



# CASE STUDY

## SOUND STRUCTURE & GOVERNANCE PREPARES START-UP FOR PRODUCT MANUFACTURE

A renewable fuels start-up company had made significant advances in their research on the production of a renewable raw hydrocarbon material. They also had made headway on developing a process to convert the raw material into higher value petrochemical products and needed to move quickly in order to generate a revenue stream and enhance market visibility. The start-up had initiated several critical activities including defining customer product specifications, continuing with product R&D, preparing for regulatory requirements, considering legal intellectual property implications, and initiating discussions with contract manufacturers. It was imperative that the company meet their tight goals and timelines and effectively communicate progress to investors and potential joint venture partners. The company engaged IPM to work with the team to develop and transition their products from R&D to market in a rapid timeframe.

### IPM'S APPROACH & ACTIONS



#### Strategic

IPM met with all key stakeholders to align on goals and objectives for the project. IPM led several key meetings with the executives and project team and achieved alignment on the project goals, deliverables, and timelines. A formal project charter was created and published based on the objectives.



#### Structure & Governance

IPM facilitated solid communication and decision-making among the project team and senior management and ensured that individuals had a sufficient but lean and un-encumbering structure on which to base communications and decisions. In parallel with the high-level meetings and charter development, IPM:

1. *Created a high-level Product Development Process (PDP) that served as a roadmap for the team and executives to understand key deliverables, interdependencies, and critical milestones which would drive decision making.*

2. *Addressed project team size – the project team consisted of over 20 people with multiple representatives from each function (and no clear leader from each function). After many discussions, a pared down “core team” was formed to speed decision making and efficiency. Key sub-teams were formalized or kept intact.*

3. *Created weekly and monthly project dashboards for routine and effective communication up and down the management chain and across the functions.*



#### Tactical

While creating the charter, structure, and governance systems, key players from all the functions were engaged on the breakdown of the work they needed to do in order to meet the goals and timeline in the charter. IPM developed a detailed project schedule based on the activities.

A critical path analysis revealed that the start-up needed to make several critical decisions and engage contract manufacturers sooner than originally anticipated. The team spent the next six months executing the project plan and updating the plan as issues came up and decisions were made.

The high-visibility product development project met all key objectives on-time. IPM and the team finalized customer requirements, developed an industrial scale process, and prepared for manufacturing production.

Because the renewable raw material cost did not decrease enough to make the products immediately profitable, the company decided to delay production to work on reducing the raw material cost. The start-up's organization and launch readiness enabled them to create a joint venture with a major energy conglomerate to manufacture, fund, and market the value-added petrochemicals.

## RESULTS