

Case Study

Liebherr Components AG

Enhanced efficiency, flexibility and collaboration across multiple projects

Standardization as the key to success

With a large number of increasingly complex product development projects running at the same time, Liebherr Components realized it needed a unified project management system. It wanted a centralized solution and standardized processes in order to support development and make the best use of its staff resources.

Working closely with the project management office (PMO) at Liebherr Components in Biberach, specialists from TPG The Project Group implemented a uniform multi-project management system based on Microsoft Project Server.

The company now benefits from significant increases in project efficiency and transparency along with smoother collaboration in its new environment.

INDUSTRY

Engineering, construction, manufacturing

DEPARTMENT

Components for drive and control systems

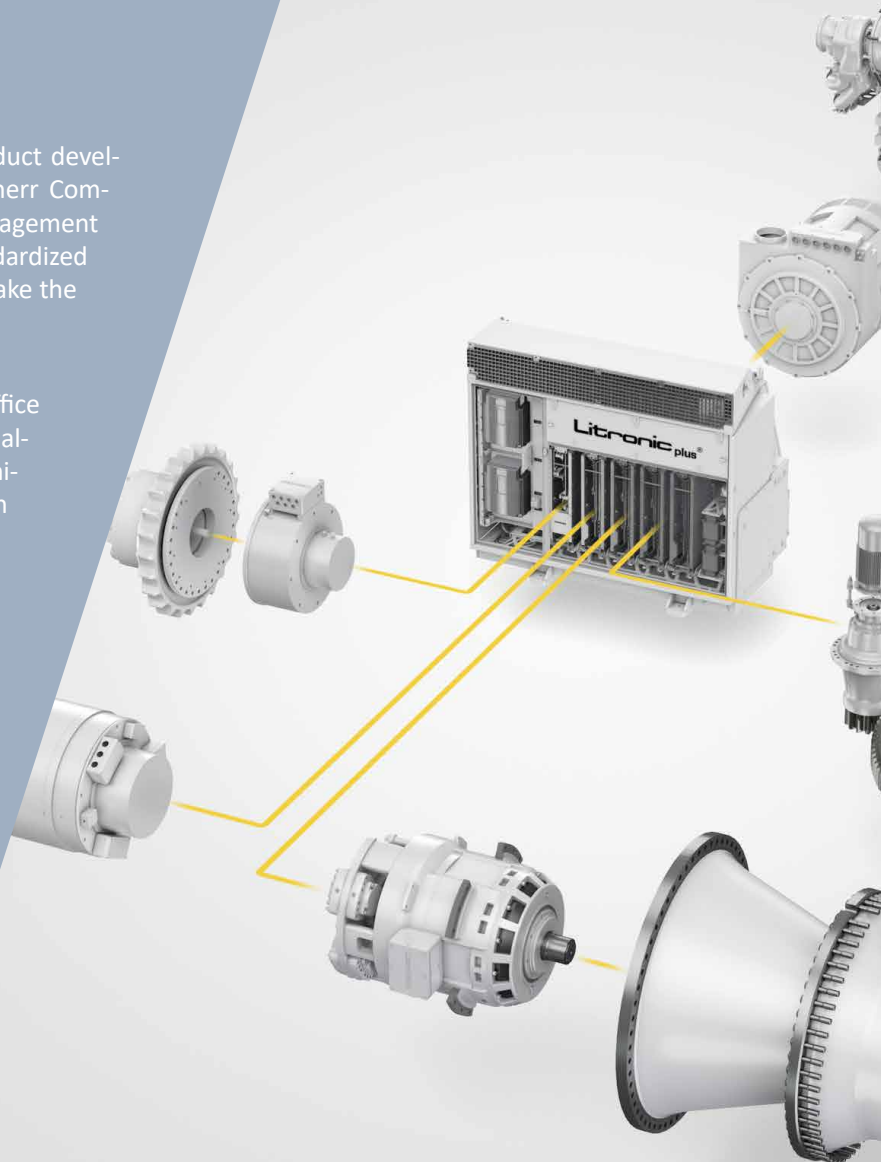
SOLUTION COMPONENTS

Microsoft Project Server

Microsoft SharePoint

TPG ProjectLink

LIEBHERR
Components



„We appreciate our partners at TPG and the fact that they completely understood the challenges we were facing and how to resolve them.“

Christian Nawrath, Head of PMO at Liebherr Components Biberach GmbH

CLEAR NEED TO STREAMLINE PROJECT MANAGEMENT PROCESSES

Liebherr Components AG, headquartered in Nussbaumen, Switzerland, is one of 11 subsidiaries of the Liebherr global engineering and construction group. It specializes in developing and manufacturing high-performance components for mechanical, hydraulic and electrical drive system and control technologies. With a focus on quality and robustness, Liebherr components are used in the aerospace and the wind energy industries as well as for multiple other sectors and types of equipment.

At the production site of Liebherr Components Biberach GmbH, project managers were using Microsoft Project Server to create an outline or sketch of a planned project – but the solution was not used to plan resources or share information with other staff.

The lack of an established PM procedure meant that the company was also lacking a uniform product development process – each business unit and development team had its own business model and preferred methods of planning and completing their projects.



Christian Nawrath,
Head of PMO at
Liebherr Components

“We knew we had to do something to resolve this situation, so we started out by asking our internal IT team what they would recommend,” comments Christian Nawrath. “They weren’t sure that they had the experience to implement a PM solution – nor the resources we needed.”

Nawrath and his team analyzed who was using which tools. They also drew up a list of stakeholder requirements and desired outcomes – in the first instance, these comprised a significant improvement in reporting and monitoring processes as well as a higher level of PM efficiency, availability, and security. Some divisions also provided feedback on PM solutions and providers they had tried or were working with.

POTENTIAL PROVIDERS EVALUATED: TPG STANDS OUT

The team soon found that of all the providers they contacted, TPG fit the bill better than other candidates. “Our decision to select TPG was based on a combination of factors: feedback from other companies, our positive experience with their people in meetings, and the fact that they completely understood the challenges we were facing and how to resolve them,” notes Nawrath.

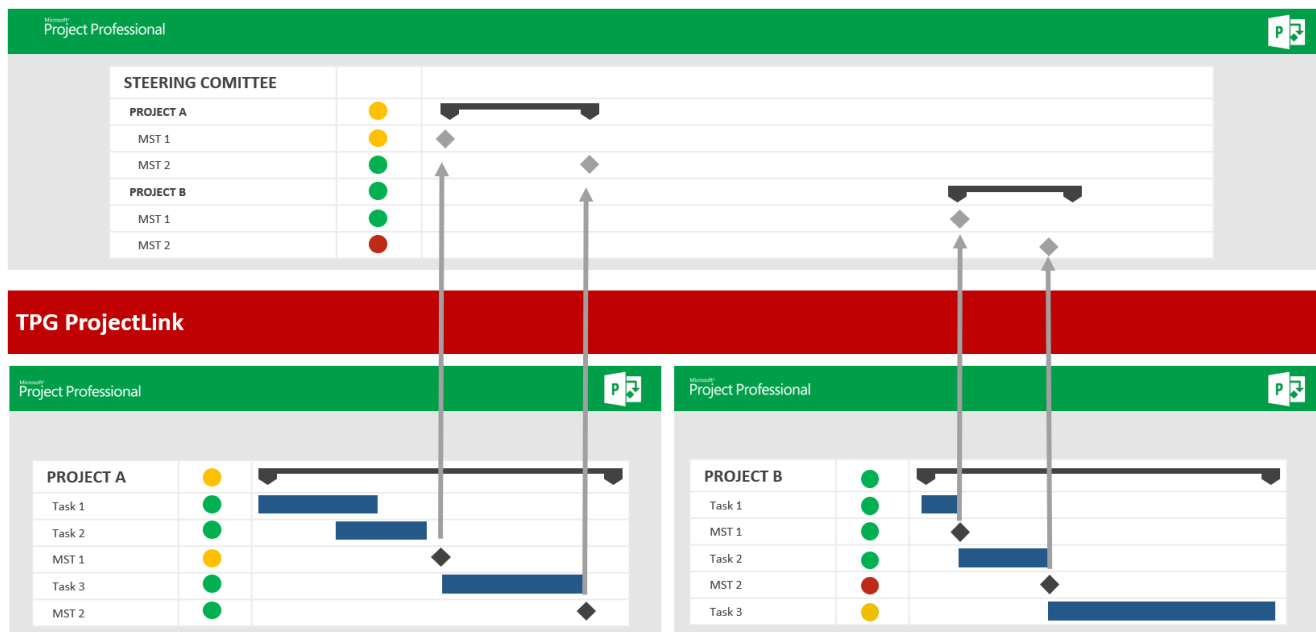
The two companies ran a joint workshop at Liebherr’s facility in Biberach to discuss the required specifications and TPG then produced a set of recommendations to meet the requirements. This was followed by some organizational adjustments, such as setting up a new PMO as well as defining roles, users and processes.

The new team also communicated widely about its planned PM system within the group, especially to heads of division, business unit managers, project managers and team participants. The PMO provided invaluable support here.

GO-LIVE STARTING WITH LIGHTHOUSE PROJECTS

Following a testing and prototyping phase, the PM system went live in July 2016 and productive in October 2016 – initially with what Nawrath calls “lighthouse” projects. “We wanted to start by putting the focus on high-visibility initiatives to accelerate support and acceptance of our PM systems at all levels, especially management,” he says.

Working with TPG, the company migrated all existing projects to the new Project Center system based on Microsoft Project Server. After a period, all new projects were created directly within it. Additionally, project managers, PMO staff and administrators received individual user trainings in order to work professionally with the new PM system right from the beginning.



Short Project Profile

The Company: Liebherr is one of the world’s biggest construction machinery manufacturers and successful in many other branches of industry as well, like earthmoving, cranes, machine tools and automation systems, aerospace etc. The components division develops and manufactures products from the areas of mechanical, hydraulic and electric drive and control systems. These are manufactured worldwide at ten different production sites.

The Challenge: Liebherr Components develops multiple technically complex products concurrently but had no standardized project management system to manage project process and resource management. Each product development business unit had its own way of running its projects and each development team worked with different methods to plan and realize projects. This lack of visibility often lead to inefficiencies of the projects.

The Solution: Together with TPG The Project Group, Liebherr Components introduced a new multi-project management solution. This solution was based on Microsoft Project Server as a standardized PM system, along with TPG’s product TPG ProjectLink to share information about schedules, work and costs between interlinked projects. The Project Center comprises all aspects of PM – from planning to timesheets and from resource management to team collaboration.

The Benefits: Liebherr Components now has a standardized product development procedure and detailed information about the status of every project. Standardized, role-based reports have saved time as they no longer need to be produced manually from scratch. And the multi-project management environment using TPG ProjectLink has contributed to more agility and flexibility when there are interdependencies between projects.

TIMESHEET FUNCTION ADDED IN EARLY 2017

Since the end of 2016, Liebherr has worked with TPG to gradually add new functions to Project Center. The first was timesheets, which enable project team members to enter their hours worked. If there is a change to the overall project plan, the team members’ timesheets are updated automatically with the change. “This has improved our work dramatically,” says Nawrath. “Instead of guesswork, we now have a reliable record of exactly how much work was involved in which project, enabling us to improve estimates and quotes for similar projects going forward.”

Along with timesheets, Project Center now also includes:

- ▶ Standardized project development & approval processes
- ▶ Standard reports for all stakeholders, incl. overview of all active development projects updated in real time
- ▶ Workspace for project collaboration that centralizes all project-related information
- ▶ Planning and tracking of all projects with pre-defined tasks, resources and durations that users change to fit to the current project, saving time
- ▶ Resource management with all project tasks for a specific resource as well as the current and upcoming workload

“We have much more visibility into what’s happening where and the situation with our resources. That gives us the transparency we need to see how changes in one project will affect other projects.”

TRANSPARENT MULTI-PROJECT MANAGEMENT DELIVERS MORE FLEXIBILITY

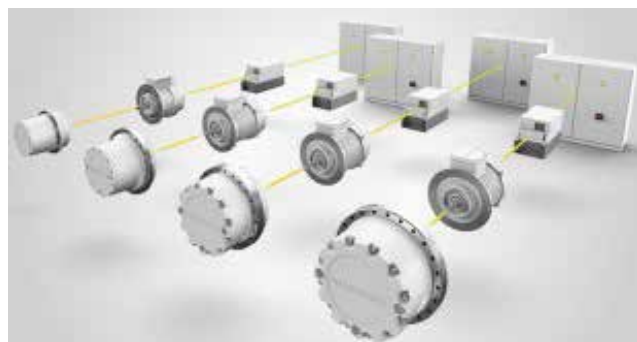
Liebherr Components has also implemented a multi-project management environment, which is supported and facilitated by the TPG ProjectLink solution. This enables Liebherr PMO staff to share information about schedules, work and costs between similar projects. They benefit from a clear overview of how changes in one project will affect other projects – thus supporting the decision-making process.

They can also interlink tasks in two separate project plans, even across different business units. “With multiple complex projects running concurrently, this has given us much more visibility into what’s happening where and the situation with our resources,” comments Christian Nawrath. “It gives us the flexibility to respond fast to changes when necessary.” Today, Project Center has over 400 users and acceptance of the new system continues to be very high.



RESULTS ARE CONVINCING FOR EVERYONE – INCLUDING STAFF

For Liebherr Components, the Project Center PM system has delivered a significantly higher level of efficiency across all aspects of its project management. A particular highlight for Christian Nawrath is the smoother collaboration between members of a project team as well as between different teams. With a systematic and standardized approach to development projects, the company has enhanced insight into where future improvements can be made in terms of more accurate budgeting and scheduling.



“The reporting saves us all a lot of time,” adds Nawrath. “That’s partly because the reports are standardized, and partly because management can check the status of any or all projects on the intranet whenever required.” He and his team also appreciated TPG’s support and expertise. “They were always available when we needed them and their extensive experience of Microsoft Project across several industries was of huge benefit. We’ve really learned a lot from TPG.”

Client

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