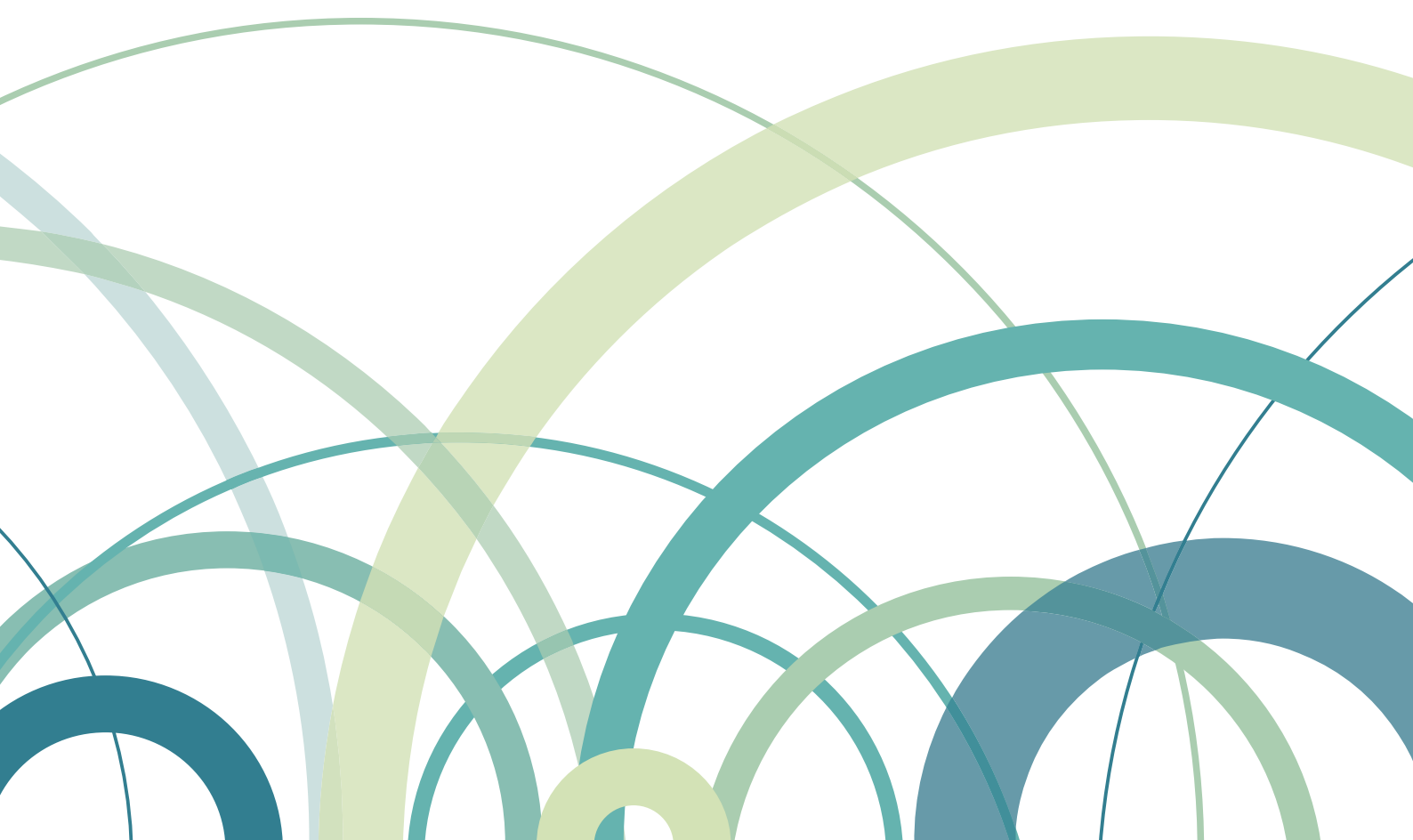


Building project management capability through the creation of a methodology

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A methodology is a series of activities and decisions encompassed in a lifecycle model which has a start, middle and end representing the initial definition of the project, the creation of the outputs or deliverables and the closure of the project when those deliverables are transferred to the customers or users.

A methodology includes:

- A recommended set of documents – which might include a set of templates for adoption on each project and a set of example documentation which can be used as an illustration of the depth of content required
- Roles and responsibilities for key roles within the project and for key customers or users
- Escalation routes for progress information and issues / risks
- Clarifications of the types of decisions required throughout the life of the project and the role responsible for taking each decision
- Techniques for 'how' project management is carried out including budgeting, scheduling, risk analysis, communication, contract and resource management

The development of a methodology to successfully deliver projects has been led by the UK government since the early 1970s. Their approach, known as PRINCE, has been publicly available since the early 1980s and is regarded as a best practice approach for managing projects and successfully implementing change.

“PRINCE2® is recognised as a world-class international product and is the standard method for project management, not least because it embodies many years of good practice in project management and provides a flexible and adaptable approach to suit all projects. It is a project management method designed to provide a framework covering the wide variety of disciplines and activities required within a project.”

UK Office of Government Commerce, 2010

To get the most out of any methodology it must be tailored to the culture and circumstances of the organisation that is using it. If it is not aligned to the context of the organisation then it can become a bureaucratic process that does not deliver business benefits.

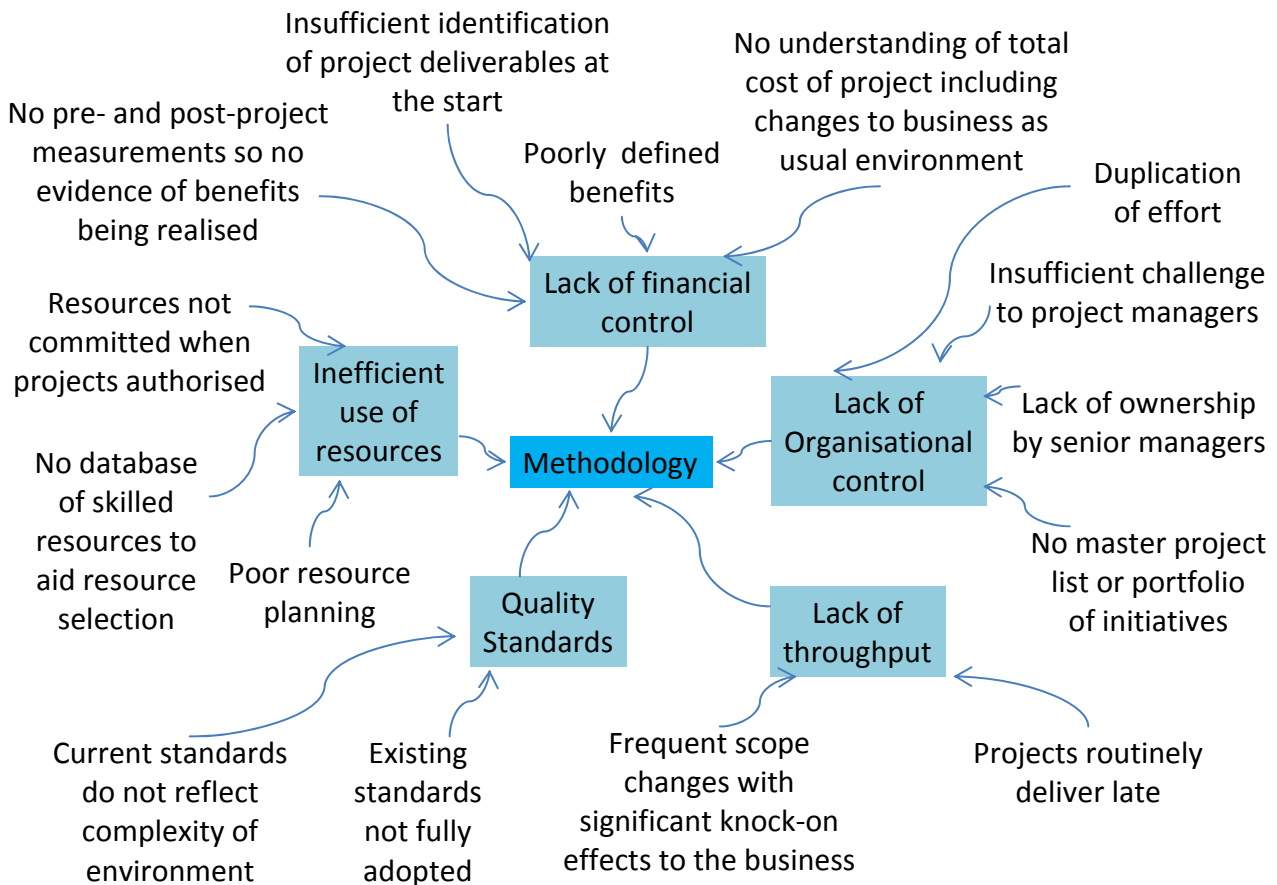
Maven has been developing methodologies based on UK best practice for the last ten years. In this paper we outline the reasons for adopting a methodology, the business benefits that can be realised and the steps involved in creating a context specific approach to project and change management.

Reasons for adopting a methodology

Failures in management controls, quality standards and financial probity can occur in the day-to-day management of an organisation but they are far more likely to be a product of change. All projects deliver some change, and all change brings with it risk, cost, complexity and pressure. The establishment of a methodology provides protection to the integrity of the organisation as it makes the changes necessary to deliver its strategic objectives.

A framework for managing projects is not a luxury but an essential element of governance which provides systematic and consistent delivery with standards and processes that are visible and easily understood.

The diagram below is an illustration of the various reasons that our clients have asked us to create methodologies, frameworks and governance for their project management.



Over the years there has been a shift in the reasons for adoption which is a product of the maturity of organisations, the increase in the amount of project work that they are undertaking and the economic climate in which they are operating.

In 2010 the most common reason for adopting a methodology is lack of financial and organisational control and a desire for efficient use of resources. In 2005 the most popular reasons for methodology adoption were the desire for quality standards in project management and the need to increase the number of projects that could be successfully delivered by the organisation at any one time.

Spend on projects and change initiatives delivers value for money:

- It will build discipline into the project selection process so that only projects that can demonstrate clear links to delivery of strategic objectives are authorised
- Continued spend on projects is based on continued viability of the business case where expected benefits are greater than the cost of the project
- It will provide an environment where objective assessment is encouraged, motivating employees at all levels to ask 'what is this contributing to our organisation'

Increase in return on investment in projects and change initiatives:

- Economies of scale from consistency of approach for all involved in projects, lowering the number of days spent in devising the approach for each project
- Fewer of the 'wrong' projects will be authorised, reducing the number of failed projects and the waste of the resources that they consumed
- By using a consistent approach for all initiatives there will be a faster identification of those projects that are failing to deliver progress as expected and a more proactive response to fixing problems

Efficiency of resources:

- Speeds up the delivery of projects and the overall throughput of the projects that project teams can deliver through standardisation of common tasks
- Prioritisation of resources will be based on contribution to strategic objectives and value for money contribution, rather than who 'shouts the loudest'
- Clarifies the roles and responsibilities of all those engaged in project activity, ensuring that those with the best fit of skills and experience are assigned to relevant projects
- Provides an environment of control (time and costs) that supports the delivery of value for money solutions
- Reduces the amount of resource engaged in reinventing the wheel and will encourage the adoption of lessons learned from previous projects

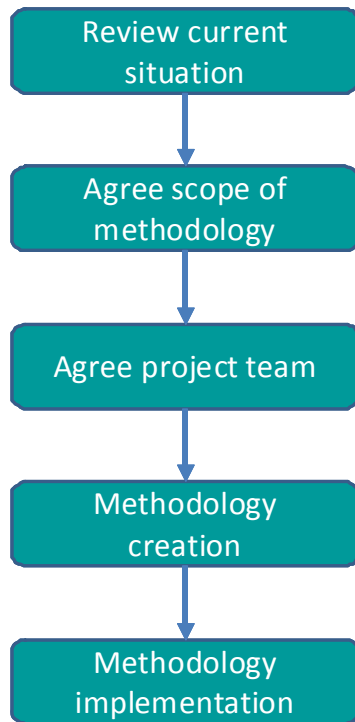
More targeted approach to changing the organisation:

- Strengthens the understanding of the business priorities and the activity needed to deliver these priorities
- Enables focussed and targeted structural improvements to the organisation
- Increases the visibility of what is being changed and the impact that these changes will have on the business as usual environment
- Increases confidence of all staff to become involved in improving their part of the organisation

Quality management:

- Appropriate quality standards are defined at the start
- Results in outcomes which can be supported by an audit trail of costs, activities and resources consumed
- Forms a base for adoption of quality management standards and external regulatory requirements
- Adds skills to the existing project management toolset
- Creates an environment of continual improvement

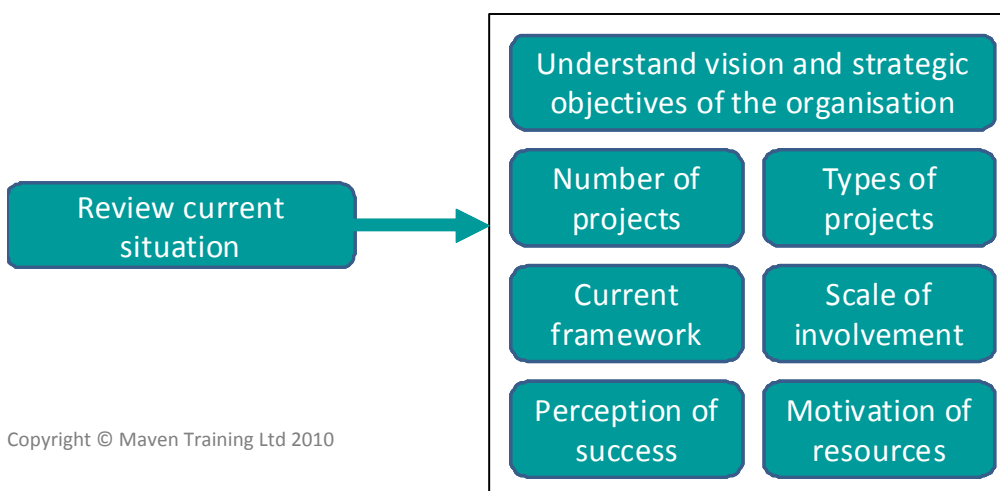
The creation of a methodology can be a significant learning and development opportunity for those involved. At Maven we encourage as much client participation as possible from all of those interested in improving the delivery of projects and the implementation of effective change.



We have developed a simple five step process that has been used on many public and private sector organisations in the last ten years with excellent results. On return visits to these clients we find the continued use of the methodology that we helped them to develop.

The core of the approach often remains the same but as the organisation has widened its adoption of the methodology and more users have been inducted into it, enhancements and amendments have been made. We believe this is an excellent example of the environment of continuous improvement that we seek to develop.

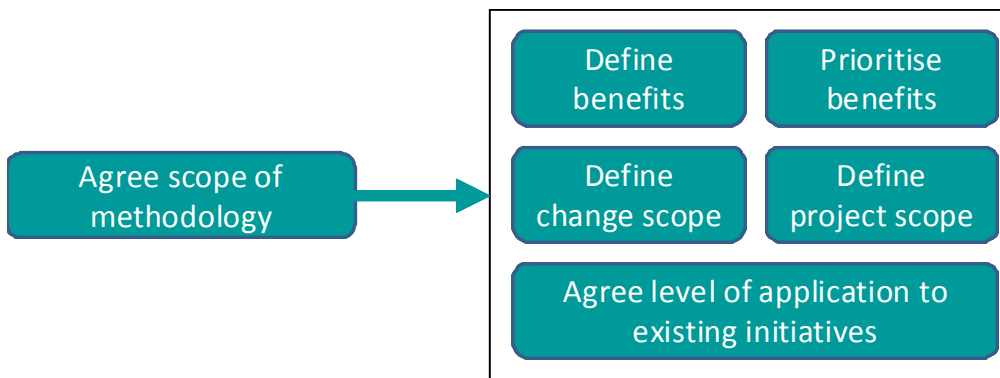
Review current situation



The content and structure of the methodology is a product of the environment in which the organisation is operating. Maven uses a checklist of key factors to identify the current situation and the impact of this situation on the creation of the new approach to project management. For example:

- The number and types of project will give an indication of the relative importance of effective project management to the achievement of strategic objectives
- The current framework, the perception that the business has of the success of project management and the level of motivation that project resources have will indicate how much of what currently exists might usefully be incorporated in the new approach. This includes adopting any terminology already in use or using existing documentation so that existing projects can be easily integrated with projects running on the new methodology. This is particularly important if projects are being managed within programmes of interdependent projects
- The range of involvement in projects by various business units will affect the documentation and decisions included in the methodology. For example if there are only a couple of departments that routinely apply project management to their work, the escalation of information for decisions might be relatively simple. If nearly all departments within the organisation are involved in project management then content heavy documentation including lots of technical language may be inappropriate, as greater benefits will be derived from a light touch methodology suited to all management disciplines

Agree scope of methodology



An understanding of the current situation will lead to an appreciation of the perceived problems and areas for improvement. This can be used to define the benefits that methodology creation must realise. Ideally the benefits will be a mixture of quick wins for issues that are more easily solved and longer term benefits that are realised once the methodology has been successfully implemented.

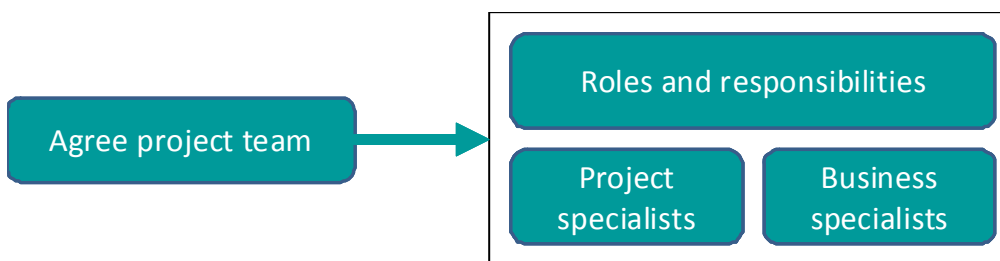
Examples of quick wins include the identification of a master projects list and reporting to senior management on the scale of change initiatives across the organisation, which usually feeds prioritisation of tasks and improved resource allocation. Another scope consideration is how far in the project lifecycle the methodology will go. For example the project methodology might include entry criteria that projects must meet before being included as valid initiatives and at the close of the project the methodology may include aspects of change management that improve the implementation of the new deliverables into the business environment.

Many of our clients are keen to ensure that successfully project delivery does not stop with the completion of deliverables on time and to an agreed budget but also include the successful transition into the operational environment and the adoption by staff of the new systems, procedures, products, services and locations into their ways of working.

It is essential to realise that the creation of project management standards and procedures is not taking place in a vacuum. The organisation has many initiatives that are in various states of progress from initiating to testing and implementation. It is impractical to halt these initiatives whilst the newly developed methodology is applied.

Agreement needs to be reached on how to bring the existing initiatives within the new framework without slowing their progress or duplicating the controls that they are using.

Agree project team

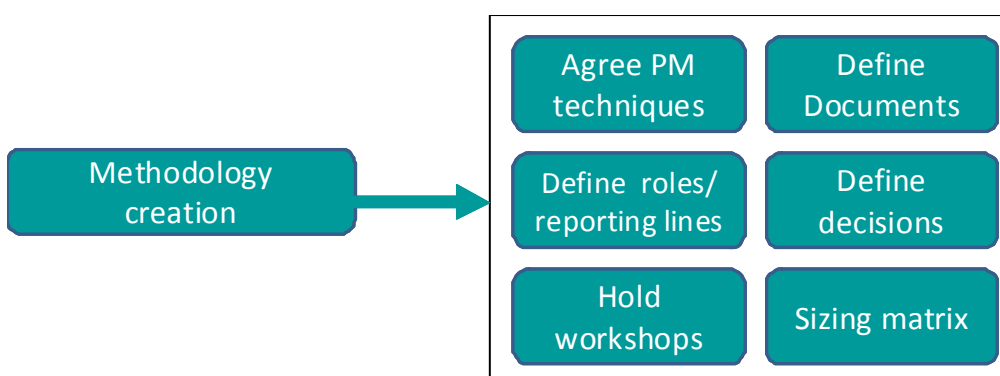


Involvement of all of those who will be using the new methodology or who will be responsible for monitoring its use should be involved in its creation. Users include those who manage, sponsor or participate in projects and those who implement what the projects create from front line business services and support services.

There will also be a number of users within the organisation who rely on project progress or costing information to do their jobs and they should be included as well. The operation of this project team needs to be agreed with senior management. Is the team to work on this alongside existing responsibilities or is this a temporary full time assignment?

Participation in the project team can be a useful tool for succession planning of key project roles as more junior project resources are able to contribute, network with and be challenged by more senior colleagues.

Methodology creation



The most effective way to devise an entire framework for project management is to workshop the life of a typical project:

- Sizing matrix
- Identifying the documents needed
- Clarifying the decisions that will need to be taken
- Identifying roles and reporting lines
- Deciding what specialist techniques will be used to get the job done

Sizing matrix

As each section of the lifecycle is completed exceptional items are identified that cover specialist projects, very small or large projects or those that involve capital expenditure. The key to a workable methodology is to include enough specifics so that it is a useful guide of what to do when but exclude too many specialist cases whose inclusion might make each task too detailed.

At the other end of the scale it is impossible to include everything so generalisations of project sizes, types etc. will need to be made; this should not however allow the guidance in the methodology to become too generic and therefore useless.

Clients understand that to get this balance wrong will mean a lack of adoption, either because it is so detailed it is adding a level of bureaucracy to the organisation or so generic that it has very little content.

Documents

An important success criterion of any methodology is to create a suite of documents that are relevant to the environment and have sufficient coverage to provide a useful record of activities, assumptions, decisions, risks, changes, resources and progress. Too much documentation can impact on effective project management as there is an imbalance between managing the project and documenting the project.

Decisions

If the methodology is to be effective then there must be clear lines of authority between the project manager and the project sponsor (executive). Depending on the culture of the organisation it might not be acceptable for the project manager to have any authority for appointing external suppliers or there may be an expectation that the project manager has line management authority over all resources working on the project.

As it is impossible to predict in advance all of the decisions that will be needed, the initial level of authority and the level of flexibility that can be applied based on the type of decision is needed. For example if an important section of the project is expected to take four weeks, should the project manager seek approval for a delay of one day or should that be within their authority to manage? Alternatively if it is to deliver two weeks late, is this significant enough to warrant the decision making involvement of the project sponsor?

Roles and reporting lines

To avoid duplication of effort and loss of productive time as individuals re-define their roles each time they become involved in a project, the methodology must specify who will be responsible for each aspect of running or sponsoring the project. The most effective methodologies include representatives from the user community in the organisation structure. This ensures that the

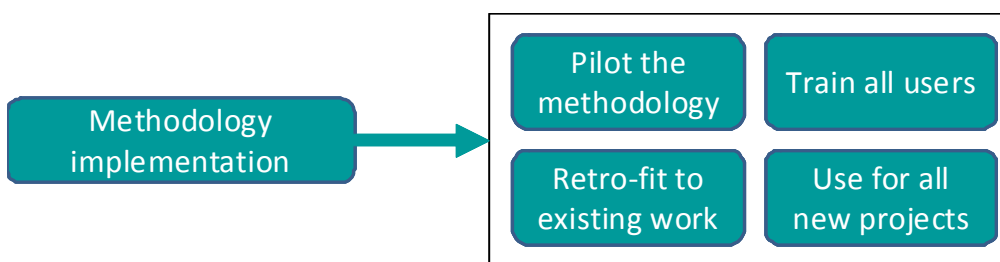
activities that take place are a balance between creating the new deliverables and preparing to do things differently and use the new deliverables in the day-to-day running of the organisation. A change manager and a change team are as important as a project manager and a project team.

Specialist techniques

These techniques will include technical skills for planning, estimating and budgeting, risk analysis and change control and interpersonal skills for effective communication.

The duration of the workshop varies for each organisation, usually from one to two days. Depending on the number of interested parties, the depth of the existing approach and the level of understanding of project and programme management by the users a number of workshops will be required. After the initial workshop, work streams can be identified to which different users can be assigned. For example we might run a workshop to establish the support function needed for the day-to-day running of the methodology (a project, programme or portfolio office) or there may be a specialist workshop on how to develop support and buy-in for the methodology. More technical workshops might also be held to define the approach that the organisation is going to take to benefits realisation or risk analysis and management.

Methodology implementation



Once the methodology has been developed its success will depend on the breadth of its adoption across the organisation. Ideally we will create an understanding by all staff that this is the way projects are managed in this organisation.

The methodology should not be seen as a specialist framework only used by a few project managers but should be the process that anyone involved in or impacted by projects turns to for guidance.

The approach to implementation will depend on the time available, and the level of support and interest that has been developed in earlier steps. We have had some clients who have decided to implement across all projects from day one but we have others who choose specific projects upon which to pilot the approach, building in time to learn lessons and make amendments prior to an organisation wide roll out.

For those projects that are already up and running an effective approach is either to ignore them and leave them to conclude without adopting the methodology or to apply the methodology only from the point that they have already reached in their lifecycle. For example if they are near to closure then the steps associated with closure could be applied.

User training can mean different things to different audiences. For those on the periphery of project activity this is much more of a communications and goodwill exercise where the benefits of having a methodology are to be emphasised and a high level view of the structure provided. For those who are actively involved in project management they are likely to have participated in some way in defining the approach but formal training sessions can be useful in ensuring that everyone has the same level of understanding.

Conclusion

A project management methodology delivers significant return on investment for any organisation that is reliant upon projects to deliver change and successfully achieve strategic objectives.

Using a best practice approach and tailoring it for the culture, environment, objectives and ambitions of your organisation communicates your belief in quality, getting things done right first time and a commitment to continued improvement and enhancement of the way in which you do business.

If I had been writing this paper ten years ago the creation and adoption of a methodology would have been one of the factors that marked an organisation out from its competitors. In the last decade the increase in the use of project management and the desire by organisations to continually adapt and improve means that is no longer true. It is now those organisations that do not have a structured approach for identifying, developing and implementing change that are marked out as different - and with a negative connotation. We all know that the pace of change continues to increase - driven by economic, technological and sociological factors - and that whether we like it or not only the flexible and adaptable organisations survive and prosper.

Organisations that do not develop an approach to project and change management that has meaning and resonance for their staff are running an incredible risk. Developing new initiatives without the ability to control their creation effectively can easily absorb many times the anticipated resources. Launching these initiatives into unresponsive, unprepared areas of the business mean that they will not be adopted and the benefits of their creation will never be realised.

Creation of a methodology is a straight forward project but it is one that can deliver survival and growth for those organisations willing to implement it.

Maven can assist you to address project management in the wider context of organisational development. We cannot fix all of your problems – we are not, and do not claim to be, a management consultancy. We are however experts in capability building and can work with you to align programme, project, risk and change management with the organisation you wish to become. We have the expertise and experience to do the alignment for you but it is our ethos to transfer the skills into our clients so they become self-sufficient going forward. Our services are designed to tap into initiatives designated as ‘transformational change’ programmes, talent management strategies etc. - in other words, to take our services outside of the narrower definitions of project management and of training.

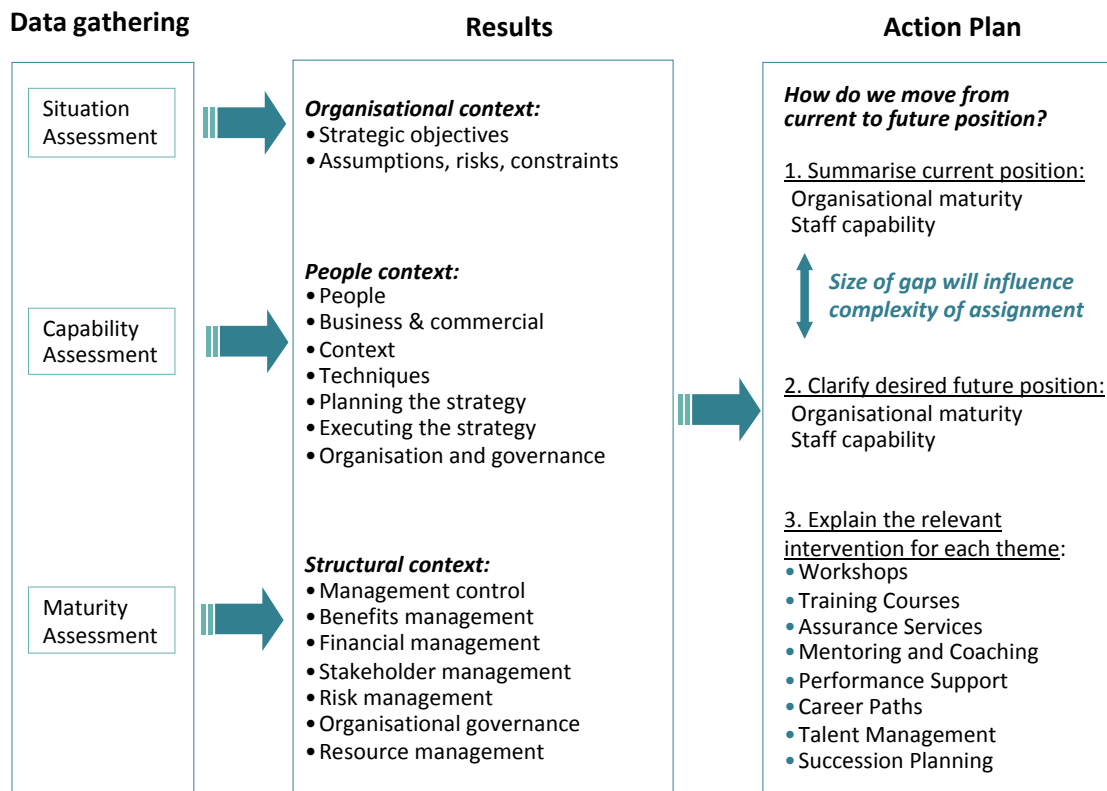
We apply a staged, structured approach to capability building by addressing:

The situation: we gather information on the objectives of the organisation and the goals and key performance indicators that need to be met

The people: we use best practice competence frameworks to assess current capability

The structure: we conduct a maturity assessment to demonstrate where the organisation is currently in relation to running its projects and, equally importantly, how it can progress to the next level of maturity

The diagram below illustrates the approach in more detail:



This approach has been successfully applied with our clients and Maven will be pleased to discuss its applicability to your organisation in more detail.

For further information about Maven Training and its capability building services please contact:

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