

The Project Manager's Toolkit: Time to Move on?

Seminar 115 held at the Royal College of Pathologists, London, 16 February 2005

More than 80 participants attended the seminar and the following organizations were represented:

AEAT Rail,
 Anglo Platinum
 Arup
 Atkins
 Balfour Beatty Civil Engineering Ltd
 British Energy
 C2S Management Ltd
 Crossrail
 CSE International Ltd
 EC Harris LLP
 EDF Energy
 Emcor Rail Ltd
 Ernst & Young LLP
 Gardiner & Theobald
 Halcrow
 Harris Management Services
 Henley Management College
 KBR, Government & Infrastructure
 Laing Rail
 Lend Lease Projects
 Lockheed Martin
 Ministry of Defence
 Mott MacDonald
 Mouchel Parkman
 MTR Corporation Ltd
 National Air Traffic Services Ltd
 National Grid Transco
 Network Rail
 Nichols Group Ltd
 Office of Government Commerce
 PA Consulting
 Program Management Group
 Rolls-Royce Naval Marine
 Rolls-Royce Plc
 Scott Wilson
 Simmons & Simmons
 Strategic Rail Authority
 Templeton College
 Thames Water Utilities
 Transport for London
 Union Railways (North) Ltd
 University of Manchester
 University of Sussex
 University of Sydney
 Washington Group International

As major projects become more complex, volatile and diverse, project failures multiply. Project management is an able and sophisticated discipline, so why are so many projects struggling?

First of all, the wider context of context of projects and programmes is often fluid and uncertain. Long-term programmes—defence, for example—are vulnerable to change, as governments, strategies and technologies evolve. Or a business transformation project may need phased definition and implementation. Or again, take IT, which is still an immature industry and lacks the project management expertise of oil and gas or construction. The traditional tools don't always work in these projects.

Project management originated in construction and engineering, and the techniques then spread in ever-widening ripples into hi-tech industries such as banking, finance and pharmaceuticals R&D. So from early on, project management tools have had to be adapted and a square peg changed to fit a round hole.

It is time to revisit the project manager's toolkit. There are plenty of tools on offer. Here is a quick survey of the tools which were discussed at the MPA seminar, *The Project Manager's Toolkit*.

Before you start...

Where there is a project, there is a consultant waiting in the wings. Decide how much advice you want, if any, and who you want to use.

There are any number of tools on offer, which project companies need to evaluate. Is this the time for a new approach?

Techniques for measuring and tracking, tools for evaluating achievements and software for managing the process have their place in the project manager's toolkit.

But so do the tools to manage the soft issues. To clients, the soft side of projects sometimes appears as a series of "pink and fluffy" issues: seasoned project managers know better. Projects usually leave a lasting legacy to your people and how they work, so try to understand the people issues at the outset.

Macro-level approaches

Adopting a high-level methodology helps maintain focus:

- Prince2 (it stands for "projects in a controlled environment") offers a generic, best-practice approach for managing all types of projects—under Prince2, project planning is linked to delivering results to ensure the project doesn't drift away from the business objectives
- Managing Successful Programmes (MSP) offers a framework for programme management—there are five-day training courses for both Prince2 and MSP
- gateway reviews
- value engineering.

Micro-level tools

Just as important are the tools used on a regular basis:

MPA events are confidential, although this summary has been compiled so as not to breach confidentiality. Full proceedings and entry to MPA events are available only to members.

Case study 1: New generation project management (NGPM)

NGPM was developed in Australia to manage volatile, unwieldy projects. These projects are often too complex to be easily managed with a traditional toolkit. Project clients who have used NGPM include the Australian government and the Civil Aviation Safety Authority in Australia. NGPM can be used in conjunction with PPP, BOOT and other project delivery systems.

NGPM consists of seven building blocks (also called views or metaphors). The building blocks allow the players to gain an over-arching understanding of the project (“holism”).

The building blocks are:

- governance: provides effective and reliable governance (NGPM offers a model governance contract)
- emergent strategy: deals with flux (as the strategy evolves or “emerges”)
- capitalism: includes the competitive selection of contractors, ongoing benchmarking and profits linked to performance
- voluntarism: the ability to respond strategically in a constantly changing world
- chaos: the non-linear and often recursive pathway that a project or programme takes
- systems: under NGPM, the different views produce something greater than if they operated in isolation and a system is worked out and used as the basis for the project
- alignment: ensures that the focus and commitment of contractors and clients are aligned.

Case study 2: Model office

If your company is going through a change programme, why not build a model office which will show what the future will look like?

A bank with high street branches did precisely that. A model office was built and installed in a mini-demonstration project, with the new-style desks and customer information system. The model was then used to test out whether the job, as it was now designed, worked properly in conjunction with the computer system. And the model office proved to sceptical bank employees that the new approach could work.

- risk assessment and risk register
- KPIs
- earned value
- daily reports during a project to understand where value is lost or gained
- competency assessment and man-mapping to know the resources are available and how they are being deployed
- performance coaching, which has particular value if you have to change the project culture
- “political fixes” whereby messages are released at each milestone to keep the politicians onside.

Novel ideas

Recent tools to emerge include:

- the critical chain—an updating of the critical path methodology to stop IT projects overrunning, with tight timescales and time-sheets tied into the project planning system
- ProjectPlace, a collaborative tool to share work material and coordinate work
- the red card, a tool to promote the right behaviour—on one project anyone whose behaviour was out of order could be shown a red card by project team members!

Business change projects

Transformation projects require high-quality soft skills to ensure a smooth transition. Business leaders should consider:

- preparing people for change, e.g. through networks, focus groups and informal meetings over lunch
- crafting the vision meticulously—avoid a slick over-worked mission statement and be aware that a crisp, direct and above all specific mission statement can work well
- communicating effectively, using a wide range of media and sending out each message through at least two mechanisms
- rewarding employees appropriately
- and even, perhaps, building a model office to illustrate the future of the organization (see box).

Revolutionary ideas from Australia

Several large client organizations in Australia are taking a new route to managing their projects and programmes: new generation project management or NGPM (see box).

Born out of frustration with the traditional tools of project management, NGPM is suited to large complex projects/programmes, where the technology will evolve in the course of the programme or the political context change, e.g. defence projects.

Some of the language of NGPM is contentious. It claims, for example, that chaos is a non-linear pathway that projects often follow and as such should be treated as an essential building block of project management. But NGPM contains plenty of gritty—and less controversial—wisdom that project practitioners can respond to.

And finally...

To bring in your project successfully:

- use your toolkit to manage uncertainty
- try to deliver *more* than the business case requirements
- don't neglect the long-term prospects for the life of the asset
- make your project manager the master, not the victim, of change.