

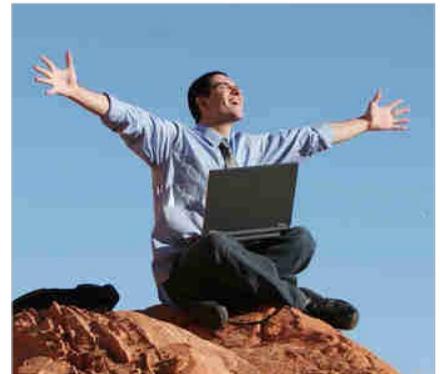
MANDAT  GR  WTH LETTER®

Growth Focus: Project Management

# CEO-Tip *of the Month*

by Guido Quelle

## Project Management is Out? Nonsense. Work to Boost Your Company's Project- Related Competencies



How many times have you heard someone claim that “project management” was out, old-fashioned, a thing of the past? I’m sure I’ve heard it literally dozens of times – and interestingly enough, over the course of a few decades.

The statement is untrue, pure and simple. Calling project management “out” is not only ridiculous; it also indicates a failure to recognize business realities and what corporate leadership calls for. Those who intentionally choose to do without consistent and modern project management squander valuable opportunities, first of all in terms of speed or “time” and secondly in terms of building up expertise within their companies.

How can international projects succeed if you have no common language? Here I don’t just mean a literal spoken language, but also a shared language of methods. Because in methodological terms, project management boils down to a language, to a platform that makes it easy for different people to communicate beyond the borders of teams, departments, divisions, companies and countries, and to more quickly make progress on complex topics than they could without that method.

When correctly understood, project management is by no means dogma; project management for its own sake is nonsense. Accordingly, I don’t put any stock in the various certification approaches for project management. The goal is not to find the “perfect” method, but instead to find one that suits you. We recently met the Senior

Management of one of our client companies to discuss “their” style of project management, which we are now helping them to implement. It’s not a question of right or wrong; it’s about what fits and what doesn’t.

An example: Especially when it comes to strategic projects, i.e., to growth projects, change projects, or corporate development projects, we see that resource planning, Gantt charts and detailed workflow descriptions fail on a regular basis. And how can we expect them to work when we can neither predict in detail which activities will be needed, nor precisely estimate how much time they’ll take to conclude? For these types of project it makes much better sense to start by considering the goal we want to reach for the respective work package and to then “count backwards” from that future goal to the present.

Correctly understood, project management is a key driver for results, also in terms of establishing a body of knowledge throughout your company on how to approach specific problems and tasks – a topic we’ve written about elsewhere, in the Mandat Growthletter®.

Be unwavering. Make sure you have project management that can adapt to fit your company; make sure the focus is more on actually managing projects than on any particular technique. Train and familiarize your staff to work with it, and feel free to send anyone who tries to tell you project management is “out” back to where they came from.

# Strategy & Leadership

by Guido Quelle

## Project Management in Growth Projects – Think, Plan, Act – Then You’ll be Fine



Despite all the prophecies of doom: Good old project management is anything but dead. On the contrary: It’s thriving and will be needed even more in the future. The need for greater speed, more internationalization and a greater degree of interplay between parameters all make project management absolutely indispensable. That’s something that needed to be cleared up from the outset. If you don’t share this view of project management, you can stop reading now.

This article starts with the assumption that change projects, growth projects (most of which are also change projects) and strategy projects (ditto) call for solid management, for solid leadership, because otherwise they just don’t work. As such, we won’t spend time pointing out the classic elements of project management – there are plenty of other places you can read about them – but will instead focus on which specific elements need to be incorporated in growth projects in order to provide the necessary conditions for their success. In our experience, five aspects are especially important:

### 1. Separating planning and implementation

What intuitively sounds perfectly logical – keeping the planning phase and implementation phase separate – often gets all mixed up in practice: Vaguely outlined aspects are tested, ideas drawn up on the whiteboard are communicated and field tests are started – all of it of course “top secret” – while operative pressure ensures that half-baked ideas are tried out on actual customers. None of this is good.

Though we’re very much in favor of introducing the conceptual results of projects into your operative routine as early as possible, we definitely don’t support ideas generated by growth projects being spread throughout your organization too soon. By “too soon” I mean that

nothing that has not been expressly authorized by the planning team should leak out to the rest of the company. Let me say it again: Only what has been expressly authorized is cleared for the greater public. If you like, get it in writing.

Why? Let’s say a company’s managerial board takes on the task of creating a new growth strategy. They’ll start by trying to identify all of the available options; this often involves our company as an objective, external observer. Once a basic outline of the strategy has been defined, the project’s core team is created. Within the core team we tell it like it is, we argue, we develop ideas and then discard them, we discuss further until we arrive at a conceptual solution all of the team members can support. If in the meantime certain bits of information leak out to the rest of the company, if people hear that the core team “is always arguing,” then they are confused because – not being part of the process – they’re not in a position to effectively make sense of this half-information and these half-truths. The result? The rumor mill starts turning and people start taking sides depending on the department they’re from, which can have disastrous consequences, especially if customers are presented with these half-truths.

So: Form a core team, swear them all to secrecy, and clearly divide your energies between a planning and an implementation phase. Don’t create your implementation team until all the planning is done.

### 2. Consistent planning beyond hierarchies

During the planning phase, special attention should be paid to thinking beyond hierarchies. Time after time, hardcore project management experts preach that projects concerning the whole company have to transcend

hierarchies ... and time after time, we see that the project organization looks like a perfect copy of the corporate hierarchy, which makes no sense whatsoever. If all you want is a carbon copy of your current chain of command, you don't need to go the trouble of pursuing a growth project.

In order to plan beyond hierarchies, department- or division-based egotism has to be thrown overboard in the very first phases of the project. Moreover: Rank has to be tossed out as well. Anyone who is unwilling to forget about their rank for the sake of the project, anyone who refuses to accept that those lower on the totem pole can also have good ideas, has no business working on growth projects. Of course, no one would freely admit they fall under this category of people. I wonder, then, why we encounter such individuals over and over again.

### **3. Knowing individual interests and clarifying interdependencies**

Especially if you're working with people from different levels in the hierarchy, it's essential that you know their individual interests and that you clarify the interdependencies. This can become increasingly complex thanks to the number of members on the core team and (later) the implementation team (which should ideally consist of the core team for the most part, as otherwise valuable know-how is likely to be lost). It becomes more complex because not only functional but also personal interdependencies have to be taken into account.

So you not only need to recognize what effects project-related measures will have on functional cooperation, but also which interdependencies are entailed by involving each individual person. What will happen if Employee X has to work on this project for the next six months – at varying (and above all impossible to predict) levels of intensity? How can their additional workload best be managed? What will happen if, for a time, Division A is "put in charge of" Division B? What do we need to keep in mind if a lower-ranking member of staff is suddenly put in charge of a sub-project and has to rely on the cooperation of higher-ranking staff? What will happen when an employee is expected to work more intensively on a project, even though doing so would mean they could no longer reach the operative objectives they agreed upon with their supervisor, and which have a major impact on their pay?

You'll likely find there is no shortage of interdependencies. And you won't find a perfect solution for dealing with them. But what you certainly can do is to take into account an employee's individual personal and functional situation so as to better anticipate, discuss and think through the most probable outcomes of a particular course of action. Unfortunately too little time is invested in this important aspect, which often results in subsequent problems that might well have been avoided. And especially when it comes to growth projects, these unnecessary problems can be a major brake to progress.

### **4. Putting the right people in the right places**

Don't staff your project team with those employees who already cringe every time there's new work to do because they know they'll be the ones asked to do it (again). It's foolish to assume that "it will all work out somehow." Typically, it's either those people who are especially good or those who seem to have time and don't manage to duck their heads quickly enough who are selected to take on new work. Neither strategy is terribly helpful. Instead look for the right kinds of employees for your growth initiative and free up those you can't do without but who have "no time" – keeping in mind that "no time" is a question of priorities – from their other obligations.

### **5. Making suitability your priority, not perfection**

A last word of advice: Only plan growth projects your company can actually handle. You won't help anyone if you plan the "perfect" project if your organization is unable or unwilling to see it through. Make the project's suitability to your company the priority, not its theoretical perfection. In other words: Bend the rules now and then. Yes, you read that right: We'll always take a growth project that a company can handle, even if it's not optimal in terms of the theory used, over one that is theoretically flawless but meets with considerable resistance from the start and ultimately fails because of it. Will doing so have fatal consequences? Hardly; in our experience, once the first successes have become clear, project teams usually find more courage and are confident enough to raise their sights higher – assuming you did a good job of picking the team members.

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