“BEST PRACTICES”
PLANNING PANEL

August, 2002

OVERVIEW

- Background — 2 Minutes
- The Ideal Schedule — 7 Minutes
  - Eliminating Losses
- Primary Colors — 6 Minutes
  - Communicating Technology Development Schedule

15 Minutes

BACKGROUND

- Consumer Products
  - Beauty Care Products – Pantene, Clairol, Sure/Secret, Old Spice
  - Health Care Products – Metamucil, Iams Pet Food, Pharmaceuticals
  - Family Care Products – Bounty Towels, Temps
  - Feminine Care Products – Always, Tampax
  - Fabric and Home Care Products – Tide. Dawn, Ivory
  - Baby Care Products – Pampers, Luvs
  - Snacks and Beverages Products – Folgers, Pringles, Sunny D

BACKGROUND

- We are schedule “fanatics” due to the nature of our competition
  - First to the market is a tremendous advantage in consumer products
  - We trade cost for schedule when it matters
  - We are one of the fastest project executioners from end of definition to start-up

THE IDEAL SCHEDULE

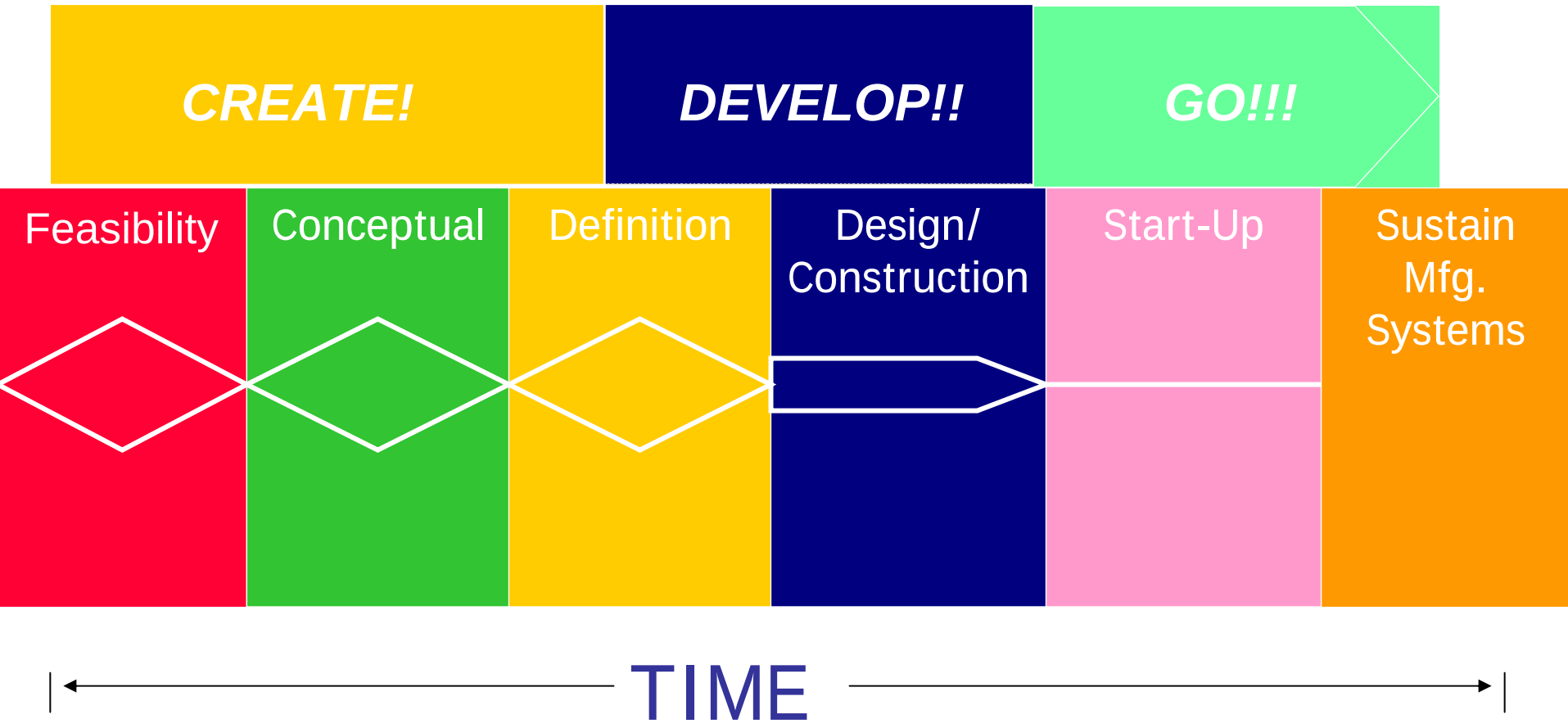
The Normal Question

- How much does it cost and when can I have it?

The Ideal Answer

- It’s free and you can have it tomorrow!

THE IDEAL SCHEDULE



DEVELOPING THE IDEAL SCHEDULE

- 7 people defined what was ideal timing in three hours

- Types of Projects
  - Reapplication of Known Technology with -
    - ✓No long lead equipment
    - ✓With long lead equipment
    - ✓>$10MM
  - Reapplication of Known Technology but New to Manufacturing Plant
  - New Technology

WHY DEVELOP AN IDEAL SCHEDULE?

- Time is Money!
  - Faster into the marketplace yields increased sales
  - Executing savings projects faster yields lower costs to consumer + us
- Need to eliminate schedule losses

WHAT IS A LOSS?

- Anything that prevents you from achieving the ideal

- Two types of losses
  - Recoverable
  - Non-Recoverable

IDEAL SCHEDULE TEMPLATE

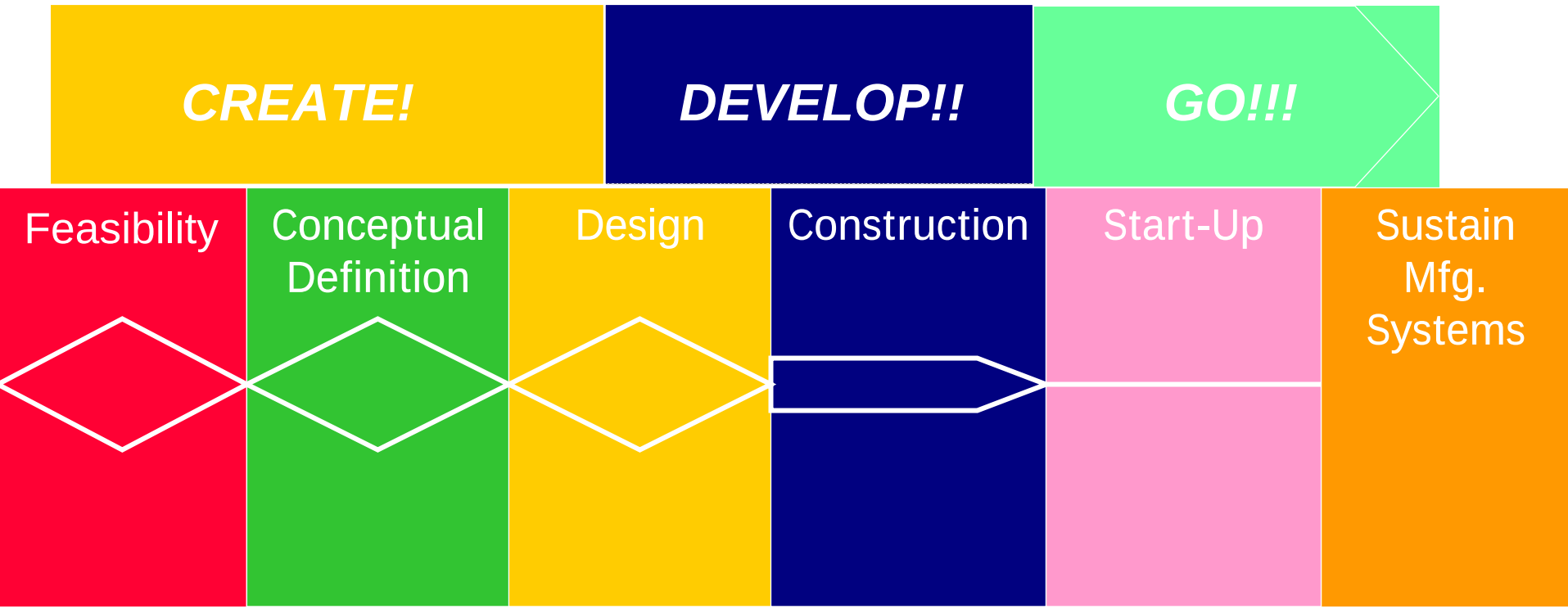
Engineering Phase	EEM Action Steps	Step # (*)	Loss Type (**)	Loss Question	Actual Result	Ideal State	Resulting Losses ($)								Cause of Loss/Comments
							Capital		Timing		Effort		TDC		
							Actual	Recoverable	Actual	Recoverable	Actual	Recoverable	Actual	Recoverable	
Conceptual															
	* Early Conceptual	1	C	How much capital was spent in Conceptual on long lead equipment modified or not installed due to final spec error?	$0	$0	$0		-	-	-	-	-	-	
	* DR #1	1	C	How much capital was spent in Conceptual on land or buildings purchased but not used by the	$0	$0	$0		-	-	-	-	-	-	
	* Finalize Conceptual Scope	3	T	How many weeks elapsed between Conceptual kick-off and completion of Conceptual Summary?	16.0	8	-	-	$147,696	$147,696	-	-	-	-	Plant sponsored the package changes and the ARPAC had a bad reputation from Juice. So, lots of pushback from Category colleagues.
		3	E	How many equivalent full-time P&G resources (managers & technicians) were involved in this phase?	4.0	7	-	-	-	-	$23,077	$23,077	-	-	
		3	TDC	How many equivalent full-time Contractor resources were involved in	2.0	3	-	-	-	-	-	-	$32,000	$32,000	

BENEFITS

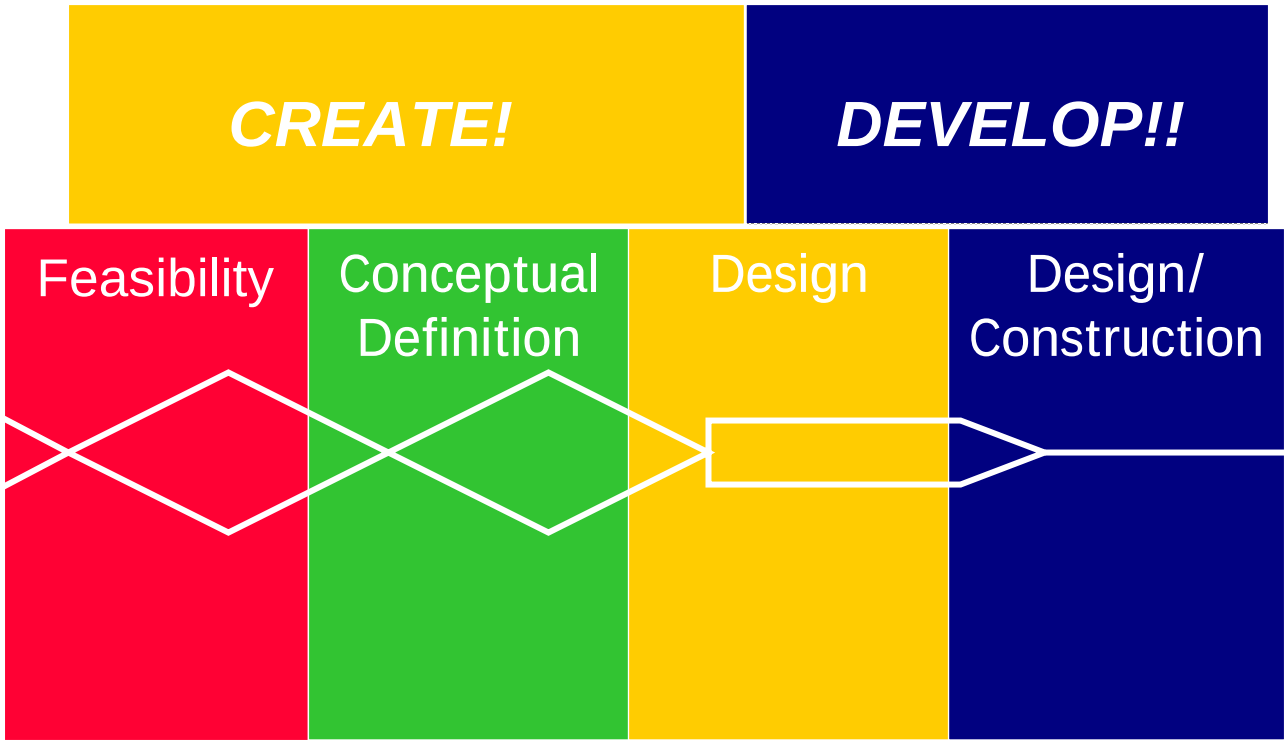
- Allows you to identify and quantify the value of changes to your work processes for future jobs
- Focuses the team on the financial importance or non importance of time in the decision making process
- Allows PM to see where it is economical to spend $ to improve schedule on future projects

PRIMARY COLORS

SCHEDULE TEMPLATE



HARDEST AREA TO MANAGE AND COMMUNICATE SCHEDULE PROGRESS



HARDEST AREA TO MANAGE SCHEDULE

- Conceptual/Definition Phase

Nearly impossible to schedule inventions on a project

- Only 1-2 inventions possible to successfully manage on a project. Benchmark data
- We usually try to manage 5-7 or more

- Start-up date usually fixed in the project life

COMMUNICATION TEMPLATE

Concorde

Development Status & Potential Risks

	Unit Operation	Invention (Y / Partial)	Status	Target compl.	Potential Risk (Y / N)
PRIMARY EQUIPMENT	Cup supply equipment & trays	Y x 2	☺	Done	N
	Cup supply from de-nesters to cup filler	Partial	☺	Done	N
	Filler	Y	☺	Done	N
	Checkweigh	N	☺	Done	N
	Reject	Partial	☺	Done	N
	Purge	N	☺	Done	N
	Seal	N	☺	Done	N
	ALL primary	Y	😐	@ Start-up	**Y**
SECONDARY EQUIPMENT	Singles in case	Partial	☺	Done	N
	Surge	Partial	☺	Done	N
	Multi-pack	N	--	ON-HOLD	--
	ALL secondary	Y	😐	@ Start-up	**Y**