

Maybe Your Project Managers Aren't the Problem! S.A. Armstrong Creates a Bias for Success in its Projects

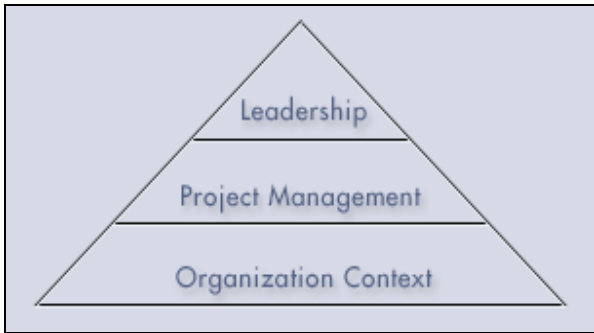
Introduction

By 2001, S.A. Armstrong had enjoyed 67 years as a family owned company and was the largest pump manufacturer in Canada. But the President of the company, Charles Armstrong, intended to expand market share both in North America and around the world- and the only way to achieve this goal was to bring new products and services to market faster and cheaper than his competitors.

Armstrong employees were competent and eager to support this goal. But projects were coming in late and over-budget and employees complained that project work was stressful and unrewarding. Project managers and sponsors had attended workshops in team management and had access to a Teaming Toolkit but this had not noticeably improved performance. Rather than continue with more training, the management team decided to look at the company as a whole...and at themselves...to see how they could better support project success.

The management team decided to complete a Project Maturity Assessment to review company practices and behavior. The assessment addressed the following areas:





Project Leadership

Project Leaders

- *Effective Project Meetings*
- *Effective Follow-up*
- *Conflict Resolution*
- *Negotiation Skills*
- *Coaching for Excellence*

Team Leaders

- *Alignment*
- *Communications*
- *Breakthrough Focus*

Project Management (Project Management Institute standards)	Organization Context
<ul style="list-style-type: none"> • Project Integration • Scope Management • Time/Schedule Management • Cost Management • Project Quality Management • Human Resource Management • Project Communications • Risk/Opportunity Management • Procurement Management 	<ul style="list-style-type: none"> • <i>Strategic Alignment</i> • <i>Sponsorship/Coaching</i> • <i>Project Success Measures</i> • <i>Human Resource Systems</i> • <i>Project Methodology</i> • <i>Knowledge Management</i> • <i>Project Support</i>

With the help of the assessment, Armstrong’s management team identified four areas for immediate improvement:

1. Coaching for Excellence
2. Human Resource Systems
3. Time/Schedule Management
4. Project Success Measures

Management then launched a “Project Excellence” team that added the following priority to its mandate:

5. Knowledge Management: standardized templates and access to internal and external best practices.

The team consisted of representatives from the IT department, Human Resources, Research and Development and Marketing. Armstrong’s Director of Sales and Marketing was assigned to be the project leader and the President committed to being the sponsor.

What Worked in Project Excellence?

The Project Excellence team discovered that the company’s emphasis on communication and team skills needed to be balanced with the traditional project management disciplines of schedule, budget and scope management. With this in mind, it created the following infrastructure and practices for S.A. Armstrong.

Knowledge Management

The team’s first priority was to introduce standardized templates that would support effect project planning and management. The Project Excellence team created the following templates and embedded them within a project management portal:

- Project charter
- Work plan
- Communications plan
- Budget
- Risk Assessment
- Team Development Schedule
- Project file structure

The team linked the templates to the company’s on-line “Teaming Toolkit” and introduced the templates to project leaders at a Community of Practice meeting.

Coaching for Excellence

The President encouraged the team to look beyond the appointment and training of internal coaches. A strong advocate of knowledge management, Charles Armstrong suggested that Knetmap be used to identify internal experts and that a Project Management Community of Practice be launched. With the help of Knetmap, employees identified the Director of Research as an internal expert who had both the

respect and support of team leaders. The Director launch a Community of Practice, at the President's request, and scheduled monthly meetings that resulted in the rapid adoption and mastery of standardized templates and practices developed by the Project Excellence team. The meetings also fostered a growing interest in professional certification with the Project Management Institute.



Time/Schedule Management

The Project Excellence team identified schedule estimation as a major challenge within the company. It was common for project sponsors to demand that projects be delivered in unrealistic time periods. Teams leaders would also underestimate the time required for a project and then avoid communication with their sponsor when they encountered difficulties.

The Project Excellence team introduced project leaders to the concepts of schedule estimation and the community of practice helped them to apply the concepts to current and future projects.







Project Success Measures

The Project Excellence Team confirmed a suspicion that Armstrong teams report their project status anecdotally rather than against an approved schedule and plan. Management allowed themselves to be reassured that projects were on-track and then became upset when the projects fell behind schedule and absorbed more staff time than expected.

The Project Excellence Team introduced a new practice that each team meeting begin with a status report based on a color dashboard.

Deviation from Work plan (In excess of projection)



Project	Schedule	Budget
Overall Project		
Subproject		
Subproject		

The transparency provided by the dashboard added rigor and focus to team meetings- and encouraged team members and leaders to address project challenges proactively, rather than when a crisis occurred. The dashboards also allowed traveling project managers and sponsors to better supervise team performance.

Human Resource Systems

Armstrong’s directors had identified resource allocation as a priority with respect to human resource management. The Project Excellence team broadened this mandate in recognition that project management was becoming a core competence of the company. The following changes in human resource practices were implemented:

Hiring: Project experience and skills were included in the company’s job descriptions and hiring procedures.

Performance Appraisal: The Company's employee appraisal software was customized to include project management skills and training. Managers now review team members' project performance and support employees to develop their project skills.

Resource Allocation: Project team members complained that they were unable to meet project schedules because they were over allocated to projects. Lack of communication amongst sponsors and operations managers ensured that projects were launched without consideration of resource availability and loading. The project excellence team recommended that a resource management system be developed within the company's existing human resources software.

What Didn't Work?

Not everything went smoothly in the Project Excellence initiative. Despite a growing awareness and appreciation of best practices in project management, the team succumbed to a number of common pitfalls.

Available Resources

The sponsor, project leader and some of the team members had a difficult time devoting the time required to the project due to conflicting demands. Research indicates that an initiative of this technical and business complexity would require at least six hours a month of the sponsor's time and far more from the project leader. Neither the sponsor nor the leader anticipated this requirement and were, therefore, unable to support the team in an optimal way. A consultant was employed who alleviated some of this issue but team members sometimes felt that their work was unacknowledged relative to the effort expended.

Scope Management

As with most projects, the company "didn't know what it didn't know" when it launched Project Excellence. It didn't know that it lacked the internal structures and practices to support project success. And it didn't know how long it would take to build the structures. The team had to constantly resist the temptation to add to the project's scope as its resources were relatively fixed. When the team added human resources infrastructure and knowledge management to the project scope...it failed to negotiate for additional time and resources. Team members became discouraged when criticized for being behind schedule without recognition of the additional work they had undertaken.

Quality Assurance Review

The Project Excellence work plan failed to include a quality assurance review and also failed to schedule regular meetings with the sponsor. The result was that the sponsor was unaware of the challenges the team had overcome and uncertain of their accomplishments. Many team members reconfirmed their fears that project work is stressful without commensurate rewards and recognition.

What's Next?

Project Excellence completed Phase I and II and identified a number of outstanding issues. The most important of these were:

Portfolio Dashboard: Although the project dashboard was effective, the team felt that an automated reporting system would be preferable. It agreed that updates to work plans and budgets should feed into a larger status report that tracked project and portfolio progress.

Corporate Performance Measures: The team also recommended that project status reports and close-out reports feed into a monthly and annual corporate scorecard. An annual scorecard, in particular, would assist the company to evaluate the Project Excellence initiative and support continuous improvement.

Human Resource Management System: Staff allocation continues to be a significant challenge within S.A. Armstrong. The Project Excellence team recommended that project requirements be registered in a central database, so that staff are not over allocated and projects are not launched without sufficient human resources.

Continuous Learning: Current and future project leaders will require continued support in improving their project management skills. The Project Excellence team recommended that a Project Management Office be created to support project excellence.

Enterprise project software now includes many of the features recommended by the Project Excellence team. Armstrong is assessing the new releases proposed by Open Text, the collaborative software currently being used within the company. Both of these platforms promise to enable a virtual project management office that will provide the performance measures, shared learning and continuous improvement recommended by the team.