PMO report directly to the executive levels of the company; and (3) having visible executive-level support for project management. Companies that accomplish all three of these items seem to outperform their competitors with regard to project management. Such was the case with Comau.

Background about Comau

Comau provides full services for automotive and aerospace product engineering, production systems, and maintenance services. Comau has operations in 19 countries. The Comau business portfolio is composed of body and welding, powertrain, engineering, services, and robotics products. The business centers are supported by the central functions (Contract & Project Management; Finance, Administration and Control; Human Resources; Legal & Corporate Affairs; Compliance Officer), all operating all over the world.

Description of the Problem

During the 1980s, Comau's success began to flourish. As with most successful companies, Comau recognized the opportunities that could

8. Material on Comau was provided by Mauro Fenzi, Comau Vice President, and Alexandre Sörensen Ghisolfi, Corporate PMO Manager.

come from acquisitions. In the 1990s, Comau started performing global acquisitions. By 1999, Comau's headcount had increased by 30 percent to approximately 20,000 employees. The problems with acquisitions soon became apparent because each acquisition could be at the different level of maturity in project management, and no corporate standards existed for project management. Up until a few years ago, project management in Comau, generally speaking, was executed in a very fragmented way and there was a lack of culture, methodologies, processes, and guidelines for project management in place. In 2007, an urgent, efficient, and global approach needed to be implemented. The goal was simple: the global integration of project management knowledge across the entire company such that a competitive advantage would occur.

The Solution—“From a Cluster to an Effective Network . . .” In 2007, Comau decided to reinforce the project management culture by establishing the Contract & Project Management corporate function. As with most companies that understand project management and recognize the need for executive leadership in project management, the new organization was headed up by a vice-president of contract and project management. The main guidelines for the organization's mission statement included:

1. Company organizational development and the implementation of global organizational policies related to project management
2. The reinforcement of enterprise project management systems and the project management office structure
3. Creation of the Comau Project Management Academy—the continuous development of knowledge and both hard and soft Skills

Comau correctly recognized the importance of the PMO in achieving the mission. Unlike less mature companies, Comau viewed itself as a solution provider, satisfying the business needs of its global customers. The PMO was viewed as the mechanism by which internal business solutions would be provided.

Comau approached the three main guidelines as follows:

- *Company Development and the Implementation of the Organizational Policies.* During 2007, a global project management policy was developed combined with an intensive training program based on the *PMBOK® Guide*. Project management benchmarks were established to measure the maturity level and an action plan was created to continue improvement of the maturity process. The global policy was a project management policy that described the job that all the projects teams must perform and it had to be applied globally. The policy was directly connected to the PMI® *PMBOK® Guide* best practices. One important point to mention was that the company decided to combine both contract management and project management into a single unit. Comau believed that this was an important innovation, and that positive results would be achieved, as discussed below.
- *The Reinforcement of the Enterprise Project Management and the Project Management Office Structure.* Today the Comau portfolio included in the PMO is

a multimillion-euro revenue group of global automotive and aerospace projects, conducted in more than 30 countries. The Comau Project Management Office, referred to as the Corporate PMO Office, coordinates the efforts of four regional PMOs: PMO North America, PMO South America, PMO Europe, and PMO Asia. This is shown in Figure 3–10. Comau’s global organization is shown in Figure 3–11. The project management team, which employs international experts in project, program, and portfolio management, is called the project management family; it is composed of project managers, program managers, planners, and team members. The whole company is focused on providing its customers with high-quality products, projects, and services. The missions for the Comau PMO are shown in Figure 3–12.

To support the Comau missions, the PMO prepared a high-level roadmap for 2007–2009, which included the following:

- 2007:
 - Perform benchmarking and maturity baselining
 - Define the concept of the PMO
 - Develop operational policies for project management
 - Develop project management training programs
- 2008:
 - Establish a corporate PMO
 - Establish regional PMOs
 - Implement innovation actions according to the maturity assessment
 - Establish the Project Management Academy
- 2009:
 - Manage ongoing activities for projects, programs, and the portfolio of projects
 - Perform external benchmarking on project management maturity
 - Expand the activities of the Project Management Academy
 - Manage selected strategic and special projects

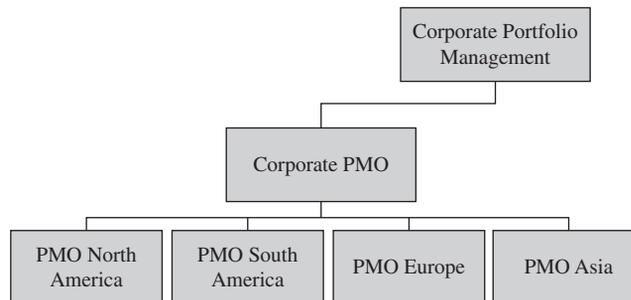


FIGURE 3–10. Comau PMO network.

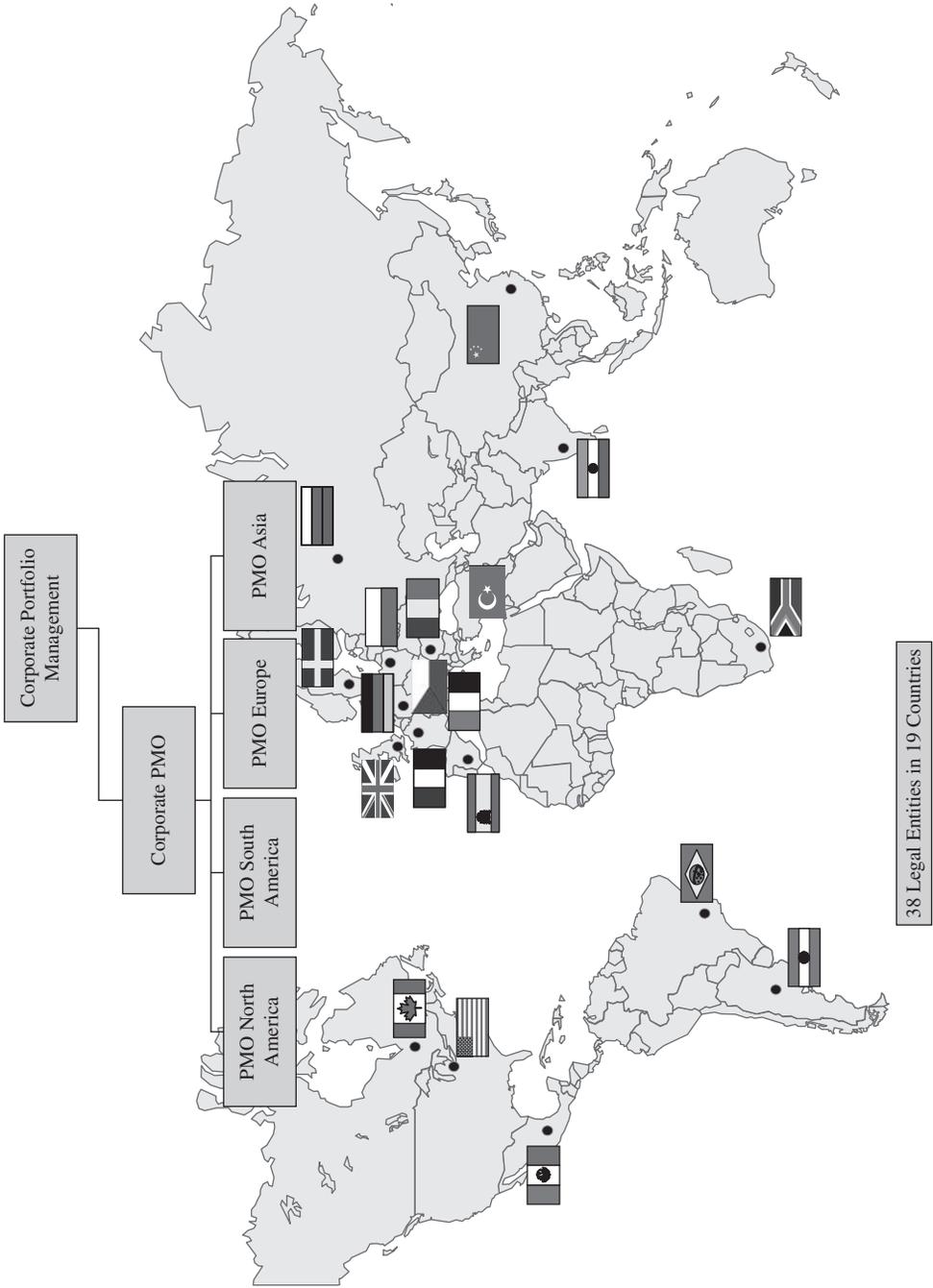


FIGURE 3-11. Comau worldwide.

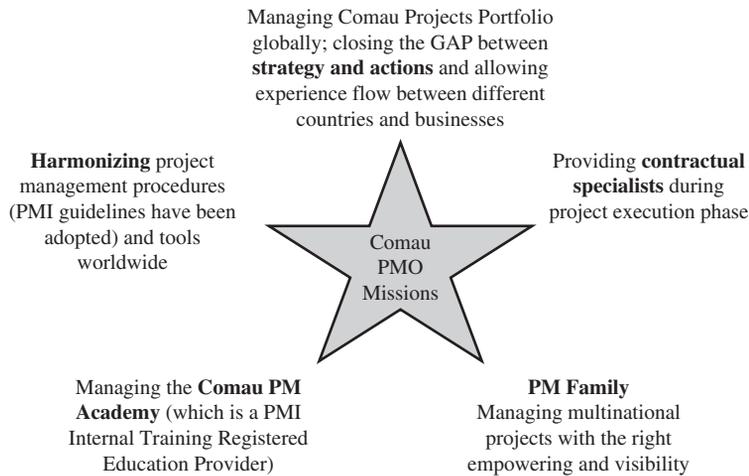


FIGURE 3–12. Comau PMO missions.

As stated previously, Comau viewed the PMO as the primary mechanism for providing internal business solutions. Some of the benefits achieved by Comau included:

1. Recognition by its customers as the number one integrator of complex work, thus adding value to the value/supply chain.
2. Development of a high standard international class-compliant project management culture/approach.
3. Better support for the sales team resulting in increasing project success through proactive project planning and risk reduction strategies.
4. Development of a culture capable of synchronizing language with Comau customers, reducing misunderstandings in the projects definitions and executions, and supporting trustful communications through the projects.
5. Development of one of the best workload optimization techniques capable of reducing costs for its customers.
6. Develop the technical language when working to standardize a global approach, e.g., WBS Powertrain Italy and France. In this case, making it possible to exchange parts between products and project teams in different countries, achieving better planning, execution, cost control, workload planning and leveling, risk management, communication, and quality.
7. Identification and the management of out-of-project-scope situations, resulting in better benefits for customers, Comau, and providers.
8. Optimize processes and the reporting systems, avoiding waste of time and making more time available for managing critical issues.
9. Contribute to the company integration of work, sharing information, visions, and strategies, including start-ups of strategic projects.
10. Create a strong team of high-skilled managers and technicians capable of supporting difficult projects and high-pressure situations.

The PMO team has become the change agents inside each of the organizational business units. The result has been several “quick wins” solutions. Comau has been able to get better control of its indirect cost as well as providing value-added opportunities for both Comau and its global customer base. All the managers are now delegating authority to a greater extent than in the past and the Vice President and Country CEOs are functioning as strong sponsors.

The regional PMOs report to the Corporate PMO and also to the CEO of the regional area. The CEOs have demonstrated a sincere desire to function as executive-level sponsors and make the PMO evolution happen.

The Comau Project Management Academy—A Common Base of Knowledge and Skills

In 2008, the Comau Academy became a PMI® REP®—Registered Education Provider. Under the Corporate PMO, the Academy provides a training curriculum to ensure that the technical workforce shares a common base of knowledge and skills. Comau also strongly encourages project managers to obtain PMP® certification.

Results—Benefits Good project management practices provide meaningful results. Some results are tangible, such as return on investment (ROI), cash flow, and profitability. Other results also exist at Comau but are not as easy to measure, such as the results of company integration efforts, more effective leadership, coaching, mentoring, and so on. Additional benefits that Comau found included:

- Growth in the PM Global organizational policies applications, maturity, and growth.
- The project management family has demonstrated the viability of applying global work processes, and now, other functional groups are following the steps and guidelines organizing similar actions.
- The Comau Project, Program and Leadership Academy is becoming mature and project management is leading the business.

Innovations

When companies become good in project management, the next logical step is the capturing of lessons learned and converting some of the lessons learned into best practices or innovations. Comau now documents all best practices as shown in Figure 3–13. Some of these innovations have provided important “quick wins” for the organization and the PMO. The innovations include:

- *Consistency in the Report to the Customer Process*: We now have better customer relationships. Our customers are recognizing the importance of Professional Project Management at Comau and many have expressed their satisfaction when working with our process and project management team.
- *The Project Management Family (Project Managers, Planners, and Controllers)*: A real perception of integration and teamwork has been developed. People are now sharing best practices and trying to solve common problems together. In this family we started joining project and program managers, planners and controllers. The concept of “professional families” is growing.

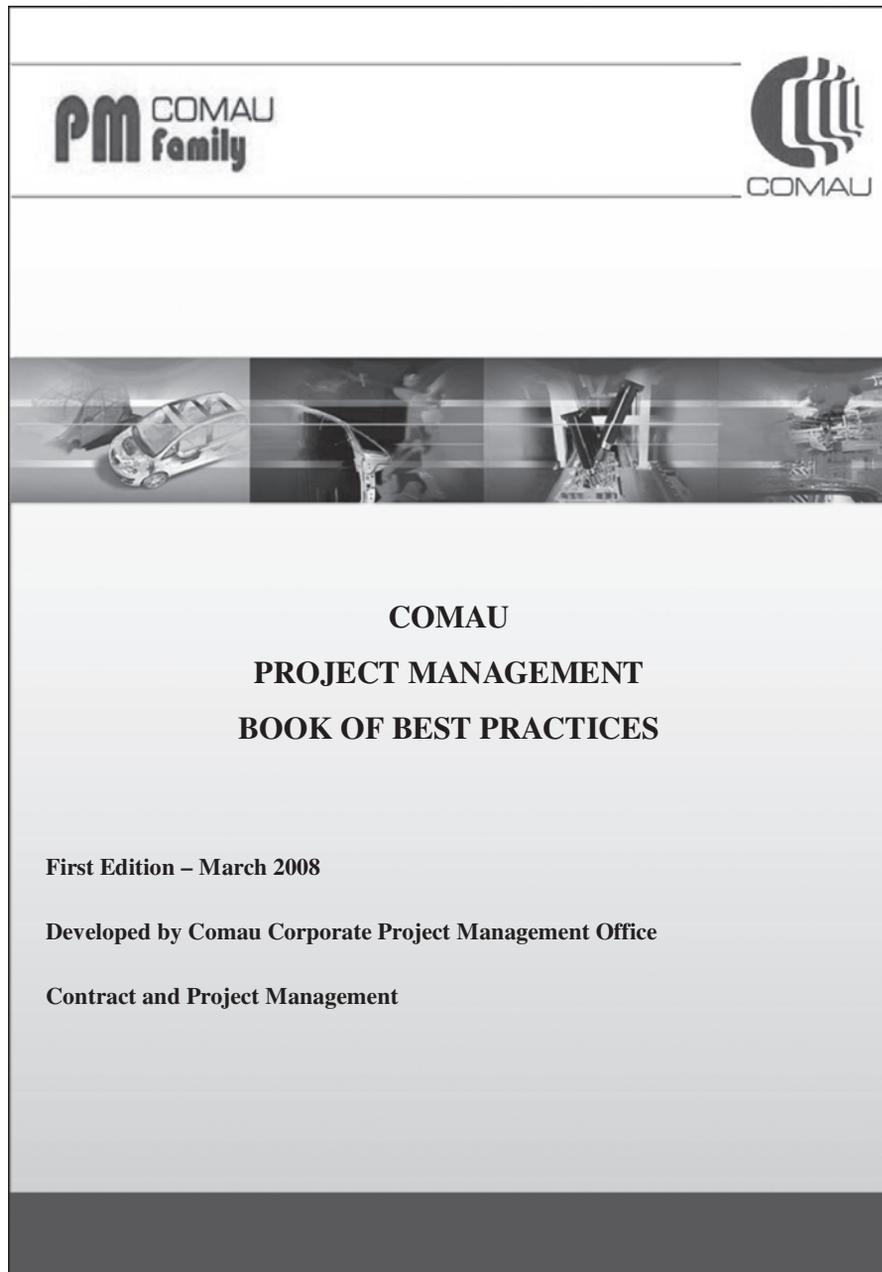


FIGURE 3-13. The Comau Book of Best Practices.

- *Standardization*: The Project Management integrated approach is now being applied to all of the company's business units and countries. All business units now share the same PM goals, guidelines, training and reporting systems, and have made it possible to synchronize the different departments, achieve better quality in the communications, and define and measure the key performance indicators.
- *PMP Certified Growth*: From January 2008 to December 2008, about 20 [of] our employees have become PMP Certified; this represents approx 15% of the total number of Project Managers, and more are expected to be certified.
- *Organizational Common Language—The Comau Project Management Book of Best Practices*: A collection of project management articles and organization policies, guidelines and templates have been developed, it was important to disseminate the message not only in Italy but globally.
- *Comau Project Management Family On-Line—Global Virtual Community*: Using a collaboration tool, for the first time in the Company, the Comau project management global family has started sharing knowledge between projects, products and innovation ideas and now other groups are starting using it.
- *Portfolio—Program and Projects Reporting—Dashboard and Traffic Lights*: We have adopted [a] professional approach to the Portfolio Management System. A simple and common approach was applied to all countries and business units. A systematic project review is already in place where the company's Board of Directors can analyze the project status, define priorities, etc. It is a monthly review in each business unit.
- *Straight Connection between Contract Management and Project Management and Execution*: This has brought consistency and avoided risks and cost overruns.
- *Development of a Dedicated Human Resources Structure, Dedicated to the Project Management Family Development*: An important action bringing corporate attention to project management and empowering the application of Project Management.
- *The Project, Program and Leadership Academy (described in the previous pages)*.
- *Company Development: High Support to PMP Certification, from the Board of Directors*
- *Company Development and Motivation*: For example, the creation of the "Comau Project Management Award," where Comau is receiving many professional and real examples of the application of our project management global policy. It has an interesting action to create motivation, innovation and also discipline when performing project management. In 2009, the winners are going to be awarded in a special event.
- *Application of Global Policies, Project Management Procedures*: For the first time, all different teams in the globe are applying the same practices. Many audits have also been performed without resistances and generating positive improvement actions.
- *Continuous PM Meetings, Round Tables, and Feedback Sessions to Share Strategy and Actions to All Levels of Management*: Many "informal meetings" have taken place with the goal of sharing the information and the strategy for the next actions. It has also generated the required environment to make gradual and positive changes in the company culture. The "buy-in" feeling has also been developed during these meetings.
- *Monthly Communication Reporting the News and Actions to All Levels of the Company*: Using the intranet, consistent monthly feedbacks for all the company are available, showing that something was happening with real and positive results: It creates a chain of positive reactions.
- *Strategic Planning*: The PMO has contributed to the perception that Comau is a Global Corporation, provided important strategic decisions and assisted with project start-ups.

Some Lessons Learned

The true success of a project is not only whether it has made a profit, but whether knowledge has been obtained that can benefit the entire corporation. Comau has prepared a list of lesson learned which were obtained through their endeavors in project management.

- The ability to share best practices and organizational standards is even more important when working globally. It allows the exchange of information, work products, workload sharing, resource leveling, etc.
- People participation is critical. It is a difficult task getting all the people to understanding the future benefits of project management and the importance of effective participation; it is related to the different knowledge, experiences and power/authority people have. The ability of getting people to participate is critical for change, speed and buy-in.
- Developing “quick-wins” is an important motivator.
- Making people feel secure about the future is a buy-in motivator. Today the importance of project management as a business solution for a global company is a strong motivator for the PM Family.
- Increasing effective communication, transparency and use of the “open door” philosophy is a strong motivator.
- Developing the Project Management and Program Management approach is important but not enough; the whole company must understand the business model of management by projects.
- Education is the basis for development. Our people must learn from somebody else’s mistakes, not their own! Development of both “hard skills” and “soft skills” is essential to create the foundation for change and PM application.
- Education in effective leadership is becoming a key issue on a daily basis.
- Efforts should be applied with consistency. In the beginning it is not so much a question about quality, but a question about culture and discipline; better quality will arrive in the next few rounds.
- All of the actions have demonstrated to Comau that the organization must apply consistent efforts in project management best practices to achieve better business results and improve the way of doing things. From sales, contract management, production and after sales, all the company is passing through an educational program and also acting to support the application. It really represents a big change for the company.
- The PMO is demonstrating value through the application of the principles of integration, simplicity, results orientation, flexibility, discipline and continuous maturity improvement.
- The Corporate PMO is also providing important value to the business through the integration, empowering opportunities and performing strategic projects. When performing strategic projects the perception of value and the return of investment are directly and positively impacted. It is a natural consequence since this strategic PMO has a wide vision of the company entities, customers and products.

- The project management approach has demonstrated that other functional groups must be equally receptive to the acceptance of the project management, reducing barriers and generating better products.

3.13 VISTEON⁹

Background

Visteon was formed in 1997 (see Figure 3–14) as an auto parts supplier to Ford Motor Company. Composed of former business units of Ford Motor Company, Visteon originally had six divisions, 23 strategic business units, and 82,000 employees worldwide. Visteon became an independent, publicly traded company in 2000 with a culture strongly focused on the core competencies of product design and manufacturing, and the concepts and practices of project and commercial management were not widely used across the company.

Project Management Evolution As Visteon grew into an independent tier 1 automotive supplier (see Figure 3–15), the organizational culture changed. Customer business groups were created, a strong central global program management office (GPMO) was formed, and a global product development process—called Visteon Product Development Process (VPDP)—was created. This process was based on the fundamentals of traditional project management. In practice, the process was a sequential list of deliverables and forms required to deliver products. A primary focus was placed institutionalizing the process and deliverables were mandatory. An executive gate review process was implemented to ensure process execution.

Visteon’s GPMO launched a suite of project management tools (see Figure 3–16) to support the new project management organization. The initial tool set used Microsoft Project and Excel to track the master list of projects. As the usage expanded, GPMO launched PM Plus and Primavera—Enterprise Project Portfolio Management. Concurrently, Visteon launched a business operating system, called VBOS. This business model included the roles and responsibilities, decision rights, and metrics for each business unit. VBOS contained more than 400 functional business processes.

The Project—The Team, The Process, The Tool

In 2005, Visteon reached a new structural agreement with Ford that reshaped Visteon into a leaner, more competitive company (See Figure 3–17). The corporate culture focused on creating, designing, and manufacturing leading automotive solutions driven by applying “automotive intellect.” Three strong product groups emerged: climate, interiors, and electronics. Product

9. Material on Visteon was provided by Darlene Taylor, PMP, Visteon Senior Manager, Global Program Management Office, Global Information Technology—Product Lifecycle Management.