Investing in project performance

by Professor J. Rodney Turner

This is the first in a series of monthly articles in which Prof. Rodney Turner looks at building enterprise-wide, project management capability. This brief article sets the scene for coming months.

Figure 1

Figure 1: The foundation of enterprise project management capability - project management tools and techniques

Figure 2

Figure 2: The goal of enterprise project management capability - aligning projects with corporate strategy

Figure 3

Figure 3: Enterprise project management capability as the link

Figure 4

Figure 4: Project management competence

Figure 5

Figure 5: Project leadership

Figure 6

Figure 6: Holistic enterprise project management capability. (This figure derives from one originally produced by Lynn Crawford and Terry Cooke-Davies and is used with thanks)

It is common in project management to focus on the management of the single project (Figure 1) and the tools and techniques available to achieve a successful outcome. A successful outcome entails delivering a product that will work to satisfy a defined purpose, at a time and a cost that make the investment in the product worthwhile. That is important; it is the foundation of effective project management. However, it is not the whole picture.

The defined purpose will be required by the parent organization to deliver corporate objectives (Figure 2). The parent organization will have objectives for achieving beneficial change, such as developing new products, exploiting new markets, introducing new technology. The project and its products will help the organization achieve them. The project may contribute to corporate objectives on its own, or it may be part of a series of projects, a programme or portfolio of projects, which together help deliver corporate strategy. That isthe goal of effective project management: to deliver benefit to the parent organization. To achieve that, the project and effective project management must be aligned with corporate strategy.

It is enterprise project management capability that links the two together, that enables us to align the delivery of individual projects, and the tools and techniques used to the achievement of corporate goals (Figure 3).

Enterprise project management capability is the essential link in the chain between individual projects and the tools and techniques used in their management, and the achievement of corporate goals, and the delivery of strategic benefit to the parent organization.

Enterprise project management capability also comprises other things. On the one hand there is the project management competence of the organization and the people within the organization (Figure 4):

● The organization needs to develop its own project management competence and maturity

● It needs to develop the competence of the people within the organization

● To help with both of those aims, the organization needs to manage it project management knowledge, its knowledge of how to effectively manage projects

● Developing a project management community within the organization can also help

● Effective human resource management is the linchpin, the keystone, that holds that together. The organization also needs to adopt human resource management practices that will ensure that competent people are employed and developed by the organization, and made available to projects for their successful delivery.

On the other hand the organization also needs to ensure appropriate control and governance structures exist to support its chosen projects (Figure 5):

● Governance structures are required for individual projects, to ensure the required product is defined, that its functionality and purpose are understood, to ensure that appropriate mechanisms for its successful deliver are adopted, and appropriate people assigned to its delivery, and to ensure that it is managed to a successful conclusion

● Governance structures are also required to ensure that an appropriate environment is created in the organization to support the successful delivery of projects

● That requires top management support for projects to show that the chosen projects are important to the organization and that effective project management is important to the organization

● The linchpin or keystone that holds that together is effective leadership and effective communication on projects.

It is my intention over coming months to describe the elements of this model, to show how organizations can develop a holistic approach to enterprise project management capability. I will describe each element and present a series of check-lists so that readers can determine the capability of their own organizations.

It will start next month by considering what it means for an organization to be competent at project management, and then describe innovation and learning practices in organizations, and how to develop the project management maturity.

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