

The Project-Capable Organization

Many organizations, while desiring to become effective at project execution, have not formally developed the necessary support structure to achieve this goal. Project management within organizations has often been implemented in an ad-hoc, haphazard fashion with widely varying levels of project manager competencies, use of differing methodologies and processes, and multiple, poorly integrated tools. This has led to poor project delivery, lack of project visibility and the inevitable “surprises” when project are late, over budget or of poor quality.

Statistics for project failures, (those projects that are late, over budget, delivered without the required functionality or quality levels,) have remained fairly consistent for the past 10 years, hovering at around 70%. Even with the significant investments that have been made in project management training and certification, organizations are still dealing with project delivery statistics that are dismal.

The Goal: Building Project-Capable Organizations

Leaders of successful, project-driven organizations understand that creating predictable project success requires more than the once-thought “silver bullet” – project management training.

A more strategic view is required. The brass ring, in fact, is to create a *project-capable organization*, an organization that leverages project managers’ skills and aligns all other project success factors. Specifically, these success factors are:

- **Strategic Control/Governance.** Organizational success, not just project success, stems from the policies and processes that align projects and resources across the business. This dimension of success includes elements such as project prioritization and portfolio management, resource allocation, benefits realization, methodology consistency, and executive communication and involvement, brought together through a Program Management Office.
- **Organizational Structure and Accountability Systems.** The answer to the question, “Who is accountable to whom for what, and what are their authorities?” will determine if project success is even possible, let alone likely. Related success factors include role clarity and appropriateness, and relationship effectiveness across all key players including customers, mechanisms

for directing and rewarding good performance, and resolving performance problems. *Of particular importance is cross-functional management and resource sharing.*

- **Project Management Methodologies.** The hammer and chisel of project managers are their tools, techniques, and processes - all of which must be in order. This not only includes project planning and tracking methodologies, but also processes for effective leadership and management of the team, and methods for the effective conduct of relationships with vendors, stakeholders and customers. At a higher level are methods that establish over-arching measures of success, framing projects as solutions to business problems, not simply checklists of requirements.
- **Project Management Skills.** It is the skills of the individuals in the organization that determine whether those policies and practices that have been developed actually benefit the organization, or remain in three-ring binders. The organization’s policies, practices, and methodologies are only as good as the people that apply them; otherwise little value will be realized.

The Lewis & Fowler Approach

Lewis & Fowler tailors an approach for each client based on their unique needs and current organizational capabilities. In general, a phased approach is followed which includes analysis,

recommendation, implementation design followed by implementation.

Step 1: Analysis

An analysis phase is initiated to achieve a comprehensive understanding of the current strengths and weaknesses of an organization's project capability. During this phase a project kickoff meeting is conducted which offers an educational overview of the process, its objectives, identifies stakeholders, establishes schedules and deliverables, and creates an environment for achieving executive support. One-on-one and group interviews are then conducted. They are combined with an extensive examination of critical project documentation to better understand project status, delivery performance, level of formal methodology use and consistency of project documentation. The following areas are typically analyzed:

- Project delivery record and performance
- Organizational standing – how well the project management organization is performing and how is it viewed within the larger organization
- Project governance and prioritization
- Project initiation and shutdown
- Existing best practices
- Organizational standards
- Methodologies in use
- Planning and scheduling practices
- Processes and procedures
- Templates
- Tools
- Project manager training and experience level
- Communication planning and execution
- Project reviews and audits
- Change management processes
- Reporting
- Management of cross-project dependencies
- Risk and issue management
- Project documentation, reuse and retention

Participants

Typical stakeholder participant groups involved in the analysis phase include:

- ❑ Business executives
- ❑ Project managers
- ❑ Current project office staff
- ❑ Functional managers
- ❑ External customers

- ❑ Representatives from the IT organization
- ❑ Human resources
- ❑ Project team members
- ❑ Others as identified

Analysis Results

Analysis results provide two beneficial outputs:

1. **Readout.** Readout is given on the appropriateness and alignment of critical organizational elements. This information is provided in an executive briefing format with supporting documentation and describes the current state of the organization versus a recommended future state.
2. **Recommendations.** Recommended action steps for closing the gap between the existing and needed future states are included in the readout. Wherever possible, recommendations will include opportunities for “quick hit” improvements in addition to longer-term, systemic changes. An outcome of this analysis will provide organizations with the necessary information to approve scope and costs for the next step.

Benefits

This phase yields two key benefits:

1. **Appropriate Diagnosis.** Lewis & Fowler Consultants gain a *thorough understanding* of all aspects of the organization's project capabilities and challenges. With this information, we formulate the requirements for changes – organizational, process and skill and tool related - that are appropriate for an organization.
2. **Organizational Change Management.** This process represents a critical component of *sound change management*. Through the involvement of key stakeholders, we are able to pave the way for later resolution of issues uncovered during this phase. In addition, we come to understand those things that are working well and should be preserved during the change process.

Step 2: Implementation Plan Development

The result of this step is the development of a comprehensive implementation plan for all recommendations approved at the conclusion of

Step 1. Specifically, methodology, process, tools, training, and mentoring plans will be provided. Additionally, detailed organizational integration recommendations will be developed, along with an implementation strategy and associated costs.

Step 3: Implementation

The approved plan developed in Step 2 is now implemented. This step includes short and long term implementation strategies and approaches.

- Methodology development
- Process integration
- Targeted training of project managers and other audiences such as customers, project team members, and executive sponsors

- Modeling the project management behaviors necessary to lead clients to the next level of project management maturity
- Co-leading project managers on specific projects to develop competencies
- Coaching project participants (customers, team members, sponsors and project managers) until they become comfortable with their roles and responsibilities
- Reviewing projects periodically to provide feedback and direction
- Project tool implementation
- Project data integration
- Establishment of governance and prioritization processes

Conclusion

Organizations *can* achieve project capability through a structured and systematic approach to project management. The key is developing and implementing a support infrastructure that empowers project managers with tools, standard methodology and processes, training and mentoring, and organizational support to succeed. Through the use of a structured approach, specifically tailored for each organization's requirements, cultural context and current capabilities, a path to predictable and sustainable project delivery *can* be designed and successfully implemented.

Lewis & Fowler

Lewis & Fowler is a professional services firm with headquarters in Denver, Colorado that specializes in project management, including delivery, recovery, initiation, methodologies, tools, Enterprise Program Management Office (EPMO) development, and other project management services.

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