



Welcome

Measuring and Developing
Project Leadership

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Agenda

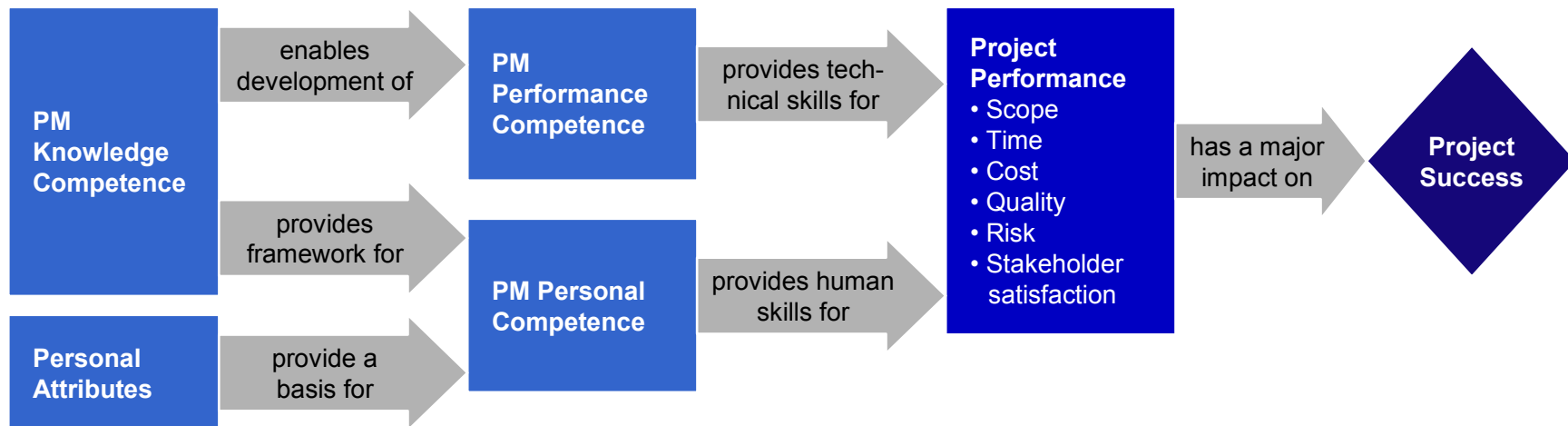
1. Components of Project Success
 - Project Manager Competency
 - Organizational Project Management Maturity
 - Project Leadership \neq Personal Competency
2. Leadership is necessary and sufficient
 - 4 Leadership Processes
 - 9 Essential Project Management Processes
3. Measuring Project Leadership
 - Effectiveness Criteria for Leadership Processes
 - Non-Intrusive Leadership Measurement

Components of Project Success

- Individual project actors must be competent in terms of knowledge and personality
- Organization as a whole must have supporting processes and tools in place
- ...



Project Manager Competency

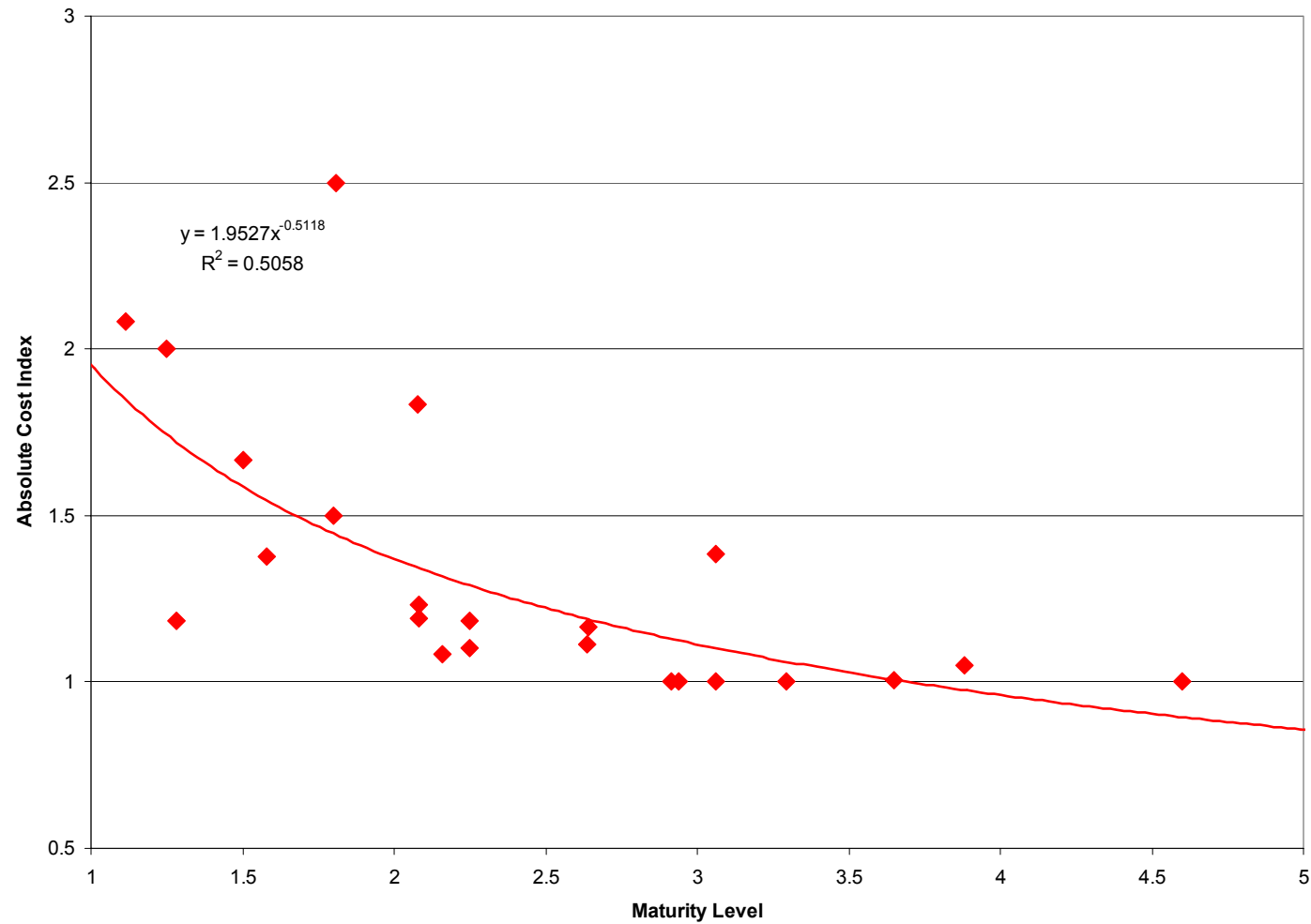


Organizational Project Management Maturity



PM Maturity and Project Cost

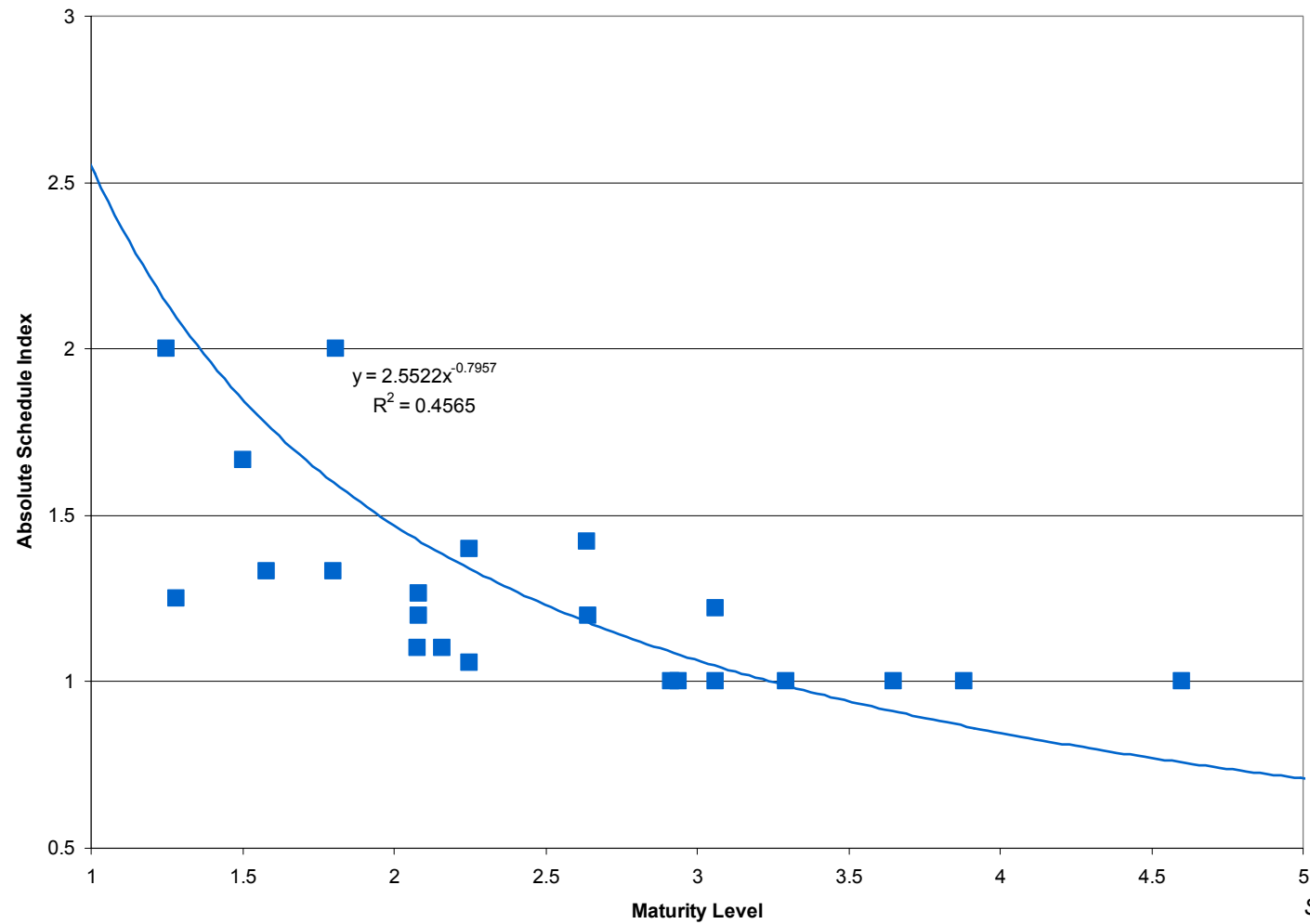
Cost / Maturity Dependency



Schiltz, 2003

PM Maturity and Project Schedule

Schedule / Maturity Dependency

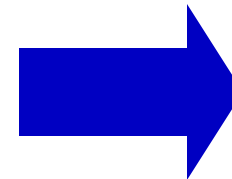
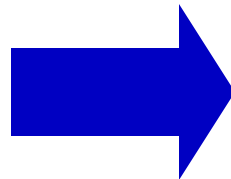


Schiltz, 2003

A Missing Element



The “Knowing – Doing – Being Effective” Gap



What is Project Leadership?



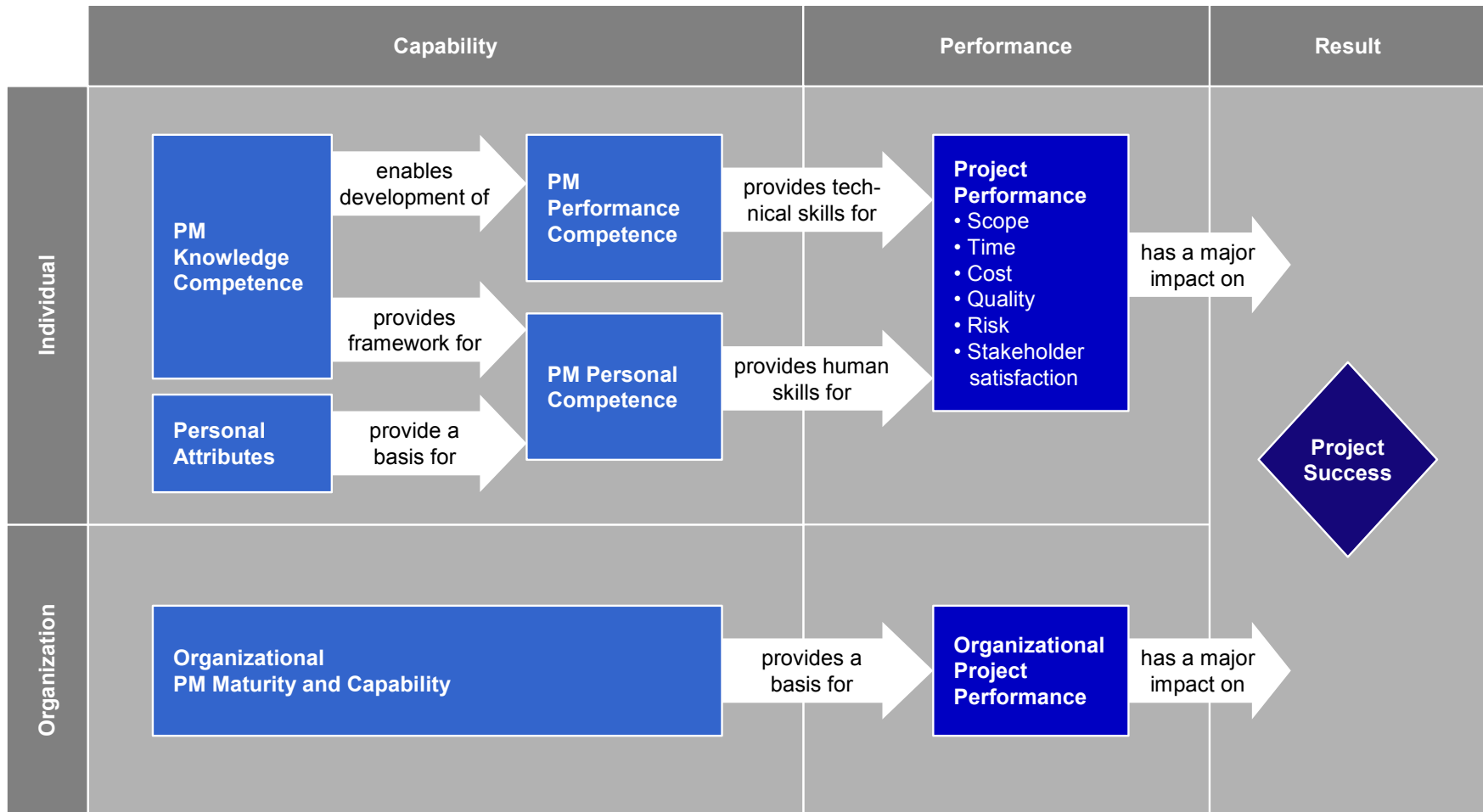
- Personality?
- Authority?
- Status?
- Power?
- Uniform?
- Megalomania?

This is Project Leadership

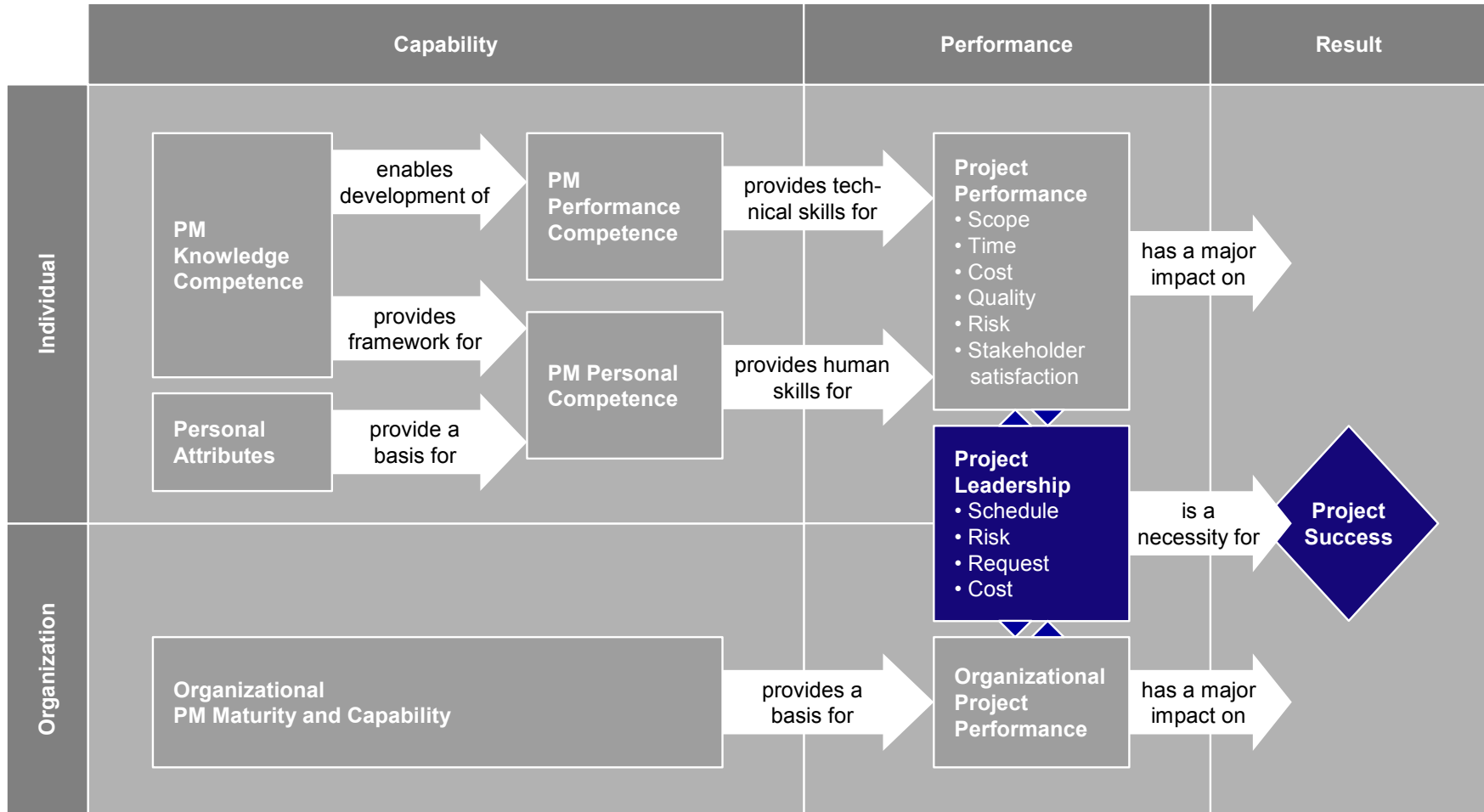


- Always have a common agreement about the goal
- Maintain the plan current
- Know the progress of all workstreams at any time
- Communicate effectively
- Address risks and take measures before they occur
- Get problems resolved immediately and effectively
- Get support when needed

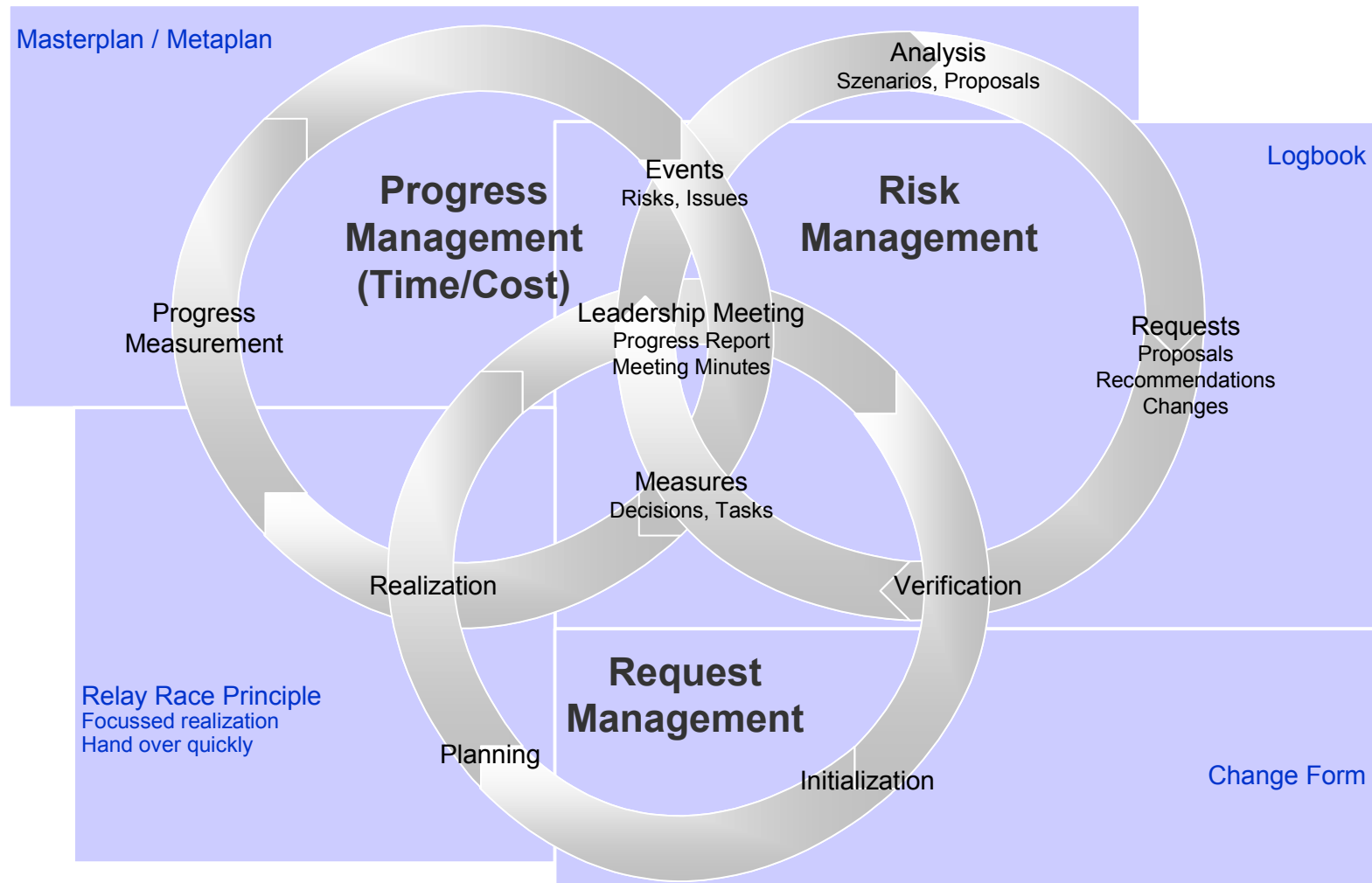
Components of Project Success



Components of Project Success



4 Leadership Processes



Processes Essential for Project Leadership

- Risk Management
 - 11.2 Risk Identification
 - 11.3 Qualitative Risk Analysis
 - 11.5 Risk Response Planning
 - 11.6 Risk Monitoring and Control
- Request Management
 - 4.4 Direct and Manage Project Execution
 - 4.6 Integrated Change Control
 - 5.5 Scope Control
- Progress Management
 - 6.5 Schedule Control
- Cost Management
 - 7.3 Cost Control

Non-Essential Procurement Mgmt Processes

Essential for project success, but from a Project Leadership point of view, considered a separate discipline.

- 12.1 Plan Purchases and Acquisitions
- 12.2 Plan Contracting
- 12.3 Request Seller Responses
- 12.4 Select Sellers
- 12.5 Contract Administration
- 12.6 Contract Closure

Non-Essential Initiation Processes

Initiation Processes are a precondition for effective leadership. Every weakness in this area will be reflected in the subsequent processes.

- 4.1 Develop Project Charter
- 4.2 Develop Preliminary Project Scope Statement

Non-Essential Planning Processes

The following processes produce the basis for effective project leadership during a planning phase. Lack of such a basis results in ineffective project leadership.

- 5.1 Scope Planning
- 5.2 Scope Definition
- 5.3 Create WBS
- 6.1 Activity Definition
- 6.2 Activity Sequencing
- 6.3 Activity Resource Estimating
- 6.4 Activity Duration Estimating
- 6.5 Schedule Development
- 7.1 Cost Estimating
- 7.2 Cost Budgeting
- 8.1 Quality Planning
- 9.1 Human Resource Planning
- 10.1 Communications Planning
- 11.1 Risk Management Planning
- 11.4 Quantitative Risk Analysis

Non-Essential Executing Processes

Supporting processes for project execution have an indirect impact on leadership effectiveness.

- 8.2 Perform Quality Assurance
- 9.2 Acquire Project Team
- 9.3 Develop Project Team
- 10.2 Information Distribution

Non-Essential Monitoring & Controlling Processes

Supporting processes for project monitoring and controlling have an indirect impact on leadership effectiveness.

- 5.4 Scope Verification
- 8.3 Perform Quality Control
- 9.4 Manage Project Team
- 10.4 Manage Stakeholders

Non-Essential Closing Processes

For measuring leadership effectiveness during project execution, closing activities are not an essential factor.

- 4.7 Close Project

Conclusion: Thesis 1

- 44 processes are relevant for successful project management
- 9 of these 44 processes have a direct impact on project success during execution
- The effectiveness of these 9 processes correlates with the project leadership effectiveness
- Project leadership is necessary and sufficient for optimal project performance

Leadership Effectiveness Measurement (1)

Metrics for Risk Management

- Risk/Issue Schedule Impact
Urgency of action for a risk or issue; is needed for determining if focus is on the most important risks or issues → 11.3
- Qualification to Response Definition Time
Time elapsed between qualification of a risk or issue and the definition of specific responses → 11.2, 11.3, 11.5
- Response Completion Time
Time elapsed between the definition of specific responses to a risk or issue and the successful implementation of those responses → 11.5, 11.6

Leadership Effectiveness Measurement (2)

Metrics for Request Management

- Task Due Date Compliance
Degree to which tasks are consistently completed within the originally defined timeframe → 4.4
- Proposal to Decision Time
Time elapsed between the submission of a request to line management, stakeholders or others, and the actual decision taking → 4.4
- Change Submission to Decision Time
Time elapsed between the formulation of a change request and the decision by the steering body to accept or reject the request → 4.6, 5.5

Leadership Effectiveness Measurement (3)

Metrics for Progress Management

- Schedule Performance
Overall degree to which the defined project schedule is kept → 6.5
- Slack Consumption
Ratio of slack time consumed in the current reporting period to the average slack time remaining per reporting cycle → 6.5
- Reporting Cycle Duration
Relationship of the actual reporting cycle to an assumed optimal duration → 6.5

Leadership Effectiveness Measurement (4)

Metrics for Cost Management

- Current Cost Performance
Comparison of actual cost relative to the schedule performance with the planned cost development → 7.3
- Expected Cost Performance
Current financial forecast compared to the project budget → 7.3

Conclusion: Thesis 2

- Key Performance Indicator for Project Leadership Effectiveness
- Based on dynamics of project logbook data
- KPI can be continually monitored in a non-intrusive way
- KPI can be aggregated on project, program, portfolio level
- Drilldown possible from portfolio down to individual project activity, action, or decision

Current and Next Steps

- Gain experience with the KPI in order to calibrate the calculation parameters
- Implement KPI in project management (or leadership) information system
- Determine the practical impact of the active use of the KPI for raising organizational maturity and individual competence
- Integrate the KPI in Balanced Scorecard (BSC) model

project competence



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