

DAIMLERCHRYSLER

Project Management Excellence @ DaimlerChrysler Services

Berlin, 17.02.2005
- Thorsten Müller -

Learning Objective of Presentation

The following presentation intends to provide the following insights:

- Project Management (PM) challenges of a diverse global organization
- Holistic approach towards tackling the challenges including roles and responsibilities
- Major elements of the PM framework and their interconnection
- Key features of the supporting PM tool
- Success factors during implementation of the PM initiative

Agenda

- **DaimlerChrysler Services (DCS)**
- Project Management (PM) Challenges@DaimlerChrysler Services
- Professionalizing PM@DaimlerChrysler Services
 - PM Processes, Methods & Tools
 - PM Organization
 - PM Qualification
- Success Factors for Implementation
- Summary & Conclusions

DaimlerChrysler Company Divisions

Passenger Vehicles



Chrysler
Dodge
Jeep

Mercedes-Benz
smart
Maybach

Commercial Vehicles



Mercedes-Benz
Freightliner
Sterling
Setra

Services



DaimlerChrysler Services

DaimlerChrysler Services at a Glance

DaimlerChrysler Services ...

- is the financial services provider within the DaimlerChrysler Group.
- finances or leases every third group vehicle sold worldwide.
- is the third-largest captive financial services provider worldwide.
- exploits cross-selling potential within its broad range of financial services offered.
- contributes to the profitability of the group.

DCS Key figures 2003:

105 operating companies in 39 countries

Employees: >11,000

Headquarter: Berlin

Av. Penetration rate: 35.0 %

Acquisitions in units: 1.9 mn

Acquisitions in €: 47.5 bn

Portfolio in units: 6.2 mn

Portfolio in €: 98.2 bn

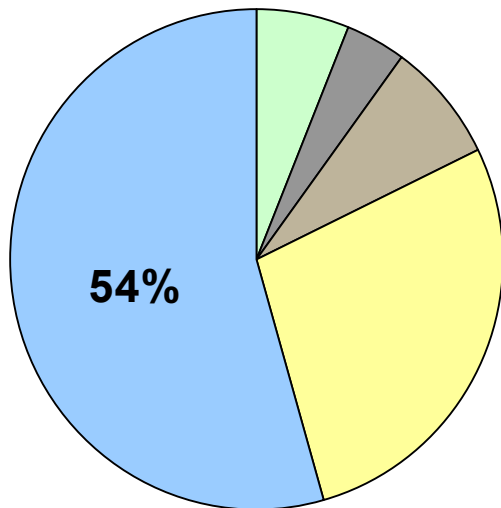
Operating profit in €: 1,240
mn

RoE: 14.1 %

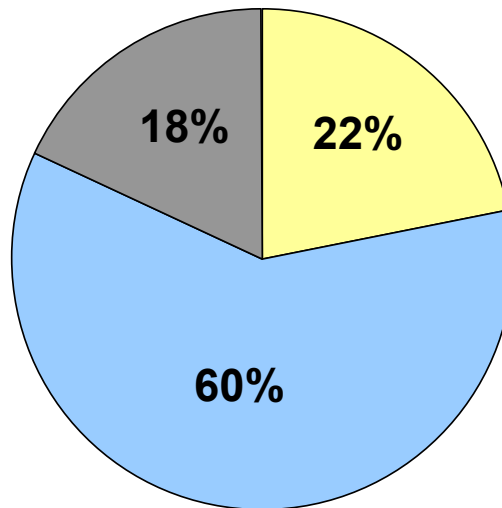
DaimlerChrysler Services at a Glance

Total Portfolio serviced 2003 € 98.2 billion

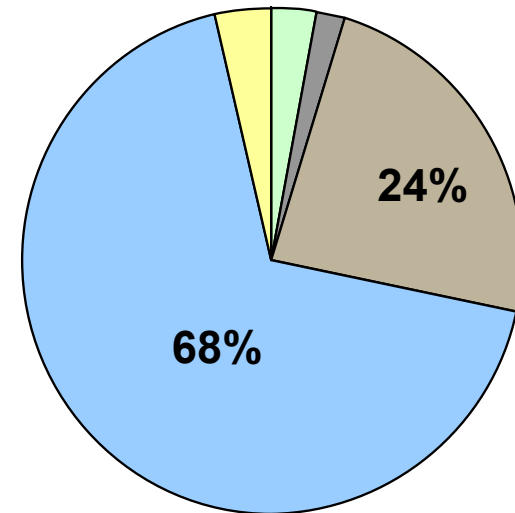
By Brand



By Product



By Region



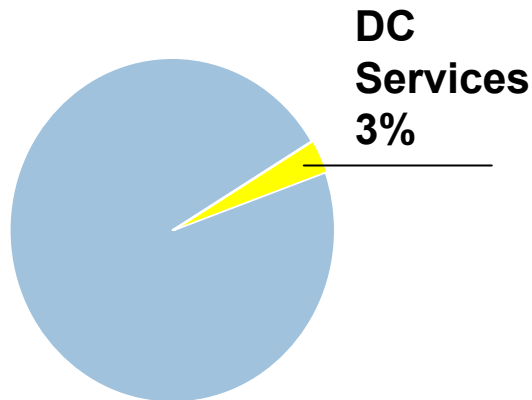
- CG
- MCG
- MB CV
- others
- FTL

- Finance
- Operate Lease
- Wholesale

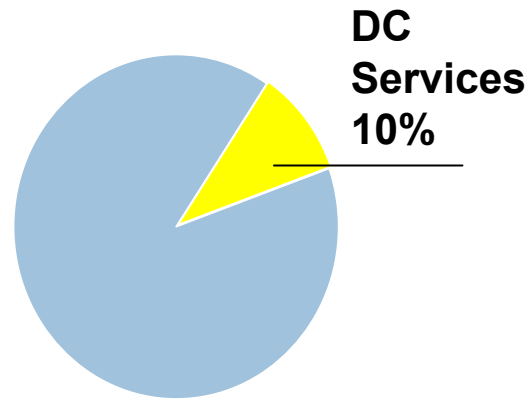
- NAFTA
- Europe
- others
- Asia/P.
- LAM

An Indispensable Sales and Profit Generator for the Group

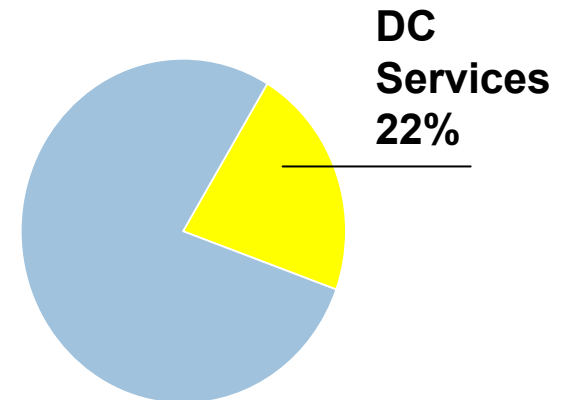
Group Employees
Total: 362,063



Group Revenues
Total: € 136,437 mio.

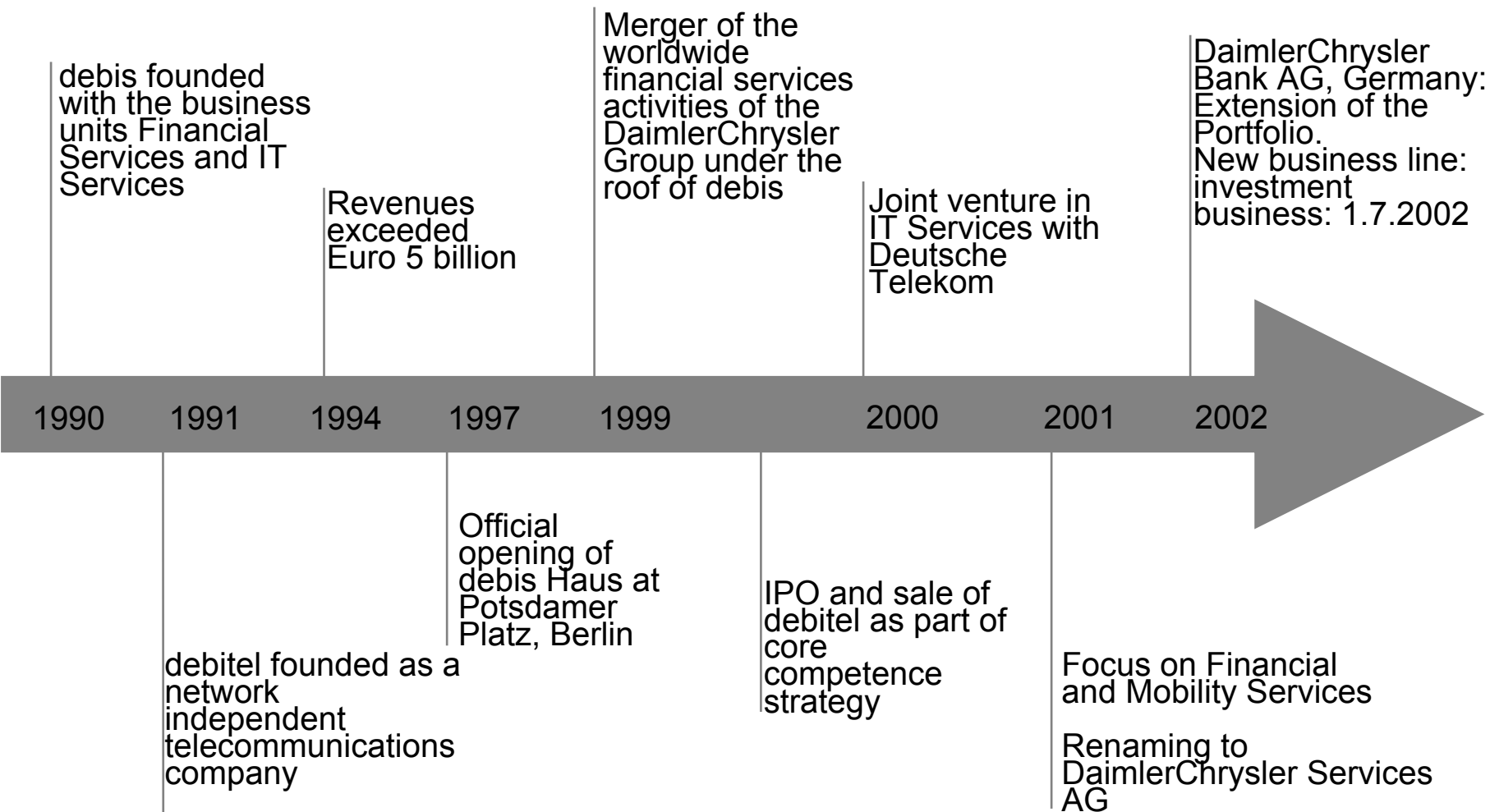


Group Operating Profit
Total: € 5,686 mio.



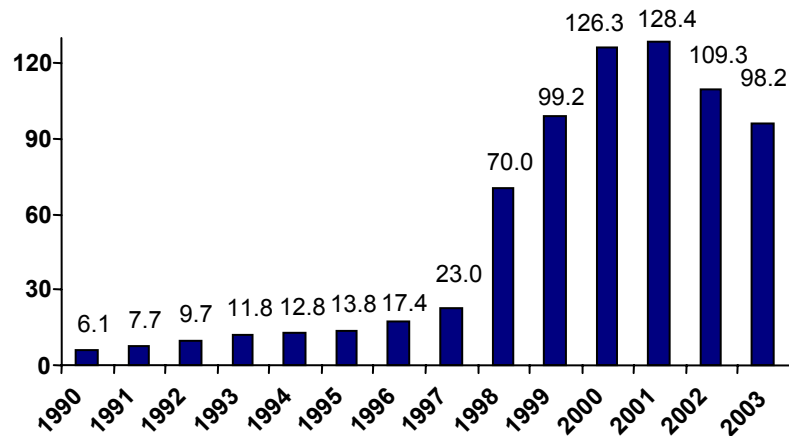
In 2003, **3%** of the Group's employees generated **10%** revenues and made an above average contribution to the Group's operating profit with **22%**.

Milestones



A Success Story

Portfolio Development in Euro billion



From € 6 billion in 1990 to
€ 98 billion, as of 2003.



From 12 operating companies in
1990 to 105 operating companies,
in 2003.

Automotive financing...

...and more

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Why is Project Management so important for DC Services?

1. Projects are primary way of implementing strategy

2. Financial risk of failed projects can be significant



DC Services projects need to be consistently successful

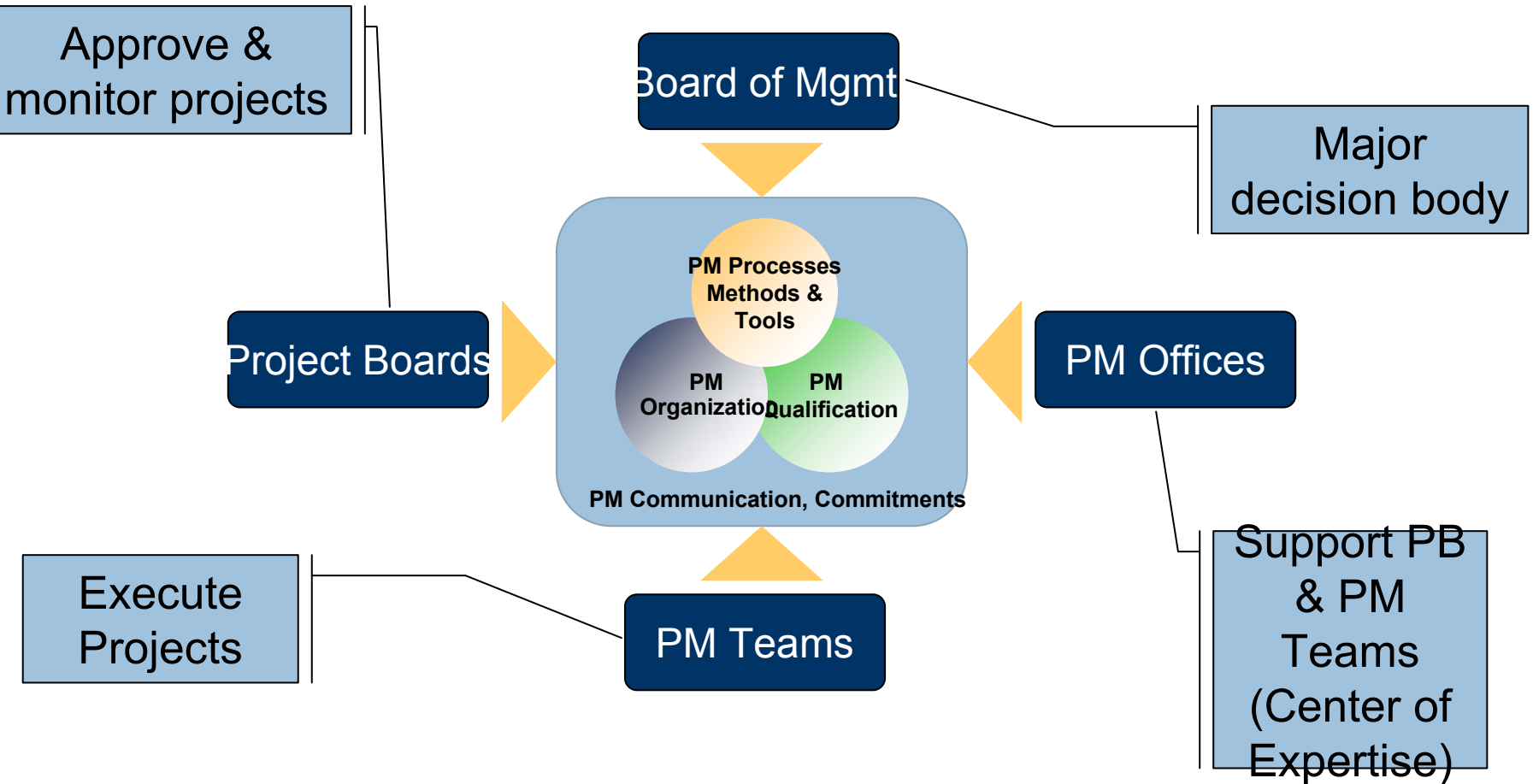
Agenda

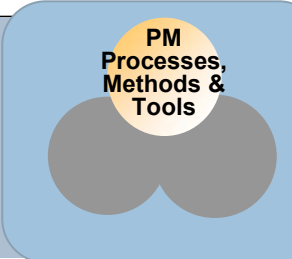
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An integrated overall PM concept was developed to deal with the 10 challenges identified

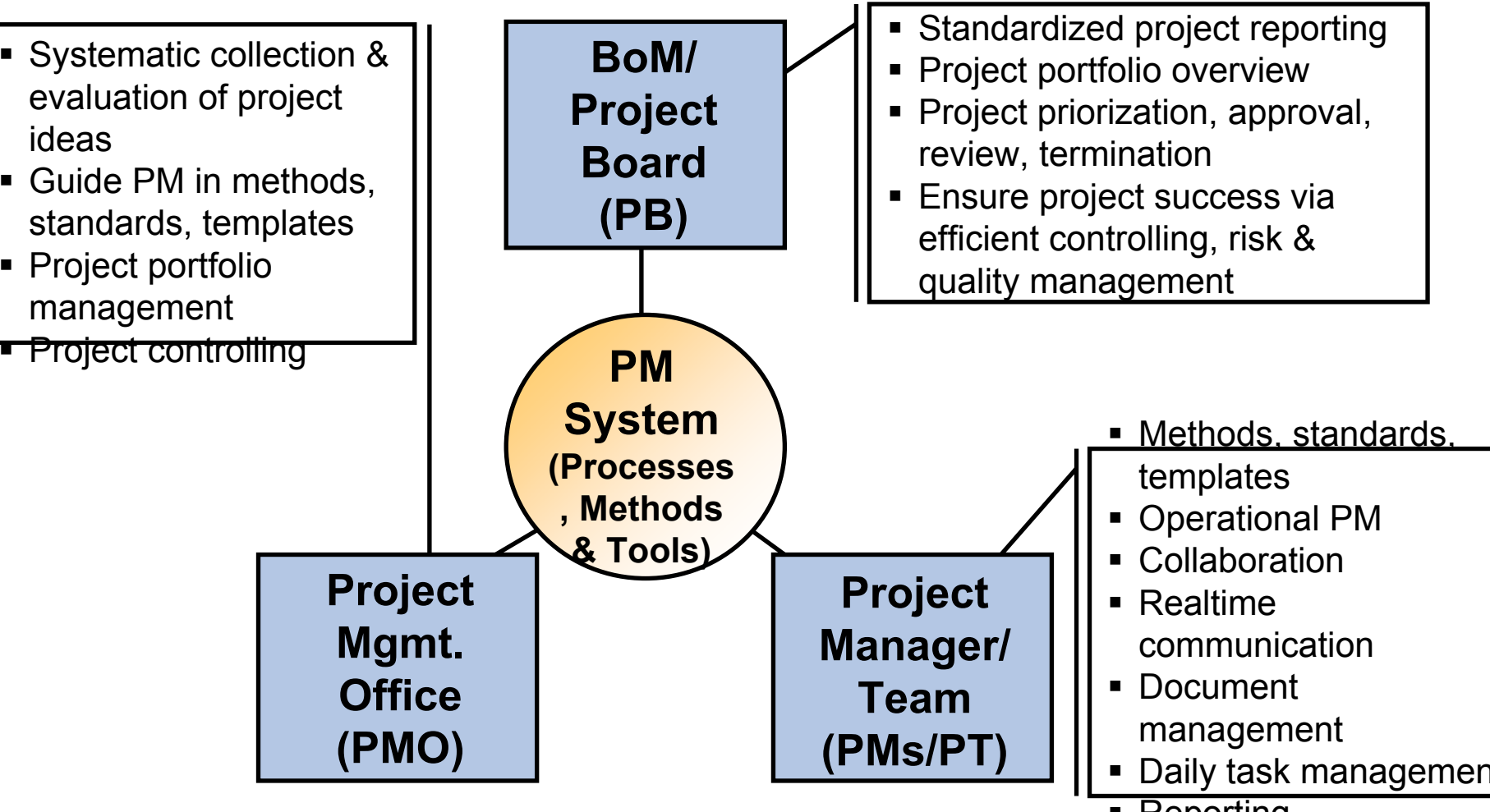


Successful project work requires a well balanced set-up of all involved stakeholders with clear responsibilities and accountabilities

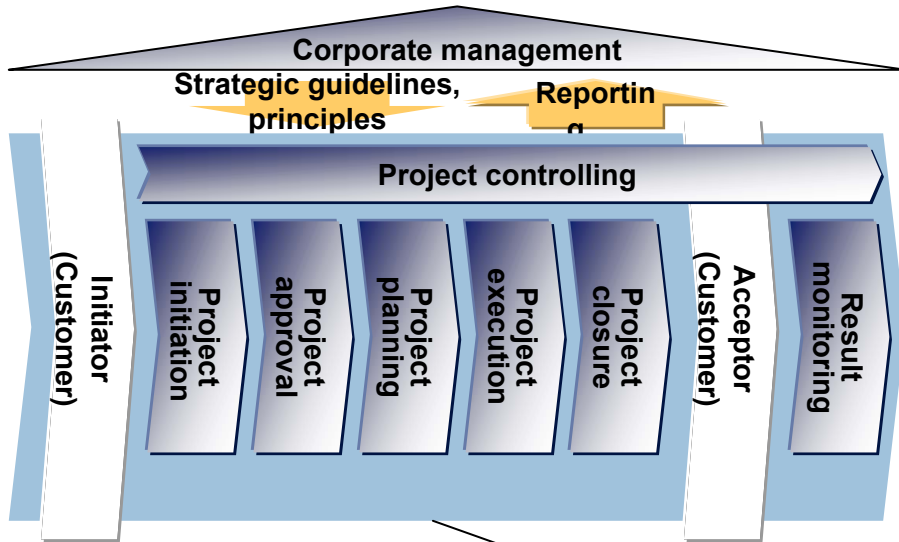




The requirements of DCS PM stakeholders were evaluated to define the necessary characteristics of a DCS PM System



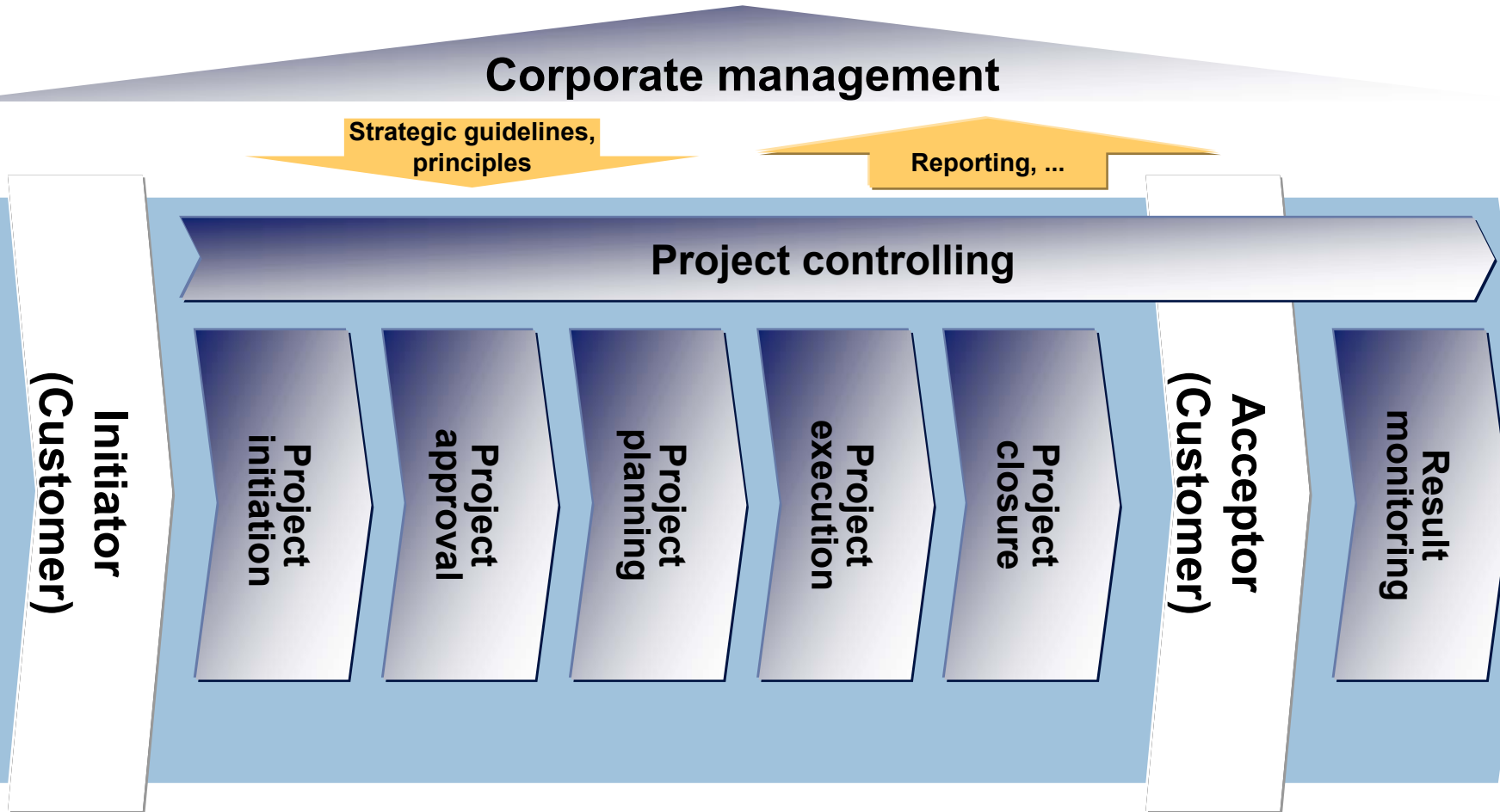
Process, Methods & Tools need to be balanced in the overall PM Framework



HOUSTON
Excellent Projects
@ DaimlerChrysler Services

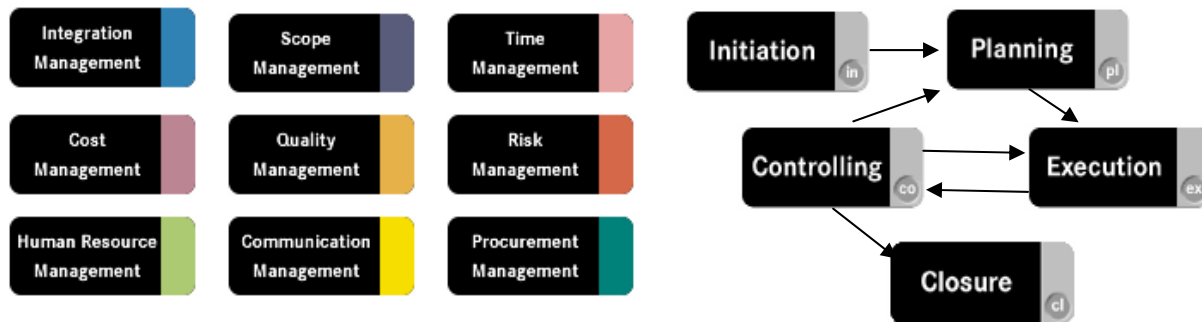


A clear PM process according to international standards was defined as a guiding framework



HOUSTON provides a standard framework for all relevant knowledge areas and processes of PM

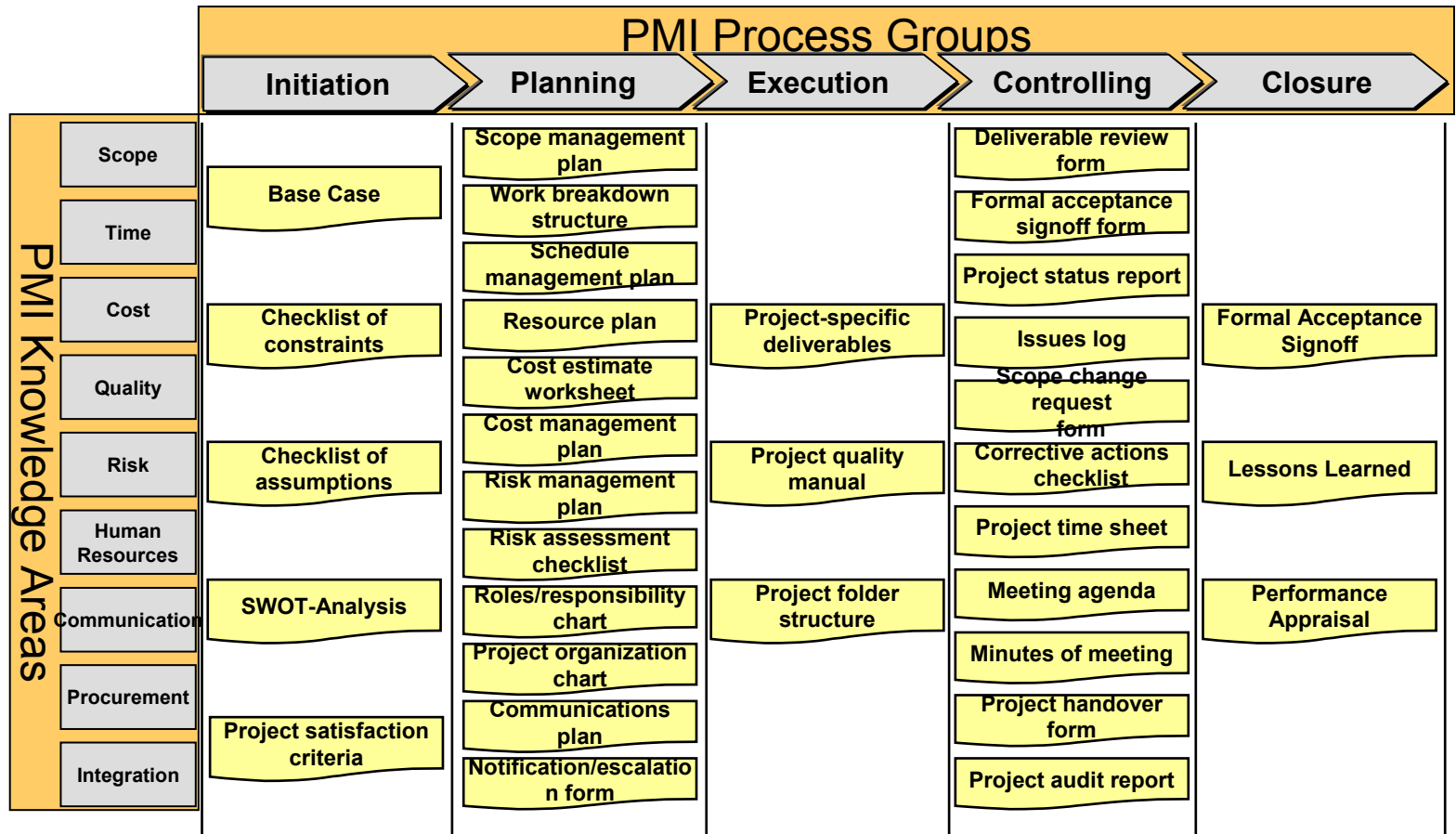
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HOUSTON Project Guide

- ⇒ 9 PM Knowledge Areas
- ⇒ 24 PM Processes
- ⇒ PM Templates & Checklists

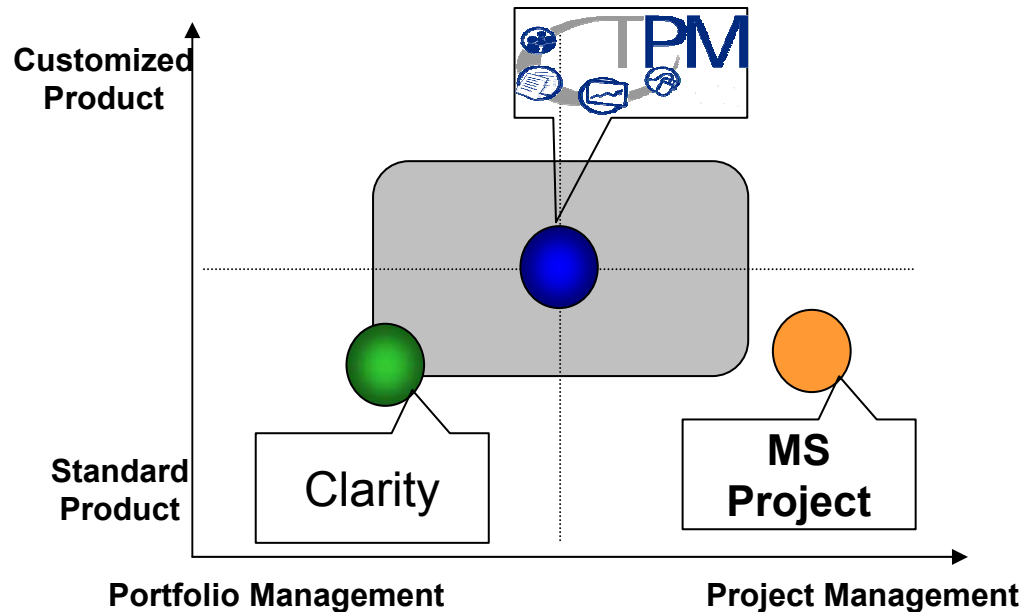
The HOUSTON Framework based on the PMI Standard



The Project Management Tool TPM is customized for DCS requirements

DCS requirements:

- HOUSTON methodology integration
- Process oriented
- Support of project managers
- Portfolio management
- Strong reporting features
- Integration capabilities
- Roll based
- Customizable to DCS standards
- Web-based
- ...



TPM is a web-based integration platform for the HOUSTON methodology and related PM tools

Integration of

- PMI/HOUSTON methodology
- Standardized reporting
- Customizable system (Interfaces, ...)
- MS Project & Lotus Notes

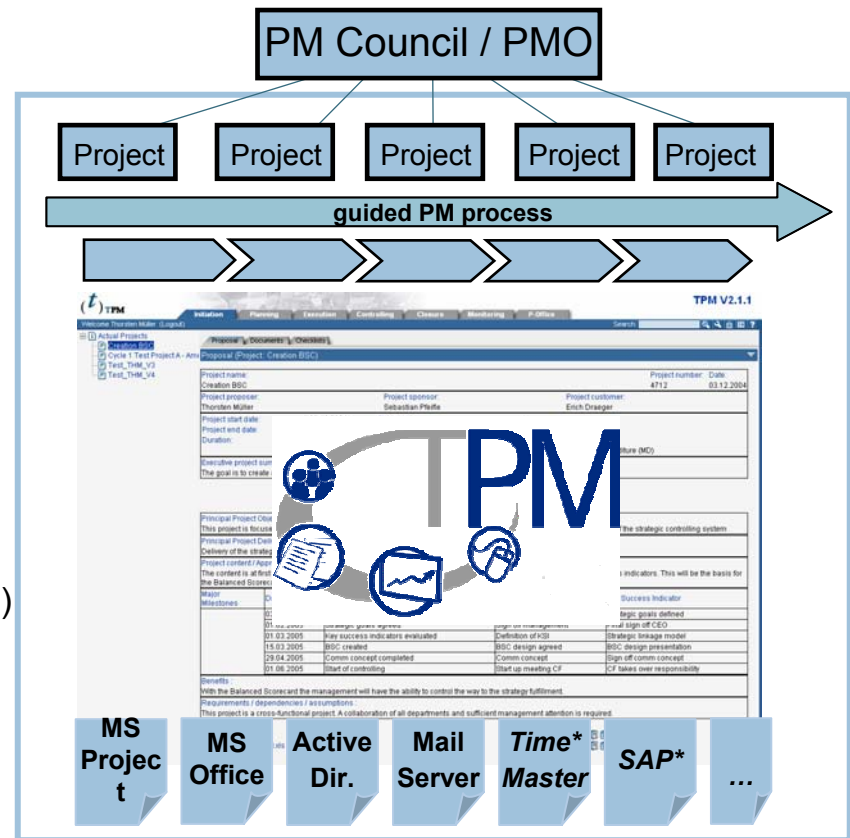
Guided workflow

- Initiation, Approval, Planning, Execution, Controlling, Closure, Monitoring

Role based views

- Portfolio (Project Board, Project Management Office)
- Projects (Project Manager, Team, Controlling)

Web-based



*) = not yet linked/interfaced

TPM: Project Score Card

DaimlerChrysler Services - Microsoft Internet Explorer provided by DaimlerChrysler Services

TPM V2.0.0 RC7

Initiation Planning Execution **Controlling** Closure Monitoring P-Office

Welcome Super User (Logout) Search: []

Scorecards Status reports Milestones Budget Resources RAI-Logs Risks Organization Last reports

Review scorecards (Project: Creation BSC)

Duration:	7/27/04 - 11/20/04	Project manager:	Thorsten Müller	Customer:	Erich Draeger
Total budget:	1,489.00 KEuro	Sponsor:	Sebastian Pfeifle	Strategic issue:	Strategic Controlling
Category:	A	Committee:		Overall status:	■ ■ ■ ■

Project related events:

- The cross-functionality character of the project is a problem for this organization.
- Due to the management attention the progress of the key figure definition is before the scheduled time.
- At the moment the budget planning is lower than expected. A budget shift to the Balanced Scorecard design is planned.

Status Reports

Milestones

Budget

Risks

Actual Projects

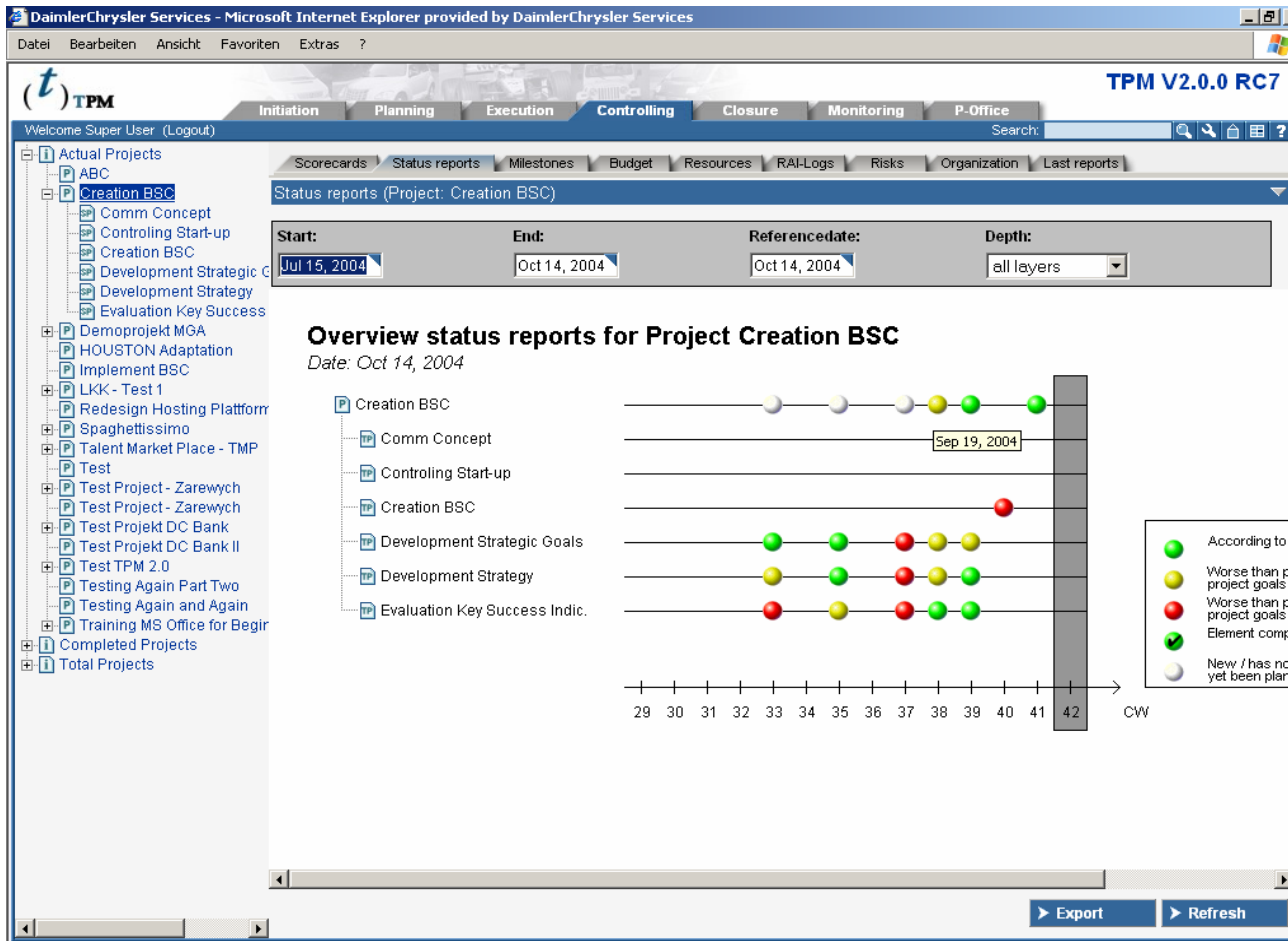
- ABC
- Creation BSC
 - Comm Concept
 - Controlling Start-up
 - Creation BSC
 - Development Strategic C
 - Development Strategy
 - Evaluation Key Success
- Demoprojekt MGA
- HOUSTON Adaptation
- Implement BSC
- LKK - Test 1
- Redesign Hosting Plattform
- Spaghettissimo
- Talent Market Place - TMP
- Test
- Test Project - Zarewych
- Test Project - Zarewych
- Test Projekt DC Bank
- Test Projekt DC Bank II
- Test TPM 2.0
- Testing Again Part Two
- Testing Again and Again
- Training MS Office for Begri

Completed Projects

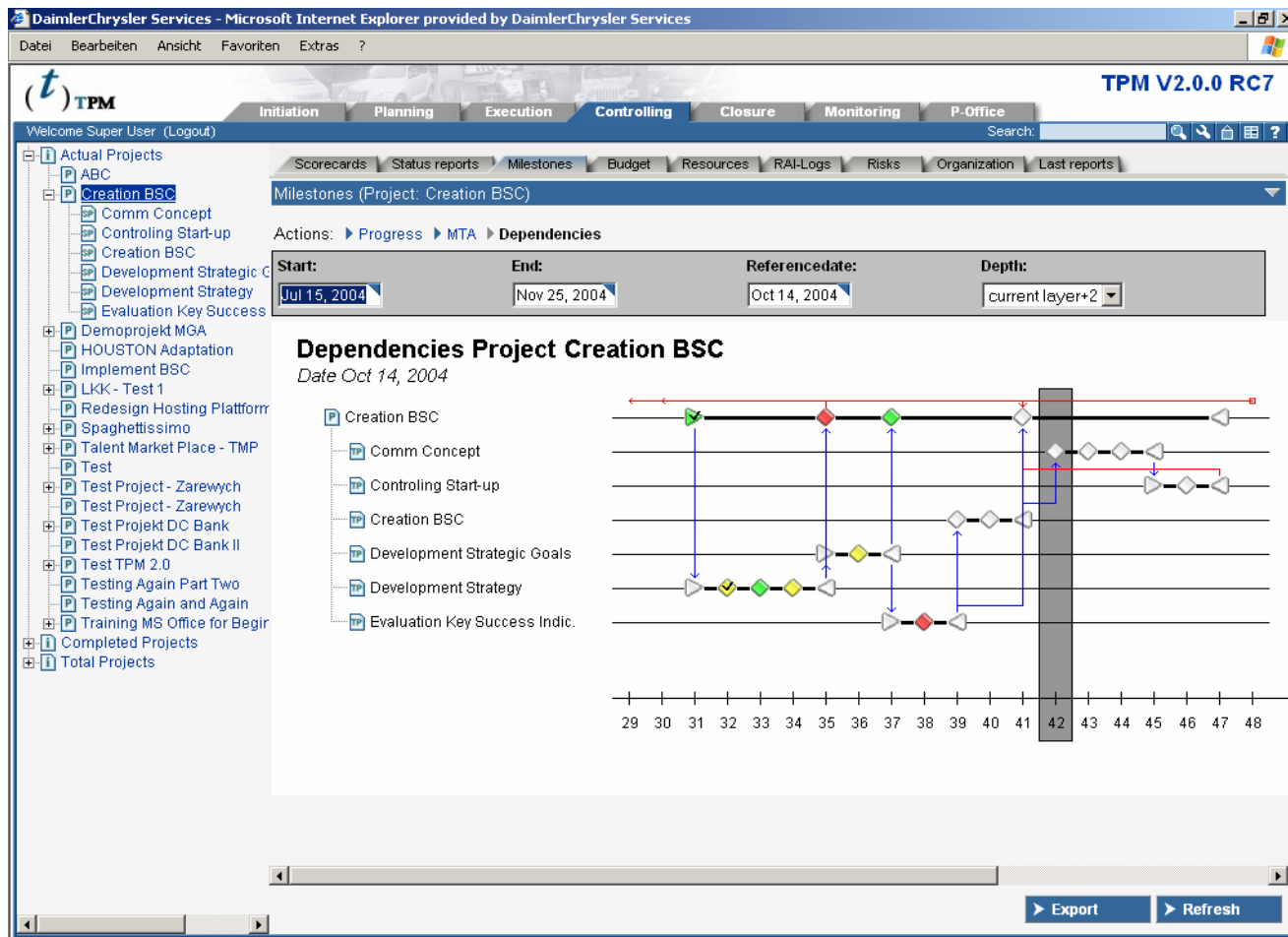
Total Projects

Edit Create Version Export...

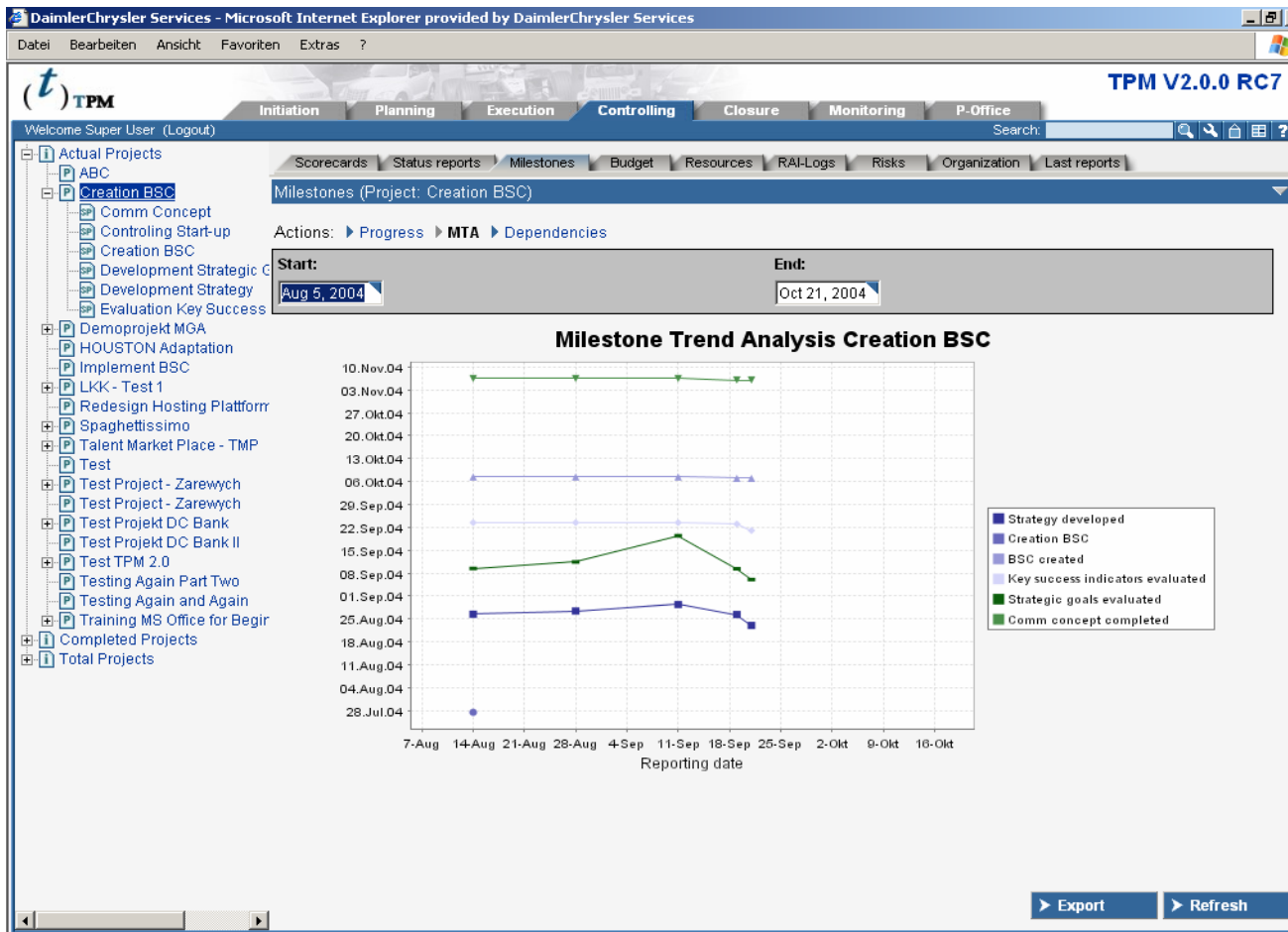
TPM: Status Reports



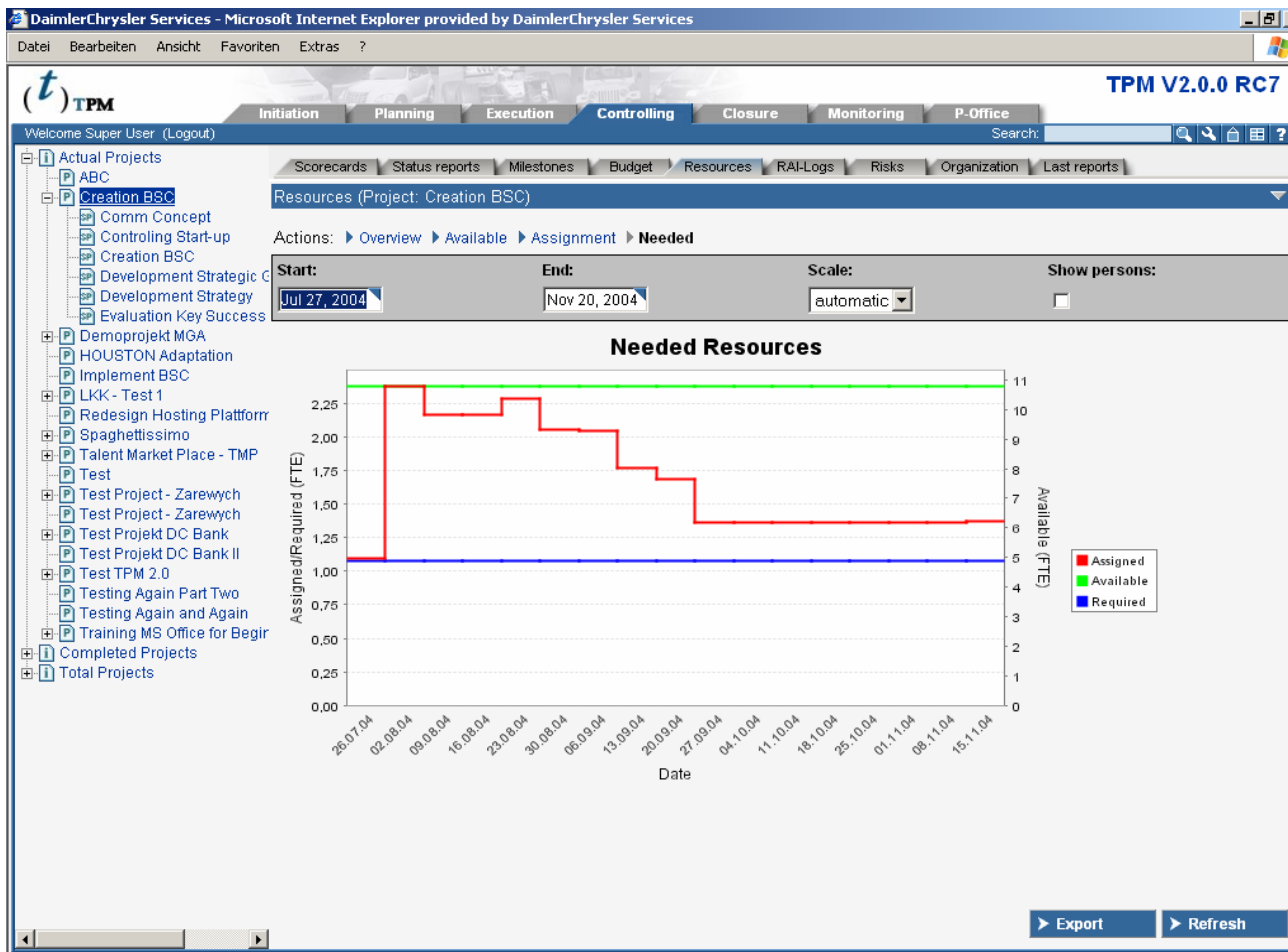
TPM: The Milestones Dependencies



TPM: Milestone Trend Analysis



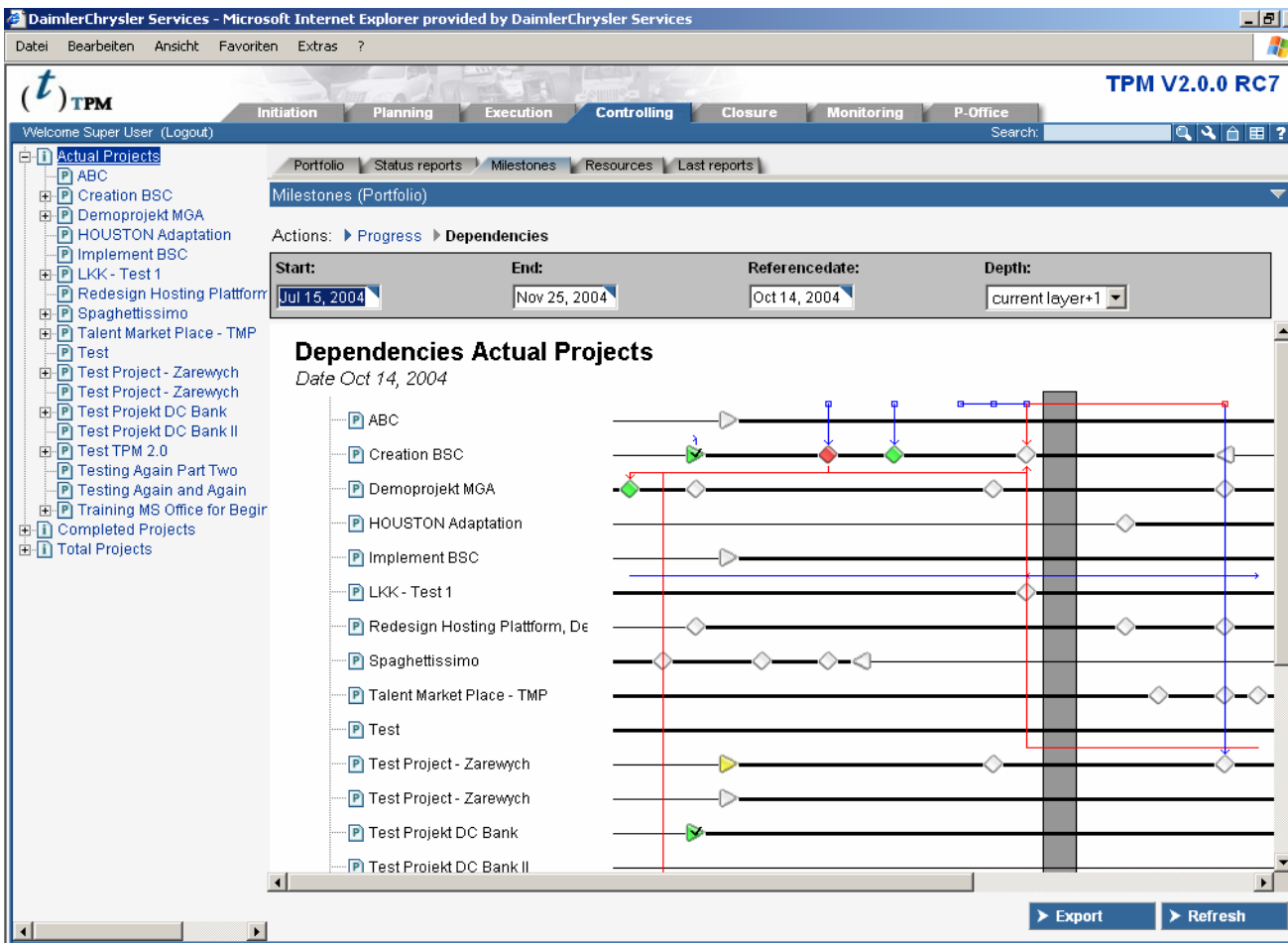
TPM: The Resources Status



TPM: The Risk Analysis



TPM: The Project Portfolio Dependencies



DCS Academy offers tailor-made PM qualification based on HOUSTON methodology and DCS tools



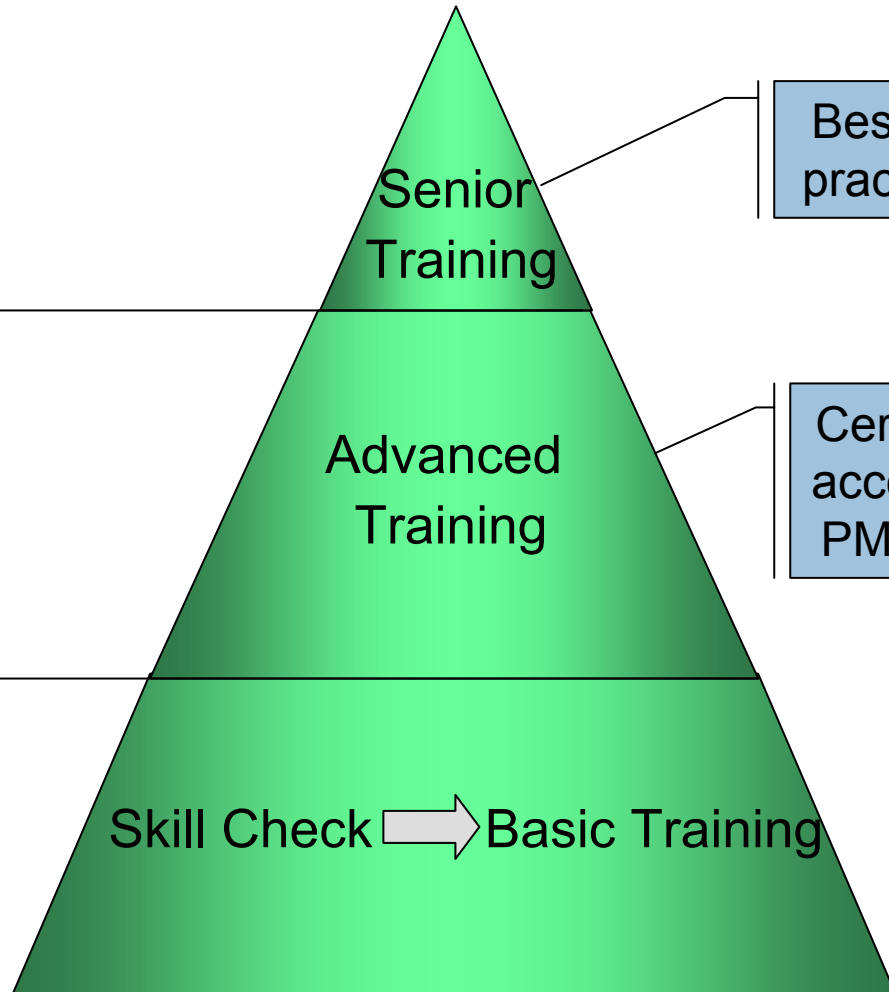
Senior Project Mgr.



Project Manager



Project Team Member



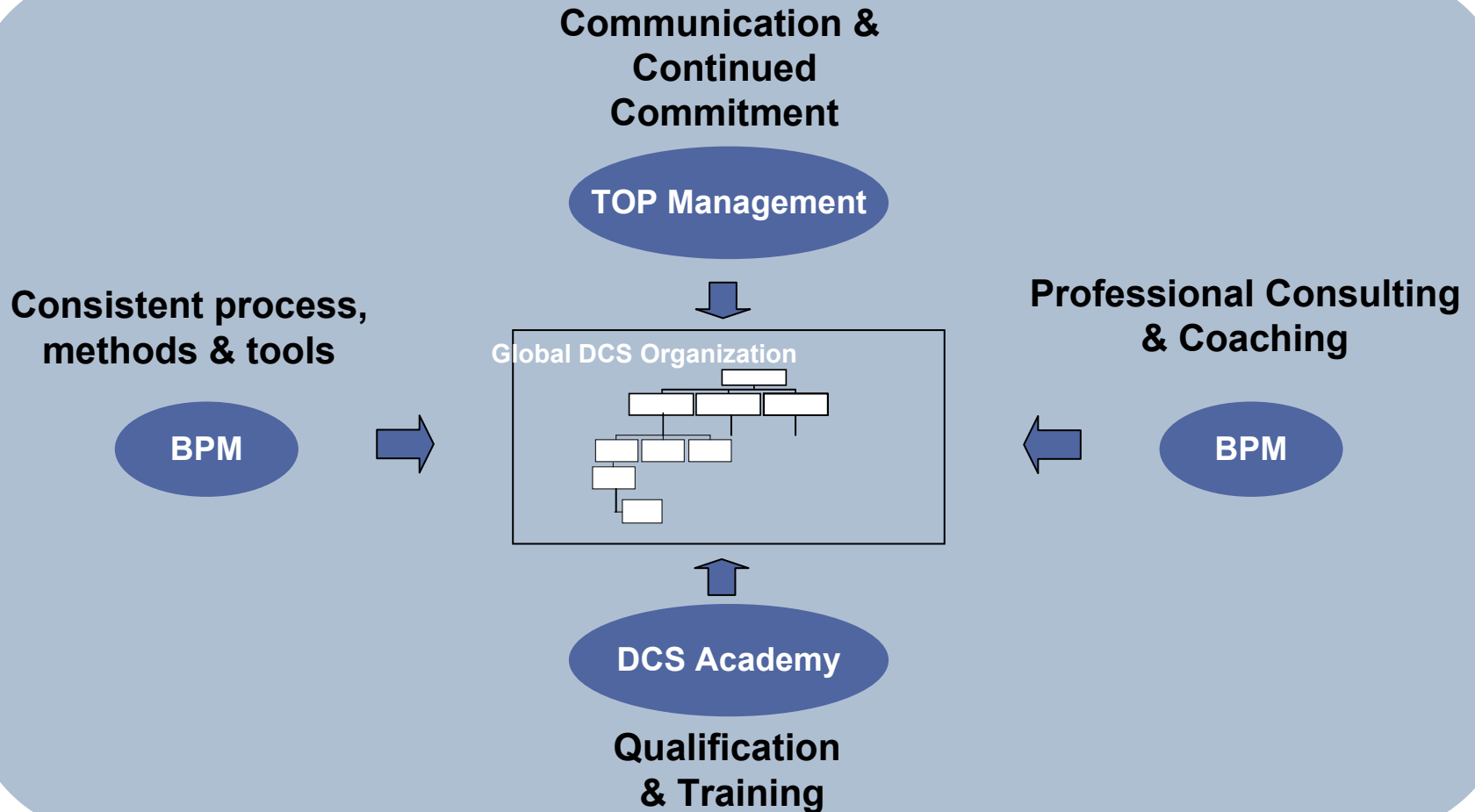
Best of practice

Certification according to PMI / IPMA

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Ensuring a successful implementation of the PM initiative requires a combination of top-down and bottom-up approach



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Summary/Conclusions

- o Improving PM in a decentral global enterprise requires a multi-dimensional, integrated approach – and time
- o An improved PM Framework is the result of a consistent approach to PM Processes, Methods, Tools, Organization, Qualification and Communication (Commitments)
- o Successfully implementing the PM Framework requires a bundle of top down and bottom measures, combined with operational support
- o Last but not least, an integrated IT-Platform is necessary which supports the whole Project Lifecycle and is linked to all needed systems

Thank you

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