

CASE STUDY



Douglas Pharmaceuticals makes major investments to maintain and advance its position as one of the fastest growing pharmaceutical companies in Australasia.

THE CUSTOMER

Key Initiatives vital to maintain success and growth.

- Douglas Pharmaceuticals was founded in 1967 by Managing Director Graeme Douglas MNZM FPS. The company remains one of the fastest growing pharmaceutical companies in Australasia.
- Outstanding customer services is the key to the success of Douglas Pharmaceuticals with the company being consistently ranked as the top performing company in New Zealand IMS surveys on pharmacist satisfaction.
- Douglas Pharmaceuticals is currently enjoying significant growth in expanding world-wide export revenues.
- Considerable investment in generic product development laboratories and a specially designed containment suite for steroid manufacture signals the company's intention to present its international clients with high quality products, supported through the timely provision of fully compliant registration dossiers in CTD format.



BUSINESS CHALLENGES

- A Supply Chain excellence Project conducted by Xelocity established 54+ initiatives which aimed to improve the current situation;
- The number of projects in the PMO portfolio has rapidly grown to 112+ as it gained acceptance within the company;
- Determining the dependencies of each project and sequence to enable the best possible way to deliver the anticipated benefits over the next 5 years;
- A structured approach was required to implement the changes while minimising the load onto existing staff;
- Cash flow analysis needed to be completed due to the large investment some projects required;
- The Project Management Maturity assessment highlighted the lack of formal project management procedures threatening effective implementation of the identified improvements;
- The Leadership Team initially saw the PMO function as a non value overhead and needed to be educated on the benefits.

XELOCITY SOLUTION

- Implementation of the BFPM™ project management methodology which was tailored to suite the needs for Douglas Project Management maturity and allow for a path to grow with the increase of maturity over time;
- Train the project managers in the usage of the Project Definition and Project Management principles using the QPD™ tool;
- Implementation of a PMO to supervise and QA check all Douglas SCE projects and provide reporting to the Management Committee.

ROI / BENEFITS

- Overall project portfolio benefit is expected to be a profit improvement of between 3% of EBIT over the next 5 years.
- Industry statistics show benefit 'leakage' without PMO and Benefits Management >25%
- Industry statistics show benefit 'leakage' with PMO and Benefits Management < 5%



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PROJECT SUMMARY

Douglas Pharmaceuticals is about to embark on a multi-million dollar investment, implementing multiple projects over the next five years to secure and grow its dominance as a key pharmaceutical generic drug manufacturer in Australasia. *“Our recent Supply Chain Excellence project identified critical projects requiring large investment in areas where the company could not afford failure”.*

With 54 programmes of work needing to be managed, Douglas engaged Xelocity to implement its Programme Management Office (PMO) within Douglas.

Using Xelocity’s Business Focused Project Management (BFPM™) and Quick Project Definition (QPD™) tool set, Douglas were able to implement a “best-in-class” PMO within a month.

Xelocity worked with Douglas to establish a centralised PMO, reporting to the senior executive team as well as providing support to project sponsors and project managers helping to ensure project success.

Key to the PMO success was obtaining senior executive support and company wide buy-in for the need to provide the governance and rigor in managing Douglas projects.

“We now have a consistent approach to all our projects and a clear understand of costs and benefits”.

Providing a process with the necessary stage gates to control projects through their initiation to execution phases was important for visibility. Workshops were held with key Douglas stakeholders who received training in understanding what was expected of them in the ‘New Way’ of governing projects.

“We believe the PMO has dramatically improved our chances of success for all projects”.

The PMO allows Douglas to plan its resources better and highlight where staff are over committed and may need support by back filling their day to day job. It also allows Douglas to understand the cash flow requirements and dependencies between various initiatives. Knowing the importance of what needs to happen next on the journey to achieve the final strategic goal.

“The PMO allows the Management Committee to maintain a strong focus on tracking the benefits of all initiatives being run by Douglas”.

The implemented structures and methodologies will cater for the growth in Project Management Maturity and plans have been provided to increase the disciplines in more rigorous Benefits Management using Xelocity’s Benefits Management Excellence (BME™) methodology.

CONTACTS

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