

PM WORLD TODAY – SEPTEMBER 2008

Editor's Perspective on the Current Issue

By David L. Pells, Managing Editor

Welcome to the September 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 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.

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, papers 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 "*Back to the Future: Project Earth Revisited!*" What with all of the attention these days to Global Warming, Environmental Protection, alternative energy supplies and technologies, extreme weather, human interaction with the planet, it was only a matter of time until this topic resurfaced. This month I take readers back 18 years to Dr. Frank King's keynote address at PMI'90 in Calgary, and the initiative within PMI that followed called "Project Earth". For those new to PMI, or to the idea of "Green Project Management", perhaps this will be interesting and even enlightening information.

One **Letter to the Editor** is included this month. **Eric Jenett**, PMI Founder in Houston responded in late July on the subject of "*The Exchanges on PMForum Article by Lambert and Subsequent Exchanges and PMForum-published Responses.*" According to Eric, "I have read the article by Lee Lambert in the in PM World Today Viewpoints May 2008 as well as the subsequent Letter to the Editor by Fred Baker. I have also seen Bob Youker's observation. The whole thing is once again the story of the three men - wise but blind - feeling the elephant and trying to describe the beast." Please read Eric's entire email and let the rest of us know if you agree.

Five **Viewpoints** articles are included this month. Dr. James Brown in Florida has contributed an article entitled "Why your project management methodology doesn't matter much!" According to James, "One of the greatest debates in project management is what is the best project management methodology? There are numerous articles and books touting particular methodologies. Each usually talks about the deficiencies of other methodologies and uses some version of the high

failure rate of projects to meet cost, schedule and scope targets to prove their point. Some methodologies are overtly or covertly backed by vendors and consultants selling software and/or services related to the methodology. I have come across no credible proof of one methodology outperforming another methodology." What is the secret to success then? This is interesting stuff. Please read his entire article for some answers.

Professor Hubert Vaughan in Beijing has provided a serious viewpoints paper entitled "*Challenge of a Program Management Professional.*" According to Hubert, "Being an original member of the Program Management Credentialing Committee since early 2006, I have spent nearly two years supporting the PMI Certification Governance Committee in formulating the credentialing process for Project Managers who want to be certified as a Program Management Professional (PgMP)...The Standard for Program Management ... mentioned 'Project selection criteria' as output from the Program Initiation Process Group. It never informs us how to identify projects that belong to the program or to be selected for the program. It becomes the initial challenge for program managers when tasked with the responsibility of delivering the assigned strategic vision." Hubert reflects on his experience on this topic and offers some insights. Very interesting and useful knowledge sharing!

Earl Glenwright has provided another interesting article entitled "*The Case for Construction Schedule Validations and Periodic Audits!*" According to Earl, "Today's construction operations rely on each contributor performing to the agreed upon Work Plan and Schedule. And the Work Plan and Schedule must be valid, reasonable, rational, and achievable if the Project is to be successfully and profitably completed... scheduling has become progressively more common in the past 20+ years as more and more tools have been put at the reach of planners and schedulers... old practices have been replaced by very sophisticated and complex practices and techniques... All these factors contribute to create today's delicate situation in which construction schedule practices contain many misuses, or omissions of basic principles, processes, and tools. " If you have been involved in developing project schedules, don't miss this interesting article from one of the world's true scheduling experts.

Germán Bernate in Bogota, Colombia has contributed another Viewpoints article entitled "*Mobile's Lack of Culture!*" According to Germán, "Modern technology has delivered a powerful tool to all of us, planet earth inhabitants: the mobile telephony... Bad manners may be, and must be, fought. Discipline and good manners shall prevail over uncultured mobile holders... Good manners were studied in the past from a book written by Don Manuel Antonio Carreño. He was born in 1812 and died in 1874. This native from Caracas published in 1853 his work "*Rules of etiquette and good manners*" ("Manual de Urbanidad y buenas maneras"). His success is important and his work is still valid. We are going to ask him to come back to this cybernetic world and to remind us how to act.." See Germán's article

on the problems that lack of mobile phone etiquette cases. His article is included in both English and Spanish.

TD Jainendrakumar in India has provided an article that is bound to create argument, entitled "*Why a Project/Program Manager with a PMP accreditation is a suitable candidate to become a CEO!*" According to Mr. Jainendrakumar, "...In this article I would like to explain how an experienced project/program manager with PMP certification can grow to the level of CEO to manage the overall portfolio of the organization or why he/she is a best suited candidate to become a CEO..." TD argues that senior project and program managers must address many of the same issues that a CEO must worry about, thus gaining good experience in the same type of decision-making. This is an interesting argument, but please send your reaction to editor@pmforum.org.

The **Featured Interview** this month is with **Russell Archibald**, PhD (Hon), PMP, PMI Fellow, a globally-recognized author, consultant and lecturer on project management. Russ is also one of the founders of the Project Management Institute (PMI), although not officially recognized as such by PMI. In this "*Part 1: The Early Years*" of a 3-part interview, Russ answers questions and describes his experiences related to organizations, projects, project management and adventures during the first 25 years or so of his long career.



Part 2 of the interview, to be featured next month, will focus on Russ' participation in and knowledge about the formation and early years of PMI. Part 3 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 four such papers from authors in Canada, India, Nigeria and the USA.

Ashwin Amin in India has contributed a paper entitled "*Estimation: The Politics of Program Management!*" According to Mr. Amin, "There are five important parameters of business client always uses to consider any work to be done, any plan to execute and any other work which has association with the business. These parameters are Cost, Schedule, Performance, Quality and Support. If the deal is not successfully passed through these parametric determinations, it will never be resultant. Clients are prone to think in terms of expenditure and outcomes... The numbers (Estimate)" is the key weapon of managers to deal with clients in terms of exploiting their key weakness, and thus to make the favorable deal to the most possible extent..." Ashwin's paper deals with cost estimating for programs and

projects, providing useful insights into the political and strategic aspects of this critical process.

Robert (Bob) Prieto, senior vice president for Fluor Corporation in the USA, is back with another important article entitled "*Evolving Nature of Program Risks in the Engineering and Construction Industry.*" According to Bob, "The scope and scale of major capital construction programs is growing worldwide driven by a combination of technological and demographic factors. Whether manifested by expanded energy and industrial capacity to meet the world's growing demands or complex infrastructure to replace or renew that of the developed world, today's major capital construction projects are at a scale and complexity that challenges our collective ability to efficiently and effectively deliver them...But scale and sheer numbers are far from the only challenge. Today's major capital construction programs face an emerging set of risks that extend well beyond the project's battery limits." Based on his experience on major programs and projects worldwide, Bob provides some current and important insights into rapidly evolving global risks in the EPC industry. These risks are worth studying for anyone involved in engineering, construction or international programs and projects.

Dr. O. Chima Okereke in Nigeria has contributed an interesting featured paper on the topic of "*Marketing of Project Management in an Oil-Rich Developing Country.*" According to Chima, "For over five years, we have been marketing, implementing, and conducting training on project management software packages in Nigeria, a major oil producing country. Opportunities should abound for marketing the software among the major oil companies and also for training the indigenes that have little or no skills in modern project management. However, there are difficulties to contend with." Based on his own recent experiences, Chima's paper offers insights and suggestions that may be useful in many parts of the world, even in countries where natural resources are not so plentiful.

Mark Kozak-Holland in Canada, frequent and popular contributor to *PM World Today*, is back with part 25 in his series on "*Winston Churchill, the Agile Project Manager.*" Mark uses "Lessons from History" to teach modern PM. His paper this month is entitled "*Series Wrap-up (1 of 2).*" According to Mark, "...Part 24 looked at the sequence of historical events in September 1940 for the utilization and the effectiveness of Churchill's solution. To date it had performed well and proven its value. This article wraps up the series, reviews the key points, the transformation project and solution, and highlights 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! This may or may not be the last paper from Mark for some time, so don't miss it.

Two **Case Studies** are included this month.

Alan Harpham, Chairman of The APM Group in the UK, has provided a case study entitled "*Lean Project Management at NNIT.*" According to the paper, "In 2007 one of the Danish IT company NNIT's key objectives was to improve customer satisfaction. Employing more than 1,200 people and with a turnover in 2007 of DKK 1.1 billion, NNIT is an international service provider offering IT Consulting. The organization develops, implements and outsources IT services. To help achieve their objective they utilized the services of consulting firm IPTeams... Under the direction of lead consultant Damian Arguimbau, NNIT was able to substantially reduce lead times on project delivery by 14%... So effective was the work led by Damian that the Danish Management Council has awarded IPTeams the IT Consultancy of The Year Award." Read this paper for more on this success story.

Debra Lavell and **Russ Martinelli** of Intel in the USA have provided another article on "*Program and Project Retrospectives: a Success Story of Three Teams,*", part five of a series about the use of "Retrospectives" for capturing lessons learned. According to their paper, "For a program or project retrospective facilitator, it's exciting when you talk to a team several months after a retrospective is conducted and they tell you they implemented a change that made an impact on their business processes. The excitement doesn't stop there, especially when the learning demonstrates the value obtained from utilizing retrospectives to collaboratively solve problems... This paper will focus on three teams at Intel that utilized the retrospective methodology for collecting lessons learned on their work efforts." Read the paper, then contact the authors if you have questions.

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. Nine advisory papers are included this month, the most that we have ever included.

Nigel Hughes, Director of Global Market and Service Development at Compass, an international management consultancy, has contributed an article entitled "*In Pursuit of the Elusive Benefit - Why Most Change Projects Fail to Achieve Results, and What to Do About It.*" According to Nigel, "Research shows that a majority of operational transformation initiatives fail to deliver anticipated business benefits... Many factors contribute to this problem, including poorly designed projects, vaguely defined objectives, and ineffective leadership. But in many cases, a more specific issue is at play; namely, a failure to adequately understand and define the scope of the potential benefit at the outset of the initiative, coupled with a loss of focus on benefits as the project progresses." This is worthwhile knowledge that many organization should find helpful.

Douglas R. Gaspardo, PMP, Senior Consultant, Kepner-Tregoe, Inc. in the USA, has provided an article entitled "*7 Keys for Sustaining Project Excellence.*" According to Mr. Gaspardo, "'Sustaining Project Excellence' – easy to say, tough to achieve. Everyone knows the end goal – consistently finishing projects on time, within budget and meeting desired business results. And everyone has seen the impact of not having project excellence... But how does an organization achieve and sustain project excellence?.. There is more to achieving and sustaining project excellence. The seven critical components that are necessary for sustainable project success are: " You will have to read the article to learn the secret.

Melvyn Lee, Technical Manager in Axon Solution Malaysia, is back with another article entitled "*Managing and Leading Technical Teams in IT Projects: Knowing Your Flock!*" According to Melvyn, "I have the delightful privilege to work with the finest technical minds, whose creativities and foresights had saved the day. And of course, at the other end of the scale, there were other technical teams I have engaged with whose pattern of behaviors and actions were diametrically opposite. Since no two snow flakes are alike, it is therefore wise to tweak our leadership and management style to suite different team personalities. " Melvyn describes some of his experiences and offers some lessons learned and suggestions for addressing this difficult issue.

Laurence Nicholson, Head of Operations at ProcServe, a Shared Service eProcurement Marketplace Solutions Provider in the UK, has provided an interesting paper entitled "*The Role of Project Management in Established and New Venture Organisations.*" According to the introduction, "This article seeks to consider the use and responsibilities associated with Project Management in the dynamic venture environment. It considers the differences in need between new venture and established organisations, what the role of project management is within the new venture arena and how to ensure the benefits can be articulated at the highest levels through participation on the Board." The use of project management for new business startup is an important emerging topic; here is a good contribution.

Bob McGannon, Founder and Principal of MINDAVATION, a US-based project management consultancy providing services throughout North America, Europe, the Middle East and Australia, is back with an article entitled "*Overcoming the Hurdles to Effective Delegation.*" According to Bob, "As businesses seek to tackle larger and more complex projects, the wise project managers will increase their ability to delegate effectively. This can be a very tricky game... Project managers need to overcome the obstacles that get in the way of effective delegation, as a matter of survival. Here we will explore the obstacles to effective delegation, the cause of those obstacles (you might be surprised by a common cause) and the way forward to more effective and successful delegation." This is good and useful stuff!

Lonnie Pacelli, author and consultant with Leading on the Edge International, has contributed a paper entitled "*Thirteen Tips to Effective Upward Management.*" According to Mr. Pacelli, "Upward management is one of those skills that some do very well, many never seem to master, and virtually all learn only through on-the-job lessons-learned. When done well, both the manager and employee work as a team to ensure each other is informed, address problems before they spin out of control, and be more effective at managing. When done poorly, both manager and employee are not only ineffective at getting the job done but are chronically frustrated due to mis-steps and surprises." Here are some interesting suggestions on a universal problem for project managers.

Glen Koller, PhD, author and expert advisor based in Tulsa, Oklahoma, USA, has provided a third article in his series on project risks, entitled "*Risk in Projects: Communications!*" According to Glen, "While technical understanding and capability are critical to success, such prowess pales in importance relative to an in-depth understanding of organizational and cultural aspects... To change a culture ... the ability to communicate is paramount... I can't relate how many times I have noted problems of significant magnitude that were directly the result of miscommunication and misunderstanding." Here is some useful information on how to reduce communication risks in organizations. Please let us know if Glen is hitting the mark.

Getachew Teklemariam Alemu, an Infrastructure Projects Expert in the Development Projects Department of the Ministry of Finance and Economic Development, government of Ethiopia, has provided a checklist-based article entitled "*Checklist for The Preparation of Road Projects.*" According to Getachew, "In developing countries like Ethiopia where national road network connectivity is at its trough, road projects are the major capital endeavors to be undertaken, mainly by the public sector... For anyone involved in preparing a road project, the following checklist could be used as a reference." This should be useful information for those in the roads and construction sectors.

Michelle LaBrosse, the popular and talented CEO of Cheetah Learning, has provided another article entitled "*Top 5 Ways to Keep Project Passion Alive!*" According to Michelle, "We've all been there: stuck on the project that won't end, wishing for a rain dance that could conjure up a quick, action-packed Hollywood ending. I don't have a rain dance for you, but I do have some ideas that have worked for me when my team is in the tight grip of project fatigue.." This month we also offer 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.

Two **Book Reviews** are included this month. **Mei-Min Peng** has provided a review of "*Project Scheduling and Cost Control*", a book by **James C. Taylor** and published in November 2007 by J. Ross Publishing in the USA. **Rolanda Gregory** has provided a review of "*From Ratholes to Rainbows: Managing Project Recovery*" by **Dhanu Kothari** and Romeo Mitchell, published in October 2007 by D2i Consulting in Canada. Mei-Min Peng and Rolanda Gregory 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 are welcome to contact me at editor@pmforum.org.

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 – "*Project News from Argentina*" - provides PM professional and education news from Buenos Aires, Cordoba and Mendoza. (English & Spanish)
- **Ana Maria Rodriguez** and **Pablo Lledo** in Argentina – "*Results from Latin America Global Congress Project Management Institute*", an overview of PMI's global congress in Sao Paulo, Brazil in early August. (English & Spanish)
- **Peter Berndt de Souza Mello** in Ribeirão Preto, São Paulo State, Brazil – "*Project Management News from Brazil*", provides news related to PM events, education, the profession and in Industry. (English)
- **Irwin José Franco** in Guayaquil, Ecuador - "*PM Training Alternatives in Ecuador*", provides a current update on PM training courses and programs now available in his country. (English & Spanish)
- **Ahmed Saleh Mokhtar** in Cairo, Egypt – "*Project Management Update from Egypt*", provides PM education news and updates on a number of major projects underway in the country. (English)

- **Manfred Rieck** in Wiesbaden, Germany – “*Project Management News from Germany*”, provides news from various PMI chapters around the country and from the GPM (German Project Management Association), also news from the German projects landscape. (English)
- **O. Chima Okereke**, PhD, in Port Harcourt, Nigeria - “*News Affecting Projects & Project Management in Nigeria*”, discusses “*‘Open-Ended’ Projects to Stop Gas Flaring,*” currently a highly visible issue in the country. (English)
- **José Machicao** in Lima, Peru - “*Project Management News – Peruvian Update*”, discusses “*Management cultural barriers and opportunities through project management*” in the context of three large public programs in Peru. (English & Spanish)
- **Florin Gheorghiu** in Bucharest, Romania – “*Bechtel to go ahead with ‘Transylvania Highway’ Project against all odds*”, describes a large controversial cross-country public-private partnership project underway in the country. (English)
- **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 interview with Jorge Beroiz, Architect and RTKL Vice President and news from the PMI Madrid Chapter. (English & Spanish)

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 welcomed another project management authority to the **PM Ambassadors™ Speakers Bureau** this month, **Jürgen Oschadleus**. Jürgen is Director of Act Knowledge Pty Ltd and Managing Partner of Valense (Australia). Based in Sydney, Australia, Jürgen is a globally recognized project management authority, consultant and teacher who has gained visibility recently as a featured speaker at project management conferences and events. He has now announced his availability to speak at events and meetings worldwide. Jürgen is the author of *Heart of Influence*, and has written numerous articles and papers on leadership, influential communication and sustainable change. His training programs have been delivered on five continents, and he is a frequent contributor to international conferences, as

well as keynote speaker at a range of C-level Summits. We are honored to have him join the *PM Ambassadors™ Speakers Bureau*. For more information, visit <http://www.pmforum.org/ambassadors/ambassadors.htm>.

We also want to welcome a new correspondent this month. **Germán Bernate** in Bogotá, Colombia was named an International Correspondent for PMForum and *PM World Today* on 26 August to provide news and information from that historic and important South American country. Germán is General Manager and Founder of ALMAGESTON Consulting Firm. He holds a degree in Electronic Engineering from the Universidad Distrital Francisco José de Caldas. Mr. Bernate has dedicated 45 years of his professional life to the engineering and software industry in the areas of strategic management, Balanced ScoreCard, and Project Management. Germán worked for more than thirty years at IBM Colombia, where he assumed a wide range of responsibilities in both technical and management areas. He also worked as a Project Manager at NCR Colombia. Mr. Bernate has managed projects in banks, government, distribution, communications, aerial transport, and retail stores. Germán is also the immediate past president of the Santa Fe de Bogotá Chapter of PMI.

Please see the articles about Jürgen and Germán in the PM Community News section of this edition.

We want to welcome a new sponsor this month, **PMO Consulting** in Portugal, and thank our continuing sponsors that include the **ESC Lille, IPMA, Journyx, PM Guru Online, 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!

David L. Pells
Managing Editor



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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