

Armstrong to Improve Productivity 20% and Maintain Lead in Marketplace

Keane Overhauls Manufacturer's Project and Management Practices.

Abstract

To maintain its strong competitive position, Armstrong World Industries, Inc. (Armstrong) needed to increase efficiencies by improving operating processes. Armstrong utilized Keane's Productivity Management training to equip its AITS (Armstrong Information Technology Services) staff with the project management tools to ingrain quality standards throughout the organization and ultimately achieve bottom line profits through on-time and on-budget delivery. As a result, Armstrong expects to realize a 20% productivity improvement each year for the next three years.

Client Overview

Armstrong is a global leader in the design and manufacture of floors, ceilings, and cabinets. In 2002, Armstrong's net sales totaled more than \$3 billion. Founded in 1860 and based in Lancaster, PA, Armstrong has 59 plants

in 14 countries and approximately 16,500 employees worldwide.

Challenge

Armstrong continuously develops and launches new and innovative products to maintain its leading position in a highly competitive marketplace. To sustain and support rapid delivery to market, Armstrong identified the need to improve IT processes to help deliver increasingly complex IT initiatives that required an ever greater range of IT resources. Looking for ways to increase efficiencies, Armstrong evaluated its IT processes and identified that they were inconsistent and ad hoc. This was resulting in missed deadlines, over-expenditure, inefficient allocation of IT resources, and a lack of project control.

Understanding that effective project management has a direct and critical impact on the strategic business objectives of an organization, Armstrong assigned Mark Young, Director of Program Management for IT Services,

"Keane's Productivity Management is now the cornerstone of Armstrong's initiative and directive to stabilize process foundation for CMM and Six Sigma initiatives.

As a result, Armstrong is closing in on developing a world-class IT organization."

Mark Young, Director of Program Management for IT Services, Armstrong

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to introduce project management tools within the IT function. To assist with this initiative, Armstrong partnered with Keane to implement Keane's project management methodology, Productivity Management, and to train AITS and ISNT (Information Services and Technology) project managers for ongoing discipline in this area. The goal was to bring Armstrong's applications development process from an "Unpredictable" Level 1 to a "Defined" Level 3 on the Software Engineering Institute's (SEI) Capability Maturity Model (CMM).

Solution

The CMM provides a framework for achieving continuous improvement in software maturity and the related organizational processes. To assist Armstrong with this goal, Keane developed a program of training seminars, mentoring, and consultation to evaluate implementation of disciplined project management practices.

Keane delivered a phased approach to developing a project management culture and establishing new work practices. As part of the solution, Keane provided easy to use project management tools that avoid administrative overhead, disruption to the corporate culture, or radical change. The approach included:

- » Seminars and workshops to train the Armstrong staff in Keane's Six Principles of Productivity Management
- » Installation of a statement of work (SOW) process as the framework for any and all new projects

- » Project Manager Mentoring, including assistance with the development and monitoring of individual professional development plans for project managers
- » Development of an automated change management process for Armstrong's IT Department and all associated vendors

Armstrong expanded the initial training program to include more than 200 personnel and a number of executives – nearly 90% of Armstrong's IT Department. Keane continues to deliver Project Manager Mentoring to Armstrong.

Benefit

By applying Keane's Productivity Management approach, the business units have already seen a significant improvement in quality production. As a result of project management training and processes, Armstrong experienced the following benefits:

- » Projects (estimated greater than \$50,000) delivered on time and within budget increased from 66% to 92%
- » Projects (estimated less than \$50,000) delivered on time and within budget increased from 81% to 96%

Overall, Armstrong expects to realize 20% productivity improvement each year for the next three years. As a result of this process and quality initiative, the IT Department aligns with Armstrong's business strategy of excelling in customer satisfaction, innovation, and manufacturing.

About Keane

Keane, an NTT DATA Company, is an IT services firm headquartered in the US with more than 12,500 professionals worldwide. For 45 years, Keane has been an Application Services specialist with distinguished project management credentials. Today, we offer a flagship suite of Application Services, as well as Infrastructure and Business Process Outsourcing solutions delivered through onsite, nearshore, and offshore resources. Visit www.keane.com to learn how our projects, managed services, and outsourcing engagements deliver value for a range of businesses and government agencies.

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