



Navigating the unknown

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Project management is all about dealing with the unknown - end users who are fickle about what they want and scared of change, technology that refuses to stop evolving even as you're trying to get a handle on it and bosses that continue to dump more and more work on the project team.

Though x-factors are innumerable when it comes to project management, there is one thing that experts agree should remain constant throughout all projects, no matter their goal or scope, and that is the way in which project managers tackle their task.

Though a project manager may well be working on a two-week job enhancing an existing technology one moment and starting a three-year undertaking building a brand new system the next, the approach that manager takes to both projects needs to be the same. Otherwise, along with the other constantly changing factors, he or she will be reinventing the wheel every time.

However, having a process in place is just one of the ingredients. Having an executive-level sponsor and taking the time to thoroughly plan projects before getting started are also key to project success.

Don't touch that

Proper planning and a sponsor who supports them at every turn is what Susan Mair says will help her team finish a university-wide networking project ahead of schedule and under budget.

University of British Columbia's University Networking Program (UNP) is a \$30.6 million initiative to establish a data network infrastructure across the 1,000-acre campus, said Vancouver-based Mair, UNP's program director. The network spans 175 buildings and encompasses a total of 18,000 10/100Mbps wired ports, replacing about 11,000 old ports, and adding 1,000 wireless 802.11 access points.

Staff for the project, which has been in the works for three years, were pulled from whatever they might have been working on and dedicated themselves to laying the network. As the UNP was a part of the university's mandate, led by a steering committee and sponsored by the associate VP of information technology, there was strong support for it - something which is often lacking when a project fails.

In many cases projects simply get the nod from senior management and are then left to their own devices. Such projects are almost set up to fail, said Mark Mullaly, president of Interthink Consulting Inc. in Edmonton. However, when senior managers stay involved, employees recognize that they care about the project and really want it to succeed.

According to Mullaly's research, there's a significant performance improvement when this happens.

Though the UNP team had a lot of support from the higher powers at the university, it still encountered a number of hurdles along the way - class schedules that had to be worked around, buildings that didn't meet fire codes or were full of asbestos, as well as on-going science experiments with earthworms that couldn't be vibrated and mice that couldn't be disturbed. The plan allowed for contingencies, but no one could foresee what was coming. Communication was a key part to dealing with whatever was thrown at them, Mair said. Each building had its own project manager whose responsibility it was to inform the building occupants what was happening.

Also important to the UNP's timely completion was the fact that the team stayed firm on the scope of the project, Mair said. The university kept trying to throw additional tasks at the UNP because it was such a big project with a big budget, but Mair was firm about what her team would take on, pointing to the document that defined the project's scope at each step.

High price, low value

But finishing ahead of schedule and under budget is unusual in the world of project management. Terry Cooke-Davies, the managing director of Human Systems International Ltd. and an adjunct professor of the University of Technology, Sydney, estimates that for every \$100 million a company spends on a project, it might, at best, get \$80 million worth of value. That figure includes all kinds of projects, but IT projects fare worse than most, he said, as they often involve new product development and a great deal of business change. These last two types of projects often yield worse results, according to the findings of Human Systems, which collects data on project management from approximately 70 different companies.

There are two kinds of work in the world, the Folkestone, U.K.-based Cooke-Davies says. The first is an operational type of work in which you do the same things over and over again, and that's what most work is about. The other type of work is project work. The latter is all about uncertainty and novelty - it's tough to predict what's ahead in this type of work.

"I think the biggest problem is that the management of companies underestimate just how different managing projects is from managing operations," Cooke-Davies said.

To deal with the uncertain nature of project management, companies need to put three different types of processes in place, he said.

Companies need to create a business process to

decide which combinations of projects they want to pursue. Then there needs to be a process for managing the projects. And, finally, there needs to be a process for providing support for those that are carrying out projects, such as programs for rewards and recognition.

Effective risk management is also important. Companies need to offset expensive, long-running projects with those that are going to be cheap and come in early.

Admitting defeat

Checkpoints should also be put in at regular intervals along the way to ensure that a project is still worth pursuing.

Jim Love, the global vice-president for enterprise value management at Fujitsu Consulting in Toronto, said that although it's vital to have a committed sponsor for a project to succeed, having a strong champion for a project has a dark side. If it turns out the project isn't achieving the business objectives set out for it, it's very hard for those championing it to admit defeat.

Killing a project shouldn't be accompanied with political fallout, Cooke-Davies said.

"In projects, you can't have blame being attached to people because the future turned out differently than you hoped it would."

One of the most enlightened attitudes that Cooke-Davies has come across in project management was at a chemical corporation where a US\$25 million project went wrong. The person in charge of the project was amazed when he was given another to do. His boss explained that having just spent US\$25 million on his education, he wasn't about to let him go.

Richard Taillon, the director of IS IT at Bell Canada in Ottawa, has had to recommend stopping the work on a project three times in the last three years, and says while it's never an easy task, it does get easier. He says that he's never felt repercussions from halting work on a project. "That has to be a part of the deal that you have from the business community of executives right from the onset."

Stopping the projects early in their tracks prevented the company from destroying its investment and helped manage its risk, he said.

At the Royal Bank of Canada all projects are reviewed on a regular basis both from a business and technology point of view to determine if they are still worth pursuing, said Ken Larin, the project office methodologies and planning manager and Glenn Jackson, the manager of office systems at RBC Systems and Technology in Toronto.

Generally speaking, the decision to kill a project is a business decision - those in charge of the business process decide that the project will not deliver the objectives sought from it, or that the hoped-for revenues won't materialize. Technology reasons for killing a project, though much rarer, can include discovering there is a similar piece of software already in use or deciding that there are serious technological issues that can't be overcome in a cost-effective manner.

Choosing which projects to pursue is also a business decision. The business units build a case and the systems group is brought in to give the business decision-makers a ballpark figure of what the costs might be. Both the business and systems units work together to define the requirements and the scope of a project. RBC uses what it calls a "gating" process, doing regular reviews along the way to make sure that the project is on track. Stakeholders are also made a part of the process through usability testing and/or focus groups depending on whether the end users are employees or customers.

Often companies confuse program design methodologies for project management frameworks, said Interthink's Mullaly. They think that because they're using the rational unified process to create their software, they've got a project management framework in place. But building the software is just a small part of the overall project management process.

"The single best practice is really creating a consistent capability that's consistently applied."

Having a bad process in place that's useable and used is better than having a perfect process in place that nobody adheres to, Mullaly said.

Companies struggling with project management are often looking for a silver bullet, he said. They think that buying a new project management tool or sending their PM off to a course will put an end to all their woes.

"You don't need big fancy, high-end, integrated tools to be able to manage your projects. You need to be able to provide the project managers with the administrative support to do what they already know how to do."

A common language

Most project managers learned their trade on the job, and although certifications are becoming more popular, some 60 per cent of project managers still have little or no formal education, said Calgary-based Janice Thomas, the program director at Athabasca University's MBA program in project management.

The value of project management certification is that it equips project managers with a common language and a useful set of concepts, Cooke-Davies said. But he said it's of limited value. "I don't think project management is actually about what you know, it's at least as much about who you are and what you do. Education doesn't necessarily influence what you do, and it certainly doesn't influence what you are."

Passing a multiple-choice exam won't arm you with the skills to deal with the political and personal issues that crop up in project management, he said.

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