

Harnessing Lesson's Learned in the World of Fast Moving Consumer Good New Product Projects

Renate Dale Student No: 89306611
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By Renate Dale

Abstract

It is well known that completing post-project reviews and capturing lessons learned on projects is instrumental in ensuring future project success yet many businesses do not follow this process. In the world of Fast Moving Consumer Goods (FMCG) when a project is complete attention is onto the next opportunity and capturing lesson's learned is something that is often skipped due to time pressures. If and when post-project reviews are conducted they are saved to the intranet and rarely referred to again.

This paper will examine the practices in a major FMCG which supports the other findings in literature and makes suggestions on how the newly implemented regional Project Management Office (PMO) can leverage learnings across markets by instilling a process of post-project reviews but also providing forums such as communities of practice where learnings can be shared not only after the completion of projects but also during the life of projects to improve overall project outcomes.

Key Words: Post-project reviews; Communities of practice; Organisational learning; Lessons learned; Knowledge management.

Introduction

In the world of fast moving consumer goods (FMCG) lessons learned from new product introduction or development (NPI/NPD) projects, if undertaken, are presented to management, filed never to be referred to again. The team is quickly onto the next new product to introduce and at risk of repeating mistakes of teams past. Whilst major issues are discussed in detail and new processes put in place if required, it is the tacit knowledge gained from the experience of the project that tends to be lost or only remains as long as those team members continue in the business. To support my personal experiences as a member of a newly formed regional Project Management Office (PMO) of a major multinational FMCG company, I surveyed the Australian organisation getting a cross section of different functional perspectives as well as a selection of the members of the newly formed PMO based in Singapore, China and Thailand. Of the 23 responses I received I was surprised how few post-project reviews are being conducted but not that, 87% of my respondents relied on their own experience and that of their cross functional team to leverage lessons learned from past projects and 57% spoke to leaders of similar projects to seek advice.

Whist it is great that our project leaders are drawing on the experience of their team and from their corporate cohort, are there better ways to ensure this knowledge is shared to more than just a few, increasing overall organisational learning? What is the benefit of investing time in post-project reviews when they are simply filed on the intranet never to be referred to again? With the ever increasing pressure of corporate life to do more with less, are there better ways to increase the knowledge of your new product introduction/development teams?

Cooke-Davis (2002, p189) identifies his twelfth factor of project success as effectively learning from experience on projects, combining explicit knowledge with tacit knowledge in a way that encourages team members to learn and embed this learning on a continual basis looking at both practices and processes. Project Success is linked to corporate success in an increasingly projectised business environment. So we know that post-project reviews are important, we know project success leads to overall business success yet so few organisations are yet to embrace the practice as part of every project. Is it because we are all too busy? Is it because we are not measured on how well we reflect and learn but more on the next successful launch that we don't as project leaders, stop assess what went well and what didn't and share that knowledge to better ensure future success?

Whilst this topic is much bigger than the next few pages allows I will look more closely at the feedback from my peers and some of the literature that my business and others can leverage to increase overall organisational learning and hopefully avoiding mistakes of past projects, improving our overall project performance leading to better business outcomes.

Survey Results

The survey questions used to assess the team were based on the survey conducted by von Zedtwitz (2002) in his analysis of post project reviews in R&D organisations. His finding was that 80% of R&D projects are not reviewed post completion and this is a similar situation in my organisation with some project leaders having never conducted a post project review.

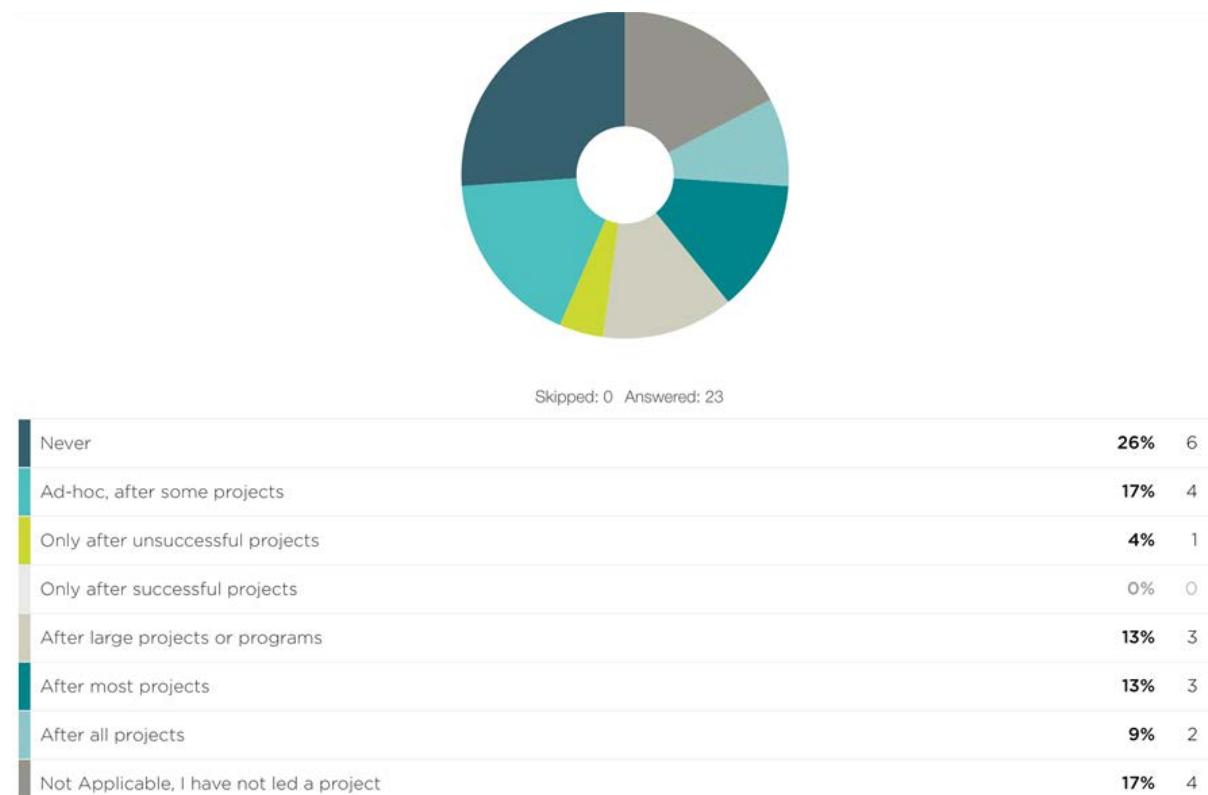


Figure 1: 7. On Projects you have led, how often did you conduct a post-project review?

Of most concern with the above responses, is that 26% of project leaders had never done a post-project review. Obviously there is room for improvement here but a review of the types of post-project reviews conducted, shows the focus for new product projects is more often

than not on business results and performance in market in the six months post launch rather than how we performed as a project team understanding what worked and what didn't. Whilst there is a slide in our standard Australian post-launch review deck, if this exercise is left to six month post launch what real value would it add?

75% of respondents thought we should do more post launch reviews which tells me that whilst the organisation understands the need for reviews and we should be doing more, something is preventing this from happening. Many respondents believe the templates are available but 35% believe there are no established post-project review guidelines, yet as an organisation we have adopted the Flawless Project eXecution (FPX) project methodology which incorporates post-project reviews. On searching our intranet the only local example is very much focussed on the success of the product in market and only has one page on "Key-Learnings & Actions" and the FPX post-project template is not readily accessible which goes some way to explain why the process is not widely utilised.

From the responses it appears that processes do exist in the Pacific and Thailand offices but there is an opportunity to leverage processes across other Asia Pacific markets.

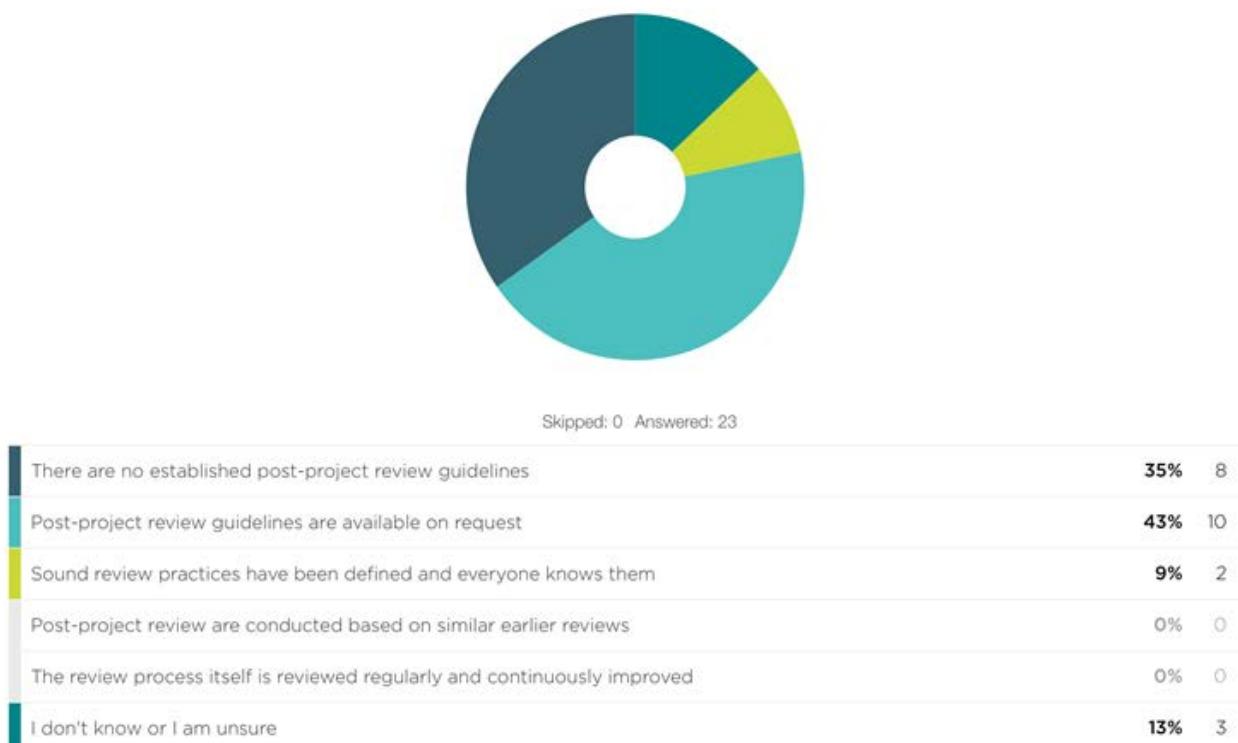


Figure 2: 8. How are post-project reviews managed in your organisation?



Figure 3: 10. How do you leverage lessons learned from past projects (tick all that apply)?

Surprisingly seven of my respondents said they read through prior post-project reviews even though they are rarely conducted and other respondents had no idea where to access them. What didn't surprise me is that we rely on our experience and that of our cross functional teams. In our new structure project management competencies are managed through the PMO with the Asia Pacific region broken into five clusters each with an assigned leader. As we have come together as a team from previously working in our specific country silos there is a lot of scope to learn from each other but this is challenging in other ways such as being geographically dispersed and in different time zones. Projects are often led by our marketing teams but are coached and mentored by the project managers that are part of the PMO to ensure adherence to governance and process.

A study by Zairi (2000) on innovation in FMCG companies reinforces some of my observations. Whilst marketers lead most NPI projects their knowledge of project planning is usually weak. Successful projects were identified as having a leader that was also a good project manager. As an organisation with the adoption of the FPX project methodology all of our cross functional team members are encouraged to contribute and are held accountable to project outcomes. Inexperienced project leaders are coached and mentored by a PMO project manager who is responsible for timeline management, so many of the issues identified by Zairi, due to our structure are better managed. By retaining this expertise within the PMO group we can offset the impact of brand manager's tendency to stay on a brand for a couple of years, by centralising the technical expertise. Consistency in our approach to project management is important for transferability from one brand portfolio to another and ideally across one Asia Pacific market to another.

One area that I would like to delve into deeper is the use of communities of practice and how they can increase organisational learning but first let's consider the capturing of project lessons learned and what knowledge is.

Lessons Learned Capture

Von Zedtwitz (2002, p264:265) developed a model to assess the maturity of a company's post-project review processes. He defines this process as "a formal review of the project examining the lessons that may be learned and used to the benefit of future projects". Whilst a more structured approach as illustrated below to capturing lessons learned is warranted, the model does not really help us understand how to communicate these lessons so they are useful and relevant.

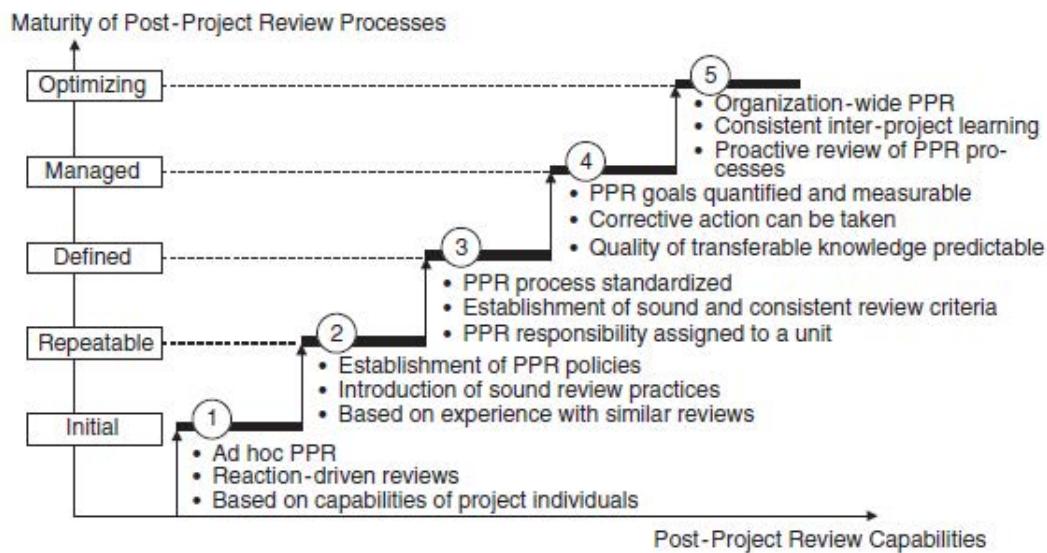


Figure 4: A capability maturity model of post-project review (PPR) processes (von Zedtwitz (2002, p264)

In conclusion von Zedtwitz (2002) states that any outcome of post-project reviews must be used as inputs into subsequent projects or the investment in time and money is wasted and that a more systematic approach to inter-project learning creates a competitive advantage. An optimised post-project review process is organisation-wide, it is consistent, it facilitates inter-project learning and it is continuously reviewed and adjusted.

Anbari et al (2008, p635) describes post-project reviews as an important opportunity to link the effectiveness in meeting project goals, efficiency in use of resources and the transfer of knowledge gained to other projects, which is essential for the improvement of future projects, the project management process and the whole organisation.

Research conducted by Goffin et al (2010) found that a lot of potential learning of NPD teams is still lost even if the process is adhered to and the lessons captured in a database. I would like to focus on inter-project learning and how to capture the best lessons through the use of reflective practices and options for disseminating or sharing lessons learned through the use of communities of practice.

Reflection and Learning

For lessons learned to be of value, teams need time for reflection. Woerkom (2003, p40) describes reflection as a mental activity aimed at investigating one's own action in a certain situation and involving a review of the experience, an analysis of causes and effects, and the

drawing of conclusions concerning future action. Schon (1983) found that skilled practitioners are reflective practitioners using their experience as a base for assessing and revising current theories of action and developing new and more effective action strategies enabling them to surface and criticize the tacit understandings that developed around the repetitive experiences of specialized practice, making new sense of situations of uncertainty or uniqueness.

So for project team members to better contribute to the lessons learned process time must be provided for the process of reflection so activities can be questioned and possibly new strategies developed. Without this investment only superficial responses will be captured limiting the learning experience.

The first step in understanding project team learning is to understand knowledge. Knowledge is defined by OxfordDictionaries.com as “facts, information, and skills acquired through experience or education; the theoretical or practical understanding of a subject”. Two types of knowledge are widely referred to in the literature being explicit which is easily documented, articulated and can be captured and shared and tacit which is which is not so easy to articulate but is ingrained in what we do often without us thinking too much about it. Nonaka et al (2014) adds that “all knowledge is rooted in tacit knowledge, and even the most explicit knowledge still contains some tacit parts or aspects. Knowledge is information in context and once we add context we add tacitness”. In 2014 Nonaka et al have added another dimension being phronesis or practical wisdom to the dimensions of knowledge.



Figure 5: Knowledge Triad Source: Nonaka et al (2014 p139)

When you share your tacit knowledge it becomes explicit, which in turn as it becomes embedded into what you do and goes back to tacit. This continuous process is what creates new knowledge. In Nonaka et al (2000) this knowledge transfer was illustrated as the spiral below. Phronesis is described as the process that drives the spiral through the synthesis of the two types of knowledge adding value judgement to the process as it helps interpret and create meanings out of contexts based on an individual's beliefs, judgements, commitments and passion Nonaka et al (2014).

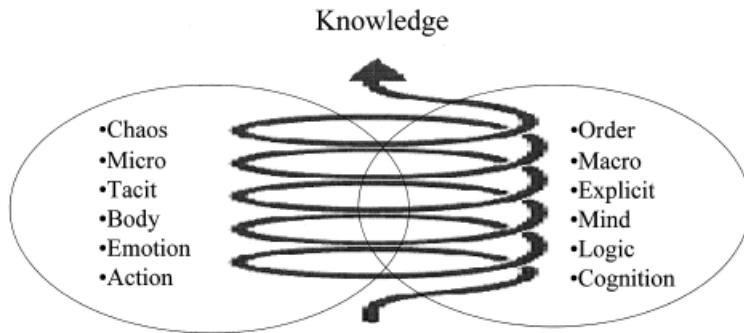


Figure 6: Knowledge Spiral Source: Nonaka et al (2000 p6)

The SECI process (Nonaka et al 2000) identified the following knowledge process modes:

- Socialisation: from tacit to tacit
- Externalisation: from tacit to explicit
- Combination: from explicit to explicit
- Internalisation: from explicit to tacit

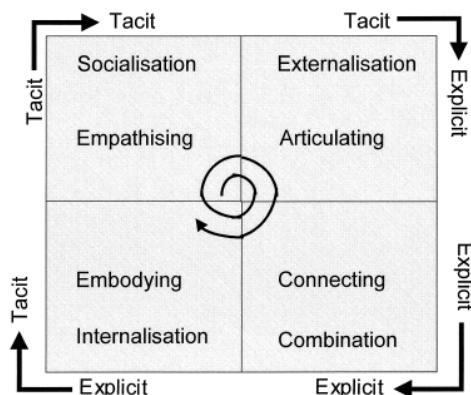


Figure 7: The SECI process Source: Nonaka et al (2000 p12)

So what does the above mean and how does it help with project learning? Tacit knowledge is shared through socialisation such as coaching or mentoring, shared experiences and talking with team members. Externalisation happens when we publish or articulate knowledge which happens in the process of post-project reviews. Combining is the process where explicit knowledge is captured through updating processes and training materials and adding the lessons learned to our database and internalisation is when we embrace the new processes and they become entrenched in how we do things. So essentially knowledge comes from experience and expertise is developed from doing. By understanding these concepts we can better utilise the lessons learned from past projects and introduce them into learning cycle.

Communities of Practice (CoP)

Recently our marketing team added an “open mike” section to their weekly team meetings where anyone in the department can raise a question or talk about something that worked well or didn’t and why or ask the advice of the whole team on something they are finding challenging. Talking to the marketing team they have found this approach has increased the overall learning of the team on issues from brand management to project management and also has allowed them to tap into the collective experience of the team. As a PMO group

within the Pacific business we have also started this process to more formally leverage the diverse expertise of the team providing a forum to raise project related questions to the whole team so that learning is shared to a wider audience.

CoPs are described by Cristal et al (2006) as being distributed groups of people who share a concern, set of problems, mandate or sense of purpose which complements existing structures enabling the sharing of best practices, information, a facilitating collaboration across boundaries of time, distance and organisational hierarchies. Tacit knowledge is shared through exchanges between members as issues are discussed and explicit knowledge is shared. Adkins et al (2010) in summarising the literature on successful CoPs says they must serve some organisational purpose, they must be provided appropriate infrastructure to facilitate exchanges and there value measured appropriately.

Wenger (2000) offers a different view in that CoPs are building blocks of a social learning system and inside community learning occurs as competence and experience converge. To explain this further, if competency and experience match then there is not much to learn and conversely if they are too far apart, learning is unlikely as well so a balance is necessary to achieve the greatest results. The establishing a CoP the following aspects need to be taken into account - events, leadership, connectivity, membership, projects and artefacts.

In understanding the potential relationship of CoPs with the PMO, Delisle (2010) believes that whilst a PMO is not necessary for a project related CoP they can provide the linkage point for knowledge transfer. PMOs are often all about governance and process so intuitively do not make you think of CoP which is emergent and unstructured but having a PMO oversee the communities of practice can facilitate the sharing of knowledge between projects.

Conclusion and Recommendations

To improve the leveraging of lessons learned in my organisation my first step would be to review existing post-project review processes available in the Asia Pacific region and from the FPX Project Methodology Toolkit and decide on a standardised approach for capturing project learning that can be championed by the PMO.

Second would be to establish a timeline for post-project reviews that would require the team to reflect on what went well and what could be improved within a month of the product being launched or the project being cancelled allowing team members the space to reflect on what went well and what did not.

Thirdly the method of capturing and reviewing post-project reviews needs to be revisited so the information captured is accessible, searchable and consistent.

Next I would recommend expanding the use of communities of practice to increase knowledge of the overall team, implementing a regional PMO community call(s) or bulletin board where questions could be posed for the input of the rest of the team. Project expertise could then be shared beyond the cluster borders raising the overall learning of the regional team.

Lastly with the structure of the PMO providing the expertise to coach and mentor project leaders in the business it is essential that the PMO members have a wealth of experience that can be shared so retaining that expertise is paramount as well as sharing that knowledge.

If as a business we decide to invest in the process of capturing lessons learned we must allow our team the time to reflect, to capture these lessons with honesty and consistency and to find creative engaging ways to share the information to increase overall organisational learning. If we can find this nirvana then we should greatly improve our project outcomes and hopefully reduce the need to fight fires as overall team expertise is increased.

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