

PPM Only Works If It's Used Driving Adoption of Your PPM Solution

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For years, organizations have been working to gain control over their projects. They've collectively spent hundreds of millions of dollars and countless person-hours establishing methodologies, developing standards and metrics, and implementing complicated software. Yet despite the effort and resources invested in improving project management (PM), we're no closer to controlling the resulting projects.

WHAT WENT WRONG?

The problem becomes apparent when people in the organization wonder why they never really adopted the Project Portfolio Management (PPM) software they bought and the standards it supports. Much of this is because the cultural change that drives project management (PM) adoption and maturation has been under-managed. Without carefully managing the cultural change required to make PPM a success, the organization can't build its PM capabilities, nor execute those critical projects that move it toward its vision or "future state."¹

Effective change management also drives adoption of the supporting PPM software. PPM software is the steel beam that rests upon the foundation of your methodology and execution standards, and even if the foundation is strong, the building collapses if the beams fall down. This white paper outlines the road-blocks organizations face in ensuring their PPM solutions are actually adopted. It's written to help the PPM "champion," or the person charged with driving the adoption of not just the PPM solution but the bigger-picture initiative behind it.

FIRST...AN UNDERLYING ASSUMPTION

It's unfortunate, but PPM sometimes gets a bad rap because it wasn't the panacea organizations expected. But PPM can't succeed without the foundation provided

¹ Entrekin, Demian: "Future States", Innotas white paper, 2006

by methodology and standards. If your project processes are ineffective, a PPM software solution won't make them better. It will simply provide the means for your project managers to comply with ineffective processes. Don't blame the software because your garbage (useless data) going in gives you garbage (useless reports) coming out. This paper assumes you have a robust methodology in place already, and that data you wish to collect is the data you really need.

PICK YOUR PAIN

PPM initiatives fail largely for four interrelated reasons:

- 1. Lack of senior leadership** – senior managers aren't effectively engaged, don't drive compliance and don't lead the cultural change.
- 2. Under-developed management skills** – without applicable experience and training, middle managers and Project Managers don't understand the value and benefits of PPM.
- 3. Overly aggressive scope** – the organization "bites off more than it can chew" at the outset.
- 4. Onerous administrivia** – the methodology, accompanying standards and reporting requirements are so detailed and extensive, and add so little value, that no one wants to embrace them.

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Let's look at each reason individually, and what you can do to overcome these issues.

LACK OF SENIOR LEADERSHIP

The organizational sponsor, whether it's a C-level executive, a VP of Development or Director of the PMO, must be out in front leading the effort and cheering the team. If an organization's process calls for a phase review before moving into the next phase, the sponsors should advertise the report that monitors whether the reviews are being conducted, and measure their people on whether their projects are complying. Similarly, they must trumpet the benefits and tell their communities when average cycle time has gone down, average defects have dropped, or a challenging project has been brought under control through use of the organization's process. People deliver what will be reported upon, and only by diligently expecting and monitoring compliance will you come to see it.

At the same time, executive sponsors must be prepared to hear the bad news with the good. PPM implementations may point out projects that are misaligned to strategy, have unexpectedly lax oversight or significantly higher soft costs than anticipated. If the challenges aren't embraced as warmly as the benefits, the organization will never perform optimally.

Lastly, senior leaders must evangelize both the changes and the benefits up and down the organization. Few people can be expected to intuitively understand the benefits of PPM, and without understanding the benefits, the organization as a whole will not embrace it.

UNDER-DEVELOPED MANAGEMENT SKILLS

The challenge of poor management skills applies in two areas. Less "mature" project managers (PMs) unversed in lifecycle management don't realize how standards and project management tools make their

lives easier. Satisfied by managing the task list in Excel, they see standards as extra work that doesn't move the project closer to completion, and the technologies as Big Brother telling them how to execute with no understanding of the day to day challenges.

Why do PMs think this way? Interestingly, our experience shows it's more related to training than to experience. PMs often find themselves in the role because they execute projects well. Unfortunately, the most successful project-centric organizations understand that project managers don't execute projects... they manage the project's execution. This requires a broad skill set including planning, analytical, interpersonal and organizational skills you don't necessarily find in one person. For instance, we've seen PMs insist an end-of-phase review is a waste of time because 1) they completed all the tasks on the plan, and 2) the customer won't invest the time. Yet mature project managers know that phase reviews are critical to maintaining quality, managing customer expectations and building capital with their stakeholders.

- DO overcome the PM's skill shortfall with specialized training, but DON'T forget that experience is the best teacher. Don't take away the art of project management.
- DO give them structure by using templates that impose only your standard phases and milestones. This helps PMs begin to understand the interaction of budgets, estimates, resource time and resource cost at the phase level. But DON'T take these principles further down the work breakdown structure until they are ready to try it, and you're ready to support them in it.

More experienced PMs may resist adopting PPM software because they fear losing control. Good PMs know projects require a firm hand, and they don't want their decisions second guessed by people not involved in the execution.

- DO communicate to experienced PMs how the software enhances their control over the project lifecycle. DON'T expect them to adopt it simply because they should know better.
- DO train them on how certain features enhance that control. DON'T assume they're all PM theorists who passed the Project Management Professional certification with 100% scores.
- DO remember PMs are creative people. DON'T let them believe you want to take the art out of project management.

The second area of management shortfall is with the people who manage the project managers. Regardless of their background (project management or line management), managing PMs requires a basic understanding of how to keep projects under control. While PPM solutions can easily report the actual time or money invested in a project, if the manager doesn't understand what "budget vs. actuals" really tells them, or worse, doesn't even require the data to be maintained, then the standards become binderware and the software becomes a boon-doggle.

Therefore...

- DO plan to train the PMs' managers on the metrics, why they were selected, how they are calculated, how to generate the reports and how to interpret them.
- DON'T expect them to find this interesting, easy or intuitive. Also, don't expect them to see the value in it immediately. This is often something PPM champions must drive over time.

Finally, people who manage PMs need a basic understanding of resource management. As the person who helps PMs remove managerial roadblocks, they can't help identify, develop or allocate resources without knowing how they impact projects.

OVERLY AGGRESSIVE INITIAL SCOPE

The single most important item to consider in implementing a PPM tool is your methodology. You must at least identify the critical project data points to report and the phases under which you'll structure your tasks if PPM will be successful.

- DO take this opportunity to refine and clean up your methodology.
- DON'T use a PPM implementation as the time to deploy a new methodology. The cultural change that accompanies new methodologies is significant, and it's far more important to digest that change before taking on more via a PPM system.

Thinking they were being cautious, some organizations have approached PPM thinking, "we're only going to roll out time entry and not project scheduling" or "we'll just deploy standard deliverables, but not the rest of project management." While there are some limited aspects of PPM that can be "broken out" separately, by and large all aspects are required for success. In terms of software, it's the degree to which you leverage features in each module (or "feature set") that determines your scope, not the decision whether to include a module at all. For example, you may want to deploy time entry and not project or resource management. But if you don't use the resource module, you won't know who spent the time being entered. And without a project, there's no entity against which to charge that time. Because so many aspects of PPM are interrelated, managing scope doesn't mean limiting the functionality you deploy; rather, it means using it only to the degree needed to deliver value without depriving adoption.

- DO plan on using at a minimum the project "profile," task scheduling and team assignments.

- DO start with your phases, milestones and key deliverables in a template, but DON'T go down to significant detail. Rather, let your PMs add the detail they need to manage the execution. This gives the PMs control over how they use the software, lets them adopt it at their own pace, and still gives you the cross-project reporting you need to oversee projects in flight.
- DO enter time against phases or key deliverables, but DON'T enter it against lower level tasks unless your Project Managers have the experience to manage at that level of detail.
- DO add every resource to the database, even if they won't be "users" of your system. But DON'T create a detailed profile for each resource unless you will be searching for available people based on that profile.
- DO insist on storing project documents and/or links to artifacts in the PPM software, but DON'T insist on managing project issues there until you're ready to digest more collaboration.
- DO present only the fields you truly need to drive quality, generate metrics and make smarter decisions; hide the rest. DON'T overwhelm your people. They will perceive complexity if they see a feature you only intend to introduce in a year or two. Some organizations will use budgets (top down financial expectations), but hide estimates (bottom up financial expectations) until they can manage them effectively.

However you decide to scope your implementation and regardless of the product you choose, keep in mind there are small bits of several modules needed at the outset, and that you can dive deeper as your organization matures.

ONEROUS ADMINISTRIVIA

Project Managers are busy people, and to them tracking data for which they see no value is worthless. So it's important to weigh an executive's desire for a report against the PM's time to maintain data for it.

- DO invest time upfront with senior management to define the information they really need to make smart decisions. Engage your Business Analysts in this effort. But DON'T immediately recreate all your current reports because they're what people are used to. You'll be surprised how many reports you can do away with before anyone notices.
- DO think about reports that show senior management things they haven't realized. Proactively create a prototype and walk it around for feedback.
- Don't be surprised if you need to train senior management to understand what the report tells them.
- DO deliver those two or three key reports upon which senior management will come to rely. As users learn about those reports, the data reported will be maintained and the tool adopted.
- DO train the Project Managers, Program Managers or Portfolio Managers on the sources for these key reports, their meaning and their implications. This helps them to manage their projects so as to provide the results you want... which takes us back to the first DO: DO invest time upfront to define reports that really matter.

Maintaining data for reporting is only one aspect of administration for the PMs. There's also project set-up and schedule development.

- DO insist that team members be assigned to at least the phase level on the task list. DON'T assign them lower unless it's absolutely necessary.

PMs can still control their plans without putting specific resources on specific tasks for specific data ranges. Unless you have a huge project with a dedicated scheduler, you're very unlikely to ever report such detail, so don't bother capturing it.

- DO assign project roles in your templates, but DON'T assign specific resources. We've seen companies that have a team of eight or ten people, any three of which may be assigned to a new project. Thinking they would save effort, they assigned the entire team to their template project. Since this template is used to create every project they undertake, the entire team is assigned to every project. As a result, they have no visibility into who is really working on what, or what anyone's availability really is.

With so much useful customer-focused information in one place, there's a temptation to let the PPM system expand into a de facto CRM system. This raises two risks: 1) you increase unnecessary data entry for the Project Managers, and 2) you lose accountability for data accuracy once the project ends.

If the data isn't used to select projects, maintain control over your lifecycles or report your metrics, you can reasonably question why you're capturing it.

IT CAN WORK

A PPM system can present an adoption challenge. But there are lots of things you can do to increase buy-in from all of your stakeholders.

- Help your senior leaders understand their roles in PPM's success. Communicate early and often about their needs, and about what you need from them to make your initiative successful.
- Plan to develop your organization's management skills.

In particular, plan to train Project Managers and managers above them, in three important areas:

1. What the software can do for you (PPM theory)
2. How the software does that for you (applied PPM)
3. How to make the software do it for you (user training)

All three aspects must be addressed if you're to fully leverage your PPM solution.

- Reel in your initial scope based on your organization's capabilities.
- Work to understand why someone is asking for something, whether it's a report, a time entry policy, or maybe a new field. Every time someone requests something, it will almost surely mean more work for the Project Managers.

Your PM team is the one group whose support you absolutely cannot do without. By recognizing that implementing a PPM solution is more about cultural change than technology, you can drive the adoption you need to select the right projects, keep them under control, provide high value metrics and improve your customer satisfaction.

ABOUT INNOTAS

Innotas develops and provides the only on-demand Project Portfolio Management solution for IT organizations. With Innotas, IT organizations can:

- Capture all the demands facing IT
- Select the right mix of projects
- Manage resources, projects and applications more efficiently