Synchronizing Resources, Capacity and the Product Pipeline

How to balance project opportunities with time, capability, and budget for overall profitability
Strategy, methods, IT tools, and cultural challenges

Learn:

- How to create an optimal portfolio mix — Is the sum of the whole greater than the parts?

- Who should be accountable for what; how to resolve the conflicts among multiple reporting lines and multiple business units

- The pros and cons of leading software tools and web-based solutions; how to make sure you have the right data for timely decision-making

- How to prioritize, reduce waste, manage constraints, and make the pipeline flow faster

Featuring:

Keynotes:

Don Reinertsen
internationally recognized PD authority (co-author of the classic, *Developing Products in Half the Time)*

Michael McGrath
Managing Director of Pittiglio, Rabin, Todd and McGrath (PRTM) and originator of PACE®

Plus: **Dr. Allen Ward,** noted expert in lean product development and Toyota's processes ■ **Lisa Scheinkopf,** Chesapeake Consulting, respected TOC advisor ■ and advanced practitioners from **DELPHI AUTOMOTIVE, ETHICON, NOVOPHARM, NORTEL NETWORKS, TELLABS, BOEING, MOTOROLA, SJE/RHOMBUS**; and more.

Presented by

The MANAGEMENT ROUNDTABLE

Synchronizing Resources, Capacity and the Product Pipeline

February 21 – 23, 2001
New Orleans

Why This Conference Is Important to You

The purpose of this conference is straightforward: to clear the swamp of projects and tasks that can literally choke the organization. Pipeline overload is rampant and resources are scarce, yet companies fear over-capacity and excess risk. As a result, the number of profitable new products that make it out the door is often far less than it could be.

So, how do you decide what to focus on? How do you weed out the losers and fully support the winners—and how do you do this across multiple projects?

Management Roundtable's 2-day conference "**Synchronizing Resources, Capacity and the Product Pipeline**" is the culmination of numerous requests from customers to bring together the top experts in resource management and product development to answer these questions.

The conference will examine the economics, enabling technologies and implementation realities of resource management. It will look at how disciplines such as Theory of Constraints, Lean, PACE® and others are being used—both on their own and in conjunction with other approaches—to boost throughput and stop non-value-added activities. It will provide participants with a unique opportunity to learn what works and what doesn't, in a variety of different industries and cultures, and to come away with new clarity and immediate action steps.

Agenda at a Glance

Wednesday, February 21, 2001
Pre-Conference Workshops

7:00–8:00	Conference Registration and Continental Breakfast
8:00–12:00	Ⓐ **Project Resource Management: New Tools, New Processes**, Big Results, Steve Kludt, PRTM
	Ⓒ **Extreme Profitability in the Information Age–Pt 1**, Anthony R. Rizzo, Product Development Institute, Inc.
12:00–1:00	Lunch
1:00–5:00	Ⓑ **Building the Virtual Resource Pipeline**, Wayne Mackey and Scott S. Elliott, Product Development Consulting, Inc.
	Ⓒ **Extreme Profitability in the Information Age–Pt 2**, Anthony R. Rizzo, Product Development Institute, Inc.
5:00–6:30	Icebreaker Reception

Thursday, February 22, 2001
GETTING THE PIPELINE TO FLOW FASTER: REDUCING WASTE, MANAGING CONSTRAINTS

7:00–7:45	Registration and Continental Breakfast
7:45–8:00	Welcome, Management Roundtable
8:00–9:15	**KEYNOTE: Managing Resources as if Profit Matters**, Don Reinertsen, Reinertsen & Associates
9:15–11:30	**TOC SEGMENT** – Chair: Lisa J. Sheinkopf, Chesapeake Consulting, Inc.
	Synchronous R&D at Novopharm, Real Duteau, Novopharm
	Implementing Constraints Management— How to Get Started, Melissa Lage, SJE/Rhombus
11:30–1:00	Lunch (Breakout Sessions)
1:00–2:30	**LEAN SEGMENT** – Chair: Allen Ward, Ward Synthesis
	Stabilizing Operations for High Effectiveness, Allen Ward, Ward Synthesis
	Resource Management in a Lean Product Development Environment, James E. Luckman, Delphi Automotive
3:00–5:15	**STRATEGY SEGMENT** – Chair: TBA
	A Systems Approach to Momentum Management, Jeffrey Lind, Boeing
	Matching Resource Allocations to Strategic Priorities in a Dynamic Environment, Bill Branan, Motorola, Inc.
	Using Intranet-Based Product and Pipeline Resource Management Tool to Drive Strategic Decision Making, Ken Goncharoff, Tellabs
5:30–7:00	Reception

Friday, February 23, 2001
GETTING THE RIGHT INFORMATION, MAKING THE RIGHT MOVES

7:00–8:00	Registration and Continental Breakfast
8:00–9:15	**KEYNOTE: Making Resource Management Work**, Michael McGrath, Managing Director, PRTM
9:15–11:30	**IMPLEMENTATION SEGMENT** – Chair: Mark Deck, PRTM
	Achieving Functional Resource Leadership in a Cross-Functional World, Kalli LeFevre, Nortel Networks
	Resource Allocation to Achieve Maximum Strategic Value, Shirley Blanch, Ethicon, Inc.
11:30–12:00	Wrap-up

By participating in this substantive program, you will learn:

■ How to make profitable resource management decisions—how to go from "one-shot rationalizations" to ongoing optimization.

■ Who should be accountable for what; senior management's role and the role of functional management in project-based environments.

■ How to match your resource management approach to your organization's unique culture and strategy as well as to marketplace volatility, rate of technology change and so on—why no single approach is right for every situation.

■ How to balance resource capacity with demand; when (and how) to shift resources to new initiatives.

■ How to load the pipeline (funnel-shaped, tunnel-shaped or otherwise), when to kill or continue projects, and how to see the bigger portfolio picture.

■ What factors you must consider before deploying resources—short-term vs. long-term impact, high or low risk, technology capability, etc.—to avoid later delays, missteps, and burnt-out staff.

■ What to do when you don't "own" all your resources; how to plan for gaps and shortfalls.

■ What to do if your staff is split between 5 projects and you need to negotiate with 4 other managers.

■ Whether and how to apply Theory of Constraints' 5 Focusing Steps to create speed, sustainable throughput, and profit – can you roll out TOC in stages or is it all-or-nothing?

■ How Lean Resource Management and value stream mapping can help you gain 60 percent more from your critical resources than conventional resource management—and what else must be in place to achieve lasting results.

■ How to make project selection and resource allocation decisions spanning across multiple business units and continents. What trade-off decisions are necessary? How are priorities set and communicated?

■ The pros and cons of various leading-edge software tools and homegrown intranet-based solutions. More importantly, what data should be captured and conveyed? How do you get the right information to people soon enough to make better decisions?

This conference is highly recommended for **VPs, Directors and Managers of Product Development, Engineering, R&D and Technology Development**. Program managers, project leaders, team leaders and anyone with responsibility for portfolio management, cross-functional development and/or business process improvement. The conference also provides an excellent setting to align priorities across functions and business units (group rates are offered; see page 8).

8:00 – 12:00

Ⓐ Project Resource Management: New Tools, New Processes, Big Results

Steve Kludt, Director, Pittiglio Rabin Todd & McGrath (PRTM)

For years, those who manage new product development have faced the challenge of too many projects chasing too few resources. The impact is insidious. What looks like more turns out to be less. Talented team members get burned out. Throughput suffers. Schedule slip runs out of control. The solution isn't simple. It takes a combination of leadership, organization, processes, and information. This workshop will focus on practical solutions (not theory) for managing pipeline resources effectively. It will help participants to:

- Understand why the problem is so important to solve and what results to expect from solving it
- Learn the components of an effective solution
- Leadership and decision making
- Resource management organization
- Transactional resourcing process
- Determining the type of information to capture in a project information system
- Discuss real case examples with hands on exercises
- Appreciate the challenges of implementation and managing the change involved

12:00 – 1:00   Lunch

1:00 – 5:00

Ⓑ Building the Virtual Resource Pipeline: Extending Your High-Tech Resources Beyond Company and Geographic Boundaries

Wayne Mackey, Principal, and **Dr. Scott S. Elliott,** Principal, Product Development Consulting, Inc.

For many companies, resource planning still means trying to fulfill requirements for development and manufacturing with internal capacity. However, many successful companies in the Internet Age are thinking beyond traditional boundaries and finding competitive advantage by establishing a Virtual Resource Pipeline—using the best available resources around the world to satisfy demand and maximize customer value. In this interactive work session, participants will learn:

- Methods to identify the portfolio of worldwide resources available for high tech industries
- Techniques to put together win-win partnerships spanning the virtual enterprise using effective contracts, risk-reward sharing and career enhancement opportunities
- How to lead a virtual, remote alliance of designers and other R&D resources using the Internet and modern telecommunications
- How to turn geographic diversity into a competitive advantage
- Turn the "time zone paradox" into a 24 x 7 opportunity
- Mitigate cultural and language differences
- Mine local content "gems" for your global products
- How to keep score with metrics and lead a secure extended enterprise
- How to avoid the potential pitfalls of virtual resources using best practice examples from leading pioneers in the field

Case studies and examples will be taken from high-tech industries, but participants from all industries are welcome.

8:00 – 5:00

Ⓒ Extreme Profitability in the Information Age: Create and Manage a High-Speed Product Development System with Dr. E.M. Goldratt's Theory of Constraints

Anthony R. Rizzo, Product Development Institute, Inc

Dr. Russel L. Ackoff writes the following about systems. "Imagine that you are able to collect in your garage the best automobile engine ever built, the most sophisticated transmission, the best engineered fuel injection system and suspension system, the sleekest automobile body ever designed by Ferrari, and the most successful example of every automobile part ever produced anywhere in the world. When you complete your collection, will you have a car? No! When you complete your collection, you will have nothing more than an aggregation of car parts. A car is a system, and a system is not defined by its parts but by the interactions between its parts."

A product development organization, too, should be a system. But most organizations that exist today do not perform as effective systems. Rather, they perform as aggregations of functions, mere collections of organizational parts, which interact poorly if at all.

With the Theory of Constraints, your new-product introduction organization can become one of the most effective, most profitable for-profit systems in the world. During this workshop you will learn about:

- Goldratt's Theory of Constraints
- The Boyd Cycle & Maneuver Warfare, as applied to new product introduction
- The Product Development Information Cycle
- The Critical Chain method
- Buffer management
- The difference between Type-A organizations and Type-B organizations
- The components missing from your system today

With PDI's simulator you will learn what is required to make the change to TOC, safely, effectively, and permanently. You'll discover how to:

- Create an immediate burst of speed
- Select the *right* cutover project
- Create effective schedules
- Use the planning buffer, to keep your system running efficiently
- Use the placeholder method, to accommodate urgent customer needs
- Really improve your system's financial performance, while maintaining costs well under control
- Apply TOC's Five Focusing Steps to your entire enterprise, and prepare for success

Information Cycle of a Product Development System
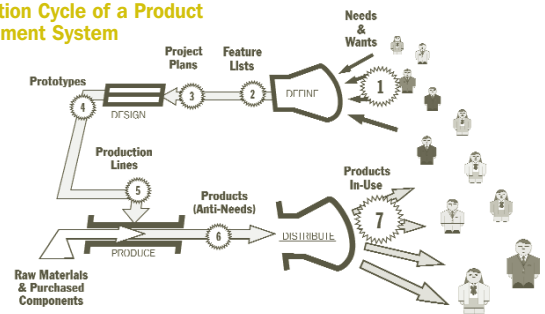
© Copyright 2000, The Product Development Institute, Inc.

5:00 – 7:00   Icebreaker Reception for All Workshop Participants

Keynote Address
Managing Resources as if Profit Matters

Don Reinertsen, co-author of *Developing Products in Half the Time,* author of *Managing the Design Factory, and President, Reinertsen and Associates*

Nowhere do product development managers search more desperately for "silver bullets" than in the area of managing resources. And well they should, for poor management of resources alone can completely erase the benefits of brilliant management of EVERY other aspect of product development. Unfortunately, new methods are frequently sold as universally applicable 'best practices'. What will actually determine whether you derive economic benefit from a new method is the missing link between the new philosophy and your economics. Don Reinertsen will discuss how to ground your adoption of these new ideas on underlying economics. He will test some of the economic issues behind major philosophies. Should all constraints be eliminated? Is waste always bad? Should you try to filter out all bad projects? Will conformance to specification ensure economic success?

Making the Pipeline Flow Faster: Reducing Waste, Managing Constraints

TOC Segment
Chair: **Lisa Scheinkopf,** Chesapeake Consulting, Inc.

Synchronous R&D at Novopharm

Real Duteau, Senior VP of R&D, Novopharm Limited

Hear why Novopharm (which last year became a wholly owned subsidiary of Teva Pharmaceutical Industries Ltd.) decided to make a fundamental shift in managing the flow of work and garnered a much greater return on R&D investment dollars. Implementation strategies, lessons learned and results of adopting the Synchronous approach to project and resource management will be examined.

Implementing Constraints Management — How to Get Started

Melissa Lage, VP Business Systems, SJE/Rhombus

Faced with too many projects, too much multi-tasking and too many design changes, SJE/Rhombus decided to apply theory of constraints (TOC). As a small company, project prioritization and resource constraints identification were especially critical. This presentation will cover the nuts-and-bolts: defining the problems, focusing the team to act like a roadrunner, getting buy-in, and building a process for continuous improvement.

Strategy Segment

A Systems Approach to Momentum Management
Jeffrey Lind, Principal Engineer, Boeing Airplane Systems

Matching Resource Allocations to Strategic Priorities in a Dynamic Environment
Bill Branan, Director, Regional Portfolio Strategy, Motorola, Inc.

This talk will provide organizational and situational context and examples of tools and processes used to keep the customer first. These include intranet-based global resource allocation and planning, product roadmap processes, use of stage gates, and change management methods.

Lean Segment
Chair: **Allen Ward,** Ward Synthesis

Stabilizing Operations for High Effectiveness

Allen Ward, President, Ward Synthesis

Conventional resource management accepts chaotic variation as a given, and tries to deal with it by detailed, centralized planning. Unfortunately, the plans can rarely be followed. Indeed, the plans themselves become a source of variation. Thus, the next step is expediting and adjusting Lean Resource Management using the value stream mapping technique to establish regular patterns of events. Resource management is then handled via decentralized negotiations—yielding significant results: in product development, conventional resource management wastes at least 80% of the most critical resources whereas lean development wastes less than 20%.

Resource Management in a Lean Product Development Environment

James E. Luckman, Chief Engineer, Fuel Control Products and Site Manager, Delphi Automotive

The common misconception in business today is that there are not enough resources to accomplish all the jobs we have. Once you recognize that over 80% of what you are asking your people to do is waste, you can begin to address ways of doubling the throughput of your projects without adding resources. Technical Center Rochester of Delphi Automotive has been transforming to a lean engineering site for 3-1/2 years. Hear how resource management takes on a different meaning in a lean environment where boundaries are blurred, cross-functional alignment around projects exists, and fast cycle solutions are expected.

- Understand the elements of a lean product development environment.
- Learn how to align people around value added work.
- Learn how to manage projects to maximize the use of critical resources

Networking Reception

Keynote Address
Making Resource Management Work: What It Takes to Achieve Real Results

Michael McGrath, Managing Director, Pittiglio Rabin Todd & McGrath (PRTM)

A well-recognized expert in the area of product development performance improvement, Michael McGrath has a great deal of insight into managing resources across projects for maximum throughput and strategic value. Michael's keynote address will focus on the implementation side of project resource management. Going beyond theory, he will draw on several hard hitting case examples to describe what companies need to do to achieve the results they seek. Who should be accountable for resource management? What is the leadership role of senior management? What does it take to get the information needed to make good resource management decisions? How can companies go from one-shot rationalizations to ongoing optimization? Michael will also provide his perspective on what leading companies are doing and how resource management will change in the future.
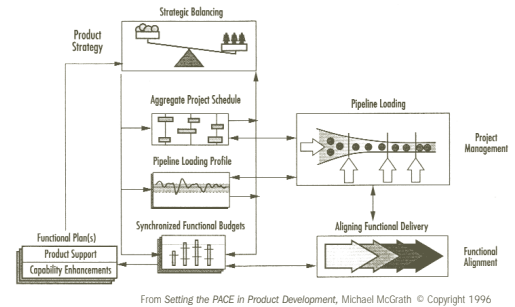
From *Setting the PACE in Product Development*, Michael McGrath © Copyright 1996

Getting the Right Information, Making the Right Moves

Implementation Segment

Chair: **Mark Deck,** Director, Pittiglio Rabin McGrath & Rabin (PRTM)

Achieving Functional Resource Leadership in a Cross-Functional World

Kalli LeFevre, VP Core Networks, Carrier Data Networks R&D, Nortel Networks

Over the last two years, Nortel has undergone a transformation in the way innovative customer valued solutions are brought from opportunity to market. The Time to Market (TTM) business model focuses on small, startup-like business teams that integrate functional expertise with a project to market focus. This has created enormous change for functional management, especially in R&D, which traditionally drove projects. This presentation will focus on how that change was made. Key topics will include the new role of R&D functional management in a project focused environment, managing resource assignments and resource requirements for a complex portfolio of projects, balancing resource capacity and demand, and building functional excellence.

Resource Allocation to Achieve Maximum Strategic Value

Shirley Blanch, Executive Consultant & Change Specialist, Technology & Portfolio Planning, Ethicon, Inc.

Portfolio management is all about creating and maintaining a project portfolio that provides maximum strategic value. Accomplishing this requires achieving the right balance between strategic business objectives, potential project opportunities and resource capacity/ capability constraints. This session will introduce the methodologies used at Ethicon, a franchise of the Johnson & Johnson Company, to make project selection and resource allocation decisions across a portfolio that spans four global business units. It will address aggregate resource allocations across business units, prioritization of projects within business units and determination of an optimal portfolio mix that is in alignment with strategic objects and resource availability. Making sound resource trade-off decisions in light of ongoing changes to the business environment will also be addressed.

Strategy Segment (Thursday — continued from page 5)

Using an Intranet-Based Product Pipeline & Resource Management Tool to Drive Strategic Decision Making

Kenneth Goncharoff, Senior Program Manager, Tellabs Operations, Inc.

Committed to improving time-to-market while maintaining quality levels, Tellabs Operations, Inc., launched a corporate-wide pipeline management initiative in the Spring of 1999. Challenges to the initiative included no common definition for resource management, poor visibility of resource capacity and allocation across divisions, and an entrepreneurial culture. Today, product pipelines are a common attribute across all Tellabs divisions and resource management is synonymous with project management. Learn how the development and integration of an Intranet-based product pipeline and resource management tool has positively influenced strategic decision making at Tellabs.

- Learn how an intranet-based tool can accurately depict a global organization's resource and Time-To-Market (TTM) data
- Understand what type of decisions can be made with resource and TTM data
- Learn how to analyze data to optimize strategic decision-making

Implementing Synchronous Project Management (And Any Other Change Initiative)

Lisa J. Scheinkopf, Principal, Chesapeake Consulting, Inc.

Research shows that at least 75% of all major change initiatives fail. Changing the practices and paradigms by which your organization plans, executes, and controls its projects can certainly be classified as a major change initiative.

- Identify the key changes made to project planning, execution, and control that accompany Synchronous Project Management (TOC based project management) implementation
- Understand the 8 reasons that 75% of change initiatives fail
- Learn what your implementation must contain in order to overcome those 8 reasons

Testimonials

"This seminar will increase throughput by far"

– Peter Schaller, Edwards Manufacturing

"The conference gave new insight toward process improvement—time to market improvements…"

– Dick Parrish, Boeing

"This was by far the most content-rich conference I've attended. I am very pleased with all that I've learned and can take home with me."

– Pamela Greca, Confluence Technologies

"Great conference. A wonderful opportunity to share ideas with other companies struggling through the same issues we are."

– David Roggenkamp, Ford Motor Co.

"In a crowded over-conferenced world, Management Roundtable provides an effective platform for learning the latest product, service and business management innovations from leading experts. MRT makes the decision on what conferences to attend simple."

– John Waraniak, Director, Magna International

Top Ten Reasons to Attend

This highly focused program will benefit anyone who wants to:

1. Achieve greater ROI on R&D dollars
2. Reduce bottlenecks, delays, and waste
3. Improve project selection and portfolio management
4. Avoid staff burnout; boost morale
5. Anticipate when to shift resources and how to plan for shortfalls
6. Create a virtual resource pipeline
7. Plan for new technologies and rapid market changes
8. Evaluate methods and IT systems to manage the product development process
9. Know what information to collect for sound decision-making
10. Resolve conflicts among competing priorities, across multiple projects

About the Management Roundtable

The Management Roundtable is the leading knowledge and networking resource for product developers. Practitioner-oriented and unbiased, our focus is on providing useful information about new techniques, processes, trends, tools, and technologies that enable faster time to market, increased profitability, and overall competitive advantage.

Founded in 1980, Management Roundtable publishes the PEER-award-winning *Product Development Best Practices Report*, offers an online database of PD Best Practices, hosts a variety of specialized conferences and workshops, and conducts customized research, onsite training and expert referrals.

Registration Form

Synchronizing Resources, Capacity and the Product Pipeline

February 21 – 23, 2001
New Orleans

PROGRAM INFORMATION

Dates

The conference will begin at 7 am (with registration and continental breakfast) on Thursday, February 22, 2001, and will adjourn at 12 noon on Friday, February 23, 2001. Optional pre-conference workshops are offered on Wednesday, February 21, 2001.

Location & Hotel Accommodations

The conference will be held at the Fairmont Hotel, 123 Baronne Street, New Orleans. Call the hotel directly at 1-800-527-4727 for room reservations. Please mention Management Roundtable to receive a special rate (we have a block of rooms on a space-available basis through January 30, 2001). *Note: This is the week before Mardi Gras, so you can enjoy the festive city without the crowds; still, we do recommend booking your hotel and travel early.*

Program Fee

$1595 per person. Alumni of previous Management Roundtable events may deduct $100 per person.

Team Discount: Groups of 3 or more may deduct $100 per person. Groups of 6 or more please call for special pricing. Fee includes program materials, luncheons, 2 receptions, continental breakfasts, and refreshment breaks.

Pre-conference Workshops

The fee for each **half-day** pre-conference workshop is $395 with the conference ($595 alone) and includes breakfast, lunch, reception and all materials. The fee for the **full-day** workshop or **2 half-day** workshops is $790 with the conference (or $995 alone).

No-Risk Guarantee

Your satisfaction is 100% guaranteed—money-back or credit.

FOUR WAYS TO REGISTER:

Call: **1-800-338-2223** or **1-781-891-8080**
weekdays, 9:00am–5:30pm EST

Fax to: **1-781-398-1889**

Internet: **info@roundtable.com** or
www.ManagementRoundtable.com

Mail to: **Management Roundtable**
92 Crescent Street
Waltham MA 02453

Please accept the following registration(s): *(please use photocopies for additional people)*

☐ Conference (2/22 – 2/23)

☐ Workshops (2/21):
   ☐ **Ⓐ** (am)   ☐ **Ⓑ** (pm)   ☐ **Ⓐ** + **Ⓑ**
   ☐ **Ⓒ** (full day)

Name: Mr./ Ms _____

Title: _____

Company: _____

Address: _____

City/State/Zip: _____

Phone: _____

Fax: _____

Email: _____

☐ I can not attend, please send me ___ conference handbooks with case studies, data, all handouts and more at $398/each (to be shipped within 3 weeks after the event).

☐ Please send me information about sponsorship opportunities.

PAYMENT INFORMATION

Total Amount $_____.

☐ Check enclosed, payable in US funds to *Management Roundtable, Inc.*

☐ Please bill my credit card:
   ☐ Visa   ☐ Mastercard   ☐ AMEX   ☐ Diner's Club

Account #_____ Exp. Date: _____

Signature_____

☐ Please bill my company, PO# _____

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