

CHAPTER III

PROJECT METHODOLOGY

As this study is not about measuring production performance directly, it would show how to link ORMS program as a strategy for reliable production, and how to use performance measurement for keeping the program rolling. In order to achieve project objectives, the implementation would be done in following steps.

3.1 Identify ORMS process requirements

ORMS process requirements would be determined by gathering strategic information and analyzing by author's profession.

3.1.1. Assess production requirement

The background information of plant under study would be reviewed. Production policy and targets would be clarified by production manager and documented for future reference. This step would be used for defining project scope and aligning production objectives to further steps.

3.1.2. Illustrate production strategy relationship

Kaplan's Balance Score Card and Strategy Map technique have been chosen to demonstrate how to deploy business objectives at business level into operation objectives at working team or individual level. Again, the strategy deployment has been discussed and approved by production manager as part of author's work.

3.1.3. Breakdown ORMS deliverables

The study would illustrate relationship of production requirement and link to ORMS activities, which demonstrate *what could be expected from implementing ORMS*. The result would be used for developing KPI in next step.

3.2 Develop KPI and definitions

3.2.1. Define KPI

KPI would be developed together with steering committee and SDWT, based on ORMS deliverables determined by previous step. The measures would be categorized into 2 types; *Lagging indicator* and *Leading indicator*, to cover both "Results" and "Process" perspectives. The measures would be thoroughly defined and documented for further reference.

3.2.2. Validate KPI

The suggested KPI would be preliminary reviewed whether they are practical to implement and how effective they are by using Neely's 10 Tests. The test would provide confidence that KPI is valid enough to use in the study.

3.3 Application in the industry

The KPI would be used for controlling ORMS process in an existing production unit for demonstration. Since the author has worked in the organization under study as a middle-level manager, therefore, gathering relevant strategic information and performance data had been done through his routine works as part of his roles and responsibilities.

3.3.1. Set up performance monitoring process

Author would discuss with Steering team and SDWT about setting up performance monitoring process to ensure that people in the process would aware of their roles. The discussion would include following topics;

- Who own the process?
- Who do report?
- How often to report KPI?
- Who act on correction?
- How to follow up the corrective actions?

3.3.2. Measure performance of existing production unit

Data would be taken periodically from the company's ORMS performance report, which has been set up in previous step, and would be summarized for further discussion.

3.3.3. Review results

The results would be analyzed and discussed with SDWT about problems and/or gap for improvement, and would be documented for further reference. Comments and recommendation, based on author's professions, would be made and included in the study.

The project methodology is summarized as show in Table 4, consisted of activities list, acting persons involved, and references of study results.

Table 4: Project Methodology

Project activities	Stakeholder(s)	Deliverables	Reference Chapter
1. Identify ORMS process requirements 1.1. Assess production requirement 1.2. Illustrate production strategy relationship 1.3. Breakdown ORMS deliverables	Author/Production manager Author/Production manager Author	Production requirement clarification Strategy deployment visualization ORMS expectations (used as objectives for KPI development in this study)	4.2.1 4.2.2 4.2.3
2. Develop KPI and definitions 2.1. Define KPI 2.2. Validate KPI	Author/Steering Committee/SDWT Author	KPI Definitions KPI Effectiveness Test Results	4.3 4.4
3. Application in the industry 3.1. Setup performance monitoring process 3.2. Measure performance of existing process 3.3. Review results	Author/Steering Committee Author/SDWT Author/SDWT	Performance monitoring process ORMS Actual performance Performance gap/problems	4.5 4.6 4.7