

ChangeBEAT



Transforming Product Development at Panasonic Mobile Communications

Case study



Abstract

Panasonic Mobile Communications Division Europe wanted to reduce its development cycle time and improve the efficiency and predictability of its delivery.

Working with ChangeBEAT they defined a programme to improve and measure improvements to all aspects of their delivery process improving on time delivery by 238% and making substantial improvements in eight out of nine key development effectiveness metrics.



Panasonic

Panasonic Mobile Communications Development of Europe Ltd

Introduction

Panasonic Mobile Communications is a global leader in the development and manufacture of mobile communications products.

Based in Yokohama, Japan, Panasonic has been developing cutting edge technologies since 1958, and shipped the world's first 3G video handset in 2001. Panasonic Mobile Communications Development of Europe (PMCDE) is the UK R&D division of Panasonic Mobile Communications.

The background

The development of mobile handsets is a highly competitive business. To compete as a world-class development organisation, PMCDE recognised the need for a development process that provides increased productivity, predictability and reduced time-to-market.

ChangeBEAT were asked by PMCDE to help establish an improved business management system consisting of efficient and pragmatic processes and tools and to design a change programme to ensure its use. The system needed to be used to attain ISO 9001:2000 and be consistent with PACE, an established product development methodology.

First the Business Management and Improvement System (BMIS) framework was developed based on *ChangeBEAT's ProcessMAPPER*. Processes were then developed to populate the framework using Panasonic's own material and tools and processes from *ExecKIT*[®], *ChangeBEAT's* library of best practice.

The first phase of BMIS was completed and ISO9001:2000 accreditation attained. The auditor commented "BMIS is a well considered and well established system." Subsequent auditors added that "It is evident that a mature business management system has been established with strong management commitment."



Building on success

While BMIS established function-based business processes, PMCDE also wanted to be able to take a project-oriented view of its work. It therefore introduced DPIM (Panasonic's derivative of PACE) as the core process for product development. The materials in the BMIS repository were integrated with DPIM and a project based interface developed.

Moving forward, PMCDE adopted the framework provided by the European Foundation for Quality Management (EFQM) model to measure business performance and focus strategic change initiatives. Alan Preston, PMCDE's Development QA Manager, said "ISO9001 helped us focus on the initial business priorities, but we needed a way to consistently measure the performance of our business in terms of tangible results and initiative effectiveness. We used the EFQM model as the vehicle to build upon the success of BMIS and achieve these objectives".

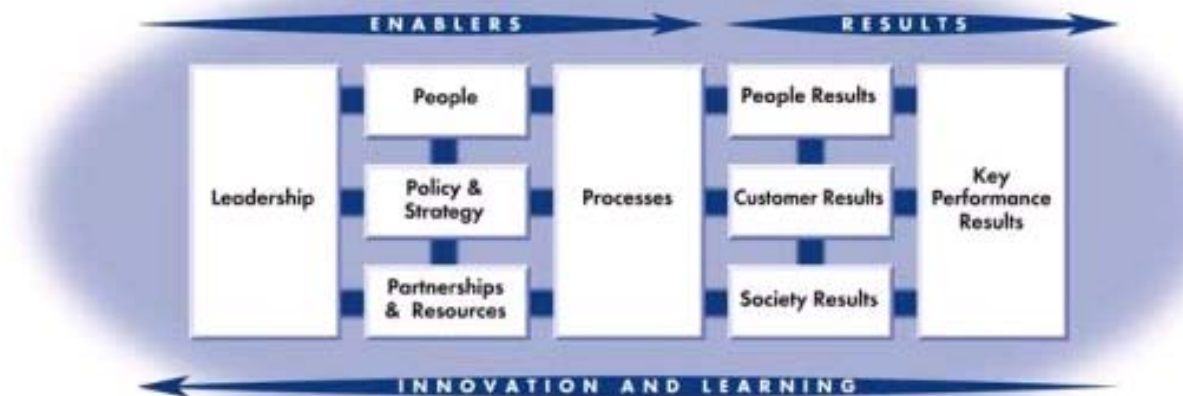


Fig 1: The EFQM Excellence Model



The results

Like ISO9001, PMCDE utilised the benefits of external EFQM assessments to independently measure business performance.

Over a three-year period, PMCDE's EFQM score increased by 64%, putting it on target to achieve its goal of winning an EFQM national award during 2007. These improvements have been achieved against a background of turbulence and change in the mobile phone business worldwide.

Individual scoring against the elements of the EFQM model demonstrates this success, with increases in eight of the nine elements

- Leadership – up 30%
- Policy and Strategy – up 64%
- People – up 47%
- Partnership and resources – up 63%
- Processes – up 102%
- Customer results – up 338%
- People results – up 329%
- Society results – down 78%
- Key performance results – up 43%



Fig 2: PMCDE Vision "To be an award winner".



The bottom line

But what is the real benefit of all this activity? The bottom line is a 238% improvement in on-time delivery of project milestones to PMCDE's customers.

The perception of these customers has changed, with the customer satisfaction surveys showing a 70% increase, some of the highlights being

- “easy to deal with” – an increase of 16%
- “being responsive” – an increase of 22%
- “delivery performance” – an increase of 12%

Internally there was also a 9% improvement in employee satisfaction despite a period of downsizing.

“BMIS, DPIM and EFQM are the key tools that have enabled us to achieve and measure success” said Alan.

“*ChangeBEAT* helped us to establish the structure and content of BMIS, adapt it to focus on the areas of the business that most needed improvement, and drive the process of achieving measurable change.”



ChangeBEAT defines, develops and executes change programmes that help achieve enduring business benefit rapidly and reliably. Our people have practical field experience, and are equipped with WingBEAT, our proven change methodology, and our extensive tools. We are professional, pragmatic and action oriented.

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