

# Project Manager as Production Leader

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*Projects are the life-blood of a great many businesses – they enable growth, they provide new sources of revenue and they renew the assets that keep those businesses operating efficiently and effectively. This puts project management at the heart of delivering the business outcomes that these owners, and the delivery organisations that serve them, are looking for. However, traditional project management is not always as effective at delivering the project outcomes that clients expect and that delivery businesses require to remain profitable and competitive. That is not to say that traditional project management approaches have not generated some highly successful results; however, the myriad of mediocre projects and the occasional “bad project” suggests that there are opportunities for development and improvement. Beyond this, there are those projects of such high criticality and/or delivery complexity that we recognise that they call for an extraordinary approach to management if they are to be successful.*

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## The Blind Spot...

**“Production management improves the way we design, construct and operationalise projects.”**

We believe that one of the key shortcomings in traditional project management is that its systems and processes are focused on creating a “static plan” (for time, cost, resource deployment, etc) then measuring progress against that plan. There are limited structured approaches to make the execution of work conform to the plan and/or refine the plan to optimise project outcomes. This lack of dynamic planning and control of work execution (or production) is a significant gap – a “blind spot” – in the dynamic project environment. We look to fill this gap with what we call “production management” – improving the way in which we design, construct and operationalise projects.

## So What is Production?

Production is the sum total of all the activities, and their interactions, that go into creating the operational project – the “product” that results from a capital project. Sometimes referred to as “value streams”, it is the network of value-adding activities (including design engineering, procurement and supply of materials/equipment, construction and commissioning) and non-value-adding but necessary activities (including permits, quality documentation and approvals) as they flow together to achieve the project outcome. In short, it is the day-to-day execution of project work.

## Competitive Advantage Through Project Delivery Performance

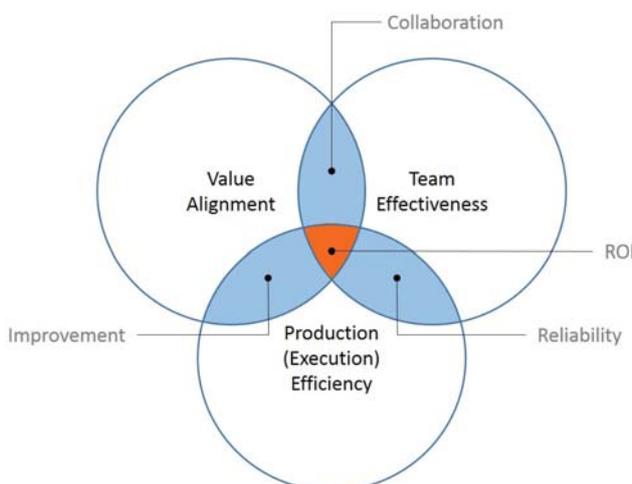
Continuum Performance was founded on the premise that there are a number of performance “continua” that exist within capital project delivery. There is a delivery performance continuum that should extend from the owner’s performance objectives for the project right through to the day-to-day work execution activities. There is a developmental performance continuum that should extend from conceptual design through construction and right up to commissioning and operational handover. There is a business performance continuum that should link the owner’s realisation of their return on capital investment goals with delivery organisations achieving their growth and profitability objectives. Most importantly, there is performance continuum that links all three – creating opportunity for competitive advantage through project delivery performance. It’s possible to improve the profitability and top-line growth of project delivery organisations while responding to the owner’s ever-increasing need for capital efficiency and outcome effectiveness.

Cost Differential	Business Outcome	Leverage	Focus
<-15%	Preferred Provider	Value Creation	Collaboration
-15%	Competitive Advantage	Operational Efficiency	Improvement
-10%	3x Profit	Production Efficiency	Reliability
-5%	2x Profit	Time Management	Activities
+5%	BAU Profit	Team Effectiveness	Resources
+15%	Overhead Recovery		
>+15%	Failure	None	Recovery

BAU Price

Through our work, we have seen that the creation of this higher level performance continuum – this competitive advantage – moves through developmental stages. By progressively expanding the project delivery focus, ever-increasing performance leverage is achieved. As a result, significant improvements can be made on actual cost versus “business as usual” price.

Moving through these developmental stages successfully requires a focus on what we see as the three key influences on project delivery performance: value alignment, team effectiveness, and production management. Most specifically, it is the intersection of these influences that produce exceptional results and it is by expanding each of these influences on our projects in a structured way that we maximise the delivery performance leverage that we are able to achieve.



The key to maximising and sustaining these influences on project delivery performance is firmly vested in the project delivery teams. Specifically, it starts with the leadership that is provided by project managers. This is not just application of best practice in traditional project practices, but the leadership of “next practice” in improving the production environment.

## The Program

The Project Manager as Production Leader program is a training program that focuses on:

- **Production Concepts.** Developing a conceptual understanding of the things that impact efficiency and effectiveness in the work execution environment and how work execution efficiency affects project performance.
- **Production Management Techniques.** Translating production concepts into practical applications in the project environment. This includes the business processes that need to be implemented, the types of systems that enable these processes and the organisational approach that makes them effective.
- **Project Management Integration.** Linking production management activities with project management fundamentals in a manner that ensures they inform and reinforce one another. When done effectively, production management enables more accurate status and forecast reporting, more active management of project risks, clearer line of sight to project changes and a safer working environment. This integration also serves to align daily activities with the overall project objectives by ensuring they are in service of the delivery strategy and providing the real-time data necessary to improve performance.
- **Leadership Skills.** Providing insights into the specific leadership skills necessary to successfully incorporate production management into the overall project management approach. This includes the techniques that the project manager can apply to create commitment to the approach throughout the team, the processes that can be utilised to drive continuous improvement and troubleshooting tips for managing resistance with the team.

**“This program is first and foremost about creating a competitive advantage out of project delivery performance.”**

### Who is it for?

The program design has been aimed at developing project managers who are either ready to take on their first project management assignment or are at the point of taking a next step up in project size and/or complexity. However, it provides valuable developmental insights for any member of an organisation that is responsible for capital delivery performance – from seasoned project managers to project delivery operations management. This program is, first and foremost, about creating a competitive advantage out of project delivery performance.

## What does it consist of?

Project Manager as Production Leader program is comprised of:

- Four half-day in-house training modules that can be delivered on separate days or in two full-day sessions.
- Access to an online mentoring program.
- Written training and reference materials to support the participants as they begin to apply their learnings.

### ***In-House Training***

The training program is set up to accommodate between 5 and 20 participants and can be delivered in your offices or at an off-site location depending on your preference. It utilises the why, how, what educational model to unpack conceptual information into approach then approach into technique. The training is also designed to incorporate discussion around the participants' project experiences – either current projects or upcoming project management assignments. The four modules are structure around the following:

#### **Module 1 – Understanding the Impact of Production on Project Performance (5 hours)**

- Historical Perspective on Project Management and Project Delivery Performance
- Current “Best Practice” in Project Management – PMBOK Guide
- Introduction to Production Management

#### **Module 2 – Applying Production Management to the Management of Projects (4 hours)**

- Introduction to the Project Delivery Performance model
- Value Alignment
- Effective Teams
- Production Management Applications

#### **Module 3 – Integrating Production Management with Project Management (4 hours)**

- Delivery Strategy Development and Deployment
- Health and Safety Management
- Work Packaging
- Project Status and Forecast Development
- Risk Management

#### **Module 4 – Leading Production Management (4 hours)**

- Understanding Culture and the Inertia Against Change
- Defining Production Team Roles and Responsibilities
- Techniques to Create Commitment to the Business Processes and Rules
- Driving Continuous Improvement
- Production Management Enabling Systems

## **Mentoring**

The program includes 6 months of mentoring on production management techniques for participants through our monthly mentoring webinar. It's an opportunity to connect once a month to ask questions, share challenges and get conceptual blocks removed. The mentoring webinars help to maintain clarity, boost motivation and remind participants to stay focused on positively impacting the production environment.

### **About Us...**



Jeff Schwisow is a project delivery professional with nearly 30 years of project management experience. As a “student of the project management game,” he rigorously studied and applied traditional project management practices and over that period, he learned those practices were not enough to ensure success. He saw those approaches were focusing on what was “happening in the coaches box and on the scoreboard” but there wasn’t enough attention on “how the game was being played on the field”...and it is on the field where games are won and lost.

It was in further developing his “principles of exceptional performance” and his passion for helping teams deliver truly exceptional outcomes that led Jeff to found Continuum Performance in 2010.

We are focused on increasing returns on capital investment through more efficient, effective project delivery performance. The thing that sets the Continuum Performance programs and services apart is that we bring an extensive capital project management background together with a highly developed understanding of production management and industrial engineering. This includes not only a theoretical understanding, but also firsthand experience in how this theory impacts on capital project performance.

### **To Learn More...**

For more information about the Project Manager as Production Leader program or any of Continuum Performance’s programs and services contact us at [info@continuumperformance.com.au](mailto:info@continuumperformance.com.au) or +61 414 829 070.