Fig 2-10 POO – Guidelines for Success – Structure

- Horizontal Process Units include <u>everyone</u> connected with making the product

- PUs based on Product groups, Technology synergies or Business focus

-----------------Support Functions-----------------

Planning   Quality   Finance   Engineering   Purchasing   HR

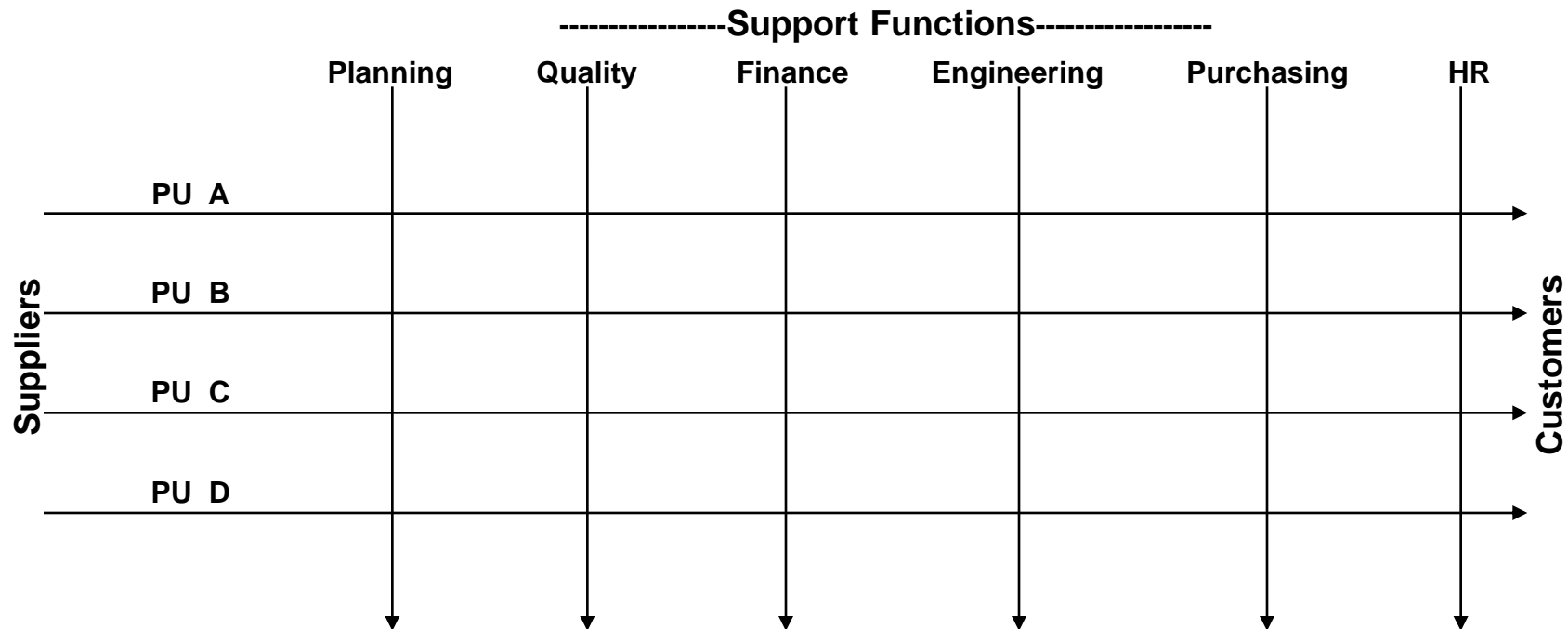Suppliers

PU A

PU B

PU C

PU D

Customers

Fig 2-11 POO – Guidelines for Success – Key Principles

- PU leaders have end-to-end delivery and quality responsibility for their products

- Support Functions set – policies and procedures – standards and specifications

- Ideally no more than two levels of hierarchy within PU, ie three across the site

- Use Facilitators and Co-ordinators to lubricate the work of the PU

- PU should have not less than 30 and not more than 150 people

- Ideally no shared resources – labour or equipment – between PUs

- Always include an activity in the PU if you can – argue it out, don't argue it in

- Reward individual skill attainment and team performance

- Apply similar thinking to support functions