

# Improving the PD Organization for ProAmpac Europe

Degree programme : EMBA General Management

ProAmpac has significantly increased its footprint in Europe over the past 3 years. The department of Product Development (PD) has grown accordingly and is now spread over several locations and countries. The goal is to develop a cross-regional process framework tailored to the company to evaluate, prioritize, and efficiently implement the development projects. This leads to better quality products, faster implementation and ultimately to increased economic success.

## Introduction

The current situation in the PD department of ProAmpac Global Flex AdLam is presently unsatisfactory for most members of the department. Each site has too many projects and too few resources to manage them all. Management of all PD engineers is difficult due to lacking appropriate processes and structures. Prioritization of projects is absent; what is delivered by sales is processed. Due to the high workload and uncertainties within the organization, efficient and goal-oriented project management and innovation is difficult. This results in inefficiencies, high error rates, delays, and eventually poor results. The new process framework addresses all these challenges and will result in optimized processes and the right projects being carried out efficiently and successfully.

## ProAmpac PROF

Based on the Stage-Gate framework by Robert G. Cooper and the portfolio management system he also formulated, a new process landscape has been developed – ProAmpac PROF (Project Review and Optimization Framework). Considering the current state and prevailing culture of ProAmpac Europe, a Stage-Gate process was formulated. This process conscientiously evaluates and filters incoming project proposals. Thus, the limited resources can be allocated to economically viable projects only. Clear deliverables are defined for every individual process phase. This data provides the basis for a well-founded decision as to whether the projects can be continued or should be terminated. These decisions are made at the gate reviews where all necessary stakeholders are present. Through the active participation of the other departments, the prevailing silo mentality is removed and the responsibility for the success of the projects is distributed across several shoulders. In this way, the best possible return is generated from the maximum possible effort.

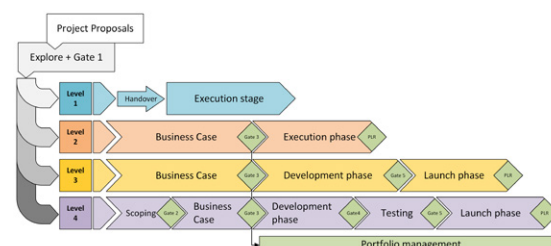
The second powerful instrument within the ProAmpac PROF is the portfolio management. This continuously examines the current project portfolio and is mainly used for resource control and scenario management. Scorecards and an evaluation scheme guarantee that the projects can be adequately evaluated and prioritized. Resource allocation is based on the priorities and an overload of single resources is avoided. The scenario management shows what consequences a shift in priorities will have on the other projects. In this way, well-founded decisions are made determining whether projects should be enhanced, terminated, re-prioritized. Accordingly, it is possible to communicate transparently to the customer how to proceed.



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## Organization and Implementation

To successfully implement the ProAmpac PROF, the first step is to unite the PD team. This is achieved by streamlining functions and roles across all sites. In the mid-term, project leaders and PD resources will be freed up by transferring standardized but time-consuming tasks, such as the creation of product documentation, to a centralized unit. ProAmpac PROF implementation spans 1.5 years, reflecting realistic expectations and a shared desire for change among all involved parties. Transparent communication, addressing the pain points and explaining how they will be solved by the new process is the key. The argumentation must correspond to the cultural characteristics in the individual locations and regions, then the introduction will be a success.



ProAmpac PROF