

# Difficulties in Selling Project Management to Businesses

Laurence J Nicholson, PMP, FPMA

We are all familiar with the problems of justifying IT project spend because of the notorious difficulties in providing tangible, below the line savings. It is a similar story when trying to sell Project Management to businesses that do not understand the benefits.

This of course points to our lack of understanding of the vocabulary of the executives, as we are not 'pressing the right buttons' for them to get excited about PM as a benefit.

We all know that when a project is managed properly, it stands every chance of coming in on time and on budget, but this is the 'starting point' for busy executives who do not pay much attention to the statistics of typical project performance. So simply using the prospect of staying within the budget and schedule will not engender any reaction within the executive board to spend money on what they see as 'expensive' Project Managers.

How, then, do we change this to make these decision makers sit up and listen?

I have found scare tactics tend to work quite well! Not by making up horror stories, but by starting presentations with the actual statistics we all know and love.

## **61% of all IT projects Fail and 52% of all projects finish more than 187% over budget!**

(Gartner and Standish Group)

This approach is all very well, but still leaves the main question of how to attach financial benefits to the implementation of project management and a best practice methodology that will attract the right attention from senior executives.

All too often, I have included time for project documentation only for it to be 'slimmed down' due to budget constraints, along with the cost of a full time PM. Is it any wonder projects tend to be a fire fight and always struggling to stay on track?

The problem then is one of communication, which I am sure we all know is a common issue in any project. What do we need to say, to whom and when?

The symptoms of a lack of Structured Project Management being used in any project include:

- Poor quality documentation relating to the project as opposed to the products of the project. (Even though the documentation should actually be products themselves)
- Lack of adequate funding for a professional Project Manager to lead the project
- Inadequate authority given to the Project Manager relating to resources and funds spending
- Poor quality of progress information due to a lack of defined baseline and suitable KPI's
- Failed and late projects

In order to improve the chances of engaging a professional Project Manager as a resource for the projects of an organisation we need to explain the individual documents that need to be produced for monitoring and controlling purposes, as well as how they provide a formal structure for reporting. Also required is a communications strategy so senior executives know what they are due to receive and by when.

The compilation of a RACI matrix defining the different documents/communications and the various types of involvement provides a simple guide to the responsibilities of those involved in the project, including stakeholders.

The communications plan will define the various types of communication that will take place, the recipient of the information, the frequency and medium of reporting and the originator of the information.

Selling Project Management into a business could be simply focused on risk and quality management. With the statistics showing an alarming trend of failure of many projects, this is a risk in itself and needs to be treated as such with a response plan and regular monitoring in order to ensure quality is planned into the project.

If we can present the losses associated with failed and late projects as the potential savings of a successful project, we can go some way to

provide a tangible measurement for management to use.

A more positive approach to providing a tangible measurement would be to focus on the resource management capabilities of a professional Project Manager that could optimise the use of resources across projects in a programme of work, creating savings and improving the morale of staff through cross project working opportunities.

A professional Project Manager will bring with them structure and a maturity to a business's capabilities, all of which lead to future projects benefiting from a knowledge base of lessons learned and a more accurate estimating process, both of which can result in quicker and cheaper *successful* projects, directly affecting the bottom line.

***About the Author:***

*Laurence Nicholson is a PMP and a Fellow of the Association of International Professional Managers (FPMA). He has been leading international technology projects for over 18 years at all levels, and 5 years ago left PA Consulting Group and joined 'Xoomworks', a start-up Consultancy, where he now heads the Project Management Practice as a Senior Manager*

*Xoomworks is an established Purchasing and Finance professional services company delivering a complete range of consulting, systems integration and managed services. Expert in Enterprise Spend Management, Finance Systems, Compliance and Risk Management, Supply Chain and Enterprise Application Integration, Xoomworks helps businesses apply appropriate technology in a business context to achieve rapid, quantified returns.*