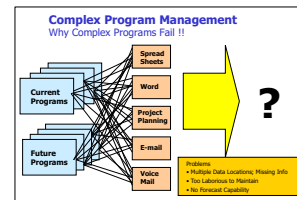


## Visibility is the key to success

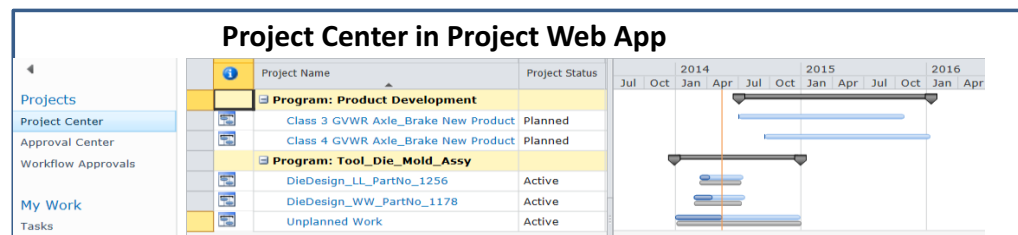
There is an axiom in manufacturing—“if you cannot measure it nor see it, you cannot control it”. This rule works for program and project management as well as production. See adjacent diagram.

“See it” can be defined as seeing forecasts at completion of schedule performance, budget versus actual man hours, and resource management [resource demand vs. capacity].

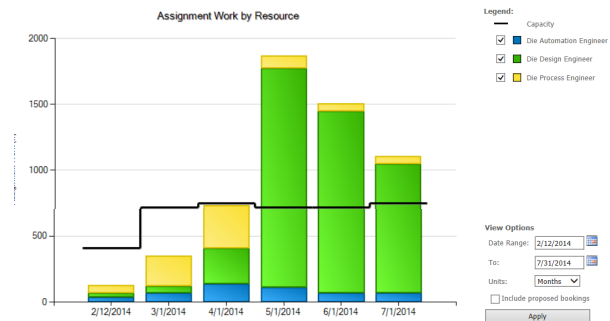


Decision makers using straightforward “tools and methods” can get the visibility they need to identify troubled projects far enough in advance to allow the executive to make decisions to recover some part or all the troubled performance before the project finishes. Executives need to see all projects and all resources in one place [one database].

Project Center—is a tool that can roll up all projects, by program, by customer, by program manager. See adjacent diagram.



Resource Center—is a tool that can roll up all resource demand [resources required to meet the project schedule] and resources available—all time phased. Resource Center shows under or over allocations of generic resources on a planning horizon of your choice. See adjacent diagram.



## Moving away from old tools and methods to new tools [technology] and methods

Use of spreadsheets in manufacturing is very common tool. However, spreadsheets will not forecast anything [they plan things as of a point in time] and they will not roll up individual projects as part of major programs with multiple resources.

Many manufacturing project managers use MS Project with simple but unrepresentative granularity manner. This tool is on almost everyone’s desktop, is unfriendly, and has poor ease of use, but can forecast and can integrate resources with schedules if the right methods [best practices] are utilized.

In order to move away from the old tools and methods, manufacturing companies need to have a simple step by step plan to move

## Executive Newsletter—CXO- May 2014

We felt it was important to introduce you to the technology [the tools in tools and methods]—particularly “what is project server?” and “why is it important to Chrysler Risk Mitigation group?” As I responded to those questions in our meeting—90+% of your supply base has its tool [as part of tools & methods] as MS Project [most use MS Project to some extent and MS Excel a great extent]. In the case of Project Server [or EPM – Enterprise Project Management] is important your supply base to understand:

1. Spreadsheets don't forecast schedule performance- but they do allow resources to be estimated without adequate schedule integration.
2. MS Project can be difficult to use. Integrating man hours of resources into schedules that forecast is difficult to do; that is what BNW utilizes to help automotive clients to perform incremental steps to obtain high performance results.
3. Integrating resources to schedules has only a single ease of use method to roll up generic resource capacity forecasts—a central data, web based tool—EPM. All high performance automotive – truck clients have found these steps a requirement to the results. The analogy of CapEx purchasing of each supplier to EPM at Chrysler is SAP central database available to whole enterprise vs. multiple legacy systems. The best way I can recommend is for you to talk with Al Whitted, Global Director of Stamping—who co-presented at the discovery meeting with Jay and staff.

BNW Mfg recommends a simple method to discover more would to provide your Risk Management group with:

- An internal “Lunch and Discover” event with you and your troubleshooting staff to introduce them to tools & methods symptoms, causes, and more importantly the solutions – short term and long term for your supply base—so that they can identify and offer a step by step long term high performance Program Management methodology to your supply base when that opportunity arises.

If this makes sense to you, select a supplier pilot case that is one of those infrequent situations that needs Risk Mitigation attention. Offer that supplier a proven solution from within the Chrysler experience.