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Project Management for Managers/Executives

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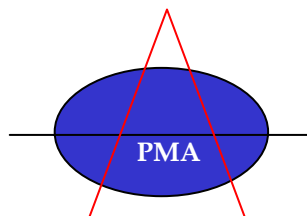
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Presents

Project Management for Managers/ Executives

Via

WEB BASED LEARNING

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**The Business Case for the Project Management
Process**

Overview

Project Management has been a topic of formal study only since the early 1950s. It is viewed as a modern concept, although management of projects has been going on since society began.

Because the requirements of a project are usually too complex to be managed effectively by the traditional organization, a new management vocational form called "Project Management" emerged. Project Managers operate in organizational structures (matrix) which cuts across vertical functional lines of authority and communications, and follows the normal work process flow.

To survive in the twenty-first century, organizations need to become lean, flexible, innovative and customer driven. Most have already re-engineered their business processes. They will have had to abandon antiquated ideas about how organizations should be structured and managed. Surveys show project type work is on the rise even in the executive ranks. One survey showed 80% of the executives surveyed admitted that they were spending 50% of their time on project work. However, only 20% of those same executives reported being trained in project work. As processes are re-engineered, hierarchical organizations are giving way to organizations that accomplish work by forming dynamic self-managed (empowered) ad-hoc project teams and self-managed (empowered) on going work teams.

Therefore, it is important for all to understand the project management process and what is involved in establishing multi-functional project teams and what empowerment really means!

A Major Paradigm Shift

1. Reunifying the division of labor and management tasks into a coherent business process will create a **New Paradigm** for you and your company!

2. Implementation of the Project Management Process will change the way one does business. This will be a Major Paradigm Shift!

3. Change is nonstop.

4. Change is like the wind, fight it and it will sting you, harness it and you will fly like an eagle.

People are Resistant to Change - Farmer Story

There was an old farmer who had been farming for over 40 years. He grew corn, wheat and lettuce. He farmed today much the same as he did 40 years ago. One day as he was sitting on his front porch looking over his fields, a state car pulled up to his house. A young man in a gray suit and tie got out of the car and approached the farmer. The young man introduced himself as the local county agent (a county agent is a state official who helps farmers with problems.) The young county agent told the farmer that he had been observing his farming techniques over the last couple of years. The farmer replied, "Is that so." The young county agent responded, "Yes sir, and I would like to tell you that based upon my observations, my recommendations would help you increase your output by at least 20% a year." Again the farmer responded, "Is that so." The young county agent eagerly replied, "Yes sir." He then proceeded to tell the old farmer about a different way to plow, different fertilizers, different seeds and so on. At the end of the suggested changes, the young county agent gave the farmer a written set of the recommendations he had just suggested.

The farmer thanked the young county agent and assured him he would give his recommendations serious consideration and would probably implement most of his suggestions. The young county agent "beamed" and thanked the old farmer and then got in his car and left.

Well the next spring came as always and the old farmer prepared the land same as always, used the same seeds as always, planted the same as always, and used the same fertilizer as always, and so on. And of course

at harvest time the old farmer reaped the same quantity and quality as always.

The young county agent came by the farmer's place at the end of the harvest and noted no increase in output. He was truly amazed that his recommendations had no effect on output.

The young county agent approached the farmer and reintroduced himself. The farmer acknowledged meeting him last year and receiving his farming practice recommended changes. When the young county agent asked if he had implemented any of his recommended changes, the old farmer replied that he had not. When asked why, by the young county agent, the old farmer replied that it is obvious that you don't understand that I already don't farm as well as I know how. Since I won't change to a method I already know to be better, why would I change to your method?

Here we have a clear case of resistance to change, even when it is in our best interest to do so. From this story we can see how hard it is for us humans to change. Normally we humans only change when acted upon by a <u>significant</u> outside event.

<u>Project Management System Elements:</u>

<u>Human</u>   Leadership, Communications and Team Building.

<u>Organizational</u>   Structure, Role Responsibility and Accountability.

<u>Planning</u>   Proposal and Contract Implementation.

<u>Tools</u>   Financial, Scheduling, Modeling and Estimating

<u>Measurement</u>   Progress compared to Plan and Reporting.

<u>Audit Performance</u>   Lessons Learned

<u>CHANGE EXERCISE*:* TO EFFECT CHANGE, WHAT MUST WE DO?</u>

<u>Objective of This Exercise:</u>

- Identify the minimum requirements to effect a change in an organization.

What to Do:

- Brainstorm, be creative.

- Do not evaluate as you go.

- Use 80/20 rule.

- Scribe your answers.

Deliverable: A set of requirements to effect a change in an organization.

Time: 15/20 MINUTES

WRITE DOWN YOUR REQUIREMENTS NOW.

A Set of Requirements for Change

- Recognition of the need for change. Acknowledgment that things can be better.

- Commitment and dedication of top management to the need for change (sponsorship).

- Identification and empowerment of one person (single focal point), who is totally accountable for the change. **IT CAN NOT BE THE CEO**!

- Getting buy-in from all impacted by the change (shareholders).

- Establishing and empowering a cross-functional implementation team.

- Developing and maintaining the implementation plan (W_5H_2).

- Implement the change (Action).

- Measure the progress of the change.

- Audit at completion and document the lessons learned.

- Train in the new way.

- Follow-up (Measure).

THIS IS WHAT PROJECT MANAGEMENT IS ALL ABOUT!
IT IS NOT ROCKET SCIENCE!
HOW DID THE ABOVE LIST COMPARE TO YOURS?

W_5H_2: A Planning Tool

Purpose	**W**hy do it?
Requirements	**W**hat do they want?
Accountability	**W**ho is responsible?
Location	**W**here will it be done?
Timetable	**W**hen will it be done?
Tasks	**H**ow will it be done?
Resources	**H**ow much will it cost?

Planning: Pipe Manufacturing Story (Based on a true story)

I was an electrical project engineer in the central office-engineering department of a large domestic cast iron pipe manufacturing company.

I was called into the boss' office one morning and given a project to convert the small diameter casting machine direct current variable speed drives using a fixed armature voltage and a variable field voltage drive to a fixed field voltage and variable voltage armature drive (in layman's terms, from an old design variable speed drive to a newer design variable speed drive). The project was to be accomplished at the local plant and then if successful, would be duplicated at other plants. I was given the budget and when it was expected to operate with the new design. I was also given local plant personnel contact information.

I was a little overwhelmed by all of this. My first real project.

Nevertheless, I got my self together, went back to my office and started:
1. Writing out the project objective.
2. Identifying all of the work tasks that had to be accomplished.
3. Making a schedule.
4. Subdividing the budget, and so on.

I had been at the planning work for about an hour when my boss stormed into my office and wanted to know what I was doing. I tried to explain that I was starting the planning process of project management. He interrupted me about two thirds of the way through my explanation and told me that I didn't have time to waste on planning, that I needed to get out to the plant and start making something happen.

It was obvious that now was not the time to challenge that notion of not having time to plan, that we had to get to work! So, I got my hard hat, note pad and safety glasses and got in my car and drove the seven miles to the plant. On the way, I wondered exactly what I was supposed to make happen that morning.

Later on, I finished the planning work, implemented the project and it came in on schedule, on budget and the customers (plant operations) were delighted with their new casting machine drives.

Remember the old carpenter's story, measure twice and cut once?

Well planning is similar. Plan twice and implement once. Without a plan, how will you know where you are going, when you will get there and how you will be able to measure progress? Planning is real work!

Need for a Common Language

1. Words have different meanings for different people. Words in English can have many different meanings, even if they are spelled the same, and can be perceived to mean what the listener wants them to mean.

2. Different perceptions are absolute barriers to communication.

3. Perceptions are one person's reality until clarified.

4. Communications can always be improved.

I am an arbitrator with American Arbitration Association (AAA) and even the written word ends up in dispute all the time. It is the arbitrator's job to find out what was meant at time of signing the agreement. This is not always an easy task. People's perceptions of the "deal" change over time, especially as the dispute heats up… It is very important that everybody understands what is expected of them.

Words have Different Meanings

1. **PROJECT**   An ad-hoc undertaking concerned with achieving a specific objective.

2. **MANAGEMENT**   The process of planning, organizing staffing, directing *, and controlling * the resources to get a job done.
                           * Maybe we should read these words as leading and coaching. After all, who wants to be directed and controlled by their boss? I sure don't and I suspect neither do you!

3. **PROJECT**   A disciplined, systematic approach to
   MANAGEMENT   executing projects to satisfy a customer's specifications and expectations and to meet

defined schedule, cost, and quality parameters.

4. PROJECT MANAGER — An individual responsible for the project management process and accountable for the project results.

5. PROCESS — A series of interrelated actions leading to a particular output.

6. SHAREHOLDER — Individuals and organizations that are involved in the process or whose interests are affected.

7. DELIVERABLE — Measurable output produced to meet customer expectations.

8. SCOPE — Sum of the products (deliverables) and services to be provided.

9. MILESTONE — Significant event in the process, usually the completion of a deliverable.

10. RESPONSIBILITY — The acceptance of an **obligation** to perform the work assigned to a position.

11. ACCOUNTABILITY — The obligation to carry out duties or responsibilities and to exercise the authority of the position.

12. CUSTOMER — The person or persons, (both internal and external), for whom the output is created.

13. SUPPLIERS — Entities that supply input of any kind to the process.

14. CONTRACT — An agreement between two or more individuals.

Question?

Is the CEO accountable for company sales (orders)? Yes, of course he is! In fact, the CEO is accountable for <u>everything</u> that goes on in the company.

Question?

Is the CEO responsible for booking orders? Not if he is smart and has delegated that responsibility (and authority) to his marketing/sales executive.

Do you see the difference between responsibility and accountability?

Word Meanings, Cultural Differences and Team Dynamics

I worked for a Swedish parent company in the eighties. As part of our training to better understand cultural differences and how to effectively deal with them, we scheduled a one-day, in house cultural differences training seminar.

During the training, one of the exercises we performed dealt with answering "no" to a simple question.

We were in a large room sitting in a half moon circle. The training facilitator, Gary, asked one of the students to answer "no" to a question he was going to ask him. Gary asked the student to answer "no" to the question in a normal manner on the first try. The student was asked to delay his answer by half a second on the second try. The student was further asked to delay his answer by one full second on the third try.

The "game" started - Gary asked the student, "Jerry, are you fifty years old?" Jerry answered back in a normal tone and a normal manner, "no."

Gary then asked the rest of us what we thought of the answer. Most of us were of the opinion that he answered truthfully and straightforwardly.

Gary then asked Jerry the same question a second time, "Jerry, are you fifty years old?" Jerry waited about half a second and answered back in a normal tone, "no."

Gary then again asked the rest of us what we thought of the answer. Most of us were of the opinion that Jerry "considered" his answer first 9for a short ½ second) and then answered. But we still thought he had answered truthfully.

Gary then asked Jerry the same question a third time, "Jerry, are you fifty years old?" Jerry answered back in a normal tone, but this time he delayed his answer by a full second, "no."

Gary then again asked the rest of us what we thought. This time there were more opinions on what the one-second delay meant. Some still thought that Jerry "considered" his answer before giving it, but that he was still truthful. Others were not so sure. Many thought that Jerry took too long to answer a simple question and that the answer might not be truthful. All of that over a one second delay.

Then Gary made the point that our perception of truth is dependent on how long it takes a person to answer a question. Of course, there is absolutely no scientific basis for this, only our cultural norm. In the U.S., it is customary to answer questions quickly, maybe even to a fault. That custom does not necessarily follow in the rest of the world. So here we Americans are, making decisions about truthfulness based on our cultural norm. It should be obvious that our cultural norm does not apply everywhere else in the world. So we should be very careful about jumping to conclusions about foreigners based on cultural differences.

Gary then executed a second example of cultural differences. He asked for a volunteer. Don volunteered and came up to the front.

Gary told Don to stand in one spot and carry on a conversation with him about the weather in east Tennessee. As the conversation continued, Gary slowly moved closer to Don. Initially they were about three feet apart when the conversation started. After about thirty seconds, Gary was about two and a half feet from Don. All continued to go well. After about another thirty seconds, Gary was only two feet from Don. At this point, Don stayed anchored in his spot but was leaning back away from Gary. After about another thirty seconds, Gary was moving a little closer to Don and Don was leaning back even more. Finally, Don couldn't maintain his balance and had to shuffle his feet backward to keep from falling backward.

Gary asked Don what was wrong. What was he doing?

Don responded that Gary was getting too close to him (getting in his face) and that it made him uncomfortable. Don was readjusting his comfort distance.

Gary thanked Don and asked him to take his place back in his chair.

Gary then made a point that most cultures in the world have a "talking distance". This is the distance that two people stand apart, feel comfortable about and have casual conversations. For North Americans, this distance is about three feet. But this comfort distance is not the same worldwide. In fact, in many South American countries, that comfortable distance is much less. Sometimes as little as eighteen inches. They are literally in your face. In other parts of the world, the comfortable distance is more than three feet and sometimes as much as four feet. Now which is the right distance? Is it four feet? Is it three feet? What about eighteen inches? The answer is all of the above depending on who and where you are.

Just because the rest of the world does not use the same cultural standards as we Americans, it does not make them wrong or weird!

One Sunday in church, my preacher asked the congregation to show hands if you were hot. About one third of the group raised their hands. Then the preacher asked for a show of hands if you were cold. Again, about one third of the group raised their hands. Then finally, the preacher asked for a show of hands of those that were basically "just right". The remaining one third raised their hands.

Then the preacher took a long hard look at the congregation and asked, "Who's right?" The answer of course is my wife is right. Sorry, the real answer is that they are all right, at least for them.

We humans are a funny and predictable lot. We are real creatures of habit. Things, phrases, and words have different meanings to different people.

What Does ASAP Mean To You?

What does ASAP mean to you? Of course it means "As

Soon As Possible." Everybody knows that, …or do they?

Does it mean the same thing to everyone in the world?

No, it does not.

In fact ASAP (As soon as possible) translates into "Whenever you can get to it" in Swedish. So, if you want something ASAP you must tell them a specific date and time (e.g. June 19th at 5:00pm). If you tell them ASAP, you may never see it.

What Must We Do? The Challenge for Management

1. Clarify our vision, share it widely, and share it **OFTEN!!!**

2. Use the Project Management Process.

3. Be customer focused and process driven.

4. Let Customer Satisfaction Drive Performance.

5. Each project must have specific performance objectives and single focal point accountability.

6. Eliminate work that **FAILS** to add value.

7. You must empower employees with authority; give them tools and information necessary to achieve their performance objectives.

8. You must align metrics and rewards to support customer and company objectives.

9. You must reward team performance!

10. You must revamp training, appraisal, pay and budgeting systems to support the project management concept and link it to customer satisfaction.

11. You must openly and blatantly support the project management process –"Talk the walk, walk the talk." YOU MUST DO IT EVERY MINUTE OF EVERY DAY. They are watching to see if you really mean it.

Why Didn't They Work?

Why didn't many of the "management" programs of the 70's and 80's work? Specifically why didn't:

MBO (Management by Objective) work?
TQM (Total Quality Management) work?
Quality Circles work?
Excellence in Performance work?

One simple reason! There was little or no buy in from the very people who had to actually do the work. All of the above were top down programs. They were ordered down from the top with little follow up and no progress measurement until the end. Without the support of the very people who have to make it work, none of the programs had a chance of success from the beginning.

You must show the people who will ultimately decide which programs will work and which programs are doomed that there is something in it for them. If they are to change the way they do things (for eons) and the company is successful, what's in it for them?

Once they buy in to the process and the objectives, you don't have to worry any more. They will check how they are doing every week. They will find a way to make it work!

Buy In Is the Key!

PERCEPTIONS: One Person's Realities (Based on a true story)

I was general manager of an industrial drying business in Tennessee. It was a nice spring afternoon and the troops were restless. Some of them were hanging around the windows looking at the nice afternoon and daydreaming about playing golf and shooting a par. As luck would have it,

we were having our field salesmen come into town for our second half forecast on the next day.

That afternoon, one of our best field salesmen from our Kansas City area was driving into the parking lot. He was driving in a big, black Lincoln Town Car. He parked the car and got out smoking a big Havana cigar. He looked like he had just come back from a fine round of golf.

More and more of the office troops gathered around the window and were whispering to each other. I walked by to see what was causing all of the commotion. Well, it was not hard to figure out what the office people were thinking: "Big sales dude blowing into town in style. Big sales dude working half of the day and playing golf the other half of the day. Big sales dude driving a big Lincoln Town Car. Boy oh boy, wish I had a job like that."

I had my secretary go find John and ask him to stop by to see me before he left for the day.

About thirty minutes later, John stuck his head in my office and said, "What's up boss?"

I responded that it was he who was "up".

It was clear that John had no idea what I was talking about. I asked him to step into my office and close the door behind him. John got a funny look on his face, but came into my office and closed the door behind him.

When I confronted John about the Lincoln Town Car and how its rental was outside the policy, John was quick to the defense. He said that when he got to the airport, Hertz only had one Lincoln Town Car left to rent. Hertz rented it to him for the same price as a regular Class C car. John went on to say that because of the rental rate, he was not outside the policy.

Then I said, " Well that may be, but that's not all that matters." I told John about the office employees watching out the window at him driving up in that big, black Lincoln Town Car. I told him about them watching him get out of the car with his big Havana cigar and open collared shirt.

Then I asked John what he thought they were thinking at that moment. After a long pause, John said, "I see what you mean."

I told John that it didn't matter that the Lincoln Town Car cost no more than a smaller Ford. No one would believe the story. They all had determined their perceptions. Their perception was their reality and there was nothing you could do to change their perception.

So, one person's perception may be another person's reality. Once established, perceptions are hard to break down, even with the truth.

Key Project Management Concepts

1. Single focal point accountability for the process.

2. Single focal point accountability for every task (action) in the process.

3. You must be committed to the project management system (process).

4. Plan the work, work the plan, **PLANNING IS WORK!**

5. The scope of the process and accountability includes all phases from inquiry through post shipment follow-up and project close out.

Team Work: Sizing My Tiger

There was once a story about Tom, the sales manager and Bill, the project manager going on a safari together in Africa.

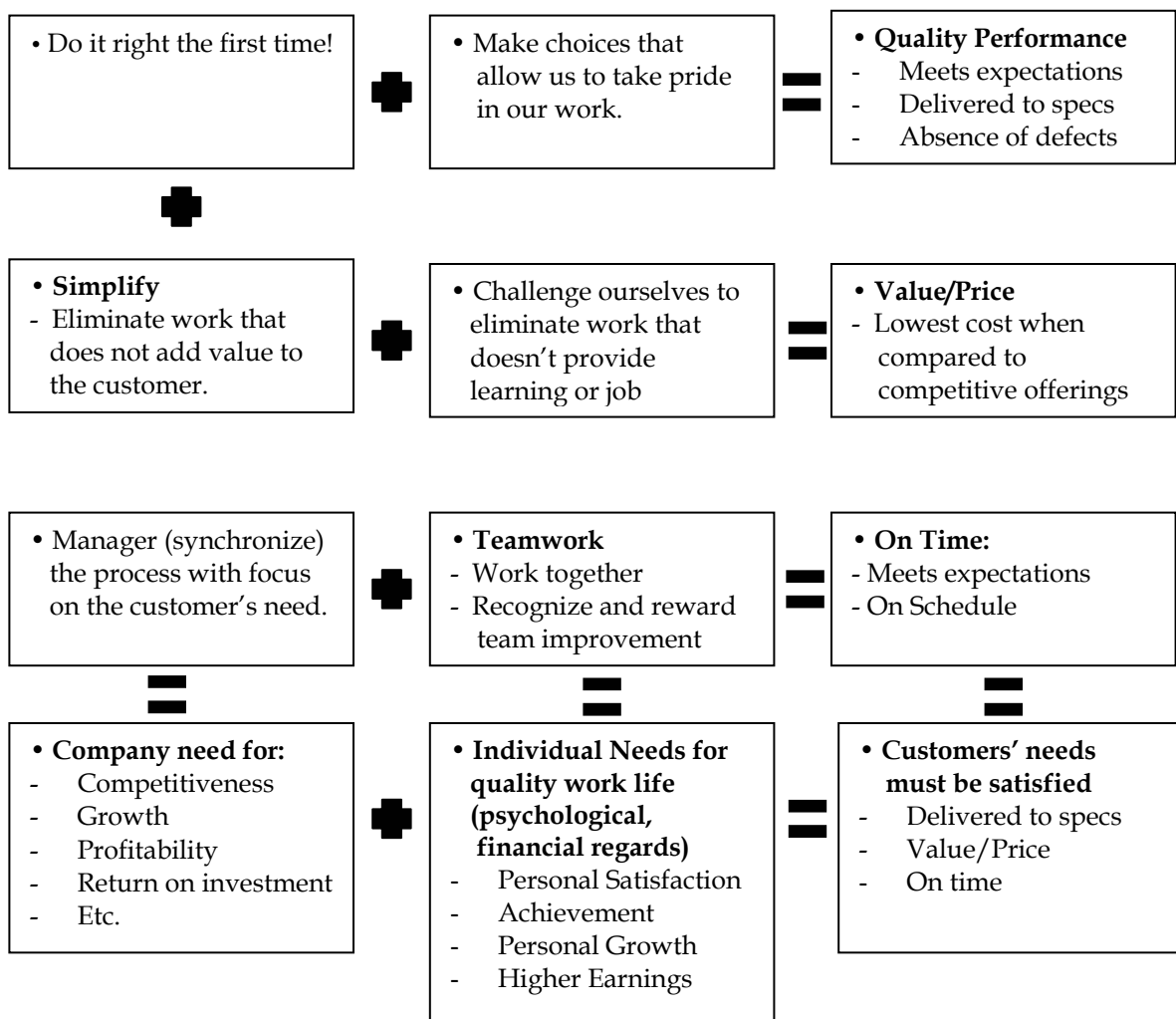The first night they settled down to bed in their tent.

About 3 a.m., Bill was awoken by loud noises coming from outside the tent. He got up and noticed that his friend Tom was not in his bed. Bill headed for the flap to see what was going on outside with all the noise and his missing friend Tom.

When Bill was halfway to the flap, his friend Tom came busting through the door being chased closely behind by a tiger. As Tom ran through the tent and by his friend Bill, Tom yelled to Bill, "Bill I've already caught this tiger. You take him from here; I am going back out to see if I can catch another one."

Sizing someone else's tiger is the highest form of business malpractice. In any other form it would generate a mass of lawsuits. As is, it only creates poor morale. Do you want someone else sizing your tiger? I think not, but it is done all the time.

Don't get caught sizing someone else's tiger.

PROJECT MANAGEMENT: A Process to Meet Needs

• Do it right the first time!	• Make choices that allow us to take pride in our work.	• **Quality Performance** - Meets expectations - Delivered to specs - Absence of defects
• **Simplify** - Eliminate work that does not add value to the customer.	• Challenge ourselves to eliminate work that doesn't provide learning or job	• **Value/Price** - Lowest cost when compared to competitive offerings
• Manager (synchronize) the process with focus on the customer's need.	• **Teamwork** - Work together - Recognize and reward team improvement	• **On Time:** - Meets expectations - On Schedule
• **Company need for:** - Competitiveness - Growth - Profitability - Return on investment - Etc.	• **Individual Needs for quality work life (psychological, financial regards)** - Personal Satisfaction - Achievement - Personal Growth - Higher Earnings	• **Customers' needs must be satisfied** - Delivered to specs - Value/Price - On time

A very simple equation, I wonder why we make it so hard to do?

Project Management Benefits

1. **UNDERSTANDING THE CUSTOMER**
   By establishing a partner relationship with either external and internal customers, including all members of the project team and clarifying all needs in the planning phase, there is less chance of starting off with the wrong objective. By continuing to embrace the model throughout the implementation phase, there is less chance of losing the message.

2. **REDUCED CYCLE TIME**
   Increasing the investment of human and other resources in up-front planning and by eliminating non-value-added work, cycle times can be reduced.

3. **MINIMIZE LAUNCH ERRORS**
   Improved planning and risk management results in higher potential for proper implementing and the results that we must have.

4. **REDUCED LAUNCH COST**
   Improved planning and reduced cycle time for response will translate directly into lower cost.

5. **IMPROVE PRODUCT PERFORMANCE**
   A project process that includes proper planning and measurement prevents poor performance.

6. **WARRANTY AND FAILURE REDUCTIOM**
   Improved project and risk management results in improved performance. This translates to reduced warranty costs.

7. **IMPROVED CUSTOMER SATIFICATION**
   By providing the customer with quality performance at the levels they are demanding, their satisfaction can only improve. Improved quality performance at a lower cost (on time) is always attractive.

8. **INCREASES MARKET SHARE**
   Excellence in performance results in more opportunities for repeat performance (business).

9. **PRESERVES KNOWLEDGE**
   Employing the proper Project Management Process results in detailed audit trails. These audit trails can be easily followed to assess the impact of partial change, or to look for sources of problems. It provides a model for inexperienced project team members to follow and partially offsets the knowledge drain that occurs when experienced team members retire or leave.

Understanding the Customer: Identify the Problem (Based on a true story)

There was a department store in a small town in southern Georgia. The store had been in business for more than 40 years. Over time it had grown as the town had grown. The building was old and there was only two ways to go from the first floor to the second and third floors. There were stairs and a single elevator.

The owner (Joe) noticed that there was most always a line waiting for the elevator, especially on the first floor. Joe had also received a few customer complaints about crowding, the long wait, etc.

Joe was worried that what appeared to be an excessive wait would ultimately cause him to lose customers. There was already additional competition from the new Super Discount Store down the road.

So, Joe called a local consulting engineer who came out and performed a time and motion study. Based on his observation, the consulting engineer recommended that Joe install escalators from the first floor to the second floor and from the second floor to the third floor and back down. The estimated cost was approximately $300K.
Now $300K was an awful lot of money for Joe, but Joe was afraid of losing business and was about to give the consulting engineer the go ahead. But Joe wanted to consult with his employees before he signed the contract.

So early Monday morning before the store opened, Joe called his employees in to the conference room and explained what he perceived the problem to be and his proposed solution. As is the case most of the time with sole owners, everybody shook their heads in agreement, except for Old Willie, the janitor. Old Willie didn't have much education or training, but

he was street smart. You know the type. You have seen them a million times.

Just as Joe was about to adjourn the meeting, Old Willie spoke up. Old Willie said, "Mr. Joe, I know I am not the owner, I also know that you have worked here a lot longer than I have, I also know that you have more education that I do. As I sweep the floor, my duties take me to the elevator area a lot. I have observed the situation you described about people waiting for the elevator. But most of the time, they have to wait less than one minute, sometimes a little longer.

I don't think the problem is the wait. I think the problem is they don't have anything to do while they wait. This makes them restless and the wait seems much longer. This is especially true for the ladies with small children.

Instead of installing those expensive escalators, I suggest you put up plastic models of Mickey Mouse and Minnie Mouse at the entrance to the elevators for the kids. You could also put up a small bulletin board on a stand in the waiting area. You could post each days sales and where (which floor) they are located on. And finally, I would install a full-length mirror on each side of the elevators for the ladies. I believe if you keep everyone entertained or with something to do while they wait you will not need to install those expensive escalators."

Needless to say, everyone was stunned that Old Willie had anything to say much less what he had to suggest.

Joe thought for a minute and said, "By gosh, Willie you may be right. I think I will give it a try, after all what you have suggested is not very expensive."

So Joe had full-length mirrors installed on each side of the elevators, full size plastic models of Mickey and Minnie placed near the elevators, and the bulletin stand recommended by Old Willie. Joe also called his consulting engineer and told him to hold off the escalator plans.

Three weeks later at the early morning Monday meeting before the store opened, Joe called Old Willie to the front and congratulated him for figuring out his "wait" problem and saving him $300K. Joe told everyone that customers had complimented him on the positive changes he had made to

the elevator area. The customers also told Joe that shopping at his store was much more enjoyable than the new Super Discount Store down the street.

After word had gotten around town, not only did Joe not lose customers; he in fact had a noticeable sales increase. All of this was the result of Old Willie's observations and spending less than $1,000.

Now what we have illustrated here is the importance of establishing exactly what the problem is. Customers may write a specification, they may issue an RFQ, RFP or what have you, claiming that this is what they want to buy. But, unless you get closer to the customer and better understand his real problem, how can you put your best solution to his "real" problem forward.

Customers always know what they want, but they do not always know what they need.

Fundamental Premises

1. If it can be done, **it can be planned!**

2. If you can't measure it, **you can't manage it!**

3. Metrics must be aligned to the customer needs.

4. The matrix structure allows management to specify both functional and project performance requirements, in a practical, process supported and organizational desirable way –Who does what and why.

5. Continuous performance improvement is a way of life, especially in today's global economy.

6. We must eliminate **non-value added** and **counterproductive** work.

7. We must become **tolerant** of failure and **indignant** toward mediocrity.

8. People live up or down to what is expected of them. We see this every day.
9. Management must provide open and blatant support and constantly "talk the walk" and "walk the talk!" The employees are watching!

10. If we expect people to change, we must align our metrics and consequences for behavior to support the behavior we desire.

11. Change is non-stop. The stability we humans require MUST be provided by our leaders.

IMPLEMENTATION OBSTACLES EXERCISE

OBJECTIVES OF THIS EXERCISE:

1. Identify the Obstacles to Change (Toe Stubbers and Show Stoppers)

2. Apply the PM process

What to Do:

1. Brainstorm. Be creative.

2. Do not evaluate as you go.

3. Use 80/20 rule.

4. Scribe your answers.

Deliverable: A list of obstacles to change.

Time: 15/20 MINUTES

WRITE DOWN YOUR SOLUTION NOW.

Some Implementation Obstacles to Change:

1. Your ability to accept and implement change.

2. Your acceptance and commitment to the process of change.

3. Availability and selection of the right people.

4. The ability to clarify the various role responsibilities and authorities.

5. Understanding specifically what the customer needs.

6. Proper planning and the commitment to implementation.

7. Acceptance of the need for re-planning, when the results deviate from plan.

8. Setting aside time for team building, process improvement, risk assessment and final audit.

9. **YOU**!

How does the above list compare to your list?

Ross Perot Story - Resistance to Change

Everybody knows who Ross Perot is. Maybe not.

Besides running for President as a third party candidate in 1992, he also started up a company in Texas known as Electronic Data Services, or EDS. Mr. Perot was a very opinionated, no nonsense hard charging individual.

Mr. Perot sold his company to a large automotive company in the eighties for a very large, undisclosed sum (maybe billions, but certainly hundreds of millions). As part of the deal, he would resign as chairman and CEO of EDS and would become a director on the automotive company's board.

As the story goes, Mr. Perot was not well suited for the automotive company's board. He was not an automotive person, he was considered an outsider and he moved too fast and was too decisive for the automotive company's other board members.

There was one particular board meeting that lead to a parting of ways between Mr. Perot and the automotive company's executives and board members.

At this meeting, the automotive company's management was presenting their plans for development of a new model car. They presented the objective (to develop a new model car), an overview of the schedule and estimated budget ($2.5 billion).

When asked if there were any questions, Mr. Perot spoke up. Yes, he had a few questions and a comment or two. This was mistake number one. The automotive company's board members do not ask embarrassing questions of management at formal board meetings.

Mr. Perot asked his questions. When satisfactory answers were not forthcoming, he drilled into the subject. This was mistake number two. This automotive company's board members do not grill their executive management at formal board meetings.

When they finally got around to discussing the schedule, executive management was right proud of the fact that this new model development would only take eight years, down from their previous experience of twelve years. Mr. Perot exploded that if the United States was able to win World War Two in less than five years, how in the world could it take eight years to develop a new model car? This was mistake number 3. This automotive company's board members are seen, not heard.

Shortly after this board meeting, there came an announcement that Mr. Perot was resigning his board seat to return to Texas and pursue other interests. Later it came out that the automotive company had paid Mr. Perot the ghastly sum of seven hundred and fifty million dollars to resign and keep his mouth shut about board meetings.

Mr. Perot took his seven hundred and fifty million dollars and quietly returned to Texas.

Now what I want to know, is or was the automotive company resistant to change or what?

Excuses for Performance Failures

1. "Our customers do not know what they need."

2. "Our customers are always changing their minds!"

3. "It's not me – it's them."

4. "I/we don't have time."

5. "There are not enough resources."

6. "I have all the responsibility and no authority."

It Is Not Me, It Is Them: Hair Cut Story - Doomsdayer

John went to his local barbershop early one Saturday morning to get his monthly hair cut. Fred was John's barber friend. As Fred was cutting John's hair, he asked John if he and his wife, Mary, had any vacation plans for next year. John responded that he and Mary were planning to go on a ship cruise for the summer.

Old Fred was beside himself to hear of John and Mary's plans decided to set him straight about ship cruises. Fred proceeded to tell John that he was making a major mistake taking a cruise. Fred further told John that all of the cruise ships were run down, the food was awful and the service was terrible and they would probably be seasick the entire time.

John listened carefully and said nothing. Fred asked where the cruise was going. John told him that the cruise was leaving in late July from Miami and some 8 days later was docking in Rome, Italy.

Fred exploded that didn't John know that Rome was unbearably hot in July and August and that John had picked the worst time of the year to go.

John listened carefully and said no more than, "really."

Fred then asked where they were staying in Rome. John responded that they had made reservations at this little Italian hotel on one of the side streets in downtown Rome near the ruins.

Fred couldn't contain himself. He told John that he had really made a poor choice and had a poor plan. Didn't John know that that all of those Italian hotels were really expensive, were not air conditioned, had poor service and were really run down.

John again listened carefully and told Fred that no; he didn't know all of that.

Fred then asked John what kind of sites he wanted to see while in Rome.

John responded with all of the usual and then added that they were planning to visit the Vatican and hoped to see the Pope.

Fred came unglued and asked John didn't he know that August was the worst time of year to visit the Vatican and that he had absolutely no chance to see the pope. John responded that unfortunately that's when they would be there and they were just going to have to take their chances.

In the early Fall John returned to Fred's barbershop for another hair cut. As Fred was cutting John's hair he asked him how the trip went. Wasn't the food awful, the service terrible, and didn't he and Mary get seasick on the cruise?

John was very happy to report that the seas were very calm during the cruise and that he and Mary had the time of their life. The ship had recently been refurbished, the food was plentiful and good, the service was outstanding and that they didn't get seasick even one day.

Fred responded that he was glad to hear that, but he bet Rome was really hot while they were there.

John was very happy to report that a cold front was moving through Italy when they arrived and that the days were in the low 80s and the nights in the high 60s. It could have not been more perfect weather.

Fred just grunted and said he was sure the small Italian hotel was a real rat trap.

John said that no, actually the hotel had just had a $3 million refurbishment completed. The rooms were large, nicely furnished, air conditioning had been added and the service was superb. John also said his travel agent

had secured his rooms for a 30% discount. He and Mary couldn't have been happier.

By this time old Fred was becoming really frustrated. So he said that he guessed the next thing you are going to tell me is that you went to the Vatican and saw the Pope.

John was really excited now and responded, yes, we took the subway to the Vatican early one morning. There were only a few people there. We went through St. Peters, the Sistine Chapel, saw all the art and everything else!

Old Fred got a gleam in his eye and said, but you didn't get to see the Pope, right?

John responded, well as a matter of fact, we did see the Pope. He was in a receiving line at St. Peters. Not only did we see him; we even got to meet him.

Fred said, "You did?"

John said, "I met him and kissed his ring. When I got up the Pope motioned me over close to him and whispered in my ear."

Fred excitedly asked what the Pope had said.

John said the Pope asked him where in the world had he gotten that awful hair cut!

Remember there is always a doomsdayer near by! Don't let them influence you!

Project Management Realities

1.   Customers are not only right – they **are** the final judge of our performance.

2.   We **are** accountable for our own behavior and the resulting performance.

3.   There **is** enough time to do it right the first time.

4.   **<u>You</u>** must make resources available if the need is valid. There is no other alternative.

5.   **<u>You</u>** must empower your employees. If you don't, you become the bottleneck.