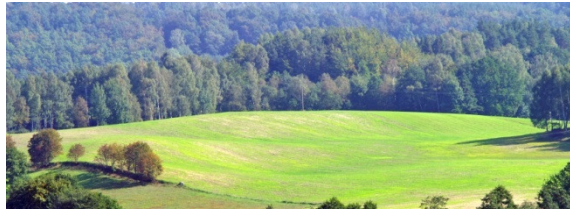


Simpl provide project management training to Fonterra



Fonterra identified a need to establish common project management standards across the enterprise following the series of mergers that formed the company. Simpl provided high calibre project management consulting, mentors and training materials to contribute to a foundation level of project management capability across all business units.

Fonterra is a leading multinational dairy company cooperatively owned by 13,000 New Zealand dairy farmers, who are also the company's mil suppliers. Trading in 140 countries, Fonterra is the world's largest exporter of dairy products, exporting 95% of total production which accounts for 23% of New Zealand's total export revenue and employing over 20,000 staff globally.

Cross-Business Standardisation and Development

The mergers that formed Fonterra brought together project managers from diverse backgrounds accustomed to working to different objectives and varying standards. An assessment of internal project management competency levels revealed:

- A shortage of experienced project managers
- A need for common project management standards
- A requirement for more project management support
- A need for investment in internal project capability
- A requirement for strengthening of project 'practices' in some business areas

Extensive changes were desired to establish common working practices, universal standards and a higher level of competency for project managers and teams in order to maximise returns for shareholders. The geographic spread of project managers as well as a diverse organisational culture added to the challenge.

Rigorous Selection Process Nets Best Cultural Fit

Fonterra wanted a national preferred partner who understood projects, could develop high quality training materials for project managers and provide high calibre trainers and mentors to deliver the programme. Concurrently developing and implementing a standardised approach to project management was integral to the initiative's success.

Fonterra approached nine companies with experience in project management training and mentoring with a request for proposal. The proposals were rated on the companies' willingness to invest time and effort in understanding Fonterra's business, the expertise and number of their trainers and consultants, their breadth of business experience and their project management training track record.

After the initial successful selection, a pilot course run at the end of 2002 gave Fonterra the opportunity to assess Simpl as a provider and to gain buy-in from all business unit stakeholders. Since that time, over 300 people have experienced targeted training in one form or another depending on requirements. Training is run as a two-day course, with a one day cut down option. Follow-up individual mentoring, keyed to project specific requirements or training knowledge areas is used as required. Variations of course content such as boot camp for project start-ups or team member training are also tailored to business requirements.

A case study approach was chosen for the core material where every business unit would have a new case study developed to align with the types of projects being managed within that area of Fonterra. The case study approach made the training relevant for participants from diverse business areas, including operations, corporate and marketing and innovation.

Simpl and Fonterra approached the project with a lead trainer and a consultant, both having extensive project and consulting experience, to minimise the risk of losing key resources and accumulated

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knowledge. Simpl's investment in understanding the core business from 'cow to customer' was an important contributor to a quality outcome.

Increased Project Management Capability

Many training participants were new to project management. The learning approach provided the capability to effectively execute the projects or play key team roles. The long-term approach that Simpl has taken ensures that help is available when required and each project manager has access to a mentor externally.

Baseline Training Important Tool in Project Success

Fonterra now has an enterprise-wide standardised approach to project management. Senior management have faith that projects across the organisation adhere to minimum project management standards. As a result of the training, these standards are seen as valuable tools in successful project execution, not as bureaucracy.

As well as the immediate benefits of increasing efficiency, the programme is part of an organisational cultural shift to one that promotes a projectised view of work and investments in change.

Launch Pad for Future Development

With basic standards in place and training delivered throughout much of the organisation, the focus has shifted towards building and strengthening capability.

