



Project execution in a High Performance Organization (HPO) Improvements suggested by a GLDC project team

In December 2008, 43 managers started with the Global Leadership Development Circle, which was sponsored by Executive Board Member Dr. Aldo Belloni.

Apart from interesting lectures and workshops on strategy, finances and personnel leadership as well as several personality analyses the work on a project in small teams was also part of the program. Klaus Poganski (LE), Achim Gastel (LE), Ralf Bruegelmann (RCN), Yousuf Mirza (RSEA), and Rob Brown (RNA) concentrated on "Project Execution in a High Performance Organization" which is a very interesting topic especially for Linde Engineering for which the team had to recommend and develop improvements.

While many projects are executed successfully, to be a High Performance Organization, all of Linde Engineering's projects must be successfully completed with high quality, on schedule and within budget. The primary objective of the team was to identify processes that could be improved and modified so that Linde Engineering will execute more projects successfully. They also provided recommendations how to train, reward, and recognize Project Managers for their vital roles. Middle sized projects were the basis for the team's recommendations.

Before making any suggestions, the team performed significant research in a number of areas: a web survey of Linde personnel involved in project execution, interviews to benchmark our performance against competitors, a SWOT analysis of several projects, and customer interviews with some of our largest customers, e. g. BASF, StatoilHydro. As expected not all of the feedback was positive. On the basis on the critical feedback received, the team developed recommendations for improvement in three areas: people, LE/LG interaction, and processes.

People:

- Implement key account sponsors for product lines and choose active sponsors for each project
- Improve selection process of project managers to include evaluation of leadership and soft skills as well as project management skills
- Train project managers
- Implement a parallel career path for project managers to recognize their value to the organization, while giving them a chance to further their careers
- Implement an incentive programme for project managers based on the success of the project
- Develop more ownership in the service departments Procurement, Engineering and Contract Management
- Track performance of service departments and have KPIs (Key Performance Indicators) per discipline and project
- Define consequences should targets not be reached
- Involve PMs in the performance appraisal of team members

LE/LG interaction:

- Act as one company – cooperation and transparency from both LE and LG
- Dedicated contract model that provides appropriate incentives to act as one company
- Develop common PM teams and use more task forces
- Transfer operation experience from LG to LE to help design better plants in the future

Processes:

- Better involvement of the customer
- Project reviews