

Effect of Organizational Unwritten Rules on PMO Success

By Essam Mohamed Lotffy

Trojan Holding, Abu Dhabi, UAE

and

Frank R. Parth

Project Auditors, California, USA

Introduction

Every organization has both a formal structure, shown by the organization chart, and an informal structure that forms the culture of how the organization works. This informal structure, the culture, is created by the unwritten rules of the organization, and it can have a significant impact on the success or failure of any internal project.

PMOs were centralized to service the entire organization and provide added convenience to the project team, PMOs often struggle to gain buy-in from other departments because they often try to do everything at once they launch with too much information, processes, tools and templates without taking into account the cultural changes/factors that may be necessary within the organization to allow for the project management process to be properly followed and supported.

In spite many organizations have learned about the strong benefits of PMOs – the increases in productivity and the financial benefits of being able to more effectively manage the multiple projects within the organization. However, “how” the PMO is implemented is often more important than the “what” it is designed to do. PMOs are often requested by senior management or executives to benefit the overall organization, but they have an impact on the day to day work of lower level employees. Unless the implementation is done correctly, the unwritten rules of the employees can derail the PMO before it has a chance to show any benefits. These unwritten rules form the culture of the organization, and each department and group within the organization has its own unique culture.

Just because upper management sees the long-term benefits of a PMO does not mean that every employee sees the same benefits. Every employee, as well as every manager, interprets changes from their own personal standpoint “What does this mean to me?”. If the personal benefits are not clear and obvious, there will be resistance to the change. While the resistance is personal to each employee, the group’s unwritten rules will have a significant impact on how that resistance is manifested.

What Are The Unwritten Rules?

Many of the beliefs, expectations and values, the “culture” held by an organization are encoded in a set of “Unwritten Rules”. These rules guide behavior and attitudes throughout any organization. It is an aspect that is of special importance to establishment of a PMO. These rules make daily operations more efficient by improving how people interact. However, when changes are required, such as implementing a PMO, they may be beneficial or detrimental, too often the latter.

There is no intent here to decide if a specific Unwritten Rule is “right” or “wrong”. These “Rules” are largely unarticulated and almost never discussed as such. They may even be dutifully followed without conscious awareness that they exist. Nonetheless, Unwritten Rules hold unbelievable power over the workforce, and may be responsible for much of the ineffective behavior we see in organizations.

It may be difficult for any given employee to tell you that this rule exists. Even if they are aware of it, they may find it difficult to explain how they know that this rule is in force but they will know it in their bones if this Unwritten Rule is at work in their organization.

For example, there are many common unwritten rules about communicating within the organization. If one of the rules is that bad news is not communicated (a “shoot the messenger” approach) then the implications of this Rule for a Project Manager can be discouraging:

- How can you ever hope to get an accurate measure of project status if no one can tell you bad news?
- How can you hope to deal effectively with your Sponsor if you have to be “careful about what you say”?

This kind of rule puts people in a position of having to compromise their integrity, sometimes on a daily basis. This can have a negative impact on morale, attitudes, productivity and much more.

Some unwritten Rules that might have particular impact on projects

- “Never challenge authority”
- “Don’t waste the time of our internal customers with gathering requirements”
- “Meetings are a waste of time”
- “Management has the right to change their minds at any time”
- “Priorities will change from one week to the next”
- “You’re the project manager, but you don’t set the priority of the people working on the project.”
- “Never take risks. Even one mistake can cost you your job”
- “The Customer of a project can choose to not participate in the project, but they can still complain if the project does not turn out to their satisfaction.”
- “Your time should be spent on building the product, not on planning. Planning is seen as a waste of time”

Impact of Unwritten Rules

These rules and many others exist in every organization and provide challenges to every project. Imagine their impact when multiplied by all of the projects and on-going work in a large organization!. They are not designed or deliberately created; they evolve through the behavior of the people in the organization. Many of these unwritten rules came about because of people who left the organization long ago, but the behavior itself lives on.

Sometimes the unwritten rules are created by the environment the company works in. A company in a fast-paced environment develops a culture that supports rapid response and flexibility. This culture is difficult for project managers, who are taught to completely gather requirements and carefully plan out the project's work.

The rules can be both beneficial to the smooth operations of an organization or they can create counter-productive and dysfunctional behavior, behaviors which can be a major contributor to problems faced by projects.

When the unwritten rules create a dysfunctional environment, management may decide that implementing a PMO can magically fix their cultural problems. But implementing a PMO is going to change many of these rules, and there is quite often serious internal resistance to changing the culture.

This is all the more difficult because, as stated earlier, the "Unwritten Rules" are just that, unarticulated and generally not discussed. If you are new to an organization or hired as a consultant to implement changes, you may be totally unaware of what is at work and no one may know to warn you. Unwritten rules are like the air we breathe, we never notice it until someone points it out to us.

There are few projects more challenging than implementing changes to how people work, yet this is exactly what a PMO is supposed to do, make the work processes more efficient for implementing projects. The unwritten rules, the resistance to change, creates a barrier to implementing the PMO. Even if the PMO is implemented, it is unlikely to survive very long as people return to their pre-PMO methods of working. Many PMOs in IT organizations dissolve within two years as people go back to their normal behavior.

- When these rules are encountered, the most common reaction is to simply acquiesce and to go along with them, since violating them and behaving in a way different than the norm can cause problems and upset people. We have all been in the position of a new employee who did not understand the rules and irritated people without realizing we had done so.

Dealing with unwritten rules:

A PMO is going to change how project-related work is done. Its purpose is to make changes in an organization to improve the efficiency of projects selection and management. But by incorporating changes into people's jobs, it may unwittingly violate those unwritten rules. Employees will have to learn new rules as their jobs change, and this will always run into resistance. Violating the existing unwritten rules can have an impact on how successful the PMO is and how long it lasts.

There are a lot of unwritten rules other than the above mentioned. As mentioned earlier in the article unwritten rules are shared beliefs and attitudes developed overtime among team members ad entire the organization. Here we came to understand how we can work with either organization development department or hire organization development consultant to find out and sort out the entire organization unwritten rule.

Effectively dealing with the rules

1. **Find out if these rules are in the entire organization.** “Since these are unwritten rules, how do you find them?” will always be a question. To answer this question we have to consider that the focal point is the culture of the entire organization, how the organization responds to change, and then the culture of the parts of the organization we’re dealing with. In a complex organization these unwritten rules will be different from one part of the organization to another. Hence, for an enterprise-wide PMO we came to the point that if you want to make a change or implement something new like a PMO you need to sort out the following unwritten rules for the entire organization:
 - a. **The leader’s accessibility and temperament** –if you change the style of the leader then you change some of unwritten rules. Is he or she considered approachable? Does he or she interact with the team normally? Would he or she know if there was a perceived problem in the organization? Do team members trust leadership? These answers shape responses to how they will respond to change.
 - b. **Team Members inter-relationship** – Is the relationship between team members only a working relationship or are there also personal friendships? Is conflict acceptable and healthy or not? Do team members speak freely when they disagree with each other or with management? Is there a common shared vision throughout the organization that drive the team members performance or just it is a silo culture?. If there is no healthy environment where people can work together easily then the change will be difficult which consequently will impact the PMO’s success.
 - c. **Response to change** – Resistance to change are roadblocks to success. Have changes always been accepted or resisted? How frequently do changes occur in the organization? Who initiates changes? What is the predicted speed of the change? Who need to know about the change?
 - d. **Information flow** – how does communications happen throughout the organization? Who influences the team? What are the expectation of “Who should know?” and the perceived value of the information to the team? Communications and how information flows and is received are some of the main concerns that influence the success of PMO.

5. Instead of fighting these rules just accept that they exist and mitigate their effects:
 - i. Recognize them by putting them in the risk register and identify mitigation actions to deal with them. The best mitigation action is to effectively communicate with the organizations involved in the PMO and set up an effective Organizational Change Management (OCM) approach.
 - ii. Make a clear list of the PMO's goals and circulate it. Reassure people that the PMO will improve how projects are managed and will make their jobs easier. Any organizational change of this magnitude will immediately encounter the FUD factor (fear, uncertainty, and doubt) as people struggle to identify the impacts of the PMO to their own jobs and relationships.
 - iii. Identify the organization's behavior that results from unwritten rules and identify their risks to PMO goals.
 - iv. Work at the level of corporate values in parallel as part of the mitigation activities by identifying those values that promote beneficial behaviors and discourage non-productive behaviors associated with the unwritten rules.

Conclusion

To conclude, unwritten rules are significant cultural factors that impact any PMO success as it may drive counterproductive organization behaviors.

To deal with these rules you must avoid breaking these rules or deal with them directly, instead you have to adopt different rules by promoting beneficial behaviors and this will be through construction of relevant risk response plan and prompting corporate values.

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About the Authors



Essam Lotffy

Abu Dhabi, UAE



Essam Lotffy PMP, CCP is a Construction Manager-MEP at Trojan general contracting in Abu Dhabi, UAE. He received his BSc. degree in Electrical Engineering (Major) and Power Distribution (Minor) through Zagazig University, Zagazig, Egypt since 2001. Pursued and achieved his certificates in Project Management (PMP®) from PMI-USA since 2013, and certificate in Cost Management (CCP®) from AACE International since June-2014. He does claim 13 years extensive hands on experience in various aspects of projects and project management within maintenance, power distribution networks monitoring and supervision and construction projects as well. During his employment tenure with his past employers Suez Canal Electrical Distribution Company, United Engineering & Trading Company – ENTRACO, and TROJAN General Contracting, he has successfully managed various projects, in addition enhancing the process capabilities and organization performance as well. Essam Lotffy is actively pursuing potential opportunities in the project management field, where a room of growth and opportunities for advancement exists. Essam can be contacted at essam.mohamed@trojan.ae or esam_mcese@hotmail.com



Frank Parth

California, USA



Frank Parth, MS, MSSM, MBA, PMP is the President of Project Auditors LLC and a past member of PMI's Board of Directors. Mr. Parth brings 35 years' experience in project and program management to his teaching and consulting work.

He had a first career designing satellite systems for the US government and in 1993 he set up a consultancy and began consulting in program management and systems engineering. He has created PMOs for several Fortune 1000 companies and for companies internationally. He consults to clients in multiple industry sectors, including telecom, construction, high tech, chemical processing, utilities, government, healthcare, mining, financial services, and aerospace. He is currently

supporting Saudi Arabia's Saline Water Conversion Corporation in improving their project management processes and in developing a PMO.

Mr. Parth teaches project management courses throughout the world. He is a guest lecturer at USC's Marshall School of Business, the University of California, Irvine, and at the American University of Sharjah (AUS) in the UAE. He is an accomplished international speaker and does *pro bono* teaching in Vietnam.

He has co-authored or contributed to multiple books on project management and has published numerous papers in project management and systems engineering. He is actively involved with PMI, serving on local and national committees and was PMI's Project Manager for the *Standard for Program Management*, 2nd edition published in 2008. Frank can be contacted at fparth@projectauditors.com