



Lonza

Prosymmetry Case Study

Tempus Resource Creates a Single Source of Truth for Lonza



Lonza is a leading global provider of integrated healthcare solutions. With more than \$5.5 billion in sales, the company focuses on enabling treatments that prevent illness, support healthier lifestyles, and create a healthy environment. By optimizing scientific innovation and manufacturing technology, Lonza enables their customers to serve their patients and consumers better.

The company is comprised of two segments: Lonza Pharma, Biotech & Nutrition and Lonza Specialty Ingredients. The two segments are united by advanced manufacturing and quality control systems, superior regulatory expertise, in-depth market knowledge, technical customer support, and world-class R&D capabilities.

Lonza had a mature portfolio process that made extensive use of the Tempus Resource "what-if" planning tool. However, they had never fully used the resource management capabilities as a day-to-day execution tool until Daniel Echtle took over leadership of the project.

When describing Lonza's project management challenges, Daniel, Global Head of IT Application Services Lonza Specialty Ingredients, characterizes the company as "too busy to improve."

Missing transparency about:

- Project Status
- Approval Process
- PPM process
- ITC decisions
- Resource availability

Manual portfolio process -

- No automation
- Manual reporting
- Too time consuming

Missing awareness & acceptance from the business about IT PPM

Too many projects in execution

Focus & deliver is missing

Limited business involvement into project prioritization

No clear criteria to evaluate/rate projects

Unclear business responsibilities/ownership

No accuracy in the planning data

Tempus not used consistently

Too much fire fighting



Too Busy to Improve





Busy People vs. Finished Work

Lonza had always started with the assumption that everyone needed to be working on something every possible moment. This mindset drove everything. One of Daniel's key realizations was that Lonza was literally creating a traffic jam in their IT department.

Daniel commented that the light dawned one day when there was a shared realization that if they optimize utilization, they will get BUSY people. On the other hand, if they optimize throughput, they will get finished projects. Effectively, more projects (or work in progress) meant "longer waiting time," which in turn meant "longer project duration."

Even though the theory of throughput constraints was well known, it wasn't easy to change people's mindset without something more visual. Daniel knew that he needed a project management solution that focuses on resolving and preventing bottlenecks to improve the flow of projects within the company.

"We don't need busy people working at 100% on lots of projects," explains Daniel. "That creates a traffic jam. We need a utilization rate of around 75%. At that level, we can eliminate bottlenecks, achieve flow, and deliver more. Yes, by doing less, we can deliver more."

"Long story short,' admits Daniel. "The main point is that we really had no accuracy. We were not close enough to the business. With lots of short-term projects in the pipeline, people were not willing to follow the PPM process."

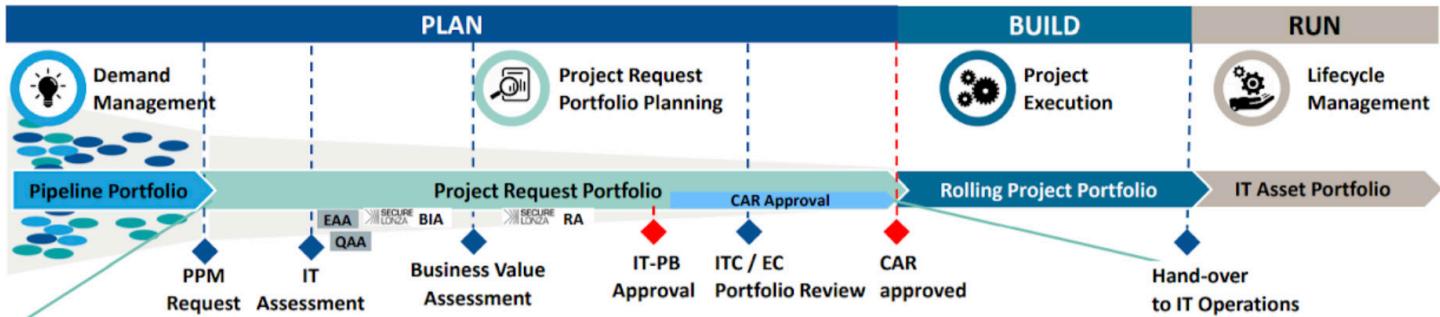
Daniel Echtle, Global Head of IT Application Services

The PPM Roadmap

Even the best prioritization can still breakdown with poor execution. "Long story short," admits Daniel. "The main point is that we really had no accuracy. We were not close enough to the business. With lots of short-term projects in the pipeline, people were not willing to follow the PPM process."

To gain better visibility of their projects, Lonza launched an effort to create a PPM roadmap. This roadmap, which began with governance changes, was full of new processes, guidelines, and SOPs. Now, Lonza has a governance process that is understandable and accepted by stakeholders.

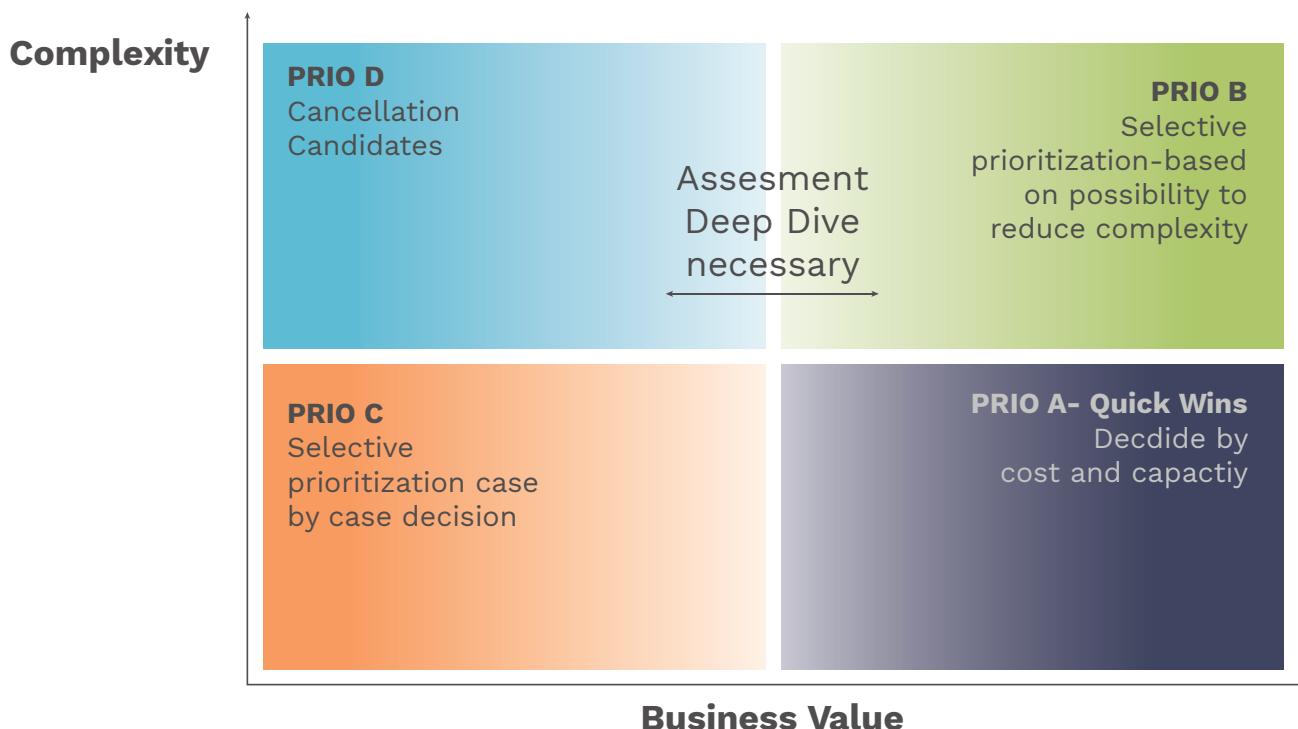




Communication and business partnering was the second component of the roadmap. "The main goal for us with this process was also involving the business in order to prioritize the projects and to have understanding," explains Daniel. "We need to understand the business to also get understanding if something cannot be delivered immediately. So therefore, communication was key."

Better Communication Allowed Better Analysis

Lonza developed a portfolio screening approach that evaluated proposed projects along two axes: complexity and business value. As with any 4-quadrant model, projects that fell into the lower right-hand are quick wins, and projects that fell into the lower left-hand quadrant would normally be a simple "do not do." But Lonza understood that there are always shades of gray. So, they created an assessment zone.





Keeping the New “Better” Portfolio on Track

Next came automation and reporting. This was a significant component of the roadmap. In the past, most of the time was spent on manual operational tasks to get data out of the system and produce reports. “And also, because data was missing or inconsistent, we frequently had to go back to the project managers to ask them how the project was going,” complained Daniel. “Implementing a simple dashboard, accessible by a wide range of roles throughout the business, solved this problem. I think this was our greatest achievement.”

With the dashboard came visibility into each project. All the teammates could see the capacity of the available people. The dashboard also had reports that show how good the planning accuracy was and helped improve the data.

IT capacity management was the last component. “We had to start with the basics,” shared Daniel. “We had to make sure that we had roles set up properly, that we had the right granularity of planning, and that we agreed on a process for who is doing what.”

Overall, the PPM Roadmap ensured that there would be a focus on and delivery of the most value-adding IT projects, which were also aligned with business priorities. By aligning processes, people, and tools, Lonza created total transparency.

Tempus Emerges as the Single Source of Truth

From a system-landscape perspective, Lonza made Tempus Resource the single source of truth. Lonza now has a SharePoint entry page where people can request a new project. This information feeds into Tempus Resource. Additionally, employee vacation and public holidays are fed into Tempus Resource through Kronos, their time-management software. Actual reported hours are then automatically routed through Tempus Resource into SAP.

Tempus Resource is then the single source of truth where resource planning takes place, project attributes are analyzed, and project cost and progress are tracked. Then there is an hourly extract to a Microsoft SQL database. And from there, the data feeds into a Power BI dashboard.



Lessons Learned: Visibility is everything

There are always lessons learned on every project and the Tempus Resource project was no exception. Daniel shared that if he had it all to do over again, he would have focused on reporting much earlier than he did primarily because reporting enables the following 10 things:

- 1. Prioritize – Focus & Deliver:** Ensure to focus on the right and most valuable projects. Prioritize projects with low complexity and high business value. Do less work and complete more projects.
- 2. Look for Bottlenecks:** Identify and resolve the bottlenecks early. Don't aim for 100% utilization. That actually creates bottlenecks.
- 3. Keep it Simple:** Have a simple process and find the right level of granularity for the primary role to manage capacity. Simplicity also allows for greater acceptance of the process.
- 4. Communicate & Train:** Ensure that you know your stakeholders and all relevant people are properly informed and trained. You can't simply change processes without communication and training.
- 5. Single Source of Truth:** Ensure that you have a single source of truth for all relevant PPM data and ensure data accuracy.
- 6. Business Involvement & Partnering:** Be close to the business. Ensure involvement of business, especially for prioritization.
- 7. Transparency:** Provide self-service reporting which allows for easy access to PPM information.
- 8. Automation:** Automate the regular PPM reporting to have time for more valuable topics.
- 9. Data Quality:** Increase the usage of Tempus Resource and improve data accuracy. If people cannot rely on the data, there is no trust, and people will not use the tool.
- 10. Management Buy-in:** Get management buy-in as a base to make PPM work.

"For us, accuracy reporting was a big game changer," shares Daniel. "Ultimately, people don't want to be at the bottom of the list when it comes to forecast accuracy. So, they work harder to be more accurate. At the same time, we can easily identify which projects were planned well or planned poorly. This gives us the ability to make timely corrections to poorly planned projects."