

Five Current Trends in Project Management

by Luca Cavone

Summary

The change, the evolution are at the core of the world we live in, the environment and of human being. In 1859 Charles Darwin has theorized as these dynamics happen in response to the need for adaptation, respect to the context that surrounds us.

In the past, it was observed as these aspects are not applicable only to the nature, but the same principles are found in other fields, including business. Whether you talk about market trends, competitors, business models or technologies, companies are subject to continuous change in order to survive and thrive.

In addition to these external factors, other internal dimensions are subject to the same principles: processes, organization and resources change and evolve according to different needs.

For project driven organizations, where the core of the business are projects, also processes and project management methodologies undergo changes over time.

In this paper, I have collected a series of reflections about the recent evolution of project management, based on my experience together with further insights exchanged with colleagues and other professionals: five main trends are introduced as outcomes.

Introduction

In a daily work as consultants, we have the opportunity to observe the evolution of companies over time. This path can be more or less visible depending on what is affected in the change process. There can be different dimensions involved, for example: strategy, organization, processes, tools, methodologies; usually it is difficult that only one of these dimensions is involved separately, rather more than one is subject to change, because of the mutual influence.

The companies where the core of the business is driven by projects, of course do not escape this kind of considerations. By focusing on their distinctive element, project management, it is interesting to remark that their approach to the methodology and best practices change and evolve over time.

Starting from this point, I had the chance to reflect several times on how the approach and the application of project management has changed within companies.

Some of the changes have been underway for some years, so in the eyes of industry experts will be certainly not new; others are emerging recently and will be fundamental for the future of the project management in the coming years.

I summarized the following five main trends:

- Strategy and Performance Management
- Value Stream Organization
- Global Distributed Teams
- Collaborative PM Tools
- Personal Skills and Behaviors

Each area will be described in detail in the following sections.

Strategy and Performance Management

One of the first thoughts I did, concerns the relationship between projects and business strategy. Often we are still accustomed to consider each project as an independent object, without a comprehensive understanding of what is around. Although along with time program and portfolio management have been introduced as operational practices and methodologies, it is still possible to observe a gap between project management and corporate strategy, especially related to their mutual influence and coherence.

I know that at first this seems trivial, but for those used to deal with different companies is not so. This year I have published a dedicated paper on this topic [1]. Here I will use it as main reference leveraging on its outcomes.

Many organizations do not apply structured Project Management processes; some apply them, but focus only on the project operational targets (Quality, Cost, Time). Others apply them but the results are not aligned or with a large gap compared to business goals. Successful organizations define the best practices for managing projects and at the same time correlate these to the business strategy. For them, the selection of the right mix of initiatives in their portfolio should take into account the strategy, in qualitative and measurable targets. The key point is that the management of the single project can no longer be seen as a single task: while the choice of the core projects will be made at an early stage in accordance with the business strategies, within each project opportunities for improvement must be identified.

The design and implementation of a governance systems provides the following benefits:

- outline and deployment of the strategic objectives;
- definition of projects, priorities and KPIs to measure results;
- activation of the people and the organization in creating a shared consensus about the company objectives;
- creation of a coherent and integrated system for managing continuous improvement.

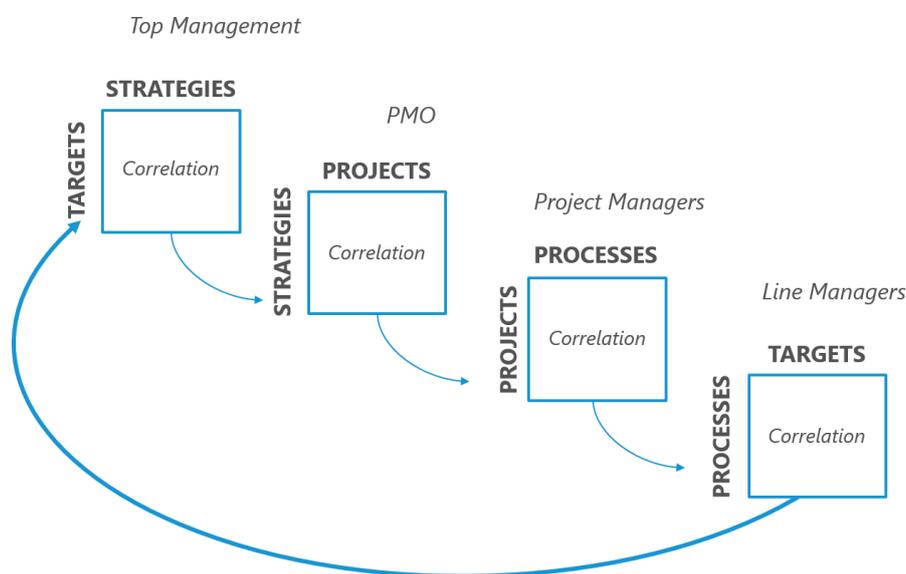


Figure 1: governance system for coherent management of strategies, projects and processes

The figure above [1] provides a simple representation of the link between the different business dimensions: strategic, tactical and operational. What is most important is to ensure the consistency among them for the achievement of business objectives. Also, it should be

added, as shown in the same figure, the importance of the responsibilities by appropriate organizational structures.

Value Stream Organization

The second point that I want to share is about the organizational dimension. In companies, we know how organizational changes are on a daily agenda, driven by different needs. If we take into consideration a sample of companies, probably in all of these we will find on-going changes. However, there is a phenomenon that I have observed recently, which is tied to a particular organizational change: since a year ago, I came across a growing number of companies turning to the value stream model.

I am not strictly referring to project driven organizations, also companies operating in other industries, with a typical functional structure, are introducing the stream model. Some of these have already implemented successfully the new model, others are in a transition phase and others are considering this hypothesis and designing the first steps.

The main reasons for this change are: the need to be "closer" to the customer, higher flexibility, effective integration of all the functions working on the same process.

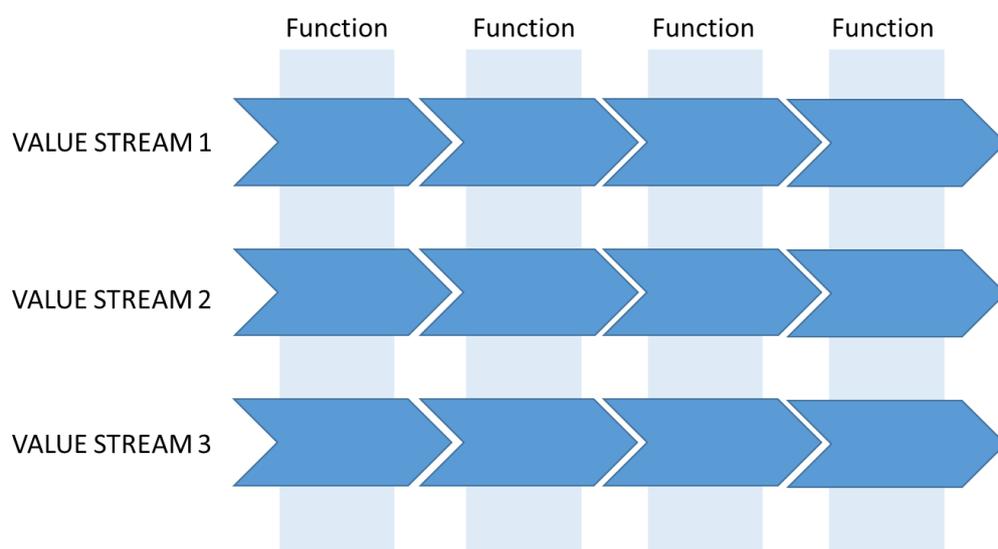


Figure 2: value stream model

I do not think that this is by chance; beyond my experience and that of other colleagues, the phenomenon is certainly more widespread and so I think it makes sense to talk about trends. On the other hand, all the main reasons described above are common across many companies; this is more true considering that most of these changes are pushed by the market.

I believe this emerging trend will increase further in the near future with more companies introducing this organizational structure.

Global Distributed Teams

The theme of global teams, spread all over the world, is perhaps the most consolidated trend among those described in this paper. Since decades, companies interact with customers and suppliers on a global scale. More recently, the phenomenon of globalization has increased shifting its applicability from external to internal resources.

According to Forrester Research [5] by 2016 around 43% of the U.S. workforce (63 million people) will telecommute, almost doubled respect to 2009 (34 million people).

Organizational requirements, cost cut but also the rising of new competence centers spread all over the world have pushed to have structures with delocalized excellences; companies going for distributed teams will keep costs down, give employees flexibility and will be able to choose among the best workers, regardless of geography.



It is very common now to find companies with distributed teams on three or more continents: a consolidated model in IT industry have commercial people in Northern America to leverage on local investors, R&D departments with design facilities in Europe and programmers in Asia.

Such kind of organization has a number of benefits, among these:

- proximity to customers/market as a competitive advantage
- leverage on distinctive core competence centers
- proximity to vendors and providers enables quicker development and co-design
- greater flexibility and efficiency, if well designed a 24/7 coverage can be assured

Of course, there is a downside to the distributed team model as well; some tips to manage effectively remote teams are:

- Select properly the partners to be involved
- Setup clear communication rules
- Choose the right communication tools
- Design and implement coordination mechanisms among teams
- Pay attention to people and keep them accountable

Collaborative PM Tools

Globalization has naturally led to the rising of new needs. In the past the interaction and communication with colleagues were simpler due to co-location in the same physical space, maybe at some distant room or floor, but always within the same building.

As we have seen dealing with distributed teams, communication is an issue for an effective management of work. In the past when technology was still not mature, distance was an issue as well. Now that IT systems have changed the way we live, collaborative software, videoconferencing and web-based tools have removed barriers that once required workers to be on the same premises.

The massive adoption of hi-tech devices, enabled the rising of new solutions, developed on daily basis. An increasing number of tools is now available also for business purposes. It would not make sense to deal in this article with all the available systems: there are too many and constantly changing, so any attempt at mapping would become obsolete soon. For this purpose, here is a reference to a link that is constantly updated (https://en.wikipedia.org/wiki/Comparison_of_project_management_software).

I would rather prefer to add some further consideration: the first is that the main difficulty today is to juggle in the jungle of the available solutions on the market. It is not trivial to find out the most appropriate system according to our needs; the tools are many, all with a lots of features that are often oversized for the real needs, or in spite of the wide range of

functionalities, they miss the one we really seek. A further aggravating factor is that very often the investments and costs required to implement and maintain such tools are not negligible. If the selection process is not well managed, higher issues will come later: it's very common to find companies with plenty of systems and tools not used, or not exploited for what they might give.

Software	Collaborative software	Issue tracking system	Scheduling	Project Portfolio Management	Resource Management	Document Management	Web-based	License
Project.net	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Open source
Redmine	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Open source
eGroupWare	Yes	Yes	No	Yes	Yes	Yes	Yes	Open source
OpenGoo	Yes	No	No	Yes	No	Yes	Yes	Open source
KForge	Yes	Yes	No	No	No	Yes	Yes	Open source
SharpForge (Defunct)	Yes	Yes	No	No	No	Yes	Yes	Open source
dotProject	No	Yes	No	No	No	Yes	Yes	Open source
TaskJuggler	Yes	No	Yes	No	Yes	No	Yes	Open source
Launchpad	Yes	Yes	No	Yes	No	No	Yes	Open source
Trac	Yes	Yes	No	No	No	No	Yes	Open source
Collabtive	Yes	No	No	No	No	No	Yes	Open source
ProjectPier	Yes	No	No	No	No	No	Yes	Open source

Figure 3: mapping of PM collaborative SW

Another potential risk leads to underestimate that the effective introduction of a system depends not only on it, but also by the supporting processes that are built around. The tool itself is never the solution to the problem. Defining how to use it, roles and responsibilities together with an appropriate set of KPIs to measure the effectiveness, should be an integral part of the design phase.

Personal skills and behaviour

The final aspect that we treat in this article concerns the sphere of person and skills. I would like to state at the beginning that although this topic is discussed at last, it is a common element to the other four points previously shared.

The need and the attention to the training of internal resources has always been a focal point for companies and HR specialists, being considered as a competitive factor.

For some time I have observed that in addition to the training on some basic courses, an increasing number of companies are beginning to invest in the training of project management skills. In a similar way to what we saw with reference to the value stream organization, it is very interesting to note that even no project driven companies are taking this road.

From an offering point of view, now there is a wide selection of courses available. They have many arguments in common, treated in a more or less similar way. To me it's more interesting to focus on those which have distinctive points.

The main way I see it, relates to the role of the individual in today projects. I'm referring not only to project managers but to all the resources part of a project team. It's very important that the whole team is working to develop a set of common knowledge and skills. I like to quote IPMA ICB model that alongside the technical and contextual skills, identified the area of behavioural skills as the future key for success; overall there are 15 behavioural skills, among them, just to name a few, there are: leadership, negotiation, conflict & crisis, result orientation, self-control, engagement & motivation.

As a confirmation, I found different companies going in this direction. In fact, I dealt with organizations including behavioural skills together with technical skills in their internal valuation models of resources.

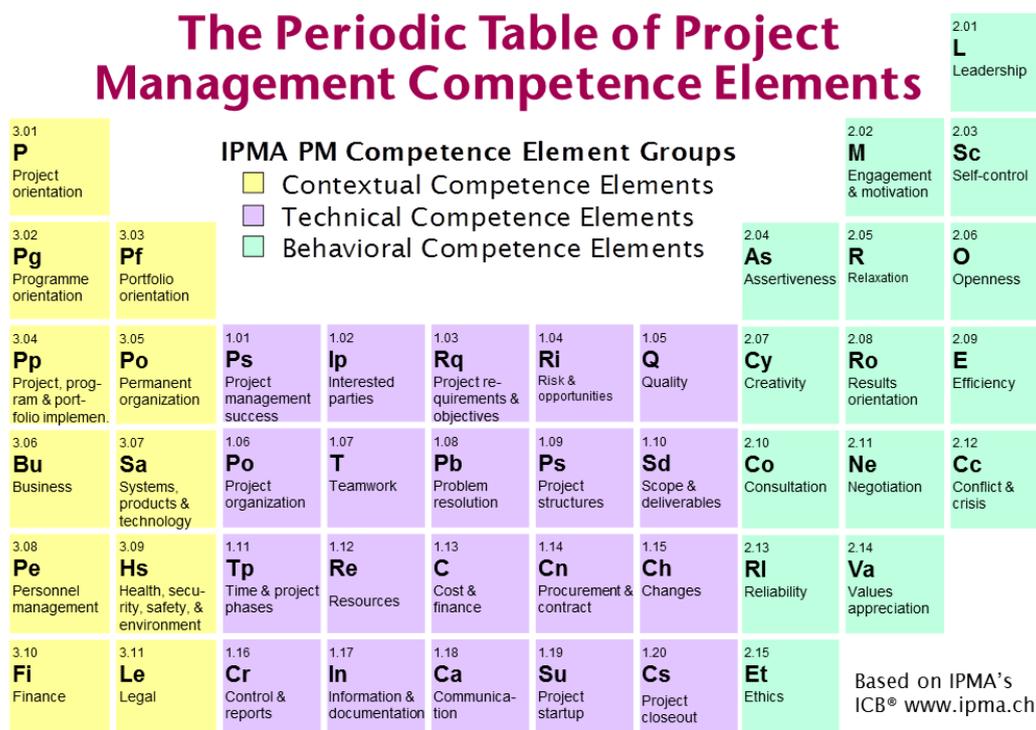


Figure 4: IPMA Competence Baseline Model

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About the Author



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Luca Cavone is a Consultant at JMAC Europe, the Consulting firm of the Japan Management Association. He is mainly focused to support companies in the governance of innovation projects and product development. He has a strong background and expertise in project management methodologies and business practices. Before joining JMAC he had several years of experience in international projects within the aerospace industry. Together with the consulting activities he's involved as a lecturer for masters and university courses on project management and innovation management. Since 2014 he's Adjunct Professor in "Language and Communication Skills for Project Management " at Master in International Business & Economics, University of Pavia.

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