Implementation of a Global Multi-Project Environment

As one of the world’s leading suppliers to the life sciences industry, Lonza – based in Switzerland – needs to ensure the highest levels of precision for its projects. Customers planning research and development of tomorrow’s drugs need answers fast on the Lonza resources available to them. And now they get those answers fast – thanks to a global project management system based on Microsoft Enterprise Project Management (EPM). The solution was implemented and extended to a multi-project management environment with SAP integration by TPG The Project Group.

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Peering down their microscopes, Lonza’s researchers around the world are busy detecting and testing new active ingredients that will improve quality of life for thousands. Global pharmaceuticals count on Lonza’s expertise to perform research projects for them or to manufacture part or all of a medicine they have developed themselves. Established in Switzerland in 1897 to manufacture two or three products, the group now makes thousands of value-added chemicals.

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Precision management for R&D and manufacturing projects
Given the complexity of Lonza’s products and processes, the company assigns a special team to discuss project requirements with customers and advise them on the right set of products and services to meet their needs. An important part of the process is identifying the internal resources available to plan and execute the customer project. With thousands of projects running at any one time, this was becoming something of a challenge for Lonza. It was hard for project managers to plan resource allocation without altering schedules for other projects, and to track down the right staff for the work. It was this aspect of running multiple – sometimes interlinked – projects simultaneously that took Peter Zenk, a Lonza senior project manager, to a conference in Germany. Listening to multiple presentations on best practices and solutions, he was able to find out more about how some of the world’s most prestigious companies efficiently manage large numbers of projects and resources.

At the conference, he was interested to hear a presentation by a specialist from TPG The Project Group who talked about using Microsoft Enterprise Project Management (EPM) to introduce more discipline and accuracy into the planning of multiple projects. Once the talk was over, Zenk introduced himself to the specialist and explained the challenge his team was facing at Lonza. “It was a fairly classic situation – we were using SAP which was fine for financial planning and...
improvements. Prior to the implementation of the new solution, reports were generated from a plethora of Word or Excel documents stored on various users’ computers as well as from hard-copy reports and other formats. This was clearly both time-consuming and inefficient.

Starting with a manageable project in R&D

Once the decision was taken and the budget approved, Peter Zenk and his team worked with TPG to set up the project. Initially, they selected a fairly small pilot group to test the solution. With 60 users and 20 project managers, the research and development team within the biopharma division was working on multiple projects and was chosen as the pilot group. TPG organized and managed the pilot workshops to enable the team to define goals and specify requirements. Following the conclusion of the workshop, the specifications and requirements were implemented and the team tested the system. A few months later, implementation went live and was soon underpinning the biopharma R&D group’s work on over 300 projects.

At this point, other departments and user groups within the company started hearing about the success of the new Microsoft EPM system in the biopharma R&D group. “Everyone was quick to see the benefits of the system and how it could provide valuable support for their everyday work,” comments Zenk. But he decided to keep to his policy of starting with more manageable projects and ensuring that all the “glitches” were ironed out before deploying the solution more widely.

Adapt tool to the processes

“This turned out to be a good decision,” adds Zenk. “During the pilot project, we had some issues adapting our processes to the tools. After some trial and error, we realized that we should be adapting the tools to the processes rather than the other way around – but that we needed to do a little work on our R&D processes first. We then adapted the tools to the processes and...

Evaluation of SAP PS and Microsoft Project Server solutions

With a view to boosting the company’s project planning efficiency as well as its competitive edge and customer responsiveness, Zenk set about researching possible solutions. The company evaluated SAP PS as well as Microsoft EPM and others, finally deciding on the Microsoft EPM solution to be implemented by TPG. “The reason we chose Microsoft EPM was simply because we were already working with SAP; and the second was that if a customer called and wanted to know what resources would be available in a month or six months, we’d have to tell them we would get back to them a few days later with the answer.”

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Extending the Microsoft EPM solution to multi-project management and SAP integration

TPG also implemented TPG PSLink, its product to integrate Microsoft Project with SAP and keep the data exchange between the two synchronized at all times.

The project was then extended to additional R&D groups in other business divisions. “This has been relatively easy as the processes are generally fairly similar from one R&D group to another, even if they’re working on completely different products,” notes Zenk. “Also, we learned a lot with the first group which has helped us put in place an efficient implementation process for the other groups.”

Lonza has also implemented TPG ProjectLink, a product from The Project Group that integrates with Microsoft Project Server and lets project managers share information about tasks, schedules and costs across multiple projects. This has greatly facilitated planning as managers can see at a glance whether, and how, delays in a different project will have an impact on their own – a key factor that has improved user acceptance levels.

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The Benefits:

Excellent user acceptance as users find they can work more quickly and efficiently with the new system and retrieve project information more easily, as each project now has its own portal.

Project status: Ongoing, with initial deployment completed in 2008 followed by geographical and functional extensions since then. Lonza is also working with TPG to upgrade from MS Project 2007 to the 2010 version in late 2011 and estimates it will have over 800 users worldwide by the end of 2012.

The Company:

Lonza is one of the world’s leading suppliers to the pharmaceutical, healthcare and life science industries. Its products and services span customers’ needs from research to final product manufacture. It is the global leader in the production and support of active pharmaceutical ingredients both chemically as well as biotechnologically. Lonza is headquartered in Basel, Switzerland, the company has operations around the world and is listed on the SIX Swiss Exchange. In 2010, the company had sales of CHF 2.880 billion.

The Challenge:

In its increasingly dynamic multi-project environment, Lonza wanted to significantly accelerate response times to customer queries about resource availability for new R&D projects. It also targeted increased transparency for project costs and scheduling as well as the provision of easier reporting for management.

The Solution:

At Lonza, TPG has implemented an enterprise project management system based on Microsoft Project 2007 and linked to SharePoint 2007. It has also implemented TPG PSLink to integrate the company’s SAP system with the new project management solution and seamlessly synchronize data between the two. Lonza also uses TPG ProjectLink to provide a graphical overview of links between tasks, schedules and costs across multiple projects.

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The company’s management is also pleased with the system. Instead of collating different types of data from various sources and wait for the results, executives can simply generate the reports they require – such as the costings or schedule of a particular project – whenever the need arises.

International approach – now and in the future

The system went live with the first group in Switzerland in late 2008 and has gradually been extended to other Swiss-based teams since then. Peter Zenk and his team have also deployed the Microsoft EPM, TPG PSLink and TPG ProjectLink system in the company’s UK operations in Slough, outside London, and in the USA. Over the next twelve months, Lonza wants to broaden the deployment so that it encompasses additional departments in the USA and the Asia-Pacific region. The company also has plans to extend the implementation to the corporate IT department, based in Switzerland, to support multi-project management there. Peter Zenk believes the number of users will increase to at least 800 by the end of 2012. Following the R&D and IT teams, the solution will be extended to the company’s engineering groups.

Simplified processes and easier collaboration

What concrete benefits has the implementation brought to Lonza as a whole? “It has given us the impetus to streamline our processes and adapt the solution to them, which in turn has produced efficiency gains. It has also made collaboration easier – especially between teams and across different projects,” notes Zenk. For customers, one of the most notable improvements is that they now receive an immediate answer when they call to ask about capacity for a particular project. “They’re really impressed,” says Zenk. “Whenever they are in the world, we can tell them right away – instead of several days later – when we’ll be able to start on their project. Also, in the life science business companies often need to change a formula halfway through the research process. If this happens, we can quickly let the customer know what effect the change will have on milestones, deadlines and costs. We just enter the new data into the system and it generates a new baseline along with a graphical representation so we can see the results at a glance and forward them to the customer.”

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