
The Evolution of Project Management

The history of projects can be traced from the building of the pyramids 2500 years before the birth of Christ up to the modern day. Along the way there have been several 'golden eras' when a nation or industry has been particularly productive. Much has been written about the role and importance of projects in the growth of empires, the Industrial Revolution and, in modern times, in the development of the defence, energy, transportation and information technology industries but there is very little written about the way in which they were managed.

The lack of information about the management of these projects may be due to the very nature of project management which, after all, is both simple, yet complex as illustrated by the following three definitions:

'The process by which a project is completed successfully.' (Turner, 1993, p. 10)

'The art and science of converting vision into reality.' (Turner, 1996, p. 6)

'Project Management is the planning, organization, monitoring and control of all aspects of a project and the motivation of all involved to achieve the project objectives safely and within agreed time, cost and performance criteria.' (Association of Project Management, 1996, p. 15)

None of these definitions provides much insight into the complexity or difficulty of the skills and effort needed to convert the vision into reality, which, when we consider the number of projects that are not delivered successfully, must be quite extraordinary. Over the years, there have been several surveys into why projects fail and most list the following causes, in varying degrees of importance:

- poor communication between the parties
- lack of planning
- poor quality control
- lack of appropriate skills
- poor coordination of resources.

These difficulties still occur all too frequently despite the countless numbers of articles, books, seminars and training courses that have been delivered on project management over the last 30 to 40 years and the growth of professional associations promoting the benefits of project management. All have developed their own version of a 'Body of Knowledge' summarizing and defining the skills and competences needed by the project manager and

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their team members. The Association of Project Management in the UK summarizes the requirements under seven headings:

1. *General*: the overarching principles of project management.
2. *Strategic*: the overall framework within which the project is to be managed.
3. *Control*: the basic tools for planning, measuring and monitoring progress of the project.
4. *Technical*: the underlying technology of the project that must be fully considered and understood by the project team.
5. *Commercial*: the financial and business issues that underpin the project's viability and predicted benefit to the sponsoring organization.
6. *Organizational*: the way in which the companies and people working on the project are organized and the life cycle of the project.
7. *People*: the interpersonal skills needed by the project manager, and indeed the team members, if the project is to be managed effectively.

A review of the literature suggests that all well-studied projects have the following key characteristics:

- All projects go through a standard sequence, or life cycle.
- They are all physical and very significant undertakings.
- Their sponsors set out to achieve clearly defined and very specific objectives.

The concept of the project life cycle is very important and all projects go through the following stages. The stages can be given a variety of names, and in some industries a stage can be broken into smaller sections, but this generic concept is valid for all projects.

1. *Opportunity*.

This is possibly the most difficult stage as it centres on defining the project and reviewing the options available for its delivery. At the outset it may not be recognized as a project or structured accordingly, but this stage is crucial. The sponsoring organization's expectations need to be set and managed and this requires input from experienced people to ensure that the organization starts off appropriately by identifying and defining the 'right' project.

2. *Design and development*.

Having identified the 'right' project and made sure that the business that may accrue from the project fits with the sponsoring organization's overall investment profile, the proposed solution needs to be considered at a more detailed level in terms of procurement, project, organization, technical and commercial considerations. For significant projects, this stage may be split into two parts: first, the development of an outline solution followed by a full review; second, the development of a detailed solution. It is in this second part that the project schedule, budget and specifications are developed and agreed, and these form the baseline for the implementation stage of the project. There is usually much iteration of these plans, which should be initiated early in the opportunity stage while the project's definition is being developed.

3. *Implementation.*

Although this stage uses resources at the greatest rate, in many respects it is the least complicated stage of the project, provided that sufficient time and effort have been expended in the earlier stages. Well-structured and planned projects experience very few changes during this stage. Of course, some changes are inevitable, particularly as uncertainties or risks identified during the design and development stage occur, but these should be accommodated with the minimum of disruption if the project has been well planned and resourced.

4. *Hand-over.*

This is another difficult stage of the project as the final project 'deliverable' is handed over to the sponsoring organization. The achievement of the business objectives defined during the earlier stages of the project is totally dependent on the organization being prepared for, and willing to accept, the completed project. In far too many cases, when the project is handed over, the operations group are not ready to receive it and unwilling to accept the changes it will bring to their work. This stage involves far more than the simple process of providing project documentation and formally closing down the project team.

5. *Post-project evaluation.*

There are two distinct activities in this stage:

- reviewing the performance of the project management, recording any lessons that can be learned and revising the project management processes
- reviewing the project's performance after it has been in operation for some time to find out whether it has delivered the expected benefits.

The first activity should be carried out as soon as the project has been completed, while the information is still available and the project team has not been dispersed far and wide. It is a fairly simple task but is rarely done properly, despite the advantages that can be derived from an open appraisal of the organization's management processes.

Benefits management is a far more complex task as so much depends on both its timing and the changes that may have taken place in other parts of, or external to, the organization, but if a review of the benefits or advantages of undertaking the project is not carried out, how can the sponsoring organization know whether a project has been successful? This is why defining the project at the outset and establishing clear and measurable success criteria or key performance indicators that can be reviewed at pre-determined times after project hand-over are so important.

Much has been written about classic projects but there is very little written about the way in which they were managed except some insights into the very charismatic leadership, positive attitude (risk-taking) and extraordinary personal effort shown by those responsible for the initiation and delivery of the project who are often historically the same person. It is only in recent times that we have seen the separation of the role of a project sponsor from that of the project manager.

Within the last ten years, we have also seen an increase in the idea that project management and change management may be considered synonymous, but there is a fundamental problem with this hypothesis as change and the impact of change has been around as long as the concept of projects. The concept of change can be traced back to the same geological age

as the pyramids. Heraclitus the Greek philosopher (c.544–c.483 BC) is famous for his quote that ‘There is nothing permanent except change’.

Heraclitus was more concerned with the natural world than with man-made enterprises but it is reasonable to conclude that people were concerned with managing change at the same time as they were managing projects. Indeed, projects were probably the physical components associated with changes to the order of things as reported by Niccolò Machiavelli (1469–1527), a theorist of government, statecraft and political sciences in his book *The Prince*, namely:

There is nothing more difficult to carry out, nor more doubtful of success, nor more dangerous to manage, than to initiate a new order of things. For the initiator has the enmity of all who would profit by the preservation of the old system, and merely lukewarm defenders in those who would gain by the new one. (Niccolò Machiavelli, *The Prince*)

Heraclitus and Machiavelli lived in different times and in different regions but both were very clear about the pressures facing their respective societies with regard to the immense changes about to take place and the difficulties in implementing them.

There are many books on project management which trace the history of projects from the building of the pyramids up to the modern day. In the late 1950s it was recognized that projects involved the delivery of an agreed objective, within given constraints of time, cost and quality and there was a great deal of interest in trying to reduce the amount of time projects would take to bring to completion. It was in this era that approaches such as critical path analysis and precedence and activity on arrow diagrams were developed.

The main phases of ‘modern’ project management are summarized in Figure 1.1.

Activity	1950s	1960s	1970s	1980s	1990s	2000s
Network planning	■	■	■	■	■	■
Integrated project control systems		■	■	■	■	■
PM’s interpersonal skills				■	■	■
PM’s competency				■	■	■
Key roles/responsibilities				■	■	■
Management by project					■	■
Programme management					■	■
Benefits management					■	■

Source: Harpham (2001).

Figure 1.1 A history of project management

Management literature published before the 1980s contains very little on the application of project management in general business areas. All the focus is on major engineering undertakings and, indeed, it is the major physical projects that are always cited in the history of project management. This is probably done to make the subject more interesting and more appealing to the reader, as on the whole, such projects are exciting and interesting in themselves, whereas project management can be perceived as rather dull.

This book is aimed at people who are responsible for managing projects or, probably more appropriately, delivering change within their organization. This concept of change and the difficulties of delivering, managing and controlling it have been around since time immemorial and, as Machiavelli pointed out in the thirteenth century, it is the delivery of beneficial change that has been the most elusive of all. Arguably this has been due to a combination of:

- lack of tools and techniques
- an incorrect focus
- political or functional arguments within an organization
- the sheer difficulty of the undertaking
- the ultimate responsibility for ensuring benefit.

The traditional focus of project management has been for the project manager to concentrate on the delivery of the project within the criteria of time, cost and quality/performance. The role of the project sponsor or initiator is rarely considered. However, when delivering change, the focus shifts from delivery to the time, cost and quality of the project that will enable the organization to reap benefits from a new way of working or a new process. The involvement of the end-user can be difficult at times. It is not possible to involve the end-users in the majority of physical projects, particularly major public undertakings, as they are rarely known or, at best, only represented by proxy through their elected representatives. In an internal company, where the people who will be affected by the change are known, their early involvement will maximize the chances of success.

Both the internal business or organization change project and the third-party project team start at the same point, but the business involvement needs to continue well beyond the end of the project if the benefits are to be delivered. In order to ensure a clear focus on what the business requires and that the business realizes the potential benefits, organizations are now starting to address the issue of benefit management, which, we believe, leads to the consideration of the role of the client relationship manager. It also leads to the idea that, whilst some of the tools and techniques used by traditional project managers and the skills required by the traditional project manager may be applicable for business or organisational change projects, additional areas may need to be addressed.

How did the role of the relationship manager or the very idea of a need for one come about? And what is the background and history of some of the approaches? Moreover, why is the time now right?

Business change

Management thinkers and organizations have been considering the impact of change since 1913 when Frederick Winslow Taylor wrote *The Principles of Scientific Management* and

pioneered the techniques of 'scientific management', involving the minute examination of individual tasks and breaking them down into their component parts. Three years later Henri Fayol, in his book *General Industrial Management*, defined the management function as 'to forecast and plan, to organize, to command, to coordinate and to control'. Whilst their theories have not exactly stood the test of time, these two authors can be considered as the originators of modern management investigation and research.

Peter Drucker, in his seminal book *The Practice of Management* first published in 1954, suggested that the managers of the future would need to be competent in different areas and manage in different styles (Drucker, 1954, p. 444). In Drucker's view, the manager should have a general knowledge of a number of different functions, but be able to see the business as a whole and integrate the input from different functions to achieve the overall objective. This objective would be the key focus – in particular how it met the organization's overall strategy. Such an integrative approach will require the manager to become more dependent on their team and draw on a wider range of skills. As this approach will involve them in more risky undertakings and the need to think further ahead, the ability to identify risks and select ways of overcoming them and to control the work to ensure success will be crucial. As the pace of change in the business environment quickens, the manager will need to have a fuller understanding of their products or industry and how they relate to the overall environment. This requirement to consider developments outside their own market will, in turn, bring about the need to communicate information faster and more clearly. They will need to be able to motivate people within their team and bring together a range of skills previously unheard of.

Drucker also postulates that there will be no people able to do this staggering range of tasks and that the only answer is for the job to be simplified. He goes on to say that there is only one tool for this job, namely to convert into system and method what has previously been done by hunch or intuition – in other words, to reduce the principles and concepts that are left to experience and 'rule of thumb' to a logical and cohesive pattern. Considering the difficulties and problems experienced in the delivery of projects since the time Drucker wrote these words, clearly the old patterns have not worked. Furthermore, we are told that today change is accelerating but, again, this is not new. We have known this since the 1970s when Alvin Toffler wrote *Future Shock*, in which he asked 'How do we know that change is accelerating?' and 'Are we measuring change?' (Toffler, 1970, p. 28). Nowadays, we do measure change – particularly the incremental improvement in technology, the growth of information and the impact these have on the need to keep decreasing timescales but do we have the techniques and competencies needed to cope with this?

We believe there are some emerging trends:

- the continuing use of project management to deliver capital projects for third-party owners
- the use of external projects to deliver what a client requires
- the use of internal projects to bring about major change within an organization.

Few project management professionals draw a clear distinction between these issues, but internal projects have very few characteristics in common with what many project managers consider as 'real projects'.

People involved in delivering these projects need a blend of skills to cope with the uncertainty inherent in the management of such projects, whilst at the same time focusing

on the delivery of benefits to the sponsoring organization, which itself is in a continuing state of flux brought about by the impact of various environmental factors, namely:

- *political* – local and national government actions that may affect the organization
- *economic* – fiscal policies that may affect the organization
- *social* – trends and tolerances towards the organization and its products
- *technological* – changes that affect demand for products or have an impact on the organization’s activities
- *legal* – legislation that may affect the organization
- *international* – any of the impacting elements on a global basis
- *environmental* – factors such as ‘green’ issues
- *demographic* – availability of the workforce.

This new breed of project or organization change has also reinforced the need for a new breed of manager – as we have already recognized – the client relationship manager. This person needs to be able to combine the skills of the traditional project manager with those of either a line manager or even account manager, thereby overcoming many of the difficulties inherent in the traditional matrix organization. This has been considered the hardest form of organization in which the project manager could operate, and can only be successful if the project manager, the line or account manager and project sponsor have clearly defined roles and responsibilities. In the matrix organization the project manager generally focuses on the what, when and how much of the project, while the line or account manager is concerned with how and who and the standard required. These roles and responsibilities are summarized in Table 1.1.

Table 1.1 *Project management roles and responsibilities*

<i>Role</i>	<i>Responsibilities</i>
Line or account manager	<ul style="list-style-type: none"> • To manage the investment • To be accountable for the agreed success
Project manager	<ul style="list-style-type: none"> • To lead, direct and manage the project team • To deliver the project to an agreed time, cost and quality or performance criteria
Project sponsor/user	<ul style="list-style-type: none"> • To operate the deliverables or assets to deliver the planned return on cost saving

In sum, clearly the project sponsor’s success depends on the project deliverable being operated to provide the benefits expected by the organization. Future prosperity should depend on the success of the project and the relationship manager is the person to assist in this achievement.