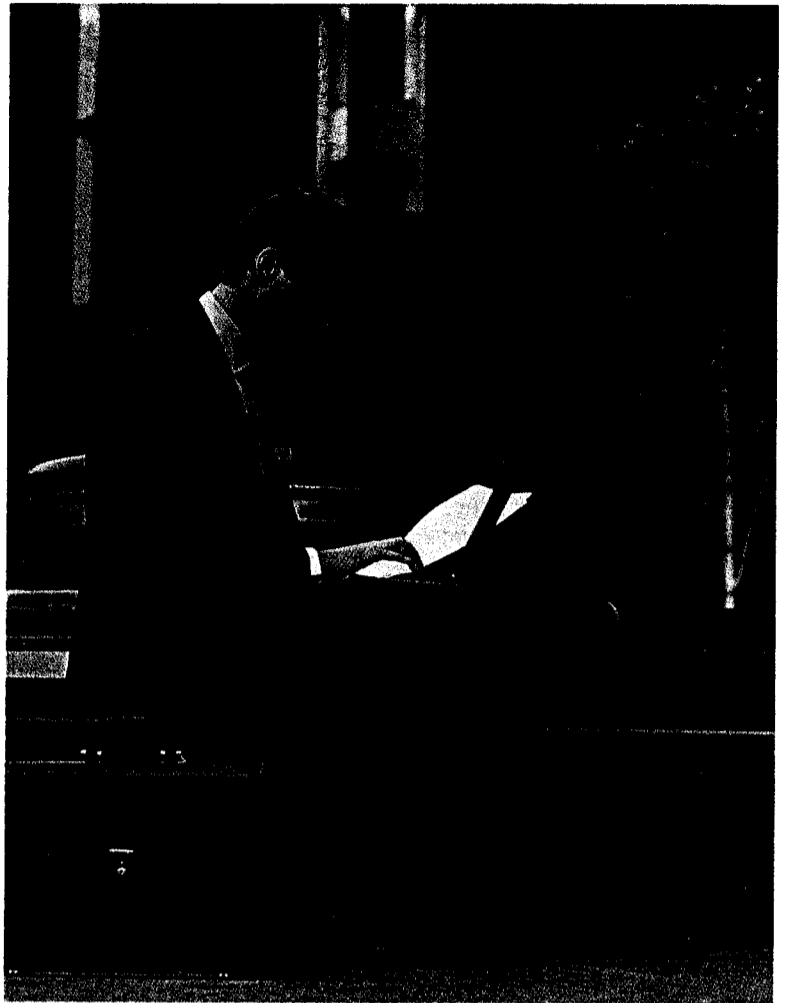


The "Next Generation" Project Manager

by Dominic Telaro



Increasing boardroom dissatisfaction with the results produced from technology projects means that project managers must respond with faster implementations, measurable benefits and quick ROI.

THE GROWING DISSATISFACTION with technology projects that fail to deliver the benefits expected, even after millions of dollars in expenditures has been widely reported. According to the *Wall Street Journal*, approximately 50 percent of all technology projects fail to meet chief executives' expectations. *Information Week* [February 16, 1998] quoted The Gartner Group, a noted research firm, as saying that 70 percent of these packages fail to be fully implemented—even after three years of work.

As we know, technology projects make up a large segment of the collective responsibility of project managers. While the statistics may paint a grim picture of the success rates of technology projects, by adopting a "Next Generation" philosophy and paying attention to some key considerations, project managers can better position themselves for delivering greater success with technology implementations.

Today's business climate often demands an increased emphasis on managing contractual professional services. In an environment where projects are often subcontracted to multiple external consultants, internal accountability is key to ensuring that objectives are being met and the potential drain on the corporate bottom line is minimized. For most mid-sized business operations,

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Managing in a Multivendor Environment

IMAGINE THIS. You are a project manager with a consulting firm and have just been assigned to help your client outsource their IT help desk to your company. The client has also engaged a Big Six consulting firm to reengineer their IT and business functions, a major telecommunications company has been hired to switch their long distance service from a competitor, and a major computer company is migrating the client's mission-critical mainframe software applications to a client/server environment. Oh yes, one more thing, the client sees no need for an overall program manager, has no in-house project management expertise, and wishes to manage each project and vendor separately.

Does this sound like pure fiction? Well, it isn't. In today's business world it is not uncommon for several vendors all with different areas of expertise and responsibility to be engaged at a client site. This type of environment requires unique skills and responsibilities of the project manager. In order to make the client successful, you must help the client manage you and to a lesser extent the other vendors. The success of each vendor should be measured by the success of the client's overall program, not the success of individual vendors.

While this task is difficult, it is not impossible. Three things can help in this process.

Attempt to have a program manager assigned. While the scenario described above calls for a program manager to integrate and control the various projects, how do you convince the client? You must sell the client on the benefits of a program manager. Find out what is important to the client. For example, are schedule control and predictability important? Would a standard reporting system across all projects be beneficial for communicating program progress?

The client may be convinced, but may assign a program manager from one of the other vendors. This would be preferable to not having a program manager at all. If your firm is not chosen, support the client's choice. Remember, the primary objective is to make the client successful. To do so we must check our individual egos at the door. Of course, there is the distinct possibility that the client will not be persuaded, but that does not relieve the project manager of the responsibility to inform the client.

Develop and maintain good relationships with the other vendors. If the client does not appoint a program manager it is even more important that the project manager develop and maintain good working relationships with the other vendors. While the client may wish to manage each vendor separately, a seasoned project manager knows the importance of interface management. The project manager should work with all the vendors for the good of the client. This includes sharing pertinent information when appropriate—information regarding schedule slippage or design changes, for example. In addition, the project manager should refrain from making disparaging remarks about the other vendors. After all, the client selected them and may take such remarks as a reflection on *their* judgment.

A word of caution is necessary: There may be times when the client will expressly state that individual project managers not communicate with other vendors on specific matters. If the project manager is unable to convince the client otherwise, the client's request must be honored.

Adopt a holistic approach. While as project manager you may only be assigned to one piece of the pie, you should maintain a holistic point of view. Specifically, the project manager should be aware of how his or her individual project fits into the client's overall strategy. While the client may not see the individual project environment as a program, the individual project manager should, and act accordingly. While trying to balance cost, quality and schedule for their individual project, the project manager should try to minimize any adverse impacts on the other vendors. A holistic approach will be recognized and appreciated by most clients.

IF YOU FAIL TO CONVINCE the client of the need of a program manager, don't give up. In order to make the client successful, as project manager you will need to continue to help them manage you and the other vendors. If the project manager fosters positive relationships with the other vendors, the chances of overall *program* success are greatly increased. ■

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however, this can present a real challenge to staff members who are assigned the task of project management on top of their everyday responsibilities. To meet the demands of today's fast-paced business environment, the "Next Generation" project manager must act as single point of accountability, gain trust and objectivity from a wide array of vendors, and identify and acquire the right mix of functional and technical competencies to get the job done.

More Than an Afterthought. Project management is a specialized area of expertise, not merely an afterthought to be assigned to people who are already overburdened by the day-to-day duties of their "real" full-time jobs. Yet, most organizations make the mistake of underestimating a project's complexity. For example, a team member who has been charged with project management duties at a mid-sized manufacturing enterprise may find that the role has become more one of "taskmaster," rather than one of ensuring a project's resources, budgets, and talent are aligned with business objectives.

Without synergy and accountability right from the start, the project manager's responsibility of herding a growing flock of subcontractors can be overwhelming. Coordinating multiple vendors requires a single vision. Without this key element, managing a project can be a frustrating and futile exercise that falls short of reaching measurable benchmarks and seldom yields a tangible outcome.

For example, mid-to-large-sized organizations generally use multiple consulting firms to manage complex and multifaceted projects. It's therefore conceivable that a specific consulting company will be assigned the task of managing shop floor layout; another set of consultants will be awarded shop floor control; another firm will be consulted for MRP, JIT or process control; and yet another hired for creating an order entry system. (For tips on managing multiple vendors, see sidebar.)

By maintaining a single point of accountability, a project manager can efficiently direct the efforts of multiple vendors, and, at the same time, maintain an enterprisewide viewpoint toward the project and ensure it is on track to deliver the expected benefits.

An Evolving Role. If projects are to succeed on time and on budget, the definition of "project management" must change. To achieve this, three variables must become integral to the project management equation: a single point of accountability; trust and objectivity from the external consultants; and a core set of competencies needed to optimize outcome.

Single Source Accountability. A "Next Generation" project manager must always manage projects with an eye on accountability toward the end result. This concept doesn't necessarily mean that one group does all. What it means is that one group is accountable for maintaining the strategic vision and commitment to bottom line that defines a successful outcome. A single point of accountability ensures that any and all groups selected to perform certain tasks conform to the goals and objectives that have been established and communicated by management at the project's inception. While there may be multiple implementation efforts under way, the mission is singular. As a result, implementation

time is compressed and undue redundancy is avoided.

Trust and Objectivity. A successful project manager demands vendor relationships and partnerships built on trust and objectivity. Service providers must be prepared to recommend strategies that make sense in the context of the unique business situation and offer the right blend of unbiased solutions. This forward-thinking type of consulting firm places the client relationship above all else and is committed to finding the most strategic mix of products and services that most closely match the customer's individual scenario.

A "customer-centered" focus means consulting firms remain committed to delivering what is best for the client, and are not motivated by profit for the consultant. There must be no bias to compromise the recommendation and selection of products and services. The project management consultant must be completely neutral, always placing the goals and objectives of the business enterprise first.

The Right Mix of Core Competencies. Without the right mix of functional and technical experience, even projects with the best-laid plans will fail. So often the human element is overlooked and the depth of the project team's talent becomes secondary to getting the project completed on time. Faced with looming deadlines, a typical project manager may suggest assigning more subcontractors to the task. However, consideration should be given to utilizing the right people with the most appropriate functional and technical expertise. Without assigning individuals with the right skill set, this approach can breed more problems than it solves. Costly delays can result and present an impediment to the entire process, ultimately impacting the bottom line.

BY COMBINING THE THREE powerful variables—single-point accountability, trust and objectivity, and the right mix of competencies—a "Next Generation" project manager will reap the rewards of a successful implementation: on time, on budget and meets expectations. ■

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