

## American Project Management Forum Launched

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On July 22, 1996, in Washington, D.C., the Project Management Institute launched the first American Project Management Forum. Taking the lead in this extraordinary initiative to facilitate better project management on U.S. government projects, PMI leaders met with representatives of 10 major U.S. government agencies and a dozen major U.S. corporations to discuss project management, acquisition reform, U.S. government/industry partnering, and other issues related to advancing the profession of project management in the United States. The one-day meeting was co-hosted by the Performance Management Association (PMA).

Based on continuing a series of meetings, dialogues, and relationships with the U.S. government initiated by PMI in 1995, the American Project Management Forum was intended to broaden participation to more U.S. government organizations and to start bringing U.S. industries into the discussions. The forum also presented another opportunity to discuss aspects of government acquisition reform, which is being administrated on behalf of the Clinton administration by the Office of Federal Procurement Policy (OFPP) within the Office of Management and Budget (OMB), and as a result of the Federal Acquisition Streamlining Act (FASA) of 1995. Federal acquisition reform affects all U.S. government contracts, projects and organizations and is a major issue among government project managers and contractors. (For a complete list of participating agencies and organizations, see sidebar.)

The American Project Management Forum, which will convene again in November and continue in 1997, provides an opportunity for government project management policy-makers, experts and professionals to exchange information, benchmark their own practices and identify additional opportunities for cooperation. Industry representatives have an opportunity to hear from management, to offer comments and feedback, and to share best practices. PMI will continue to facilitate these meetings in order to advance the

project management profession, advance the state of the art in the practice of project management, and to raise standards of performance on U.S. government projects.

### Forum Objectives

The stated objectives for the first American Project Management Forum were to:

- Continue discussions related to the promotion of better, more consistent project management in the U.S. government; partnering/teaming between U.S. government agencies and U.S. industry; and acquisition reform
- Initiate a forum for U.S. government agencies to discuss, communicate and cooperate on issues related to project management.
- Continue discussions related to solutions to OMB/OFPP mandates related to project and program management
- Update the forum on latest developments in the project management profession, which will be provided by PMI, PMA and NCMA leaders
- Identify and discuss major activities, trends and needs of individual U.S. government agencies, related to project management policies, standards, training and implementation
- Update the forum on latest activities at DAU, DSMC, and other centers of excellence in project management education
- Provide industry leaders and organizations an opportunity to present and discuss issues, ideas, and suggestions related to better project management within the U.S. government and industry.

Based on the enthusiastic participation of those present, these objectives were well met. But because of the limited time available for presentations at the one-day forum, most attendees wanted more—more time, more information, more progress.

### Forum Highlights

The agenda of the forum included presentations by OFPP/OMB representatives on current policies and status related to acquisition reform in the U.S. government, brief reports from various government

agencies describing current initiatives related to improving project management within their respective organizations, and similar reports by industry representatives. Representatives of PMI, PMA and NCMA presented current statistics and information from their respective associations. Here are some highlights of the various presentations.

**OFPP/OMB.** OFPP representatives reviewed FASA Title V requirements pertaining to project management in large government projects, covering both defense and civilian programs. They also reviewed new policies related to government agency budget baselines, performance standards, and reporting to Congress and the White House. In addition, a review was provided of the Government Performance and Results Reform Act (GPRR) of 1994, which requires performance-based planning, reporting, and contracting by U.S. government agencies. It was noted that performance-based program management will be required of all government agencies.

OMB is establishing government workforce requirements related to project management, as well as performance incentives. Together with the GAO, the OMB has formed an inter-agency team, and will issue a Capital Planning Guide for the U.S. government covering all stages of a program, and all steps of the program management process. U.S. government agencies and industry will be asked to comment on a draft of the new Capital Planning Guide in late 1996. OMB circulars A109 and A130 will be incorporated into the new Capital Planning Guide.

OMB has asked DSMC to assist with establishing a project management training and qualification program for civilian agencies of the U.S. government. OMB considers DOD personnel as leaders in project management, and is now focusing attention on civilian agencies and programs.

**DSMC/DAU.** DSMC, the largest element of the Defense Acquisition University (DAU), is the largest school of project management in the world with 13,000 students and a 25-year history in the

field. The college provides project management training for all DOD program managers and for other U.S. government agencies. DSMC graduates have a 96 percent first-time pass rate for PMI's PMP exam (vs. an industry average of 76 percent). Preparation for the PMP examination is embedded in DSMC's Advanced Program Management Course, though the PMP exam itself is not yet required at DSMC.

DSMC faculty are active in PMI, leading the Defense and Aerospace Specific Interest Group (SIG). DSMC feels there is great compatibility and synergy between DOD program management and PMI's broad approach to project management (embodied in the *PMBOK Guide*).

DSMC is developing a skills- and competency-based model and a self-assessment guide to assist with training government project managers. The faculty is working on a defense extension to PMI's *PMBOK Guide* to provide a basis for improved certification of DOD program managers and defense industry project managers. DSMC is also working with OMB to develop a set of project management competencies for civilian agencies, based on DSMC's Advanced Project Management Course.

**DOD.** DOD is emphasizing integrated program management, based on earned value management, and the integration of project cost, schedule, technical (scope, quality and technical performance) and risk management. Within DOD, A&T has drafted a Partnering Agreement with PMI, which is in the final review stage. This Partnering Agreement was presented as one of DOD's top current priorities related to project management.

DOD has established an International Performance Management Council (based on a Trilateral Agreement with the defense departments of Australia and Canada) to establish common program management requirements, standards, and practices. DOD will push for common international standards and principles for program and project management.

DOD is also emphasizing outreach and cooperation with industry and with

other branches of U.S. government (OMB, GAO, non-defense agencies).

**DOE.** DOE spends about \$17 billion per year on programs, with a major portion of that related to environmental remediation projects. DOE feels that environmental projects require a different perspective on project management, and is currently emphasizing contract reform at various DOE labs and sites around the U.S.

In 1995, DOE established a partnering agreement with PMI to reinforce "teaming with industry" and adapting commercial "best practices", in the area of project management. The agency is embracing performance-based contracting, emphasizing commercial practices and trying to privatize more operations and facilities.

**NASA.** NASA has many programs and projects, but a consolidated workforce of only 22,000 and a reduced budget, 90 percent of which goes to U.S. industry. NASA is therefore very interested in cooperating with industry with regard to project management.

NASA's Project Management Development Program (PMDP) for training and career development of NASA project managers was reviewed.

**The Corps of Engineers.** The U.S. Army Corps of Engineers (COE), primarily a design and construction agency, has a three-fold mission: military construction for the U.S. Army, Civil Water Works (flood control, rivers, harbors, etc.) and support to other U.S. government agencies. The COE has embraced project management by training over 25,000 employees and, in 1995, signing a Partnering Agreement with PMI.

COE has also developed an Advanced Project Management Class with the University of Tennessee at Knoxville and is developing a better-defined career path for project managers. Implementation problems include well-entrenched engineers and project managers who resist change.

### Other Government Agencies

FAA is beginning to recognize the need for integrated project management, for using earned value, for advanced training

and career development of project managers, and for new project management policies.

The FBI's largest project in history, the \$585 million Interagency Automated Fingerprint Imaging System was reviewed. The FBI is utilizing an incremental (phased) approach, integration tasks and earned value-based project management.

GAO representatives reviewed a study launched last year to look at/for industry "best practices" in project cost and schedule control systems, leading to an in-depth review of earned value-based systems. Industry pointed back at DOD. After discussions with many companies, GAO reached the conclusion that "either best practice does not exist in industry, or they won't share it with you."

GSA, represented by their Office of Project Development, currently has 290 projects ongoing with a total budget of \$5 billion. In the past ten years, GSA's programs have doubled while staff decreased by 40 percent, increasing the emphasis on project management skills. GSA has 200 project managers and is considering a partnering agreement with PMI.

**The Private Sector.** Several major companies presented information on their internal project management.

AT&T was represented by a vice president of the company, who said that AT&T is now looking to the U.S. government for better methods of project management (such as earned value). Project management has been recognized as a profession at AT&T since the early 90s and the company has developed a set of internal guidelines and methodology based on PMI's *PMBOK Guide*. They have standardized project management methodology for IT projects and 80 percent of AT&T project managers around the world have received project management training. Many of them have PMP certifications from PMI. AT&T is trying to embed project management into total business operations. The chairman receives reports on project management and provides executive support.

Boeing was represented by Boeing Defense and Space Group, which performs projects for DOD and NASA.

Boeing started defining internal processes in 1991, in order to develop single project management process based on good business practices. The challenge has been to integrate the commercial and governmental sides of Boeing, which have tended to use different pieces of the process.

Walt Disney Co. now has a vice president for project management, but executive support is still a challenge. Some Disney executives still don't appreciate project management as a professional discipline. Measuring progress and success is a challenge; they are working on a combination of performance and process measurement.

In 1995, Disney and U.S. West launched the Fortune 500 Project Management Benchmarking Forum to identify best project management practices. Representatives of 20 companies have met to compare key success factors and inhibitors. They determined that project management-specific training is a key success factor, that a technical background is not necessary, and that PMP certification appears to be useful.

A Lockheed Martin Missiles and Space representative discussed their Earned Value Management Task Force, which has the goal of helping all enterprise activities (commercial and defense) become more cost effective. Internal requirements and processes have been studied to define best practices—based on commercial benchmarking and best demonstrated practices. They are now eliminating paper, complexity and unneeded steps, and encouraging customers to join Integrated Project Teams.

Johnson Controls Corp.'s representative discussed project management performance reviews, which are becoming competency-based.

Westinghouse Savannah River Corp. has established project management standard practices based on PMI's *PMBOK Guide* and PMP certification.

**Professional Associations.** NCMA wishes to be a full participant in initiatives like the American Project Management Forum related to integrated program and process management.

PMA has recognized the need to be more program management-oriented,

## Organizations Represented

Turnout at the first American Project Management Forum in Washington, D.C., was better than expected, with representatives of the following U.S. government organizations (project management experts, department managers or system administrators with policy-making influence) participating:

- Federal Aviation Administration (FAA)
- Federal Bureau of Investigation (FBI)
- General Accounting Office (GAO)
- General Services Administration (GSA)
- National Aeronautical and Space Administration (NASA)
- Office of Federal Procurement Policy-Office of Management and Budget (OFPP/OMB)
- U.S. Army Corps of Engineers (COE)
- U.S. Department of Defense (DOD):
- Defense Contract Management Command (DCMC)
- Defense Systems Management College (DSMC), the largest element of the Defense Acquisition University (DAU)
- Office of Acquisition & Technology (A&T)
- U.S. Department of Energy (DOE).

In addition, the forum included a representative of the Australian Department of Defense.

Representatives of the following industrial and professional organizations also attended:

- Boeing Defense and Space Group
- Walt Disney Co.
- Humphreys and Associates
- Johnson Controls
- Lockheed Martin Missiles and Space
- Motorola Corporation
- National Contract Management Association (NCMA)
- NCR/AT&T
- Performance Management Association (PMA)
- Project Management Institute (PMI)
- Sencor, Inc.
- SRA Technologies
- Westinghouse Savannah River Corporation.

and wants closer ties with PMI. PMA now partners with six other professional cost management associations in a new Joint Cost Management Group and offered this new resource to PMI, OMB, and other Forum participants.

PMI is currently reengineering the PMP Certification Program to meet requirements of the National Commission for Certifying Agencies (NCCA), based on results of job analysis, statistically valid applications and examinations, and quantification of project management knowledge, skills and abilities. PMI representatives reviewed the membership growth rate (45 percent per year), current membership (23,000+), corporate

membership growth (5+ new members per month), PMP Certification growth (1500 sat for the exam in June), and demand for PMI's new *Guide to the Project Management Body of Knowledge*.

## Future Direction

The forum concluded with discussion of and consensus on future directions and meetings. Several ideas were embraced by the participants, including:

- Continue using the title "American Project Management Forum."
- Invite other U.S. government agencies and industry participants, as well as high-level speakers, stakeholders and executives, to future meetings.

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- Hold meetings each 3–6 months, with the next meeting scheduled for 1 November 1996 at the Sheraton Hotel in Tyson's Corner, Va.
- Consider an expanded American Project Management Forum and conference next year.

With respect to objectives for future meetings, participants supported continuation of the objectives established for the first forum, with additional emphasis on support to OFPP (the U.S. government), sharing of best practices (benchmarking), and advancing excellence in project performance (project management implementation) throughout U.S. government and industry.

The American Project Management Forum represents an opportunity for U.S. government agencies to get together to share information, compare policies and practices, and cooperate on the subject of program and project management.

It is also an opportunity for U.S. industrial organizations and government contractors to understand government needs and requirements, to benchmark their own experiences and practices, and to team with the U.S. government to improve performance on public sector projects.

For PMI, PMA, NCMA, and other professional organizations, the American Project Management Forum can be an opportunity to offer both government and industry a common base and framework with respect to project management terminology, standards, certifications and training. PMI's *Guide to the PMBOK* and PMP Certification Program appear to be a ready solution to some new U.S. government requirements for qualifying project managers and professions.

PMI was represented at the forum by Executive Director Debbie Bigelow, President Ron Waller, VP-Public Relations David Pells, VP-Tech Michael Katagiri,

Gerald Ostrander (VP-Region II), Rush Williamson (AVP-Government Relations), Dorothy Hamilton (EO Staff), and Dr. William Wells of George Washington University, incoming editor of the *Project Management Journal*. David Pells facilitated the first forum and will remain PMI's focal point for this continuing initiative. Other professional leaders contributing to these forums include Debbie Bigelow and Ron Waller of PMI, Marilyn McCauley and Gary Humphreys representing PMA; Bob Reuter of NCMA; Wayne Abba from the Pentagon; and Fred Ayer, Jim Price, and other faculty members from DSMC.

The first American Project Management Forum successfully launched a major initiative within the project management profession. As an emerging opportunity for positive impact across U.S. government and industry, the forum will advance both the project management profession and PMI. ■