

Case Study: PMI Project of the Year Finalist 2012: Procter & Gamble

Sonja Streuber, PMP® , SSBB



Project Management ▪ Operations Management
Coaching ▪ Consulting ▪ Training

Sonja Streuber, PMP®



Project Mgmt & Engineering, Six Sigma, Risk Mgmt & Risk Analysis, Data Mining:

- 2000 – 2003 Agilent Technologies
- 2003 – 2009 Lockheed Martin
- 2009 – 2011 ITT Exelis
- 2012 – 2014: F1, Inc. @ NiSource
- 2012: Founded PMReboot
- 2011 – present Valparaiso University
- 2014 – present Catalyst Technology Solutions

Education, Certifications:

- Six Sigma Black Belt, Caterpillar Corp., 2012
- PMP®, Project Management Institute, 2010
- M.S. (Systems Engineering), George Washington U
- M.A./ A.B.D. (English), UC Davis

Agenda

- Overview: PMI Project of the Year
- PMI PoY Finalists 2012
- Procter & Gamble SCM Upgrade Overview
 - Process
 - Timeline
 - Risk Management
- Project Details
- Summary

PMI Project of the Year

The [PMI Project of the Year Award](#) recognizes, honors, and publicizes project and team success achieved through the superior performance of project management practices.

Eligible

- Project budget must be more than \$100 million US dollars.
- Projects of any type, from any industry, in public or private sectors.
- Projects from throughout the world.
- Projects that demonstrate exemplary project management principles and techniques.
- Projects which have received other awards or recognition (with one exception noted below).
- PMI affiliation is not necessary.
- Self-nomination by an eligible organization is permitted.
- The nomination must be received no later than one year after the project is completed.

Not Eligible

- A project that has either won or competed for a PMI Award for Project Excellence (formerly PMI Distinguished Project Award).
- Failure to provide the necessary contact, permissions and release forms, or to satisfy the criteria defined in the PMI Project of the Year Award Guidelines, General Submission Guidelines or PMI Project of the Year Award Application.

[PMI 2015 Project of the Year Submission Guidelines](#)

[PMI 2015 Project of the Year Submission Form](#)

PMI Project of the Year

Recipients of the PMI Project of the Year Award

- **2014:** AP60 Phase 1 Project, Jonquiere, Quebec, Canada
Submitted by SNC-Lavalin-Hatch-Rio Tinto Alcan
- **2013:** Adelaide Desalination Project Adelaide, Australia SA Water Corporation
[Watch Video](#)
- **2012:** Umatilla Chemical Agent Disposal Facility Operations Phase, Hermiston, Oregon, USA
Submitted by Umatilla Chemical Agent Disposal Facility URS and the U.S. Army Chemical Materials Agency
[Watch Video](#)
- **2011:** Prairie Waters Project, Aurora, Colorado, USA
Submitted by City of Aurora - Aurora Water & CH2M Hill, Inc.
[Watch video](#)
- **2010:** National Ignition Facility Project, Livermore, California, USA
Submitted by Lawrence Livermore National Laboratory
[Watch video](#)

PMI PoY 2012 Finalists

Pacific Northwest National Laboratories



Procter & Gamble: Ordering, Shipping , Billing
Project (aka [SCM Upgrade](#))



Umatilla Chemical Agent Disposal Facility
Operations Phase



P&G: Ordering, Shipping , Billing Project (aka SCM Upgade)

Context

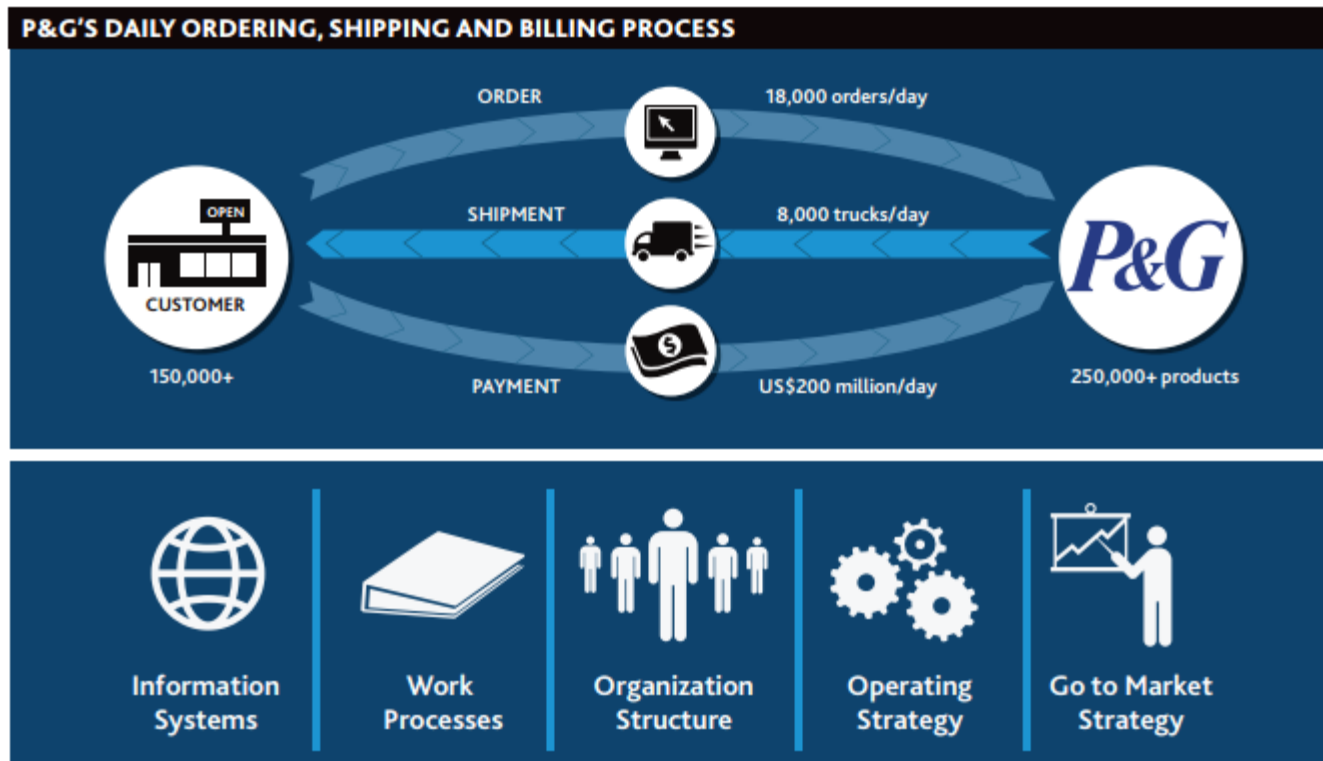
- P&G needed to enhance its 20-year-old ordering, shipping, and billing software and work processes
- System “served the very heart of P&G’s US\$84 billion
- **Impact:** Portfolio of 250k products, 18k orders/ day shipped to 150k retailers on 8k trucks accounting for US\$200 million

“This was the equivalent of heart transplant surgery.”

(Bruno Pont, Associate Director, Global Business Services)

P&G: Ordering, Shipping, Billing Project (aka SCM Upgrade)

The Process

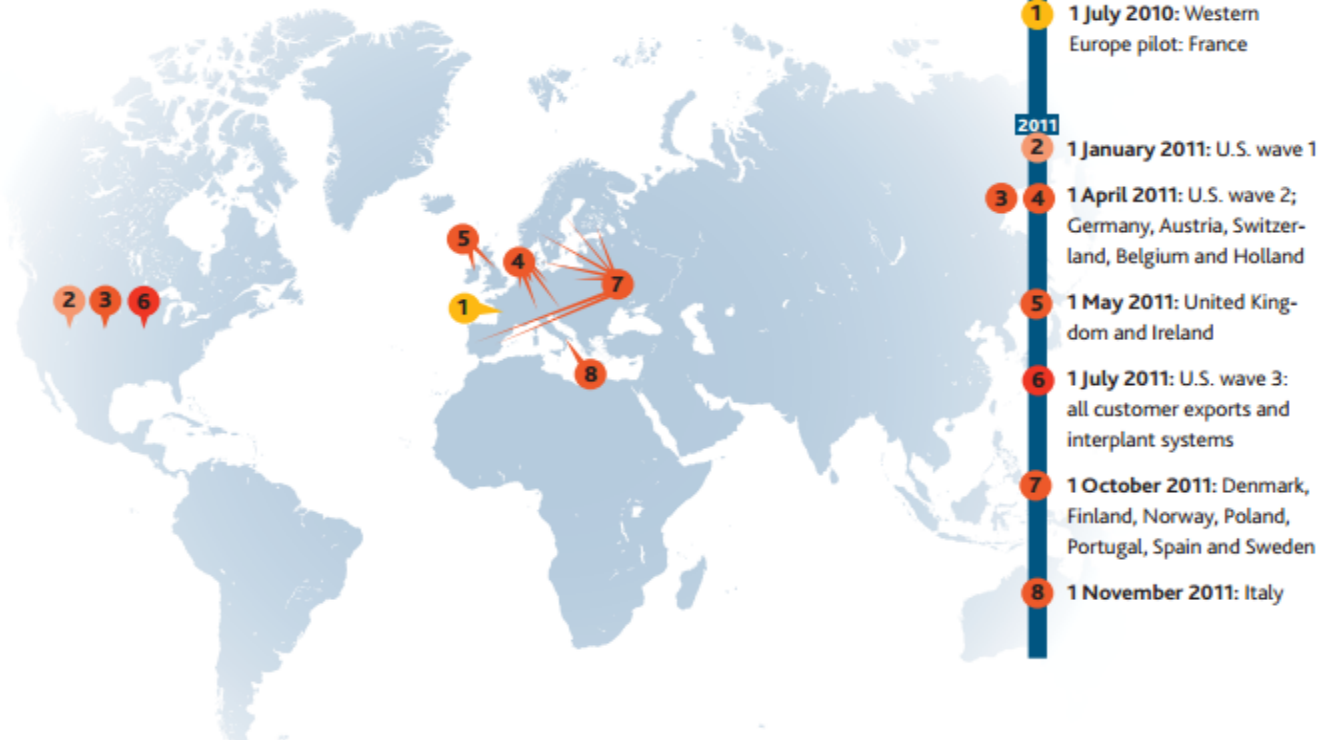


P&G: Ordering, Shipping , Billing Project (aka SCM Upgade)

The Timeline

Sight Unseen

The P&G team rolled out the transformation of the work process, organization and systems in waves for a given set of geographies (in Western Europe) or customers (in North America).



P&G: Ordering, Shipping , Billing Project (aka SCM Upgade)

Crucial: Risk Management

Approach:

- Studied 70 previous implementations in other companies (external benchmarking)
- Met with individual retailers who had already suffered through similar transformations with other vendors

Major risks:

1. Loss of business due to an inability to process orders in a timely way
2. Loss of credibility because of a lack of quality in the shipping process
3. Loss of sales as competitors took advantage of the transition

P&G: Ordering, Shipping , Billing Project (aka SCM Upgade)

How did they do it?

Project Overview



P&G: Ordering, Shipping , Billing Project (aka SCM Upgade)

How did they do it?

1. Governance & Flexible Worldwide Teaming

- Board with three of P&G's five regional presidents and all 14 business unit presidents
- Identified resource issues early & reallocated resources from other business areas
- Central Technical and PMO team in each region
- Mostly distributed work (50+ countries!)
- Collocation for big parts of the team required for critical weeks training, integration testing)
- Team motivation through networking events, leadership visits, milestone celebrations

P&G: Ordering, Shipping , Billing Project (aka SCM Upgade)

How did they do it?

2. Tight Scope Management

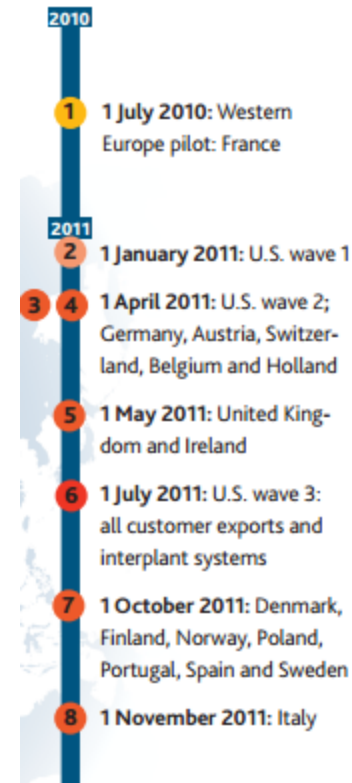
- Thorough usability & cost-benefit review of every new feature
- A set of global workshops to refine project scope
- Headed by business leader, SME, IT leader
- Brainstorming, mind mapping to identify gaps in scope
- Led to detailed planning, tracking, reporting of every given requirement

P&G: Ordering, Shipping , Billing Project (aka SCM Upgade)

How did they do it?

3. Test, Fix, Rollout

- Vigorous smoke testing on average daily system loads
- War-rooms for immediate communication of any rollout issues
- Three-phase rollout



Summary

PMI PoY Finalist 2012: P&G SCM Upgrade

- High-risk, high-volume IT Project
- Succeeded through
 - Benchmarking/ Lessons Learned
 - Distributed governance with local impact in 50+ countries
 - Risk management before project planning
 - Tight scope control & vigorous smoke testing
 - Phased rollout

Increasing emphasis on soft skills.

Questions?

Sonja Streuber, PMP® SSBB

shstreuber@verbalicon.com
info@pmreboot.com



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