

TRADITIONAL TO SERVICE-BASED PROGRAMMES: KEY PROJECT MANAGEMENT ASPECTS

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Introduction

- Research Context
- Research Methodology
- Literature Review
- Research Findings
- Conclusions

Research Context

- Traditional aerospace business (Product-based)
- Supply side needed to change in business focus
- Introduction of Total Care or Through-life Management concept
- Transforming from product-based to service oriented enterprise is a major managerial challenge
- Importance of human skills realized beyond the technical aspects to manage this new way of working

The emergence of new business model

Industry issues
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- Long term relationship with customer
- Best Value for Product
- Best value for customer business needs
- Meet or exceed growing aftermarket demand

...drive customer needs...

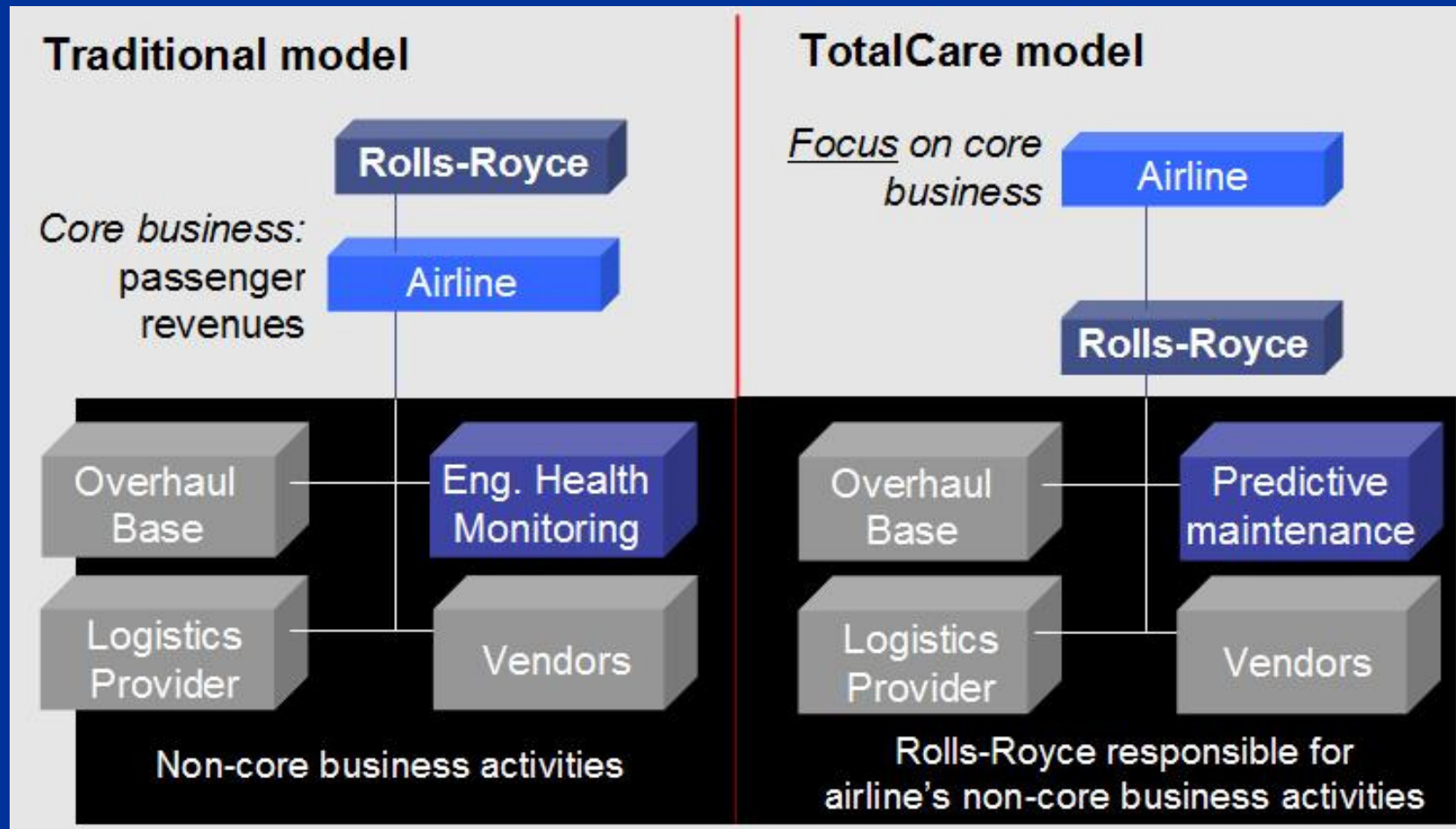
- Downsizing-ongoing cost reductions
- Predictability of cost base
- Maximize asset utilization
- Risk transfer
- Payment flexibility
- Focus on core business

... leading to new business models

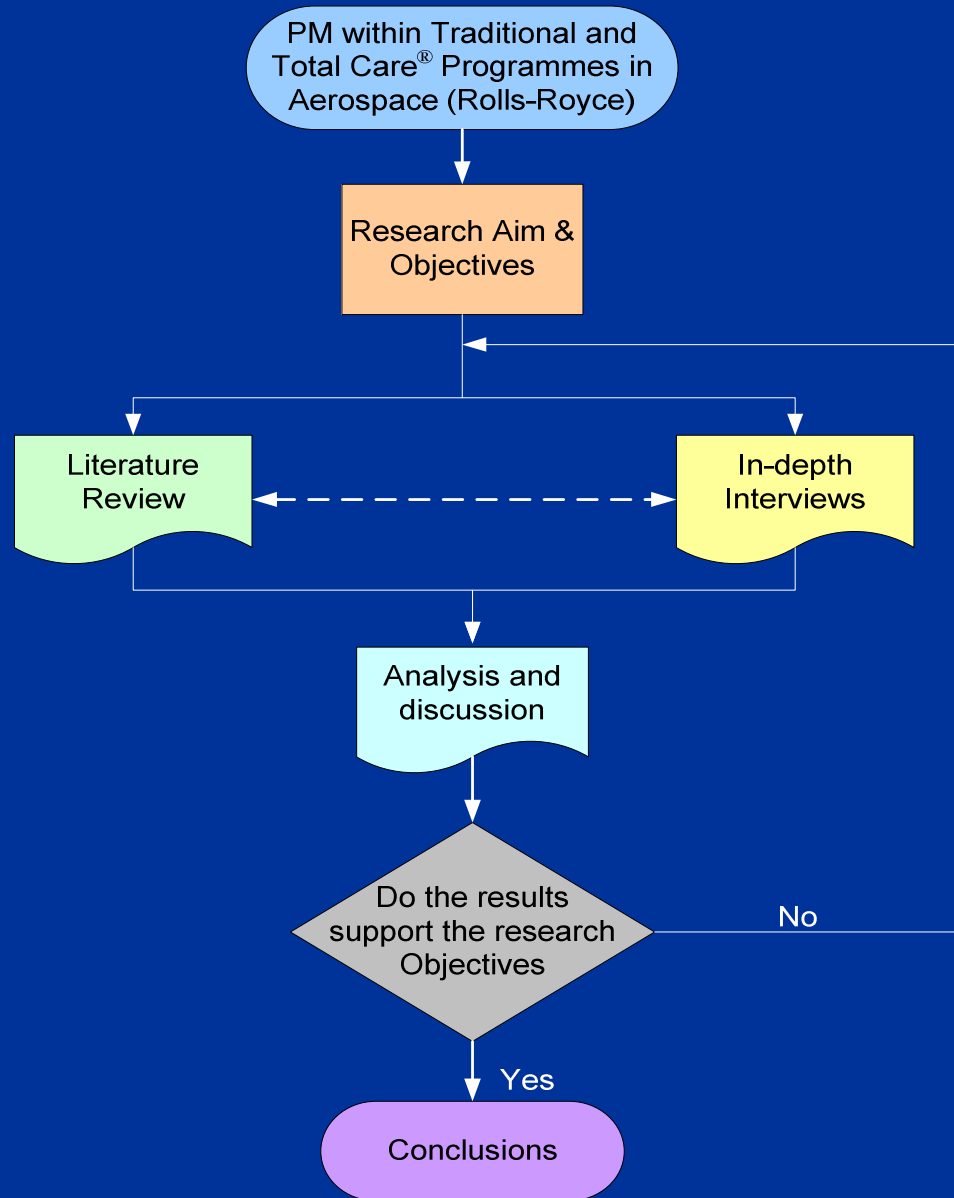
Suppliers must provide Added Value

(Source: Cook, 2004)

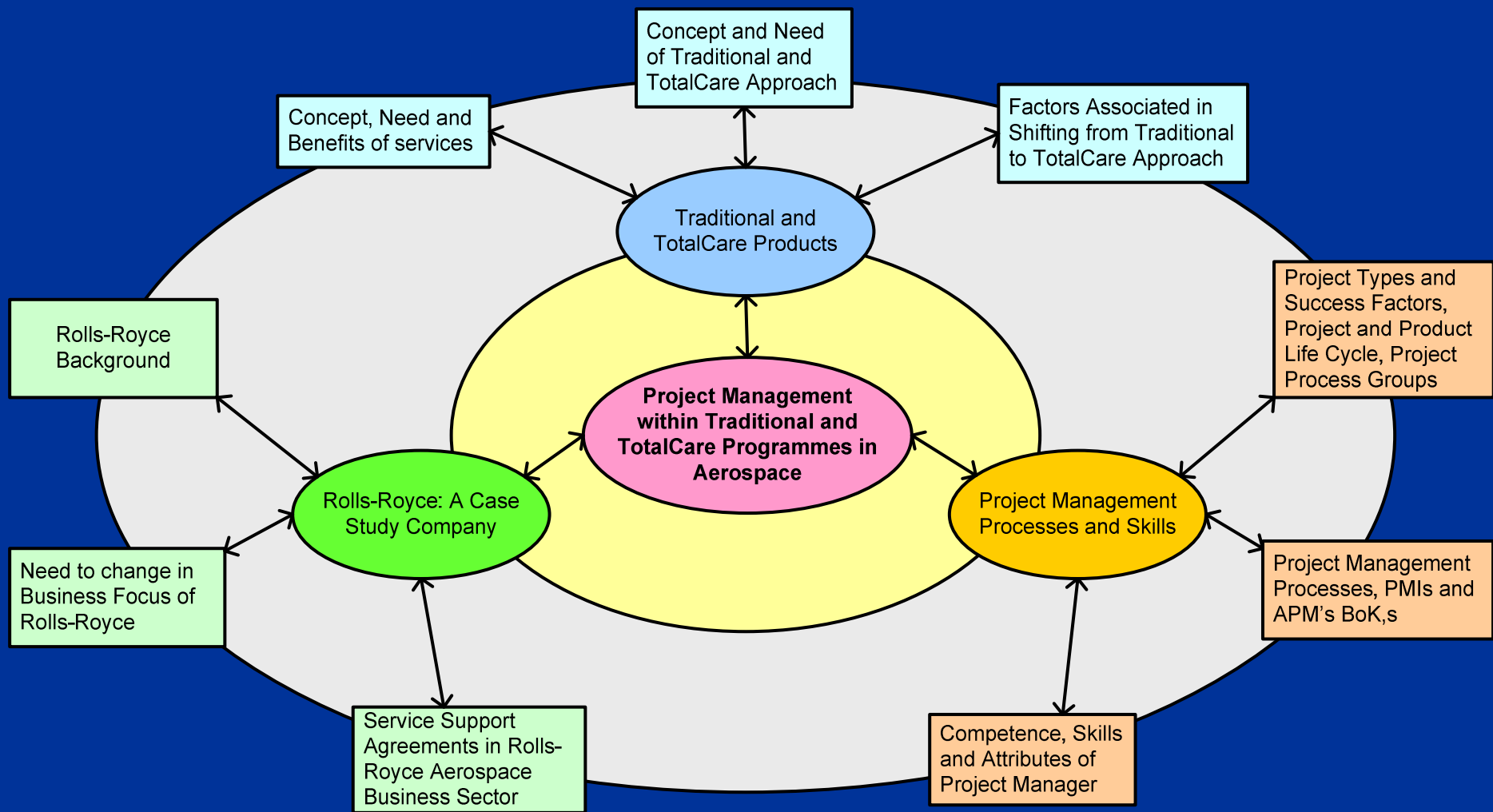
Traditional and TotalCare model



Research Methodology



Literature Review



Research Findings

Key PM Aspects for Transition from TM programme and TotalCare Programme

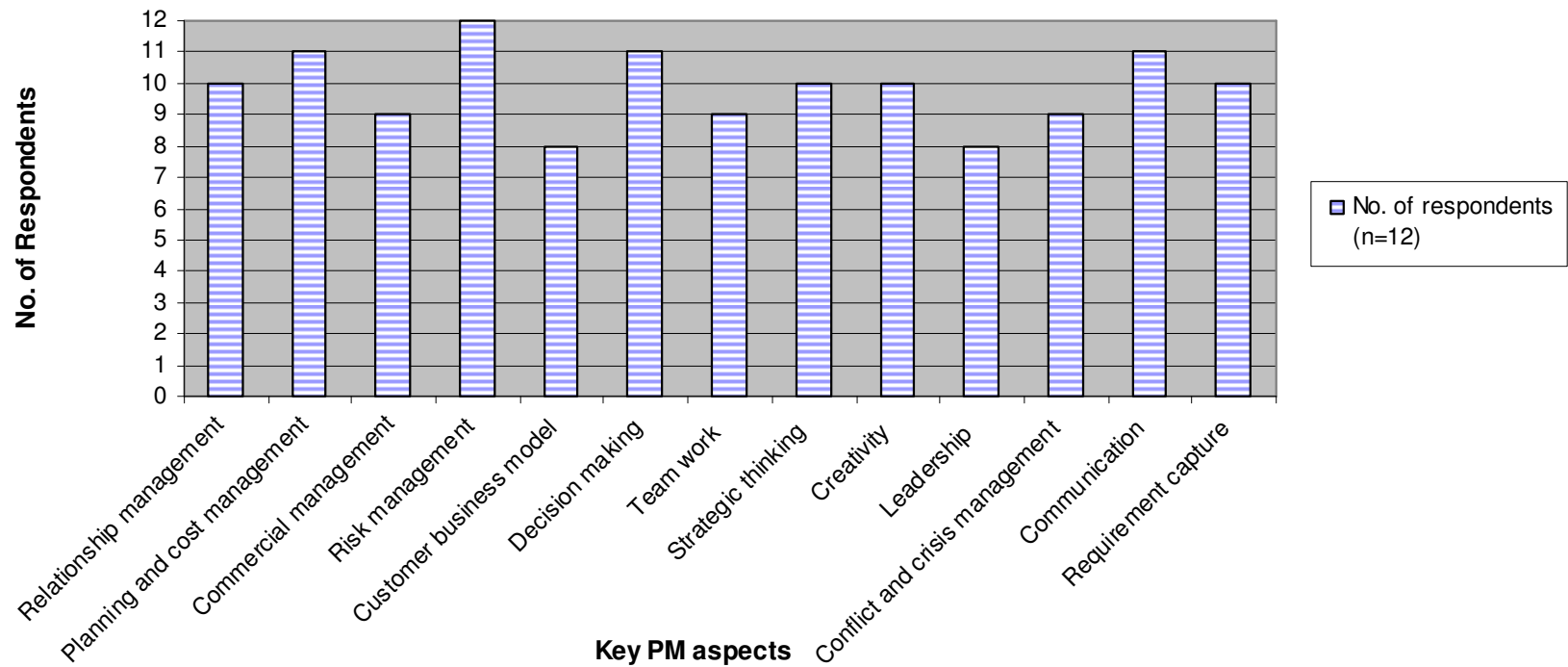


Figure: Key PM aspects for transition from Traditional to TotalCare (Service-based) programmes

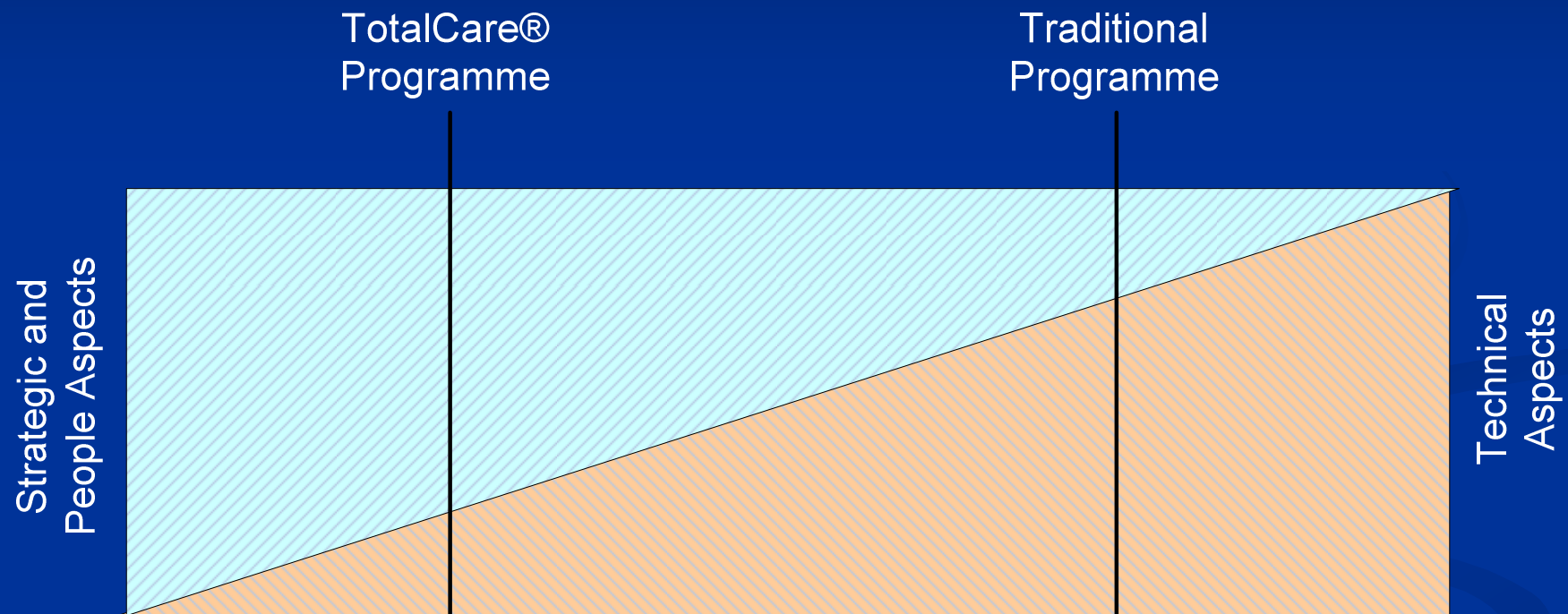
Key PM aspects for transition from Traditional to TotalCare programmes:

- More awareness of business planning, financial and accounting management skills,
- Ability to see and look forward through the fog,
- Clear and deep understanding of the business case
- More emphasis on soft skills,
- Ability to avoid conflict and crisis then to resolve,
- Ability to manage deep relationships,
- Capability to appreciate customer business challenges and operational pressures,
- Be able to communicate and work internally and externally,
- More capability in marketing and sales,
- Able to monitor business performance,
- Be creative, result oriented, drive and determination
- More intensive risk management,

Key PM aspects for transition from Traditional to TotalCare programmes:

- More intensive stakeholder management
- Ability to take replace versus repair decisions,
- Stronger emphasis on commercial contractual relationship,
- Deep and broad understanding of product knowledge,
- Ability to lead and fit in the programme management team,
- Ability to understand customer operations and organisation,
- Be able to extract the right information and requirement from the customer,
- More capability to manage resources,
- Ability to understand cultural change,
- Ability to be customer focus and to recognise issues,
- Ability to get best value for the customer and the business.

Relationship b/w Strategic, People and Technical Aspects in Relation to Type of Programmes



Conclusions

- Key PM processes and PM skills (human skills) have some sort of application in both Traditional and Service-based programmes.
- Application, usefulness and the emphasis these PM processes and skills need to be applied is quite different.
- Traditional programmes are more oriented towards the technical side.
- Service-based programmes are more customer focused, requiring greater emphasis on strategic and human skills.
- Enhanced knowledge of key PM processes and skills is required in service-based programmes as compared to Traditional programmes.
- Learning from experience is considered to be the most useful way of filling in knowledge and skills gaps.

Thank You

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