

What Is A PM Methodology? A Search for Efficiency, Consistency, and Performance

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Abstract

By now, you would think that everyone who needs a Project Management Methodology would have one. They *have* been in popular use for over 30 years. But as more Enterprises understand the importance of demonstrated PM Competence in projects, programs and portfolios, new requirements exist, that your methods do not support. In this article, we answer the question “What is a PM Methodology” from a perspective of today’s requirements. We list the criteria against which to score your in-house or commercial methods, that you can use to help improve the effectiveness of your PM Methodology.

Methodology As Dust-sucker

My first partner in PM Consulting tells a story about an early 1980’s workshop he held in Stockholm, Sweden. The class went well, but every time he said the word *methodology*, a small group in the back of the class broke out in laughter. He’d glance at them with a questioning look, and then continue.

At a break, he asked one of the participants what was so funny about the word *methodology*. That back row included participants whose English was not strong, and the others were translating the difficult words. They said the only word in the Swedish language that came close to *methodology* translated to “dust sucker”. In that era, a methodology was most-often an 8-12 binder set that required its own shelf. Often, it also required the services of one of the “Big Eight” firms to manage it.

Background and PM Methods Experience

First, we share bit of our background in this topic. In 25 years, we have developed or helped clients adapt or improve over 50 commercial or home-grown methodologies. Part of our PM Practice in the early 1980’s was to help companies scale down and improve their internal or purchased PM Methodologies. Starting with Defense Department Program Management monoliths or Consultancies’ 24,000 hour-target methods, we helped them scale down to low-overhead methods that were more appropriate for their 1,000-3,000 (or 15,000) hour projects.

We adapted multiple new PM methodologies, including one for Information Technology projects, working with Dan Myers (now in Requirements Solutions Groupⁱ). One of the “Big Eight” firms wrapped our PM Methodology together with their Systems Engineering Methodology in a software bundle that proliferated in the late 1980’s. In 1987 we developed a universal methodology for Small Projects, those that are 8-360+ hours of effort. Today, that method is used by thousands on five continents.

During the 1990’s, our PM Consulting and Methods work exposed us to a variety of new twists on PM Methods. Ken Schwaber’s Scrum and some of the more Extreme methods all had strengths. With the emergence of true Object Oriented projects, and then of the World Wide Web, there were many new methods to evaluate and adapt. But these were mostly for Information Technology projects—an obvious area for the greatest improvement from methods. Construction Engineering has always been more efficient, with less opportunity for improvement.

In the late 1990’s we started seeing more universal methods, designed for “all the rest of your projects”, like our Small Project Guide. And the last 10 years has seen more proliferation in this space than in the entire 30 years before, as Project Management Offices realize they need organizational consistency—at least at the roll-up level—to properly prioritize, staff and report the portfolios of projects and programs. This again brings up the question, “Just what is a Project Management Methodology?”

What Is a PM Methodology?

A Project Management Methodology is a set of appropriate repeatable processes that help introduce consistency, flexibility and efficiency while improving quality in managing an enterprise’s (or department’s) projects. It typically consists of process descriptions, templates, roles and responsibilities, Life Cycles and Work Breakdown Structures, together with other support information.

Why Use a PM Methodology?

- Improve alignment of projects to Enterprise Strategy
- Increase competitive advantage, where appropriate
- Produce better business results faster and cheaper
- Help predict staffing requirements on priority efforts
- Improve Management information in the areas of least visibility for most Enterprises
- Assure the best use of Enterprise funds and resources
- Identify knowledge, skill and competence needs
- Improve skill and performance of project teams
- Assure appropriate ownership of process and results
- Improve stakeholder satisfaction with all projects

Why This New Interest in PM Methodology?

In part, we can blame the Prince. PRINCE2ⁱⁱ, the UK-developed standard, may soon claim more people certified in project management than any other PM certification. Why is this happening? Because even though the PRINCE2 Certifications are based primarily on Knowledge (and not deep Skill, Behavioral Attributes or Competence), the market appears to perceive that PRINCE2 applies *relevant knowledge for success*.

Other factors include the popularity of Enterprise Project Management and Portfolio Management. While this has been a focus of many methods for years, it has recently been discovered by some. Add to this the fact that despite hundreds of millions of dollars spent in PM training—primarily just in pm knowledge (just in the US), projects still disappoint their owners and Executives, failing to provide the intended benefit realization. Increasing rigor in Regulatory Compliance requirements also adds to the demand for consistent process with traceable results.

Just think of the opportunity presented by Methods that apply the full performance suite of Knowledge, Skills, Behavioral Attributes and Competence!ⁱⁱⁱ But before getting into the details about such a method, let's look at a brief history of PM Methodologies.

The Moving Target of PM Methodologies

Most people today cannot agree about the components and structure of a useful PM Methodology. In the 1970's we saw *forms-driven* methodologies: Just fill out all the forms, and the project would produce itself. Then in the 1980's most were *process-oriented*; just follow all the steps of the recipe, and everything should come out ok.

With the lean movements of the early 1990's, many started calling them PM Methods, to distinguish them from the forms-driven monoliths of the past. In the 1990's some of the best were *blended versions* that were *product-oriented*, while retaining useful and supportive forms and processes.

In the new Millennium we have seen the daring *Agilistas* who toss out all the process and forms and rely on the working results to drive the process—and they are right, much of the time. But now we have a conflicting need for rigor, resulting from those increasing Regulatory and Governance requirements.

Ironically, little has changed over 30 years in the basic critical success factors of projects. Many of the “New Age” methods require (or even assume) the same factors needed 30 years ago. Typical Critical Success Factors, then and now include

- Competent project management throughout the team,
- Technical performers who are effective in performing their assignments *and* in communicating with the team,
- Effective upper management, who prioritize work so teams can focus on the most important projects,
- Constant customer involvement.

Some things never change!

Characteristics of An Effective Methodology

A Project Management Methodology does not produce project success. It merely provides the platform for competent Project Managers and key Stakeholders and Team Members to succeed. Yet there are a handful of characteristics that consistently differentiate effective and efficient methods from ineffective and weak or bloated ones. Those characteristics include:

1. Contains guiding processes for those who are new to project work
2. Identifies Key Roles and Responsibilities of all Stakeholders, including Customers or Clients
3. Cites Skills or Competences needed, by Role, by Process
4. Provides useful templates and examples
5. Supplies model project Life Cycles for projects of different types, with more detailed WBS examples
6. Offers audit checklists to assure proper process, Governance and results
7. Is customizable by Enterprises and project teams
8. Is tool-neutral
9. Offers a range of rigor for different project needs
10. Saves more effort and time than it costs.

We expand upon these characteristics below. After reviewing the list, you might compare your current PM Methods to this list, and evaluate how well they demonstrate these characteristics. Is your Method a Dust-sucker? We are also interested in your suggestions for additions to the list. After all, most long-life methods are designed for tomorrow's needs, not just to correct the sins of the past.

If you have suggestions (or disagreements) contact us at Contact@ProjectExperts.com. And now, the more detailed explanations for the list of characteristics.

1. Contains Guiding Processes

Who is the user of today's PM Methodology? It is clear that the stakeholder list includes Project Managers, Team Members, internal and external Customers, End Users, Project Management Offices, Sponsors, and Executive Managers. And within this list, each has some level of appropriate use. But the primary target for any methodology is those people who are performing work on the project, whether in managing it, making key decisions about it, or delivering the results.

And here is an irony: Even with the best methodologies, many target users tend to use it in full just the first 3-5 times. And the first several of those times, they are still learning it and not effectively applying it.

After the fifth (or so) time they use it, most people have fully integrated the philosophy and approach. Thus the ideal PM Method should have approachable process explanations for beginners (and not overwhelming), yet be accessible enough for easy reference once each user, from new team members to Project Sponsor has used it several times, and has climbed the learning curve to Skills and Mastery (Competence).

2. Identifies Key Roles and Responsibilities

Too often we see methods that fail to identify the responsibilities of each role. Some fail to even include such crucial roles as Sponsor (or Project Executive), key managers who make prioritization and allocation decisions, and internal and external Customers or Clients. In reviewing project plans we continually point out the risk/threats these omissions present.

How do these stakeholders know what is expected of them? How much time it will take? Unless they are very experienced, they don't, and become a failure point. Thus a methodology must identify all the responsibilities each person filling one or more roles should sign up for. The list below shows the Sponsor responsibilities from one universal PM method:

The effective Sponsor's Responsibilities:

- Establish and maintain the project vision
- Fund the project or negotiate for funding
- Produce or sign off on the Project Charter
- Approve and communicate the business case
- Assure the project meets business needs, at startup, throughout, and at closure
- Represent the project to your Enterprise Executives, keeping them informed and in support of the project effort
- Define the Project Manager's authority
- Empower the Project Manager and Team
- Assure availability of the right Resources, with the right competences, the right amount of time, especially from the project's Customers
- Serve as project spokesperson for all communication outside the Team
- Eliminate roadblocks outside the control of the Project Manager and Core Team
- Ramrod or speed approvals (develop a sense of urgency-by-example)
- Arbitrate disputes, when needed
- Provide significant rewards for the Project Team

Do you have Sponsors who will "sign up" for such responsibilities?

If not, who will perform them? And what are the consequences if some go missing? This shows why *asapm* co-founder Bill Duncan's OCiPM™ (*Organizational Competence in Project Management*, a standard against which to improve organizational PM effectiveness beyond maturity) is so important. You can see from this why a Competence-Based PM Method requires Contextual competences, in addition to the Technical ones, just as the USA National Competence Baseline prescribes.

3. Cites Competences Needed, by Role, Process

To deliver on the above responsibilities, it is clear that more than just the Project Manager must have PM Competence. But that is why *asapm* provides the PM Competence Model, that identifies target Competences and criteria (at varying levels) for all key stakeholders.

Thus the PM Method should relate the Competences needed, and the level required to complete each process or result. The consequence: You use this information (together with effective decision-making about priorities and allocation) to reduce time, cost and risk/threats, while increasing quality in every assignment in the project.

4. Provides Useful Templates and Examples

About half of all people prefer to review process steps for project assignments that are new for them. That is why a process-oriented method is useful, at least until people no longer require a reference. The other half of all people tend to prefer an output or result-oriented template. Even with outputs such as computer code in an IT project, many of these people prefer to modify something that someone else wrote, that works.

Templates for results are useful for this group of people. What makes them even more useful are two additions:

1) Add annotation or explanations that reduce the need to use a separate process reference. These are especially useful if they can be shown or hidden, so they don't distract from the deliverable, when complete.

2) Add Completed examples from your Enterprise, or even better, your own workgroup. Try as we may, when we have provided generic example sets, most people find them less-useful because "they aren't like ours".

We've discovered an interesting aspect of that second point: For some interim results in your Enterprise, such as a Test Plan, 90% of it can be re-used in later projects. Thus these example templates can again reduce time, cost and risk/threats, while increasing quality in many parts of the project. Do you see a trend here?

5. Supplies Model Project Life Cycles

Too many Project Life Cycles begin too late, and end too early, to be useful. The actions taken (or failed to be taken) between Concept and formation of the project team determine most of the success or failure of today's projects. Estimates are made based on incomplete understanding of Scope, and a dollar amount or hours of effort is budgeted based on that information. Then too often, the team is held to that very preliminary estimate. Not only should the Life Cycle begin at the beginning, but the early scope discovery should be traceable, and estimates revised, not held firm, at major Stage Gates or Milestones.

Similarly, too many Life Cycles (or *Life Spans* as our friend Max Wideman calls them) end when the team captures their Lessons Learned. Speaking of Max, see his excellent, in-depth article on Life Cycles at his website^{iv}. Obviously for the Enterprise, the true closure is when you verify Benefit Realization. In too many projects, that never happens, and even when it does there may be fewer benefits than promised, due to inadequate tracking or Change Control. Few people want to explain that to Executive Management.

Worse, the full benefit realization may require three months or three years after project closure, and no one remains on the team to perform the analysis—they were assigned to new projects long ago.

That is one set of considerations about Project Life Cycles. Here is another. Different groups in your enterprise need different Life Cycles, just because of the nature of their business. A Pharma Clinical Trials Life Cycle will differ from a Construction Engineering one. An Information Technology Life Cycle may have multiple variants, depending on the technologies applied, whether you buy or build (or outsource), or use classic versus agile methods. And networking is far different than Systems Development; and so on.

Within the Life Cycle, the Work Breakdown Structures (WBS) must vary in depth and breadth based on the size of the project. Small, Medium, Large, and *Too-Large* projects (*Too Large* projects tend to cost more per delivered Scope-point, and fail much more frequently) each require a different number of phases, and different numbers of levels of detail within each phase. And to use a Medium Life Cycle WBS on a Small Project causes far too much overhead in the project.

Sound like chaos? There are solutions. Even with multiple different Life Cycles, savvy Project Oriented Enterprises establish common “roll-up” points.

These are usually based on similar or identical Major Milestones or Gates throughout all their Life Cycles. This *consistency where needed, and adaptability where required* approach works for almost all Enterprises, and any Universal PM Method must support it.

6. Offers Audit Checklists

Assuring proper process, Governance trails and other verifications result from a consistently applied PM Method. But how can you assure that you are using yours effectively? Especially important: How can you perform this assurance pro-actively, while the work is in-process versus in autopsy mode, when it is too late to correct omissions?

An effective PM Method should provide process, compliance and result audit checklists. Not just yes/no quantitative ones (Does the Project have a Charter or Brief?), but *qualitative* ones, that specify the criteria for an adequate one. This approach not only helps guide the team to better results, we also use it to measure progress of implementation for new methodology users. The information, in some cases, is useful as part of Department Manager's Project Improvement Performance Reviews.

7. Is Customizable by Enterprises and Teams

Customizability is important for a number of reasons, including the obvious: Enterprises have different requirements. We find that if an Enterprise does not feel the need to make even a minimum amount of change, they will probably not succeed with the method. This makes a good early assessment of success. And some want to change too much; those Enterprises often fail, as well.

There is another reason for Customizing: The Enterprise that does the right amount of customizing (typically around 10-15% if it is the appropriate PM Method for them) builds a sense of ownership that is essential for integration and adoption as part of the Enterprise culture. That Change Management process only works if all the right people participate in that customization—not if it is merely done for everyone by the Project Management Office.

Related to customizing, see our *PM Methods Improvement Plan*^v. It is a methodology for successfully implementing a PM Methodology. Yes, we understand that is a bit recursive; but practical use is the best way to evaluate any methodology. The document explains more about the process and benefits of engaging PM practitioners in adapting the methods they will use. PM Methods Improvement Plan has been used to improve PM Methods by hundreds of companies over the last 20 years.

This need for customization has always existed, but years ago, when the vendor delivered eight 3-inch three-ring binders it was more difficult than today. Still, even with editable web pages and custom forms in PM Software, customization is not easy. The current “hot solutions”, either a mega-scale content management system (hard to learn, hard to use, but very powerful), or a Wiki based approach (increasingly popular, but may require external hosting and a constant network connection, sorry remote notebook users). This will continue to be an area of constant change.

8. Is Tool-neutral

Tool-neutral means you don't have to buy another product to use it. For example, it has been popular in the past to just add process explanations to PM Tools such as Microsoft Project. That's fine, for those who already have it (and who can do more than move Gantt bars around until it looks good enough for Management approval). But what about everyone else, especially now that most companies have 50-70% of their staff involved with projects?

Many serious Project-Oriented Enterprises have already invested in industrial strength PM Software. As well, some organizations use non-Windows software (gasp!). We are seeing a broad movement away from proprietary single source solutions, and toward Open Source options. Thus this requirement adds complexity, because any PM Method should use the tools an Enterprise has invested in, but not require additional ones, or additional copies. This is driving us towards web-based solutions.

9. Offers a Range of Rigor

A project to update your department procedures does not require the level of rigor that a project to fulfill a contract commitment requires. A small project does not need as much ceremony and supporting documentation as a medium one does. A very large project may have significant demands for interdepartmental or inter-organization and international coordination, while a medium project may involve a half dozen people within the same office.

A PM Method must provide guidance for the right level of rigor, documentation, review cycles, and approvals—and identify the cases where variances from that guidance is wiser than blind application.

Of course, some people avoid all rigor, as a matter of personal style. Even those people can appreciate appropriate rigor when they see the ways the rigor helps them. Similarly, methods that add rigor that fails to help the people doing the work will continue to fail.

10. Saves More Effort And Time Than It Costs

This characteristic is the flip-side of the above item on rigor. Any new method will require more time at first. Training, coaching, monitoring, establishing new baseline and ongoing performance measures all take time. There is also the issue of the Learning Curve. But after the *third time's a charm* use, any effective PM Method must clearly save more time than it requires. And measurably so. This is the greatest place where we have seen Enterprises fail in improving PM Methods: even when they achieve huge savings, they cannot prove it.

Or, they cannot separate out the benefits of each of several components implemented concurrently, to see, for example, that the new chosen tool requires too much effort for the value of the information it provides, thus wiping out much of the Methods gain. Or, the Enterprise fails to establish the new Policies, Roles and Responsibilities that are the prerequisite to any lasting change. The Methods can't do it all.

Is Methods Benefit Realization Important?

Implementing improved PM methods can cut the cost of your projects and speed benefit realization. Adding the right competences in all stakeholders doubles the return. Helping the Enterprise to manage the portfolio of projects effectively compounds the benefits again. For those who measure benefits, the returns can be great.

Example: In the early 1990's a consultancy wished to improve their project management effectiveness. We evaluated methods, training, policies, prioritization and staffing practices, tools, and Management evaluation and incentive measurements. We involved their staff in selecting, tuning and rolling out all the needed changes.

At the end of three years, their project cost-per-measured-Scope-unit **was 10% their pre-improvement level**—and they were price leaders when they started. In other words, they cut their unit cost by 90%, through even smarter Project Management practices. In the final Benefit Realization milestone, the leadership team identified how they could pursue the next 10X improvement.

Appropriate PM Process helped. In addition to the right processes, executed with competence, the tools, policies, and a compensation system that rewarded managers for results were part of the improvement. They always are. Of course, your mileage may vary.

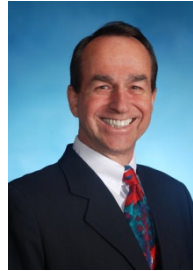
Conclusions

Project Management Methodologies, or PM Methods, are once again popular. They seem to come into and out of style. But the most effective Project Oriented Enterprises don't ebb and flow with the latest performance improvement fad. Instead, they continue to adapt—and measure the results—of their existing PM Methods.

We suggest that you use the information in this article, including the Characteristics of an Effective Methodology, to evaluate your PM Methods. Then look at ways you can improve your PM Methods' effectiveness. You certainly don't want your Project Teams to think you are in favor of Dust-suckers, rather than Project Performance, do you?

And again, if you have characteristics to add to the list, let us know. If you have disagreement, we'd especially like to know. Send your comments to us at: Contact@ProjectExperts.com.

About the Author



STACY A. GOFF is president of ProjectExperts®, a Project Management consulting, methods, tools and training company. A co-founder and past Vice President of *asapm*, Stacy is the USA representative to IPMA, the International Project Management Association. He has also contributed to Project Management Institute since 1983.

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References

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- ii PRINCE2 is a Trade Mark of the Office of Government Commerce (UK).
- iii For more information about the spectrum of steps in Competence Development, see our paper, presented at the 2006 World Congress, in Shanghai, China: www.asapm.org/asapmag/articles/pmcompetence.pdf.
- iv See Max Wideman's excellent article on Life Cycles at: www.maxwideman.com/papers/plc-models/intro.htm.
- v PM Methods Improvement Plan describes a methodology for PM Methods improvement. See it at www.ProjectExperts.com/articles/PM_MIP.pdf.