

PM WORLD TODAY – OCTOBER 2008

Editor's Perspective on the Current Issue

By David L. Pells, Managing Editor

Welcome to the October 2008 edition of ***PM World Today***. Since 1998, *PM World Today* has been a leading online source of educational and informative articles and information about project management. As the global reach and reputation of this publication grow, we continue to seek new authors and ideas to share with others who want to advance their careers and organizations. If you have project management knowledge (or a story) to share, please send an article for publication. We are especially interested in information that can contribute to solving global problems.

Each month the Editor's Perspective on the Current Issue provides a short overview of the articles and contributions included in the current edition. This edition of *PM World Today* again contains articles, news and stories from around the world of project management (PM), including several in Spanish. *PM World Today* is an educational resource for PM professionals. It is also a service for PM experts, leaders and professionals who want to share knowledge and gain more visibility in the PM world as authors and contributors.

This month's **Editorial** is entitled "***Project Management in Politics! How Modern Project Management can help advance Democracy.***" For many years, I have considered the role of project management in the political process. I think that most PM professional leaders have avoided this question, as it might imply taking a position in current political campaigns or related to current "hot topics". This is a restrictive and short-sided perspective, however, because political processes, political systems, and government in general are such broad and important topics. This month I address this topic, and specifically, how modern project management can help advance representative democracy around the world.

We have added a new category this month, **In Tribute**, as a place to honor PM leaders and pioneers who have passed away, often leaving a vacuum in a space they have long filled for the PM profession. This month we honor **John W. Fondahl**, PMI Fellow and one of the originators of the Precedence Diagramming Method (PDM), now the most commonly used critical path planning methodology in the world. John was a professor emeritus in the school of engineering and construction management at Stanford University, a program that he helped create in 1955. Please read this tribute to a respected PM authority and colleague.

Five **Viewpoints** articles are included this month.

Cynthia Snyder Stackpole, the volunteer leader for the project that has created the 4th edition of PMI's Guide to the PMBOK in California, has provided a viewpoints paper entitled "***PMBOK® Guide – Fourth Edition Changes – An Overview.***" According to Cyndi, "A lot of people are wondering what is going to change with the *PMBOK® Guide – Fourth Edition*. There is not that much that will change with regards to the content. There are a few additions and deletions to processes, but most of the work was done in making the standard internally consistent. We wanted the chapters to feel more cohesive as if one person wrote the standard instead of a group of people. In addition to internal consistency, our charter required that the *PMBOK® Guide – Fourth Edition* be aligned with *The Standard for Program Management – Second Edition* and *The Standard for Portfolio Management – Second Edition.*" Please see this important article by Cyndi, who answers some questions and clears the air.

Ammar Mango, PM Consultant in Jordan, has provided an interesting article entitled "***Consulting Rules of Engagement: An Internal Memo.***" According to Ammar, "A big part of a manager's role is to communicate vision, mission, and core values. In a consulting environment, this might be even more important. Here are excerpts from a long memo I found in my files called "Consulting Rules of Engagement". I thought I would share it with colleagues through PMForum and PM World Today."

Ana Maria Rodriguez in Rosario, Argentina has contributed a Viewpoints article entitled "***The Challenge of PM Associations in Latin America.***" According to Ana Maria, "Latin American interest and awareness of Project Management is constantly increasing. Demand for training on the topic is overwhelming, and most companies are looking for methods to improve their projects performance. But there are few professional associations for Project Management in the region, and few Latin American professionals are members of a PM association... This viewpoint article intends to contribute to the awareness of the need for developing Project Management Professional Associations in the region." Read Ana Maria's article for some perspective on the issues confronting the growth of the PM profession in Latin America. Her article is provided in both English and Spanish.

Andrea Krasnoff in Atlanta, Georgia, USA has provided an article entitled "***Green Project Management: A Project Management Focus on the Environment!***" According to Ms. Krasnoff, "Green, environment, sustainability – these are words that continue to become more and more common in everyday vocabulary. Globally we are recognizing that natural resources are limited and we are taking steps to preserve these resources. In our personal lives, some of the most common environment-related discussions include neighborhood and school recycling programs, environmentally friendly vehicles, carpooling, and water usage. However, our profession seems to be in its infancy in applying green standards." This is an interesting article, on an increasingly important topic. If you agree or disagree, please send your reaction to editor@pmforum.org.

David Shannon in London has contributed an essay entitled “**Governance Perspectives.**” In David’s words, “On 25 September I met Vanessa Jones, the ICAEW thought leader on Corporate Governance. We discussed the work of APM’s Governance of Project Management Specific Interest Group in relation to wider issues of corporate governance. Ms Jones has her own important research project in this area...Inevitably the topic of the current crisis in the financial industry arose, this at a time when confidence and stock markets were swinging wildly, with new bankruptcies and state funded rescues of major financial institutions announced seemingly daily.” Please read David’s entire article to find some thoughtful comments on the role of governance in addressing some of today’s serious issues.

The **Featured Interview** this month is a continuation of our interview with **Russell Archibald**, PhD (Hon), PMP, PMI Fellow, globally-recognized author, consultant and lecturer on project management. Russ is also one of the “unofficial” founders of the Project Management Institute (PMI) in 1969. In this “**Part II: The Formation and Early Years of PMI**”, Russ answers questions and describes his experiences during the years leading up to the founding of PMI, some of the formation meetings, and some early PMI activities with which he was involved.



Part 3 of the interview, to be featured next month, will focus on Russ’ knowledge about the formation and early years of IPMA in Europe, and professional PM in other parts of the world. Part 4 will conclude with Russ’ recent research, his observations about the state of the world of project management, and his predictions for the future of PM. Don’t miss this story by one of the pioneers in the field of professional project management.

Featured papers are serious professional contributions to the PM literature or papers of significant interest. Some are highly entertaining as well. This month we include six such papers from authors in Canada, the UK and the USA. Three of the papers were originally presented at the 2nd UT Dallas Project Management Symposium in mid-August in Richardson, Texas. As Media Partner for that event, PMForum agreed to republish selected papers in **PM World Today**. We are happy to include three such papers this month.

Earl Glenwright, a globally-respected project scheduling expert who spends his time between Bulgaria and the USA, has contributed a paper entitled “**Critical Aspects of Critical-Path Planning & Scheduling – Synopsis & Lessons Learned: The Rest of the Story: Part 2**”. According to Earl, “We tend to see History as an evolution. However sometimes, and there are many examples in the Patent Office of today’s ‘new’ technology being actually developed even centuries ago [i.e. Facsimile-FAX technology], it is interesting to roll back time to earlier periods where we can see ‘Lessons Learned’ and sage advice which may not have

been heeded. Such is the case with the following.” Please read Earl’s paper for some interesting history, a mystery and lessons learned many years ago.

Robert (Bob) Prieto, senior vice president for Fluor Corporation in the USA, is back with another important and timely article entitled “***Failure of Financial Sector Risk Management as an Analog for the Engineering and Construction Industry.***” According to Bob, “Financial models and their associated risk management tools, built on the randomness underlying Brownian motion, served the financial industries well, at least to the current financial crisis. But recent events have highlighted that many of these risks and financial markets were more tightly coupled than many recognized even if the coupling was not apparently obvious... The effects of this less than apparent coupling between seemingly random elements in complex systems has been seen by the engineering and construction industry across a broad array of engineering failures.” With an eye on the evolving crisis in US and global financial markets, Bob provides some perspective on risks in complex systems and how such vulnerabilities might affect the engineering and construction sector. This is important perspective from an industry executive who also studied the failures of the World Trade Center buildings following the 9/11 attacks.

Mark Kozak-Holland in Canada, frequent and popular contributor to *PM World Today*, is back with part 26 in his series on “***Winston Churchill, the Agile Project Manager.***” Mark uses “Lessons from History” to teach modern PM. His paper this month is the final article in the series and is entitled “*Series Wrap-up (2 of 2).*” According to Mark, “Most people are very familiar with Winston Churchill but may not be familiar with his “agile” approach to project management and his skills as a PM in the summer of 1940. Part 25 started to wrap up the series through the first 7 takeaways. This article completes the wrap up to the series, and reviews the key points, the transformation project and solution, and highlights key learning lessons for today’s projects, and what you can do.” This is another fascinating look back in history with lessons still to be learned! Read the article, learn and be entertained again this month!

“***Project Management and the Stockholm Syndrome***” is a paper by **Eric D. Brown** and **Chad Jordan**. Originally presented at the 2nd UT Dallas PM Symposium in Texas in August 2008, the paper is included this month with permission. According to the authors, “Most project teams understand the pitfalls of delivery but many do not realize that another pitfall is associated with building relationships. For example, what happens when project managers or other team members begin to associate more closely with the client or vendor than with their own organization? This pitfall, which has the same characteristics as the Stockholm Syndrome, can be a significant risk for any project.” Please read this interesting paper, then send your comments to the authors and to editor@pmforum.org.

“Articulating a Vision for Best Practice Project Management in Drug Development” is a paper by **Peter Harpum** from the UK. Originally presented at the 2nd UT Dallas PM Symposium in Texas in August 2008, the paper is included this month with permission. According to Mr. Harpum, “Until recently, the commercial and financial performance of drug development companies has been one to which many other sectors aspired. Pharmaceutical stocks during the 1990’s were considered a safe haven for investors, whatever else was happening in the market. This has changed dramatically over the last five years, as this sector has become one of the few that has seen contraction in real corporate value, in terms of market capitalization and stock returns. A key reason for this decline is the increasingly poor performance of the sector in getting new drugs to market.” Pete discusses some research intended to enhance understanding of PM best practices in the life sciences industries, an important contribution to the literature in the PM field.

“Changing the Software Outsourcing Game! Multi-Sourcing: the New Global Trend”, is a featured paper this month by **Ram Garg** and **Eric Harris**. Originally presented at the 2nd UT Dallas PM Symposium in Texas in August 2008, the paper is also included this month with permission. According to the authors, “Despite a maturing outsource industry and constant improvements in infrastructure, every year countless software projects either outright fail or experience massive cost and schedule overruns, costing companies millions if not billions of dollars. Why is this happening? As companies fully understand the strategic nature of outsourcing decisions, it becomes increasingly clear that selecting outsource partners based solely on price is not the best answer. Additional value must be created by improving the way things are done, improving business processes, and this is the domain of specialists, not generalists. A new paradigm has started to emerge to address this reality and it represents the next generation of outsourcing: **multi-sourcing**.”

Two **Case Studies** are included this month. The first paper was originally delivered at the PM-04: 4th SCPM & 1st IPMA/MedNet Project Management Conference in the Mediterranean, 29-31 May 2008, Chios Island, Greece. The second case study is a story about a Fluor training exercise in California last month.

“Leadership Based Project Management Model Tested On Food Services at Arizona State University” is a paper by **John K. Michael**, **Dean Kashiwagi** and **Kenneth T. Sullivan** of Arizona State University in the USA. Originally presented at the 4th SCPM & 1st IPMA/MedNet Project Management Conference in the Mediterranean in May 2008 in Greece, the paper is included this month with permission. According to the abstract, “A new project management (PM) model has been tested in construction over the last 13 years, and has minimized construction management functions by up to 90 percent...The model was tested in a university food services contract (\$400M, ten year contract). Results validate the theoretical model and support the idea that the PM problems encountered in construction and other areas are not industry based, but due to the use of inefficient and ineffective management principles.” Please read this serious research-based contribution.

Bob Prieto of Fluor Corporation has provided an interesting and entertaining article about a Fluor team-building project in "***'Bravo' Company: Lessons Learned in Project Management***". According to Bob's introduction, "On September 16, 2008, the Industrial & infrastructure (I&I) Group of Fluor conducted a team building session with about 120 members of the Executive Management Team (EMT). While highly successful in achieving its primary objective, the lessons learned by one "Company" are instructional with respect to many of the attributes of good project management.." We think you will enjoy this story.

One **Personal Story** is included this month, an article by Kate Winter in the UK entitled "***Love Botswana Mission benefits from Chartered Management Institute's Diploma in Programme and Project Management.***" Kate tells the story of **Munyaradzi Katumba** of Zimbabwe who ventured into Botswana in 2003 where he started working for the Coping Centre for People Living with HIV/AIDS. According to the story, "In 2004 he transferred to the Love Botswana Outreach Mission which provides support and information about HIV and AIDS. He began researching qualifications for project managers on the internet... He found The Diploma in Programme and Project Management and contacted several training organisations. The first to respond was The Projects Group (TPG) in the UK." Kate learned Munya's story as he earned his Diploma in PPM. This is Munya's story, thanks to Kate Winter.

PM Tips & Techniques papers provide an opportunity for project management consultants, experts, trainers and companies to share knowledge and practical advice for solving problems or addressing major PM issues. Five advisory papers are included this month.

Kumar Sarma in Bangalore, India has contributed an article entitled "***How can the Project Manager seize the Web2.0 movement and become a PM2.0?***" According to Kumar, "We are in a knowledge based economy where information is power. It becomes increasingly the responsibility of the Project Manager and Project Leaders in the team to disseminate the right information in an effective and concise manner, which brings all the team members to the same page... In this article we look at how Web2.0 wiki can help a Project Manager to complement the existing methods of communication and make his or her life easier." Is this article illuminating? If so, please let us know at editor@pmforum.org.

Glen Koller, PhD, author and projects advisor based in Tulsa, Oklahoma, USA, has provided a fourth article in his series on project risks, entitled "***Risk in Projects: Metrics!***" According to Glen, "In article #3, I mainly addressed the arena of risk-related language and communication. Given that any risk-based conversation is likely to include numerical components – discussions of probabilities, costs, schedules, revenues, and the like – it is critical that an organization come to consensus regarding the metrics to be utilized. The term "metrics" in this context refers to the specific measures to be employed and the units for those measures."

Michelle LaBrosse, the popular and talented CEO of Cheetah Learning, has provided another article entitled "**Powering Past the Post PMP® Syndrome!**" According to Michelle, "*Post-PMP® Syndrome (noun)* – A group of symptoms commonly found after project managers tirelessly prepare to pass the PMP exam pass it and bring home the gold, and then find themselves asking: What's next? Does this sound familiar to you? If so, you or someone you know may be suffering from Post-PMP Syndrome. Here are a few tips to make sure you get the most out of your PMP." This month we again provide a Spanish language version of her article, translated by **Rafael Díaz Real**, Ph.D., PMP®, and **Roberto Toledo**, MBA, PMP®, of Alpha-Consultoria in Argentina. We hope you enjoy this month's entertaining article, either in English or Spanish.

Jeff Oltmann of Synergy Professional Services in Portland, Oregon has contributed "**Ten Tips to Make Change Work for You.**" According to Jeff's introduction, "Customers change their minds. Competitors zig instead of zagging. Technology advances. Change is constant, and prohibiting it on projects does not work... You can't prevent changes to your projects, but allowing rampant uncontrolled change dooms projects. Is there a solution to this dilemma?" Jeff offers some good suggestions on how to make change valuable on your projects. Please let us know if you agree.

Michael Szwarc with Personeta in Israel has contributed a paper entitled "**Testing Phase of Software Project – Much More than Testing!**" According to Mr. Szwarc, "In this article I will describe some benefits from the testing phase of a software development project, and how to ensure that the company and the project manager can increase them... In order to illustrate the idea of this article, "the testing phase" will refer to the phase in which comprehensive testing begins to be carried out on the development products.." We hope Mr. Szwarc's advice is useful.

One **Book Review** is included this month. **Andrea Zittel** has provided a review of "**Program Management Professional (PgMP)sm – A Certification Study Guide with Best Practices for Maximizing Business Results**", a book published by J. Ross Publishing in the USA in 2008. The book's authors are **Craig Letavec**; **Steven Rollins**; and **Diane Altwies**. Ms. Zittel is an alumni of the Graduate Program in Project Management at the University of Texas at Dallas (UT Dallas).

Our book reviews are provided through a cooperative program between PMForum and UT Dallas. (PMForum provides the books, graduate students and alumni receive the books and provide a review; we publish the book reviews in *PM World Today*.) Authors and publishers of project management books who would like to have their PM books reviewed through this process are welcome to contact me at editor@pmforum.org.

Second Editions are previously published papers that we feel deserve to be republished, due to their lasting value or because their subjects are suddenly

relevant again. This month we republish a paper that I delivered at the PMI South Africa International Project Management Symposium in Gauteng near Johannesburg in November 1999. The paper is entitled "***Aftershocks: How Significant Global Events can Affect the Project Management Profession.***" While the specific events and trends referenced in this paper occurred in the late 1990s, the points of the paper may be even more relevant today as we deal with another global financial crisis, global geo-political stresses, global food and energy shortages, climate change and extreme weather, and regional wars, as well as some of the same old issues resurfacing. Now, more than ever, I would welcome reader reactions.

Regional Reports is the section of *PM World Today* where reports from International Correspondents around the world are published each month. These include updates on local PM activities and events, discussions of local conditions that affect projects and PM, and personal experiences or perspectives. These reports provide a snapshot and multi-cultural flavor of project management around the world. This is one of the most interesting aspects of the monthly production process, to see what's happening and what is reported by these active and motivated PM professionals. We hope you also find their reports interesting and educational. The following reports are included this month:

- **Ana Maria Rodriguez** in Rosario, Argentina in "*Project Management News from Argentina*" provides PM professional and education news from Buenos Aires, Cordoba and Mendoza and coverage of major local projects. (English & Spanish)
- **O. Chima Okereke**, PhD, in Port Harcourt, Nigeria - "*News Affecting Projects & Project Management in Nigeria*", discusses "*African Development Bank and Nigeria National Workshop on Project Management*" an important recent meeting in Abuja, Nigeria's capital city. (English)
- **José Machicao** in Lima, Peru - "*Project Management News – Peruvian Update*", discusses the "*Impact of the Global Financial Crisis*" in Peru and provides a brief on professional activities there. (English & Spanish)
- **Jaycee Kruger**, in Johannesburg, South Africa - "*Project Management News from South Africa*", provides a short update on PM professional organizations (PMSA and PMI South Africa) there. (English)
- **Alfonso Bucero** in Madrid, Spain - "*Project Management in Spain: Monthly Report*," includes a short report on "*Spanish University studies the Project Management Phenomenon in the Construction Sector*" and news from the PMI Madrid Chapter. (English & Spanish)

- **Miles Shepherd** in the UK – “*UK Project Management Roundup*”, discusses the impact of current financial markets on projects in the UK, including several associated with the 2012 Olympics. Miles goes political this month! (English)

- **Larry Suda** in New York City, USA – “*Update on Projects & Project Management in New York*”, report about “*Google makes getting around New York easier*” and upcoming meetings at the New York City PMI chapter. (English)

The balance of this month’s ***PM World Today*** features calls for papers, announcements of future events, news, information and stories related to people, projects and project management around the world. Please review the articles in PM Community News where people are featured, and the Future Events section where important announcements about upcoming PM conferences are presented. We hope all of these stories are interesting and informative.

We want to thank our sponsors this month which include the **Graduate Program in Project & Programme Management at ESC Lille, IPMA, Journyx, PM Guru Online, PMO Consulting, Program Management Academy, The APM Group, The Graduate Program in Project Management at The University of Texas at Dallas, Threon Group, The Palatine Group, TPG The Project Group and The World Bank**. Please click on their logos and visit their websites. Sponsors receive visibility and publicity in the *PM World Today* e-Journal (contents emailed to thousands worldwide each month), and on the *PM World Today* home page at www.pmworldtoday.net. If your organization is interested in sponsoring *PM World Today* please contact editor@pmforum.org.

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Good luck with your projects!

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***David L. Pells** is the Managing Editor of PM World Today and of www.pmforum.org, one of the world's leading online sources of project management news and information. David is an internationally recognized leader in the field of professional project management, with over thirty years' experience in project management. His professional experience includes a wide variety of programs and projects, including engineering, construction, transit, defense and high technology, and project sizes ranging from several thousand to ten billion dollars. He served on the board of directors of the Project Management Institute (PMI®) twice, and was awarded PMI's Person of the Year award in 1998 and Fellow Award in 1999. He has published widely and spoken at PM conferences and events worldwide. David can be reached via email at: editor@pmforum.org*