

## Smoothly Transitioning Projects to Operations

Dean Baker, PMP®, Principal, Fulcrum Edge, Inc.

### Transition Instead of Hand-off

Projects are defined to be an activity with a specified beginning and end, while production and manufacturing are recognized as ongoing activities. Both the business community and academia treat them separate from an organizational and educational perspective. Projects, whether internal or turnkey from an outside source, reach a point where they are closed out and handed over to the customer. When dealing with projects involving the purchase or modification of software or manufacturing equipment, this handoff should not be viewed as a point in time, but as a transition from installation to full production.

### Improving Synergy in Operations

Linking the software or equipment manufacturer installation team with the operations site team can create great synergy. [From here on out, we will use the term *manufacturer* interchangeably for software developers and machine equipment manufacturers to avoid complex sentence structure. By the same token, we will use the terms *production* or *production site leaders*, or *operations* and *operations site leaders* to indicate relevance to a production site, whether it manufactures goods using machinery or utilizes software to provide services.] The manufacturer and production site leaders must be aware of the benefits each can derive from such a linkage. The supplier gains valuable information and assistance related to site issues and resources from production team representatives involved in installation. The operations personnel know local procedures about issues such as site access, and health and safety requirements which can be invaluable in reducing lost time for the installation team. This higher level of cooperation helps when installation requirements impact current production operations. It also facilitates resolution of unexpected installation problems when everyone's collective knowledge and resources are required. In many cases local construction or specialty trades are contracted to perform the installation or supporting services. In such situations the production personnel can fill a knowledge gap about operations equipment that may be lacking in the outside trades. This all translates into a more efficient cost effective installation. Involving operations personnel early in the process helps to build ownership in the equipment. This ownership causes the operations personnel to actively seek knowledge on the equipment, improve their skills in operating the equipment, and be more committed to proper maintenance or service. As a result, the equipment startup and buyoff process will be more efficient and acceptance will be higher, which minimizes the demand for equipment supplier resources and achieves the buyoff in the shortest time possible. Improving success in these areas is significant since the installation, startup, and buyoff can make the difference between a highly successful project and a big financial loss for the equipment supplier. Overall the project and operation linkage drives a higher level of customer satisfaction, potential for repeat business, and fewer warranty problems.

### Benefits for Production

The project-to-operations linkage has similar benefits for the production site as well. Lack of understanding the significance of these benefits and a reluctance to invest resources today for future success by the site operations leader are the major obstacles to establishing a

cooperative project-to-operations linkage. The project-to-operations linkage can have even greater significant for the manufacturing site since the results can be long lasting for the ongoing manufacturing operation. Getting involved with the installation at the outset can ensure that the installation team has made proper allowances to avoid disruptions to current operations and conforms to the site's procedures and standards. Often times the customer is supplying the installation manpower either from internal resources or outside contractors, so an efficient installation goes immediately to the operation's bottom line. Even if the supplier is funding the install, faster completion aids the operating site since it will begin generating the improvements expected by the project. The startup and buyoff activities generally require more support from the manufacturing source, thus improved efficiency here saves site cost and delivers the equipment sooner as well. Achievement of full production usually occurs sometime after the equipment buyoff since it represents the performance of the entire manufacturing enterprise. Maintaining the project-to-operations linkage during the ramp up ensures the site can secure the help it needs to reach its goals.

### **Early Integration Leads to Success**

The biggest challenge for any site with a large equipment project is integrating the completed project into the operation as quickly and smoothly as possible. The critical factor to success is the workforce. The manufacturing team needs the necessary support environment, proper training, and desire to succeed. The project-to-operations linkage is an enabler to acquiring these elements. Early involvement in the installation will enable the operations team to define the special equipment, tools, and skills they require. Early involvement will provide training for some of the team representatives and help define a more structured training program for the entire team. As the team gains ownership through their involvement, they will become more committed and confident in the equipment, increasing their desire to succeed.

Most production operations are trying to either implement a team process or improve on the one they have to increase the effectiveness of their operations. If the project is well disciplined, follows a structured process like that defined by the Project Management Institute, and uses team concepts in its execution of the project, it can provide an excellent model from which to initiate or upgrade the operations team process. The norms of effective project and operational teams are the same. Project teams focus heavily on activity planning to meet project deadlines while operations teams plan to meet production schedules, service and maintenance requirements, and process improvements. Both teams need good workplace organization and visual controls. The project needs an effective change control process and operations must have a structured continuous improvement process. Both teams set their goals in the areas of safety, quality, productivity, and customer satisfaction. Team members working in the right project environment will see many opportunities to transfer what they learn and experience to their production teams.

### **Commitment Ensures Success**

The project-to-operations linkage can be initiated by the equipment supplier or the operations site, but it requires the commitment of both parties to succeed. In the beginning it is led by the supplier and heavily manned by installation personnel with small support from the site. Over time the amount of resources and leadership shifts till in the end the operations site is leading

the process as part of its continuous improvement process and the supplier is providing support on request. Whether you are the supplier or the manufacturing site team the project-to-operations linkage is an opportunity for improved synergy, speed, and success during software or hardware installation.

---

Dean Baker has an extensive background in project management and team building, and is highly skilled at organizing multi-company, multi-divisional, and multi-departmental projects to improve a company's productivity and speed of implementation. He is a Principal in Fulcrum Edge, Inc. a business advisory firm serving leaders in business. Dean has a Bachelor of Science degree in Electrical Engineering from General Motors Institute (Kettering University) and a Master's degree in Electric Engineering from the University of Michigan, and is a certified Project Management Professional®. He is also the author of *Multi-Company Project Management: Maximizing Business Results through Strategic Collaboration*.