MID-IOWA BUSINESS

Project management expertise key to any organization

We've all heard the phrase "if you're not improving, you're falling behind." It certainly holds true in today's global economy, whether your organization sells goods or services for profit, educates students or provides services to citizens.

When it comes to improving processes, three basic mechanisms are used:

•A Rapid Improvement Event (RIE) or kaizen corrals a cross-functional group of workers for a set time —generally five days or less — with a specific goal of using their experience and diversity to develop a dramatically improved process. This event typically utilizes a neutral, expert facilitator and is especially effective when the process in question touches multiple parts of the organization. The short, focused time frame is also helpful for attacking improvement barriers

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such as analysis paralysis, perceived red tape or the inability to make a decision.

•A project is a special work assignment defined by specific objectives, schedule, budget and resources. Projects are distinct from routine duties and are supported by specially designated staff led by a project manager.

•Managing for Daily Improvement (MDI) is a state whereby members of an autonomous work team constantly measure, identify and attack waste within their work processes, making tens or even hundreds of small improvements annually that add up to significant gains. MDI is the most powerful improvement

mechanism and the most difficult for competitors to imitate because it relies on a special culture where workers are trained, trusted and expected to solve problems.

RIE and MDI are generally considered Lean tools and therefore tend to be used only by organizations pursuing Lean initiatives. Thus the majority of improvement within organizations over the past 100 years has been driven by projects. Types of projects span the business universe from updating computer software /hardware, expanding or relocating a facility, resourcing a product, developing a new product or service, discontinuing an old product / service or bringing a new asset online.

Since the lion's share of improvement is driven by projects, it only stands to reason that the ability to effectively manage projects is becoming a key differentiator in an organization's success. In other words, what makes an

organization great is not the quality of its ideas and strategies, but rather its ability to implement them.

Leading organizations realize this and are designating skilled personnel to full-time project management positions. The reasoning is that the ability to expertly bring projects to a timely and successful conclusion is as important to the organization's success as other traditional skilled roles such as engineering, sales and accounting.

In addition to top-notch people, these organizations are also investing in the development of the infrastructure to support project managers. This includes:

•Identifying training resources for the wide variety of hard and soft skills required by project managers.

•Assigning successful, experienced project managers as mentors.

•Documenting standards and best practices for managing projects.

•Providing templates for various project man-

agement tools.

Leaders dissatisfied with the rate of improvement within their organizations would do well to perform an examination on a handful of recently completed and active projects. Are they proceeding on schedule? Within budget? And most importantly, are the desired benefits being realized?

If the answers above are discouraging, take heart in that you're not alone. Chances are, the projects were randomly assigned to "project managers" with little or no formal project management training. They charged off to create Gantt Charts and then watched in despair as their plans made their horoscopes look accurate by comparison.

While it's always important to monitor expenses, projects are an area where organizations too often fall into the penny wise and dollar foolish trap. Common mistakes are to avoid selecting outside

resources who are already experts at solving the problem at hand because they are "too expensive" or to not properly staff a project. While "saving money" these errors almost always delay the realized benefit which dwarfs the savings and destroys the return on investment that drove the project in the first place.

Understanding that managing projects is a core competency for any organization that depends on improvement for survival is a necessary first step towards improvement itself. Making the commitment to developing that core competency is a solid second step.

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