

*Project Delivery in  
Business-as-Usual  
Organizations*

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# *Introduction*

This book tackles the challenges of delivering business projects in support of a company's strategic agenda. It is aimed at project and programme managers and those senior executives accountable for how project investments are managed. It is focused upon those companies where project delivery is not the primary aim of the organization – let's call them 'business-as-usual' companies.

## **BUSINESS-AS-USUAL COMPANIES?**

We will discuss the nature of business-as-usual (BAU) companies more fully in Chapter 2. For now, let us consider them simply by contrasting with those companies where the delivery of projects is the prime, corporate aim. Those 'projectized' organizations include construction, IT systems integrators and aerospace in their numbers. Their success is based primarily upon the success of their projects, so project management is, not surprisingly, regarded as a core competency. The management of the company is focused around the success of the projects.

On a personal note, I spent my early career in such companies; one did not so much learn project management as absorb it from the very culture and fabric of the organization.

In the last decade, project management has progressed from these organizations into a very different type of organization; organizations whose primary purpose is the day-to-day BAU management of production, processing or sales activities. This definition includes most companies in financial services, where daily activity is focused upon processing financial transactions and managing customer relationships, but would also include many other organizations in varied industries.

If we think of a spectrum (100 per cent projectized at one end and 100 per cent BAU at the other) no single company could be classed as solely focused on project delivery and none could be classed as solely BAU, but it is clear that banks and, as an example, construction companies, exist in very different places along the spectrum.

Over the past decade these BAU organizations have adopted project management more widely as a discipline to better manage their investments in business change projects, a definition that includes the launch of new products, re-engineering of business processes and implementing new IT business systems.

Project management has moved into these areas for sound reasons. In today's volatile business world, the more effective delivery of change is seen as a key part of creating and maintaining strategic advantage, and project management offers a more disciplined, less risky way to deliver business change.

## **BUSINESS ISSUES TO BE ADDRESSED**

Has this enthusiasm for project management delivered the improved performance that these organizations have sought? Most companies that have introduced project management to some degree would say that they have indeed gained improved results from applying project management disciplines and competencies to business change. They will rightly refer to their investments in methods, training and other disciplined approaches – the 'project improvement programmes' that are described in Chapter 3. I can testify, from personal experience, that these measures can improve the cost and time performance of projects by 15 to 20 per cent. They can also reduce the high failure rates on projects, much documented in surveys over the last decade, delivering more predictable results from projects.

Today, as we plan and manage business change projects better, using the disciplines of project and change management, is this enough? I observe a growing feeling in BAU organizations that project management has either not delivered its expectations or that, after a promising start, the rate of improvement has slowed. Here are some typical symptoms of this problem:

- Corporate improvement programmes for project management struggle to maintain executive support over the long term. In particular, the cost of maintaining specialist project management skills or centres of expertise is often difficult to support.
- It remains a challenge to implement specific project management techniques, in particular those that should operate at the more senior, politically sensitive levels of the company. Programme management and benefits management are cases in point and Chapter 4 presents some thoughts on both the successes and challenges of these techniques in BAU organizations.
- Project management disciplines are not used on all projects. In fact, it is often the most business-critical projects (which will attract the attention of the most senior executives) that do not use the disciplines of project management; projects to change corporate values, integrate acquisitions or change the corporate structure of the organization.
- Projects have not made the transition to being a valued part of normal business life. Despite their recognized contribution to delivering the company's strategic agenda, projects are still regarded as 'outside BAU' and the discipline of project management is still considered as some dark, technical specialism rather than a skill that solves business problems. This viewpoint leads to significant problems with how projects are sponsored and structured and how project staff are valued in the organization.

- The cost of project management is still regarded as an overhead or bureaucracy rather than an essential element of project delivery.

What do these symptoms tell us? Are these problems due to the unique nature of BAU organizations, when compared with projectized organizations? Are such organizations in some way naturally resistant to or inappropriate for the application of project management disciplines?

Perhaps project management has not travelled well from projectized to BAU organizations and the champions of project management's move into such organizations need to consider their cultures more deeply and adapt the approach so that the companies are more receptive to the disciplines.

If we agree that the implementation of improved project management practices is a project in itself and must be managed accordingly, perhaps the project management profession has broken its own principles about managing change; assessing the business context for the project and engaging stakeholders in language they comprehend?

## **RATIONALE FOR THIS BOOK**

This is not a textbook on project management. It is assumed that the reader has some knowledge and experience of the subject, as a practitioner or a manager responsible for leading business change. Where I describe specific techniques it is because I believe that they will benefit from more straightforward, pragmatic descriptions than is usually the case. Hence they will be easier to describe and promote in BAU organizations.

The purpose of this book, having posed the questions above, is to consider why project delivery in BAU organizations must be addressed in a unique way. This subject is starting to receive public attention and some recent research has touched upon the cultural factors and perceptions in BAU organizations and their combined effect on the discipline of project management. However, most writings on project and programme management still treat all target organizations as similar (and as companies whose primary goal is the delivery of projects).

I would like this book to contribute to a wider debate about the way in which we apply project management in such organizations, so the first objective of this book is to offer practical advice on:

- how the techniques require some tailoring to reflect the unique character of BAU organizations;
- the change management approaches that can succeed when introducing project management to an organization;

I will then attempt to lead the reader to several conclusions during this book:

1. After showing good results in many BAU organizations, the discipline of project management must evolve if it is to continue delivering improved performance.
2. This evolution must recognize the differences between BAU and projectized organizations, to a greater extent than has been the case to date.
3. A key part of this changed approach is to build a competency of project delivery that is embedded within an organization, not positioned as a specialism.
4. A portfolio management approach is critical to the organization recognizing the strategic value of the capability to deliver projects successfully.

The title of this book refers to 'project delivery' not 'project management'. The distinction is intentional. It focuses on the business outcome, not the specialist skill. It signals also that if our discipline of project management is to be embedded in BAU life, we specialists must find subtler ways to promote it.

I have drawn from the financial services industry for much of my recent experience and have used that sector for most of the examples in this book. It is clear, though, from discussions with other companies, that the same issues exist in BAU organizations in many other industry sectors and I suggest that the same solutions will apply. As one example, the UK government sector currently has a clear focus on improving delivery performance across its change projects and this has resulted in much greater attention to the discipline of project management – to methodologies, training and the import of specialist assistance as parts of project improvement programmes. We can expect these measures to bear fruit in the short term but will the government sector, over time, suffer from the concerns now showing in those other sectors that moved into project management earlier, or will project management evolve to being regarded as a key element of project delivery, with sustained executive sponsorship for its improvement? I offer the opinion that adoption of the recommendations in this book will lead to a more positive outcome.

## **READING THIS BOOK**

This book is constructed as a 'roadmap' (shown at the end of this chapter). It starts by considering the character of these BAU organizations and then progresses through the application of project, programme and portfolio management disciplines. Each chapter produces, I hope, a tangible outcome for the reader.

There is a linkage from each chapter to the next and the chapters progressively establish a business context for project management. However, the chapters can stand alone and so can be read in any order.

Each individual chapter of this book is also presented as a roadmap that describes the drivers for a disciplined approach or project management technique, then describes the approach at a summary level and concludes with practical advice on implementing

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the approach in a BAU organization. In other words, each chapter is described as a project life cycle that takes the reader from business need, through a solution and on to practical implementation.

## **SO, WHAT ARE THE BENEFITS OF READING THIS BOOK?**

As project management professionals, we must take our own medicine. You should be clear, as you would want to be for any project investment, that there is a range of tangible benefits as a return on investment for the time expended in reading this book. I suggest the following:

1. The consideration of how a framework of project management approaches can be tailored and applied in practice in BAU organizations (Chapter 3) offers tangible benefits in improved project performance for BAU organizations that are in the earlier stages of improving project performance.
2. The hypothesis (again in Chapter 3) that many BAU organizations would be better served by building an embedded capability for delivering strategic change in addition to building a specialist project management competency is perhaps controversial to professional project managers, but one that I offer as a means to re-energize project improvement programmes that are losing momentum and to obtain long-term corporate support for the competency.
3. In Chapter 4, the cautionary notes about the use of programme management can avoid wasted effort and a loss of executive support for these disciplines. They can help to embed the key (and often unloved!) discipline of benefits management into the organization.
4. Portfolio management seeks to maximize the strategic benefit that the company reaps from its investment in change projects. Recently many BAU companies have been exploring these techniques as a response to the increasing change and volatility in their business environment. With such attention comes market hype and complexity, but little practical advice, so Chapter 5 offers some views on the practical application of these valuable techniques.
5. In this book's conclusion in Chapter 6, I bring together the concepts of portfolio management (embedding projects in their rightful place within the organization's strategic agenda) and the embedded skill of delivering change, to promote an approach where projects can make the transition from 'outside BAU' to being 'a part of BAU'. This combination of embedded approaches can improve the direct benefits of change projects, but also offers a way of articulating as never before how projects support the strategic agenda – of how the projects really are inside BAU, a part of BAU. This in turn will lead to greater, top-down executive support for efforts to improve the capability

and maturity of project delivery, support that has traditionally been hard to maintain.

With a portfolio approach finally pushing change projects onto the chief executive's desk and demonstrating clearly how the collected projects deliver key parts of the strategic agenda, supplemented by considering project delivery as an embedded skill rather than project management as a specialist skill, I believe that we have an approach that can create sustained executive support, ensuring:

- better recognition of the corporate value of the skill of delivering business change projects;
- improved performance in applying that skill in BAU organizations.

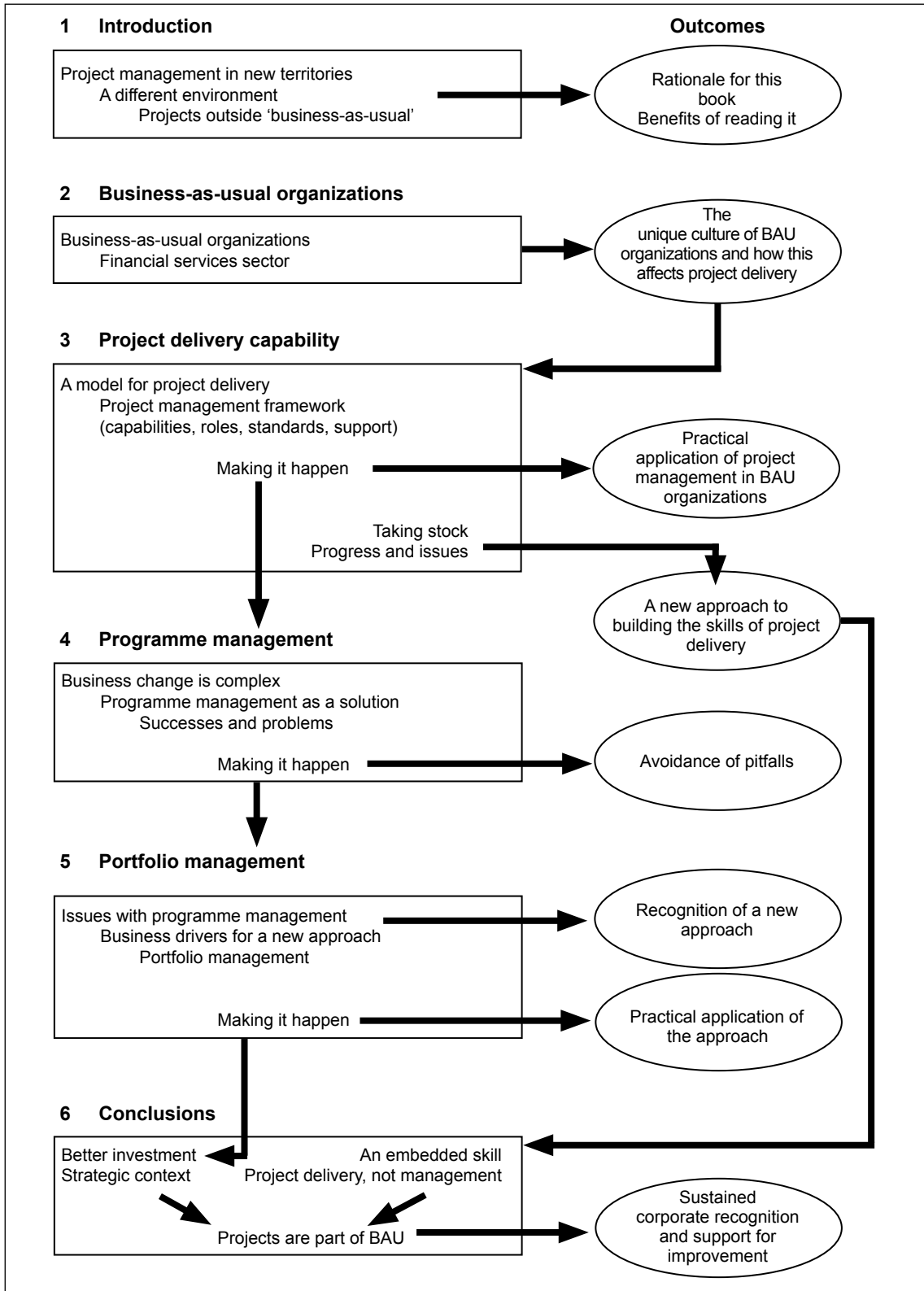


Figure 1.1 Roadmap of this book