

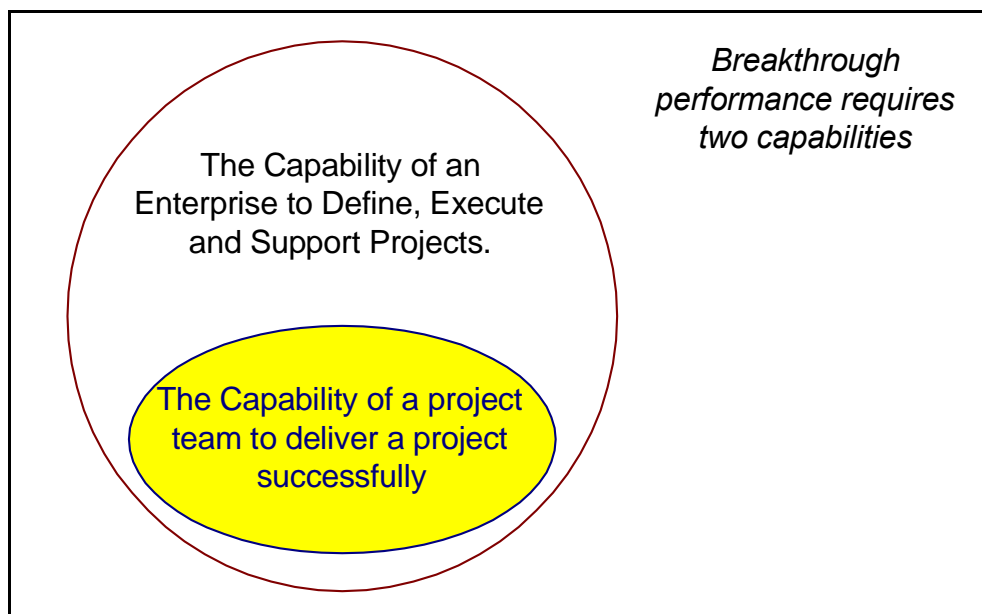
## **A community of project managers – the key to world-class project management practice?**

World-class project management is elusive! Far more projects fail to meet their own internal success criteria than succeed. Our own (conservative) estimates are that for every £80 million that enterprises plan to spend on projects, they end up spending in excess of £100 million, and many of them receive fewer benefits than those promised for the planned £80 million. And that is in spite of centuries of experience of managing projects (from the pyramids of the second millennium BC to the great engineering projects of the nineteenth century), and more than a century of the development of project management tools and techniques.

It is also in spite of many organisations undertaking improvement programmes aimed at transforming their project management capability.

The reasons for this have only recently started emerging from research into project management practices and the underlying causes of project success or failure. Most improvement programmes concentrate on a narrow range of interventions, such as introducing a corporate methodology, establishing a programme office, or providing intensive training for project managers. Each of these is, of course, a worthy intervention in its own right, and it is likely that any of these will achieve a measure of success.

However, breakthrough performance requires the development simultaneously of two distinct capabilities. Firstly individual projects must be led and managed well, and secondly the enterprise must develop the organisational capability to create and enhance the environment within which projects are undertaken. Neither of these, taken on its own, can succeed without the other.



### ***The capability to deliver individual projects successfully***

Of the two capabilities, this has been the major focus of improvement programmes during the past twenty years. It is the major focus of the PMI “Guide to the Project Management Body of Knowledge”, as well as the majority of books and articles on project management. In our benchmarking research and our work with clients, we have identified four distinct elements to this capability, each of which is essential if an organisation wishes to establish world-class project management.

#### ***Knowledge and Experience.***

Successful delivery of projects requires knowledge of essential project management areas such as the management of integration, scope, cost, schedule, quality, human resources, communication, procurement and risk. For each of these, a well-established “body of knowledge” exists. As well as

possessing the knowledge, however, project teams also need the experience of applying the knowledge appropriately to the kinds of projects with which they are dealing.

### *Process Management*

Not only every project, but also every stage of every project, consists of a series of processes that need to be managed. Broadly speaking, they can be categorised into initiation, planning, execution, control and closing processes. Regardless of the particular application area or life cycle model, these five basic process groups recur, and need to be managed sensitively and thoroughly. Interfaces between stages also need careful managing.

### *Individual and team competence*

It is a truism to say that projects are delivered by people – but that doesn't make it any the less true. World-class project management requires world-class project managers and world-class project teams. In this context, "team" includes anyone who has an investment in the outcome of the project, such as the sponsor or customer. Selecting the right project manager for a particular project, and managing the complex dynamics of a diverse project team are simply two of the more prominent challenges to delivering individual projects successfully.

### *Structured flexibility*

Of the four elements in this capability area, structured flexibility is the least well understood. The measurement of project success is far from simple, and different stakeholders frequently embrace diverse tacit expectations that are never made visible to the project team. Yet, research shows that the delivery of a project on time, for example, requires an emphasis on practices that are different from those necessary to deliver a project within budget. There are two consequences of this: firstly that ALL the success criteria of a project must be spelled out and ranked in importance at the outset, and secondly, that the way the project is managed should be explicitly structured to meet these criteria. This calls for a higher level of capability than the routine application of a standard methodology.

### ***The Project Management Community – linking the two capabilities.***

The two capabilities (Organisational and Individual Project Team) are not independent of each other, however, they are linked. Furthermore, the link is not an abstract one – it is embodied in the people who collectively deliver the capabilities: the community of project managers.

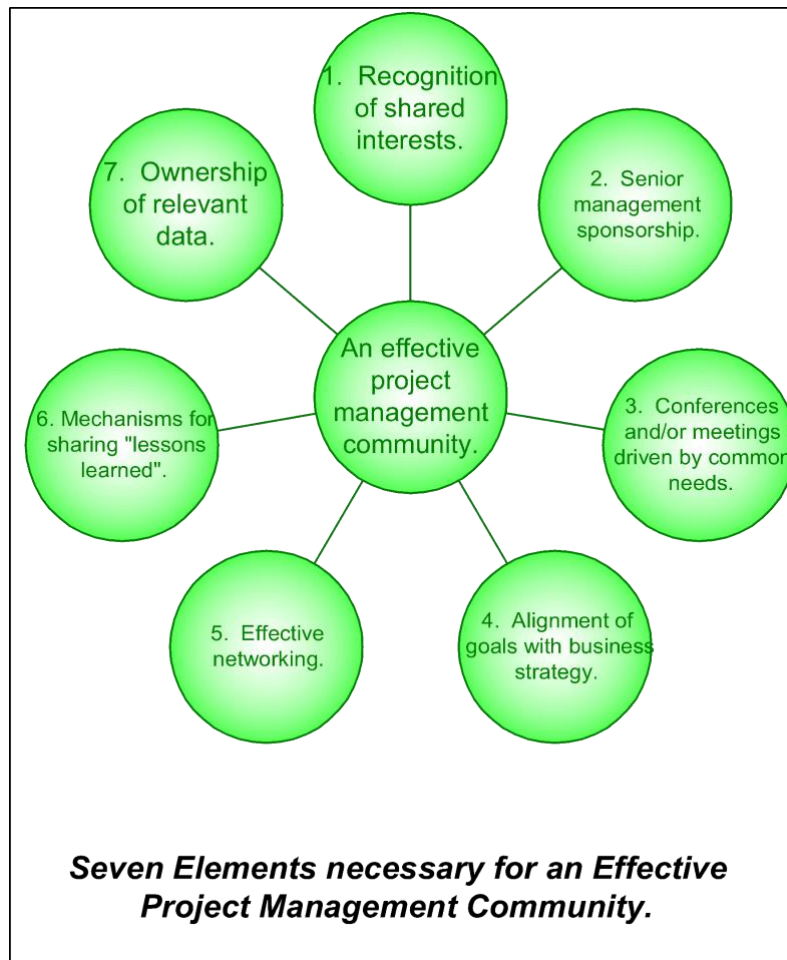
Of course, not all organisations recognise that there is any such community. Project managers are scattered throughout the enterprise in different departments; IT, Engineering, R&D, Marketing, Manufacturing, Business Development and so on. Even where the project managers in one part of an organisation can legitimately claim to be operating with world-class practices (such as in the engineering departments of oil and gas exploration companies and their suppliers), other parts of the same company may be unable or unwilling to profit from this expertise. Change programmes, for example, may still be left to struggle under the leadership of "part-time" project managers trying to make sense of the conflicting claims of consultants brought in to help with re-engineering, with IT or with business change.

In part, this difficulty is real – for two reasons. Firstly, projects driven predominately by a specific technology or by specific industry practices are likely to require a project manager who is sufficiently familiar with the specifics to avoid major errors of judgement. Secondly, projects in different application areas (such as IT or R&D) have recognised the importance of paying attention to different aspects of project management. For example, Engineering and Construction have developed a range of practices around contract management that are far more sophisticated than those typically employed in, say, Information Systems procurement.

However, this very diversity of experience and focus provides a substantial opportunity for learning within the community of project managers. Project management involves thinking about a specific piece of work in a different way from line managers or from process managers. That is because projects, by definition, are more unique and less repeatable than processes, and more complex to manage than simple tasks. And yet processes and tasks make up the bulk of the focus for line managers in their day-to-day activities.

There is also research information beginning to emerge from a global study that confirms what managers of project managers have long suspected – project managers are much less gregarious than their line management counterparts. It isn't that they aren't people-oriented; on the contrary, they are often more

approachable and empathetic than average. It is simply that, given a choice between for example attending a meeting with other project managers and working on their own project tasks, their own project will win hands down!



As a result, it is far from simple to create and sustain an effective project management community. Each of the seven elements shown in the diagram is necessary if the project management community is to play its part in improving the organisational capability as a whole.

A recognition of the shared interests of all project managers throughout the enterprise is the first step towards creating a community. Without it, no dialogue will take place! Senior management sponsorship is helpful in providing the necessary impetus to the community meeting, and visible support from top management provides encouragement. Conferences should be carefully staged to involve the community, and to provide delegates with some answers to their immediate problems – requiring much more preparation than the usual habit of inviting a few people to give out messages that management wishes project managers to hear!

Once a community is established and functioning, the focus shifts towards ensuring that their common goals are aligned with the business strategy, and that effective support mechanisms are in place. Networking can occur both electronically and physically, and is much more effective if supported by technology that allows “lessons learned” data to be available in “real time”, and by databases of both hard and soft data of the kind described below.

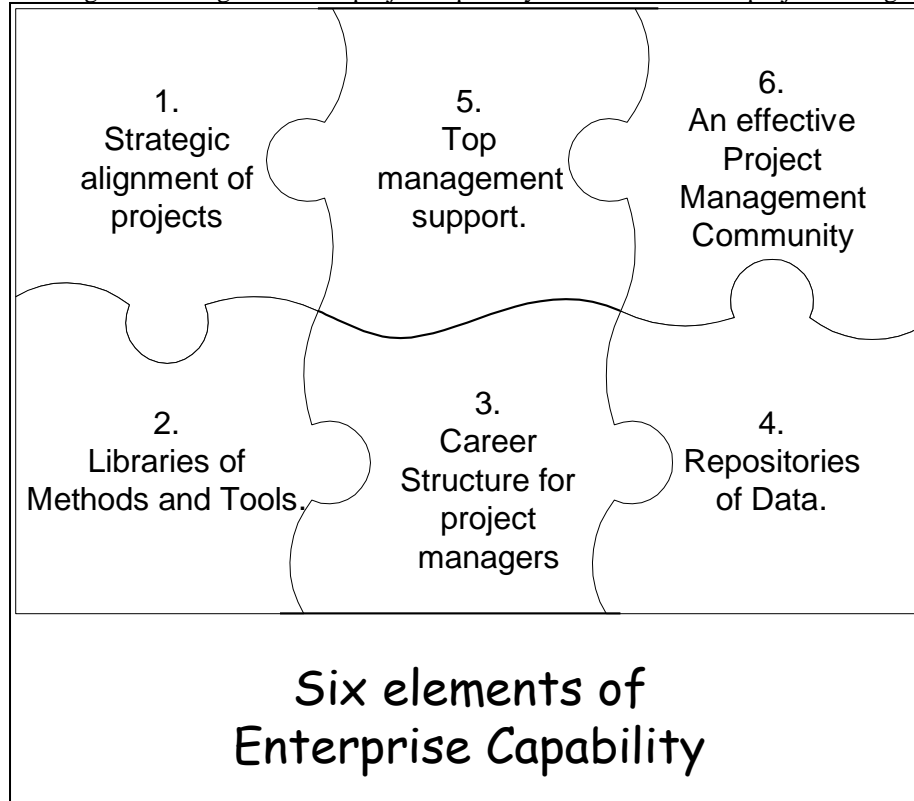
***The capability of an enterprise to define, execute and support successful projects.***

This effective support for a project management community, however, is merely one of six “capability areas” that combine to create an environment that can enhance or inhibit the capability of individual project teams to deliver successful project results. Until recently, there has been no explicit way of describing this second kind of capability. Words like “environment” or “culture” are too broad to pin down, and project management has no broadly accepted standard akin to the Software Engineering Institute’s “Capability Maturity Model”. However, an organisational capability is critical to achieving

world-class project management, and we have identified six major elements within it. The other five are described briefly below.

*Alignment of project management effort with strategic goals.*

The ultimate goal of an organisational project capability is to ensure that all project management effort is



effectively aligned with the enterprise's strategic goals. When this truly happens, every project's goals can be mapped directly on to one or more strategic objectives. Programme management ensures that all organisation change harvests the intended benefits, and portfolio management balances the project effort appropriately. The community of project managers plays a major part in implementing the strategy, and is itself able to respond to strategic challenges facing the enterprise.

*A library of tools and methods*

The four elements of individual project capability require a "library" of tools and methods, rather than a single corporate methodology supported by a single project management tool. In addition, there is more to it than simply publishing a procedures manual and mandating certain project management software! This capability encompasses a quality-assurance procedure that allows the project management community to maintain the tools and methods at "state-of-the-art", and adequate support to ensure that all improvements are "overt" and thus available to the whole project management community.

*An effective career stream for project managers*

If it is critical to appoint the right project manager to any specific project, then there needs to be a "pool" of competent project managers from whom the appointment can be made. A competence-based career ladder, supported by professional assessment, appropriate education and a reward structure that encourages performance, learning and advancement are minimum requirements. On their own, however, they are insufficient without an effective means of assessing the challenges and demands posed by each individual project.

*Repositories of data*

Since every project is to some extent unique, it is notoriously difficult to compare data from different projects. Yet, the establishment of a world-class organisational capability requires not one set of data, but three. Firstly, there is the need to capture, store and make available relevant factual data on all projects

undertaken by the organisation. Secondly, alongside this should be a repository of all the organisation's processes, so that recurrent problems on projects can be reviewed in the light of the organisation's processes, and suggestions for improvement offered. Thirdly, there is the need for external benchmark data at both the level of individual projects and the level of organisational capability.

*Top management support for projects.*

In the absence of an organisation-wide community with a shared understanding of projects and a communal commitment to reach world-class performance standards, top management all too often finds itself unable to provide the support necessary for projects to succeed. It is not uncommon for project sponsors to lack competence in the art and science of project sponsorship. Project reviews may be conducted by senior managers who fail to appreciate the true nature of estimates and risk and the dynamics that lead to project success. The top management agenda may be concerned simply with individual project results and not with the overall pattern of organisational capability. With or without an effective community, top management understanding and support is essential.

***And Finally . . .***

This article, in effect, provides a framework for the previous five in the series that have appeared in Project Manager Today since April 1998. Taken together, the series covers the whole field of project management at a surface level, and provides a coherent structure for that field. At the same time, it probes beneath the surface in key areas such as project management education, the need for enterprises to maintain high-quality benchmarking project data, the relationship between project management and change management, the influence of "culture" on project management, and the compelling case for improving risk management.

At a deeper level, however, the series makes a serious case for professional project managers to focus not only on the needs of their current project, but also to recognise our collective failings as a profession. If we are to make our rightful contribution to the economic and social health of the people paying our wages, then we must tackle the fundamental issues that prevent the consistent delivery of excellent project performance. And I, for one, believe that to be both our duty and our challenge.

*This article is the sixth and last of a series provided by Terry Cooke-Davies. The previous five have emerged from conversations between Terry and Professor Eric Wolstenholme in the context of a PhD thesis that Terry is submitting under Eric's supervision. This article arises from the work of Human Systems Limited, a project management services organisation of which Terry is Managing Director, that has an international reputation for pioneering work in benchmarking project management practices and processes through inter-industry networks of blue-chip companies. He can be contacted at [tcd@humsys.demon.co.uk](mailto:tcd@humsys.demon.co.uk) or by telephone on 01303 226071.*