

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.

Power to the People

People are the key to your success in the new economy

by Debbie Bigelow Crawford, PMP, PM College

No, I’m not a “flower child.” This is not a “blast from the past.” While I did grow up in the ‘70s and wore flowers in my hair, I am not suggesting we go back there. What I am suggesting, however, is that we, as leaders of corporate America, recognize the power of our most valuable asset: our people.

We are living in a knowledge economy. A paradigm shift has occurred. The majority of our workers have moved from concrete tasks of “making things” to more abstract work based on “thinking problems through and designing solutions.” The “make and sell” model of the industrial age has turned into an “information and service age model.” This model emphasizes relationships and intellectual assets rather than the so-called “hard” assets of the Industrial Age.

As a result, organizations are changing. They are beginning to view knowledge as their most valuable strategic resource and bringing knowledge to bear on problems and opportunities as their most important capability.

Three interconnected features characterize the knowledge economy: people, change, and projects. Change initiatives are always projects, projects almost always create change, and “change agents” are people.

The idea of managing by projects has been taking hold in many industries. High tech, health care, pharmaceuticals, and services such as banking and telecom are the engine of the knowledge economy. They rely on projects and project management for competitive success. Project management relies on people. Thus, people are the key to success in our new economy.

To optimize the benefits of project management, organizations need to completely change their approach to the hiring and training of their people—particularly their project personnel. They must recognize project management as a profession and aggressively develop the knowledge, skills and competency of their project management staff. This will result in individual skills linking to organizational roles and, ultimately, to organizational objectives. This is actually forcing human resource departments in most companies to undergo a shift of developing human resource processes around competency and projects. New job descriptions are emerging; new career paths are being established. Now comes the question of how to measure the performance of workers in this new knowledge economy? And how do you reward them?

In contrast to the past, this emergent approach to performance management focuses on supporting people to manage their own performance. Performance expectations should be defined collaboratively and planned at the outset, with ongoing monitoring and review of progress. The focus is on enhancing performance and developing capability. This process must be linked to the defined competencies for the role. Then organizations must link the role competencies to organizational objectives through the selection of relevant performance metrics. Best practice performance management systems translate the company vision into clear, measurable outcomes that are shared throughout the organization and with customers and stakeholders. Aligning organizational, project, and individual performance helps to strengthen the project management culture; facilitates continuous planning and review; and provides tools for business systems.

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James Lucas, author of *The Passionate Organization*, provides several tips for aligning people and strategy for high performance:

- » Prepare the company for long-term success by nurturing the growth of individuals and the culture.
- » Involve everyone in strategy formation,
- » Work for seamless integration of management.
- » Ensure employees' values are not violated.
- » Do not waste people.
- » Speak the truth and eliminate barriers to hearing it.
- » Power is a means, not an end. Share it.
- » Centralize around vision, not structure.

A new book, *Optimizing Human Capital with a Strategic Project Office*, just hit the marketplace and finally integrates human resource and the project management profession. The authors contend that organizations can transform themselves by making the most of their people. In this knowledge economy, organizations must review how they hire, retain, measure, train and professionally develop their workers.

In summary, people are your power. They run the projects, they initiate change, and they create and fulfill the vision. Treat them well. Invest in them. Build inspired teams and provide them with a work environment where their intrinsic motivation can flower.

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