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THE PROJECT MINDSET

A streamlined corporate culture will make matrix project management fly.

By JOHN MORRISON, CHRIS BROWN and EON SMIT

Setting up a project management capability in an organisation is not a trivial exercise.

The decision to implement project management means a substantial investment in new software tools, changes to your accounting system and training of staff. To start with, you will probably also need to recruit some expertise, including consultants charging expensive fees.

In return you will expect a positive return on this investment. However, if your organisation depends on matrix project management but lacks the corporate culture which drives it, the investment will be poor.

Your organisation will simply not be prepared for the *en route* turbulence of projects.

This was the premise for research conducted at the University of Stellenbosch Business School (USB) to establish the link between an organisation's culture and its ability to integrate matrix project management into its routine work.

This research has come up with a structured, twelve-point checklist to gauge your corporate readiness for the journey.

The sky's the limit ...

Project management comes with an attractive set of promises. Not only does it claim to be the methodology that delivers on time, within budget and in accordance with laid-down technical or functional requirements, but it also offers top management the benefits of project progress visibility, a single point of accountability and a method that makes sure that the client is part of the solution-development process.

Today project management is practised in just about every type of industry. Its historic track record in the aerospace, defence, nuclear power and construction industries has drawn the attention of the business world.

It has come to be regarded as an essential tool in a rapidly changing business environment where enterprises need to renew products regularly in order to remain competitive. The continuous introduction of new technology further accelerates this trend. New generations of consumer products are streaming onto the market. Advances in information technology are opening up new marketing and distribution channels, and are offering revolutionary models for supply chain, financial and human resource management.

Similarly, in a post-apartheid South Africa, national and local government structures are faced with the need to reduce poverty, deal with HIV/Aids, and create new infrastructure and services in areas previously neglected. In its quest to improve the economic prospects and quality of life of the poor, the government needs to do more with a relatively limited tax basis. Accountability and the efficient use of resources are key factors in this process.

The result is that new projects force themselves onto the agenda of organisations, in both the private and government sectors. The dramatic increase in the demand for project management training in recent years is evidence of this. Most organisational projects need multi-disciplinary solutions and input from experts, who have to liaise horisontally across departmental borders.

... but crash landings are not excluded

Despite the promised benefits, project management regularly falls short of expectations. Disappointing statistics are frequently published that show that a substantial proportion of projects do not finish on time, within budget or in conformance with technical specifications.

The reasons for project management failures have been the subject of research over a number of years. The trend has increasingly shifted to studying the behavioural component of project management. It seems that, whereas it may be easy to replicate the project management set of tools, it is not so easy to transplant the leadership mindsets that have become second nature to large project teams that have practised project management for many years.

organisation's culture and you will know whether your investment in project management will pay off.

This is particularly true for matrix organisations. Too many of these organisations are failing to get project management off the runway. Why is it that some matrix organisations are implementing project management successfully, while others fail? How to recognise the predictors of success and failure in this area is the thrust of this research, and should provide useful pointers to both industry and government.

Matrix project management has remained problematic and complex to deal with, especially for traditional functional organisations that are new to project management. Generally matrix project management does not have the luxury of long-term project teams, nor, therefore, the social bonding that fosters a team culture.

Team members join projects for shorter periods and bring with them behaviour formed by the culture of their

> # Why is it that some matrix organisations are implementing project management successfully, while others fail?

The result is that many organisations today are spending more resources on resolving personal conflicts in their projects than on delivering the work.

Worldwide, research into the organisational support demanded by project management converges on a number of crucial organisational level issues, which elsewhere are known collectively as corporate culture. The message seems simple: identify your

respective departments. This is why it is important that, in order to have effective project team behaviour, line specialists joining project teams should come with the mindsets that are compatible with project management.

Learning from the aces

It is the mindsets (behavioural orientations) underpinning the culture in an organisation that can shed light on its

What is a matrix organisation?

A matrix organisation combines vertical line-function specialisation with a horisontal project focus to cope with multi-disciplinary projects.

What is matrix project management?

Dedicated project managers are put in charge of project teams of specialists assigned by the line departments (see diagram below). As part of the team, these specialists report for project duties to the project manager, while still reporting as individuals to their functional heads for their day-to-day duties.
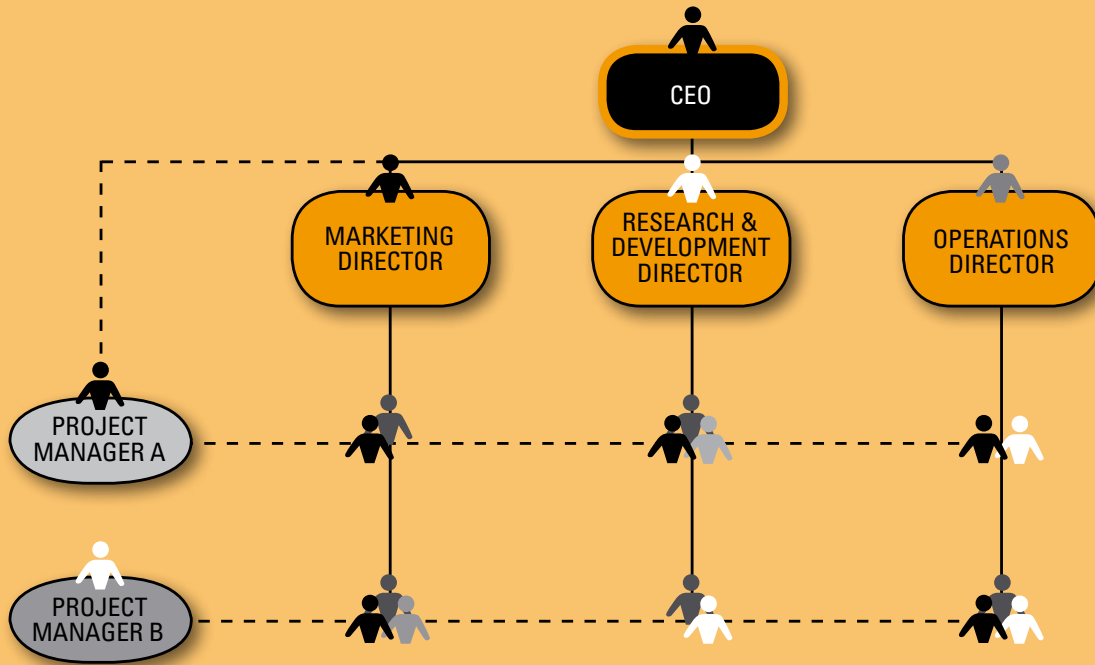
Advantages

- Technical excellence and key resources do not have to be duplicated per project.
- The organisation retains the functional specialisation focus, while adding a project focus that deals with horisontal project workflow, with input from different fields of specialisation.

Problems

- In practice, project managers are positioned outside the traditional line hierarchy, and are perceived to have less authority.
- Project managers share resources with their line-manager counterparts. When priorities clash, it is natural for people first to look after their permanent roles in the organisation. Functional priorities, therefore, often take precedence over project priorities.

ability to implement project management successfully. In examining this premise, the USB's research scrutinised previous studies concerning the relationship between project management and the rest of the organisation.

A speculative connection between poor project management and a negative corporate culture had already been made by several prominent project management authors. These authors, however, remained vague about how to define a positive or negative culture. In contrast, explicit definitions of corporate culture in some other management fields had made it possible to gauge the impact of corporate culture on outcomes like financial performance, entrepreneurial behaviour and innovativeness. The positive findings of those studies cleared the way to investigate project management performance in a similar way. The present research thus set out to give a more concrete meaning to what had loosely been mooted as a positive culture for project management.

The findings were derived from an intensive analytical process. A vast body of project management research was studied to identify the organisational variables that researchers, practitioners and consultants found to be influential in managing projects. More specific research into the behavioural variables within project management and development teams was also examined, extrapolating the essence of what is called a project team culture to organisation level.

The investigation then shifted to past research on organisational culture to find the dimensions that persistently kept the interest of cultural researchers. By marrying the two sets of information — on project management and organisational culture — it became clear that the variables that interest project management researchers are very similar to the variables that are studied within the field of organisational culture. It was found that a set of 12 of the recurring dimensions of corporate culture could accurately reflect all the organisational concerns highlighted by project management researchers.

This picture revealed that culture at the organisational level indeed had a strong connection with the outcome of matrix project management.

The practical meaning of these 12 dimensions can be put to you as 12 penetrating questions that should be asked about the general mindset or culture of your organisation before you embark on matrix project management. The answers will tell you whether the project management component will be supported or resisted by the rest of your organisation; just as an airworthy test will tell you whether you dare take off into the skies.

Here is your airworthiness check

If you can confidently answer `yes' to the questions in the checkbox below, your organisation should be able to implement project management smoothly and concentrate your project efforts on delivery.

But if you hesitate to answer in the affirmative, project management will probably not be the investment you hope it will be. Instead, expect to waste your efforts on internal people problem-solving and conflict resolution. It is recommended in this case that you start with a process of organisational development, which must include addressing your corporate culture, using the 12 dimensions below to guide you.

TEST YOUR CORPORATE CULTURE

A 12-dimensional checklist

1	Does top management give direction to energise and set goals for the whole organisation?
2	Does top management focus energy on the market and external opportunities rather than on worshipping internal strengths?
3	Is energy directed and managed to achieve high performance?
4	Are decisions taken rationally and are they based on organisational interests (the 'how' of decisions)?
5	Is decision-making readily delegated to where the expertise is (the 'where' of decisions)?
6	Do departments cooperate readily and manage to work on common goals?
7	Do people openly communicate – and are they listened to – upwards, downwards and across lines?
8	Are people treated as important in the organisation?
9	Does the organisation have leadership-skilled and -oriented managers?
10	Are key competencies valued and developed in the staff?
11	Are key organisational system and process competencies recognised and developed?
12	Is the organisation flexible and does it give space for innovation? ■