

## *Managing Change*

### *Delivering Growth*

#### **Editor's comment**

MBH Management's continuing investigation into leadership qualities of Australian project managers culminates in the release of our survey results. We had 23 respondents with the average organisation size of 28,000 employees ranging from companies with 50 employees to multinationals up to 180,000. The winner of the free course of their choice was Andy Horsfall of Fujitsu Australia, Congratulations Andy and thank you to all those who attended.

The results are interesting and confirm some of the assertions we have been making; namely that line management are yet to understand the project management function and that project communication by project managers is inconsistent and often lacking. However, it also threw up some interesting counter points. It appears that consistency of method is greater than we thought with 83% of respondents working with a standard methodology. The other interesting points was that most of these methodologies were developed in-house and that PRINCE2 was not adopted by any of the people surveyed. Read on to see the rest of the results and some conclusions we have tentatively drawn from them.

## **Background**

This survey was developed to investigate the leadership qualities of project managers across Australia. To do this, we designed the survey around the 7C's of leadership listed below:

- Courage of your convictions
- Commitment to people
- Compassion and humility
- Curiosity, daring to challenge
- Communication
- Creativity in problem solving
- Consistency of method

Added to this were the conclusions of Neil Whitten's articles in the PMI Network journal that we summarised as:

- Don't expect management to understand project management
- It is the exception rather than the rule that a sponsor or senior manager will undermine a project
- Most senior managers are looking to grow and want their business to be a success
- Everyone is looking for the project manager to take charge
- Project managers get a weak backbone when they give up
- Project managers are leaders and leaders are teachers

When making these statements and designing the survey, it was assumed that the project manager being considered was a senior project manager responsible for delivery of entire projects and therefore responsible for all elements of that delivery. This probably should have been made clear in the preface of the survey and we appreciate respondent's comments around the confusion. We also recognise that the e-mail version of the survey contained some consistency errors. We clarified with each respondent who raised the confusion to ensure we had the correct response. Where clarification was not obtained we excluded the response from the results.

## Approach

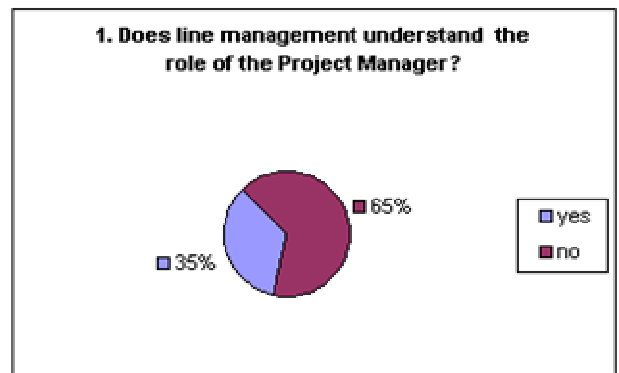
To test the 7c's and the statements above, MBH designed a 9 question survey. This survey was sent to MBH contacts as well as posted for one month on the MBH website <http://www.mbh.com.au>. MBH received 23 responses to the survey. Many of the respondents belong to large multi-national organisations, with the average number of employees per company being 28,000 and the largest business having 180,000 employees worldwide.

When designing the survey, MBH was hoping for 50 responses, receiving less than half this number, the range of possible results with a confidence interval of 90% is large. With this in mind, conclusions drawn are tentative at best, and we plan to repeat the research with a new survey in 12 months time to see if there is any change in responses.

## Results

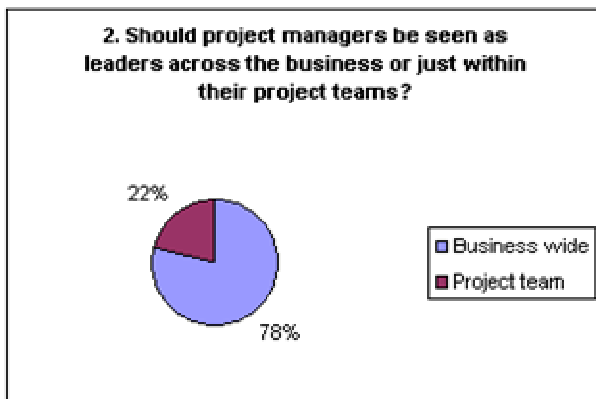
### Question 1

Question 1 was a direct test of Neil's assertion that you can't expect management to understand project management and that project managers must teach the organisation project management principles if they are to be successful. 65% of respondents agree that line management do not understand project management. We believe this is strong evidence that the project manager must take on an educational role in their organisations.



### Question 2

Question 2 tested the type of leadership expected of project managers. The expectation appears to be that project managers should lead across the business. This is consistent with Neil Whitten's statement that people are looking to the project manager to take charge. This is also consistent with the change elements that are created when implementing projects and that need for the person responsible for delivery to be visible and responsible for the communication of that delivery.

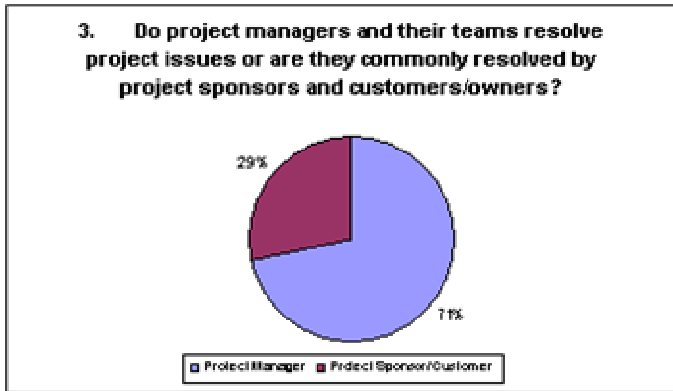


It is logical to flow from this result that a project manager's commitment to people on the team and to the business in general would need to be high for this level of business wide leadership to occur.

### Question 3

This question was aimed at discovering whether project managers had the courage of their convictions, were self aware and would be creative in problem solving. If issues are resolved by constantly reverting to the steering committee or project board rather than within the team, then the project manager is acting as a collator of issues and administrator of project documentation.

Thankfully, the majority of respondents believe that the project manager resolves issues with their team. However, with 29% stating that project sponsors are used to resolve most issues, there is still significant room for improvement.



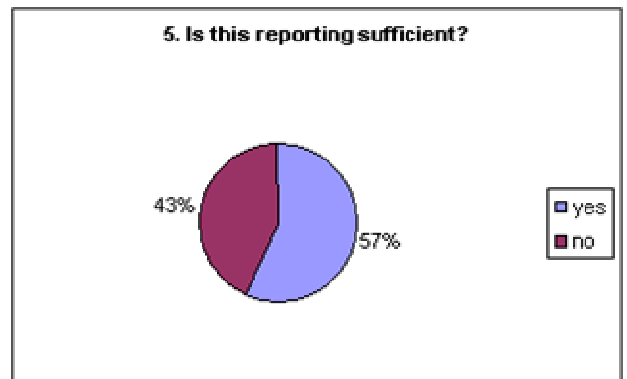
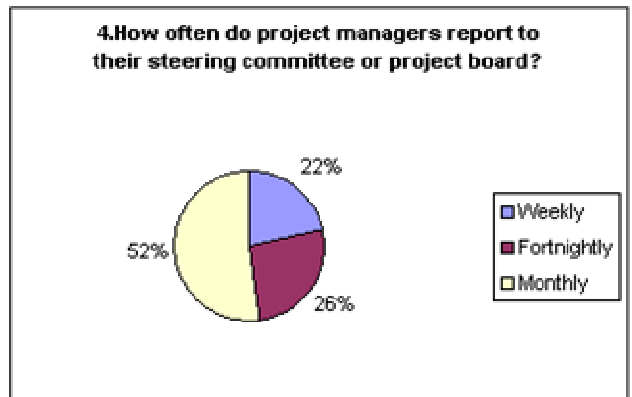
### Question 4 and 5

These questions look at communication by project managers. This C is crucial for successful project leadership and the results do not bode well for project managers. The size of the organisations responding leads us to believe that the projects being run are large. With this assumption, MBH believes that project managers should communicate frequently and effectively to the sponsors and project boards.

This is one area where MBH differ from the PRINCE2 method of reporting by exception as we believe that reporting should cover more than just issues but should be aimed at keeping the sponsor and board energised in their role of facilitating the cultural change.

To prevent this reporting becoming just part of the bombardment senior managers receive, MBH believes that Project Managers need to be innovative in their approach to communication. It's OK for communication to be verbal and the standardisation of progress reports is not always the best method.

Perhaps these standard progress reports can be kept to the monthly frequency with other forms of communication in the interim. We believe that the high level of respondents who believe that reporting is at times insufficient is more evidence that the innovation and creativity required in project communications is not being met.



### Question 6

It is difficult for project managers to implement a project and to lead an organisation to adopt the change if they are not given responsibility for project awareness. Even if awareness is gained through communications from a senior user, project customer or sponsor, it should be up to the project manager to ensure that it happens and to measure its success. Without this responsibility, project managers will focus on delivery to the neglect of monitoring the effect of

what they are delivering. The 39% of organisations where project managers are not responsible for this awareness are putting at risk the change being successfully adopted.



### Question 7

This question was aimed at the opportunity to lead and the potential maturity of project management within the organisations of people that responded. Typically, smaller companies can only afford and can get away with part time project management.

Larger companies must not only have dedicated project managers but they must create the environment for them to lead. This includes giving them a forum to discuss project issues with their peers (also known as a home), giving them a career path and the support to actually allow them to lead. The response tends to point to these factors being present with only 30% of respondents having part time project managers and most organisations adopting a standard project management methodology. Our next survey in 12 months will test how many companies have career paths outlined for their dedicated project managers.



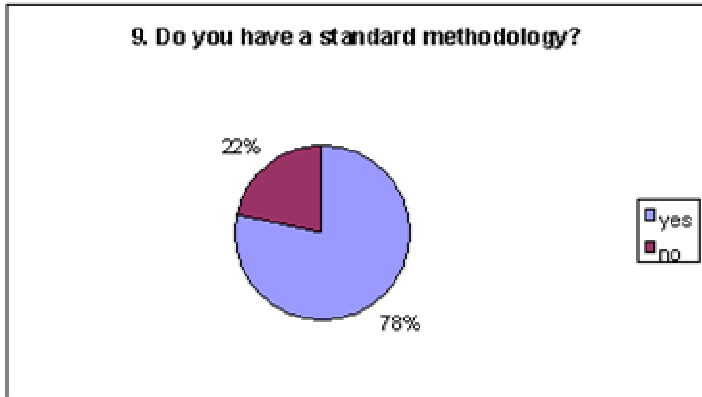
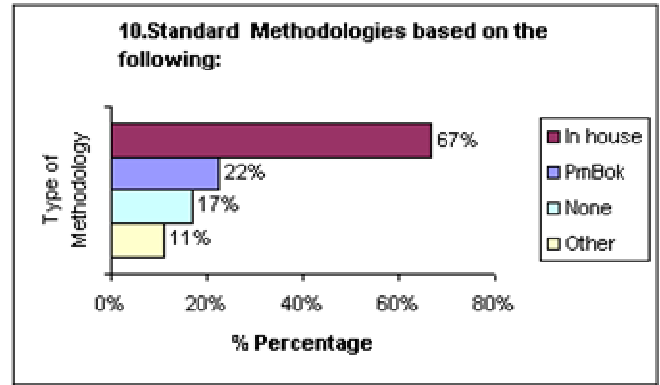
### Question 8

Change management practices are the most valuable when trying to lead people through a projects implementation and when gaining buy in to the outputs being created. It has always interested us at MBH that the PMBoK does not contain any elements of organisational change management. We believe change management should be a function of the PMBoK. MBH also believe that project managers should carry out stakeholder analysis, create stakeholder action plans and use facilitated workshops to create buy in.



### Question 9 and 10

The results of these 2 questions were very surprising to us. 78% of respondents have adopted a standard project management methodology in their organisation and of that 78%, 61% have developed their own in-house methodology. The fact that so many organisations are using a standard methodology means that project managers are at least being given the methods to provide consistency on their project.



There is nothing that undermines a leader more than lack of consistency. The fact that so many of these methodologies have been developed in house leads us to believe that organisations feel there projects are unique. They therefore feel justified in spending the resources and time developing their own methodology rather than adopting a generic methodology like PRINCE2, Method1 or Managing by Project.

### Other respondent comments

Aside from comments regarding the confusion around the way the email survey was constructed, we also received some interesting other comments. Some of them are quoted below.

“The frequency of Steering Committee meetings is directly related to the importance of the project and where the project team is at in terms of the project's life cycle.” This is an excellent point and is central to both the Managing by Project and PRINCE2 methodologies. Meetings with the steering committee and project board should be on an exceptions basis. This does not mean that they should not be kept aware of progress.

As mentioned above, it is important for the project manager to be innovative in their communication techniques and ensure that the project board is aware of progress and reminded of the projects existence as they may know of things that the project manager does not which can directly affect the project. Typically, Sponsors and senior users are trying to get across several projects at once as well as maintaining their business as usual work. This can lead to communication back to the project manager being missed. One example an MBH project manager experienced was a sponsor who forgot to advise the project manager in a change in strategic direction by the business. This change meant that a quality level that was previously required was no longer required. The project manager was trying to resolve issues around obtaining a quality level that was no longer required.

In answer to the question are project managers responsible for project awareness across the organisation? “Are they currently - No, a Portfolio (Programme) Manager is responsible for this. Should they be – Yes.”

Once again the seniority of the person responsible for project delivery (ie: the project manager) is being undermined by the newly created role of programme manager.

"These questions get worse, designed by a student (with no real-world experience)" completing the survey "as part of their thesis."". Thanks for that, we appreciate constructive feedback.

MBH carries out research and offers its results for free as an attempt to improve the capability of Australian business practices. We understand that the questions were very high level and were open to interpretation. It is why our conclusions are always provided with a caveat that further information is required. We do feel that it is better to have some community input before making concluding statements and it was with this in mind that the survey was designed. If anyone would like us to research specific questions regarding project leadership or any other topic for that matter, let us know. We'll attempt to do better next time!