



Britain needs the best project managers: where will they come from?

Seminar 141 held at the Cavendish Conference Centre, London
23 April 2008

Summary

Key conclusions

- Good project management is both a science and an art.
- Although good technical skills are necessary from public sector clients and their private sector delivery partners, four components in particular contribute to success: reporting to enable strategic decisions; measuring progress; creating clear governance structures; establishing the right culture. To achieve the last of these it was suggested that working behaviours should cover familiarisation, vision, measurement and action plans. Across all of these it was critical to get political support at the earliest possible stage.
- The meeting endorsed the strong appetite to secure chartered status for the project management community, which hopefully will become available to individuals through the Association for Project Management (APM) from April 2009.
- For major programme management it was suggested that special mid-career training was required, as major programmes were often the first of a kind, required a brilliant team and the lessons learned are hard to acquire.
- Seven 'deadly sins' were identified:
 - Unstable requirements
 - Non-gold standard methodology
 - Non-gold standard organisation
 - Buyer as systems integrator
 - Lack of comprehensive test programme
 - Limited end-user involvement
 - Poor commercial arrangements.

To help overcome these concerns it is essential to bring together the users, buyer and the provider.

- A structured career progression with staged certification is being introduced and used in several large commercial organisations. In addition to the technical competencies, some 'habits of great project leaders' were offered to identify the best project managers:
 - Setting HSSE expectations
 - Understanding project scope
 - Creating the right contracting strategy
 - Setting and understanding the organisation
 - Rigorous performance monitoring
 - Developing people and organisations
 - Creating the vision and planning
 - Solving problems and intervening when required
- The best (senior) project managers need to know a little about a lot. They need experience and they should be mentored in leadership skills. They will then be able to take risks which impact on financial performance and the organisation's reputation.

Introduction

Projects, like businesses, often fail because they are not properly managed, and concern is growing about the lack of experienced project managers with the skills and knowledge base needed to deliver the large projects and programmes being planned over the next decade or so. The seminar examined what is being done in the UK to remedy this predicted shortage and what is planned for developing the professional status of project management.

Project management was defined as:

‘An organised approach by which a set of coordinated activities are defined, planned and delivered so that a desired outcome is achieved and hence agreed benefits are realised.’

Speakers emphasised the importance that the Government attaches to this topic, explained the progress towards recognition of project management skills, and gave examples of how some commercial businesses are trying to solve the problem across their global operations.

A government perspective

The first presentation, from the National Audit Office (NAO), explored the reasons why having the best project managers, within both the civil service and their private sector partners, matters for the citizen. The majority of the reports published by the NAO examine project management issues, and many identify project management capability as a core skill in delivering change. The scarcity of the necessary skills and experience in both the public and private sectors was endorsed, and suggestions outlined regarding the future development of project managers:

- Concentrate on programmes rather than projects
- Aim at balancing the supply and demand of necessary skills
- Take account of the recurrent tension between innovation and standardisation
- Assess the resource and capability constraints
- Aim at maintaining value throughout project life

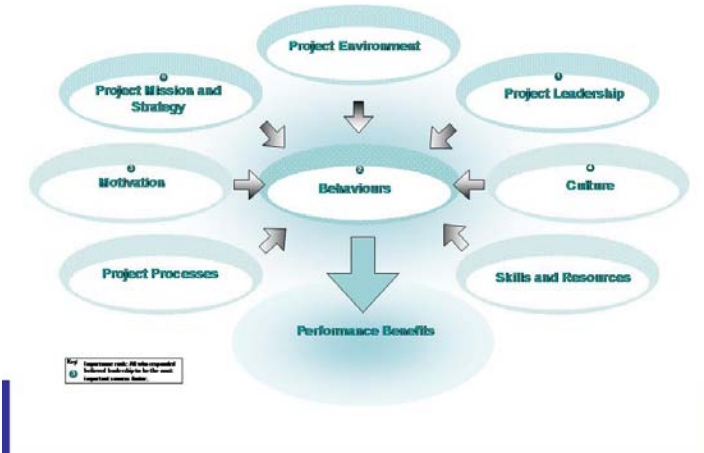
The NAO described the scale of government activity covered by Public Service Agreements (PSAs), which set out government objectives. Underpinning these aims and objectives is a raft of projects and programmes which involve a wide range of diverse stakeholders, including government departments, non-governmental organisations, businesses and individuals.

The public sector track record was examined in relation to programmes rather than individual projects: delivering a programme or a portfolio of projects successfully requires additional skills. Examples of public sector case histories where there were insufficient project and programme skills applied to ensure a successful outcome were contrasted with examples of successful project control. Some of the key components for success were discussed, with the importance of establishing collaborative relationships identified as one of the most significant.

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A model of collaborative working was suggested as outlined in the diagram below:

A model of collaborative working



Recognition for project management

With increasing awareness of the importance of competent project management in the private, public and voluntary sectors, as well as internationally, there is a rapidly growing demand for project management professionals. The presentation from the Association for Project Management (APM) looked at some of the reasons why demand is outstripping supply, why there needs to be greater recognition of project management as a profession, and what is being done to achieve it.

Project management is a relatively recent profession, but one that is growing rapidly: it is estimated that in the UK some 250,000 people in both the public and private sectors are actively engaged in some aspect of project management on a full-time basis. Around 40% of all non-specialist managers do some project management and up to a third of members of engineering, management and other professional bodies have regular project management involvement. Only a relatively small proportion of them have specifically relevant qualifications or belong to a professional project management organisation.

The APM is actively involved in obtaining full recognition for project management as a profession in its own right, and some of the steps being taken were outlined. For instance there is a framework for structured career development, a Body of Knowledge, and a Competency Framework to help increase the capabilities of project management practitioners. Work is being done with higher education institutions to establish accredited project management courses and the basics of project management are being introduced into schools.

However, the biggest single initiative is the drive towards obtaining chartered status. Support for this development has come from government, other professional bodies, a number of academic institutions and major companies, as well as from the APM membership itself. It is hoped that approval will be given at the end of 2008 for implementation from April 2009. The APM is currently defining grade, standards, entry requirements and the entry process at the individual level, and the routes to becoming a Chartered Project Professional were outlined.

Project managers: where do they come from and what is expected of them?

This presentation, from BP, looked at project and programme management capability in the private sector. It described how BP's forward production plans are underpinned by the development of a global resource base that requires an increased project management capability – with the right people in the right places at the right time – and outlined the strategy to achieve this. Recent recruitment of experienced personnel has been successful in expanding the project management workforce, but this does not offer a long term solution. As well as developing existing staff, one aim of the staffing strategy is to increase high quality engineering graduate recruitment and training. A focused development programme is provided which aims to encourage people to stay within the organisation.

BP's graduate career path and learning programme were outlined, and the importance on both first hand experience and professional qualification was emphasised. The aim is to provide individuals with the competence to move quickly into senior roles. There is recognition that managing projects and engineering design requires specific skills and capabilities, and BP has recently put two programmes in place linked with the University of Manchester, which can lead to an MSc.

In addition to having the right knowledge, which comes from training and from studying lessons learned from past projects, people need to have varying experience in a number of different areas. They also have to learn how to deal with complexity and ambiguity and the issues that commonly affect major projects.

2010 project management

Projects have become larger and more complex over the last few decades, and while the fundamentals of good project management have not altered, they have to incorporate rapid technological change and deal with many more stakeholders. There is also a greater level of competition, both in bidding for work and for the resources to deliver it. The financing of projects has also become more complex, with increased financial risk, while health and safety, environmental legislation, sustainability and security are now major factors to be taken into consideration. This increased complexity is driving the development of more joint venture and partnership arrangements, which creates further complexity in project management.

The presentation from Bechtel examined the changing project landscape and the challenges for project management, and looked at the ways in which their organisation is addressing the potential resource gap – not only to identify, recruit and train the project managers of 2010 and beyond, but to retain them within the organisation. Finding and keeping talented individuals is seen as one of the organisation's biggest challenges.

The development of project managers includes a career roadmap, which identifies what experience an individual will need, shows how different functions interface and how project managers can be drawn from a number of functions. It includes a three tier project management certification programme, part of which is the development of leadership skills through mentoring.

The functions with which a project manager must be familiar with were outlined, and it was noted how these have increased significantly in recent years. Within Bechtel there are some 18 of these functions – besides construction or engineering, procurement, project services and project controls these include a variety of other essential business skills, such as legal, risk management, quality assurance and business development.

Conclusion

The seminar heard how to ensure that the *best* people were equipped for the most challenging roles, but there were few suggestions as to where the increased numbers of project managers would come from.

The Chairman suggested that perhaps the main lesson to emerge from the day was that these roles should be filled increasingly by younger people, who should be offered the opportunity to take on leadership positions earlier, and their capabilities stretched within a mentored environment.

This might introduce a different layer of business risk, but being able to meet the increasing demands for major projects would ultimately lead to stronger commercial operations

Participating organisations

Arup
Association for Project Management
BAE SYSTEMS, Air
BAE SYSTEMS
Bechtel Ltd
Bovis Lend Lease
BP Oil International
British Energy
BT plc
Cross London Rail Links Ltd
EC Harris LLP
Electronic Data Systems Ltd
Henley Management College
KBR
KPMG LLP
Laing O'Rourke plc
Major Projects Association
NATS
National Audit Office
PA Consulting Group
QinetiQ
Rolls-Royce plc
Scott Wilson Ltd
The Nichols Group
Transport for London
Groupe ESC Lille