

# Adapting Project Management to a Non-Project Organization

Jeff Oltmann



Session CON02



PMI  
Global Congress  
NORTH AMERICA 2009

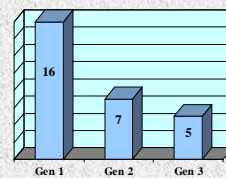
\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

## SiTech's Business Problem

1. Brutal global competition
2. 24x7 factory operations
3. Requires constant enhancements to factory
4. Improvement projects failing
5. Fix or die



Worldwide Consolidation



PMI  
Global Congress  
NORTH AMERICA 2009

\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

# Agenda

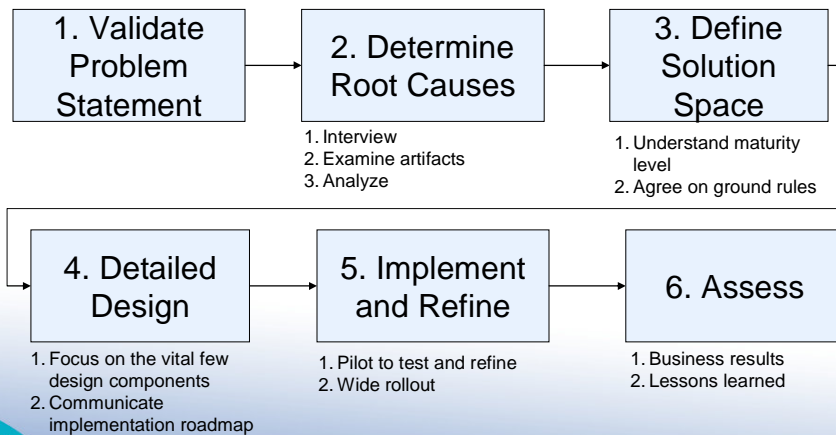
- Approach
- Preparation and diagnosis
- Designing the solution
- Implementation and rollout
- Results and lessons learned



PMI  
Global Congress  
NORTH AMERICA 2009

\*PMI® is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

# Engagement Approach



PMI  
Global Congress  
NORTH AMERICA 2009

\*PMI® is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

1

2

## Prepare



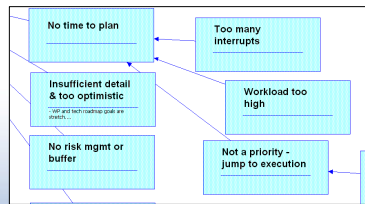
Validate Problem Statement



Interview



Examine Artifacts



Analyze



PMI  
Global Congress  
NORTH AMERICA 2009

\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

## SiTech Root Problems

- |  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. Ad-hoc project planning</li> <li>2. Infrequent, subjective project monitoring and roadblock removal</li> <li>3. Management didn't prioritize work and say no to some projects</li> </ol> | <ol style="list-style-type: none"> <li>4. Difficulty managing urgent interrupts from ongoing factory operations</li> <li>5. Unclear roles, responsibility, and accountability regarding projects</li> <li>6. Culture of firefighting</li> </ol> |
|--|---|

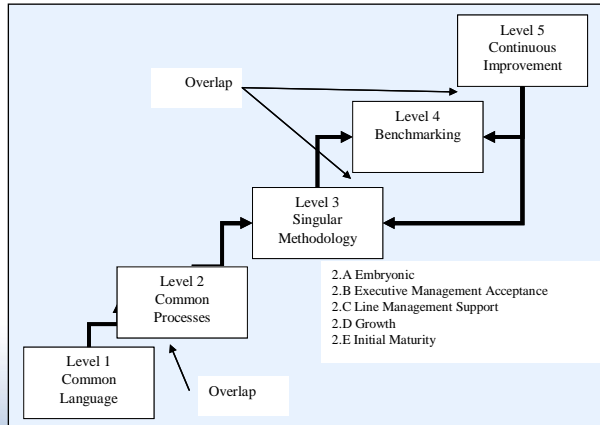


PMI  
Global Congress  
NORTH AMERICA 2009

\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

# 3

## Define Solution Space



1. Evaluate maturity gap
2. Understand organizational capacity for change
3. Agree on guiding ground rules

Exhibit 3: Kerzner's Project Management Maturity Levels



PMI  
Global Congress  
NORTH AMERICA 2009

\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

## SiTech Solution Space

### Ground Rules

1. Consider whole system
2. Simplicity is king
3. Antibodies will attack
4. End users must feel long-term "ownership" of all solutions
5. Require cross-functionality

### SiTech Maturity Level

#### pre-level 1

Fragmented PM Language and Protocols



Special Obstacle  
**Balancing operations vs. projects**

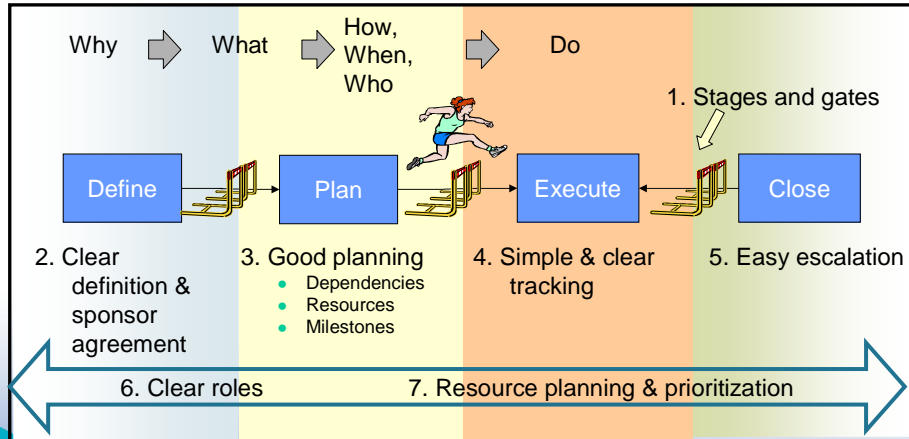


PMI  
Global Congress  
NORTH AMERICA 2009

\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

4

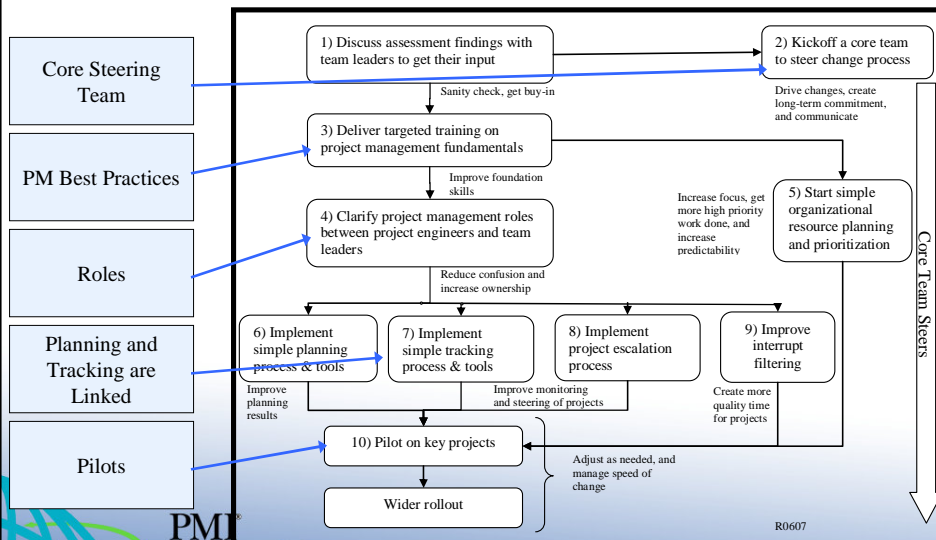
## SiTech's Design: Strong Focus on the Vital Few



PMI  
Global Congress  
NORTH AMERICA 2009

\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

## Communicate Using Solution Roadmap



PMI  
Global Congress  
NORTH AMERICA 2009

\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

# SiTech PM System: Framework Components

1. Simple four-phase waterfall lifecycle
2. Permeable, reversible gates with control checklists
3. Clear definition of key project roles

Complete the following checklist

Description	Person responsible for driving
<input type="checkbox"/> Kickoff is complete and critical mass of project team is on-board.	Project manager
<input type="checkbox"/> The seven planning questions have been answered in enough detail to make it likely that this project will succeed:	Project manager
<input type="checkbox"/> 1. What is this project creating?	
<input type="checkbox"/> 2. What tasks must we do to create that?	
<input type="checkbox"/> 3. What will it take to do each task? This includes estimates prepared by people who understand how to do the work and what the constraints are.	
<input type="checkbox"/> 4. How do the tasks fit together? This includes using a network diagram to review the relationships between predecessor and successor tasks.	
<input type="checkbox"/> How do we use the plan to control this project?	
<input type="checkbox"/> How do we communicate and report on the project?	
<input type="checkbox"/> How do we manage change?	
<input type="checkbox"/> How do we manage risk?	
<input type="checkbox"/> How do we manage quality?	
<input type="checkbox"/> How do we manage stakeholder expectations?	
<input type="checkbox"/> How do we manage the project's budget?	
<input type="checkbox"/> How do we manage the project's resources?	
<input type="checkbox"/> How do we manage the project's risks?	
<input type="checkbox"/> How do we manage the project's communications?	
<input type="checkbox"/> How do we manage the project's procurement?	
<input type="checkbox"/> How do we manage the project's legal and contractual issues?	
<input type="checkbox"/> How do we manage the project's ethical and social issues?	
<input type="checkbox"/> How do we manage the project's sustainability?	
<input type="checkbox"/> How do we manage the project's overall performance?	

Checklists in non-technical language prepare for gates

Approvals allow exceptions and procedure changes

### Approval to Proceed Through Gate 2

Check one of the four possible outcomes and fill in appropriate explanatory fields.

<input type="checkbox"/> Approved to enter <i>Execute</i> phase without exceptions. All <i>Plan</i> phase work is complete. Target date for completing Gate 3 (Acceptance Approved) is	
<input type="checkbox"/> Approved to enter <i>Execute</i> phase with the following exceptions. Follow-up actions must be completed by the dates shown. Target date for completing Gate 3 (Acceptance Approved) is	
Description of exception	Follow-up action and due date
<input type="checkbox"/> Not approved for these reasons. Retry date is	
<input type="checkbox"/> Cancelled for these reasons.	

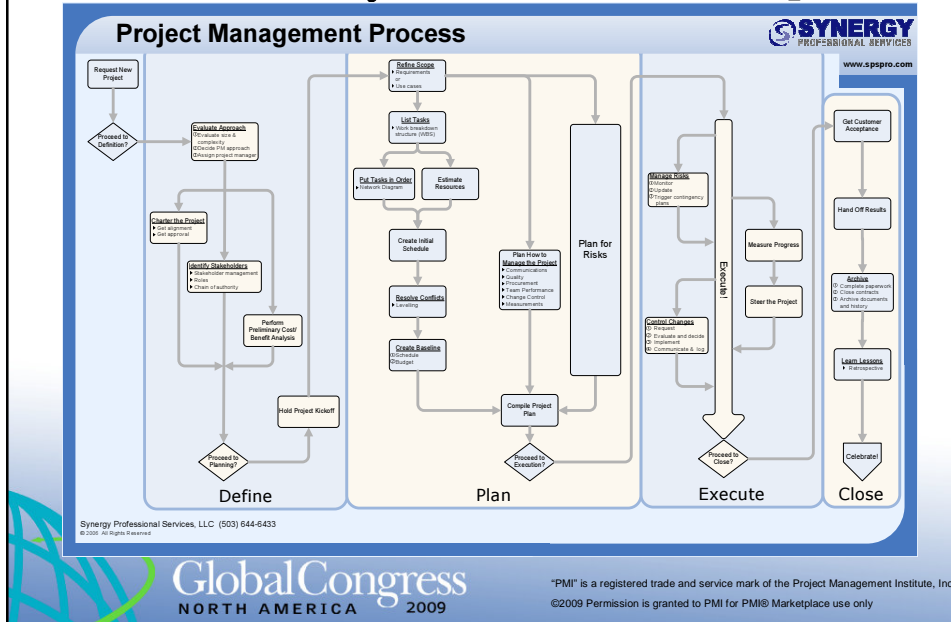
Signatures

Signature	Date
Sponsor	
Project Manager	

PMI Global Congress NORTH AMERICA 2009

PMI is a registered trade and service mark of the Project Management Institute, Inc. ©2009 Permission is granted to PMI for PMI® Marketplace use only

# SiTech PM System: Process Component



# SiTech PM System: Web Toolkit Component

## General

1. Overview of SiTech's PM process
2. Flowchart of steps for running a project
3. Exit checklists for all four phases
4. Instructions and forms for all gate approvals

## Define phase

5. Charter tool\*
6. Definition refinement tool

## Plan phase

7. Requirements management tool
8. Stakeholder management tool
9. Risk planning tool
10. Work breakdown tool
11. Schedule creation and tracking tool

## Execute phase

12. Progress reporting tool
13. Management dashboard for tracking portfolio of projects
14. Change request tool
15. Issue and action item tool
16. Checklists for hand over to operations

## Close phase

17. Retrospective tool
18. Archiving instructions

\* All tools include templates, instructions and completed examples

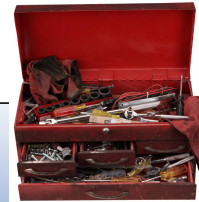


Exhibit 8: Content of SiTech's PM Toolkit



PMI  
Global Congress  
NORTH AMERICA 2009

"PMI" is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

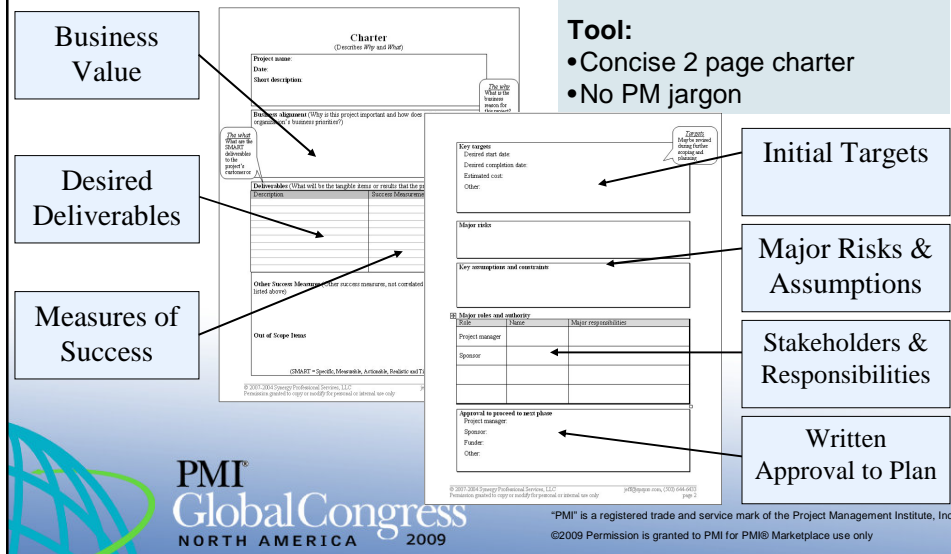
## Define Toolkit Example

### Purpose:

- Get alignment & authorization

### Tool:

- Concise 2 page charter
- No PM jargon



PMI  
Global Congress  
NORTH AMERICA 2009

"PMI" is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

# Plan Toolkit Example



**Purpose:**

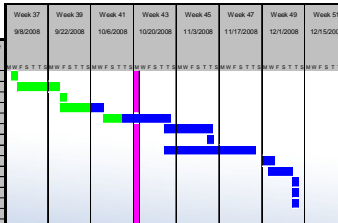
- Make basic planning easy

**Tools:**

- Visual techniques
- Excel-based schedule tool
- Basic risk planning

Move Project

Percent Complete	ID	Task Name	Forced Earliest Start Date	Duration	P1	P2	P3	P4	P5	Who	Comment	Start Date	End Date
100%	1.0	Start	9/1/08	0						Team	Kickoff party!	9/1/08	9/1/08
100%	2.0	Write a charter	10/1	1.0						Jon		9/25/08	9/26/08
100%	2.1	Analyze risks	2	2.0						Mary		9/25/08	10/8/08
75%	2.2	Write plan	10	2.0						Fred	Expect lots of arguments	10/9/08	10/23/08
25%	3.0	Design the new office layout	15	15.2	2							10/30/08	11/12/08
4.0	4.0	Route for review and markup	10	3.0								10/30/08	11/12/08
M2		New layout approved	0	4.0								10/30/08	11/12/08
5.1		Movers prepare for moving day	20	3.0						Movers		11/26/08	11/26/08
6.2		Move everything	2	M2	5.1							12/1/08	12/23/08
6.0		Settle in	5	5.2						All		12/3/08	12/9/08
6.2		Hold lessons learned review	1	6.0						Team		12/10/08	12/10/08
6.3		Party! To celebrate new digs	1	6.2						All		12/11/08	12/11/08
M3		Project Completed	0	6.3								12/11/08	12/11/08




**PMI**  
 Global Congress  
 NORTH AMERICA 2009

\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
 ©2009 Permission is granted to PMI for PMI® Marketplace use only

# Execute Toolkit Example

**Subjective Health Stoplights**

**Progress Tracking by Milestone Accomplishment**

**Tracking of Spending by Type**

SYNERGY Project Development Workbook

**Progress Report Template**

Project name: \_\_\_\_\_ Project Number: \_\_\_\_\_  
 Project manager: \_\_\_\_\_ System: \_\_\_\_\_  
 Date of the report: \_\_\_\_\_

**Overall Project Health**

Color: \_\_\_\_\_  
 Budget: \_\_\_\_\_  
 Schedule: \_\_\_\_\_  
 Risk: \_\_\_\_\_  
 Overall: \_\_\_\_\_

**Milestone Status**

Milestone	Original Plan	Current Status	Forecast	Details	Completed

**Current Cost Forecast for Total**

Cost Type	Approved	Forecast	Actual	Last Updated
Capital Expense				
Operational Expense				

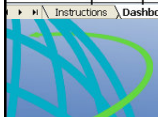
**Purpose:**

- Low-overhead progress reporting for individual projects
- Integrated view across all projects

**Tools:**

- Standard project status form
- Management dashboard

Project Title	Current Phase	Department	Pjt. Mgr.	Sponsor	Team	Definition (Date 1)	Plan (Date 2)	Execution (Date 3)	Date of Completion (Date 4)	Approved Plan	Forecast / Actual	Budget	Schedule	Scope	Overall	Comments and Recovery Actions	Last Updated		
Project Example	Execute	MET	J. Doe	F. Vorlikor	T. Arnold, J. Frank, G. Murphey, N. Chouhan, F. Friend	9/4/2007	A	9/26/2007	A	7/18/2007	F	9/3/2007	10/15/2008	Y	R	G	R	Schedule recovery will drop auto-update feature to spare two weeks of coding and testing time. There has been diverted to higher priority project; flipping her section of plan. Zinkov will cover	12/18/2007
Example 2	Define	ICM	M. Thrall	L. Zink, T. Gantz, R. Silkowsky, N. Tharp, F. Friend	6/9/2007	A	7/6/2007	F											


**PMI**  
 Global Congress  
 NORTH AMERICA 2009

\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
 ©2009 Permission is granted to PMI for PMI® Marketplace use only

# Close Example

**Instructions for a Project Retrospective**

**Purpose**  
Retrospectives help your entire organization learn. Everyone shares the accumulated experience of many people. Participants who they learned during the project, summarize it, and used improve future projects. Retrospectives (also known as post-mortem retrospectives) can make a huge difference in improving the organization over a relatively short stretch of projects.

**Steps**

1. Decide who will lead the retrospective and who will participate.
2. Gather preliminary information, including input from team members.
3. Move to prepare the project. There's a possible agenda:
  - Review the project's charter and plan, including major items from the project.
  - Review metrics (Achievable) vs. actuals measures.
  - Discuss team and budget against estimates.
  - Discuss what went well.
  - Discuss what did not go well.
  - Identify key findings.
4. Summarize findings in a report, list, or electronic archive.
5. Act on what you learned. Create action plans with owners on the key findings. Get management commitment to follow plans.

**Tips**

- Just do it! Retrospectives are extremely effective, and easy to do.
- Create an environment that is non-threatening, courteous, and safe. The purpose is learning, not blaming, it is to focus.
- Schedule input from a broad spectrum of team members and variety of roles. Include the people who will have to act on the results of your project.
- Cover both technical and non-technical areas of the project.
- Incentive actions are recognized, commensurate, and fair.
- Consider holding several small retrospectives throughout completion of key milestones as opposed to wait until the final retrospective will be held and your required accountability rather than waiting until the end of the project.

©2009 PMI (Project Management Institute), Inc. All rights reserved. This document is intended for personal use only.

**Purpose:**

- Learn Lessons
- Hand Off to Operations

**Tools:**

- Retrospective
- Check sheets

### Approval Checklist for Close Phase

Project name: \_\_\_\_\_  
 Project number: \_\_\_\_\_  
 Name of project manager: \_\_\_\_\_  
 Name of project sponsor: \_\_\_\_\_

Project managers use this checklist to verify that the project is or project sponsor approves this form, indicating that the project has completed.

Complete the following checklist

Description	Person responsible for signing
<input checked="" type="checkbox"/> A project retrospective was held to learn and document lessons from this project. The report has been filed in the electronic archives. Action plans have been created for the top lessons and owners have been assigned.	Project manager
<input type="checkbox"/> Any open tasks or unresolved issues have been turned over to other projects or owners.	Project manager
<input type="checkbox"/> Improvement tasks or work not implemented on this project have been forwarded on to a person or group that can act on them in the future.	Project manager
<input type="checkbox"/> Feedback has been given to vendors and contractors on their performance on the project.	Project manager
<input type="checkbox"/> Archiving is complete, including the project notebook, final invoices, capital lease notices, and contracts.	Project manager
<input type="checkbox"/> All "Close phase" documents have been checked into the electronic document repository for the project.	Project Manager
<input type="checkbox"/> The people or teams who received the handoff are doing OK and do not need the project team to remain active.	Project Manager
<input type="checkbox"/> The project team has had an appropriate celebration or the project's completion. Team members have been recognized for their participation.	Project Manager
<input type="checkbox"/> Project codes have been deactivated.	Project Manager

Summarize the results of this project. Did the project achieve all desired results? \_\_\_\_\_

Other comments: \_\_\_\_\_



\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
 ©2009 Permission is granted to PMI for PMI® Marketplace use only

## SiTech PM System

### Governance Component

*Governance* is a system of management across all projects that answers questions like these:

1. Who makes decisions?
2. Who has what roles?
3. Who reviews and resolves issues?
4. Who sets priorities?

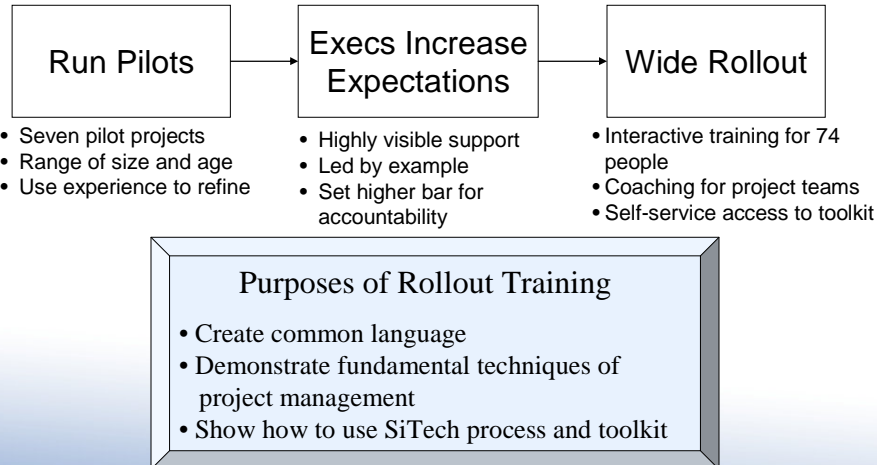
5. How is information about projects communicated, including progress measurement?
6. Who sets direction and approves things?



\*PMI is a registered trade and service mark of the Project Management Institute, Inc.  
 ©2009 Permission is granted to PMI for PMI® Marketplace use only

# 5

## Implement and Refine



# 6

## Assess

1. PM knowledge is widespread
2. Best practices are being used
3. More projects successful
  - On-time completions nearly doubled
4. Dramatic improvement in project definition
5. Project status is more visible
6. Communication has improved



## Lessons Learned

1. Project management will always be secondary to operations.
2. Start by building a common language.
3. Contextualize project management.
4. Pick battles carefully.
5. Everything is about organizational change.
6. The system is more important than its parts.
7. Technology comes last.
8. Strong and long-lasting executive sponsorship is required.



\*PMI\* is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

## End Point

- Project failures were not an option for SiTech
- Front line personnel collaboratively built simple but effective PM techniques



“Because projects differ from the ongoing operations of a firm, managing them presents a new set of challenges.”

Eric Verzuh



\*PMI\* is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only

## Contact Information

- Name: Jeff Oltmann
- Email: [jeff@spspro.com](mailto:jeff@spspro.com)
- Phone: 1-503-644-6433
- Session Number #CON02



\*PMI® is a registered trade and service mark of the Project Management Institute, Inc.  
©2009 Permission is granted to PMI for PMI® Marketplace use only