

PM WORLD TODAY – DECEMBER 2008

Editor's Perspective on the Current Edition

By David L. Pells, Managing Editor

Welcome to the December 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 online publication grow, we continue to seek new authors who want to share knowledge or 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 those that contribute to solving global problems.

Each month the Editor's Perspective on the Current Edition provides a short overview of the contents of the current edition of *PM World Today*. This month's edition 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.

This month's **Editorial** is entitled "***Silver Lining: Why the Economic Recession may be Good for Project Management.***" What a mess! The US economy is officially in recession, and apparently has been for the last year. The economies of Germany and UK are also close to or in recession as well, as are the economies of many other European countries. There are a few exceptions, Finland for example. And across the globe, the effects of the economic crisis in the United States and other developed countries have been felt by all those engaged in the "global economy". Generally speaking, the impact of the global economic downturn is very negative. The big question for those of us in the PM world is how current economic conditions and trends are affecting project managers and the project management profession. While things look dour, I believe there is a "silver lining" – in the long run, I see the demand for project management increasing even faster. Please read the editorial for some positive thoughts and projections.

Five **Letters to the Editor** are included in this edition. **Bob Youker** in Virginia, USA responded to my November editorial with three major comments – all relevant and all which I agree with. **Earl Glenwright**, our American colleague currently in Bulgaria, objected to some of the broad and positive references to precedence diagramming last month in "*On the Precedence Diagramming Method of Scheduling.*" **Andrea Nicholas** in Texas sent us a flattering email "*On the Subject of PM World Today and my November Paper,*" which we appreciated. She agreed to share her email with our readers. **Max Wideman** in Vancouver, BC, Canada, also had some comments about my November editorial, taking issue with a few

paragraphs. **Russ Archibald** in San Miguel de Allende, Mexico, also weighed in with some clarification on project management and categorization. Please read these letters for some thoughtful discussion.

Three **Viewpoints** articles are included this month. **Bob Prieto**, Senior Vice President of Fluor Corporation in the USA, has provided a thoughtful paper entitled "**The Challenge Ahead.**" According to Bob, "The challenge facing the United States today is very much about what is the future it desires as a nation and what is the level of economic competitiveness that future requires... Today one of the elements of the foundation that our future as a leader requires is in crisis. The nation's infrastructure is crumbling!.. In order to meet the challenges the future will hold we must first challenge ourselves to redress this situation.. To achieve this vision we must conceive new ideas and use new frameworks and approaches.." Bob goes on to outline some steps ahead if the US wants to regain its competitive strengths and to build a more positive future for our children.

Renate Prantner in Vienna, a member of the PMForum correspondents team, has sent us her "**Impressions of the 22nd IPMA World Congress - Project Management to Run!**", the just completed November conference in Rome. According to Renate, "From the 9th - 11th November 2008 the 22nd IPMA World Congress 'Project Management to Run' attracted more than 700 project management people interested in spending at least 2,5 days in a magnificent surrounding in order to share project management excellence and international expertise... In 7 days the events ranged from the official Young Crew Workshop (6th – 8th November 2008), to a nation to nation forum, assessor workshops, the official opening of the congress to two days (10th – 11th November 2008) densely packed keynotes, poster and oral presentations, panels, etc..." Read her report, then see the stories from the congress in Rome in the PM Profession News section of this edition.

Getachew Alemu in Addis Ababa has contributed a Viewpoints paper entitled "**Managing People – The Difficult Side of Project Management in Ethiopia.**" According to Getachew, "You may have a well developed project charter, readily available financial resources, easy going project sponsor, understanding customer, weak competents, huge market access, but if you don't have an effective and efficient project team, the delivery of your product on time, within budget, and on quality will only be an idea on paper... If you are, then, managing a project team consisting entirely of Ethiopians, or have (an) Ethiopian member(s), you should understand the fundamental socio-cultural rhythms of their lives..." Getachew suggests some common sense considerations, that are, unfortunately, not so common in many parts of the world.

Alas, we were unable to include Part 4 of the **Interview** with Russ Archibald this month. We simply ran out of time, what with attending various conferences in Italy and Finland in November. It will be included in the January edition of **PM World Today**.

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 four such papers.

“Humor in Project Management” is a paper by **Zelda Jones** in the USA that was originally presented at the 2nd UT Dallas PM Symposium in Texas in August 2008. The paper is included this month with permission. According to Zelda, “Project Management and Project Managers are not considered to be overtly funny. As the US economy slows down with more companies announcing layoffs and closures, it is difficult for employees to remain positive and focused on their work. Studies have shown that encouraging humor in the workplace can increase worker retention and workplace satisfaction... This presentation will contrast project management humor with that of other professions, show that leading companies are incorporating humor in the workplace, and give suggestions for finding humor in project management.” What’s so funny about project management? Please read this paper, then let us know your opinion.

“Building Ethics in Construction Partnerships” is a featured paper this month by **William Moylan**, PhD, Assistant Professor in Construction Management at Eastern Michigan University - College of Technology in the USA. According to Professor Moylan, “Research on ethics in construction (Moylan, 2005) determined the suitability of a values-based leadership approach for the construction industry, with a focus on improving the contractual partnerships. The construction industry is keen on fostering a high degree of professional ethics in the business dealings between owners, architect / engineers, and constructors... This paper, based on the research conducted by the author on this topic, addresses the applicability of values-based leadership concepts to the building of ethical partnerships on construction facilities projects..” We think this is an interesting paper on an important topic; what do you think?

“Executive Actions for Project Success” by **Michael O’Brochta** in Virginia is a featured paper on a topic of importance to those trying to win the support of senior managers. According to the Michael, “..as I reflect upon the feedback provided by the thousands of employees who completed project management training and certification at the CIA where I was Director of that program, I see a gap between what increasingly better educated and skilled project managers need for success, and what they are getting from their organizations and their executives. Lets call this the executive gap... This paper is written for project managers who would like to change the status quo, who would like to be the catalyst for action within their own organization, and who would like to get their executive to act for project success.” If you are a project manager, don’t miss this paper.

Tathagat Varma, General Manager with NetScout’s Bangalore Engineering operations in India, has returned with another paper on the topic of ***“Applying Little’s Law to Agile Project Management: Part 2.”*** According to Tathagat, “Little’s Law states that inventory in a process is the multiplication of throughput

and the flow-time. In the first paper of this two-part series, we took an every-day example to discuss Little's Law at length... In this paper, we will explore in detail how Little's Law is conceptually akin to the Agile way of software development and project management, and how well its mathematical principles could be used to understand and improve financial performance of a software project using Agile philosophy." This is another interesting and educational article from an engineer's perspective.

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

Barbara Ettore in the USA has contributed an article entitled "***The Board in a Crisis Economy.***" According to Barbara, "The world is in financial turmoil, and America is in the middle of a still-spreading economic contraction ... the message is already coming through loud and clear: rampant greed, a lack of regulation, poor corporate governance and oversight all helped to precipitate this calamity ...Boards should look upon the economic crisis as an opportunity for a comprehensive scrutiny of the company's corporate governance..." Please read this paper and send us your reaction.

Jeff Oltmann, project management consultant in Oregon, USA, has contributed an article entitled "***This Project Needs a Leader – Now!***" According to Jeff, "Technical competency is not the most important skill for a project manager. Neither is building a good schedule, nor monitoring issues and tracking down open action items. First and foremost, project managers must be effective leaders... Project managers face a high standard – being both a good leader and a skillful manager. Even very experienced project managers have room to improve..." Bob provides some useful advice on an ever more important aspect of modern PM.

Michael Szwarc, a project manager in Israel, has contributed an article entitled "***The Unique Value of a Matrix Projects Manager!***" According to Michael, "A projects manager in a matrix organization has a very important function – to lead the project and to reach its objective while maintaining the overall resources (time, work, money, etc.). The success of the project manager in his position increases the value of the company. However, the projects manager has the potential to add significant value to the matrix organization in which he works... In this article I will present this potential and recommend a number of ways to strengthen it." This is interesting new perspective on an old topic – matrix PM.

Michelle LaBrosse, the popular CEO of Cheetah Learning in the USA, has provided another article entitled "***Project Management to the Rescue – No Bailout Necessary!***" According to Michelle, "As I watched the last two months of news, filled with the campaigns bantering back and forth and the doomsday headlines about the financial crisis, I had to shake my head and wonder – why can't our

government and the financial giants on Wall Street and around the world use the principles of Project Management to be effective?.. As an entrepreneur who runs my own business, I balance a budget, develop new products, and serve my customers, and I have found that even when the economy isn't doing well, there is always opportunity. To tackle those opportunities, you need tools in your toolbox; Project Management is an optimal tool for times like these..." 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 Mexico City. We hope you enjoy this month's entertaining article, either in English or Spanish.

Donald Pillittere, Director of Product Engineering and Program Management with Transonic Systems Inc. in the USA, has contributed "**Looking in the Business Mirror – What Kind of Team Member are You?**" According to Donald's paper, "If your work experience is anything like mine, you've probably been to hundreds of business meetings. And at many of them, you've been amazed at the incompetence of the other participants in the room... Sitting in the middle of yet another painful project meeting, I realized that while I was questioning the intelligence and motivations of almost everyone else in the room, they were probably doing the same thing to me. So what is it about today's business environment that has team members questioning each others skills?..." This is an entertaining and useful read; we hope you all agree.

Lonnie Pacelli, a project management and leadership author and consultant in the USA and former Microsoft executive has contributed an advisory paper entitled "**How to Overcome Shiny Objects and Other Distractions!**" According to Lonnie, "at times we've all succumbed to non-value-added distractions and have wasted time being unproductive or working on something that didn't need to be done right then. It's when a person's modus operandi is to allow themselves to be distracted that problems occur... Let me put shiny objects in context; to me a shiny object isn't important to the task at hand and isn't time-sensitive... In conquering shiny-object-itis, I've adopted a few basic shiny object principles into my workday, as follows..." We think Mr. Pacelli's paper is quite entertaining, and useful. We hope you agree.

Henry Schneider, President and Senior Principal Consultant at Process and Product Quality Consulting, LLC in the USA, is the author of "**Reaching the Peak of CMMI: How Fast Can You Climb?**" According to Mr. Schneider, "While implementing the CMMI at Maturity Levels 2 and 3 usually contributes to some level of improved performance, successfully implementing Maturity Level 5 enables an organization to begin to truly optimize their performance. This distinction is even more noteworthy when an organization is able to successfully mature rapidly... Witness the incredible speed at which an international giant achieved the pinnacle of CMMI ratings...then learn how your organization can follow in their footsteps!..." This paper was originally prepared for *ExecutiveBrief*, the technology management resource for business leaders – republished with permission.

Three **Book Reviews** are included this month. **René Le Bel** has provided a review of four small books written by **Tom Taylor**, with illustrations by **Rob Dee** and published by Dashdot Enterprises Ltd in the UK. The four books are entitled "*management in practice*", "*how to select the right project manager*", "*characteristics of effective project managers*", and "*GMPM and other modern afflictions affecting project managers*." They are a series of "practical guides for project managers, their employers and clients" published during 2006-2008 and are beautifully done. Please check out René's review.

Hussein Mzee has provided a review of "*Strategic Thinking: A Four Piece Puzzle*", a book written by **Bill Birnbaum** and published by Douglas Mountain Publishing in the USA in 2004. **Ishkhan Topalian** has provided a review of "*Principles of Negotiating International Business*" by **Lothar Katz** and published by Booksurge Publishing in the USA in 2008. Le Bel, Mzee and Topalian are 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 can contact 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. Second Editions may also be papers originally published in a language other than English. This month we republish a paper by **Robert Youker** that was originally presented at the International PM Workshop at ESC Lille's Graduate Program in Project & Program Management in Lille, France in August 2005. The paper is entitled "***Project Management as a Core Competency!***" The subject of this paper remains topical for organizations and professionals; we wanted to share it with readers this month. We also want to thank Bob for sending it in to us while "cleaning out my files" last month.

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. This month, many of our correspondents have again provided some news and perspectives on the effects of the economic downturn, as well as status of the profession as 2008 comes to a close. Several have also provided rather regional and international reports. We hope you find these reports interesting and educational. The following reports are included this month:

- **Martina Huemann** in Vienna, Austria – in *“Report on 2008 IPMA Project Management Research Awards”*, presents the results of IPMA’s global PM research awards process this year. As noted in Martina’s article, 2008 awards went to Dr. **Mario Vanhoucke** at Ghent University and Vlerick Leuven Gent Management School in Belgium, Dr **Joana G. Geraldi** at Cranfield School of Management in UK, Dr **Ofer Zwickael** at Victoria University of Wellington in New Zealand, and professors **Frank Anbari** and **Young Kwak** at George Washington University in the USA. (English)
- **Ana Maria Rodriguez** in Rosario, Argentina in *“Project Management News from Argentina”* provides PM professional and education news from Buenos Aires, Cordoba, Mendoza and Rosario and coverage of major local projects. Ana Maria, with contributions from **Jose Machicao** in Lima, has also provided a regional report in *“Results from Cono Sur Tour – Project Management Institute”*, about a series of events that were held in Uruguay, Peru, Chile and Argentina in November. (English & Spanish)
- **Brenda Treasure** in Melbourne, Australia – in *“Project Management in Australia”* describes the recent year-end “Bash” held on November 25th by the PMI Melbourne Australia Chapter, a joint education and end of year celebration. According to Brenda “THE BASH - Cocktail hour, Dinner, Keynote speaker and live music - was a big success with attendance of over 150 members.” (English)
- **Peter Mello** in Brazil – in *“Project Management News from Brazil”*, discusses some recent major PM events including the 3rd PMI National Congress in Porto Alegre and the Portfolio Management Strategies 2008 conference in October. He also mentions some effects of global economic problems on projects in Brazil, and the importance of the election of Ricardo Vargas as the first Brazilian Chair of the PMI Board of Directors (taking effect in 2009). (English)
- **Germán Bernate** in Bogotá, Colombia – in *“Project Management Update from Colombia”* mentions activities at the PMI Santafe de Bogotá Chapter, interest among universities, and recent events affecting project in Colombia including severe flooding and the global economy. (English)
- **Irwin José Franco** in Guayaquil, Ecuador – in *“Monthly Report from Ecuador”* discusses some aspects of life in Ecuador during 2008, effects of the global economic downturn on the local economy and on projects, and what to expect in 2009. (English & Spanish)
- **Ahmed Saleh Mokhtar** in Cairo, Egypt – in *“Project Management Update from Egypt”* describes the recent PMI Region 12 Component Regional Meeting during 22-23 November in Cairo and an upcoming IT&T conference

in December. He also provides some latest news regarding major projects at the Port of Alexandria. (English)

- **Getachew Teklemariam Alemu** in Addis Ababa, Ethiopia – in *"Ethiopia Today"* discusses "comprehensive project success measurements" as related to development programs and projects. By asking some pointed questions, Getachew directs the reader to thinking about a better world. (English)
- **Theofanis Giotis** in Athens, Greece – in *"Project Management Update from Greece"* describes the recently completed and successful "Project Management Congress 2008" sponsored by the PMI Athens Greece Chapter on 27 November. Theofanis describes the keynote speeches, speakers, and roundtable discussion, providing a lot of excellent photos. (English)
- **Raju Rao** in Chennai, India – in *"2008 – Year End Happenings in India,"* discusses Indian government infrastructure projects, the increased number of "clean and green projects" in India, and the International Project Management Day celebration in Mumbai in November. (English)
- **Antonello Bove**, PMForum correspondent for Italy, who lives in both Rome and Washington, DC – in *"Project Management Update for Italy"* reports about the High Speed Rail project between Rome and Milan. He also mentions an upcoming project management conference in Sardinia, Italy on January 14th. (English)
- **O. Chima Okereke**, PhD, in Port Harcourt, Nigeria - In *"News Affecting Projects & Project Management in Nigeria"*, discusses the continued emphasis on infrastructure development by the Nigerian government and the newly formed Infrastructure Concession Regulatory Commission (ICRC) established by President Umaru Yar Adua. The ICRC Board will consist of a 12-man team which includes the Secretary to the Government of the Federation, Attorney-General of the Federation, Minister of Finance, and the Governor of Central Bank of Nigeria. (English)
- **José Machicao** in Lima, Peru - in *"Project Management News – Peruvian Update"*, discusses the "APEC 2008 Meeting" recently held in Lima and the PMI Cono Sur Tour meetings in Latin America, also completed in November. (English & Spanish)
- **Florin Gheorghiu** in Bucharest, Romania – in *"Gone with the Wind at 600MW speed: Green Energy Projects from Renewable Sources are Speeding Up,"* discusses the overdue move towards renewable energy in Romania. Florin discusses Romania's green energy status compared to the rest of Europe, and describes a major project now underway in Constantia on the Black Sea coast. (English)

- **Jaycee Kruger** in Gauteng, South Africa – in *“Project Management News from South Africa”* provides updates from PMSA (Project Management South Africa) and the PMI South Africa Chapter. Jaycee also provides some general news affecting projects in his country. (English)
- **Alfonso Bucero** in Madrid, Spain - *“Project Management in Spain: Monthly Report,”* discusses a meeting and agreement among PMI chapter leaders in Spain to jointly organize a PMI Spain Conference in late 2009. Alfonso also briefly mentions his experience at the PMI North America Global Congress in Denver in October. (English & Spanish)
- **Ahmet Taspinar** in Istanbul, Turkey – in *“Project Management News from Turkey”* provides some current background information affecting professional PM in the country, concluding that “progress is being made.” Ahmet also provides a brief update from IPYD (Istanbul PM Society) and mentions six major projects underway in Turkey that he is familiar with. (English)
- **Miles Shepherd** in the UK – in *“UK Project Management Roundup”*, discusses the apparent failure of a major “Zero Carbon Housing Project” sponsored by the UK government, recent announcements from the 2012 Olympic Delivery Authority (ODA) and the London Olympic Games Organising Committee (LOGOC), and news related to the UK Energy Programme, which may now include the rapid construction of gas-fired power stations. (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 express a warm welcome to **Tom Sheives**, PhD, who lives in Arlington, Texas and who became an International Correspondent for PMForum and *PM World Today* on 30 November 2008. He will provide PM news and information from Arlington, Fort Worth and the Western side of the Dallas/Fort Worth Metroplex in north Texas, USA. Tom is president, project consultant and coach with Better Project Results, Inc. His mission is “Making Project Teams and Management Teams Successful”. Tom has helped organizations worldwide achieve better project results, working with companies such as Microsoft, the Panama Canal Authority, Texas Instruments, Lockheed Martin and others. Tom is a graduate of the University of New Mexico, Texas A&M University, Baylor University and Coach U in the USA. He is on the board of directors of the Fort Worth Chapter of PMI and is a member of the IEEE. Please see the article about Tom in the PM Community News section of this edition of *PM World Today*.

We want to thank our sponsors this month which include the **Graduate Program in Project & Programme Management at ESC Lille, IPMA, Journyx, MultiMedia Publications, 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** 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

