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People, Places, Projects... A New Frontier

Australian Institute of Project Management

# The Management of Project Management

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## Presentation Outline

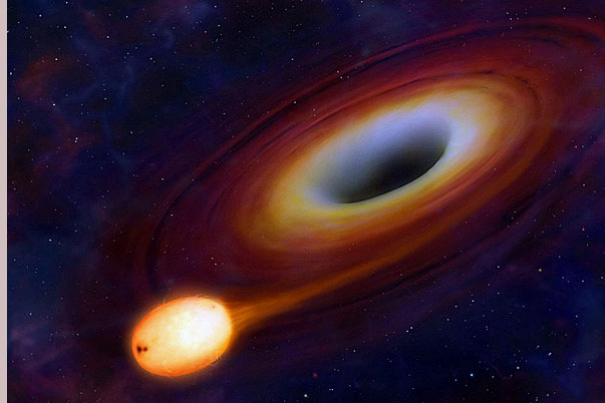
- Introduction
- The Concept of Project Governance
- The Concept of value
- The Concept of Project Delivery Capability (PDC)
- Conclusions

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## Introduction



There is a massive governance & management  
'black hole' destroying stakeholder value

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## Introduction

- 90% of the time, the concept of 'project failure' is executive buck passing
- Organisation's managements **choose** not to manage their projects well
- But successfully managing 'projects' is still only 1/2 the battle!
- Value creation needs an end-to-end view!
- **Failing to invest in these capabilities is a governance failure**

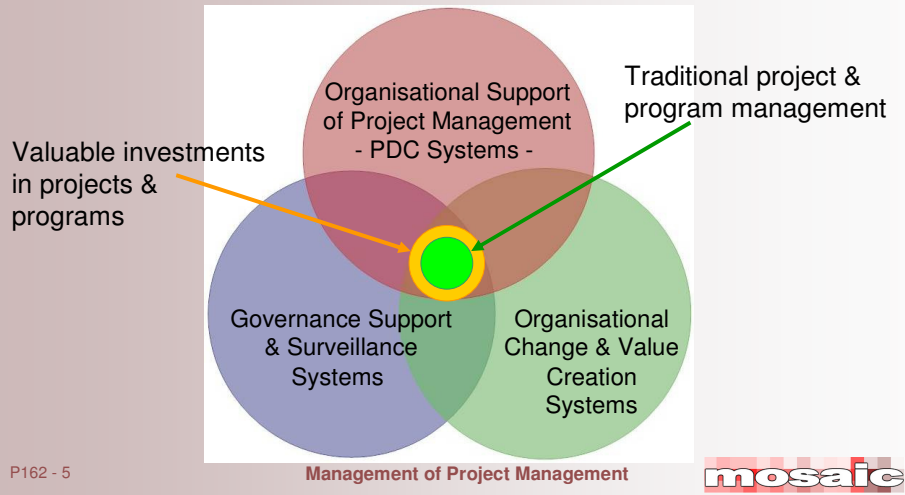
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# Introduction

- The interlinked elements of the 'management of project management'



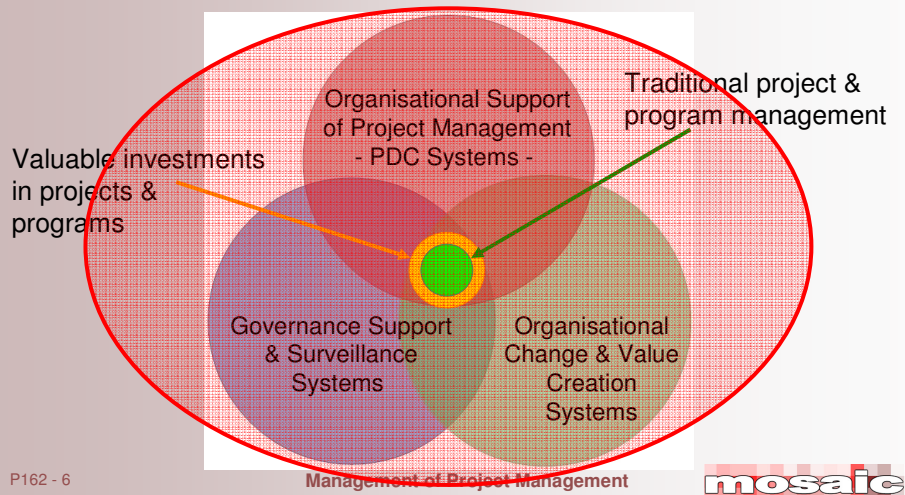
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# Introduction

## The sphere of 'project governance'

Download the White Paper:

[http://www.mosaicprojects.com.au/WhitePapers/WP1073\\_Project\\_Governance.pdf](http://www.mosaicprojects.com.au/WhitePapers/WP1073_Project_Governance.pdf)



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# Governance – Option 1

- All difficult decisions are ‘Governance’
- All oversight roles are ‘Governance’
- Sponsors and ‘Control Boards’ are ‘Governance’
- Proponents: project managers working in IT and government

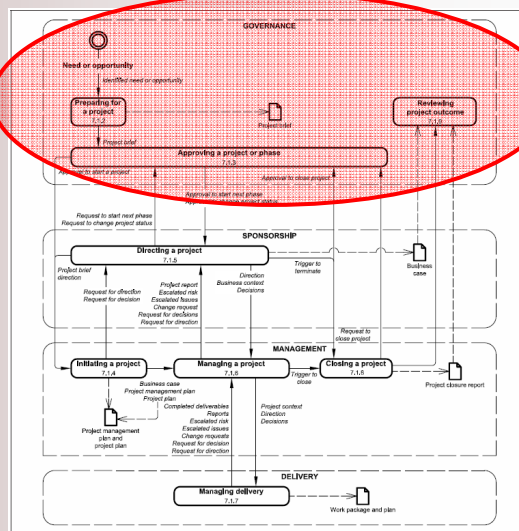
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# Governance – Option 2

- BS 6079: 2010
- Portfolio Mgmt. = Governance
- Other Mgmt. = Management



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## Governance – Option 3

- Governance =
  - Concept / Vision / Mission / Attitude & Ethics
  - Strategic objectives / Directions / Oversight
  - Reflection / Asking the **'right questions'**
- Management =
  - Systems / Processes / Functions / Structure
  - Decisions and Prioritisation
  - Outcomes / Answers
  - Surveillance and Discipline

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## Governance – Option 3

- Proponents: OECD, Stock Exchange, APM

Governance is the means by which objectives are defined & achieved, not the mechanism

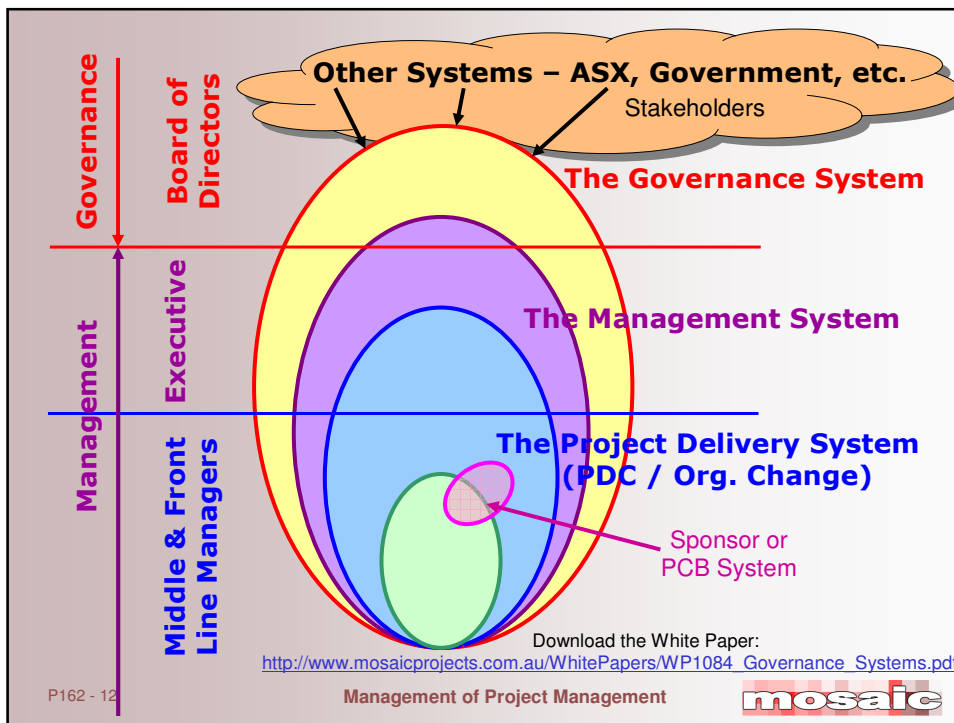
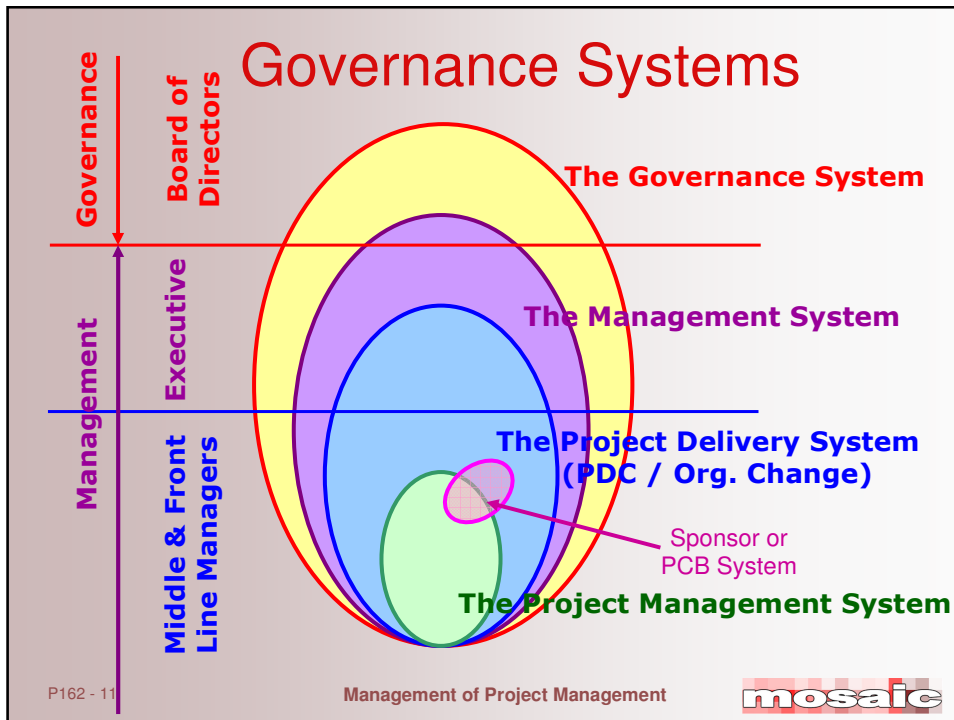
**Boards Govern!**



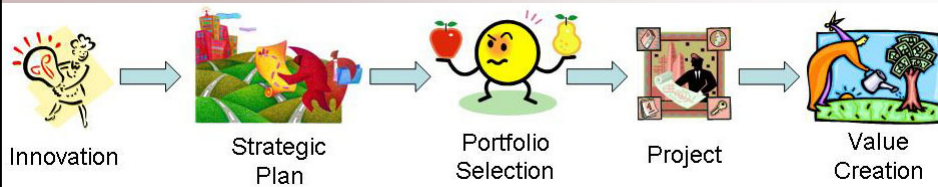
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# The concept of value



- Creating value is 'straightforward'
- The systems needed to create value are not!

Download the White Paper:

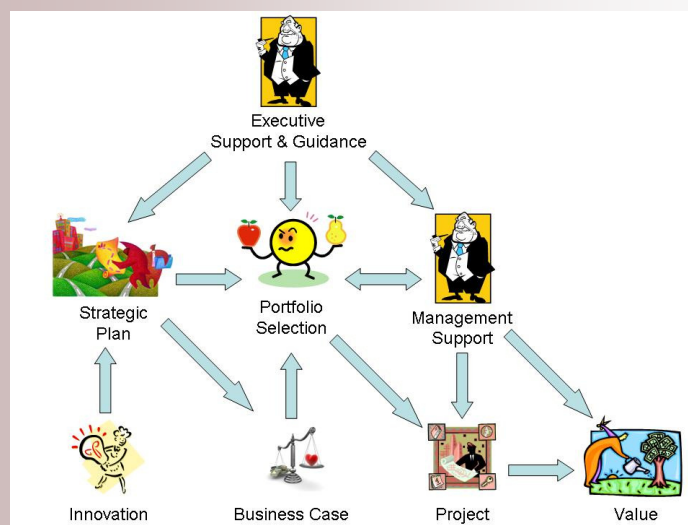
[http://www.mosaicprojects.com.au/WhitePapers/WP1085\\_The\\_Value\\_Chain.pdf](http://www.mosaicprojects.com.au/WhitePapers/WP1085_The_Value_Chain.pdf)

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# The concept of value

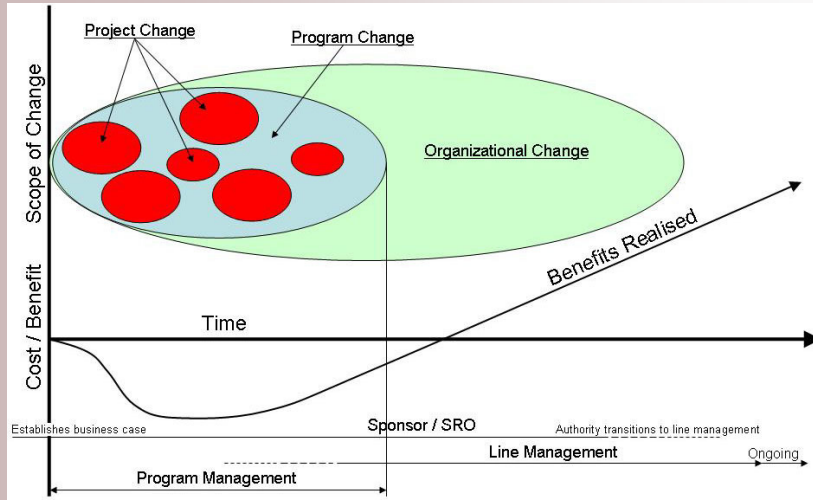


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# The concept of value



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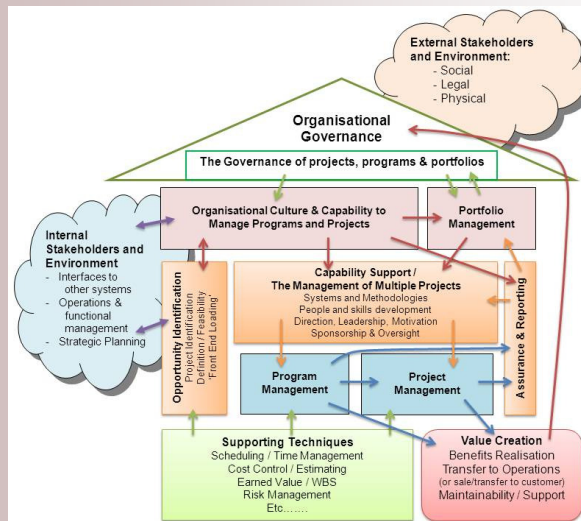
[http://www.mosaicprojects.com.au/WhitePapers/WP1078\\_Change\\_Management.pdf](http://www.mosaicprojects.com.au/WhitePapers/WP1078_Change_Management.pdf)

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# Project Delivery Capability



Download the White Paper:

[http://www.mosaicprojects.com.au/WhitePapers/WP1079\\_PDC.pdf](http://www.mosaicprojects.com.au/WhitePapers/WP1079_PDC.pdf)

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## Conclusions

- Most organisations fail to realise the full value from their projects and programs!
- Two elements are missing
  - An effective Project Delivery Capability to support project management
  - An effective Value Delivery Chain
- Not investing in these is a governance failure, but:

## Conclusions

- **As a profession we are not helping!**
- We don't have a concept for PDC
  - There is no recognised name
  - There is no academic research
  - There are no recognised standards (DIN draft standard 69909 excepted)
- We confuse governance and management (particularly in IT)

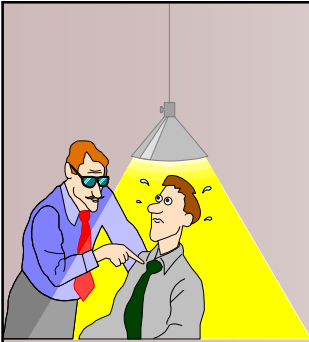
## Conclusions

- We lack clout at the governance level of most organisations
- We make excuses for executive management failure
- We focus on the '*Iron Triangle*', in preference to value

## Conclusions

- 16 years ago Martin Cobb stated his paradox: ***“We know why projects fail; we know how to prevent their failure - so why do they still fail?”***
- **It's time for a change!**

# Discussion



## The Management of Project Management

- Questions please
- Contact details:
  - Email: [patw@mosaicprojects.com.au](mailto:patw@mosaicprojects.com.au)
  - Additional resources:  
[http://www.mosaicprojects.com.au/Resources\\_Papers\\_162.html](http://www.mosaicprojects.com.au/Resources_Papers_162.html)