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CITI Limited

White paper

Globalisation and project management





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Page	Contents
Abstract 1	
Introduction 1	
Global pressures 1	
A demand for change 2	
Turning strategy into action2	
A forensic approach	
A common language 4	
Communicating the issues 4	
Further information about the Author5	
Further information about CITI Limited5	

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Abstract

Globalisation is both driving the demand for project and programme management, and affecting the profession itself.

This trend will accelerate over the next five years, as the demand grows for standards of project and programme capability that will stand up to global scrutiny.

Introduction

'Globalisation' is a much more complex process than it seemed when the term was first coined by commentators more than a decade ago. Yet, routinely, interactions within and between organisations are now occurring on a global scale.

The new pressures and problems created are best addressed by projects and programmes as they provide the only effective techniques for causing impacts and creating benefits on the scale, and at the speed, necessary. As a result, projects and programmes are attracting a new level of strategic interest from organisations of all kinds, both public and private.

Not surprisingly, globalisation is also affecting the profession itself, as the tools, techniques and models developed over the last 30 years are tested and refined to meet this new set of challenges. The knowledge, attitudes, skills and experience needed to make a good project manager are now understood¹. Around the world there is now a focus on understanding, assessing and developing the capability of organisations to deliver project and programme management – something that is still 'work in progress'.

Overall, there is a need for a global 'language' of project management, that can be applied to local, national and international tasks, and will stand up to worldwide scrutiny. Is the profession up to the task?

Global pressures

The merging of organisations on a global scale, and the outsourcing of key functions to different parts of the globe, create problems not found before and for which the best solution is projects.

But globalisation has an impact even for organisations whose focus is entirely local. Components and commodities – from the food in your local supermarket to the components in the PC on your desk – are now sourced worldwide. The people involved in delivering even a very local result may come from anywhere in the world. More subtly, worldwide communication means that the expectations of everyone a project manager has to deal with, from customers and users to stakeholders and senior managers, are now set within a global context. All of them now have some awareness of what happens elsewhere. Consciously or not, they will make judgements against global standards.

¹ APM BoK – Section 1; Behaviours



A demand for change

One result of this increased interconnection is a rapid growth in the volume and the pace of change. More things are possible, and in a competitive world, more things will be demanded. It is not surprising that this should fuel a demand for project and programme management, since these are tools for managing change. The work of Roland Gareis, among others, has focused on the emergence of the 'project-oriented company' and 'project-oriented society'².

Experience over the past twelve months bears this out: organisations, and particularly those with a global reach, are discovering a new need for project and programme management.

Even 'business as usual' needs to be renewed on a regular basis to stay competitive, and it is projects that carry out the renewal. At the very least, organisations are finding that they need to renew the technology that underlies key systems and processes. Frequently this leads to a realisation that people and processes need to be updated too, demanding cross-functional project skills that, in some cases, the organisation does not possess.

More and more, senior managers are finding that the things that need their attention are 'project like'. One result of this is a growth in the demand for sponsor education and awareness. More generally, organisations are discovering a need to educate all levels in the techniques and concepts of projects and programmes³.

Governments, in particular, have taken to projects and programmes with a vengeance: it is no accident that the UK's Office of Government Commerce has been the primary backer of initiatives such as PRINCE2 and MSP. It takes only a cursory scan of the media to reveal that the job of a minister or senior civil servant is now much less to do with running departments, and much more about initiating and managing projects. Now, the public view of both governments and businesses depends to a large extent on whether their latest projects succeed or fail.

Turning strategy into action

Like it or not, project and programme management is the most effective discipline for dealing with change that takes place faster than 'business as usual' can accommodate it. Project and programme management was once something that occurred deep in the organisation, for most of the time below the radar of senior management. Consequently, knowledge and awareness of project issues was not high on the agenda for most senior decision makers. 'Strategy' was the proper focus of management attention. However the tables are turning: more and more of the issues that need management attention, and on which management is judged, are concerned with 'delivery'. Projects and programmes deliver the results that strategy defines ⁴.

Meanwhile, the development of project and programme capability has itself become a topic of strategic importance for organisations of all kinds. The ability of an organisation to turn strategy into action, quickly and efficiently, and in many cases across national boundaries, has become a key requirement for success. This is what projects do. Consequently, a growing number of organisations

² Roland Gareis Consulting, www.rgc.at

³ Section 6; Organisation and Governance, and Section 6.8; Organisational roles

⁴ APM BoK – Section 2; Planning the strategy, and Section 3; Executing the Strategy



are focusing attention and resources on improving this capability, and on developing it consistently across the organisation. The most enlightened and forward looking are setting up project and programme 'academies', often in partnership with project and programme specialists, and based on established bodies of knowledge such as the APM BoK.

A forensic approach

One specific result is the emerging demand for 'forensic' project management. A growing number of organisations want to know exactly why projects fail, and what can be done to prevent it happening. It is no longer enough to consign failures to history, apportion blame wherever it will stick (most frequently to the project manager), and move on. This argues a new maturity, and an awareness that often the project environment (sponsorship and governance, response to issue escalation, attitude to risk management, contract and supplier management procedures for example) plays a key role in project failure⁵.

Related to forensic project management is the growth in project assurance. Once, it was seen as enough to rely on the skills of individual project managers. Increasingly, organisations expect and demand a degree of assurance. This may be supplied by an independent organisation, providing a bridge between the project team and the senior management of the organisation, and a direct link to global 'best practice' experience (Figure 1).

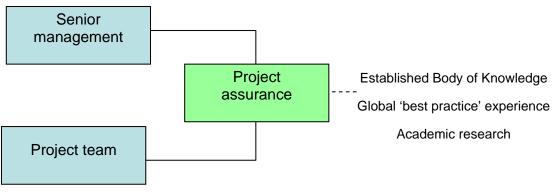


Figure 1: Project assurance provides a direct link to global

Sponsors and senior managers, especially if they do not have extensive project management experience, sometimes feel powerless to do other than observe. Watching a slow motion train wreck is a painful experience. An assurance role can provide confidence that 'best practice' procedures are being followed where appropriate, and a basis for diagnosing problems and proposing solutions, before the problems become critical and public. Stage gates provide a 'point in time' check. Assurance can play a more continuous role in ensuring that projects are proceeding along the right track, and in line with the expectations of key stakeholders.

⁵ APM BoK – Section 6.10; Governance of Project Management



A common language

In a previous age, Latin was the common language that allowed different nationalities and cultures to communicate and work together. Over the past 30 years, a common language of projects and programmes has emerged that can be applied internationally, this time focusing specifically on the delivery of results agreed with key stakeholders. The early work of pioneers such as Pinto and Slevin⁶ and d'Herbemont and Cesar⁷ has been refined through further research and project experience, testing key models and approaches in actual practice.

Increasingly the participants in a project, whether individuals or organisations, are likely to be drawn from a global list. Like football teams, even projects that operate squarely within national boundaries may use players (people or suppliers) from around the globe. A common background, culture and language can no longer be assumed. However the language of projects and programmes provides a common point of reference. Concepts such as products, objective, risks, assumptions and Critical Success Factors have a clear meaning that works internationally, and should be understood by the growing community of professional project and programme managers. There is further work to do here, developing clear bodies of knowledge such as the APM BoK, educating project managers in a consistent way so that this body of knowledge is correctly understood and interpreted, and sharing experience to ensure that the right lessons are learnt and applied in practice. All these things need to work together if the language of projects and programmes is to be common, and truly international.

Communicating the issues

If project and programme management is to become as important to senior decision makers as, arguably, it needs to be, then the profession needs to find ways of communicating the important issues in a language they can understand. In practice, the understanding of senior stakeholders is often a barrier to how far and how fast key project issues can be addressed and resolved.

Accountancy and law have traditionally been seen as a useful and even necessary preparation for senior roles. In future, project management may well be seen in the same way. But in the short term at least, there is a significant knowledge gap. This creates a challenge for the profession to communicate what is important in non-technical language to non-specialists. Since senior decision makers have to take account of public perception, some public understanding of project and programme issues is also necessary.

Organisations are waking up to the realisation that, fundamentally, it is project managers that get things done; and in a world of global pressures, organisations need to get things done – different things, that change on a regular basis – in order to survive. This is a shift in the wind, which should be welcome. But it also presents new challenges to the profession, to adapt to a world in which project and programme management is increasingly centre stage, and implicated in the most public successes and failures on a global stage, in front of a global audience.

⁶ Pinto, J.K. and Slevin, D.P. (1988) – Critical Success Factors across the project life cycle, Project Management Journal, Vol. 19 No. 3, pp 67-75

⁷ D'Herbemont, O and Cesar, B (1998) – Managing Sensitive Projects, Routledge, New York

Further information about the Author

Geoff Vincent, Principal Consultant

Geoff has more than two decades of experience of project management and consultancy, gained with companies of all kinds, including 'blue chip' businesses which are global leaders in their field. He has led and provided advice to national and international projects, some of which have had a global impact, pioneering new techniques and approaches which have been adopted worldwide.

He has been actively involved in the development of new industries including mobile telephony, personal computing and broadband, and with the impact of new technology on established sectors including telecommunications, utilities and government. He has carried out work for organisations including Apple, IBM, BT, HP, Shell, Philips, Texas Instruments, NatWest, Tesco, BBC, the Post Office, Telecom Australia, Swedish Telecom, and government departments in the UK and Germany. He has written books on the management of development projects for the British Institute of Management and for Texas Instruments, published worldwide.

He is a member of CITI's forensic team, diagnosing project and programme problems, and helping clients to implement solutions through techniques including consultancy advice, coaching and mentoring, project assurance, and delivery assistance. Recent work has included helping a major government department to diagnose process problems, and to implement process improvement through the use of appropriate project management techniques.

Further information about CITI Limited

CITI focuses on the application of 'best practice' project and programme management tools and techniques. For nearly 20 years we have researched, practised and taught project and programme management to many of the leading organisations in the UK.

Based in Newport Pagnell - Buckinghamshire, our project and programme consultants are dedicated and passionate about developing project and programme management excellence.

In addition to our permanent consultants has a large pool of associates who are profiled, developed and accredited to the exacting standards of CITI professional project managers. These individuals manage complex projects and programmes for organisations that seek a level of professionalism and predictability that comes with professionally trained project managers. Acting as role models, they lead by example, showing how the professional project manager behaves and leaves a lasting legacy in terms of attitude and outcome.