

Lean – Project Management

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13 years experience in LPPDE 2021 PM in the
Goodyear Innovation Centers

Scope

- ALL PROJECTS
- Increased focus on Product Development and Innovation

Not So Lean PM Experience

- My first PM class – no use for that here
- My first big project – no help
- We just call it – no support
- The desire for control – the GANTT chart trap
- The HERO – ambulance management
- Goodyear first attempt – knew about Chrysler CE – academic consultant
- Representing the customer – the strongest wins
- Lead as if you have no power or authority
- Largest functions managing crossfunctional projects .. Lack of collaboration
- “Happy Team” syndrome – compromised products and encouraged team competition
- Stage gate – implemented to kill projects but it created collaboration
- PM Software – EXPENSIVE BAD PROCESS
- **Today: Right Organization and PMO – building and learning**



**What is your biggest
project management
challenge?**

What are the Biggest Problems With PM

1. Project is late and/or over budget
2. Project did not deliver
3. Scope and other changes
4. Frustrated and overworked people
5. Too much wasted effort (updates, reviews...)
6. The other project managers
7. Leadership and team members

Learning PM From Toyota

Not much information about Toyota PM

Use of the Chief Engineer concept

Matrix-like organization

**What happens if you plug the Toyota
CE into any organization?**

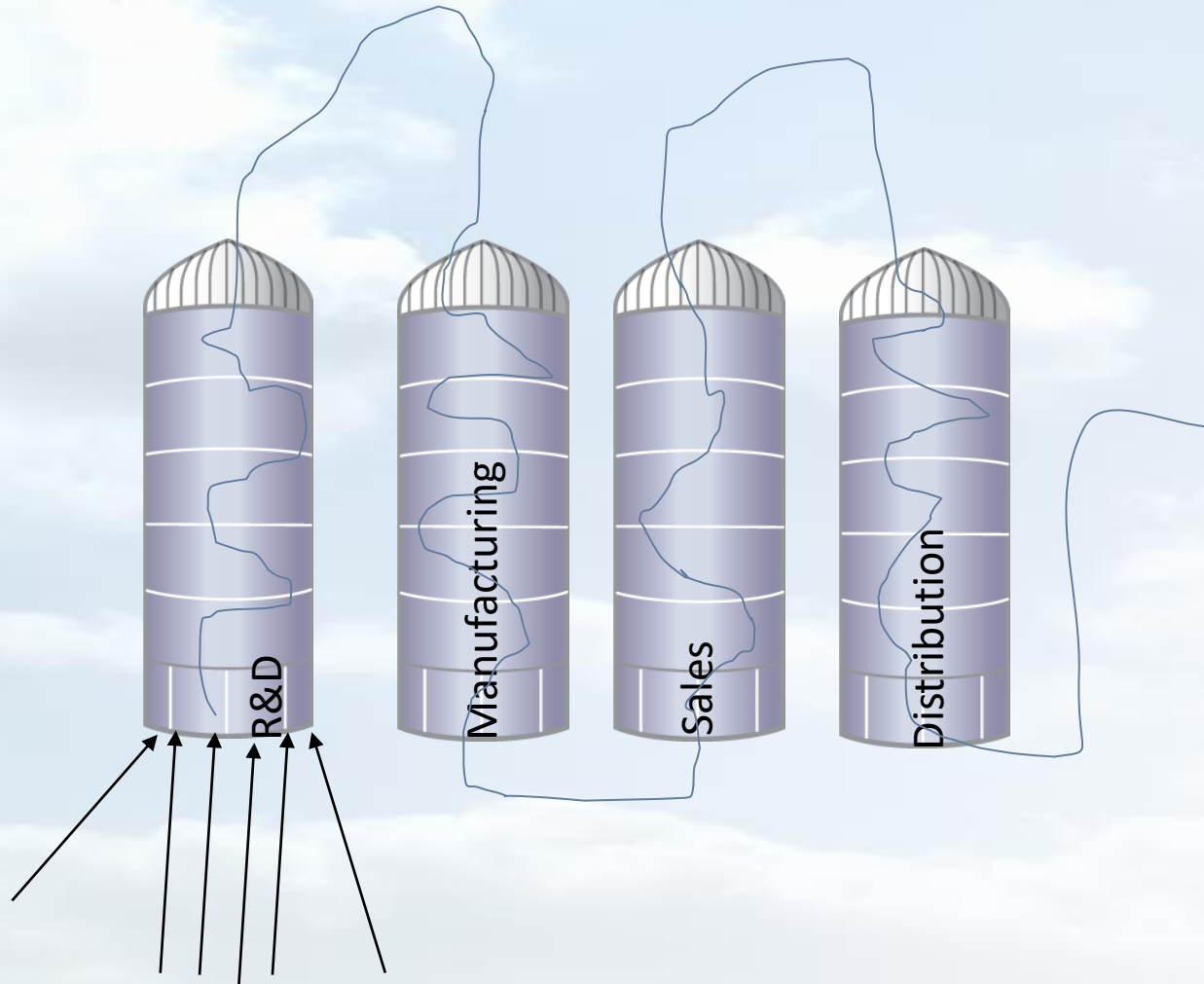
Principles of Lean Project Management

- Get things right
 - Remove Obstacles
 - Right Organization
 - Proper Change Management
- Keep the Good Things You Already Have
 - Enhance traditional PM with lean thinking
- Implement Principles of Lean Project Management
 - Understand the principles
 - Engage the people who do the work
 - Use what works for you

Lean Project Management

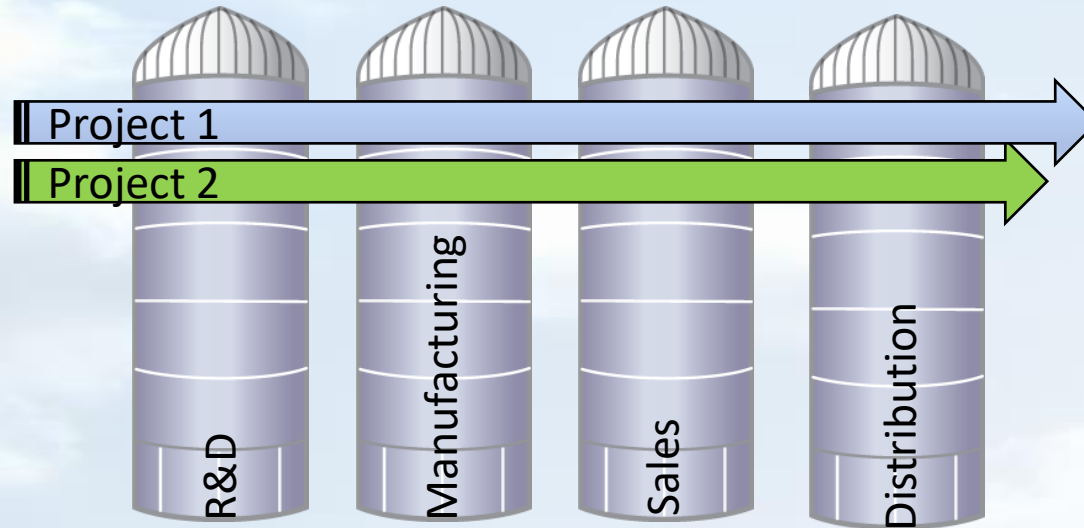
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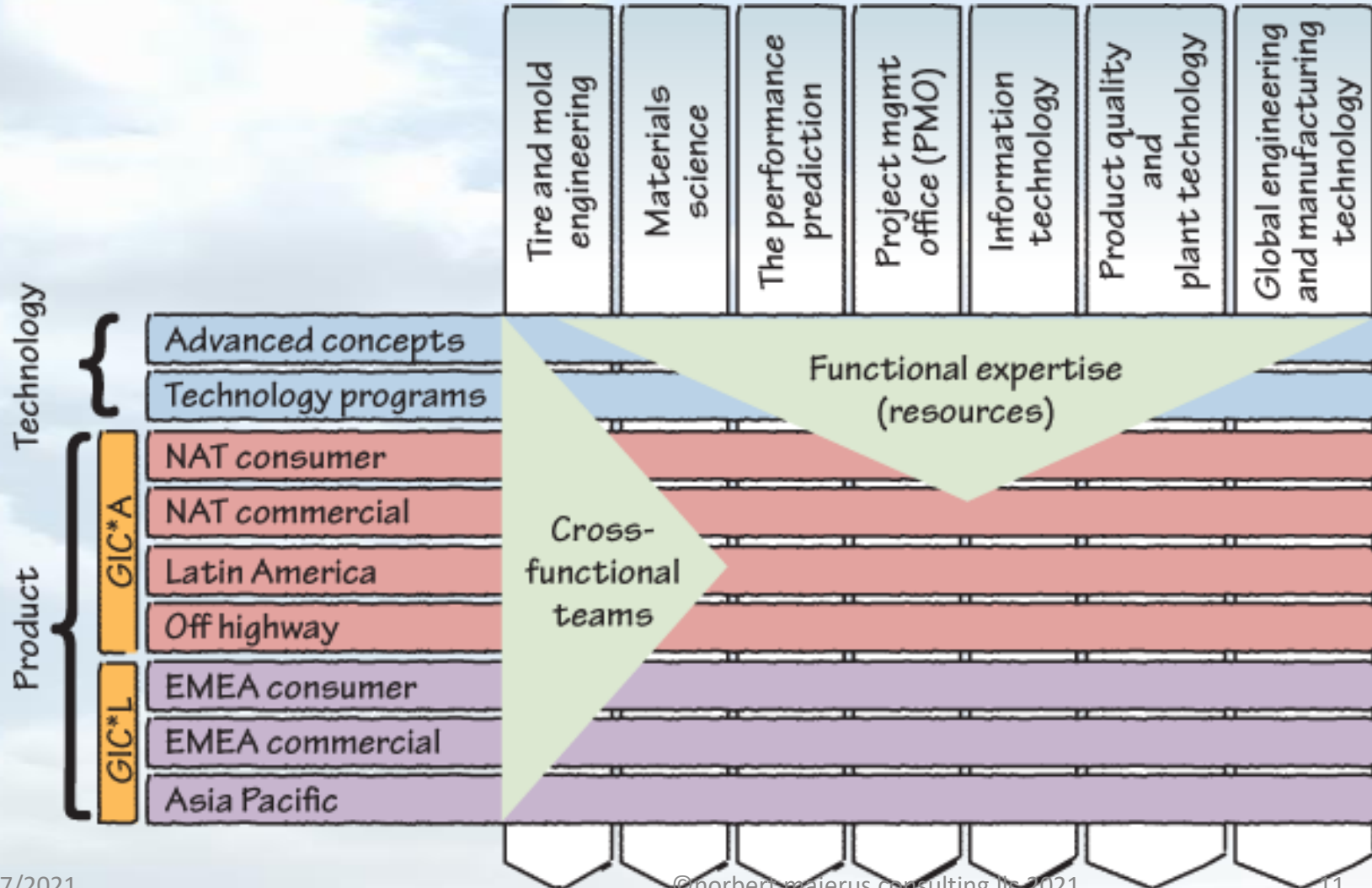




To



Matrix



Lean Project Management

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Traditional Inspiration

- Working on the right stuff
- Goals/Contract
- Sponsor
- Risk Management

Goodyear Results

- Before Lean – 50% business cases met
- After transformation: 100%

“I had committed the biggest waste of all: **building a product that our customers refused to use.** That was *really* depressing.”

-Eric Ries, The Lean Startup

Stage Gate to kill projects

Remedies

- Corporate strategy/deployment
- PVA – NPV (common denominator)
- Portfolio Management – projects affect each other
- STANDARDS
- Alignment

Net present value (NPV) is the difference between the present value of cash inflows and the present value of cash outflows over a period of time. **NPV** is used in capital budgeting to analyze the profitability of a projected investment or project.

$$NPV = \sum_{t=1}^T \frac{C_t}{(1+r)^t} - C_0$$

In this equation:

C_t = net cash inflow during the period t

C_0 = total initial investment costs

r = discount rate, and

t = number of time periods

Simple Standards

- Goal is the maximum value of the portfolio
- There is only so much market for traditional products
- Take the old product out
- Innovation increases the market (share)
- Diversify and balance (risk)
- Set targets for % revenue from new products
- Portfolio drives AOP (budgets)
- Engage everybody

Goals

- CONTRACT
- MBO
- Forcing Strategy
- Inspirational Goals
- Catchball

Catchball

... in a dodge ball
culture

Game

**People are accountable to
deliver on agreed goals**

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Principles of Lean Project Management

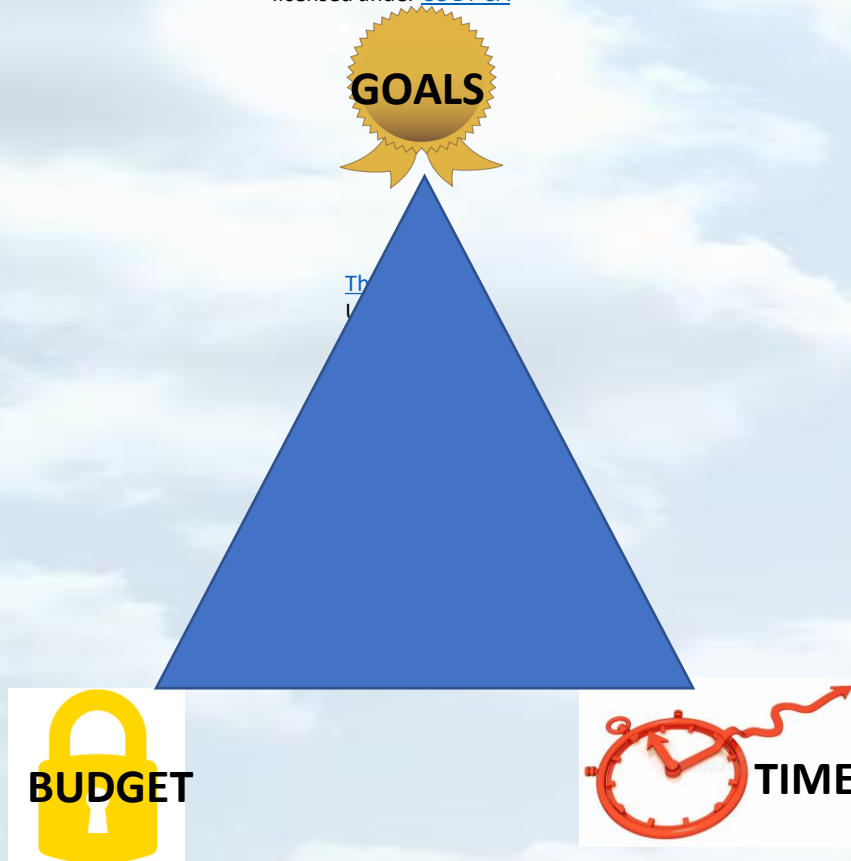
- Know the cost (Time, Goals, Resources) - Flexible Targets
- Manage for flow and speed – fast is better than slow
- NO Waste
- Agile Risk Management
- Collaboration
- Manage Knowledge - PMO
- Visual Management
- Late start
- Concurrent work
- Standards
- Resource utilization

Principles of Lean Project Management

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Flexible Management

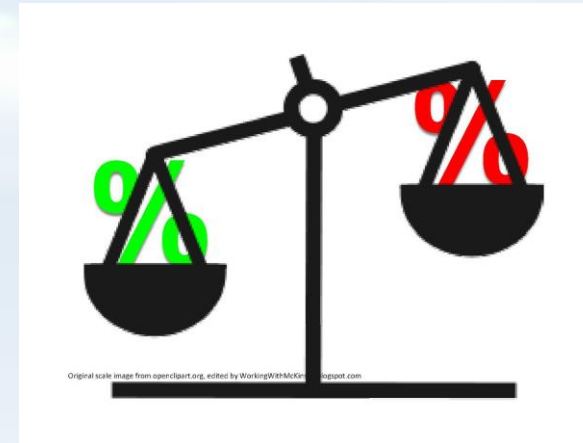
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GOALS



BUDGET

TIME

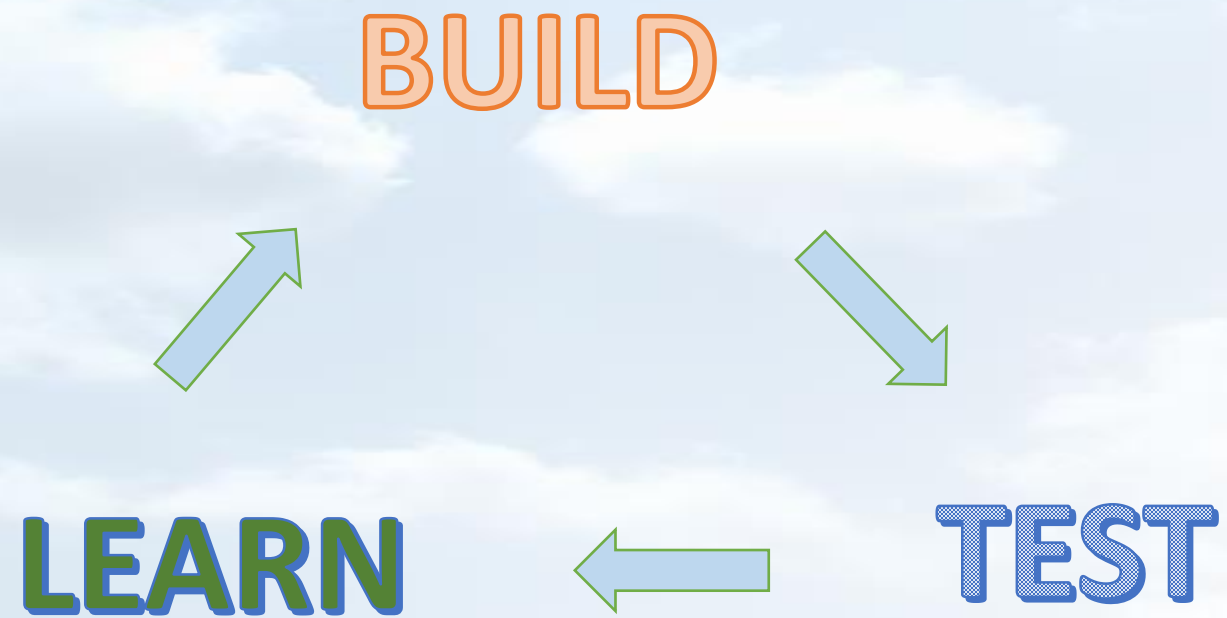
Agile CREATION PRINCIPLES

**You know nothing about the
product until you start developing it**

And it will change every day









Experiment in small steps

Allocate money in agile manner



Agile, scrum, scaled agile, sprints, agile ...

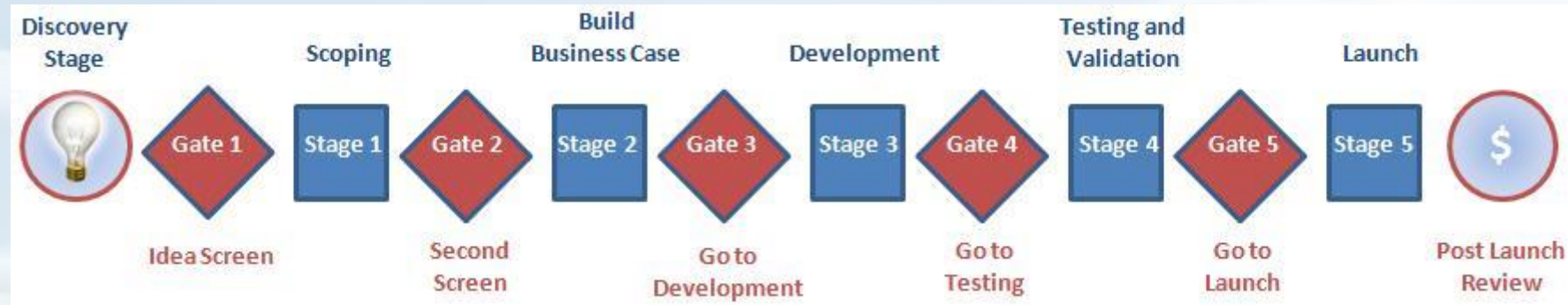
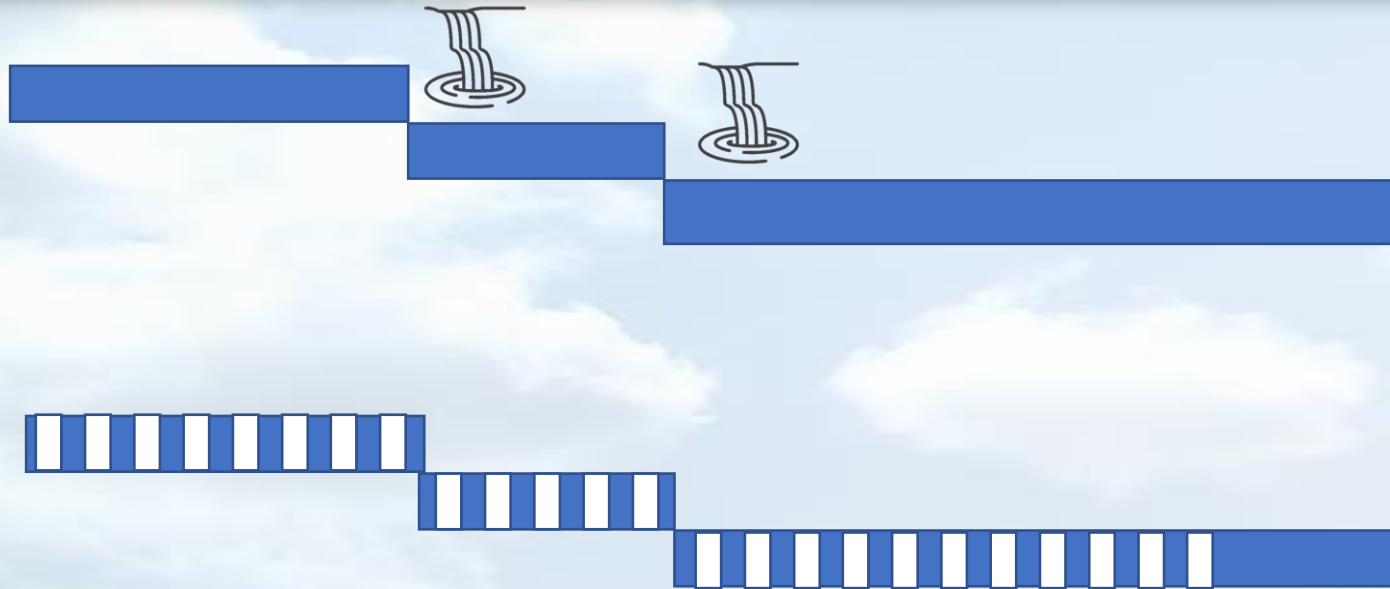
Time Period
Goal, deliverable

Name function or work to do	TO DO	IN PROGRESS	DONE
			
			
			

- Work in very small steps, FAST – often time limited steps
- Cross functionally from the beginning
- Retain flexibility through the process – launch or pivot at any time

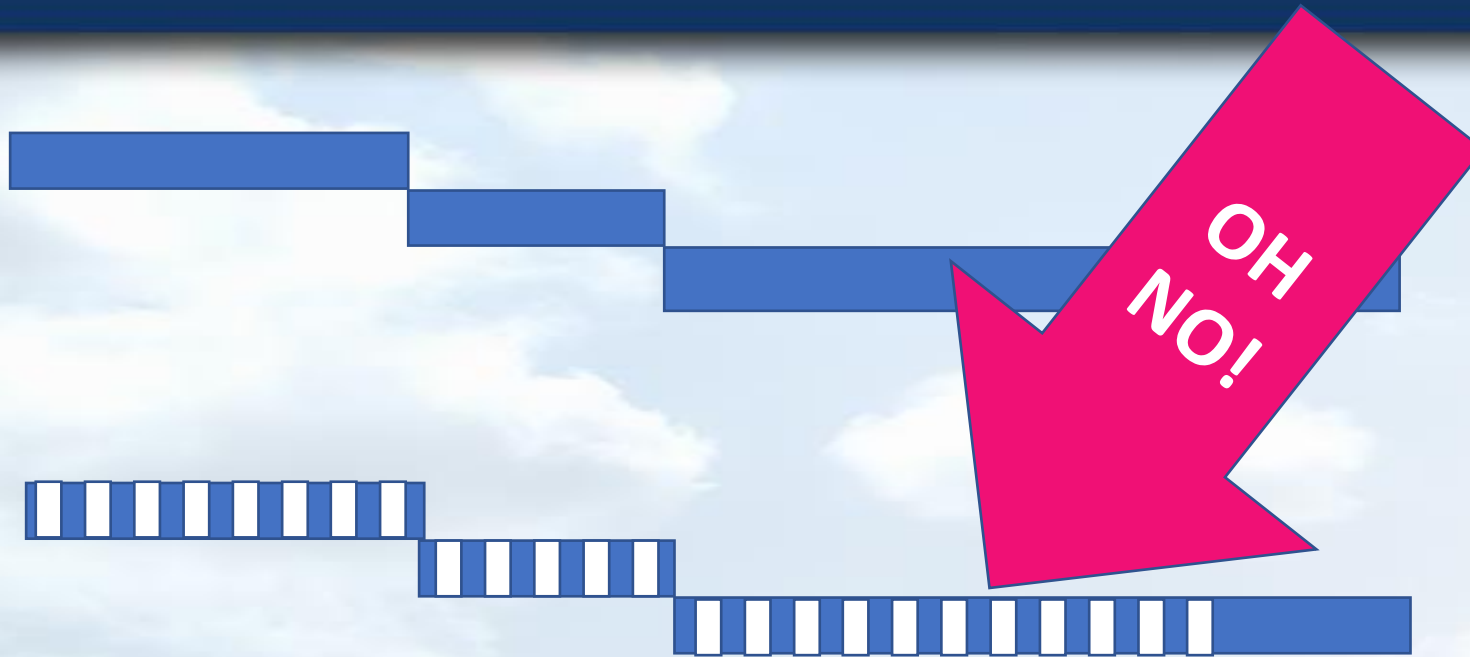
**Potentially Shippable
Product after every cycle**

Agile - but not like this

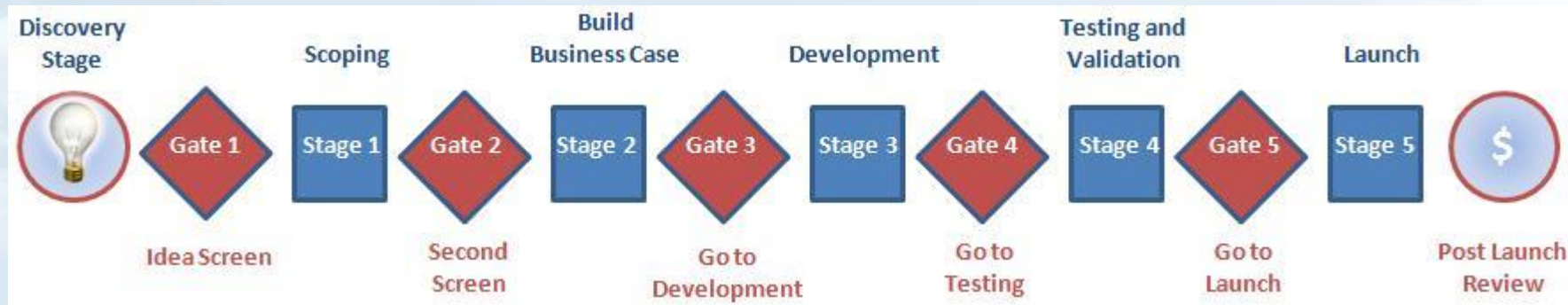


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Agile - but not like this

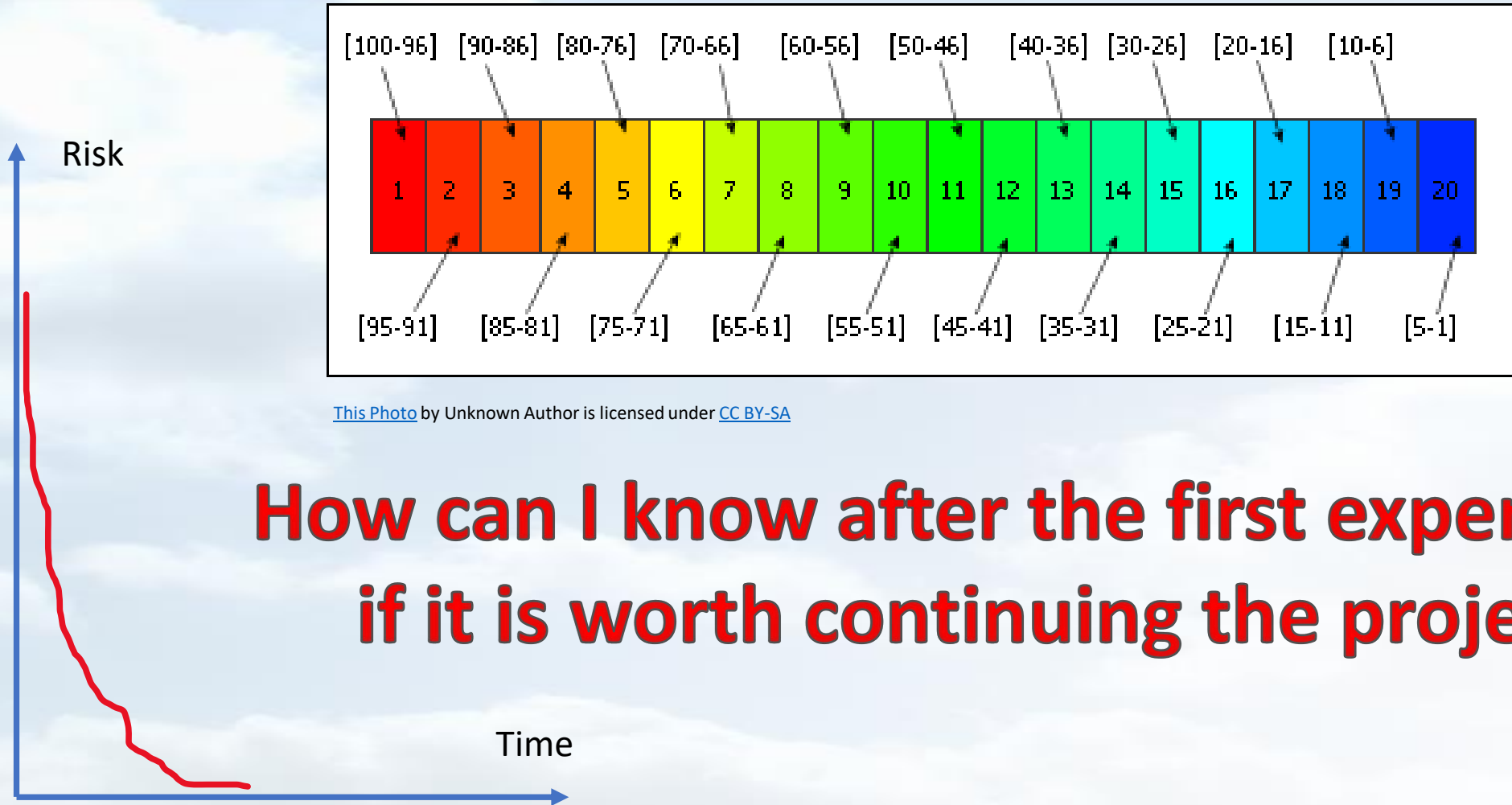


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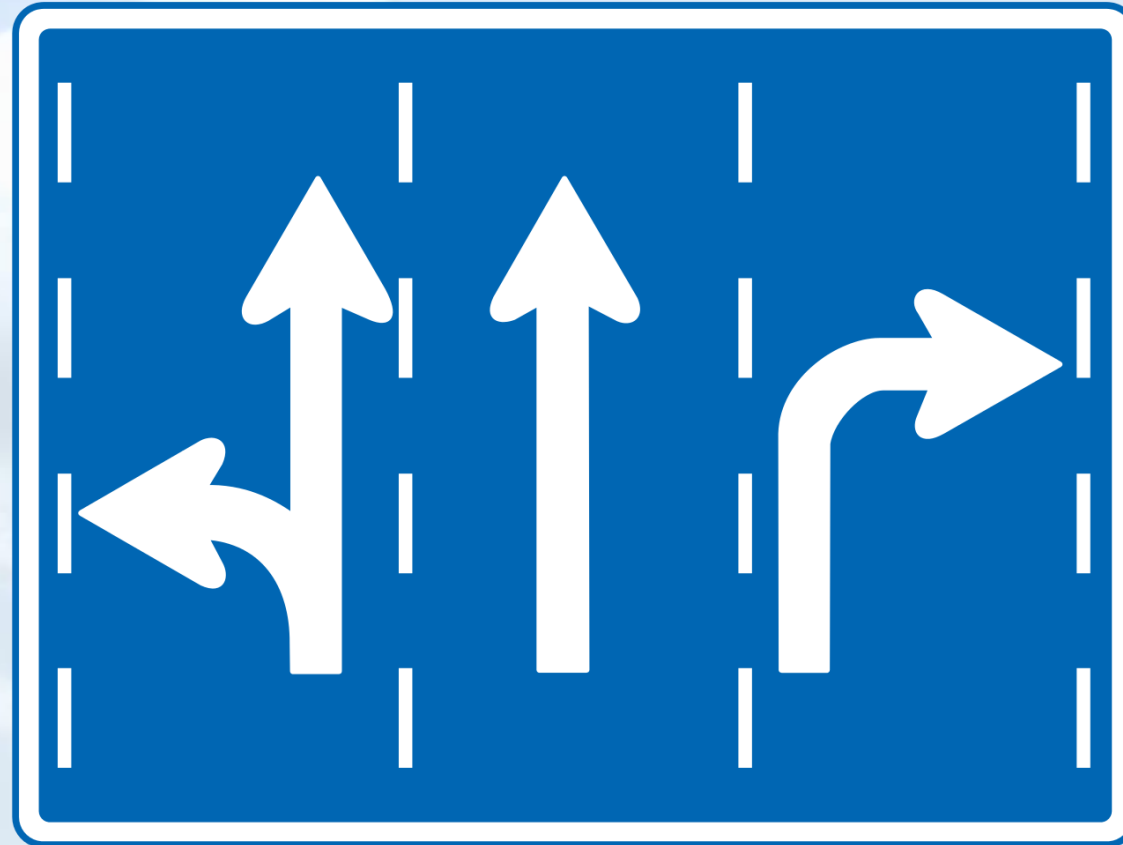
Follow the Risk Scale With Critical Questions



**How can I know after the first experiment
if it is worth continuing the project?**

Stay the course

Pivot



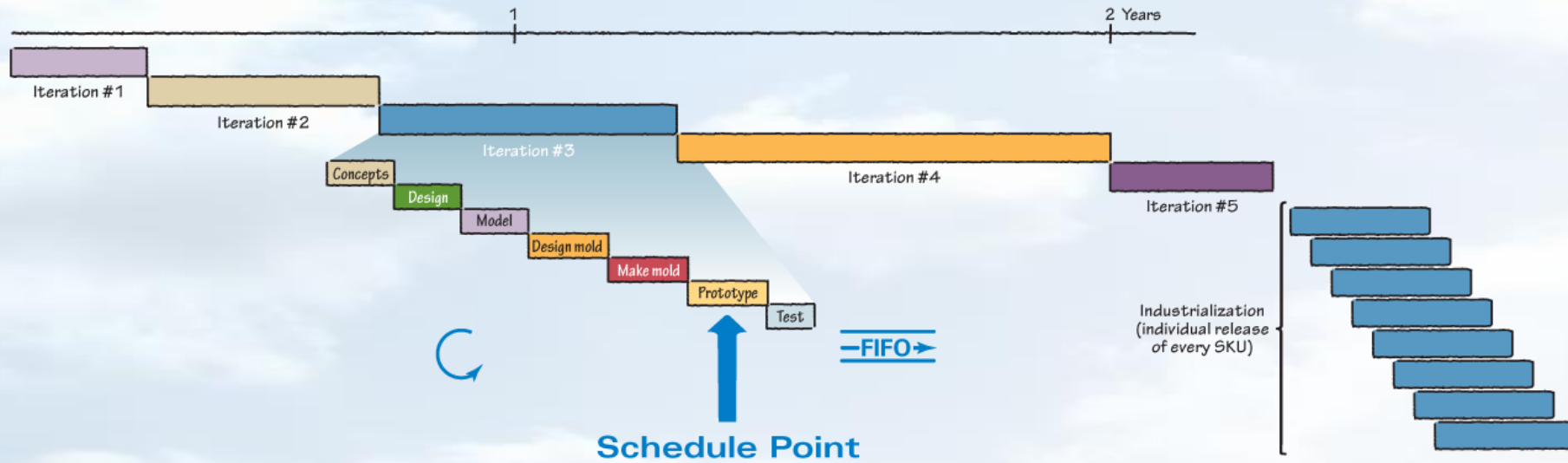
Freeze

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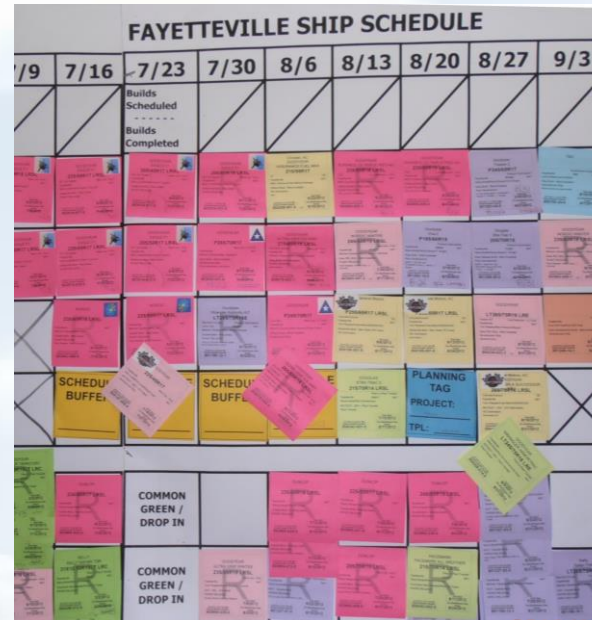
Project Risk Assessment



Goodyear Iterations



10 Second Rule

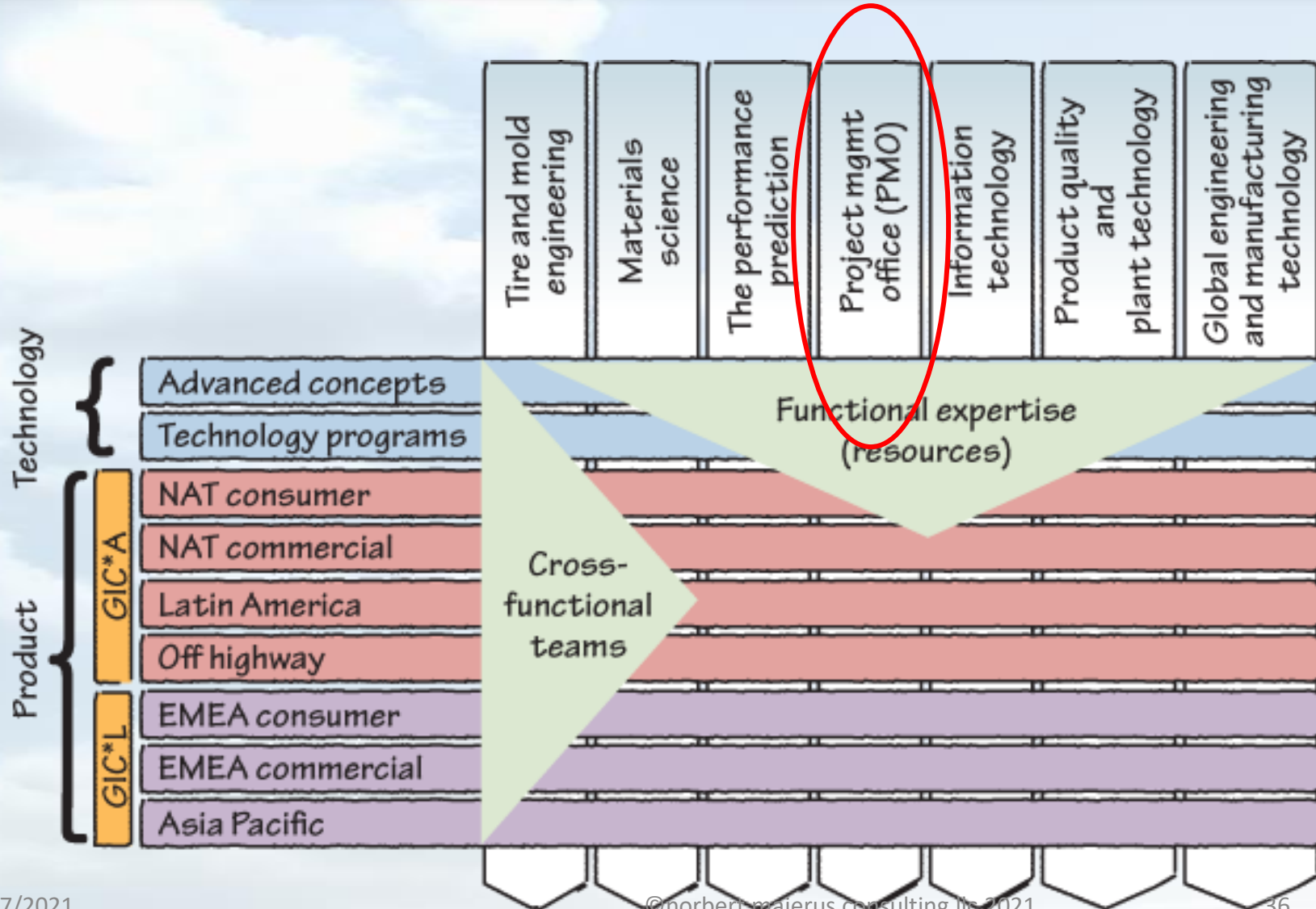


10 sec rule

- Notice fast
- Address immediately
- Crossfunctional
- Problem solve if needed

Knowledge Management

Matrix



PMO Function

- Purpose of function
 - Support Projects
 - Develop/ Manage Knowledge
 - Share/educate/coach
- PM's dual report to technical directors and PM office

Managing People in a Lean Manner



Upside Down Leadership

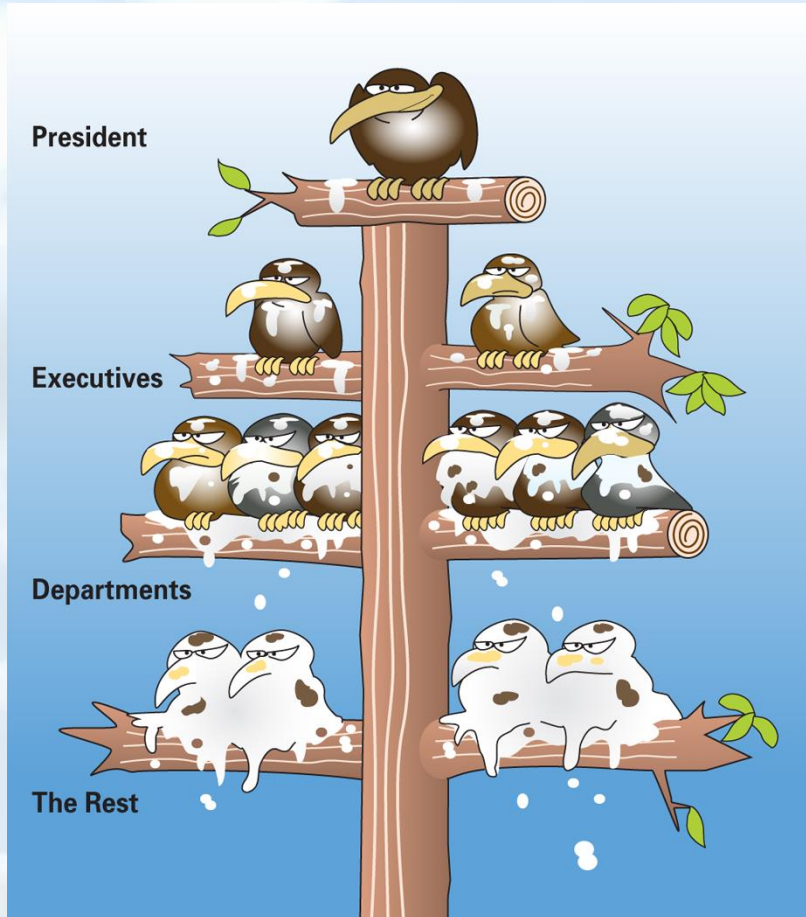


Billy Taylor, Director NAT
Manufacturing



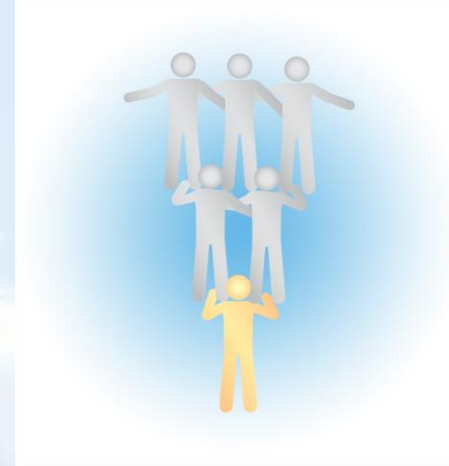
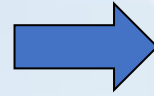
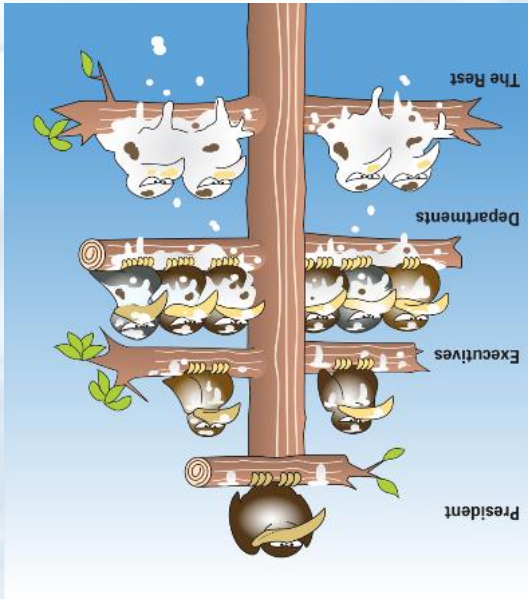
Ellis Jones, Plant
Manager Akron

Leadership



*Inspired by unattributed graph

Lean Leadership



MY Story About Corporate Humility

Steve Brennon

Paul Akers – 2sec Lean

Evolution of a Servant Leader



We pay you to solve your
4/17/2021 lems

Responsible?



Here is the solution – go do it



I ask you questions and coach
you towards MY solution
>> A3 cookie trail

Evolution of a Servant Leader

I coach you towards finding
your own solution




Let's figure this out
together



I agree with your suggestion. You
are responsible - keep me informed
and I will support you

A Good Lean Project Manager

- Leads with respect and humility
- Aligns the team behind the correct goals
- Removes roadblocks and helps team members be successful
- Develops team members



If your project
goes well, you are
not going fast
enough

Contact Information

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