Leadership Whisperer

Ignacio Manzanera | Senior Project Management Consultant
Contromet Engineering

Business fads come and go, but the importance of project management leadership has never been in doubt. What makes an effective project management leader? How can project management leaders guide and inspire their companies to success? What are their key roles?

Despite a variety of personality styles and project situations, project management leaders draw from one of the following two approaches to lead their firms:

1. The strategic approach, in which the project manager acts as a top strategist, constantly envisioning the future and how to get there.
2. The human assets approach, in which the project manager finds success through people policies, programs, and principles.

There is no magic silver bullet to be successful when practicing project management. But by using one or several of these approaches, project manager leaders can focus their efforts and initiatives and lead their companies to better results and performance. Let us see how.

Either lead, follow or get out of the way

Adding Value

This concept of "value added" is one that recurs frequently when the performance of project managers is in question, but what does it mean? When are project managers adding value?

For some, project management leaders are adding value when projects are delivered as planned or expected profits are realized. Others believe project managers are adding value when they pick the right time to restructure, invest in technology, or take any other action that helps the performance of the company. The truth is project managers add value when they drive business units to levels of performance they would not have achieved otherwise.

> **"Project management leaders who follow the strategic approach believe their most important task is to look to the future**

The ultimate test of project managers' performance is this: If the project management position vanished, would the projects still achieve the same levels of performance? If the answer is yes, then top managers are not adding value.

Maximum project management leadership is taking the responsibility for pushing your organizations to consistently deliver extraordinary results. If you are not improving the performance of your company's business units, then you are not leading.

Satisfactory underperformance

Project management literature is filled with ways to measure added value by the numbers, including cost performance indicators, schedule performance indicators, procurement performance indicators, quality performance indicators to name a few. Regardless of how you measure it, the results are always the same: Less than 20 percent of project managers consistently perform above average. (W. Phelps,PMA, 2010)

One reason: The illusion of satisfactory performance. Project managers at every level of many companies consciously set low targets to ensure that they always meet them. As a result, companies are performing well below their actual potential—and everyone is satisfied.

PHOTO CREDIT: DIGITALART

The project management leaders take purposeful, well-planned action to abolish this illusion of satisfactory project performance, pushing their companies to be the best.

Look to the future, systematically

Project management leaders who follow the strategic approach believe their most important task is to look to the future. Their job is to see the big picture, to determine where the projects need to go and how to get there. As leaders, they are the ones who must have a global vision of the projects for today and tomorrow.

The strategic approach, however, is more than just vision. Business visionaries, such as Henry Ford or Bill Gates, are examples of leaders who could imagine the future.

The strategic approach does not rely on the gut instincts or imagination of a project management leader. Instead, it relies on a systematic, dispassionate, and structured analysis of projects' point of departure and point of arrival.

The point of departure is where the project is today—in terms of its cost, schedule, scope, quality, procurement and other disciplines. Through painstaking analysis, strategic project managers know the wants and needs of their customers in detail and the complete strengths and weaknesses of their

>>>>>>>>>>>>>>>Continued on Page 8

Continued from Page 7 >>>>>>>>>>>>>

own teams.

The point of arrival is what the project must achieve to become successful. Again, strategic project managers pick the point of arrival based on rigorous analysis. They examine trends in new technology, new sources of customer value, or any other issue that will affect the future of their projects.

A point of arrival can be as simple as a single number, or as broad as a company's mission. For Bassam Samman, the CEO of CMCS with the headquarters in Dubai, for example, the point of arrival is to become the point of reference for Project Management, its leading software and training in Asia, the Middle East, Africa and Europe by the year 2012.

For Saud Al-Gosaibi, the general manager of Assets Security Systems in Saudi Arabia, the point of arrival is to be a "universal" supplier, both in geographic reach and in the breadth of its offerings.

When strategic project managers pick a point of arrival, they do more than just designate a goal. They also design the culture, values, and corporate structure that will lead to that goal.

Strategic project managers also determine a fixed time-frame for reaching that point of arrival. The point of arrival can be as far away as the next century or as near as six months.

CMCS project managers in the Gulf, for example, are already anticipating a not far-off future when project management control services and even PMOs will all be outsourced. Dell Computer, on the other hand, believes that the distant future is no farther than six months away.

Frequently, project analysts ask you, 'what do you do when you hit a trap on the way?' And the right answer to that is, 'my job is to do enough surveying work and be far enough ahead of the party so that we have time enough to recover when we hit the trap.'

Delegate the day-to-day

Strategic project managers believe that anticipating and creating the future is their most important job. They delegate day-to-day operations to business units or senior staff so they can concentrate on the big picture.

'People who enjoy working with their colleagues will be more motivated and committed to perform

Think globally, act locally

As Abdullah Al-Ghanim, former senior vice president of Saudi Aramco projects management lead no less than 600 projects at all times, with annual budgets around 5 billion dollars a year, with a work force of more than 16,000 professionals representing all engineering disciplines and hundreds of contractors and subcontractor from all nationalities and trades, puts it: "I couldn't get involved in the day-to-day operations of such a monster operation even if I wanted to." And he did not want to.

Al-Ghanim gave extraordinary autonomy to area general managers and project managers so that he can concentrate on his job: making decisions that impacted the entire company. For example, Al-Ghanim was the one that made the final decisions on new technological advances, disciplined project management and standard project life cycles to make everyone in the company understand their mission. He also started a successful program to provide Saudi Aramco with local professionals capable of taking over from expats when it was needed.

His long time service at Saudi Aramco gave him the experience on which to base these strategic decisions. He also used careful demographic and economic analyses. But the main reason for Al-Ghanim's success as a strategist is that he did not only think globally. He realized that different projects required different approaches and acted locally.

Add value through employee management

Most project managers are people persons. They are extroverted, like conversation, and have the kind of magnetism or presence that attracts others.

But being a human assets project manager is more specific than just being a people's person. It means managing policies, procedures, programs, and systems related to the hiring, retention, and development of people at every level of the organization.

Human assets project managers do more than just know the names of many of their employees.

They are actively involved in career planning and mentoring, meeting face-to-face with employees to discuss values, decision making and performance.

The importance of values

In large companies, employees come from a broad range of backgrounds and are involved in a broad range of activities. Yet, human assets project managers believe that as employees, this disparate group of people must all adhere to the same distinct company values. Those values are the unifying thread of project management teams.

Worley-Parsons' project manager Martin Hogan, for example, emphasizes personal integrity, which means his employees have to be honest and willing to put themselves on the line by telling the truth rather than keeping hidden personal agendas.

Managing relationships

Managing people is more than managing individual performance and values. It is also managing the relationships among people.

People who enjoy working with their colleagues will be more motivated and committed to perform.

For Michel Dalle, General Manager of Contromet in Sharjah, Dubai and Qatar, the relationship between people is fundamental to the success of the firm. "After walking

>>>>>>>>>>>>>>>>Continued on Page 9

Continued from Page 8 >>>>>>>>>>>>>>>

around a project for half an hour and watching how management and workers interact" Michel says, "I can walk out without looking at the project figures, and I can tell you if that project will make it properly."

How they do it

Human assets project managers delegate day-to-day operations. This gives them the time to closely monitor and be involved in the performance and careers of their employees.

It's very important all the time to tell people to do it themselves. You don't have to stimulate an athlete who is running 800 meters. You don't have to tell them that they have to win. They know that. But you can ask them, 'How is your family doing? How do you find your colleagues in this project?' That you can do.

Human assets leaders travel continuously to meet personally with their workers. But these leaders do more than just talk. They are often deeply involved in hiring and firing decisions, in performance reviews, and in career planning.

Michel, for example, often maps an individual manager's career forward through two or three jobs. At other companies, this task is left to the employee's manager or the human resources department or sometimes to no one at all.

The human assets approach is also used at companies where strategy is more self-evident. "It's fairly simple, the business we are in," says senior project manager Khaled Bubshait, "It's not rocket science to get your mind around most of the personnel issues and make the difference."

Hire great attitudes

With a solid annual turnover in million dollars and a substantial figure in net income, MZ & PARTNERS is the only consistent architectural company in the Middle East and Africa. And they regularly win international awards for customer service, time compliance and design excellence.

How did Marwan Zgheib make his fifteen-year-old company so successful in an industry as unforgiving as the architectural design business? "We hire great attitudes," says Marwan.

Great attitudes, he says, are people who want to improve and be independent, who treat others with respect, and who like to laugh, especially at themselves.

"We're trying to find out what people are really like, their flaws, weaknesses, prejudices, and biases," Marwan explains. "That is more important to us than ... all those boring resumes people send in now'

"Amazing things happen," says Marwan, "when you make people feel that they are valued as individuals, when you dignify their suggestions and their ideas, when you show respect for them by allowing them to exercise their own wisdom, judgment and discretion." ■

Ignacio Manzanera is a Mechanical Engineer with a strong background in petrochemical plants construction and maintenance. He has had 5 books published on Cost Management, Cost Control, Planning & Scheduling and Project Management topics. He has written and presented technical papers on Project Management and Cost Engineering at international forums in Boston, San Diego, London, England, Muscat, Riyadh and Paris. He is a recognized hands-on expert in Primavera, MS Project, and Master Scheduling & Control System (MSCS) and their application to projects control and forensic engineering.