# Chapter 9:
# Customer-Driven Teams (CDTs)

Focus: This chapter details the application of customer-driven teams within the customer-driven project management system.

# Introduction

❖ Teams are the organizational structure of choice to meet the challenges of the global economic environment. People working together for a common goal in teams are absolutely essential to success.

❖ Teams maximize the use of human resources in the organization. In project management, functional, process, and multifunctional teams ensure that all aspects of the project are integrated to achieve the desired end result, satisfying the customer(s).

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❖ Teams provide better decisions and the motivation to carry them out.

❖ Teams provide the rapid, responsive organizational structure that is necessary for any organization to compete successfully in the ever-changing economic environment of today and tomorrow.

❖ The customer-driven team focuses on both working a project and continuously improving the project.

# Traditional Project Teams

❑ Traditional project management teams place accountability for results on one manager, the program manager who uses a disciplined planning, direction, control, and evaluation approach.

❑ The basic function of the traditional project manager is to control quality, cost, and schedule; to manage the team's work; and to ensure the effective and efficient delivery of a project deliverable that is acceptable to the customer and within schedule, budget, and technical constraints.

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❑ The project manager focuses the team on the project specifications and requirements and keeps the customer informed as necessary.

❑ Project managers place extreme pressure on the customer to lock in on customer needs early in the concept phase of the project through quality standards and specifications, with little assurance that any adjustments can be made once the project proceeds into definition.

# Customer-Driven Teams (CDTs)

➢ Customer-driven teams are teams that are accountable for both project results and quality improvements, focusing on total customer satisfaction.

➢ As shown in Fig. 9.1, the team consists of a customer project leader, a project facilitator, and process owners. Figure 9.1 shows some examples of process owners.

➢ The team is guided through the leadership of the customer.

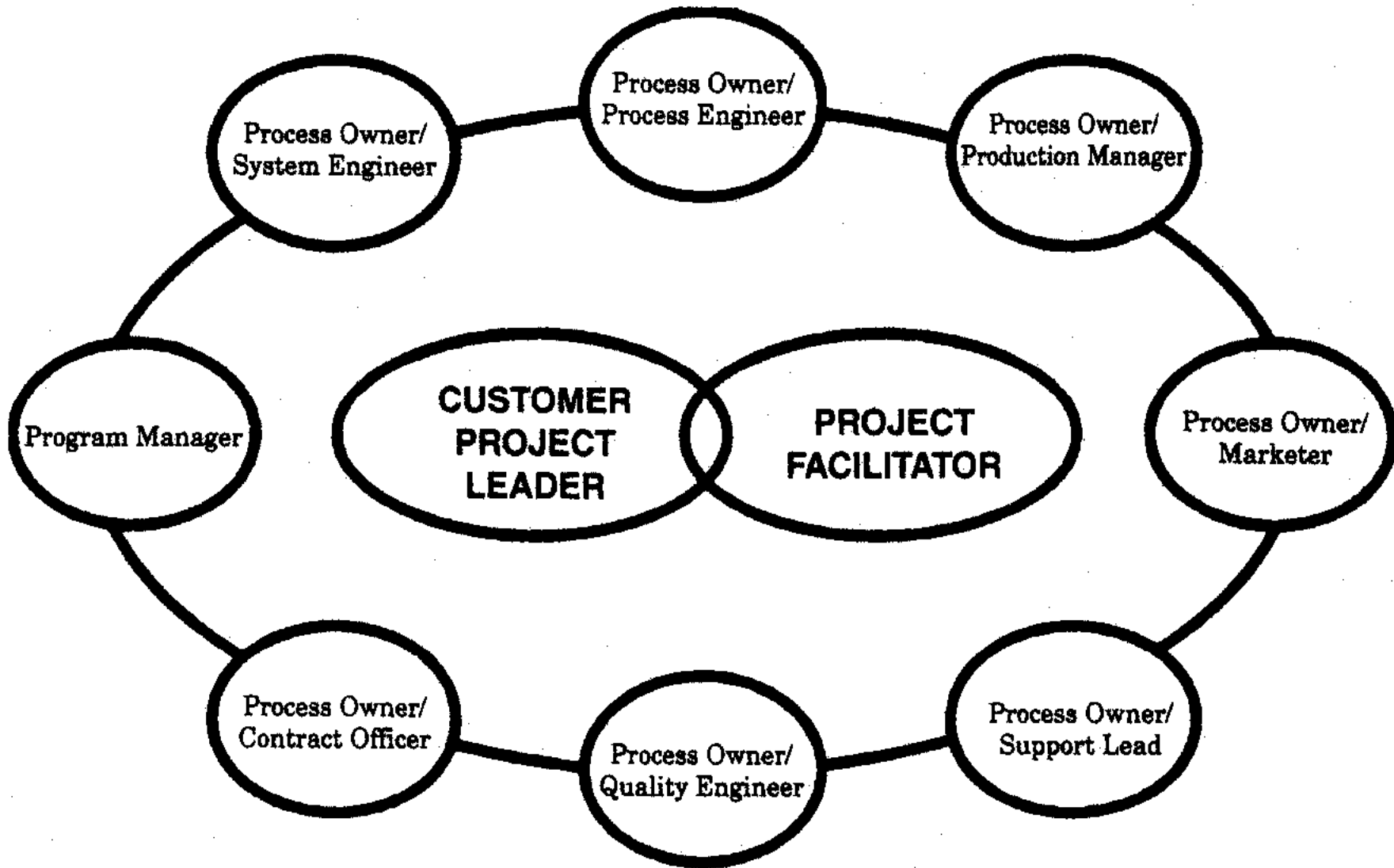➢ The customer or customer's "voice" acts as the team leader in a customer-driven team.

**Figure 9.1** Customer-driven project team.

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➢ A customer-driven team is a functional or multifunctional team consisting of all the disciplines necessary to complete a project.

➢ An essential member of the team is the program manager. The program manager is vital to the integration of all program management functions. The program manager is normally the "manager of the project."

➢ There is a critical link between all the customer-driven teams. As shown in Fig. 9.2, the program manager becomes the critical link to other process managers throughout the many processes in the organization.
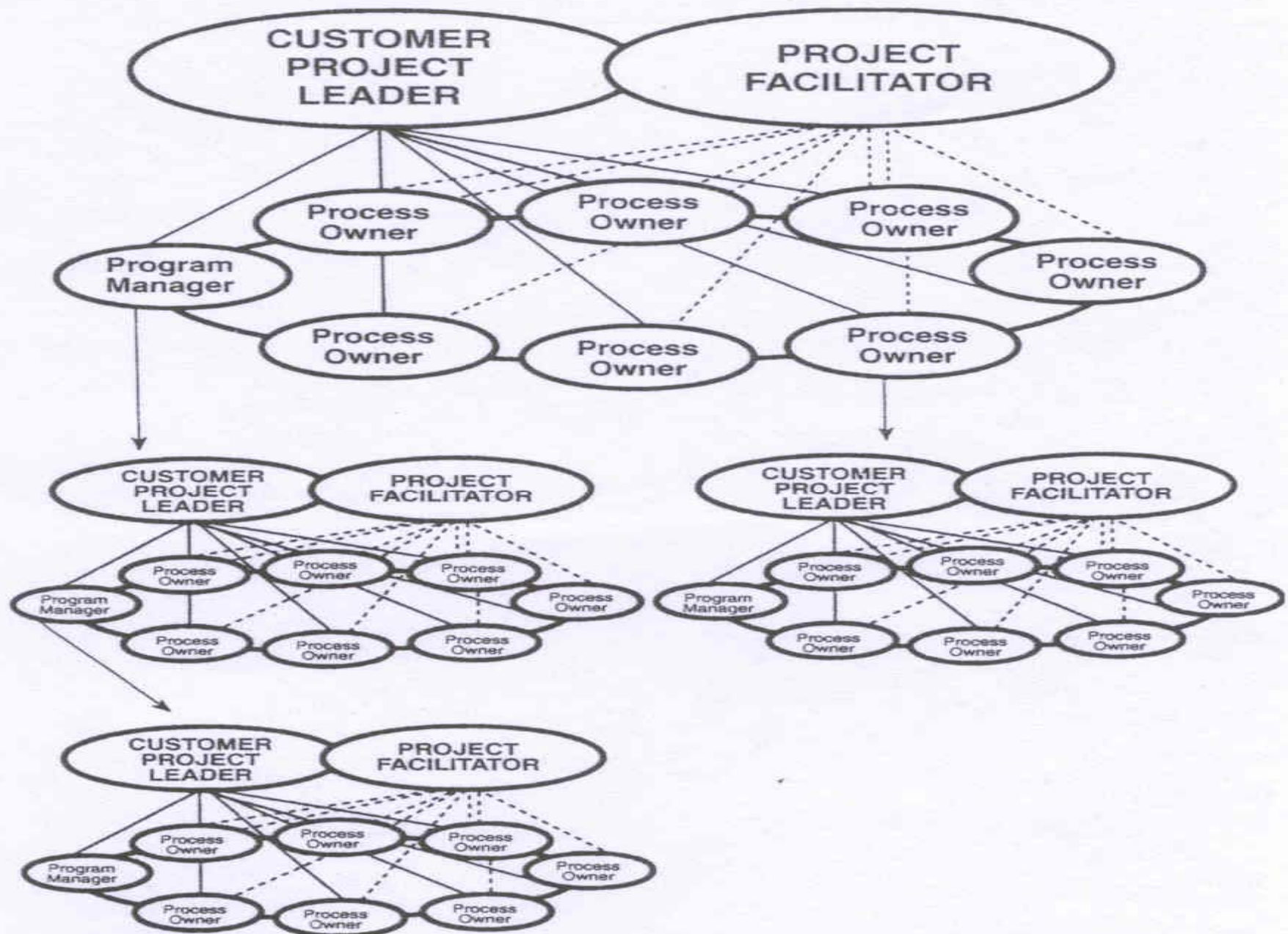
Figure 9.2 Customer-driven project teams in an organization.

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➢ The project facilitators can be linked on their own customer-driven team whose purpose is to ensure that all teams are focused on the right outcomes, and teamwork is established over the complete project (see Fig. 9.3).

➢ Through customer-driven teams, all parts of the project and all processes in the organization are linked to ensure that the focus is on total customer satisfaction.
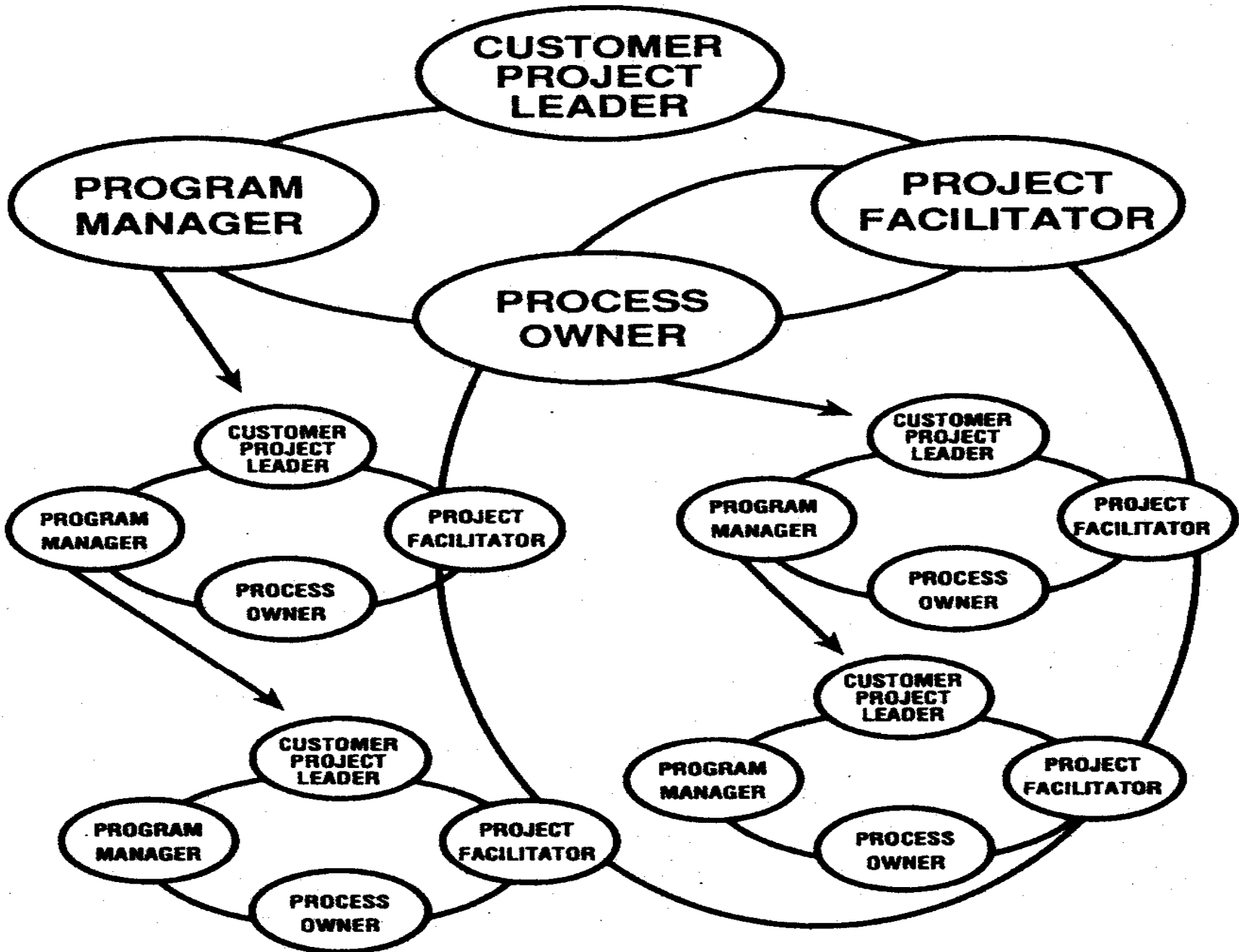
**Figure 9.3**  Customer-driven project organizational links.

# Customer-driven team philosophy

❖ The customer-driven team approach stresses the following:

1. An organization is a dynamic system, not one that is static and locked into a vertical hierarchy or a structured, sequential approach to project management and/or quality improvement.

2. Customer-led teams will be successful by definition. Teams using a systems approach with the customer in the driver's seat throughout the life cycle of the project have more control over outcomes, focusing on total customer satisfaction.

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3. The energy in a customer -driven team comes from the customer, not the internal pressure of the organization. The team accepts "ownership" with accompanying pride and commitment for the project and quality improvements.

# Foundation for Establishing Customer-Driven Teams

❑ Five basic principles provide the foundation for establishing customer-driven teams.

1. Top-management commitment exists through the willingness to take appropriate actions with a long-term view. This must be through active participation versus passive support.

2. Teams are the organizational structure of choice throughout the organization for project management, quality improvement, and process performance activities.

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3. Accountability for the outcomes of projects can be shared among all members of the project team-the customer, process owners, and suppliers.

4. The customer or customer's voice is the leader of the project.

5. Continuous improvement focused on customer satisfaction is a primary pursuit within the organization.

# Establishing a Customer-Driven Team

◆ A customer-driven team starts with a specific project.

◆ The customer-driven team is formed to include a customer project leader, a project facilitator, and team members.

◆ The project must have a clearly defined customer and/or customers.

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◻ The key steps to establishing a customer-driven team include determining the focus and developing teamwork.

## Determine the focus

➤ The focus of the customer-driven team is to complete the specific project to total customer satisfaction.

➤ This includes the following criteria:

1. Must be customer-driven
2. Includes the purpose of the team
3. Sets a common direction
4. Sets the expected result
5. Involves all team members
6. Opens communications
7. Nurtures long-term relationships

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## Develop teamwork in the customer-driven team

♦ Developing teamwork starts with a group of people committed to a common purpose, i.e., project, quality improvement, or process. Next, roles and responsibilities must be identified and formalized.

♦ The team member's specific authority to act, along with corresponding responsibility and resources, must be clearly understood by all team members.

♦ measures of performance ensure that quality standards focus on customer satisfaction.

# The Customer Project Leader

➔ The customer project leader, the customer or customer's voice, leads the team to completion of the project, satisfying the customer.

➔ This unique arrangement requires the customer project leader, who is actually the customer or the customer's voice, to influence some of the work in various functional organizations usually outside the project manager's organization.

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### Roles and responsibilities

⇨ The customer project leader or customer's voice project leader performs the following:

☞ Leads the team to successful project completion

☞ Ensures that the team is empowered to perform and improve all aspects of the project

☞ Is accountable for cost, schedule, and quality

☞ Drives total customer satisfaction as the primary consideration

☞ Encourages use of customer-driven project management

☞ Rewards and recognizes performance

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**Selection criteria**

- Besides a relentless pursuit of customer satisfaction, the criteria for selecting a customer project leader include:
    1. Respect in customer's and supplier's organizations
    2. Developed communication skills, especially listening
    3. A high degree of interest in and commitment to project goals
    4. Demonstrated ability to use teams
    5. Ability to "set an example"
    6. Leadership and project management skills
    7. Systematic thinking
    8. Highest standards of integrity, ethics, and trust

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## Customer's voice project leader

- When it is not possible for the customer to be the project leader, a customer's voice may be assigned to be the project leader. The customer's voice must fit the following criteria:

    1. Understands the customer(s) and the organization
    2. Capable of getting required management support
    3. Demonstrated ability to balance the needs and expectations of the customer with those of the organization
    4. "Sets the example" rather than blindly following organizational "norms"

# The Project Facilitator

☐ The project facilitator assists the team leader in focusing the team on the project, moving toward project completion, developing teamwork, and applying the customer-driven project management process. The facilitator can be from any organization.

☐ The facilitator must be available to assist the team leader and the team in whatever capacity necessary.

☐ The facilitator helps to provide the right attitude, knowledge, and skills necessary for the team to perform and improve the project processes toward the end of customer satisfaction.

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## Roles and responsibilities

❖ The facilitator helps the team concentrate on the project mission, gives on-the-job training, recommends formal training to use customer-driven project management tools and techniques, explains lessons learned from other team experiences, and assists with team dynamics.

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- The team facilitator needs to be able to assume each of the following roles:

  1. Coach
  2. Educator
  3. Trainer
  4. Motivator
  5. Mediator
  6. Negotiator
  7. Devil's advocate
  8. Public communicator
  9. Storyteller
  10. Confessor
  11. Cheerleader
  12. Supporter

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**<u>Selection criteria</u>**

◆ The project facilitator as the primary change agent on the customer-driven project team should have the following characteristics:

1. Organizational development skills
2. Ability to perform training, formal and on-the-job
3. Appreciation of the value of people and their contributions in teams
4. Demonstrated flexibility, creativity, adaptability, patience, and high energy
5. Systematic thinker
6. Sense of humor

# Customer-Driven Team Members

➔ The customer-driven team is made up of members from either one function or from many functions. The team consists of representatives from every discipline required to accomplish the mission, including customers, process owners, and suppliers involved in the project.

➔ The specific makeup of the steering team will depend on the particular project. Figure 9.4 shows the composition of one typical customer-driven team.
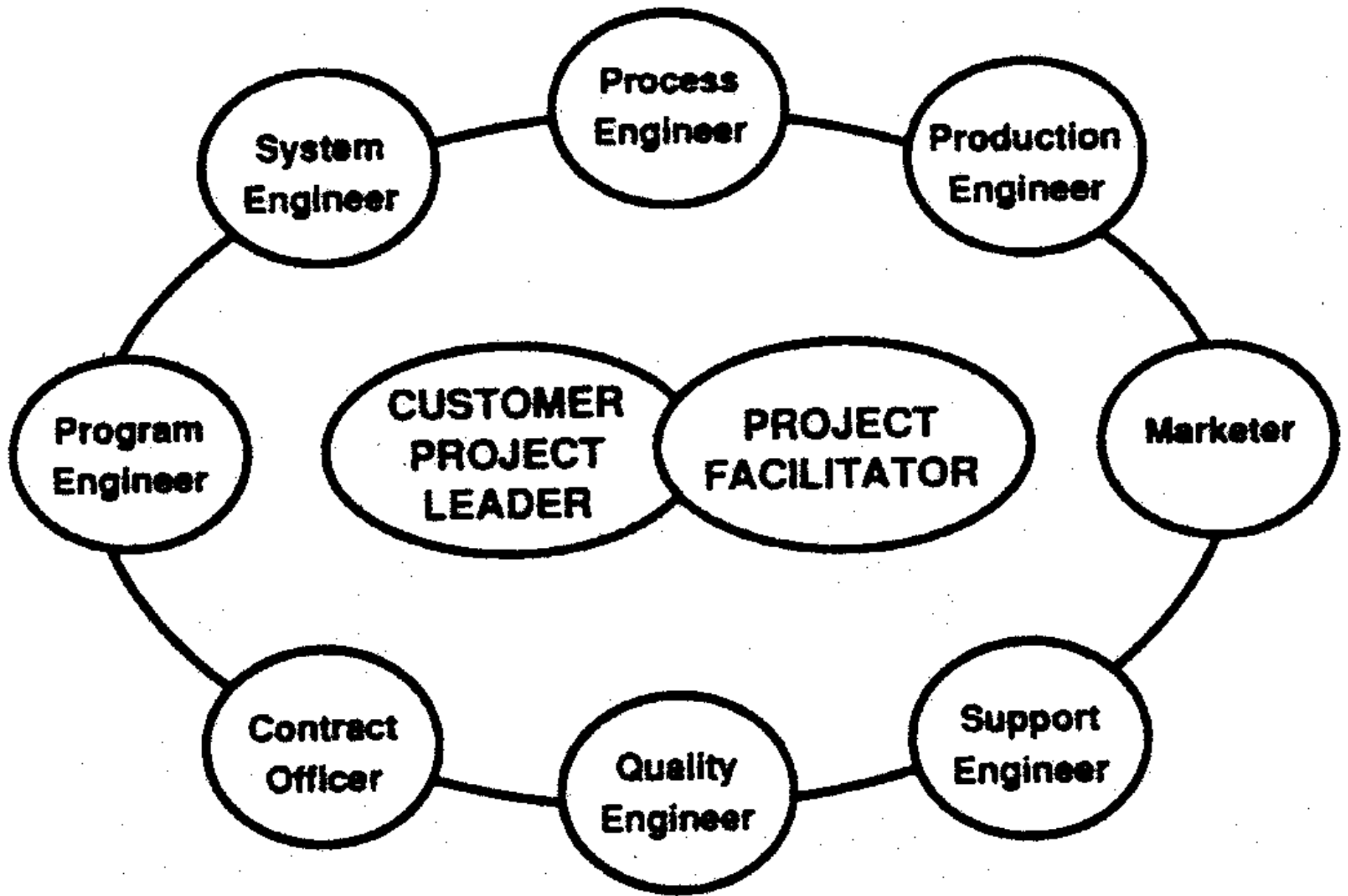
**Figure 9.4** Typical customer-driven project team.

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## Roles and responsibilities
❑ Specifically, team members' responsibilities include:

1. Knowing customer needs and expectations
2. Determining metrics
3. Measuring performance
4. Ensuring the performance and improvement of their process
5. Making recommendations for improvements
6. Being receptive to open communications
7. Encouraging other team members
8. Recognizing individual and team contributions
9. Forming partnerships with suppliers
10. Satisfying the customer (internal/external

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## Selection criteria

☐ All customer-driven team members should display the following capabilities:

1. Willingness to accept "ownership"
2. Flexibility and adaptability
3. Ability to do and follow at same time
4. Strength to focus on a specific project
5. Skill to make complex processes simple

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## Program manager team member roles and responsibilities

♦ The program manager team member has the following additional responsibilities for his or her assigned program:

1. Plans, organizes, staffs, directs, controls, and coordinates
2. Recommends composition of own customer-driven team
3. "Owns" program
4. Guides the program
5. Rewards and recognizes performance
6. Is accountable for cost, schedule, and quality
7. Maintains teamwork among customer, suppliers, and process owners

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**Process owner team member roles and responsibilities**

➤ The process owner team member has the following specific responsibilities for his or her particular process:

1. Plans, organizes, staffs, directs, controls, and coordinates
2. Rewards and recognizes performance
3. "Owns" process
4. Continuously improves process
5. Empowers own customer-driven team
6. Supports people to increase technical competence
7. Is a systems thinker who statistically analyzes the process

# The Customer-Driven Team in Project Management and Team Development

❖ A customer-driven team goes through the five stages of project development-concept, definition, production, operations, and closeout/continuous improvement. This is shown graphically in Fig. 9.5.

❖ The faster the team develops, the more responsive the team can be to performance and improvement of the project.

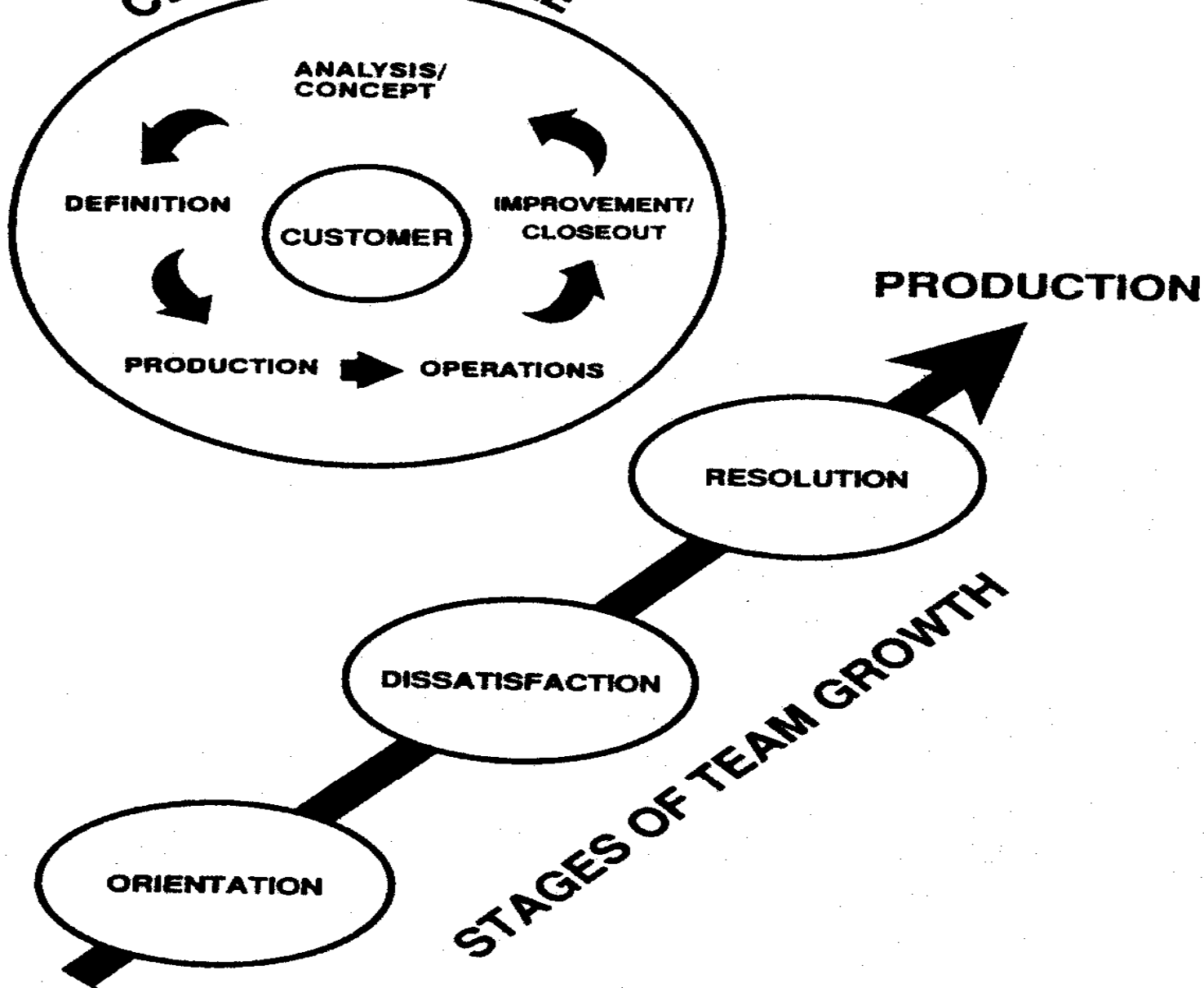❖ The ultimate goal is to empower the customer-driven team to perform and improve all aspects of their project.

ANALYSIS/
CONCEPT

DEFINITION

CUSTOMER

IMPROVEMENT/
CLOSEOUT

PRODUCTION

OPERATIONS

PRODUCTION

RESOLUTION

DISSATISFACTION

STAGES OF TEAM GROWTH

ORIENTATION

**Figure 9.5**  Project and team development.

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❖ The team requires active managing during the orientation stage, facilitation during the dissatisfaction stage, coaching during the resolution stage, and shared leadership during the production stage.

❖ It is important that the team facilitator recognize the stages of team development and work with the customer-driven leader to apply the proper intervention to keep the team progressing toward completion of the project mission.

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**Concept phase and orientation stage**

◆ The concept phase of project management relates to the orientation stage of team development. During the concept phase of project management, the team determines the project scope, performance requirements, and customer needs.

◆ In the concept phase of project management the team is formulating the project.

◆ This orientation stage of team development involves establishing rapport, honesty, trust, and open communication.

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◆ Planning, organizing, staffing, controlling, directing, and coordinating are essential to ensure that the team knows exactly what needs to be done and how project goals and team work can be attained.

◆ All that should be expected from this phase is
   1. Setup of the team
   2. Definition of the focus of the project
   3. Formulation of the initial development of roles, responsibilities, and relationships

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**Definition phase and dissatisfaction stage**

☐ The definition phase of project management relates to the dissatisfaction with the start of resolution stages of team development.

☐ During this phase the project is broken down into its work breakdown structure. Detailed plans for cost, schedule, and quality are established.

☐ The dissatisfaction stage in team development is characterized by frustration and conflict.

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□ During this phase, the team project leader and the team facilitator need to provide any required support to move the team from dissatisfaction to resolution.

□ During this phase, the team should strive to achieve the following:

1. Integrating all team members
2. Achieving one success as a team no matter how small
3. Applying the customer-driven project management methodology, tools, and techniques
4. Defining the project through plans, specifications, policies, and procedures

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**Production phase and resolution stage**

➔ During the production phase of project management, the team must have progressed to at least the resolution stage of team development.

➔ At some point during this phase, the core team and other project teams must reach the production stage and should be functioning to accomplish and improve their processes.

➔ The team should focus on the following:
1. Maintaining teamwork
2. Preparing plans for action
3. Ensuring that processes are in control
4. Performing and improving the project

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**<u>Operations phase and production stage</u>**

➢ The operations phase of project management compares to the production stage of team development.

➢ During this phase, all customer-driven project team members and teams function as one unit.

➢ The team has developed to the point where using the customer-driven project management methodology is natural. The team is totally committed to the project.

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**<u>Closeout phase and disband stage</u>**

➤ The closeout phase of project management is like the disband stage for the team.

➤ During closeout, the organization must decide to finish the project or continue to improve the deliverable(s) to expand its competitive position.

# Applications of Customer-Driven Teams

Customer-driven teams can be categorized as follows:

1. **Customer-driven project team:** The purpose of this category of customer-driven team is to complete a specific project, program, or task.

2. **Customer-driven quality-improvement team:** The customer driven quality-improvement team focuses on improving a specific process.

3. **Customer-driven work teams:** Customer-driven work teams constantly perform and improve their particular process.