



# Better Project Stakeholders Quality of Life with Dynamic Project Management

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Written by

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April 17, 2015

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# **Better Project Stakeholders Quality of Life**

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## A. Getting in Tune

This paper recognizes that projects fail more often because of the chosen strategic approaches to ten characteristics of a project management culture. My 30 plus years of project management experience saw project stakeholders frustrated and burdened with repetitive project failures. These frustrations were avoidable! I have chosen and utilized successfully different strategic approaches that delivered a better life for my projects' stakeholders.

Like types of projects, music comes in different styles for different people. Some people like classical music and some people like jazz. Neither one is bad. The only bad music experience is going to a music event liking one style and getting a different one. This bad experience was not the result of the music performers; but, the result of the wrong choice of music event.

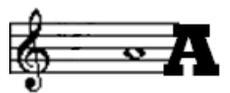


Like music, some people are okay with one project result and others want a different project result. I prefer project successes, delivering on time, within budget for satisfied customers. Other people prefer the project to deliver late, cost more (more revenues) and cause a challenged customer relationship.

Getting in tune means choosing the strategic project management (PM) approach for the desired project results. To make the right choice, understanding that a choice exists is a good start. Then understanding the different strategic approaches for each project result is the next step. Once the choice is understood and made, the project result has a high probability of occurring. This paper identifies choices and the strategic approaches for each. Most undesired project results caused blame to be burdened onto technical people. For most failed projects, I believe the blame lies with the strategic approach choices, not the technical people.

My goal is to focus this paper on the optimal choice for project success to reach a better project stakeholders quality of life. Project stakeholders include customer personnel, internal corporate personnel and subcontractor personnel, if applicable. For this paper and presentation, I define a better life as a good balance between work and play, a balance that provides us with enough time and resources to spend with family and friends. Unfortunately, because of all too common chosen strategic approaches to project management, most project stakeholders today and for the past several decades have experienced a stressful life style. They have missed important family events, worked late nights, participated in project "fire drills" and dealt with unhealthy stress because of conflict with colleagues and stakeholders. But an alternative better life style is available.

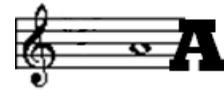
Consider this story. A young man many years ago decided that he wanted to learn to play the harmonica. After purchasing what looked like a perfectly fine harmonica, he brought it home and began learning how to play. No matter how much he practiced, none of the popular tunes he heard and wanted to play sounded right. After many frustrating months of practice that resulted in no improvement, he decided he just did not have the natural ability to play the harmonica and decided to return it to the music store and seek a refund. When he spoke to the owner of the store about his frustration and listed the many songs he had tried to play, the man smiled. "Young man, he said, "harmonicas come tuned to different keys. You purchased a harmonica tuned to the key of A. Most of the popular songs you want to play require a harmonica tuned to the key of C. The problem is the harmonica chosen does not match the results desired and not the lack of musical talents."



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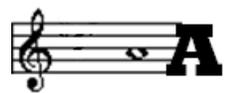
In this paper, we will use the analogy of the key of C and the key of A to represent the strategic approaches to ten project management culture characteristics. Like a musician choosing an instrument, an executive can choose the strategic approach to create a successful project management culture. With my 30 plus years of project management experience, I have discovered a strong pattern of choices and consequences. I have organized these experiences into two patterns which I will correlate to either the key of C or the key of A. These experiences include projects in the Aerospace / Defence, Healthcare, Public Sector, Energy, Telecommunications, and Construction industries. These projects involved IT, R&D, marketing and installations. The size of these projects ranged from 1 million to 1 billion dollars with project teams of 10 to 50 people. The project management culture and dynamics of these different projects tended to fit into two basic patterns, either the key of C or the key of A. I am not saying that a project is 100% one key or the other, but in the complex world of project management each project is played primarily in one key or the other. The total project management experience is then the summation of the different types of choices made. What we need to realize is that a project will have significantly different results based on which key is chosen.



Like music, projects can be short and simple, or long and complex. The harmony and tune of the project team and management practices are just as important to the success of a project as they are to a musical performance; for example, a local pub gig or a Carnegie Hall concert. Like a professional musician, a project team member enjoys performing well, being successful, receiving recognition by peers, and getting promoted. Each project member has a better opportunity to succeed, as does the project, when the key of the project management culture is understood and matched with the corporate strategy and expectations. Simply put, success often depends upon playing in the right key, by getting the chosen project management practices and skills in tune with the desired results.



Like the maestro or lead performer performing in the right key for the desired results, the project manager must validate the music selections (to meet customers' interests) and establish the rhythm, team collaboration, timing and frequency of rehearsals to lead the team to deliver the desired results. For example, I have seen projects launched with the project manager using the key of C approach by creating the project plan on his own with little interaction with the customer or team members. This approach is okay if the project end result is delivery whenever at whatever costs. The alternative choice (key of A) is to include in the timeline and budget tasks to collaborate with the customer and team members to develop the detail project plan and resource-loaded schedule model. This approach supports the expected result that the project is delivered on time and within budget. The parallel with music is unmistakable. Starting a project without collaboration is like preparing for a concert without rehearsals. No investor of a concert would be comfortable if the maestro said he will save money by skipping rehearsals; yet, some project sponsors are okay with a project manager preparing a project without collaboration. I have always wondered why sponsors are surprised when those projects are late delivering, over budget and have dissatisfied customers.



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## B. The 'chosen' music, the 'chosen' sound, the 'chosen' results

The action of making a choice is usually difficult. Choosing depends on knowledge of available options and adequate time to make and communicate the chosen option. In our fast paced business world, time is the most valuable and scarce resource. To 'save' time, many choices rely on past practices; for example, an option is chosen because "that's the way we do things around here". When time is allowed for a choice, time is used to identify the options, to understand the benefits and costs of each option, and then to collaborate about the option chosen.

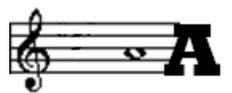
A choice is only good or bad when the choice's typical outcome is either consistent or inconsistent with the desired and expected outcome. For example, good music (desired and expected outcome) can be enjoyed in the key of C or in the key of A. The choice to play in the key of C was 'good' when the desired and expected outcome was a popular music event and common performance. The choice to play in the key of C was 'bad' when the desired and expected outcome was an advanced musical event or performance. In either situation, the musicians (the technical performers) played to their utmost capability.

One situation was a success and the other a failure. The musicians in the successful experience went home enjoying pride in their work, excitement in sharing the experience with family and friends and expecting gains from future engagements. The musicians in the failed experience went home under a dark cloud, withdrawn and doubting future prospects. Did the choice of key cause the success or failure or did the technical professionals cause the success or failure? Our conclusion is that the choice of the music key caused the success or the failure.

Like the options of different music keys, executives and project sponsors have the option of different project management cultures. A culture includes strategic approaches. Executives can choose which strategic approaches (music key) to create a project management culture to generate particular results. These strategic approaches must be flexible to align with the different nature of projects in different industries and different functions. These strategic approaches must allow for a mixture of choices with the understanding that the results are directly related to the chosen mixture. These choices require periodic review. No culture can exist as 100% one key or the other nor exist for years without adjustments. The resulting culture determines if a better life is experienced by everyone and to what degree of the quality of life.

In my experience, the strategic approaches I associate with the key of C have been utilized from the beginning of time. They are popular, familiar and considered by many as the only choice available. The strategic approaches I associate with the key of A have been developed in the last 70 years, have a few champions but are gaining more executive support each decade. The results of the key of C practices are the comfort of business as usual (no changes), quick startup response and pleasing popularity. The results of the key of A practices are successful quality deliveries on time within budget with satisfied stakeholders. Research shows most executives choose a culture based on the key of C strategic approaches and the results are consistent with the choice of the key of C strategic approaches.

Along with this musical analogy, automobile brands can be used to make the same point, choice not technical skills is the main cause of project failures. Both brands Porsche™ and Volkswagen™ are trademarks of the Volkswagen Corporation®. The Porsche brand carries a higher price tag than the Volkswagen brand and one can argue that the Porsche 'costs' less or



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has a higher net value to the owner. A key of C buyer would purchase the Volkswagen because the price tag equals costs. The key of A buyer would purchase the Porsche because the net value (net benefits – net costs) is greater than the Volkswagen purchase decision. The Porsche buyer includes the price as part of the total costs amount. The total cost amount includes other



costs like lost time and maintenance. The net benefits amount includes gained time, social status value, value retention, etc. Two people have tickets to a public event, one drives a Volkswagen and the other a Porsche. Both arrive at the same time and experience traffic congestion. The Porsche buyer sees a parking sign and parks within five minutes. The Volkswagen buyer must continue to creep along with all the other non-Porsche buyers to more remote and more

crowded parking lots. The event organizers established a Porsche Only parking lot at the front row next to the event. The Porsche buyer avoided the extra cost of lost time that the Volkswagen buyer incurred by parking in a more remote parking lot dealing with the stress of more traffic congestion. When leaving the event, again the Porsche buyer avoids lost time by reaching the Porsche Only parking lot and leaving faster than the Volkswagen buyer who reaches the more remote lot and slowly navigates through more traffic congestion.



Time is money (value). During the first ten years of use for each vehicle, the typical Volkswagen \$20,000 price advantage is erased by the net value of the Porsche considering total benefits minus total costs. The Volkswagen buyer is only looking at one visible factor, the price, while the Porsche buyer is looking at multiple factors, both visible and invisible, like lost time and extra stress.

## C. The Value of the key of A Strategic Approaches

If these key of A strategic approaches are already known, why are corporations still choosing the key of C strategic approaches? The reason is that the key of A approaches are an extensive shift from the key of C strategic approaches. The key of A approaches require rock solid executive support in multiple areas of the corporation for at least three years of culture change. The true value is not apparent, like the true value advantage of buying a Porsche over a Volkswagen is not apparent.

Real World Example #1: Training Module Development Project

Product for servicemen to prepare for wartime environments

Key of C strategic approaches typical results

Contract Price was US\$ 1.0 million

Actual Price at end of project US\$1.2 million

Business as usual, popularity maintained

Loss of vendor creditability due to late delivery

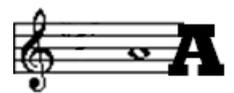
Loss of life

Key of A strategic approaches results

Contract Price was US\$ 1.0 million

Actual Price at end of project US\$1.0 million

Grumbling from changes in how to manage a project



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No late delivery  
No loss of life (priceless)

Real World Example #2: Construction Project

Typical government facility, nothing high tech

Key of C strategic approaches typical results

Original Contract Price was US\$ 5 million  
Corporate Actual Costs over US\$ 6 million,  
Delayed resources availability for other projects, unmeasurable costs  
Business as usual, popularity maintained  
PM labor cost limited to administrative rates due to government caps  
Scheduler labor cost limited to administrative rates due to government caps  
Loss of vendor creditability due to late delivery  
Significant financial overrun

Key of A strategic approaches results

Original Contract Price was US\$ 5 million  
Corporate Actual Costs at end of project US\$5 million  
Grumbling from changes in how to manage a project  
Career Project Manager labor cost 50% over admin rates, + US\$60 thousand  
Career Scheduler labor cost 50% over admin rates, + US\$40 thousand  
No late delivery  
No financial overrun, avoided cost overrun, avoided extra labor bow wave

Real World Example #3: Enterprise Project Management Office (EPMO)

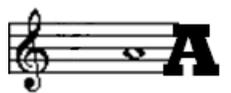
Non-Profit Organization EPMO

Key of C strategic approaches typical results

Estimated Price was US\$ 2.0 million over 3 years  
Actual Costs at end of project US\$1.0 million, discontinued after 1 year  
Grumbling from changes in how to manage projects, loss of control  
All divisions absorbing total change at one time, less than 6 months  
Focus on enterprise pm tool, not on value gained, on processes  
Inconsistent rollout, low participation, project cancelled after 1 year

Key of A strategic approaches results

Contract Price was US\$ 2.0 million over 3 years  
Forecasted Budget Price at end of project US\$1.75 million, Actual Costs  
\$1.0 million at end of 2 years  
Limited grumbling from changes in how to manage projects, loss of control  
Focus on value gained by each division, on time-saving processes  
Adoption is primary priority, pilot division to demonstrate values gained  
Sustainability is the secondary priority  
Project & Portfolio Management Tool is tertiary priority  
EPMO is oversight of enterprise processes, division leaders keep PM headcount  
Successful approach used at Keurig / Green Mountain and EPMO is continuing to  
function after four years, even after the promotion of this approach champion  
to an executive role at another corporation



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## D. Ten PM Culture Characteristics & Strategic Approaches

What are these strategic approaches? The key of C strategic approaches exist for all of the Project Management Institute® (PMI®) PMBOK® knowledge areas (disciplines). This paper will demonstrate that an alternate set of strategic approaches exist for establishing a successful project management culture. I call these approaches the Key of A strategic approaches for the 10 PM culture characteristics.

The 10 PM culture characteristics are:

1. Project Manager's Authority / Accountability
2. Project Manager's Value / Compensation
3. Project Manager's Experience
4. Dedicated Team Resources
5. Project Reports Accessibility
6. Schedule – Team – Budget Integration
7. Stakeholders – Team Planning Participation
8. Deliverables Work Breakdown Structure
9. Project Management Processes Quality Metrics
10. Enterprise Project Management Office

Each characteristic has an X-Y chart to plot the appropriate position of a project to calculate the total pm culture score. The governance process is to select a project or work effort and place a circle on each chart for each PM culture characteristic. Usually, a circle is placed somewhere between the two extremes, left side - completely key of C, or right side – completely key of A. After circles are placed on all ten charts, a summary scorecard is used to complete this process and to measure the project management culture and consequently the probability of success. Remember, that key of C cultures usually produce a 30% probability of success and the key of A cultures usually produce a 90% probability of success.

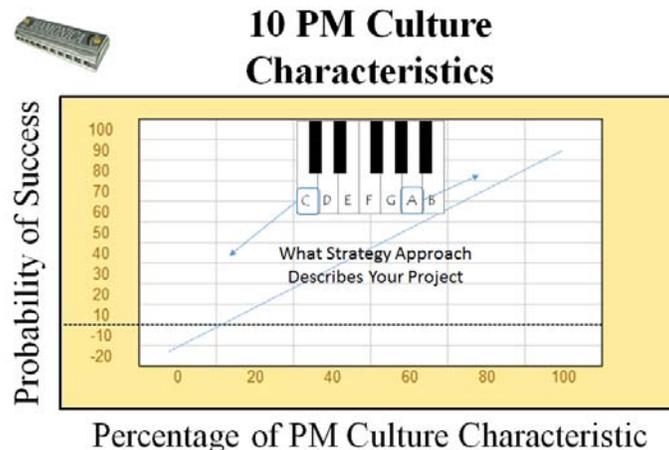
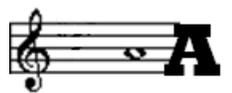


Figure 1 - Characteristic Graph Basic Design



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## 1. Project Manager's Authority / Accountability PM Culture Characteristic

Before the explosive usage of the job title "Project Manager" in the 90's, this role included authority to hire / fire team members and the person was held accountable for business success. A quick scan today of online job descriptions using this title shows a lack of authority and even accountability. In fact, this scan shows a pattern that this position will 'manage' multiple simultaneous work efforts with multi-tasking team members.

Today's strategic approach of multitasking the project manager on multiple work efforts is definitely a typical key of C approach. This approach dilutes the influence power of the key human behavior characteristic of leadership with authority. The team members only see an administrator or a task coordinator. In the key of A approach, project team success comes from having an effective leader that builds relationships and understandings with each project team member. These relationships take time and if a project manager has multiple teams, the time requirement for relationship building usually exceeds time available. In exchange for the authority to hire /fire, the project manager needs to provide input into each team member's performance evaluation. Team members are motivated when their productivity is relayed to the functional manager. Without adequate time to build relationships and without performance feedback, the results are poor communication, low team morale and motivation. Instead of team members feeling a part of the delivery, they tend to feel invisible and that they just have a job to do.



Hand-in-hand with authority is the characteristic of profit and loss (P&L) accountability. When authority is diluted, then P&L accountability is usually minimized, the typical key of C approach. While budgets are identified and somewhat measured, the focus on the direct relationship of budget with the resources required for each detailed task is weak or non-existent. The time strapped project manager uses spreadsheets to model budget and expenditures instead of using a resource-loaded schedule model. Using a key of A approach, the project manager with P&L responsibility uses a resource-loaded schedule model and earns a higher level of data integrity, confidence, accuracy and management maturity.

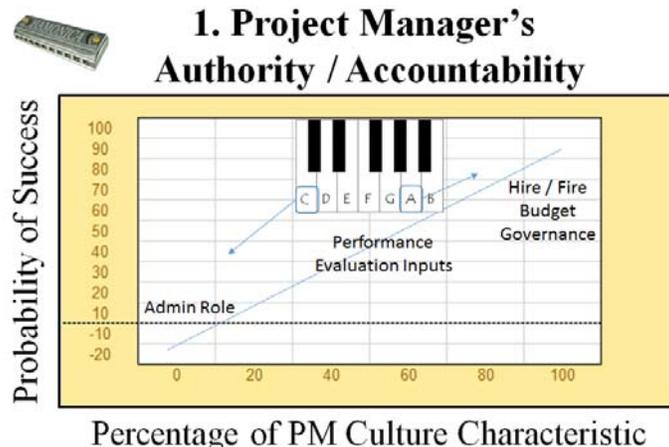
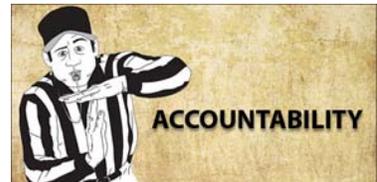
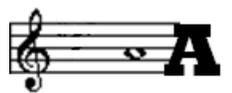


Figure 2 - PM's Authority / Accountability Characteristic Graph



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## 2. Project Manager's Value / Compensation

With the key of C popular perception of project managers being more administrators than business managers, no one should be surprised that most project managers receive a small compensation package based on a low value perception of their role. On the other hand, a key of A perception that the career project manager delivers projects on time, within budgets to satisfied customers, the perception of value of the PM role is much better and the compensation package is better too. My experience and business research surveys show that most



projects overrun by 20% or more. These are key of C managed projects. For example, a US\$ 5 million labor one year project would overrun by at least US\$ 1 million. A key of A project manager would save this amount of money and should be compensated accordingly based on business value delivered. A good rule of thumb is to share 20% of the savings or US\$ 200,000 compensation or just 4% of the project annualized budget for labor. Compensation includes salary, benefits and bonus. An average corporate compensation environment calculates salary, plus 50% salary for benefits plus bonus. A fair compensation for a key of A project manager for this project is US\$ 120,000 salary + US\$ 60,000 benefits + US\$ 20,000 bonus or US\$ 130,000 salary + US\$ 65,000 benefits plus no bonus.



Online survey of project manager position's total compensation shows a range from US\$ 75,000 (1.5%) to US\$ 225,000. (4.5%).

## 2. Project Manager's Value / Compensation

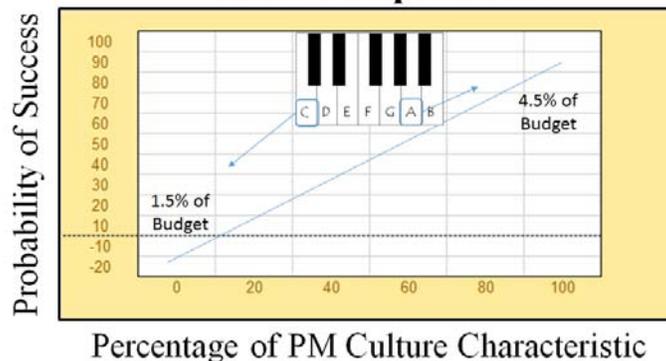
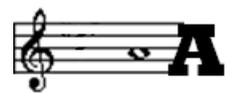


Figure 3 - PM's Value / Compensation Characteristic Graph



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## 3. Project Manager's Experience

What experience qualifies as project management experience? Since we are seeing the term project to describe all types and sizes of work efforts and the term manage to describe all types of responsibilities, accurately qualifying real project management experience is quite a challenge. In the key of C, anyone who leads people can be called a project manager. In the key of A, only someone that performs day-to-day duties in one or more of the ten PMI® PMBOK® knowledge areas (disciplines) can count time as experience in project management.

For example, I have interviewed several people with the title project manager and yet their background was ten years of successful technical accomplishments. They received this title as a career advancement step! Their years as an engineer, programmer, electrician, scientist did not include one month of project schedule modeling, project cost analysis, project issue and risk resolution and mitigation, project contract negotiation, project communication analyst, project business analyst nor project scope manager. No wonder project deliverables were late, over budget and usually missing what the customer expected. The key of A project management career professional has multiple years of many of these ten knowledge areas (disciplines) before earning the responsibility of a project manager.



You may ask, why are people given the project manager title? The answer is simple to identify and extremely difficult to overcome. The popular key of C strategic approach is to post job descriptions that focus on technical skills and most of the time exclude skills in the ten project management areas. The key of A strategic approach is to stay focused on the real contributing skills for project success, the ten knowledge areas. A simple short list has been developed by Tom Mochal of TenStep, Inc. (notice no technical skills requirement):

1. **Plain Talker (communicate clearly)**
2. **Risk Averter (manage risk)**
3. **Obstacle Remover (manage issues)**
4. **Morale Builder (manage staff)**
5. **Bottom Line-er (manage schedule and budget performance)**

### 3. Project Manager's Experience

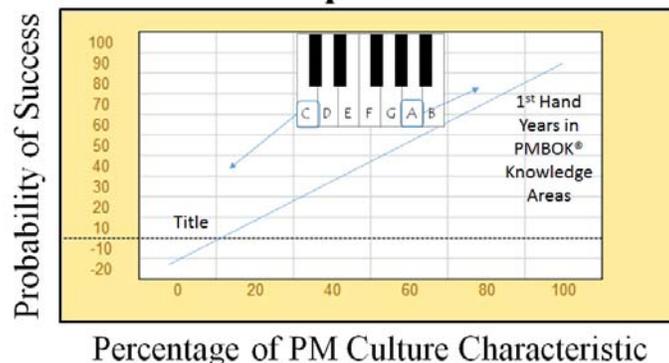
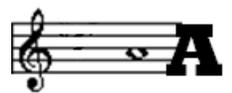


Figure 4 - PM's Experience Characteristic Graph



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## 4. Dedicated Team Resources

Very few people can multitask without loss of effectiveness and productivity. The common key of C strategic approach of multitasking project team members contributes to the low project success rate of 30%. Blaming poor performance and less than expected results on multitasking individuals is pointing the finger in the wrong direction. The main contributor to this poor performance is the decision to multitask.

I was analyzing one client's business practices and each project manager had over ten simultaneous projects and each project team was comprised of 100% multitasking team members. I ask one of the project manager to describe the time spent with each team member on one project and what they knew of that individual. I also asked the individual what he / she knew of the project manager of that project. Neither person spent much time talking to each other. I asked the team member to describe his / her typical day. He / she said the days were pretty much the same, one project manager would call and ask how things were going or why something particular had not finished. The project manager requested that the team member work on that task that day. Then a few minutes later, another project manager called and asked the same questions for another project and requested the team member to work on a particular task that day. Then a 3<sup>rd</sup> project manager called and so on and so on. After about 2 hours of taking calls from all the different project managers, the team member had to decide which task the largest fire drill for the day was knowing that the next morning, the other project managers would be unhappy to hear the task they wanted worked was delayed again.



After weeks of this pattern of questions and frustration by the project managers, the team member too became very frustrated. Since the technical work was falling farther and farther behind, the typical reaction was to blame the technical person for poor performance. Feeling the blame heat, the team member became demotivated.

A key of A strategic approach is to assign one project manager to one team. The team is a group of only dedicated resources. Anyone not dedicated to the project team is a support person. Individuals that support a project are very important and can cause a delay if the project manager is not careful. The support person is not involved in the project schedule and budget planning and should not charge hours to the project. Their time should be funded by overhead rates. The project schedule model should include milestones to identify interdependencies and timing of deliverables involving the support person's contributions to the project.

### 4. Dedicated Team Resources

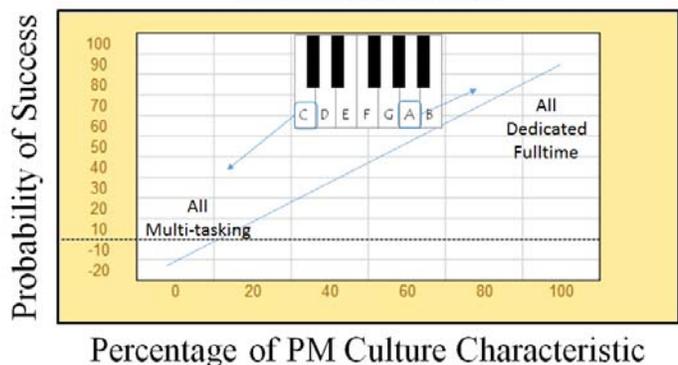
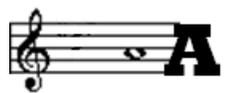


Figure 5 - Dedicated Team Resources Characteristic Graph



# Better Project Stakeholders Quality of Life

## 5. Project Reports Accessibility

One key success factor is communications. Yet, many key of C cultures do not use a single repository of project documents. The project documents are stored on team members' computers and / or an internal share drive. This approach allows for duplications, lost documents and lost changes as one team member overwrites another team member's changes (no version control).

In the 80's and the 90's, the key of A cultures would collect project documents in a 3-ring binder which works well only if all team members are located in the same office area. Today, the key of A cultures utilize project repository tools like Microsoft© SharePoint® to replace the 3-ring binder. A document repository should enable the project team stakeholders' access to project reports and documents 24/7. Today, client project stakeholders should have access through the prime contractor's firewall or the application should be hosted outside the firewall, like in an external cloud.



**ACCESSIBILITY**

In addition to a single repository, the key of A culture produces a standard reports package that is posted either weekly or monthly. This package contains the same reports designed in the early planning with the client stakeholders' inputs. The routine preparation of this reports package enables the project manager and sometimes the team members avoid disruptive requests for immediate generation of reports. These reports contain the basic information that any client would expect to receive and the routine reports generation should be an automatic by-product of the routine schedule planning and status process. The key of C culture waits until a client request happens, interrupts what is happening at that moment, scrambles to gather data and to generate and share the on-demand or fire-drill reports. The key of C culture is characterized as 'reactive' and the key of A culture as 'proactive'. The proactive culture is the better quality of life scenario.

## 5. Project Reports Accessibility

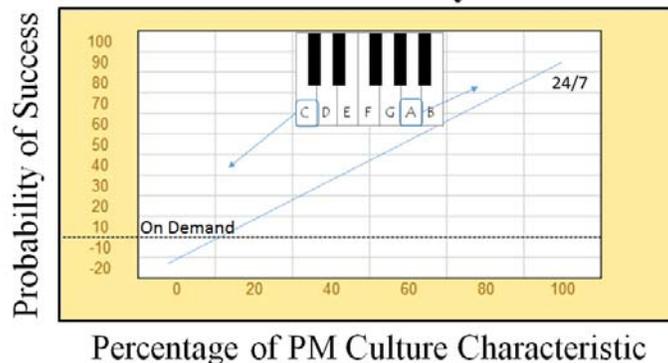
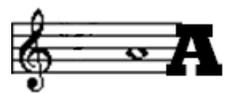


Figure 6 – Project Reports Accessibility Characteristic Graph



# Better Project Stakeholders Quality of Life

## 6. Schedule – Team – Budget Integration

Every project and work effort has scope of work and resources to deliver the scope of work. These resources include people, time and funds. In the typical key of C culture, data regarding each type of resource is kept in separate databases / tools. I have analyzed many troubled projects only to find that the time resource was captured in either a spreadsheet like Microsoft® Excel or a schedule tool like Microsoft® Project®, Workfront® or one of many other schedule tools. Then the resources hours are kept in a spreadsheet file and the funds / budget data is kept in yet another spreadsheet file. Every project encounters business requirements during the project timespan that cause changes to the original project plan. With 3 separate files, these changes require multiple data duplication or inconsistency. No schedule change happens without changing the planned budget and planned resource usage profiles. Yet since the data is contained in multiple files, the project manager or some team member has to adjust each file separately with the assumption that the changes are consistent and accurate.



In the key of A culture, only one database is used to capture and plan the usage of all three resources. Then when a change occurs or management wants to better understand the potential impact of a possible change, only one file is adjusted saving time of not changing three files and the data integrity is maintained since the relationship between the three resources is maintained automatically. For example, if a particular material delivery is expected to be delayed, the receipt of that material milestone can be changed to reflect the new expected delivery date. All dependent tasks to that milestones and the labor and funding associated with those tasks are automatically changed (in a critical path methodology schedule model). The database tool can produce a Gantt Chart (time bars for each task) showing what slipped and resource and budget spend profiles graphs, all based on the new expected receipt date. These reports enable management and executive stakeholders to make better informed decisions.

## 6. Schedule – Team – Budget Integration

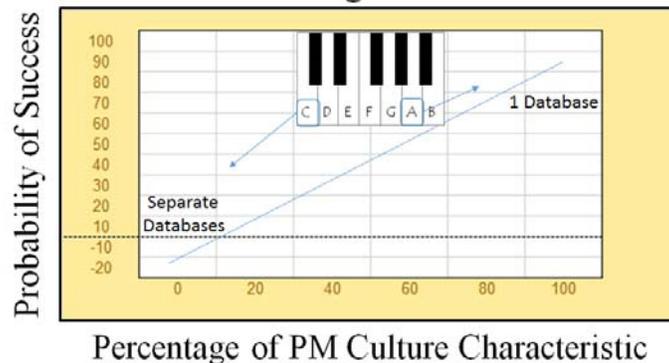


Figure 7 - Schedule - Team - Budget Characteristic Graph

# Better Project Stakeholders Quality of Life

## 7. Stakeholders – Team Planning Participation

Most human beings do not like to be told what to do. When team members like the project culture, their performance is generally better.

In a key of C culture, the strategic approach to 'save' time and money by having one person build detail schedule models alone can explain one source of project failure. Beyond the high level timeline identified in a contract using deliverable milestone dates, the one person approach makes assumptions regarding scope, resources, time and funding requirements. This one person approach fails to take advantage of the key project success factor of communication. This approach tells team members what they will do and usually without confirmation that the team member understands the scope of the task assigned. Again, the key of C culture creates a reactive work environment with team members reacting to an assignment at the last minute.



In the key of A culture, the high level, deliverable milestones schedule is used by the project manager, team members, client stakeholders and subcontractors to build the resources loaded, budgeted detailed schedule model with tasks' interdependencies. This strategic approach improves communication success, builds team rapport and morale, and empowers team members to perform well. The perceived time and funds saved using the key of C approach proves to me minimal compared to the time and funds saved when the key of A avoids overrunning the budget by 20%. Again, the key of A culture creates a proactive work environment with team members proactively involved in understanding the scope of the project and the tasks assigned with time before the task is planned to start. When questions arise, the team has time to address the question, consider alternatives and request executive approval with adequate time, avoiding fire drills and stress.

In other words, enjoying a better quality of life.

## 7. Stakeholders – Team Planning Participation

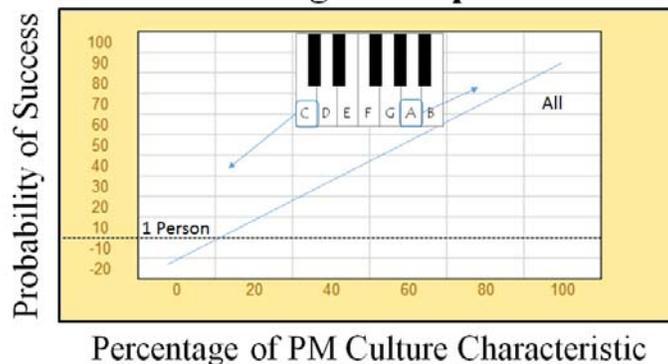
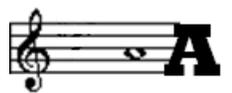


Figure 8 - Stakeholders - Team Planning Participation Characteristic Graph



# Better Project Stakeholders Quality of Life

## 8. Work Breakdown Structure (WBS)

One characteristic of a key of C Work Breakdown Structure is how the work plan or model is organized. Typically, the tasks performed first are included in the first group of tasks at the top of the task list or at the left end of the WBS Chart, and the tasks performed last are included in the last group of tasks at the bottom of the task list or the right end of the WBS Chart. Another characteristic is the use of functions or phases at the top level, like Design, Procure, Build, and Test (see Figure 1). In contrast, a distinguishing characteristic of a key of A WBS is the top level is organized by deliverables. A typical example is the construction of a house (see Figure 10). In a key of A WBS, the top level contains Land, Floors, Walls, and Roof.

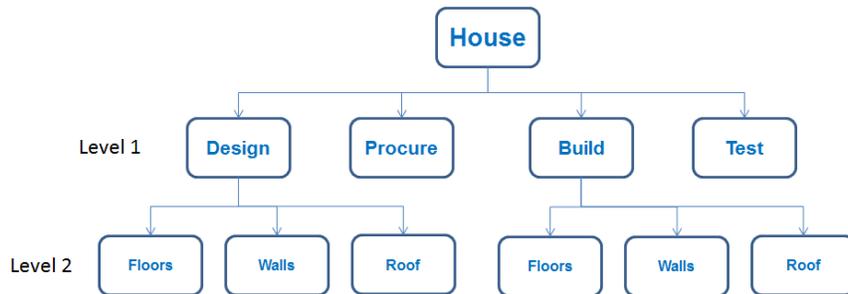


Figure 9: Functional WBS - Sequenced Left to Right by Time

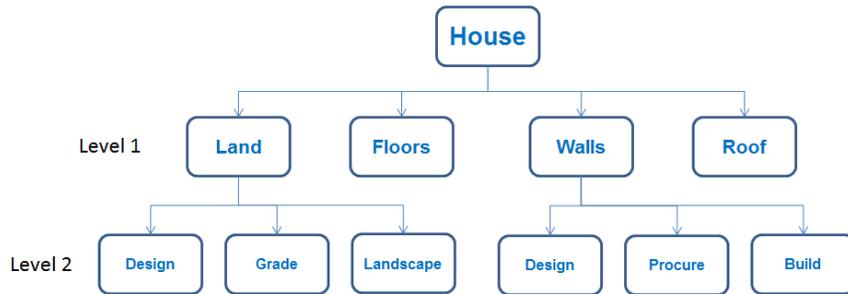


Figure 10: Tangible WBS – Organized by Deliverables

## 8. Deliverables Work Breakdown Structure

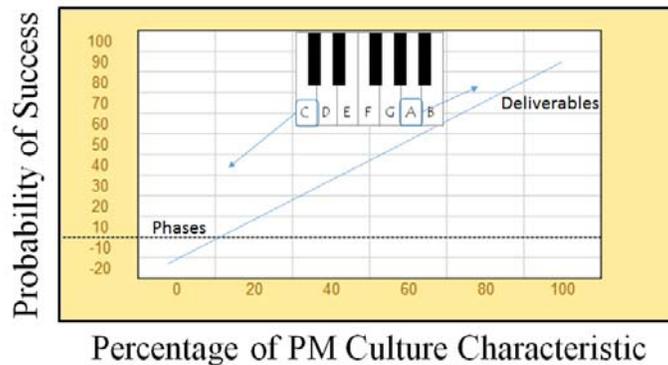
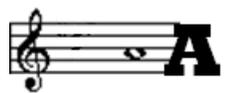


Figure 11 - Deliverables Work Breakdown Structure Characteristic Graph



# Better Project Stakeholders Quality of Life

## 9. Project Management Processes Quality Metrics

When the topic of quality is raised, the typical focus is the quality of the product. Without a doubt the quality of the products and / or services is important to achieving customer satisfaction. The key of C culture focuses on product / service quality and overlooks the project manager's need to focus on the quality of the project management processes.

The key of A culture establishes and monitors the quality of each project's project management processes. A governance committee is valuable to ensure that effective project management processes are utilized throughout the project timespan. The quality of these processes can be either objective or subjective. Even a subjective metric is better than no metric because the project manager and team members know that the process quality metric is visible to the governance committee and possibly to the client as well.

The most common key of A metric is a schedule model quality metric. Several very effective tools exist today like forProject© by forProject Technology, Inc.® and Full Monte© by Barbecana® to analyze and graphically depict the score of the US Defense Contract Management Agency (DCMA) 14 point schedule assessment. Too many key of C schedule model reports are hopeful representations of a project time plan, many times called pretty pictures. The value and the data integrity of those representations are very low, less than the cost to generate them. The DCMA schedule assessment detects and quantifies the quality of the schedule data to reduce the risk of executive reports that are only pretty pictures.

Metric	Count	Percent	
1 Logic	2	1.19 %	✓
2 Leads	0	0.00 %	✓
3 Lags	27	10.80 %	⚠
4 Relationships	12	4.80 %	✓
5 Hard Constraints	0	0.00 %	✓
6 High Float Slack	98	58.33 %	✖
7 Negative Float Slack	0	0.00 %	✓
8 High Duration	20	11.90 %	⚠
9 Invalid Dates	0	0.00 %	✓
10 Resources	168	100.00 %	✖
11 Missed Tasks	162	55.29 %	✖
12 Critical Path		Skipped	
13 CPLI		Skipped	
14 BEI		0.73	✖

Another metric is the time duration of identifying and resolving key project issues and identifying and mitigating key project risks. The key of A culture includes basic spreadsheets with 24/7 access, visibility and team members participation.

The third metric is the accessibility and participation of the team members in generating both project and technical documents and reports. A routine review of how many documents are created, modified and by what percentage of the team members indicates the health of a project.

## 9. Project Management Processes Quality Metrics

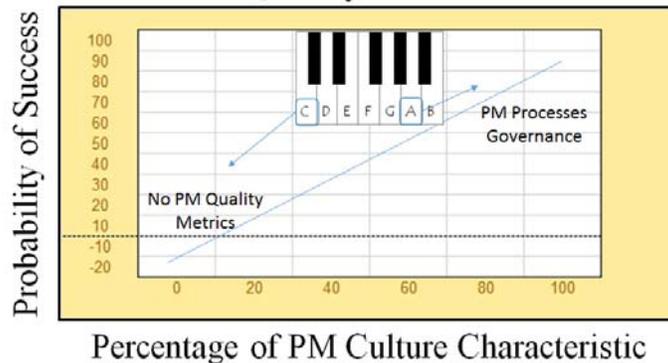
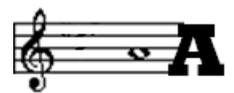


Figure 12 - Project Management Processes Quality Metrics Characteristic Graph



# Better Project Stakeholders Quality of Life

## 10. Enterprise Project Management Office

No project is successful with a limited focus on a few tasks. Likewise, no corporate project culture is successful with a limited focus on just a few projects. In the last ten years, we have seen a significant growth in realization and budget committed to establishing successful enterprise project management cultures. The most visible element of this culture is a global program office or enterprise project management office. Either form is embedded in the executive ranks and has a vice president or director level leader. Gartner research found that 60% of the Fortune 1000 corporations plan to establish an enterprise level project management culture. In a key of C culture, no executive infrastructure exists. In the key of A, this organization exists at the executive level of either the corporation or at least a business unit / subsidiary.

An example of a successful Enterprise Project Management Office can be found at the Bill & Melinda Gates Foundation. Don Kingsberry, Director-EPMO, has established over the last two years the foundation of a key of A culture. Their culture is evolving with the understanding that the establishment of this culture takes a minimum of three years. They carefully work with each business unit's executives to avoid duplicate project management work through portfolio management by building standard templates, workflows and report formats. The business unit executives realize gains by having their project managers avoid reinventing the wheel and by accelerating project reviews by utilizing consistent reporting formats for each project in the business unit.



The EPMO also provides value with consistent hiring and training of project management professionals. They understand the gains from hiring project management professionals that manage business, communications, team relationships and effective planning. The culture also emphasizes that the methodology be scalable, no one size fits all approach. This flexibility enhances methodology adoption by the business unit executives and project managers.

### 10. Enterprise Project Management Office

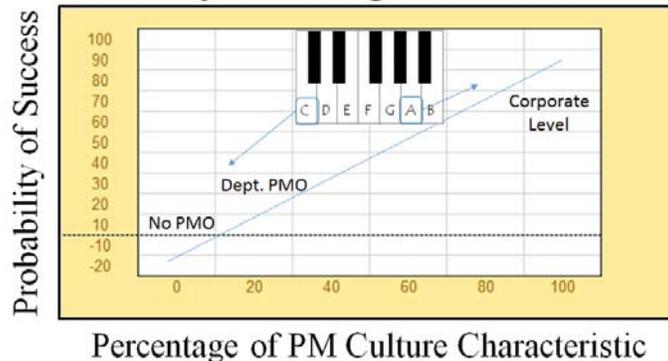
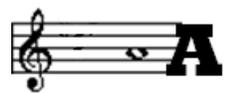


Figure 13 - Enterprise Project Management Office Characteristic Graph



# Better Project Stakeholders Quality of Life

## 11. PM Culture Scorecard

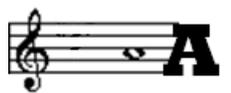
Now that the ten PM culture characteristics and both key of C and key of A strategic strategies have identified, let's continue our project management best practices and build a scorecard to measure and communicate the current PM culture for a particular project. Figure 14 lists each characteristic, a column for the percentage position on each chart, your subjective weighting value of each characteristic relative to the whole and a calculated value for each characteristic. The sum of these values provides an overall score for that project's PM culture. The higher the score value on a scale from minus 200 to 100, the higher the probability of project success; delivering on time, within budget for satisfied customers. Of course, a successful project usually implies happy team members for achieving job well done, possible recognition, maybe even bonuses. All these things equate to a better quality of life.

### PM Culture A Perfect Score

	Characteristic Score	Characteristic Weight	Characteristic Value
Project Manager's Authority / Accountability	100	10%	10
Project Manager's Value / Compensation	100	10%	10
Project Manager's Experience	100	10%	10
Dedicated Team Resources	100	10%	10
Project Reports Accessibility	100	10%	10
Schedule – Team – Budget Integration	100	10%	10
Stakeholders – Team Planning Participation	100	10%	10
Deliverables Work Breakdown Structure	100	10%	10
Project Management Processes Quality Metrics	100	10%	10
Enterprise Project Management Office	100	10%	10
		<b>100%</b>	<b>100</b>
Characteristic Score Range	-20 to 100		

Figure 14 - PM Culture Scorecard

Figure 15 recaps the characteristics and the strategic approach for each key.



# Better Project Stakeholders Quality of Life

Ref.	Characteristic	Key of C	Key of A
1	Project Manager's Authority / Accountability	Administrator / No P&L	Hire / Fire or Performance Inputs / P&L responsibility
2	Project Manager's Value / Compensation	Low / Low	High / 4.5% of budget
3	Project Manager's Experience	Technical –promotion step	Life time commitment – Years in ten knowledge areas (disciplines)
4	Dedicated Team Resources	PM with multiple projects, multitasking team members	PM with one project, dedicated team members
5	Project Reports Accessibility	On demand	24/7, routine reports package
6	Schedule – Team – Budget Integration	3 separate, independent databases	1 database, integrated data
7	Stakeholders – Team Planning Participation	One person production	Client stakeholders team members subcontractors participation
8	Deliverables Work Breakdown Structure	Phased	Tangible
9	Project Management Processes Quality Metrics	Focus on product / services quality	Focus on pm processes quality
10	Enterprise Project Management Office (EPMO)	None	3 year engagement to establish

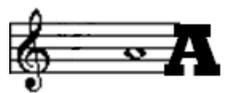
Figure 15: Characteristics Strategic Approaches of each Key Table

## E. When does the music of each key sound better?

Earlier we stated that neither key is good or bad. The management issue occurs when a certain performance result is desired and the key selection is inconsistent with the expected result. Playing a project in the key of C is acceptable when the desired result is a project completion “as soon as possible.” Ongoing work, undefined scope of work, sustainment tasks, maintenance efforts, small projects and small level of effort (LOE) work are ideal forums for the key of C. The key of C forum in many ways is like a jam session. There are no set sheets of music that each musician plays from. Instead, each band member is allowed to improvise and experiment.

For medium and large projects with fixed budgets, defined scope of work, dedicated resources and complex technical solutions - both hardware and software - are ideal forums for the key of A project music. The key of A forum is like an orchestra with each performer playing from the sheet of music, with lots of practice before the big event, the delivery.

The selection of the key is even more important if the work relates to other projects, is part of a larger program, competes for the same internal budgets, or is a component of a corporate wide project portfolio. The key of A delivers the type of music that minimizes the occurrences of sour notes and out of harmony sounds.



# Better Project Stakeholders Quality of Life

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## F. Why do people play in the key of C instead of the key of A?

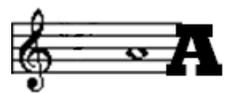
Until someone experiences first-hand the success of finishing several projects on time, within budget and with satisfied customers, a person is unaware of the real value that can be gained by playing in the key of A. More than likely, he or she has not realized that by playing in the key of A, no team member is required to work overtime, or work through planned vacations or family events. He or she would never have experienced the satisfaction and benefit of bonuses or awards given for delivering a project on budget. He would never have felt the joy from receiving recognition or kudos for a job well done that only comes when the customer is happy and satisfied with the solution delivered by the project team.

Another reason is human nature. Most humans by nature will avoid the discomfort of going down a new, different path. Common traits of human nature include a resistance to change, a desire to be popular, a short-sighted vision, and the avoidance of risk. Even when the value of the key of A practices are known and considered, the cost and risk associated with implementing change often discourages many decision makers. The costs and risks are numerous and real: retraining employees; slowing down delivery in the short term; unplanned expenditures for new tools; and staff turnover. A fear of the unknown is one of the biggest obstacles to change.

Seeing what lies ahead a short distance in front of us is much easier to accept than the longer distance view that exposes us to so much more information. The view from 20,000 feet is less detailed than the view from 2 feet, and the average person is more comfortable with making decisions with the details. Even with the knowledge of the values, the strength of diversity and long term vision, the decision maker must overcome the natural fear of taking risks. Many people have received criticism for making a mistake. Taking risks increases the probability of making a mistake, which increases the risk of being criticized. If the risk taking leads to project success, the usual absence of rewards also discourages future risk taking.

A third reason that most people continue to play in the key of C is the lack of qualified, career project management practitioners getting assigned as project managers. A true career project management practitioner has many years of first-hand experience in roles associated with the ten PMBOK® disciplines. For example, a career project management practitioner typically has at least three years' experience as a project scheduler, plus additional years as a project cost analyst or project controls analyst, and many more years managing stakeholder relationships, risk, scope, resources, contracts, and quality. Unfortunately in today's business world, the preponderance of people assigned as project managers lack this experience, but yet are thrown into complex projects that they cannot manage effectively. Our education system is very successful at teaching technical skills, like engineering, software development and architecture, but until recently, project management was only considered an extension of these technical careers, not a career.

Fortunately, more and more executives are recognizing the importance of having career project management practitioners managing their projects. We see project manager job descriptions focusing more on experience in the ten disciplines including soft skills for effective communication, relationship building and business management acumen, but excluding technical skill requirements. In other words, focus on finding career project management professionals who will play in the key of A is gaining wider acceptance.



# Better Project Stakeholders Quality of Life

## G. Summary

This paper utilized the music keys of the harmonica to establish that different strategic project management approaches drives a project result more than the performance of the technical team members. The two keys symbolized the two extremes of projects with a 30% or a 90% success probability. In reality, our world is never just one extreme or the other. Therefore, another key of the harmonica can be considered to represent a middle-of-the-road selection of strategic approaches. Consider the key of F as this position as a better representation of the project management culture and its strategic approaches. This key recognizes that some work (projects) required multitasking resources and still required timely communications between project stakeholders. This key's hybrid of the strategic approaches for each project management culture characteristic usually earns a 60% success rate.

In summary, review the choices of strategic approaches to match project results. If the result is not what was desired, go back and review these approaches again and do not on first impulse blame the technical resources. If you do, the project stakeholders will enjoy a better quality of life.

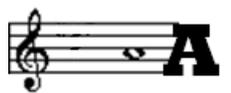
## H. Case Studies

### Key of "C" Case Study

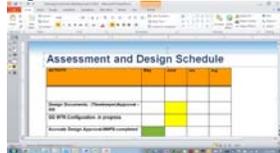
Customer: US Municipal Government, multi-million dollar, fixed price, enterprise wide IT project. The planned project during was 48 weeks. Status at week 40:

- Customer has repeatedly complained to corporate management the lack of communication
- The project manager struggles to motivate his team members to work on this project
- The project Profit and Loss data is not available to know if the project will make money
- The project manager feels that the role provides much management value
- The project manager has little experience in proactive time – people – funds management
- Key resources are spread out between multiple projects, losing focus, taking longer to finish work
- Reports are only produced on demand and interrupt progress to fight fire drills
- Stakeholders were not involved in planning and some do not correctly understand the scope of work
- The schedule model used a phased approach and team members do not have a feeling of delivery
- The production of Gantt charts misleads management that more progress was made than reality
- All project documents are created from scratch and some usual pm documents were not created
- 4 of 8 key milestone dates have been missed
- Project is being extended by at least 35 weeks
- Professional Services budget is over by more than 75%

Ref.	Practice	Key of C	
1	WBS Organized by Phases, not by work packages	WBS	Task Name
		1	Overall Project
		2	Phase 1 - Planning
		3	Project Initiation
		4	Executive Sponsor/ Project Manager Intro Call
		5	Project Planning
		6	General Assessment Readiness WTK & Technical



# Better Project Stakeholders Quality of Life

Ref.	Practice	Key of C																																																
2	Schedule Module – Missing Links, missing durations	<table border="1"> <thead> <tr> <th>Task Name</th> <th>Successors</th> <th>Duration</th> <th>Start</th> </tr> </thead> <tbody> <tr> <td>Interface Design Document(s) Sign-off</td> <td>103,104,143</td> <td>8 days</td> <td>12/5/13</td> </tr> <tr> <td>WTR</td> <td></td> <td>6 days</td> <td>12/9/13</td> </tr> <tr> <td>Employee Import</td> <td></td> <td>5 days</td> <td>12/10/13</td> </tr> <tr> <td>GL Acct Entry Import</td> <td></td> <td>2 hrs.</td> <td>12/9/13</td> </tr> <tr> <td>P-data Export</td> <td></td> <td>3 days</td> <td>12/9/13</td> </tr> <tr> <td>Sub Teacher Interface</td> <td></td> <td>5 days</td> <td>12/9/13</td> </tr> <tr> <td>Accruals</td> <td></td> <td>5 days</td> <td>12/5/13</td> </tr> <tr> <td>Accruals Interface 1</td> <td></td> <td>5 days</td> <td>12/5/13</td> </tr> <tr> <td>Determine Testing Strategy</td> <td></td> <td>1 day?</td> <td>10/28/13</td> </tr> <tr> <td>Payroll</td> <td></td> <td></td> <td>10/28/13</td> </tr> <tr> <td>Accruals</td> <td></td> <td></td> <td>10/28/13</td> </tr> </tbody> </table>	Task Name	Successors	Duration	Start	Interface Design Document(s) Sign-off	103,104,143	8 days	12/5/13	WTR		6 days	12/9/13	Employee Import		5 days	12/10/13	GL Acct Entry Import		2 hrs.	12/9/13	P-data Export		3 days	12/9/13	Sub Teacher Interface		5 days	12/9/13	Accruals		5 days	12/5/13	Accruals Interface 1		5 days	12/5/13	Determine Testing Strategy		1 day?	10/28/13	Payroll			10/28/13	Accruals			10/28/13
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		Accruals Interface 1		5 days	12/5/13																																													
		Determine Testing Strategy		1 day?	10/28/13																																													
		Payroll			10/28/13																																													
Accruals			10/28/13																																															
3	Participation and task ownership	The project schedule was built jointly by the vendor and customer managers, without any involvement of the team members performing the work.																																																
4	Collaboration	Project schedule was never posted to a SharePoint site. The schedule was never reviewed during weekly team meetings to help team members understand task status.																																																
5	Frequency of Updates / Reviews	Over the course of one year, the project schedule was updated less than 10 times. Schedule reports provided to management were not based on actual data, but based on the project manager's "hunch" 																																																
6	What if Scenarios Analysis	Impacts to schedule could not be performed because tasks links were missing, dates were hard coded, and durations missing on several tasks.																																																
7	Governance	Monthly Steering Committee meetings are held. Project delays accepted as normal course of business. General attitude of "we will get to it when we can."																																																

# Better Project Stakeholders Quality of Life

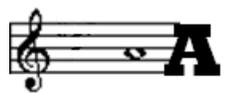
## Key of “A” Case Study

Customer: US Navy, 3 year \$15M R&D project with possible follow-on contract proposed at \$20M.

- Customer has repeatedly complained to corporate management the lack of timely delivery
- The project manager role was distributed among team leaders
- The project Profit and Loss data is not available to know if the project will make money
- Key resources were dedicated and motivated working with state-of-the-art technology
- Reports are only produced on demand and interrupt progress to fight fire drills
- Stakeholders were not involved in planning and some do not correctly understand the scope of work
- The schedule model used a phased approach and team members do not have a feeling of delivery
- No project management processes quality metrics existed
- All project documents are created from scratch and some usual pm documents were not created
- 3 of 6 key milestone dates have been missed
- Project is being extended by at least 12 weeks

Before changing the tune from key of “C” to key of “A”, since 3 major milestones had been missed the customer was discussing project cancellation. After changing the tune (choosing the key of A strategic approaches), the final 3 major milestones were met and the customer approved the follow on contract.

Ref.	Practice	Key of C	Key of A																																		
1	WBS	<b>Phased</b> <table border="1"> <thead> <tr> <th>WBS</th> <th>Task Name</th> </tr> </thead> <tbody> <tr> <td>0</td> <td>[-] ONR Launcher Program</td> </tr> <tr> <td>1</td> <td>[+] Major Milestones</td> </tr> <tr> <td>2</td> <td>[+] Requirements</td> </tr> <tr> <td>3</td> <td>[+] Design</td> </tr> <tr> <td>4</td> <td>[+] Procurement</td> </tr> <tr> <td>5</td> <td>[+] Build</td> </tr> <tr> <td>6</td> <td>[+] Assembly &amp; Unit Test</td> </tr> <tr> <td>7</td> <td>[+] Integration &amp; System Test</td> </tr> <tr> <td>8</td> <td>[+] Fire at Range</td> </tr> </tbody> </table>	WBS	Task Name	0	[-] ONR Launcher Program	1	[+] Major Milestones	2	[+] Requirements	3	[+] Design	4	[+] Procurement	5	[+] Build	6	[+] Assembly & Unit Test	7	[+] Integration & System Test	8	[+] Fire at Range	<b>Tangible Deliverables</b> <b>Executive signed WBS Level 2 Diagram</b> <table border="1"> <thead> <tr> <th>WBS</th> <th>Name</th> </tr> </thead> <tbody> <tr> <td></td> <td>[-] ONR Launcher Program</td> </tr> <tr> <td>1</td> <td>[+] Systems Engineering and Program Management</td> </tr> <tr> <td>2</td> <td>[+] ACL - Advanced Containment Launcher System</td> </tr> <tr> <td>3</td> <td>[+] CD Component Development (CD) Barrel</td> </tr> <tr> <td>4</td> <td>[+] ACT Advanced Containment Test Launcher System</td> </tr> <tr> <td>5</td> <td>[+] Development Test and Evaluation</td> </tr> </tbody> </table>	WBS	Name		[-] ONR Launcher Program	1	[+] Systems Engineering and Program Management	2	[+] ACL - Advanced Containment Launcher System	3	[+] CD Component Development (CD) Barrel	4	[+] ACT Advanced Containment Test Launcher System	5	[+] Development Test and Evaluation
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2	Links Resources	Schedule Model – Static Dates, missing links No resource data on detailed tasks	Schedule Model – Calculated dates based on links and durations Resources are identified for each detailed task																																		
3	Participation & Task Ownership	Limited, one person or two people	Signed WBS Chart Project Director Project Manager Chief Scientist Chief Engineer Task Owners Project Manager Team Members																																		
4	Collaboration	One-way channel	SharePoint site Project Manager Team Members																																		
5	Frequency of Updates & Reviews	On-Demand	WSR – Weekly Status Request Weekly Status Reports Weekly Schedule Issue Resolution Meetings If necessary Only invitees, involved individuals Weekly Stakeholders Meeting																																		
6	What-If Scenarios Analysis	Some or None	Issue: Produced Gantt Chart showing impending resource usage conflict for major machine required for 3 months for each of 3 ongoing projects. Client was approached with a what-if analysis, impact study, and possible solutions.																																		



# Better Project Stakeholders Quality of Life

## Successful EPMO Case Study

Organization: The Bill & Melinda Gates Foundation

- Real world, no longer theory
- PM's job description – PMBOK based, not technical
- Cross industries PM experience
- Key of A culture, communication, accessibility
- Governance
- PM Process Quality Metrics Visibility



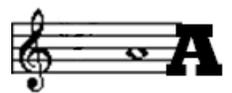
The Bill & Melinda Gates Foundation has elevated its project management's game by establishing an Enterprise Project Management Office (EPMO). The vision, mission, strategy and tactical decisions impact the entire multi-billion dollars organization. Their EPMO Environment diagram reflects the real world that the business management environment includes both operations and projects. See Figure 16. The EPMO processes must recognize this co-existence of these two very different work processes dynamics. On the one hand they have on-going operations have a routine and reactive dynamic. On the other hand they have million dollars projects that have a unique and proactive dynamic. The ultimate management challenge comes when optimizing resources that are utilized in both work dynamics.

The first of three key success factors is the organizational strategy that the EPMO Deputy Director reports to the Chief Finance Officer (CFO). The politics of project management is a critical business factor especially at the enterprise project and portfolio management corporate level. Having the EPMO report to the CFO enables the EPMO Deputy Director to optimize the positive results of a mature, key of A project management culture.



Figure 16 - Gates Foundation EPMO Environment

The second key success factor is the top down focus on big picture and the processes required to achieve the organization's strategic goals. Figure 17 shows the EPMO's statement



# Better Project Stakeholders Quality of Life

for the Vision, Mission, Purpose and Objectives. These statements are the compass that all project sponsors and managers use to navigate their project teams on a steady course.

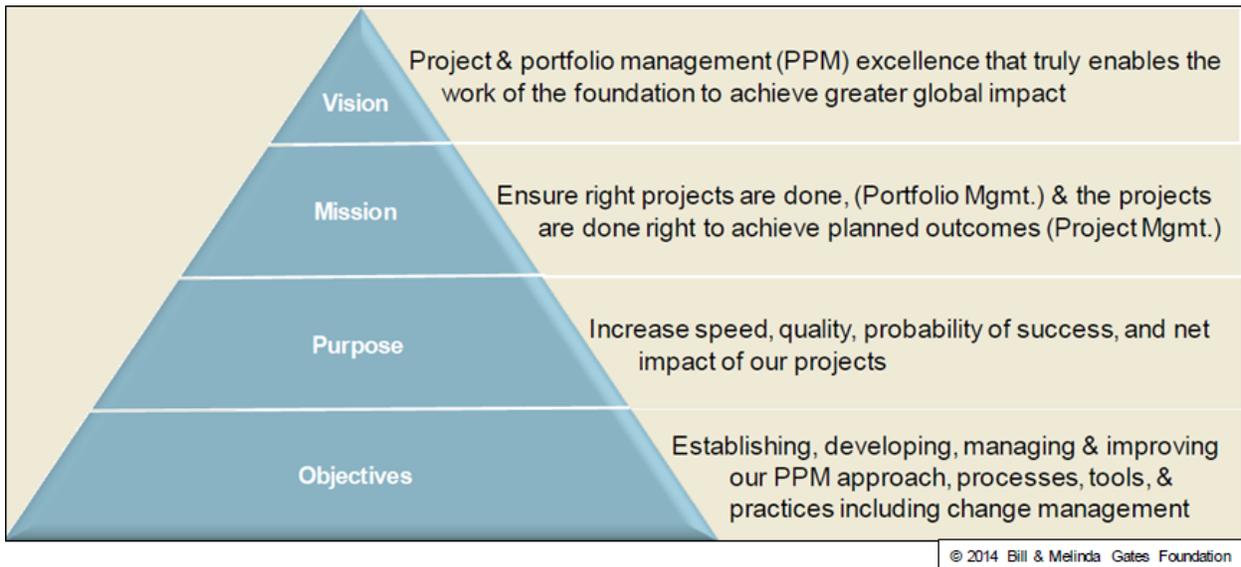


Figure 17 - Gates Foundation EPMO Charter

The third key success factor is the strategy to take a minimum of three years to implement the EPMO culture. Too many EPMO culture implementations have failed over the last ten years because they wanted everything right away. These attempts failed to recognize the human behavior aspect of change management. The Gates Foundation EPMO correctly focuses more on data quality than empire building. Figure 18 shows the business gains from this approach. The value gained from “Actionable Intelligence” (solid blue curve) occurs sooner (dashed blue curve) by achieving data integrity sooner (dashed orange line).

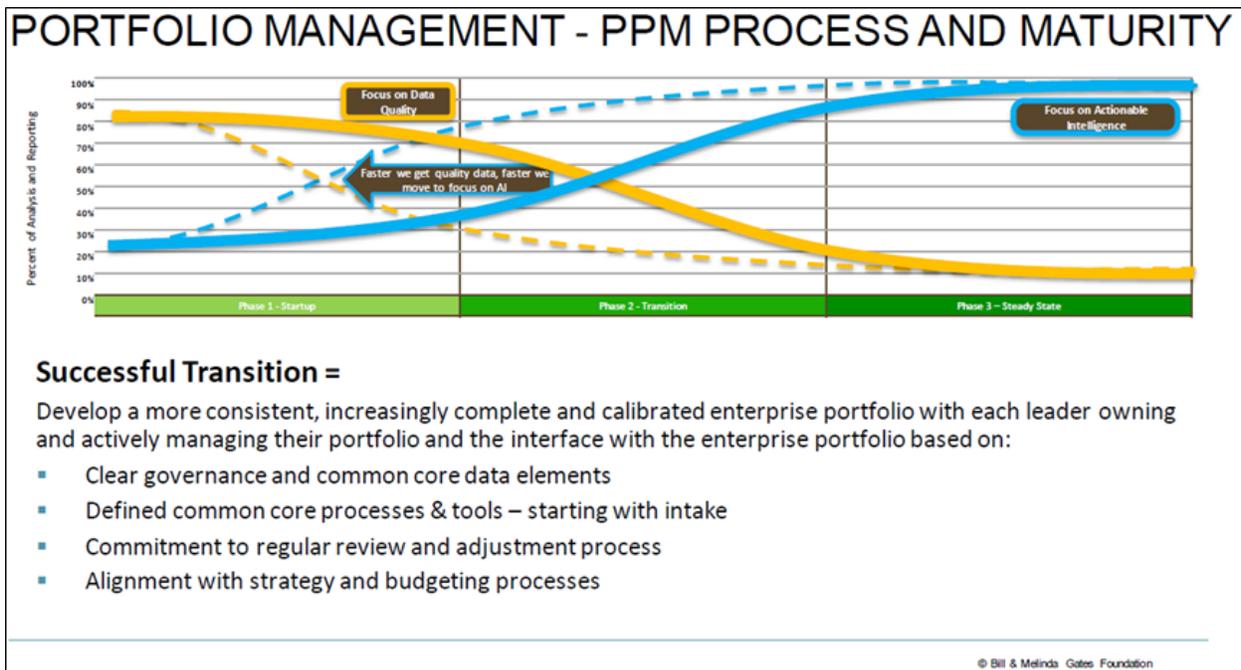


Figure 18 - Gates Foundation Portfolio Management Maturity Curves

# Better Project Stakeholders Quality of Life

## I. Sample of a Project Schedule Model Health Metric Report

The following report displays the scores of the 14 points (metrics) of a schedule model assessment by the Defense Contract Management Agency (DCMA). The overall health is fair with only 6 of the 14 points earning a green score, with 2 yellow scores, with 4 red scores and two points skipped. Further development of the schedule model is recommended to earn a high level of project sponsors' confidence and data integrity. Remember, executive dashboards are only as valuable as the raw data at the detailed project level.

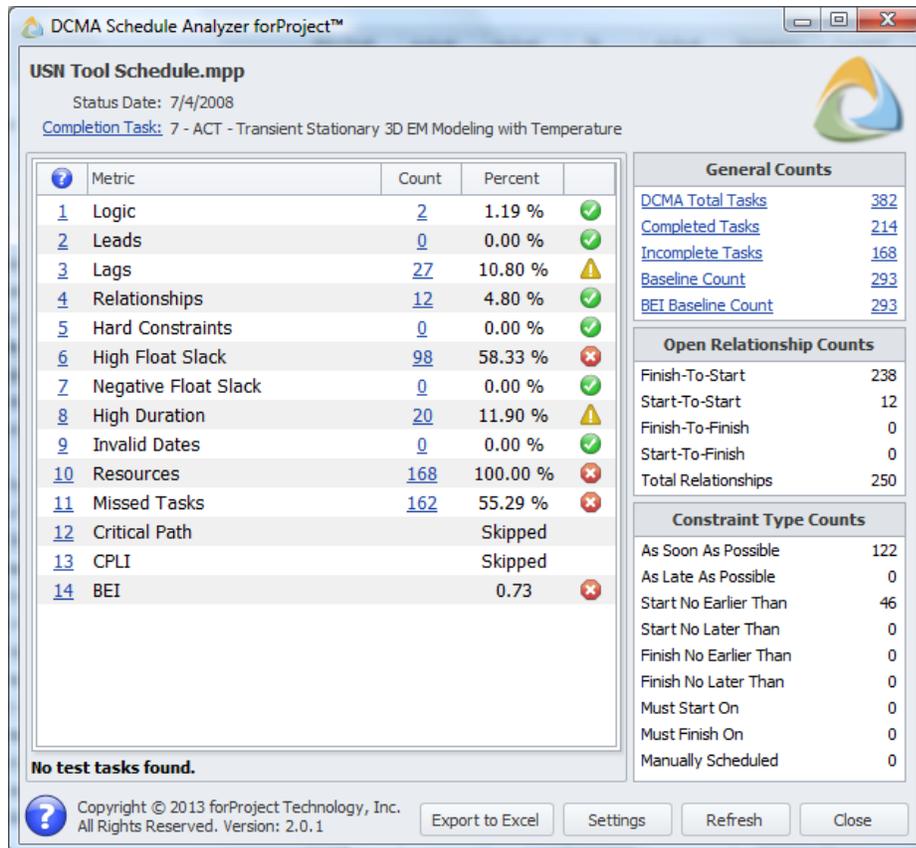


Figure 19: Schedule Health Metric – DCMA 14-Point Table

DCMA: Defense Contract Management Agency

Where can one find more information about these practices? The Project Management Institute® (PMI®) and the International Project Management Association (IPMA) are good sources of project time management information.



Remember the  
**CHOICE**  
of



international  
project  
management  
association

*the key of C or the key of A culture  
determines the project stakeholders quality of life.*

