

Market conditions fuel demand for new type of project manager in Germany

By Horst Mischo

The latest study by the BDI in Germany reveals a shortfall of 48,000 engineers in German industry*. This is due largely to continuing demand from the market for innovative products. The situation is further exacerbated by the lack of flexibility in the labour force arising from restrictive employment practices.

To deal with this skills shortage, particularly in R&D, it has become established practice for German industry to employ specialised external engineers as contractors for specific projects. This often involves staying on the same project for several years so the role is currently fulfilled by German, Swiss and French consultancies, as well as freelancers.

Project management – especially associated with product development – is also often contracted out to professional project managers. Since organisations such as the Project Management Institute have been establishing standards such as Critical Chain or Goal Directed project management, this service can be bought in, especially in key industry sectors such as automotive, mechanical engineering and pharma. Furthermore, corporate ISO standards and processes make it easier for external PMs to manage projects according to time, budget and quality.

This system of using both external engineers and project managers has proved to be successful so long as each operates within their own area of expertise. However what happens if a project manager also needs exemplary engineering skills? What happens if standard processes can no longer be applied, for example if corporate management gets involved when a product is withdrawn from the market due to a

technical problem? Here, there is a need for an individual whose skill set is beyond that normally associated with external engineers or project managers.

At Sagentia, we have observed an emerging need for ‘programme enablers’: individuals who are expert at helping companies meet defined business goals, often within very challenging deadlines. Complex programmes requiring the whole range of expertise – from product development, to manufacturing, corporate communication, business planning, project management and personal leadership – cannot be fulfilled by ‘off-the-shelf’ external engineers or project managers. It is here where we believe Sagentia can add value.

For example, we helped a medical company in Germany set up its own medical device business unit as an alternative to purchasing products from a supplier – something it had done for several years. During the project our programme enablers interim-managed three development projects, evaluated new business opportunities, trained newly recruited project managers and managed task forces in which we directly reported to the client’s senior management.

In another example, a design problem with a medical device almost resulted in a product recall. Our on-site programme

enablers assembled a taskforce of Sagentia experts at very short notice. The team then worked on specific technical challenges in parallel with our client’s task force team, providing complementary ideas and accelerating the problem solving process.

As the German manufacturing environment becomes more complex, fuelled in part by legislation, market expectation and the emergence of the Far East economies, there is no doubt that the need for programme enablers – who bring a wider perspective and skill set than previously has been the case – will continue to grow.

* BDI, Innovation Indicator 2007

Horst Mischo is Managing Director of Sagentia GmbH and is based in Frankfurt, Germany. Horst.Mischo@sagentia.com

