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Project Management and Senior Managers:
A Russian Perspective

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Abstract

This short essay discusses the status of professional Project Management (PM) in Russia today and some problems with its spreading, mainly the role of senior managers and the need to increase attention to Strategic Project Management within PM methodology. The author does not pretend to be a pioneer in raising this problem. The point is that the problem still exists and is rather sharp for many PM application areas. Some proposals to overcome the difficulties, based on experience of International Development Organizations, are made. The author hopes that the problems under consideration are common for other countries and the discussion will be helpful for the PM community.

1. The status of PM in Russia and shortcomings of PM methodology

The demand for PM in Russia is great. The major driver of it is stable and fast growth of the national economy with the rate about 7% per year.

The good thing is that PM in Russia is growing rather fast. There are two principal professional PM organizations, active within the country. These are the Russian Project Management Association, named SOVNET, and a few chapters of the American-based Project Management Institute (PMI). SOVNET is a member of the International Project Management Association (IPMA) and supports IPMA's PM approach, as well as IPMA's PM Competence Certification System.

Both SOVNET and the PMI Russian chapters are growing with a good speed in number of carried out professional activities, such as seminars, symposia, training, consulting, certification, etc. For instance, the whole number of PM professionals, certified for qualification by SOVNET, last year grew by 50% and now has reached about 1000. There are two nation-wide professional PM magazines, and a network of academic institutions and consulting companies providing PM training and consulting. Support on the side of business and authorities is growing.

On the other hand the spreading of PM in Russia still is low if compared with the need for it. This author's observations show that a majority of managers dealing with project management on all levels of organization's management both in business and public services do not know about the existence of PM Associations and PM as a professional discipline. The reasons are a weak financial and organizational ability of Russian PM Associations to popularize PM, and lack of governmental and corporate support.

Another serious obstacle for spreading PM is that many top managers, who are familiar with PM, are skeptical of it and believe that PM ideology is narrow and not completely

relevant to real PM practice. In particular, it does not enough fit with senior manager's duties and functions during the preparation and implementation of their projects.

to some extent this situation is caused by the current state of PM practice and methodology. Historically, for decades, Strategic Business Management, carried out by senior managers, and Project Management, carried out by project managers, were considered as two separate business disciplines.

From this point of view, Project Management is focused on the most efficient and effective implementation of a project, determined by Strategic Business Management. This old thinking is still popular among many senior managers. Unfortunately some definitions used by modern PM methodologies support this wrong imagination of PM. For instance last definition of Project Management, given by IPMA ICB3 says [1]: «Project Management (PM) is the planning, organization, monitoring and control of all aspect of a project, and the management and leadership of all involved to achieve the project objectives safely and within agreed criteria for time, cost, scope and performance\quality».

From this definition some one may conclude that defining project objectives is not a task of Project Management. This is a discouraging fact for senior managers as defining project objectives is one of important task and duties of those in project life cycle. Similar observation can be made regarding some others definitions of Project Management, still in use.

The observation above is not only a shortcoming of current PM methodology from senior manager's point of view. That is right that in the face of increasing global competition of business and following the real practice, last decade PM community realize the importance of strategic aspects of PM and few innovations were introduced into PM methodology. Among these are Portfolio and Program Management, PM Maturity model, Strategic PM model and others. The need to consider PM as a holistic, integrated system of skills and processes, applied over the entire project life cycle was stated in a number of publications, for instance [7]. More detailed story of last PM problems and development can be seen, for instance, at Hiroshi Tanaka's classic paper [2], or at the recent paper by David Pells [3].

The innovations above aim towards the integration of project management with business (or organizational) elements, linking organizational strategy with projects through project portfolio management (PPP), program management and project management. One result of this is realizing the fact that in real life the Project Management is divided at least in to parts, which are Strategic Project Management and Operational Project Management. These are carried out by different groups of managers. Strategic Project Management, generally, is the responsibility of senior managers-sometimes members of executive board, sometimes at some lower level. Organizational form can be a portfolio board, steering committee, project board, etc. Operational Project Management is the responsibility of a project managers with a traditional understanding of this term as a person responsible for implementation of the projects according with defined deadline, budget, required quality and to the satisfaction of the key stakeholders.

Some PM standards and textbooks, for instance [4], indicate following tasks of Strategic Project Management:

- project selection and if necessary their timely abandonment,
- the approval of the final project definition (specification),
- the allocation of priorities for individual projects,
- important priority changes,
- approval or rejection of substantial changes to objectives during the projects,
- appointment of project managers,
- mediation in conflicts between project managers and line managers,
- to be a power brokers who support the introduction and development of a project management concept.

Here a few remarks should be made. The above list of Strategic Project Management tasks is very approximate to real life. For many cases the major duties of senior managers regarding projects are much wider and include among others proper analysis of the organization's problems, getting financing funds, finding sponsors, partners, key specialists. Senior managers also works hard to provide a necessary support by governmental authorities, NGOs and mass media, etc.

The senior manager's results in these activities very often determine the fate of the projects to be implemented, and their objectives, scope, restrictions, etc. It is important to note that generally the whole process described has an iterative nature. Many senior managers understand the growing need for close integration between the preparation and implementation phases of projects.

Unfortunately current PM methodology still offers very few options for senior managers to overcome the challenges mentioned and sometimes offer nothing. For instance, SOVNET's National Competence Baseline (NCB), which follows IPMA ICB2, practically does not include words on project objectives definition, project selection, strategic Project Management and other topics mentioned above. Hopefully the situation will be changed in the near future with the new edition of SOVNET's NCB. Last IPMA's International Competence Baseline 3 (ICB3), with the whole number of elements as many as 46, includes only a few elements directly connected to Strategic Project Management. This author believes that this proportion does not correspond with the current role of Strategic Project Management. Attention to it should be increased within PM standards and textbooks. Particularly, it could be relevant to introduce Strategic Project Management as an element of ICB and NCB.

2, Logical Framework Approach - a tool for senior manager's role in Strategic Project Management

In the light of the above it makes sense to have a look of other sources of experience in Project Management. One of these is experience of International Development Agencies like the World Bank, European Commission, USAID, many Governmental agencies and others.

These have a rich experience in preparing and implementing a great number of projects in different areas and countries.

To manage projects these organizations for years have used the Logical Framework Approach (LFA), which appears to be rather helpful. The duties and functions of the staff of the Agencies above during project preparation and implementation are very close to PM duties and functions of senior managers at business and public service. LFA is focused on topics like organization's problems and analysis of interested parties, defining a project objectives tree, major actions and resources needed, defining the key indicators of project progress and success, risk analysis. LFA is aimed to help with making one of the major strategic decisions - whether the project should be implemented or not and how it should be monitored at the strategic level in case of a positive decision. More detailed description of LFA may be seen, for instance, at [5]. Therefore LFA may be considered as a helpful tool for senior managers who are involved in carrying out functions of Strategic Project Management in many areas of business and public service. Definitely LFA does not pretend to replace other PM methods and should be considered as a complement to it, but it is particularly relevant to senior managers dealing with Strategic Project Management.

Conclusion

Current PM Methodology in many cases is still not completely relevant to the needs of real practice. Particularly, it does not fully fit with the role and functions of senior managers engaged in Strategic Project Management, with the need for close integration of preparation and implementation phases of project life cycle. Attention to this should be increased within PM standards, textbooks and popularization activity of PM professional Associations. Particularly, it could be relevant to introduce Strategic Project Management as an element of ICB and NCB models. The Logical Framework Approach (LFA) may be considered as one of the helpful tools for senior managers, for carrying out functions of Strategic Project Management in many areas of business and public service.

References

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