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Product Review: How Executives Can Sleep Soundly at Night

By Dennis Bolles, PMP

What keeps executives awake at night? In my 25 plus year career as a certified project management professional with extensive experience in the information technology, automotive supplier, mechanical engineering, architectural and construction services, office furniture, and project management consulting industries I have asked this question of numerous executives and have dealt with the issues behind the question myself in my various roles of responsibility. Everyone had their respective 'hot buttons', however one issue was common to all of us --- having enough information about resource utilization and costs that is readily available, accurate, concise and useful on which to base decisions.

Information is the lifeblood of an organization!

Global competition, increasing market share, reducing cost, and improving profits all in the pursuit of producing better products and services faster through the use of high technology solutions are just a few of the driving forces that are causing organizations to seek better ways to improve time-to-market, cost-to-market, and quality-to-market. The use of computers in business as the primary information management and communication tool is as commonplace to day as the telephone.

The explosive growth of computer hardware and software technology has come to the rescue. Businesses can now gather and store vast amounts of information, however in many cases this new capability has also hindered the effective use of this information to manage work and make sound business decisions. One of the factors that hinders effective use of information, critical to the decision making process, is the lack of, or limited, capability to integrate the data between the various business systems and third party applications in use to day. Another issue is gathering accurate information in a timely fashion and then having the ability to easily consolidate and analyze this large pool of information without printing dozens of standard reports or submitting a

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Inside

Lessons Learned: Creating an Environment for Successful Projects

By Kelly Talsma, PMP

Lately, I have been doing research on organizations that have been able to successfully make the transition into a project-based organization. In the book entitled "Creating Environments for Successful Projects", Randy Englund and Bob Graham discuss the characteristics that are common among these companies and in a four-part Lessons Learned series, we will look individually at four characteristics that set these companies apart.

Companies that foster an environment for successful projects have developed a project selection and prioritization process that allow projects to be prioritized across all functional groups.

Before addressing how this works, I do want to cover some of the problems that are associated with NOT having a project selection/prioritization process.

1. The priority of projects are usually set with the functional group that has the most involvement in the project. When multiple function groups with different priorities converge on the support groups that facilitate them all, these support groups end up in a continual fire-fighting mode. Sometimes they are included in the original project plan and sometime they are not. Even so, support groups often get conflicting messages about projects and their priorities.

2. Individual resources end up setting priorities just simply by what we work on. Therefore, if we are working on tasks/activities with which we don't have clear direction, we are setting and possibly changing priorities.

3. Without cross-functional direction, functional managers end up competing with each other for resources. The companies that I identified last time have figured out that too much valuable time is spent on internal resource competition.

An overall selection and prioritization process helps with these three detrimental characteristics. I have seen selection models that are very sophisticated and contain lots of calculations, histograms and descriptive statistics. I have also seen selection models that are as simplistic as groups of people gathering in a room to arm wrestle (figuratively speaking) for priorities, but usually, that is still at a high strategic level.

I believe that there is a model that offers a balance. One that I am working on is structured to evaluate the business value compared to the technical difficulty. It's sort of an ROI without focusing strictly on dollars, which can be difficult at best to get to in early project stages. The trick to the model is to develop questions that would help to determine the business value. Does this project produce a product that will generate revenue? Does this project create something that will allow us to stand out from our competitors? In terms of technical difficulty, maybe a good question to ask is, will this project require us to modify business processes? Will this project require skillsets that we don't have? By associating a number range against the questions, we can produce some number result and set ranges for priorities.

The more detailed the questions, the better chance we have to narrowing down the prospective work we need to do, and focus on the critical few. If you believe that this is only something that can be started at the very top, I would argue that this is not true. Granted, there are some projects that get in from the highest level and greatly impact our resources, but there are many smaller work projects that go on in a smaller set of groups. Start with a simple structure and build a model that will work for the most, and 'grow it up' so to speak.

"'Top' management is supposed to be a tree full of owls–hooting when management heads into the wrong part of the forest. I'm still unpersuaded they even know where the forest is."

–Robert Townsend, *Further Up The Organization*

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request to the MIS department to provide you with yet another ad-hoc report in hopes that you will get the information you need in a format that you can understand and use.

Information is truly the lifeblood upon which business thrives or dies. Having the ability to effectively gather, store, integrate, and retrieve information that is easily analyzed and displayed in concise graphical formats is the stuff that will help executives sleep soundly at night. There are numerous products on the on the market that range from the highest end ERP systems to applications that just address specific needs, such as time tracking and reporting, financial planning, etc. typically sourced from multiple vendors.

Work Flow is an integral element!

Many companies struggle with establishing common processes, which are followed in a consistent manner across the organization. Typically the root cause of the problem lies in the fact that the business process has not been fully documented and subsequently maintained as changes occur. Frequent turnover in personnel, constant changes in organization structure, and implementation of new systems, minimal or lack of adequate training, are other reasons that cause problems with the accuracy and flow of critical business information, which create bottle necks because information isn't processed in a timely manner to the right person. Integrating workflow into business systems that are used to manage critical information is the best way to ensure that the processes used to gather data in the correct sequence; store the information in a common database or integrate with other system databases; ensure that critical information is reviewed by the right person in a timely manner; that the approval process is properly adhered to; and that information required for decision making is readily and easily available to all who need it across the organization.

Effective management of information is the goal!

I recently became acquainted with a company by the name of Tenrox, (visit them at http://www.tenrox.com or contact them via e-mail at info@tenrox.com) that has created a family of products including Projeca, which optimizes business processes for project oriented organizations, as well as other products such as Office Timesheet, Office Expense and InChange which automate time, expense and change management respectively. I looked in more detail at all these products and found them to be quite remarkable and almost too good to be true. All of the various modules that comprise this growing family of applications have extensive out-of-the-box capability, simplicity of design, and use for gathering, storing, integrating, analyzing, and producing information in concise easily understood formats.

Projeca includes: Time Management, Expense Management, Cost & revenue, Invoicing, Change Management, Purchasing, and Executive Insight for multi dimensional data analysis, with new modules being added and improvements being made to existing modules on a regular basis. I have been extremely impressed with the functionality, ease of use, and total flexibility to modify these products to fit any environment because of their open architecture.

Tenrox also offers a powerful and free software development kit and object model (VisualPM) that can be used to access and enhance the core feature set of all its products. The server architecture uses Visual C++, Visual Basic and stored procedures to implement server side business logic.

Timeliness and accuracy count the most!

Another aspect of managing communications that affects the accuracy and timeliness of gathering information is ensuring that common process and procedures are followed by all of the individuals inputting, reviewing and approving the data that is required to make critical business decisions. From a project management perspective this is particularly true of issue tracking and change management processes that are typically informal paper based systems, which require significant manual intervention and are not integrated with other project management or corporate based information systems.

InChange caught my attention as I was reviewing the various products Tenrox offers. InChange is a Web based application, which tracks issues and change requests from creation to resolution. It supports a wide range of databases, is immediately ready for use; requires no setup time and additional costs; enables the user to report on issues, assignments and turnaround times; and provides instant access to project status which helps to minimize risks.

Inchange is a customizable, platform independent, pure HTML solution that supports issue entry, assignment, and approval; help desk and report using Web browser.

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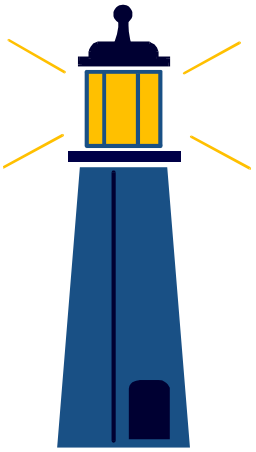
LIGHTHOUSE



"Lighthouse" is a regular section of *OnTarget*. It's goal is to allow local members to share experiences in project management, and in the process make us all just a little more aware that what we encounter in our jobs is not necessarily unique. Lighthouse will also provide the opportunity for you to obtain points toward PMP certification each time one of your articles is published. We look forward to receiving your article for use in this section. Please see the last page of this newsletter for forwarding information. When local member project experiences are not available, national articles will be used for education.

HOW TO: Implement Project Management in Any Organization

Gary R. Heerkens, PMP, PE, President, Management Solutions Group, Inc.

Introduction

Widespread implementation of project management is a difficult, complex, and confusing proposition for organizations or companies that wish to institutionalize its practices. It's a bigger challenge yet to implement project management in a way that ensure the practices will become widely accepted and systematically followed. Over the past few years, many organizations have tried using a number of newly developed instruments that attempt to measure their *maturity* relative to project management implementation.

Unfortunately, many of these instruments are directed primarily toward noting symptoms and calculating a "score." The true value of efforts such as this lies not in calculating a score, but in uncovering the underling root causes of these symptoms. This can be a difficult task, requiring additional analysis, insight, and significant expertise.

At the same time, many other organizations exist that are just beginning the process of implementing project management, and have little to measure. Obviously, maturity measurement instruments would have very limited value to them. This paper introduces a model, which describes five foundational elements that need to be in place—in nearly any organization—before project management can be expected to take root and flourish.

The model will serve as a sound approach for those just beginning the process of implementing project management.

However, it can also be used by developed organizations that are considering the use of maturity measurement instruments to analyze their condition. Before taking the time and effort required to measure symptoms and calculate maturity scores, these organizations should make certain that they have properly addressed the fundamentals described in this paper.

Chronic Warning Signs

Most organizations already have a reasonably good idea whether they have a healthy project management culture in place. The signs of a weak project management culture or of impending troubles are ordinarily accompanied by a number of relatively obvious and chronic warning signs. Among these chronic warning signs are the following:

- A sense that the wrong projects are being pursued
- Isolated "pockets" of project management excellence
- Continuously frustrated project managers
- Excessive levels of interdepartmental conflict
- Sporadic project successes
- Project teams that seem to start from scratch on every new project
- Lack of continuous improvement in project management methods
- Sentiment that project management is more of a burden than enabler.

The challenge for many organizations comes in recognizing that most of these warning signs could stem from any number of sources, and root cause analysis can be difficult. Trying to measure symptoms, then accurately correlate them to determine cause-and-effect, can be a time-consuming and costly approach for some. If an organization's problems are widespread enough, or if the organization is in the early stages of implementing

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a project management culture, it may actually be more advisable to *start with the fundamentals*. Starting with the fundamentals means ensuring that five basic elements of a sound project management culture are firmly in place.

The Five Basic Elements of a Sound Project Management Culture

There are many ways an organization can choose to develop a finely tuned and effective project management culture, depending upon the unique characteristics of the organization itself. Generally speaking, though, five basic elements need to be in place in nearly *any* organization. If every one of these is not present, any further development may become a painful and protracted process. These five elements are outlined and described below:

(1) *A standardized project methodology*—one of the greatest sources of frustration over inefficiency and variability in project outcomes lies in the lack of a consistently applied approach to the *process* of executing projects. This lack in process consistency also serves as a major inhibitor to continuous improvement over time. Ironically, though, the development and documentation of a standardized approach to project execution tends to be discouraged by many. Several reasons are given, including these:

- Projects are inherently variable, so standardizing an approach makes no sense
- People need to be creative, and will feel restricted by standardization
- The cost to develop will be too great.

These seem like valid arguments against the development of a standardized methodology. Ironically, they are actually better arguments for why standards *should* be developed. Let's examine why. First, it is true—projects are unique experiences, and therefore inherently variable. But the one thing we can bring consistency to is the *process and methods* used to execute them. In the absence of a consistent approach to execution, we run the risk of multiplying the variability many times over. Second, people do need to be creative. Unfortunately, managing a project "creatively" is in direct opposition to overwhelming evidence that constancy of purpose, clarity, and predictability are significant enablers to project success. And third, although it can be costly to develop standards, the costs will be much greater without a standardized approach to project execution. The insidious part is that the cost of inefficiency is very difficult to see and measure, and is therefore not fully appreciated by most organizations. In short, it is wise for almost any organization to have some sort of prescribed methodology, which describes "how projects get done around here."

(2) *Job Definitions and Performance Expectations*—an alarming number of people are managing projects today that have never had their job formally explained to them. Many are simply informed that they are now "in charge" of the upcoming project. They learn what the job is about through living by their wits, making mistakes, observing others, and many other *secondary* methods. And not surprisingly, there are also an alarming number of people working on *project teams* today who aren't sure what the project manager's job duties or role is. They're also not sure how to interact with the project manager. This can lead to an excessive amount of inter-group conflict, and tend to exacerbate the already difficult "storming" period (Tuckman, 1965) that exists in projects. This is sad, especially considering the wealth of popular knowledge that exists around the role of the project leader today, and the effort required to document this information is not that great. The simple fact is that most people need to know what is expected of them.

(3) *Individual Skill-Building Programs*—this element is crucial to the ongoing growth and development of *everyone* involved in project work. However, it relies heavily upon the successful implementation of elements (1) and (2) above. Only after an organization has developed a well-defined project process (i.e., what to do) and has delineated the performance expectations of the people carrying it out (i.e., how to do it) can skill-building programs can be intelligently designed and implemented. Note that semantics plays a key role in describing this element. The term "individual" refers to the need to design a program that is responsive to the differing roles, responsibilities, job duties, and career aspirations that exist within the organization. "Skill-building" is used instead of the term training, which is often used inappropriately to describe the process by which an individual improves their competency. Training is just one vehicle by which an individual can learn to improve their job performance.

(4) *Project Performance Metrics*—measuring project performance is the key to continuous improvement in project execution. The power in that statement—and in this element—comes in recognizing that it actually

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encompasses a broad spectrum of interpretations. Project performance metrics is, in fact, a very complex element. It could be viewed as a statement of individual, personal performance ("I did better on this project than on the last project"). As an individual metric, though, this interpretation is ordinarily coupled with the individual skill-building element above. Individual skill building should include a component of competency assessment and gap analysis.

For the purposes of this paper, however, project performance metrics assumes an organizational perspective. The *entire organization* can benefit immensely from the measurement and systematic analysis of overall project performance. And in order to achieve maximum benefit, overall project performance can be further subdivided into categories that are meaningful to the organization, such as these: (Shenhart, Levy, & Dvir, 1997)

Project efficiency—measures a given project's outcome against targets, and how efficiently it was managed. Was the project completed on time and within budget? Did the deliverables meet the design specification and/or perform as specified promised? Was the process adhered to? Several other measures of project efficiency can be developed, and all are aimed at measuring short-term success. Measuring project efficiency can lead to several organizational improvements:

- Development or improvement in estimating algorithms
- Improvement of the overall project process
- Identification of optimum execution methods
- Improvement of internal design processes
- Revealing the futility of setting unrealistic, predetermined project targets.

Customer/User impact—measures the effectiveness in meeting customer or end user requirements. Was the problem actually solved? Was the true need addressed? Is the customer *satisfied* with the performance of the deliverables? Measuring the performance of project teams in this area can help improve the requirements gathering process and reveal areas where solution-jumping practices may have hurt the process. It greatest value comes in dispelling the myth that if the project targets are met, the customer will automatically be satisfied. Measuring and analyzing situations where acceptable project performance yields unacceptable customer satisfaction will eventually result in process improvement ideas.

Business Success—the fundamental purpose of projects is to positively impact the organization. This may include profit generation, cost reduction, increased sales, or any of a number of other positive contributions to the organization's well being.

Measuring the actual impact of projects serves to "close the loop" on the project performance measurement process, and to confirm that the organization has been achieving the anticipated business results from their project investments.

Unbelievably, though, many organizations do not actually verify whether they have achieved the desired results through the projects they execute! This step is the key to *organizational growth.*

(5) *A supportive organizational culture*—this is the most difficult element to fulfill. Ironically, it is also the one that has the greatest influence on the successful implementation of a project management culture. To make matters worse, it is the one that seems to field the most widespread complaints from practicing project managers today. The lack of a supportive organizational culture is one of the most important single issues to nearly every project manager today!

What makes this such a difficult element to address is that there are so many interrelated aspects to its makeup. Furthermore, many of these aspects are based in issues related to human nature—attitudes, beliefs, power and influence, and territorialism, for example. What makes it so frustrating for many project managers is that there often exists a significant gap between what the organization says ("We are fully supportive of project management methods") and the way it behaves ("Could you cut your planning time short so we can get going on the project?").

What if an Element is Missing or Deficient?

The identification of symptoms for the sole purpose of calculating a maturity score is not particularly useful, but using them to signal deficiencies in the fundamental elements above can be of great value. Earlier, a few chronic warning signs were identified. More specific warning signs can be correlated to each specific element, revealing an absence or deficiency. Below are the five elements and some of the warning signs:

If a standardized project methodology is missing, you may observe these warning signs:

- Teams spend excessive time "reinventing the wheel"
- Emphasis is on rewarding of results (default position) instead of rewarding process compliance
- A prevailing mentality of "the end justifies the means" is apparent
- Information management processes and documentation practices are haphazard and variable

If job definitions and performance expectations are missing, you may observe these warning signs:

- Project managers pay too much attention to their discipline, and not enough to the project at large
- Frustration or confusion by project team members about how to carry out job assignments
- Excessive interpersonal conflict or debate over project roles and responsibilities
- Performance appraisal process is confusing and conflict-riddled, due to lack of clear performance criteria
- People struggle to design meaningful educational and development programs

If individual skill-building programs are missing, you may observe these warning signs:

- A given project's success seems to depend on the skills of the individual assigned to manage it
- Software tools are improperly utilized
- There is chronic avoidance of meaningful risk management methods
- A lack of awareness in making business-related decisions
- Poorly managed interpersonal relationships

If project performance metrics are missing, you may observe these warning signs:

- Widespread repetition of the same mistakes
- Excessive conflict or debate over what constitutes project success and failure
- Emphasis is on individual heroic behavior, as project-oriented performance is not measures
- Project audits are viewed as pointless time-wasters
- Project personnel could not describe what aspects of project performance are valued by the organization

If a supportive organizational culture is missing, you may observe these warning signs:

- Project managers spend excessive time "selling" project management
- Project managers are assigned far too late in the project life cycle
- Process of reconciling team-generated targets with management-imposed targets is difficult
- Behaviors contrary to sound project management practice are ignored, or worse, rewarded
- Excessive amounts of resource shifting
- Most people in the organization cannot explain the purpose, value, or role of the (generic) PM function
- Individual team members do not feel a sense of accountability to the project manager
- Teamwork is not rewarded; individual heroics is rewarded
- Project excellence is not rewarded; functional excellence is rewarded
- The project management skill set is not viewed as an organizational core competency
- The wrong projects are selected, due to a lack of a data-driven project prioritization process
- Dependencies between projects is not addressed

Building a Sound Project Management Culture

Despite the method used to determine the absence or deficiency of an element, you may find yourself needing to build or repair one or more of the five basic elements. The process can begin by recognizing that there are a number of fundamental components, or "building blocks" that can be put in place.

Some of these building blocks are identified below for each of the five elements:

Building Blocks of a Standardized Project Methodology

(1) *A project implementation process manual.* The manual should be comprehensive and detailed. It should describe the *project execution process,* and is distinct from the project management process. For example, it may describe how to design and install a manufacturing system, how to build a building, or how to develop and commercialize a new product. Linkages to project management tools may be identified in the process, but not how to develop them. The manual needs to be widely distributed and widely understood; specialized education may be needed to ensure process understanding.

(2) *A project management process manual.* This manual defines *project management tools and methods* in detail. It explains where and how they should be used within the project implementation process. It also needs to be widely distributed and understood.

(3) *Published expectations around process compliance.* In order to achieve process consistency, expectations concerning when and how to follow the process should be well understood. This expectation should be supported by a "zero tolerance" mentality around process compliance. The intention is not to create a police state; however, if some members of the organization are permitted to ignore the process, many

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will follow, and the effort will be lost.

(4) *Well-defined project performance expectations.* Once people begin feeling comfortable with following the process, the next step is to identify how well projects should be executed. Project performance expectations provide guidelines that help people understand what constitutes a successful project effort. Success in this context should focus more on using the appropriate processes and methods in an effective manner than on actual results—a more effective long-term strategy.

(5) *Development and utilization of standard project forms and supporting procedures.* Examples of this might include scheduling templates and estimating algorithms.

Building Blocks of Job Definitions and Performance Expectations

(1*) Descriptions of all project-related job functions.* This should obviously include a detailed description of the job design, job duties, and required competencies for the role of project manager. However, it should also include necessary modifications to the job descriptions of those who interface regularly with projects and project teams. This is meant to eliminate overlaps and conflicts. All descriptions should be comprehensive, detailed, and unambiguous.

(2) Performance expectations for all project-related job functions. Performance expectations are often limited to statements about technical performance. These should be expanded to include behavioral expectations and expectations around project management expertise.

(3) *Visible growth pathways.* This refers to the creation of differentiated skill levels within the project management community.

(4*) Visible career pathways.* If the role of project manager is truly viewed as a potential "stepping stone" to management, this should be reflected in the organizational ascension paths. Far too often, the role of project leader—from a career path stand-point—appears to lead nowhere on the organization road map.

Building Blocks of Individual Skill-Building Programs

(1) *Continual measurement of individual competencies*. The instrument used to perform this measurement should come directly from the job definitions and performance expectations above. It should be a 360-degree type analysis, including opinions from the team, clients, and the project manager's supervisor or manager.

(2) *A formal career planning process.* Ascension paths should be well defined, as stated above. There should be a pathway dedicated to the project management community.

(3) *A comprehensive training curriculum.* This MUST include training courses that are specific to the project environment. Some organizations try to save money by placing people in generic courses that appeal to a wider audience. This may include generic leadership, conflict resolution, communication, etc. Making training relevant to the project environment—particularly in heavily matrixed organizations—is a necessary component of a meaningful educational experience.

(4) *Internal mentoring programs.* Formal management mentors can be very helpful to project managers.

(5) *Internal networking programs.* Includes informal lunchtime meetings of practitioners, for example.

(6) *Internal apprenticeship and cross-functional job assignments.* These are only two of several possible alternatives to traditional training. Exposed to a many different departments and job experiences can be an invaluable growth step for a project leader.

(7) *Visible support of external development opportunities.* This may includes professional societies and local college programs.

Building Blocks of Project Performance Metrics

(1) *Well-documented project performance expectations.* These metrics will naturally be closely tied to the prescribed project methodologies described earlier. Included should be statements on what constitutes desirable and undesirable project results, acceptable and unacceptable team behaviors, acceptable and un-acceptable project management behaviors, and any sanctioned flexibility (if any exists) around process compliance. It should also describe the vision of what the organization values in project personnel, team functionality, and project outcomes.

(2) *Continual recording, analysis, and evaluation of actual project results.* It's important to remember that in order for this component to have value, it is imperative that actual project results get accurately and honestly recorded. And in order for project results to get accurately and honestly recorded, project teams and project managers must NOT be punished for achieving less than desirable results.

(3) *An effective project auditing program.* This refers to interim examination of projects while they are in progress. In order to be effective, the audit must be non-

threatening, minimally disruptive to the project team and the course of the project, and must be perceived as having a useful and positive purpose and intent.

(4) *Data archiving and retrieval capability*. Procedures and systems for efficient and effective storage and retrieval of project data—both historical and current—must exist.

(5) *Positive reinforcement of lessons learned analyses.* Lessons learned is primarily a concern of the organization, yet few provide sufficient support for the project manager to carry out this important function. This needs to be given a higher priority if project performance metrics programs are to succeed.

(6) *Continual, periodic benchmarking.* This refers to external as well as internal benchmarking. Understanding how well others execute projects is an important learning and helps in the establishment of appropriate project performance targets.

Building Blocks of a Supportive Organizational Culture

(1) *An organizational structure that is conducive to project execution.* Stated another way, an organization whose structure does not formally accommodate the existence of projects as a major way of getting things done will have limited ability to migrate toward a project management culture.

(2) *An entire organization that is aware of the role of the project management functio*n. The purpose of project management as a function within the organization should be well understood, including the value that it is believed to bring to the organization. Project management skills are viewed as a "core competency."

(3) *Formal assignment of project managers early in the life cycle.* Allowing project managers to participate in developing business needs, customer requirements, financial analyses, and other "front end" activities that many are not allowed to participate in today.

(4) Project managers who are granted authority commensurate with their responsibility. This is an age-old problem that—very simply—needs to be fixed.

(5) *Demonstrated respect for project managers and their methods.* Project managers who are truly empowered and not subjected to continual micromanagement. Behaviors demonstrated by management reflect; for example, that the estimates, judgment, and opinions of project teams is sought and valued.

(6) *Positive reinforcement for those who follow a team-oriented process.* Individual heroic behavior is discouraged. Team-oriented behavior is rewarded.

(7) *Formal assignment of project sponsor*s. Should be management-level individual. Can be restricted to larger, more important projects. Sponsors should be engaged and supportive throughout the life of the project.

(8) *Organizational-level support processes.* These may include the development of consistent project justification methods, project prioritization methods, and an overall portfolio management mentality around execution of the total organizational project caseload.

(9) *A formal project management office*. This should only be formally pursued where appropriate.

Conclusions

Before you launch your organization into a maturity assessment—or if your organization is just now beginning to embrace a strong project management methodology—be certain that all of the *fundamentals* are in place. This consists of the five basic element described above. Also, be aware that the formal introduction and implementation of these elements can be difficult, will take some time, and may be met with resistance for quite some time. As you embark on this mission, consider these three general guidelines:

(1) Start with the easy stuff
- Crisp, clear job definitions
- Project process methodology development

(2) Make sure that mid-management is integral to your over-all implementation process

(3) BE PATIENT! Recognize that a good portion of selling the value of project management will have to come from demonstrated successes, not by edict.

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Officers' Corner

Messages from your chapter board....

Chapter President Update—Barb Dawson-Bishop

I have been staring at a blank sheet of paper for several minutes trying to figure out what to say to all of you this month. It seems that almost every piece of fun or exciting news is part of another board member's announcements. You see, this is such a hard-working bunch of directors, I can hardly keep up. ☺

Here are some highlights:

- Dennis (VP Education) is leading a group of volunteers in putting together a keynote speaker and seminar session with Mr. Paul Dinsmore. And if that was not enough, he is working with Headquarters and the other Michigan Chapters to understand the content of the new PMP and CAPM exams. All this before he can even begin to plan the chapter's usual PMP review course.
- Mike (VP Finance) is working diligently to implement a more effective and simple-to-use accounting system. QuickBooks will only confuse him for a few minutes before he will figure out how to keep track of our finances and do our Corporate Non-Profit Taxes.
- Kelly (VP Publicity) is busy with the work of her Masters in Project Management from George Washington University. She manages to find time to deliver keynote presentations at our dinner meetings and to volunteer for the Dinsmore seminar in between statistics courses.
- Adil (VP Programs) has done such a good job in his role at Stryker Instruments that he has been promoted to a Program Manager in their sunny southern California office. Adil also did a fine job as a VP; the program year is almost completely planned. Adil, thank you for all your hard work and dedication to the chapter, you will be missed.

I continue to work directly on some administrative changes brought on by headquarters. They are dull and boring issues like tax returns and chapter charters.

I am also working to build bridges and share information with the other chapters in Michigan. I participate in regular conference calls (monthly) and recently attended a regional meeting. I believe this is an important effort, as sharing knowledge and ideas will benefit all of us.

And last but not least, I have been working to support the efforts of this group of VP's!

Membership Update—Chris Talsma-McLean, PMP

A new program year is well under way and we have seen a lot of new faces at our meetings. This is great and we hope to see you and your co-workers at future meetings. We continue to hold a drawing each meeting for a free dinner. This is awarded to someone attending for the first time, or for someone who has brought a friend. Bring a friend or a colleague to a meeting and increase your knowledge of Project Management as well as increase your chance of winning a free dinner!

If you have any questions on membership, or would like more information, please feel free to contact me. I welcome all suggestions, comments, ideas, or advice on growing and retaining our chapter's membership.

Let me know if you have any questions. Thanks!

Education Update—Dennis Bolles, PMP

The PMI Western Michigan Chapter will be hosting Paul C. Dinsmore, PMP and Fellow of PMI on April 9th, 2002 for a one-day workshop on enterprise project management. The workshop is based on Dinsmore's latest book "*Winning In Business With Enterprise Project Management*" which shows its readers how to use project management as a way of managing their business like a portfolio of projects, offering a strikingly simple twist on this classic discipline. By using project management across the entire organization (rather than only on isolated projects), making it an organizational creed, and using it to plan and take care of daily business, companies can boost productivity, increase effectiveness, improve customer satisfaction, and widen market penetration.

Workshop attendees will receive a copy of Dinsmore's book "*Winning In Business With Enterprise Project Management*" and earn PDU credits towards their Professional Development Points requirements. Those

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PMI Western Michigan Financial Report	2001 Budget	Year to Date Sept 2001
INCOME		
Dinner Meetings	$10,000.00	$6,590.00
Chapter Membership Dues	5,000.00	4,460.00
PMP Cert. Workshops	6,000.00	495.00
Newsletter Advertising	200.00	0.00
Donations/Sponsors	700.00	850.00
Interest & Misc. Income	1000.00	436.42
⇒ **Total Income**	**$22,900.00**	**$12,831.42**
EXPENSES		
Dinner Meetings	$15,150.00	$6,600..24
PMP Cert. Workshops	6,150.00	1,001.50
Newsletter charges *ON TARGET*	950.00	540.12
Chapter Administration	1,995.00	1,208.39
Chapter Development	1,500.00	578.87
Chapter reserves	0.00	0.00
Advertising/Promotion	1,500.00	1,980.00
Special Projects & Misc	3,000.00	91.80
⇒ **Total Expenses**	**$30,245.00**	**$12,000.92**
⇒ Excess (deficit)	**($7,345.00)**	**$830.50**
CURRENT ASSETS		
This month's balance		$5,604.03
Total assets @ period end		**$40,310.35**

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who have not yet obtained their PMP Certification will earn education credits that they can apply towards the 35 education hours, which will be required after January 1, 2002 for PMP Certification Qualification.

Paul Dinsmore will also be our guest speaker at the April 8th, 2002 Western Michigan Chapter dinner meeting. Mark these dates on your calendar now. More information will be coming in the next issue of ***On-Target***.

On Target
The newsletter of the Project Management Institute Western Michigan Chapter

(Continued from page 3)

InChange is designed to use Work Flow as a basis for its functionality. The package comes out of the box with a standard Work Flow process configured, which can be easily modified to fit any environment. The Work Flow steps determine order and manner in which the data is routed to complete the process. InChange can be easily integrated with your e-mail system to facilitate notification messages to be sent automatically to individuals who have been assigned responsibility for resolving issues, and also allows them to respond with updates back to InChange. The application also notifies those who are responsible for review and approval when the proper step of the Work Flow process is completed. The features and capabilities of this product are outstanding and deserve serious consideration for companies of all sizes because of its ease of use, functionality, flexibility for modification, and ability to integrate with a wide variety of other third party applications.

Purchasing can be a can of worms!

Purchasing materials and services for projects is typically not initiated by a corporate purchasing department, but rather is a responsibility of the project manager, especially on large projects involving technical equipment or specialized services. The systems used to issue purchase requisitions, produce purchase orders, and track receipt of the goods and services is most often a paper based system and requires manual entry of data into the corporate purchasing system. Effective management of purchasing information, like all other key business functions, relies on following a consistent process that is well documented, which facilitates continuous improvements.

Office Purchasing, the latest software offering from Tenrox, was another product that caught my eye because it also uses Work Flow as a means to ensure that purchases go through the right channels for approval. It forces Purchase Orders to move back and forth between states until all of the steps are completed and it can be easily customized to adapt to any organization's process. Multiple purchase workflows can be created for different product lines, divisions, countries, etc. Each workflow has configurable states (action or status) and transitions (governing limitations or rules) between those states that must be followed from the time a purchase order is opened to the time it is closed (EG: a purchase order in the "New" state can never go directly to the "Closed" state, it must always go through the "Submitted" state

(Continued on page 12)

first.) This product, like most of the other Tenrox products integrates with various e-mail systems to notify process step owners of the need to review and approve specific purchase orders.

Instant access via the Web!

All of the products in the Tenrox family are Web enabled which allows access from anywhere in the world where access to the Internet is available. Tenrox products can be purchased outright or obtained from Tenrox as an ASP provider. The products can also be install on local servers connected to a LAN/WAN system and made accessible through internal Intranet distribution.

Executive Insight, finally!

I began this article talking about what keeps executives awake at night and I will end it by telling you about Executive Insight (EI). What is EI? It is an online Analytical Process (OLAP based) that enables efficient access to information. Data is stored in a three dimensional cube (matrix) that provides the user to select, navigate, and explore information through an intuitive multi-dimensional data model (cube) using third party applications such as:

- MS Excel, Lotus 123
- Crystal reports
- MS Digital Dashboard
- A variety of business intelligence tools such as Cognos

This capability gives decision makers at all levels of the organization (CEOs, CFOs, Department Managers, Project Managers, etc) the power to explore complex business relations with the ability to drill-down/up and view information at any level of their organization, a feature NOT available through any standard report engine. The product allows the user to create group features in logical categories, using one view per category for:

- Ad-hoc access to all quantifiable information captured
- Access of critical decision-making data based on comparisons of information across various levels of their organization's hierarchy
- Data trend analysis and forecasting

Other features and benefits of EI are that it enables users to do:

- Advanced time analysis (Time Cube)
- Advanced expense analysis (Expense Cube)
- Advanced R&D analysis (R&D Cube)
- Advanced Cost Center analysis (Cost Cube)
- Advanced Revenue Center analysis (Revenue Cube)
- Advanced Issue analysis (Issue Cube)

Or any combination of the above (i.e.: Cost Vs Billing Cube) at any level of the organization or Work Breakdown Structure of a project; for example, you can view data:

- Per Date ➜ Year, Quarter, Month, Day
- Per OBS ➜ Sites, Groups, Teams, Users
- Per WBS ➜ Client, Portfolio, Project, Task, Activity

EI provides users with the ability to slice and dice information an infinite number of ways and display it in an equal variety of report formats, graphical or tabular.

The more I learned about Tenrox products the more impressed I was with their versatility. With all of the features, capability and flexibility these products have in common one would expect the cost of the product to be fairly steep. However, I was pleasantly surprised to find out that it is unexpectedly economical. The next time I talk to those executives I can tell them how to solve their information management problems so they can get a good nights sleep.

Dennis Bolles, PMP is our very own Vice President of Certification and Education. He is currently working on his first book on project management. You can reach him at dbolles@iserv.net.

Is your PMI member information up-to-date?

Take a minute to visit the PMI website to find out.

- Visit the PMI Members area on the national website at https://secure.pmi.org/edit/
- Select "Login" on the left and enter your PMI membership number and password (there is a number on this page to call if you can't remember your password)
- Select "Update Membership" and make any necessary changes to your information
- Click on "Save Changes" when complete

The Western Michigan PMI chapter uses the information maintained by the PMI national group for our contact information. Please verify that it is up to date. THANKS!

IWANNA B. APMP

This month, let us take a look at the Project Management Framework. Try testing your knowledge of the following PMBOK concepts within the overall Project Management Framework by selecting the best answer:

1. Project Management is the application of _____ to the project activities in order to meet or exceed stakeholder needs and expectations from a project:
a) Knowledge and skills
b) Communications techniques
c) Integration, scope, time, cost and quality management
d) Knowledge, skill, tools and techniques
e) Both A and B

2. Functional organizational structures do not have:
a) Little or no project manager authority
b) The organization's personnel assigned full time to the project
c) Part time project administration staff
d) Full time project managers
e) Both B and D

3. Which one is not considered a key stakeholder on a project?
a) Project manager
b) Customer
c) Financial institution
d) Sponsor
e) Performing organization

4. A project is defined as:
a) A process of considerable scope that implements a plan
b) A group of ideas managed with a coordinated effort to obtain a desired outcome
c) A temporary endeavor undertaken to create a unique product or service
d) A collection of activities with a begin and an end
e) Steps required to ensure that the project includes work required by stakeholders

5. Fast Tracking is defined as:
a) A method of project scheduling
b) Linking of a project to the ongoing operations of the performing organization
c) A method of construction
d) The overlapping of project phases
e) All of the above

6. A _____ is a series of actions bringing about a result:
a) Project plan
b) Process
c) Schedule
d) Flowchart
e) Activity sequencing plan

7. _____ coordinates people, and other resources to carry out the plan:
a) Work Breakdown Structure
b) Resource planning
c) Resource leveling
d) Executing process
e) Both B and C

8. The processes concerned with describing and organizing the work of a project are:
a) Process planning processes
b) Project management processes
c) Organization and strategic planning processes
d) Project scope processes
e) Configuration management processes

9. The core planning processes are:
a) Scope definition, resource planning, cost estimating, schedule development, activity definition
b) Inputs, controls, status reports, risk management
c) Planning, resource planning, quality assurance, risk control
d) Scope definition, team development, schedule control, budget control, contract administration
e) None of the above

10. Facilitating processes are performed intermittently and as needed during the project planning. The facilitating processes include:
a) Communications planning
b) Scope verification
c) Risk response development
d) A and C only
e) All of the above

11. The conclusion of a project phase is generally marked by a review of both key deliverables and project performance in order to do all EXCEPT:
a) Determine if the project should continue
b) Verify the correctness of decomposition
c) Detect errors
d) Correct errors cost effectively
e) All the above are done within the review

12. _____ ensure that project objectives are met by monitoring and measuring progress and taking corrective action when necessary.
a) Project controls
b) Controlling processes
c) Control logs
d) Project charter
e) All of the above

Answers:

1.d 2.e 3.c 4.c 5.d 6.b 7.b 8.b 9.a 10.d 11.d 12.b

November 2001 Dinner Program

Our upcoming dinner program will be held on the dates specified at Duba's Restaurant on I-96 and East Beltline in Grand Rapids. Typically, dinner choices are beef, chicken or fish, and vegetarian. Consult the Chapter's website (http://www.westmichpmi.org) for further information. Fees are typically $25 for members, $35 for non-members. Call the **Reservations HotLine** at **(616) 482-8305** or send email to **reservations@westmichpmi.org** to reserve your seat today!

November 12, 2001—Monday 6:30pm
Kolbe Performance Forecasting.™
Presented by Mari Martin of Performance Strategies Group, Inc.

Today, more than ever, people are working together on project teams, new product development teams and continuous improvement teams. Mari Martin of PSG will tell us about a powerful team process called Kolbe Performance Forecasting.™ Once the team members have been selected, this system can predict a team's results prior to spending valuable time and financial resources. This process enables teams to understand their natural talents or striving instincts. These striving instincts shape how we solve problems, make decisions, accomplish tasks and communicate with others. Teams that utilize this process have a greater chance of project success. Period. Team members learn how to look to the right team member to lead or support specific project requirements, and to tap into differing team talent as the cycles of the project shift. This approach helps to maximize all the talent on the team, provides for higher levels of team enthusiasm, and elevates personal job satisfaction. Mari will share a case study from Eastman Chemical where Forecast predicted with amazing accuracy which teams would succeed and which ones would not.

Mari Martin is the owner of Performance Strategies Group, Inc. (PSG), a performance improvement company specializing in maximizing individual performance, matching people to jobs and building synergistic work teams. Martin has a background in communications and spent ten years in the media prior to beginning her career in corporate training and development. Martin has expertise in using the Kolbe Team Management System and was recently named a Master Kolbe Consultant. PSG works with global companies such as JCI, Volkswagen/Audi and Textron.

Bonus Program—5:15pm-6:00pm

Two years ago, Mari Martin of PSG shared with us the basics of the Kolbe Index. Today it is recognized as a "next generation" assessment tool to understand self and others in order to maximize individual and team performance; and match people to jobs. If you missed that program or want a review, plan on attending this bonus program. It is also a great introduction for the main event!

ATTENTION MEMBERS!

As has been our tradition in past years, there will be no December dinner meeting.

Happy Holidays!

Free Dinner

Bring a friend and win a chance for a free dinner! To increase the membership, the board has decided to provide an incentive to the members willing to invite their coworkers to learn what we do at the Project Management meetings. The more colleagues you invite, the greater your chances to win become. For more details, contact any board member.

Fall 2001 Program Events Calendar

MEETING DATE	PROGRAM	PROGRAM SPEAKER
September 10 Wednesday	**Case Study: Steelcase University Learning Center**	Jim Knight *Steelcase*
October 8 Monday	**Creating an Environment for Successful Projects**	Kelly Talsma, PMP *Quixtar Inc.*
November 12 Monday	**Kolbe Performance Forecasting™**	Mari Martin *Performance Strategies Group, Inc.*
Bonus Program	Basics of the Kolbe Index	Mari Martin *Performance Strategies Group, Inc.*
January 9 Wednesday	**Gentex Corporation Innovation Challenges** *Joint meeting with APICS*	Dennis Alexejun *Gentex Corporation*

NOTE: Recently, our V.P. of Programs, Adil F. Dalal, was promoted by his employer and transferred to California to become Program Manager. He had been traveling back and forth each week for several months. This is good news for Adil and the Board wishes him well.

At our last dinner meeting, Nadene Delana, PMP volunteered to fill the empty slot. She was nominated by a Board Member, and the Board elected her to the position at the October 25th board meeting. Congratulations Nadene!

Unfortunately, we do not have schedule finalized for the Spring 2002 Program Events as of this printing. Nadene has already started on this task, so look for updates on the chapter website (http://www.westmichpmi.org). Also, don't forget that we have a seminar in April with world-renowned Paul Dinsmore as speaker, being planned by a committee of chapter volunteers.

STAY TUNED!

Meeting Cancellation Policy

If any monthly Chapter Dinner/Program Meetings must be canceled due to weather, the Board will make that determination by noon of the day of the meeting and post a notice as soon as possible on the Meeting page of our website (http://www.westmichpmi.org). Please make it a practice to check the website if you have any doubts about whether a meeting will be held or not. Additionally, you may either call Duba's Restaurant directly at 616.949.1011 or check the chapter voice mail number at 616.482.8305 to see if a meeting has been canceled.

Aaron Krivitzky, Director
ON TARGET
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ON TARGET will be published every other month for the members and friends of the Western Michigan Chapter of the Project Management Institute (PMI). PMI is a non-profit professional organization dedicated to advancing the state-of-the-art in project management.

Articles or other contributions may be sent to the above addresses. 3½" diskettes in Word® or WordPerfect® would be preferred. Hard copy is also acceptable.

PMI — WESTERN MICHIGAN CHAPTER
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"Promoting a local network of expertise in project management professionalism"

PROJECT MANAGEMENT INSTITUTE™
WESTERN MICHIGAN CHAPTER

On Target

The newsletter of the Project Management Institute Western Michigan Chapter

Join us at Duba's on November 12th

Kolbe Performance Forecasting™

Mari Martin
Performance Strategies Group, Inc.

BONUS Meeting: 5:15pm
Dinner Meeting at 6:30pm