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Projects & Programme Management applied at Council of Ministers level, supporting Prime Minister's Office

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Abstract

Between 1996 and 2004 Greece faced major challenges and had been found at the crossroads. This paper analyzes how Projects & Programme Management Methodologies and Tools can be applied at Council of Ministers level, improving institutional and administrative capabilities. For the above scope a "Strategic" Project Management Office had been established and a "Strategic Project Management System" had been created and utilized. Data of approx. 54.000 Public Contracts had been collected from 7.500 public offices. Credible and timely reports, based on reliable data had been produced for the Prime Minister, the Council of Ministers as well for a large number of Public Organizations. Transparency and efficiency in planning and execution of public contracts had been increased. The whole effort succeeded because of the personal commitment of the Prime Minister. Continuity will be guaranteed only when a "Strategic" Project Management Office will be permanently established at Council of Ministers level.

Keywords

Project management, Strategy, Government, Project Management Office, Projects Financed by International Institutions

1. A nation at the crossroads

Between 1996 and 2004 Greece faced four major challenges with firm deadlines: realign its economy according to European Union standards in order to adopt Euro; optimize ministries coordination in order to complete all projects financed by EU; organize the Greek Presidency of the Council of the European Union; organize the Olympic Games! The magnitude of each one of the above challenges could create serious organizational and financial problems even to a bigger

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nation with a well organized bureaucracy. We all remember that internally and internationally very few people believed that Greece would adopt Euro and much less that Athens Olympic Games would succeed. How Greece succeeded in all the above?

As often happens, an organization facing a complex and critical situation is open to experiment new and not well-established practices. In this context Projects and Programme Management methodologies and tools had been adopted and a “Strategic” Project Management Office (SPMO) had been established at Council of Ministers level, supporting Prime Minister’s Office. The experience gained in Greece, under extraordinary circumstances, can be repeated in any other country or organization, ready to apply a top down approach in the application of Projects & Programme Management methodologies and tools in a simple and concise way, even if this organization has little or no experience in Project Management. Furthermore purpose of this paper is to demonstrate, especially at Top Management, that all types of organizations (government, public, private, non-profit), in a short period of time, can create and implement a Project Management Office capable of applying organization’s strategy, while at the same time improving performance, efficiency and coordination.

2. “Strategic Management of Public Projects Committee” creation

Previous experience plays a key role, especially when we have to demonstrate that we can meet client’s expectations executing with success what is requested.

Having worked on construction sites during the execution of large projects like Second Bosphorus Bridge & Kinaly Sakarya Highway-Istanbul, Turkey or Esna Dam-Nile, Egypt, at the early 90’s the author had the opportunity to gain valuable experience in Projects and Programme Management methodologies and tools working as consultant in the Project Management Office (PMO) of Snamprogetti. Snamprogetti SpA is an engineering company with headquarters in Milan and one of the first Italian companies that choose to adopt strong matrix organization, supported by a well established PMO. Consequently: a) during 1995-1996 was responsible to establish and operate a PMO at the Greek engineering company Asprofos SA; b) at the end of 1996 was responsible to create and operate a “STRATEGIC PROJECT MANAGEMENT SYSTEM” (SPMS) on behalf of the Greek Ministry of Public Works, with the aim to collect and elaborate data from 22 internal divisions; c) during 1997 cooperation with the Ministry of Transport and Telecommunications was initiated. In this case, the SPMS had been adapted and operated for each one of the ten public companies under its auspices (e.g. Olympic Airways, Greek Railways, Metro, Public Transportation, Hellas Telecom and Hellenic Post) supporting Minister’s office.

Been the results from the application of SPMS encouraging and the situation complex, as of October 1997 the author had been appointed as member of the “Strategic Management of Public Projects Committee”, created by the Prime Minister, coordinated by his Technical Office and participated by the Ministries of Internal Affairs, Treasury and Public Works. Committee’s scope was to coordinate the efforts of all relevant parts (Ministries, Prefectures, Public Companies, etc.) so as to optimize the effectiveness and efficiency of programming, planning, executing and following-up of the totality of Public Projects.

3. “Strategic PMO” a catalyst for Project and Programme Management methodologies and tools adoption in the Government sector

The “Strategic Management of Public Projects Committee” started its work having to establish methodology, reporting, forms and processes. From the initial phase of Committee’s work, became clear that government sector has specific requirements towards Projects and Programme Management. The above mainly because we have to take into account power and politics involved in decision making systems. The crucial point here is to maintain neutrality and support continuously all Ministries in order to consider you as a trustworthy adviser.

The ongoing experiences in the Ministries of Public Works and Transport & Telecommunications helped Committee to take important decisions in a short period of time:

- The type and number of reports necessary to produce comprehensive and useful information for our stakeholders had been defined;
- The general rule that each Public Contract had to be followed as an activity had been adopted. Consequently each Public Sector Programme had to be treated as a project and each major Project as a work package.
- Due to: a) the huge amount of Projects, b) the number and diversity of sources from which we had to collect the data and c) the limitations on time, cost, and quality, the minimum amount of data for each Programme/Project/Public Contract had to be collected, simple, one page data forms of three types (Construction Contracts, Project Studies Contracts and Procurement Contracts) had been prepared adopting the terminology used by public contracts national laws. The data included in the above forms were divided into the following categories:
 - a) coding data - according to the national and organization’s coding systems
 - b) institutional data – regarding all Public offices directly involved in the project
 - c) planned data – dates, budget
 - d) contractual data – dates, costs, contractor data
 - e) officially revised data – dates, costs
 - f) estimated by the project manager data – dates, costs
 - g) relationships with other projects
 - h) project manager data – including telephone and email
- The utilization of one of the best project management proprietary software’s worldwide was decided, in order to shorten the implementation phase and cover not only Council of Ministers, but also each organization’s actual or future needs.
- The implementation of a “STRATEGIC PROJECTS MANAGEMENT OFFICE” had been agreed, with the aim to support from the technical and operational point of view Committee’s work.

3.1 “Strategic PMO” start-up

As PMO professionals, we have observed that there is no one-size-fits-all model that works for every PMO. How each of us build, grow, and manage our PMO, what components we use and how we tailor them, is what makes the specific PMO valuable. Successful PMOs are usually custom-built organizations that use a collection of practices that best fulfil their organization’s unique needs.

Having to implement the “Strategic” PMO in a very short period of time, it had been decided to expand the team working for the SPMS (3 persons) adding gradually and according to the needs other 13 persons in a three months period! We preferred people with engineering degrees and with at least 3 years experience in the construction industry.

It had been also decided to adapt SPMS in order to a) cover additional Committee’s requirements; b) facilitate the work of SPMO team members who had no experience in the specific software.

Through continuous meetings and on the job training we succeeded to integrate all team members creating the necessary homogenization. During this phase no specific groups had been formatted and no leaders appointed. The reasons for the creation of the SPMO had been explained in depth and the personnel effectively motivated. Everyone understood very well that there would not be accepted delays, failures in data collection or elaboration, inconsistencies inside or between reports. Our failure would cause the failure of an unprecedented attempt!

3.2 “Strategic PMO” first steps

The Committee decided to proceed gradually starting with the 13 Prefectures of Greece. Working continuously in close cooperation with Committee’s representatives, the SPMO proceeded:

- to visit each Prefecture,
- to involve top management of each Prefecture in the project,
- to officially appoint a representative from each Prefecture, assigning him the necessary authority,
- to explain in detail the data we were requiring, helping them chose the easiest way to fulfill their obligations,
- to involve all participants in the definition of their organization’s needs regarding the system,
- to install the proprietary software and organize seminars in order to present it’s full potential.

Maximum effort was also given in order to customize the proprietary software in a way that even people having no computer experience could be in the position to use it. Since ancient Greeks said that the “measure of everything is man”, we believe that the above customization was one of the key factors for the success of our project.

After the first data collection, we adopted a three phase process: a) their introduction in the central database, b) a first check regarding missing data and c) a second check regarding inconsistent data. For each one of the previous checks a detailed report was produced and sent to the Prefectures representative in order to correct/complete Project data and forward them again to the SPMO. We must also mention here that in Prefectures where it was not possible to install the proprietary software, we proceeded to collect the data according to availability.

The updating of the data during the test period was decided to be performed every three months. It was the optimal solution for the client (quarterly reports) and for our SPMO in terms of human resources utilization, time, cost and quality. It was necessary also for communication management, because we decided to visit each Prefecture at least once every three months. During each visit we were presenting and discussing with them the reports that we had elaborated for their organization, before to present the same reports to anybody else, including Prime Minister. This in order to establish personal relationships based on cooperation and mutual trust keeping the communication channels open. Our motive was “we are working to satisfy each customer’s needs”.

3.3 “Strategic PMO” next steps

Respecting Committee’s needs, every three months the SPMO had collected Project data on time and in the desired quality. The initially requested reports were produced with the foreseen accuracy. Additionally the SPMO, utilizing the experience gained by its cooperation with Prefecture representatives, had produced a series of reports that had been accepted by the Committee.

The foreseen targets were achieved rapidly and with success. After six months it had been decided to start collecting data from the Ministries and consequently from all Public companies.

The SPMO team had repeated the same methodologies and procedures that had applied for the Prefectures. After an adaptation period and in order to operate in an efficient way, the SPMO had been divided in two groups taking into account each team member behavior and needs. One group was responsible for the prefectures and the other one for the Ministries. For each group a leader had been appointed.

After year 2000 and with the continuous efforts of the SPMO, the SPMS gained credibility at the Council of Ministers, despite the disputes created inside and outside the government. The data that were managed covered approximately 54.000 projects for a total budget of approximately 45,00 billion €, collected from 7.500 various offices (K. Simitis, *Politics for a Creative Greece, Polis*, 2005).

The SPMO team had been gradually reduced till the final “transfer” of responsibilities to the Ministries of Public Works and Internal Affairs. In the above Ministries no SPMOs had been foreseen. From what we personally know the system is out of use.

4. Results

For the first time, Greek Public Sector introduced Projects & Programme Management Methodology and Tools. The main results were the following:

- Data from the totality of Projects had been managed in a homogeneous and efficient way.
- A common language and a common way of reporting had been established.
- Prime Minister's briefing on the handling of issues had been supported.
- At Council of Ministers level, support for the development of Council forward agenda had been achieved.
- Disputes on data reliability had been eliminated reserving Council's time for discussions of broader strategic issues.
- Stakeholders gained credible and timely reports, based on reliable data.
- The top-down, bottom-up communication had become more direct and precise.
- Government Projects expenditure program could be measured and monitored continuously at an aggregate level.
- Became possible to evaluate one organization, sector, category of projects and geographic area while at the same time comparing them with other similar ones.
- Timely recording of deviations and possibility of focusing on the causes from different angles, managing real data had been achieved.
- The legislative work of the government had been supported in the law definition phase as well as how its application is evolving.
- The personnel involved at all levels perceived the feeling that is part of an integrated work process, which ultimately increases system's transparency and efficiency.

5. Conclusions

Remarkable economic and technological changes are changing the world around us at an incredible pace. This process can either create serious problems to any type of organization, or the organizations have to accept the challenge and take the necessary actions. Governments, as all other types of organizations, have to increase efficiency and credibility.

We are indeed proceeding towards a computer society which will enable us to work on details while having available an enormous volume of information. At the same time, we must not be distanced from the goals of the "whole" whether it is called company, country or non-profit organization. These goals however cannot but be continuously transformed following a dialectical means of communication with the external and internal environmental of each organization.

Projects & Programme Management Methodologies and Tools applied in the correct way can give spectacular results and contribute to satisfy the needs mentioned before. Especially for the government sector the Prime Minister who is the key stakeholder, has to support the creation of a SPMO at Council of Ministers level, since a PMO can succeed only if it has the authority and autonomy required to get the job done. Positioning is the most critical aspect because establishes

its degree of authority, acceptance, adoption, and autonomy – and, thus, its “ownership” of the responsibility for establishing, distributing, and supporting project management best practices within the organization.

Nothing is going to be lost! We have just to be patient! Actually Greece is preparing a Standard regarding “Managerial capability of organizations implementing projects of public interest”. For the preparation of this standard has been utilized the experience gained implementing the SPMO and the SPMS. All public organizations executing projects co-financed by the European Union must obtain their certification according to the previously mentioned standard.

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Panayotis Agrapidis is a senior program and project management consultant based in Greece. Since 2004 he has been involved with creating and supporting Portfolio, Program and Project Management Systems for various types of organizations, including Municipalities (Athens, Psychiko, Ano Liosia, Neo Psychiko), Private Companies (Intrakom Telecom, Elliniki Technodomiki), Public Companies (Greek Power Company, Greek Petroleum Company) and the Ministry of Public Health. During 1996 – 2004, he supported the Prime Minister's Office in Athens, creating and operating a "Strategic Projects Management System"; involving all ministries, regional governments and public companies; collecting and elaborating data from 7.500 public offices; coordinating at government level 54.000 different projects, with a total budget of €47,87 billion; improving the efficiency in the utilization of Public and European Union funds; and supporting the organization of the Olympic Games. In 1987, Panayotis joined Impregilo SpA, the largest Italian Civil Engineering Contractor, during the execution of construction projects like Second Bosphorus Bridge & Kinaly – Sakarya Highway (1 billion USD – Istanbul Turkey), Kouris Dam (Cyprus), Beira Port (Mozambique) and New Esna Barrage and Hydroelectric Project (Nile – Egypt). He also gained experience in the Petrochemical field with Snamprogetti SpA in their Milan headquarters (1991 – 1993), during the execution of the Arak Petrochemical Complex Project (2,5 billion USD, Engineering & Construction Project – Iran). In 1991 as Project Controls Manager, he was responsible for the Project Schedule and the coordination of the activities of the Bu-Attifel LNG Project. This was company's first ISO 9000 certified project. During the same period he participated in the design and implementation of the Company's Project Management Systems and Procedures, used for coordination and management of all of the company's projects. In 1995 he implemented the Project Management Office (PMO) of Asprofos Engineering SA and was responsible for Project Controls on Natural Gas Projects and the Aspropyrgos Refinery Revamping Projects. Panayotis was coordinator of the National Standards Institute (EAOT) team EOE2 for the creation of Greek National Project Management Standards, and participated in PMI's Standards Program for the preparation of the "The Standard for Portfolio Management—Second Edition". He has a MSc in Civil Engineering from the University of Catania, Italy (1985) and a Diploma in Scientific Studies from the Italian School of Athens (1978). He is a certified Civil Engineer & a member of the Technical Chamber of Greece, the Greek Association of Civil Engineers, and the Project Management Institute. Email: fiap@ath.forthnet.gr.