News Letter

Making project management indispensable for business results®

www.pmi.org.uk
December 2009

President's Corner

A warm welcome to the festive edition of the PMI UK Chapter newsletter! Firstly I would like to announce the successful launch of our new web site. After a number of months of hard work by the team, including a number of volunteers I am delighted to be able to say the site has been launched successfully offering a number of additional features compared to the old site, in particular an interactive forum which I hope will help create a vibrant community of Project Managers online. Special recognition goes to Ifeyani Nwabueze, the volunteer Project Manager responsible for the web site project.

This is the first newsletter since IPM Day 2009 which was held in November at GSK, Stevenage. The event was a huge success attracting over 200 delegates all of whom were able to hear a number of prestigious speakers free of charge. I believe this to be one of the few events in the UK where you can hear such impressive speakers free of charge. This was made possible largely as a result of the fact GSK offered to host this years event for which we are extremely grateful. In the future we hope to be able to keep IPM Day and other similar events free of charge by continuing to develop close working relations with such supportive organisations. Thanks go to Nazia Soonasra, this years IPM Day volunteer Project Manager for her tireless efforts to make the event such a success. In fact the feedback was such we believe this to be one of our best ever events!

Speaking of volunteers very many congratulations to Mike Bennewitz the PMI UK Chapter Volunteer of the Year. Mike has contributed endless hour in organising a number of the South West regional events, effort that has not gone unnoticed by the rest of the team - well done! Mike will be awarded his trophy at the PMI UK Chapter AGM early next year and is the lucky winner of an all expenses paid trip to the PMI Leadership Institute Meeting that will be held in Milan in May.

I have been working with the Board over the past few weeks to agree our priorities for the coming year. In keeping with the Chapter's Mission we are ensuring a single-minded focus on our members for 2010 and hope to be able to announce some very exciting plans particularly concerning a number of opportunities made available though our partners in the UK. These will be announced via the web site in the new members only section over the next few weeks.

Further I am delighted to welcome a number of new members to the Board who will be working with us on these initiatives. The results of the elections held in late 2009 are now available and I am pleased to be able to share them with you. Anne Boundford will be joining us as the new Director of Marketing, Manon Deguire as Director of Programmes and Nathan Gillies as the new Director of Volunteering. My sincere thanks to both Darrel Rogan and Richard Carr who will be leaving the Board at the end of their full term at the end of 2009 - you will be missed. Duncan Chappell our current Director of Communication and Gauarav Sethi, Director of Finance and Administration have also been reappointed to their current roles for a further two year term.

2009 has been an exciting year for the PMI UK Chapter and we have even more ambitious plans for 2010. If you would like to be a part of them I would invite you to contact one of the Board to discuss opportunities to get involved. In the meantime I invite you to visit the new web site and take a look around - given the site is new we are particularly interested in everyone's feedback. Finally I would like to take this opportunity to wish each and every Chapter member and family a very Merry Christmas and successful 2010.

With Best Wishes....

PMI UK 2009 Election Update

By Gaurav Sethi, PMP

As the countdown on 2009 draws near, dwelling on this year final acts, Xmas team events and resolutions for the New Year, the PMI UK chapter has been engaged in the last couple of weeks, reviewing our past activities in 2009 and organising our strategy and plans for the year ahead.
2009 had been both challenging and exciting and through this year elections; outreach was to attract strong individuals to voluntarily support our efforts in the coming year. With the Elections process successfully completed earlier this month, we are now ready to announce the posts and share the profiles for the new PMI UK Officers, who will together with the rest of PMI UK Board, co-own, develop and work towards accomplishing our goals in the new term beginning Jan 1 2010.

The following section lists the 2010-2011 Officer positions and abridged profiles of our new board members.

Director of Administration – Gaurav Sethi

Gaurav Sethi has worked in the Project management arena for the last 10 years leading and managing different challenges spanning across IT delivery to Business transformation in the capacity of Project, Portfolio or Programme Manager/Director. He has received numerous accolades in bringing value to endeavours, and believes that good project management is the necessary to any business' success. He is keen to follow, energize, develop and promote the best practices, which not only increase the professionalism levels and combined knowledge of this profession, but also enhance the value, our community 'can' and 'should' give to the business. Certifications from PMP, Prince2, MSP, ITIL and linkage with PMI, in particular PMI UK are his attempts to fulfil the aspirations above.

Gaurav's nomination for the Director of Administration role was uncontested. He has been serving PMI UK in similar capacity and now starting his second term with PMI UK.

Director of Communications – Duncan Chappell

Duncan Chappell has worked for ExxonMobil for 30 years and has been involved in IT projects for more than 20 of those years. He has had many roles including infrastructure track lead, project manager, QA manager and safety track lead. He qualified as a PMP in 2006 and has just completed his PDU cycle to recertify. He has been a member of PMI since 2001 and an active member of the UK Chapter since 2007. Outside of work he is married with two children and does other volunteer work as vice chair of two local schools governing bodies and he is on the committee of the Oxfordshire Governors Association as part of his role represent them in dealings with the Local Authority.

Duncan's nomination for the Director of Communications role was uncontested. He has been serving PMI UK in similar capacity and now starting his second term with PMI UK.

Director of Marketing – Anne Boundford

Anne Boundford is a PMP and MSP who has worked for the last 5 years for a major global publishing company as a Program Manager. Her previous experience of working as a volunteer on behalf of PMI was as Communication Director for the EDSIG, Education and Training Specific Interest Group, which she did throughout 2007. During her tenure with this team she combined the communication and marketing roles. The team achieved a lot in this time; to upgrade their communications; migrating their members to a new database solution, profiling of their membership, targeting messages to them, all whilst carrying on the day to day work of getting the newsletters out and making sure PMI congress presence was advertised.

Anne's nomination for the Director of Marketing role was uncontested and she will be starting her first term with PMI UK. This post had been supported by **Sue Clarke** in the beginning of the year 2009 and vacant since then.

Director of Programmes – Manon Deguire

Manon is a Managing Partner and founder of Valense Ltd., a PMI Global Registered Education Provider, which offers consultancy, training and research services in value, project, program, portfolio and governance management.
Her previous involvements as a PMI volunteer include being on the REP Advisory Board (3 years) and on the EdSIG board of directors as Director at Large of Professional Development (2 years). Her more extensive experience of PMI includes regularly presenting and attending the NA, EMEA and APAC Global Congresses, Research Conferences and many Chapter Meetings (UK, AUS, CA, Taiwan). Over and above these PMI volunteer specific mandates, she has worked in a variety of different settings and countries such as Canada, the USA, UK, Europe, Asia and the Middle-East.

Manon received majority (50.3%) of votes in the elections for her nomination for the Director of Programmes role. She will be starting her first term with PMI UK.

Darrel Rogan, who has been leading this post currently, has kindly offered to continue supporting his favourite regional committee in the near future.

PMI UK 2009 Election Update—continued

Director of Volunteer Co-ordination

Nathan Gillies is a certified project manager, with a wealth of technical and management skills. He has worked with large project assignments in a number of business sectors including Finance, Insurance, IT, Pharmaceutical, Petrochemical and Public sectors. He has a First degree in Management, a Post-graduate degree in Information Technology from Glasgow University and he is currently completing his dissertation for a MBA in Technology Management with the Open University.

Nathan has been a volunteer with PMI UK Chapter since 2002 and he has helped the Scotland Programmes Committee to organise many successful events. In the last two years, he has held the Chair of the Committee and he has tried to bring more value to all Chapter members in Scotland.
Nathan was a close runner-up (receiving 49.7% of votes) in elections for his nomination to the Director of Programmes role. He was offered the Volunteer Co-ordination post by the Board which he kindly accepted. He will be starting his first term with PMI UK.

Rich Carr had been leading the Volunteer Co-ordination role in the last year, and he has kindly offered to remain engaged and continue supporting PMI UK as an active volunteer.

On behalf of PMI UK Board and all the members, I extend them a warm welcome, and express my heartfelt thanks to the outgoing Board, who have enthusiastically conducted their function and supported our endeavours in the last term.

Wishing all our members and officers an exciting and successful new year

Director of Admin, Gaurav Sethi

SALES/SPONSOR MANAGER WANTED!

The PMI UK is looking for a Sales/Sponsorship Manager to obtain revenue for the PMI UK and International Project Management Day.

This post will be probably part time so if you (or maybe your partner) has a bit of spare time on their hands, due to a career break or maybe maternity leave and would like to earn a few pennies this could be the opportunity for you!

The position will earn commission on sales and reasonable expenses will be covered. Someone with an "Events and Sales" background would be useful. If you are interested please send your cv to service@pmi.org.uk

International Project Management Day

11th November 2009

By Nazia Soonasra,
IPM Day Project Manager

“When it all goes wrong…!” ***…a Chapter conference where it all went right!***

The IPM Day conference this year was held at GlaxoSmithKline (GSK) in Stevenage, Hertfordshire. The large conference room was filled with 200 delegates – all PMI UK Chapter members and GSK staff, attending free of charge to learn from some of the greatest experts in this subject. The quality of the extensive GSK Research facility.

To speak on the theme of the conference were an exceptional mix of speakers – a blend of writers and academics, but mainly professionals sharing their practical experience of managing projects. Each one of them had something particular to contribute; offering us different perspectives on the theme. The conference was chaired by Patrick Bird, Project Director and executive coach and delegates were welcomed by Peter Wilks of GSK. Peter is the Quality and Compliance Manager for IT projects at GSK.

Mark Kozak-Holland, the opening keynote speaker and originally a Manchunian, travelled over from California. He has researched the actual causes of the Titanic Disaster as a project and gave us a fascinating insight into the true causes of this project failure. We were able to see how the disaster could be attributed to ‘non-functional’ features of the liner to enhance passenger luxury, to relationships among the project team and to the original business case.

Professor Terry Williams of Southampton University talked about project runaway and how complex projects get into trouble. He has been able to analyse the complex interactions that accelerate and drive projects into failure. He confessed that he had not been able to measure ‘fed-upness’ in a project organisation; this and other quips, earning him the title of "the entertaining academic!” from Patrick Bird.

Peter Taylor gave a short speech based on his book "The Lazy Project Manager". He gave us tips on how to achieve more by doing less - very useful and practical advice for project managers who can sometimes be more busy than effective. David Hancock shared his "Reflections on lessons learned from failed projects" and we were treated to another fascinating story, this time about the Copenhagen Metro; an award winning project but now in litigation. Again a presentation delivered with a great humour.

The President of PMI’s UK Chapter, Chris Field, brought us up-to-date on how the Chapter is working to bring further benefit to members.. He called for more members to get involved as volunteers and infused us with his enthusiasm for injecting passion into the project management profession. This was followed by a buffet lunch giving all the opportunity to mingle and visit the sponsor stands.

Post lunch, Howard Lees entertained everyone, with us all using Radio Frequency handsets to respond to a light hearted but meaningful presentation on "How behavioural science rescued the CTRL project".

Geoff Vincent of CITI spoke on the ‘project post mortem’ and showed us a tailor-made model for getting projects right! The closing keynote speaker was Brian Munroe, VP Information Technology at PMI’s Troubled Projects SIG who travelled from Ottawa to speak about how "Trouble finds even the best teams". Brian illustrated how project failure is very often attributable to human and organisational failure.

The conference ended with a Panel Q & A session with all the speakers and chaired by Martin Price, the Chapter’s Director of Professional Development.

Despite a busy schedule, time keeping was observed allowing us to end on time. The feedback from delegates was very positive: many writing that it had been the best conference that they had ever attended. They had found the quality of the presentations to be outstanding and said and how much they had enjoyed the event.

A hand-crafted mural was produced by Poster Artist Vanessa Randle during the conference and was greatly admired. This fabulous graphic of the conference can now be downloaded from the PMI UK web site http://www.pmi.org.uk/en/events/international-project-management-day/index.cfm
You can also view photos of the day http://www.pmi.org.uk/en/gallery/ipm-day-2009.cfm

Fundamental to success or a costly overhead – where do you stand on the Project Management Office (PMO) debate?

By Ian McDougall, Principal, Moorhouse Consulting

Project Management Institute (PMI) and CIO study found that of 750 organisations researched worldwide, over 75% of organisations that had set up a PMO shut it down because it did not demonstrate any added value. PMOs should be a way to increase efficiency, cut costs, and improve programme and project delivery in terms of time and budget. So why are so many failing to deliver?

Challenge yourself. Go on, *really* challenge yourself.

As a programme and project management practitioner, how well are your PPM practices working? Do you believe that you are performing optimally across the spectrum of functionality; are you concerned that there may be deficiencies in your individual and organisational capabilities; do you know where the gaps lie and do you have an approach to address these areas?

Now, challenge yourself again!

A combination of the increasingly complex nature of today's programme delivery environment and an overarching focus on cost reduction has thrust the role of the programme management office (PMO) back into the spotlight. And the debate between those who recognise the PMO function as a fundamental enabler for delivery success and others who simply perceive it as unnecessary and costly overhead to the business is hotting up.

The problem with PMOs

Whichever side of the fence you sit on, the PMI and CIO findings are a worrying indictment for the programme and project management (PPM) profession.

Why are PMOs perceived as failing and whose fault is it? Does the blame lie with the organisation in not being able to exploit PPM, in part or full, or the capabilities of the PPM community in not delivering maximum value to the organisations they serve?

The statements below are often cited as key factors for why PMOs do not deliver optimal performance:

- Generally, people do not understand the term *PMO* and cannot assert whether it is a function or capability, it is frequently perceived as an administrative body;
- Poor leadership is exhibited at many levels and there is frequently a lack of accountability to deliver successfully at an individual, business unit or organisational level;
- Many senior executives, and line staff, do not "get" what PPM is all about and how it can help them and organisations frequently perceive programmatic rigour as bureaucratic or academic;
- There is a propensity for inadequately trained and inexperienced programme and project managers with such titles and responsibilities being added as a second or third "hat" to the incumbent's day job.

The points above, individually or collectively, infer that competent, high quality people are required to staff a PMO that adds values, and distributes the services required of it to ensure PPM delivery success. If this is the case, it is appropriate for the PPM community to develop a means to improve the performance of the PMO function and its professionals, and deliver what we term the *latent* capability into the organisation.

A new PMO concept

Today's businesses demand a capability that can proactively shape and discharge the effectiveness of organisational planning and delivery. There are four key reasons why there is a need for a new PMO paradigm:

- In some proactive organisations, PMOs are increasingly being asked to take a lead role in the development and execution of complex business and transformational change. They are, and should continue to be, instrumental in translating strategy into reality across the business
- Businesses are now realising that PMOs can leverage additional value in planning and delivering change, through their application of rigour, methodology and process. PMOs have the ability to define key success criteria for change initiatives, create plans to realise them and measure their success accordingly
- The professionals being employed in PMOs are frequently drawn from a background that can genuinely add value to the overall business offering. This blend of functional and programmatic competences is a key capability to facilitating organisational ambitions and goals
- In highly dynamic environments there is a need to minimise ambiguity and increase predictability wherever possible. Effective controls, led by a PMO, can provide this capability to assure that levels of certainty can be increased, costs can be predicted and maintained and key decisions and stakeholders can be positively influenced

Whilst the old PMO model may have been very process-orientated, hopefully, the current organisational and operational model is far more focussed on outcomes and benefits, harnessing the synergies of a multi-disciplinary team and integrated with the business to continuously enhance standards of planning and delivery. And what should an emergent model offer in terms of capability? The developing PMO will constantly evolve to the business context and operating environment and be agile enough to be proactive to new operating conditions. Programmatic capability will be fully integrated into the business model to be a key influencing factor in how transformation and change is implemented. This development trajectory is highlighted in Figure 1.

Fundamental to success or a costly overhead – where do you stand on the Project Management Office (PMO) debate? - continued….

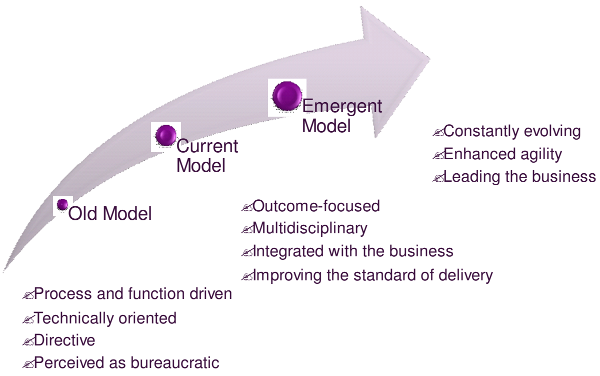

Figure 1, *The PMO development model*

How can current PMO capability be transitioned to the emergent model?

There are three key steps to enhance the overall capability of current PMO capability and each is not mutually exclusive. They are:

- **Assessing current capability, defining future capability**: know what PMO capability you have now and where you aspire to be within a defined period of time
- **Building the new capability:** follow a rigorous method for getting from your current state to the aspired one, cognisant of the preferences and cultural of your organisation
- **Engaging and winning the support of senior stakeholders:** understand the key factors that are likely to convince senior stakeholders to invest in enhancing overall PMO capability and to assure that business strategy and programmatic delivery are wholly aligned

Assessing current capability, defining future capability

Now, moving back to the original challenge at the start of the article: what capabilities do you discharge now and what improvements would you like to make over defined timescales? Almost certainly, you will know that your PMOs are effective in executing some key programmatic functions and, perhaps, less good at others. As such, it is prudent to consider which functionality you will target for improvement and to what level. There is a presumption that in order to develop capabilities there is a minimal level of capability as a foundation from which to build i.e.: just doing the basics effectively. Developing capability requires the investment of time and effort and, potentially, the prioritisation of some functions over others. It does not just happen on its own. This is considered a shift from a transactional-type model to one that plays a major contribution to an enhanced delivery capability. It may be the short-term objective of your organisation to target specific functions recognising their relative import in your business and accept that others will remain subject to a more deliberate and, long-term development cycle. It is critical to know what you want to be good at.

Building the new capability

A methodology, has been specifically targeted at enhancing PMO capability. Key to the methodology is a comprehensive and structured plan to realise any improvement. This plan must be directly influenced by those stakeholders impacted by the operation and performance of a PMO (the consumer of "PMO services") in order to gain traction within the business. What follows then are two key tracks of activity, one '"hard", the other "soft". One dimension is no more important than the other; indeed, experience suggests that aligning '"soft" factors for programme delivery are significantly more challenging than the hard!

- The hard dimension seeks to identify what functionality is required of the PMO, and what level of capability currently exists and the gap from the aspired level. This determines which functions are going to be targeted to realise greatest effect for the business; recognising that this will differ between organisations, dependent upon their demands and priorities
- The soft dimension assesses the organisational culture and the "type" of PMO most suited to deliver value into the business. The ways that business make and communicate decisions, the level of control over initiatives and the readiness to change are all factors for consideration in designing the new PMO model

The hard and soft dimensions converge to form design options for the construct to deliver optimal performance: for example, this could be a hierarchical model of PMO capability supporting portfolio, programmes and projects, akin to the OGC P3O proposition, or a hub and spoke method where a "corporate" PMO coordinates programme offices. Design of your PMO capability should also consider options of physical and virtual capabilities.

The final stage in the development of the capability is implementation. There will be a need to assess the suitability of the model with a feedback mechanism to assure that the PMO is delivering upon the needs of stakeholders within the context of macro-operating environment and the programme lifecycle. To obtain more info on this model, please contact Ian McDougall

Engaging and winning the support of senior stakeholders

The support of senior stakeholders for any new investment will typically only be present where there are overriding business imperatives supported by tangible, demonstrable, value drivers and alignment with organisational strategy. In practice, to

Fundamental to success or a costly overhead – where do you stand on the Project Management Office (PMO) debate? - continued….

improve overall programme delivery, one is trying to minimise delivery risk and maximise certainty.

A key enabler to facilitate stakeholder engagement is a “living, breathing” business case that is constantly referenced during the programme lifecycle. The HM Treasury Green Book specifies five key components to a successful business case. Three of these are highlighted in Figure 2. The examples highlighted can make a compelling case for senior stakeholders to sit up and take notice as to why they need a PMO/PPM capability:

- **The strategic case**. There needs to be an explicit link between the programme and organisational strategic objectives, otherwise why implement the initiative? This relationship must assure the programme lifecycle. Prior to and throughout the planning and delivery of the programme, stakeholders must be proactively engaged to satisfy their information needs. Nuggets of information delivered frequently are better than infrequent volumes of information being released which will be susceptible to challenge.

- **Options appraisal**. It is imperative to understand from the outset those benefits to be realised and how they may be relatively weighted to select those delivering greatest value to the business. Furthermore, it is prudent to explore the most effective methods of working with partners in order that risk and reward criteria are appropriately apportioned, an harmonious relationship for a “win-win” is developed and delivery certainty is increased.

- **Achievability**. How are those lessons identified from previous deliveries converted to learning; does your organisation effectively develop from experience? It also useful to acknowledge that the environment, context and situations are dynamic and liable to change. Consequently, it is worthy to have sufficient contingencies to counter unexpected circumstances.

Component	Decreasing Uncertainty	Increasing Predictability
Strategic Case	✍Constant alignment with organisational objectives ✍Contribution to key objectives ✍Realisation of strategic benefits	✍Identification and proactive pursuit of critical success factors ✍Proactive stakeholder engagement strategy and ŅaggressiveÓ plan to meet information needs ✍Proactive management of interdependencies
Options Appraisal	✍Quantification and qualification of risk; diligent identification and effective countermeasures ✍Benefits appraisal that highlights key criteria and relative weightings of benefits.	✍Exploitation of innovation and/or collaborative initiatives with partners ✍Analysis and identification of optimal implementation strategies ie. incremental or wholesale change
Achievability	✍Application of key learning from similar projects and programmes ✍Plans that adequately define the delivery schedule, including the benefits realisation ✍Appropriate capability and capacity	✍Role identification for all stakeholders ✍Aligning contract management to the programme plan and actively managing suppliers ✍Effective contingency management

Figure 2, *Key factors for influencing senior stakeholders*

These factors seek to improve the overall value proposition for the business and to improve the demeanour of senior stakeholders towards establishment and sustainability of a PPM capability.

Conclusion

In every organisation, regardless of their organisational maturity, there is always scope for improvement. This is true for PPM capability and PMOs. Improvements are twofold:

(1) improving the capabilities delivered within an organisation; and
(2) improve the capacity, doing more “good things”.

As such, managers should actively seek greater alignment with the emergent model and look to raise the bar to directly contribute to increasing predictability and certainty in programme and project delivery.

Enhanced delivery capability must always be founded on the effectiveness and consistency of the ‘essentials’. If one is confident that these are in place then a capability (and capacity) development plan can be designed and implemented. PMO capability must be developed upon the business need and within the parameters of organisational culture and these dimensions may be converged to provide options for implementation.

Senior stakeholders must be convinced of the value of PMOs: minimising risk, increasing certainty and maintaining costs are all laudable sound bites. Referring to key dimensions of the business case through which the overall value proposition can be enhanced will, it is suggested, engage and maintain the interest of senior stakeholders. Indeed, the ideal position to be in is to have such stakeholders demand a PMO capability as an essential part of the organisation to discharge its delivery strategy successfully.

So go on challenge yourself as a programme and project management practitioner. How good is your PMO? Are you doing enough to grow and realise its potential?

Ian has a significant amount of programme and project management experience formerly as a military engineer and latterly as a public sector consultant with PA Consulting.

For more information on this article, Ian can be reached at ianmcdougall@moorhouseconsulting.com

Unleashing Organisational Potential Through People and Projects

Transformational Leadership in Project Management
2009 Global Research Project

Suzanne Dresser, Senior Director of Enterprise Solutions at Insights, and Mark Morgan, an Insights Accredited Practitioner and Strategic Execution Consultant, urge sponsors to think like venture capitalists, for project managers to take on a more strategic role in the organisation, and for organisations to set teams up for success so that they can effectively compete in the new economy.

77% of project managers think they are working on something strategically important but one out of four said they only knew it was strategic because someone told them or they saw it in a written document. Can your organisation afford this big a gap in communication?

76% of projects are linked to the organisation's strategy by a less than rigorous process. Does this systemic disconnect between strategic planning and project execution exist within your business?

41% of project managers say that their projects are going "okay at best". Is this a waste and a lost opportunity resulting in less than expected performance for your organisation?

Insights Learning and Development joined forces with Project Management Institute chapters and a leading consultant in strategic execution to find out how project performance is related to the process of project selection, what project managers see as the challenges of delivering in the current environment, and the role of leadership in project performance. The results confirm some of what has long been suspected, and there were also a few surprises along the way.

Six Reasons Why Projects are Struggling

The Bottom Line: Projects are struggling and strategic execution is struggling as a result. Here's why:

1. Projects are chosen more often than not from low rigour methods. The top challenge cited by project managers is "changing priorities among project impacts resources available to the team". There is no question that strategies need to be flexible in this challenging economic environment, but once the projects are chosen and underway, there needs to be limitations on resource shifting as this can dilute the effectiveness of a project. Project managers noted that the number of bodies on the team is less important than having the people with the right capability at the right time.

2. Project managers don't always grasp the strategic intent. The project manager is the interpreter – the translator of strategic intent to create meaning for the team. With intent comes purpose and inspiration, and without these two qualities the project is simply executed to specifications. This leaves the project manager without the context required to flag when the project is veering from its original intent and course-correct towards the intended strategic outcome.

3. The project management competencies needed to deliver projects might not be the ones you usually consider. Project management as a discipline focuses on the technical aspects of execution and very little on the leadership competencies required to successfully execute projects. Project managers rate "Delivering Results" as most relevant and one in which they are most effective – which is crucial in their role. Conversely, project managers rate "Creating a Compelling Vision" overall lowest in effectiveness and relevance which is also crucial in their role. "Communicating with Impact and Fostering Teamwork" were rated highly relevant with low effectiveness. There were two distinct groups of responses when we analysed the data – those with lots of challenges and those with few challenges. The group with few challenges rated relationship building much higher in relevance than the group with the most challenges. Project management requires a skill set that goes well beyond the triple constraints of scope, time and cost and yet project managers as a general rule are not developed to be well rounded leaders – 98% of project managers indicate they need leadership development and mostly in the areas of strategic execution, managing upwards, finance, portfolio, and general advanced leadership competencies.

4. Project managers are chosen more often than not based on their technical capabilities. It takes much more than technical capability to lead upwards, downwards and sideways in an organisation. It takes emotional competence, political awareness, ability to communicate with impact and create a compelling vision. Each project is a venture capitalised strategic investment, yet the leadership skills required of project managers and the support from sponsorship is a fraction of what similar investments in the venture capital world are required to have.

5. We live in a global society but operate as if we were colocated. The teaming environment is complex – nearly 40% of teams will never meet in person, at least a quarter of the team members are virtual, and over 50% have more than one language on the team. Two of the top five challenges are conflicting personalities and team member accountability. Teams routinely operate without the needed infrastructure of team agreements and understanding of each other that create the speed and efficiency we need to compete successfully.

6. It's the system. The results of the research overwhelmingly point to systemic issues that create the results we are getting in organisations. By looking at which groups are having the most challenges and which ones are having the least, it is clear that the connection of projects to strategy is the best

Unleashing Organisational Potential Through People and Projects—continued….

determinant of project progress. It has been said that if we put good people in a dysfunctional system, the system will win. This research confirms the power of the system.

Increase the Odds of Project Success

Looking at projects as capital investments much the same as a business startup would help. Venture capitalists insist on a business case and a reasonable rate of return (between three and 10 times payback over three years), pick investments on the basis of the capabilities of the people executing the business case and stay connected to the venture to assure return on their investment. In contrast, projects are launched without clear cases, handed to people that are under-equipped for the leadership issues they will face, and not supported well in the process of delivery.

"I get concerned when Project Management becomes too much about what methodologies and tools you use and how much documentation you have on a project. My current company is very conservative and constraining with rigid templates and standards that don't always make sense. This sometimes causes 'over-engineering' of the project management and thus becomes an albatross rather than an enabler of success ... Project Management is more of an art than a science. However, a lot of industries still think a good PM is a technical IT person or engineer. I would like to see more recognition and recruitment for the PM skill set and profession coming out of management, leadership, interpersonal and customer service skills, not just technical skills." – Research Participant

Other studies have shown the relative rate of project success as being in the range of one-third of all projects launched. Based on this research, that number seems very reasonable given the way projects are being approached. In order to improve the odds of success, several actions are indicated by this research:

1.Develop stronger systems for linking strategy to project investments by connecting project portfolio management with strategic planning. This means process checks throughout the project lifecycle up to project closure, which should be when the benefit is achieved vs. delivery date of the project.

2. Two in a box – one sponsor, one project manager. Create better organisational capability to sponsor and support projects by creating direct sponsor accountability for project health.

3. Develop the leadership skills of project managers to match the technical skills they bring to the effort. This creates a double win – project managers have an opportunity to step up and take a more strategic role in the organisation (one out of four think there is no career path in project management) and project sponsors can have strategic delivery partners who are prepared to have conversations around redirection of project resources in order to realise the business strategy. Project managers looking to build teams that are highly effective in all scenarios and situations should have competencies in building Relationships

"The aspects of project management that I see most underdeveloped in project managers, sponsors, leadership and team members all relate to their interactions and relationships with people. While project managers do their jobs well in logically setting out a solution to a problem and a plan to implement it, they are less able to deal with differing viewpoints, to control their own impulses when challenged, to understand themselves well enough to know when they're married to something that is not really what the ultimate customer needs or wants. I think this often causes project managers and teams to be viewed as delivery mechanisms, not as leaders. It gets in the way of their building a vision alongside a customer, so they are then reduced to something other than a leadership role." – Research Participant

4. Set the project team up for success. Create teaming agreements that define the social conduct and accountability of team members. Project managers who have input into performance appraisals reported better project performance and fewer project challenges, so establishing a feedback loop on team member performance may support team member accountability. Establish a team environment that recognises and leverages team diversity and strengths – avoiding potential conflict is a lot less painful than resolving it a week before a project goes live.

The time to engage the process of improving project performance and strategic execution by looking outside the standard definition of project management competency and bodies of knowledge has come. The old adage that "if you do what you've done you'll get what you've got" has never been more applicable. The most encouraging news is that we have the capability within our reach to fill the gaps identified in this research. The question is when to begin the process of making a difference. We suggest that time is now. "Whether it's education, government or private industry, these soft leadership skills ... are rapidly becoming the differentiator in a globally-sourced human resource environment. As pressure mounts on established industries in the western world to lower their cost structures ... Project Management, and Management in general, will be the one way that enterprises set themselves apart in finding ways to do more with less."

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Suzanne Dresser and Mark Morgan suggest building in ore investment accountability in projects, developing project managers leadership skills to take on a more strategic role, and improving team relationships

Editorial Thank You

From an editorial perspective, 2009 has been a successful year in member outreach with increased volunteer participation. The numerous events held at the regional locations, culminating with the IPM Day in November is a testimony to all the hard work put in by the volunteers, regional & event members. There has also been a new pool of authors who had expressed interest in writing for the newsletter, many thanks.

I would appreciate any feedback on areas of improvements or materials that could be covered in next year's newsletter. Please submit them at enquiries@pmi.org.uk

A special note of appreciation to the authors who had contributed throughout 2009 with their articles:

- Philip H. Alberts
- Dr David Hillson PMP
- Dave Edwards, PMP
- Keith Clark
- Chris Field, PMP
- Adrian Terry
- Rich Carr, PMP
- Nicola Wadham, PMP
- Rodney Turner
- Peter Taylor
- Gaurav Sethi, PMP
- Shan Ali,
- Cornelius Fichtner, PMP
- Anthony Wilks
- Nazia Soonasra
- Joan Ward, PMP
- Ian McDougall

We look forward to another productive year of exciting project and programme management contributions.

Have a great holiday season!!

Best wishes,
Irene Bayliss PMP,
PMI UK Newsletter Editor