



Project to Operations Transition

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Transition Instead of Handoff

Projects are an activity with a specified beginning and end, while operations are an ongoing activity. Both the business community and academia treat them as separate from an organizational and educational perspective. Projects, whether internal or from an outside source, reach a point of closure at which time the customer becomes responsible after a formal hand-off. When dealing with projects involving the purchase or modification of hardware or software, this handoff is a transition from installation to full operation rather than a point in time.

Synergy through Collaboration

The collaboration of the installation team with the operations site team can create great synergy. The supplier and user site leaders must be aware of the benefits each can derive from such a linkage. The supplier gains valuable info and assistance related to site issues and resources from user team representatives involved in installation. The user personnel know local procedures about site access, site facilities, site resources, safety requirements, etc. which can be invaluable in increasing installation efficiency. This higher level of cooperation helps when installation needs impact current operations. It also facilitates resolution of unexpected installation problems when everyone's collective knowledge and resources are required. In many cases the installation team may lack basic information about interfaces with existing equipment or software that user personnel can fill. This all translates into a more efficient installation. Involving user personnel in installation builds their ownership in the equipment. This ownership causes the user personnel to actively seek knowledge, improve their skills, and be more committed to proper maintenance and documentation of the hardware and software. As a result, the start-up and buy-off processes are more efficient and acceptance is higher which minimizes the demand for supplier resources and achieves the buyoff in the shortest time possible. Improving success in these areas is significant since the installation, start up, and buy off can make the difference between a highly successful project and a big financial loss for the supplier. Overall, the collaboration of project and operations drives a higher level of customer satisfaction, potential for repeat business, fewer warranty problems, lower installation cost, and faster realization of project benefits.

Benefits for Operations

The collaboration of project and operations has similar benefits for the user site as well. Lack of understanding the significance of these benefits and a reluctance to invest resources today for future success by the user site 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 user site since the results can be long lasting for the ongoing 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 sites procedures and standards. Often 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 earlier. The start up and buy off activities generally require more support from the user, thus improved efficiency here saves site cost and delivers the hardware and software sooner. Achievement of full production and functionality

usually involves ramp up time after the equipment buyoff, since it represents the performance of the entire user 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 project is integrating the completed project into the total operation as quickly and smoothly as possible. The critical factor to success is the workforce. The user team needs the necessary support environment, proper training, and desire to succeed. The collaboration of project and operations teams 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 free 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 operations are trying to either implement a team process or improve on one to increase the effectiveness of their operations. A well-disciplined project following a structured process like that defined by the Project Management Institute that uses team concepts in its execution of the project can provide an excellent model from which to initiate or upgrade the operations team process. The norms of effective project and operations teams are the same. Project teams focus heavily on activity planning to meet project deadlines and deliverables, while operations focus on schedules, quality requirements, and process improvements. Both teams need good work place 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 operation teams.

Commitment Ensures Success

The supplier or user site can initiate the project and operations collaboration, 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 until the user 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 user site, collaboration during the transition from Project to Operations is an opportunity you cannot afford to pass up.

Dean Baker has an extensive background in project management, team building, and improving productivity. Dean has a Master's degree in Electrical Engineering from the University of Michigan and is a certified Project Management Professional®. He teaches project management online for Oakland University and is President of Team Implementers, LLC a consulting company specializing in project management and manufacturing excellence. He is also the author of *Multi-Company Project Management* and the *Project Management eWorkbook*.