

The logo for Aviation Week, featuring a stylized black wing or swoosh that curves upwards and to the right, ending in a sharp point.

AVIATION WEEK

Aviation Week Executive Roundtable: Program Excellence

Carole Rickard Hedden

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Washington, D.C.

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AVIATION WEEK EXECUTIVE ROUNDTABLE: PROGRAM EXCELLENCE

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August 13, 2012
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Programs nominated for the 2012 Aviation Week Program Excellence Awards share consistent approaches to the execution of programs, indicating an industry-wide application of sound processes and methodologies among the industry's top programs.

This was the finding during the eighth annual evaluation of nominee submissions by members of the Evaluation Team. The Program Excellence Awards initiative was established in late 2004 to support development of program leadership bench strength and to share lessons learned and best practices. Initially the nominations demonstrated a widely varied infrastructure to execute and monitor programs. Today there is more consistency in the development of meaningful and forward-leaning metrics (beyond those of schedule, cost and requirements), organizational processes that have been developed and refined, use of earned value systems, supply chain integration efforts, and mentoring. Generally the award submissions articulated a value statement that linked to end-user/customer, business strategy, and advancement for the nation and science. The fourth category by which the nominees are judged is adapting to complexity. This area continues to evolve and adapt as the business environment changes.

Those participating in the Evaluation Team meeting, sponsored by PwC, included representatives from BAE Systems, Boeing Defense Space & Security, Defense Acquisition University, Honeywell Aerospace, Lockheed Martin, NASA, Northrop Grumman, PwC, and Rockwell Collins.

Team members indicated that while there is consistency in good practices, the need for the next level of sophistication in program execution is forming around environmental issues affecting programs today:

- Accuracy in cost prediction and analysis;
- Clear awareness up/down the value chain of technical and financial stability and health;
- Instilling passion for state-of-the-art execution;
- Understanding the integration of commercial-off-the-shelf with developing technologies – and how to identify the point at which the technology exceeds what is needed;
- Resurgence of people/teaming effectiveness as a means to improved cost/efficiency;
- Speed as a critical element of cost;
- People processes to assure transition of expertise and knowledge – not just replacement of an individual who leaves a team;
- Required understanding of geopolitical issues and the regulatory/governance practices of other countries;
- The reliance of excellent programs on sound, stable customer/contractor relationships.

The team also observed that the highest scoring teams tended to already have in place data collection and evaluation that easily feeds to the awards process. This is an important point as public scrutiny and accountability increases.

In addition to evaluating program submissions, the evaluation team also reviewed its own processes. Common approaches used by the evaluators included:

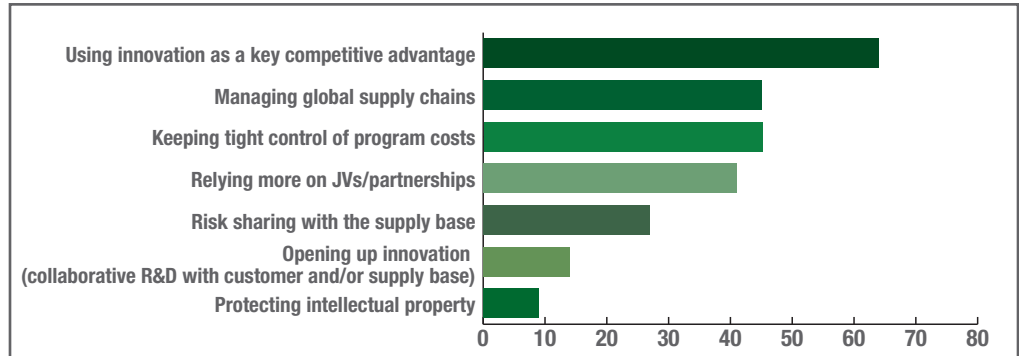
- Approximately 80 hours per organization;
- Assign points within each of the four review categories according to the questions/prompts provided;
- Division of the evaluation submissions for review by subject matter experts from the program management staff and/or in the program community;
- Collaboration meetings to discuss scoring and identification of best practices;
- Aggregation of scores within an organization;
- Review of the top entries in each category by the Evaluation Team representative.

While the distribution of evaluation tasks contributes to a more manageable task, team members also indicated it was another opportunity to propagate best practices to a broader audience.

Program Management Research

PwC's representatives provided an overview of global research conducted on the topic of program management. Researchers found that the 23 organization interviewed said the most important aspect of delivery strategy is:

Most Important aspects of program delivery strategy



Respondents indicated two forms of innovation – business model innovation and technology innovation. Under business model responses included:

Value Proposition	Value Network	Target Customer
Customer experience	Value network/supply chain	Buyers, non-buyers
Brand value	Ecosystem of value offerings	Marketing methods

Technology innovation responses included:

Products/Services	Process Technologies	Supporting Technologies
Performance and feature improvements	Manufacturing and assembly	Information systems
Packaging integral to customer value	Service delivery	Logistics/inventory

Program Excellence Finalists

Evaluation Team members aggregated and discussed scoring to determine finalists and best practices.

System Level

R&D/SDD Northrop Grumman E-2D Hawkeye

Lockheed Martin KMAX Cargo

Production EADS N.A. Lakota Light Utility Helicopter

Lockheed Martin MH-60 R&S Multi-Year 1 Contract

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Sustainment Bell-Boeing V-22 Osprey
Honeywell USAF Satellite Control Network

Other Boeing Intelsat 4-Pack
NASA Aquarius

Sub-System Level

R&D/SDD SAIC 3GIRS/Commercial Hosted Infrared Program (CHIRP)

BAE Systems Queen Elizabeth Mission Systems

Production Boeing Reconfigurable Transportable Consolidated Automated Support System (RTCASS)

Sustainment BAE Systems F-16 Automated Test Systems

Lessons Learned/Best Practices

The team identified best practices/lessons learned among the programs. Some of these best practices and lessons learned will be incorporated into the A&D Programs agenda (Nov 6-7 in Phoenix); others will be used as part of the Program Excellence webinar series. Brief write-ups of each best practice will also be available at www.aviationweek.com.

Cost Accuracy and Analysis

Bell-Boeing V-22 Osprey
Northrop Grumman E-2D Hawkeye
Boeing IntelSat 4-Pack
Lockheed Martin MH-60 R&S Multi-Year 1 Contract

Adapting to System Complexities

Honeywell Army Prepositioned Stocks -3 Afloat
NASA Aquarius
Esterline CMC Cockpit 9000

Mission/Customer Focus

Boeing Apache 64D Block III
SAIC CHIRP
Boeing RTCASS
Northrop Grumman Hunter UAS
DRS Apache Modernized Target Acquisition Designation Sight and Modernized Pilot Night Vision Sensor (MTADS/PNVS)
BAE Systems F-16 Automated Test Systems

Supply Chain Collaboration/Integration

Obsolescence management – Lockheed Martin MH-60 R&S
Boeing Apache Block III
Honeywell F-15 Radar

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Government/Industry Cooperation

Lockheed Martin KMAX Cargo
SAIC Chirp

People Development

EADS N.A. Lakota (mentoring)

Technology Roadmaps as a Communication Tool/Strategy

Boeing Apache Block III
BAE Systems F-16 Auto Test
Honeywell Satellite Network

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