

EXPERT SERIES

The "Expert Series" is a collection of articles, papers and writings by PM Solutions' associates and other industry experts that provides insight into the practice and value of project management.

Creating and Sustaining a PM Culture

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IN THE RUSH TO IMPLEMENT PROJECT MANAGEMENT, some organizations are implementing large-scale training programs, hiring project management consultants, and setting up project offices. Still, they are not seeing the results they had expected. The reason is simple—they have not created the environment necessary for project management to grow and flourish. What is a project environment and how can you create one? It's not easy, but it can be done. Here's how.

Most organizations are vertical bureaucracies. Project management cuts across this vertical structure, placing authority and accountability for project results in the hands of a project manager. This can be a painful process! Just try wresting power away from functional managers. Obviously, shifting power from a vertical hierarchy to a cross-functional, temporary organization takes a little foresight and preparation—nothing less than an organizational culture change.

In the project management context, this entails establishing a whole set of new behaviors, starting at the top. In a project culture, functional managers provide resources to project teams. The project managers themselves must be empowered, via a written project charter, to make decisions, secure resources, and deal directly with the customer. Management must create a project management methodology that defines the project life cycle and process, right down to what is required, when it is required, and how it is done. A complete set of instructions, forms, templates, and tools is necessary to ensure consistent, repeatable performance across the organization. A training program, tailored to the new methodology, is necessary to teach and reinforce use of the methodology. Outside consultants may be required to diagnose and correct existing problems while future project managers are in training. And, most importantly, senior management must require consistent application of the methodology and reward successful project behaviors.

Guidance on Creating a Project Culture in Your Organization

In "Creating a Climate and Culture for Sustainable Organizational Change" (Organizational Dynamics, Spring 1996), Schneider, Brief, and Guzzo list six steps to implementing "total organizational change." It is useful guidance to those who are involved in creating a project management culture.

1. Ensure the organization is prepared to handle a major organizational change. If the organization's management is not trusted, any attempt to change will be treated with skepticism. If you have ever heard the following statements where you work, you are facing an uphill battle: "This is just the flavor of the day;" "this too shall pass;" "this will last about a year then we'll be into something else;" "this is just like TQM- here today, gone tomorrow." These statements reflect distrust in the organization's leadership.

Change will be difficult in this organization. Ask the following questions before implementing widespread change:

- a) Is employee morale high?
- b) Does the leadership have a history of successfully implementing major changes?
- c) Is management known for tackling tough decisions and doing the "right thing?" If the answer to these questions is yes, change will be embraced.

If the answer is no, management must be consistent and plan for resistance. Constancy of purpose will overcome skepticism in the long run.

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2. Is the proposed change consistent with the existing organizational culture? If decision making is centralized, if the organization is a traditional vertical hierarchy, if communication is primarily up the chain, and if conflict is escalated rather than resolved locally, the change will require significantly more time, effort, and attention. If, on the other hand, the organization has already spent a lot of time and effort establishing a team-based culture, the change will be accepted much more readily.

3. Plan the change in as much detail as possible. This is where creation and deployment of a project management methodology, and establishment of a project management office, come into play. Specify why the change is necessary-what is threatening the current organization and why the proposed change will defeat the threat. Spend time and money developing the methodology, processes, policies. Make it clear to people that they will receive training, will be expected to implement the new practices, and will be rewarded for doing so. Communicate, communicate, communicate. Going half way with this step will lead to disaster.

4. Ensure that the reward system is structured to motivate employees to focus on implementing the project management methodology. People are smart. They figure out what the organization rewards and that's what they do. Management must reward good project behavior and discourage ad-hoc approaches. For example, if the new project methodology requires risk plans, and management never asks to see a risk plan or even asks about the top risks and associated response strategies, people will stop addressing risk. They will return to their old ways, with predictable results. This implies that senior management knows what is in the methodology-not always a valid assumption. This can be cured with a oneday "PM for Executives" course.

5. Allocate resources to maintain the new system. As with any system, maintenance of a project management system is part of the total system life cycle cost. Some time during the change to a project culture, a project office should be set up to help implement the change and to actually carry out many project duties. The scope of the project office can vary between an informal group of passionate individuals to a collocated, permanent organization. Either way, the project office is responsible for updating the methodology, providing expert help to project teams, tracking and reporting project status, even managing projects for the more formalized project office. This takes resources-and it's not really optional if you want the change to last.

6. Monitor the progress and effectiveness of the change to the organization. Adjust as necessary. This step is fundamental project management practice. Performance must be monitored and variance eliminated to bring about lasting change. Periodically check to make sure the change is taking effect, that you are getting the desired behaviors and project results. If so, pat yourself on the back for a job well done. If not, check to see where the resistance is or lack of support exists and take action to get back on track.

Project management will improve cost, schedule, and technical performance. It will lead to satisfied customers. But it does fail in some organizations due to the lack of a project management culture. When we speak of changing the culture, we are talking about changing the set of shared beliefs, values, and expectations that exist within the organization. A change as basic as this must be undertaken methodically. Follow the six-step plan described here to dramatically improve your chances of success.

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