

Improving Project Management Maturity in a Not-for-Profit Organisation

Rankins G J

BSc MAppSci MBA MPD
Goal Professional Services Pty Ltd

This paper was presented at the 6th Annual Project Management Conference (PMOz2006), Canberra, 10-12 August 2009

Abstract

Not-for-profit organisations (NFPs) face an increasingly difficult time in the current economic circumstances. They must significantly increase the efficiency and effectiveness of their change delivery and service delivery processes to cope with increased demand for services and increased rates of change. However, because of the nature, history and environment of many NFPs, they face a number of special difficulties. Improving internal project management maturity can be a sustainable and cost-effective means for them to achieve their objectives.

Key words: project management maturity, not for profit

1. Introduction

This paper is a summary report of the highlights of the author's experience in assisting a NFP organisation to improve its project management maturity while it was running the largest IT project it had ever attempted.

1.1 Context

The organisation employs around 10,000 staff assisted by around 3000 volunteers. It operates from over 250 locations to service over 12,000 clients every day. The organisation experiences high staff turnover rates, especially among younger people. Many of the volunteers are well past retirement age; many staff are not IT-literate.

The organisation is growing both organically and by acquisition; demand for its services is increasing. The organisation's locations are widely dispersed geographically, and are organised into regions.

The organisation's current care information system is DOS based, implemented in several business units across multiple standalone instances at each location. The system is used in different ways in different business units and in different regions, and even in different ways at different locations within the same region and business unit. Staff who used the system exhibit varying levels of expertise. Major data quality issues were expected (and found) including multiple duplications of client data within and across locations and regions. Location data was not consolidated into an enterprise-level data store, although extracts of data were consolidated to satisfy statutory external reporting requirements. A series of related projects had been identified to replace this DOS-based system across all business units; the first of these projects had been started; it would replace but not enhance the care system in one business unit across all regions and locations.

1.2 Drivers for change

A previous attempt to implement a replacement system had failed, to the detriment of the previous CEO, which had resulted in the unfortunate viewpoint within the organisation that it was incapable of delivering successful change initiatives. However, the current management team recognised the ongoing need and increasing pressure on the organisation to migrate from its current 'local-based' application environment to a new enterprise environment. In particular, a programme to provide new information systems for client, staff and service management is expected to lead to greater efficiency of service delivery, and hence greater sustainability of the organisation as a whole. The organisation also needed to ensure that, in the face of increasing demands for its services, that it would be able to provide the service levels required to support its front-line service delivery activities.

The major project which is the prime focus of this paper involves customisation of a package and implementation on a location-by-location basis. The project is up against a hard deadline, with significant organisational risk attached to breaching this deadline. The project team was organised into work streams: technical, data migration, information, training, site implementation, organisational change, communication. The project was nearing the end of the initial software build stage and was preparing to pilot the initial release of the new system when the author became involved.

The short-term focus of the organisation's desire to increase its project management competence was to ensure the success of this project. The organisation's long-term objective was to apply this increasing competence, in the form of standard procedures, increased expertise and experience in those involved in delivering, managing and governing the project, and a growing body of lessons learned, to all future projects, in a sustainable manner.

The subject organisation's senior management team recognises that technology is an enabler of improved business outcomes, and that as the organisation's dependence on technology increases and the rate of change picks up, the organisation will need to significantly improve the effectiveness with which it delivers this technology into operational use. This can be taken to mean at least the following:

- that the range of change portfolio, programme and project management skills and expertise available to the organisation will have to be significantly enhanced and broadened, but in a cost effective and organisationally sustainable way;
- that the improved competence developed through focussed effort on the care system replacement project must be applicable and easily transferred to other change initiatives in the organisation, including those not involving technology.

1.3 Sustainability

Sustainability in the context of this report is taken to mean that improvements to the organisation's project management capabilities should be able to be maintained at a steady level for an indefinite period without incurring significant maintenance and support overheads or causing damage to organisational culture and relationships. The concept of renewability is related: the project management maturity of the organisation should increase over time, through continuous improvement of processes and procedures through extension and lessons learned, and through increased competence of individuals.

2. Cultural and Organisational Influences

A number of organisational and cultural factors proved to have a critical impact on attempts to improve organisational project management maturity. Because these factors impacted across many

of the project management knowledge areas, they are discussed in this section. The next section takes a more granular view.

2.1 Internal politics

The subject organisation is organised into functional silos, which do not necessarily work well together. The IT group's performance had not been satisfactory; many of its functions were about to be outsourced. Possibly for these reasons, when the care system replacement project was commissioned, it was not allocated to the internal IT group to manage, but rather to a separate business improvement team in the service delivery department.

While this supported greater organisational control of the project, it did mean that there were many business units which opposed the project for political rather than organisational reasons.

2.2 Self-sufficiency

The subject not-for-profit organisation is tightly constrained by budgetary or resourcing limits, which means that successful people in the organisation have developed a 'make-do / can-do' attitude. Their prime focus is on service delivery.

While there are organisation-wide common processes, each location and region in the subject organisation is given wide discretion as to how they achieve their service delivery responsibilities.

Many people in the organisation are 'accidental project managers', having at some stage in the past been assigned a project and expected to deliver. While they may be talented people, many rely on their personal experiences without appreciating the benefit to themselves of adopting and complying with a so-called 'best-practice' approach in areas such as project management.

The lead role was assigned to a person who was highly experienced, highly motivated to succeed, and with international experience in similar sized technology projects in the NFP's domain, and with an accreditation in project management, but without hands-on experience of managing project managers. This meant that the project was not set up in a robust way. However, the incumbent recognised the need for support.

2.3 Attitudes to Project Success

A study [01] analysed what 'project success' meant in a number of geographies around the world. The attitudes that emerged included:

- Compliance with the established process;
- Achievement of project objectives;
- Doing what's possible within organisational constraints;
- Preservation of the quality of personal relationships.

In the subject NFP, the latter two attitudes seem to be the norm, with a very flexible approach to targets and objectives, and grudging compliance with the implemented project management processes.

There is therefore a risk to an initiative which is focussed primarily on compliance with a standard method or with delivery on time and within budget that the initiative may not receive the expected type of support, neither from those in governance positions nor from those in project teams.

3. Approach

This section describes the initial approach taken improving organisational project management maturity. Parallel initiatives were established: proactive measures to develop individual and team competence in project management; and reactive measures or interventions to get the care system replacement project under control.

3.1 Proactive Measures

There were a number of activities undertaken to improve organisational competence.

3.1.1 Initial Project Management Maturity Assessment

The Portfolio, Programme and Project Management Maturity Model (P3M3) [02] is an approach to assessing an organisation's maturity in portfolio, programme and project management across a number of perspectives. It is intended to be agnostic regarding the management methods being used. The outcomes of an assessment are an understanding of the organisation's current maturity level and the identification of actions that would be required to increase this level of assessed maturity.

A P3M3 assessment of the subject organisation was undertaken on entry, focussed on the care system replacement project and its organisational context. The assessment was against those aspects associated with the first three levels of the P3M3 model. The results are indicated in the following diagram. An aspect shown in red indicates that the organisation is non-compliant with respect to the aspect; an aspect shown in amber indicates that the organisation is partially compliant; an aspect shown in green would indicate full compliance. Only when all aspects at a level had been assessed as compliant would an organisation be said to have achieved that level of maturity.

	Management Control	Benefits Management	Finance Management	Risk Management	Stakeholder & Comm's	Organisation & Governance	Resources
3 Defined	<div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.7 Integrated Management & Reporting</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: yellow; color: black; padding: 5px; display: inline-block;">3.2 Transition Management</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.1 Benefits Management</div>		<div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.11 Centre of Excellence Role Deployment</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.8 Lifecycle Control</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.5 Process Definition</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.9 Inter-group Co-ordination and Networking</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.12 Organisational Portfolio Establishment</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.10 Quality Assurance</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.4 Organisational Focus</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">3.3 Information Management</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: yellow; color: black; padding: 5px; display: inline-block;">3.6 Training, Skills and Competency Development</div>
2 Repeatable	<div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">2.5 Project Planning, Monitoring & Control</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">2.10 Programme Planning and Control</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">2.9 Configuration Management</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">2.3 Programme Definition</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: yellow; color: black; padding: 5px; display: inline-block;">2.7 Requirements Management</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: yellow; color: black; padding: 5px; display: inline-block;">2.1 Business Case Development</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">2.8 Risk Management</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: yellow; color: black; padding: 5px; display: inline-block;">2.6 Stakeholder Engagement & Comms</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">2.2 Programme Organisation</div>	<div style="border: 1px solid black; border-radius: 10px; background-color: yellow; color: black; padding: 5px; display: inline-block;">2.4 Project Establishment</div> <div style="border: 1px solid black; border-radius: 10px; background-color: yellow; color: black; padding: 5px; display: inline-block;">2.11 Management of Suppliers and External Parties</div>
1 Initial	<div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">1.1 Project Definition</div> <div style="border: 1px solid black; border-radius: 10px; background-color: red; color: white; padding: 5px; display: inline-block;">1.2 Programme Management Awareness</div>						

Figure 1 Initial P3M3 Maturity Assessment

The results of the initial assessment suggest that overall the organisation is not yet at the Initial level of maturity, but that certain areas have been addressed by the project because of its own internal needs:

- requirements had been largely brought under control with the assistance of an external consulting group, though traceability through to the artefacts being delivered by the external vendor was not clear;
- because the project was intending to implement the system on a site-by-site basis over nine months, considerable work had gone into establishing project-specific processes for transition, stakeholder engagement and communications. However, the transition process was not transferable to other projects, and there was organisational resistance to the project's stakeholder engagement and communications efforts;
- because funding had been sought from a parent organisation, a business case at programme level had been developed. However, this business case was not used as a project-level control. Also, project funding had been reduced to pay for other initiatives in the organisation;
- because the replacement system was being built by an external vendor, considerable work had gone into establishing an effective processes for vendor management. However, it was generally difficult to determine the status of their work;
- the project had decided to provide introductory project management training to the entire project team, and to provide ongoing support;
- the organisation and programme management had carefully thought through organisational design, however roles were not clearly defined and team leaders were not comfortable in asking for additional resources, although this was offered. As well, the governance of the project was ineffective.

Overall, the organisation was assessed as not yet being at the initial level of the P3M3 model, primarily because the project definition was incomplete and had not been formally reviewed and approved.

3.1.2 Improving Internal Competence

Training provides participants with information or knowledge (know-of); experience converts knowledge into wisdom (know-how). Training does not induce competence; competence arises from doing, e.g. understanding why configuration management is critical to effective change control.

There are thus two ways to improve the competence of a project team:

- Train them in the adopted project management method, but then provide them with ongoing support;
- Hire experienced practitioners, for both short- and long-term roles.

Both of these approaches were adopted. The entire project team was provided with basic PRINCE2 training, to establish a baseline in project management and a common vocabulary.

There was a PMO within the IT area. It sought to act as a centre of excellence in project management for all projects in the organisation. However, the PMO was generally engaged heavily in fire-fighting around internal IT infrastructure projects, and proved to be of little value to business projects. Their approach to assisting the core information system replacement project was to offer bare document templates, and to provide a briefing on risk management to project team members

who had been trained in risk management, and had been actively engaged in proactive risk management for six months. Attempts to move the PMO higher up in the organisation and make it more useful were rejected due to internal politics.

3.2 Reactive Interventions

There were also a number of activities undertaken to address critical aspects of the care system replacement project. These critical areas are identified in the PMBoK [03], in PRINCE2 [04] and in MSP [05].

3.2.1 Governance

The organisational hierarchy attempted to govern the change initiatives using the same governance mechanisms employed to oversee service delivery. Best practice advice is that excellence in operational management is not a predictor of project governance success (witness the NAB's Project Sponsor training initiative).

Governance of the subject project was also diluted across too many layers of governance, both vertically and horizontally. There was initially no single point of accountability for project success. The various governance groups acted more as discussion forums and political arenas, rather than decision-making bodies. There was also a lack of transparency from many areas of the organisation, for example the IT Programme Board demanded review and decision rights over the subject project but was unable to provide status information on major IT infrastructure upgrade projects on which the subject project was dependent.

As an aside, the lack of project management maturity in the organisation was evidenced by a conundrum. There was an operational programme forum which was accountable for all usages of the current DOS-based system. It regarded the overall set of initiatives to replace this system across all business units as a project, with a dedicated 'project board', with each initiative regarded as a 'subproject' and requiring no specific governance body. Later, the overall set of initiatives was reorganised as a programme of projects, and a specific project board was established for the first of these initiatives. But there was organisational resistance to changing the name of the governance forum at the next higher level from its previous title of 'project board'. So now there were two 'project boards' at different levels.

Finally, the various governance groups exercised poor monitoring of project performance, preferring to focus on task status. This resulted in ineffective, reactive governance from all levels.

3.2.2 Assurance

One duty of those in governance roles is to assure themselves that the project is performing well, but in a manner that is independent of the project manager. In the case of the subject project, an external auditor was appointed by the programme board, to periodically assure them that the project was indeed performing as well as it was being reported to them. However, the programme established terms of reference for the auditor that restricted the audit to just a review of compliance against the project management method, just one of the forms of success criteria discussed above.

3.2.3 Controls

The various governance bodies did not establish effective control structures, other than periodic status reporting to the governance bodies. Project plans were not seen as establishing a baseline; the focus was on resolving today's problem and moving on. Again, this reflects the organisation's

lack of maturity in project management. When the project was reengineered, a robust set of controls was established, but were not used by the higher levels of governance.

3.2.4 Project Integration

The project consisted of specialist streams (technical, data migration, training, information, organisational change, site implementation) running in parallel. Initially, because of the confusion in the governance layers, each team leader regarded their team's work as a project and themselves as project managers; each developed project documentation covering their team's work. However, the approach for most team leaders was to copy and rename another team's documents. The mindset seemed to be: we have our document, so let's get back to work. There were no product descriptions, which meant that domain experts as well as the programme manager had to be involved in detail decision making in an ad hoc basis, rather than front-loading debate and decision-making as plans were developed. This approach received negative comments from the external auditor, as would be expected.

As a result, the overall initiative was redelineated into an integrated hierarchy of programme, project and stage plans, with appropriate controls at each level, including role descriptions and briefing on roles. A board was re-established at project level, with a project manager role in place to coordinate schedules and the many cross-team dependencies. This meant 'demoting' the team leaders. It was decided that the current stage (a pilot implementation at two locations) would not be reverse engineered into a stage plan, because it was nearing completion. However, there were then extended delays in that stage due to technical reasons, so a stage plan was developed for this stage, to support the greater control desired by the project board. The organisation experienced considerable difficulty in sourcing an experienced project manager; a succession of interim incumbents was needed before a long-term replacement could be found. Unfortunately, this resulted in team leaders with no apparent commitment to the stage plans developed by the latest project manager; they focussed on their own delivery commitments.

3.2.5 Configuration Management and Change Control

Because of the organisation's 'flexible' attitude to scope and change control, and the related independent jack-of-all-trades 'just do it' approach, the project managers all experienced difficulty in establishing baselines for control purposes. Overall, configuration management was poor, with no tool support. Specifically, change control was poor, with the project subject to team members or third-parties making ad hoc decisions. For example, a regression testing suite was developed by one team without the knowledge or approval of the project manager.

Moves are currently under way to establish a more formal configuration management regime, linked to better quality control and more effective change control. Some consideration has been given to introducing timesheets, not so much for time management, but to encourage team members to report work on unapproved products.

3.2.6 Time Management

The project's schedule has gone through several incarnations. Initially, project and stage schedules were at milestone level, with the detail in subordinate team plans. Then all of the detail for implementation across 250 locations was brought into a central schedule, so that site specific differences in implementation could be explicitly dealt with and coordinated. However, its 7000 lines made this schedule useless as either a control tool or as a communication tool. The current approach is based around a common process for site implementation, adjusted at milestone level for each site. The common schedule is now useful as a control mechanism, but remains unacceptable as a communication tool for either project board or location managers. Alternative user-friendly

representations are being developed; they focus on location-specific factors such as the number of users and physical instances of the old system at the location, distances between locations, and so on.

However, the use of multiple forms of schedule (Gantt, spreadsheet, Visio) reflecting the needs, maturity or experience of different stakeholders carries the risk that (approved) changes are not propagated across all schedules and unapproved changes are not known outside the silo that instigated them.

3.2.7 Cost Management

Because of the size of the project's budget, it was constantly under threat of acquisition from others. On several occasions, the organisation clawed back significant parts of the project budget, and expected the project to perform within the remaining budget. Again, this attitude reflects an immaturity in project management.

The organisation's financial system reports actual costs one month in arrears, and so is not useful for cost control. A parallel ledger had to be established to provide the project manager with a more real-time view.

3.2.8 Quality Management

Quality reviews are at best informal, but generally do not occur, because team leaders do not plan for them. Although the majority of product development has been completed, the need for further products continues to be recognised. For these products, the view seems to be that because the subject matter expert was involved in the product's specification and development, how could it be incorrect? The external auditor has repeatedly raised this as a major concern, to little effect. This reflects a basic lack of understanding of the value and role of quality reviews.

Moves are currently under way to encourage quality reviews for all major products, by enforcing a definition of product 'completeness' that means that not only should work on the product be complete, that quality control activities have independently confirmed it is functionally complete and acceptable to users, that configuration records have been updated and are correct, and that finally ownership of completed products has been transferred to the configuration librarian.

3.2.9 Human Resource Management

All members of the project management team were provided with basic training in the adopted project management method. Only a few of the team were able to effectively apply their new knowledge to the project, because of their lack of experience in the project environment. However, after external coaching support was provided, the quality of their work improved considerably.

An obvious challenge for NFPs is how to access the expertise needed in a cost-effective way. Paradoxically, the current economic downturn has resulted in the NFP being able to access experienced project management professionals at affordable (to the NFP) rates.

There is currently a move to displace incumbent SMEs as team leaders with externally sourced staff with project management competence. This is not to say that the SMEs weren't capable of doing a good job, but rather that their skills as SMEs had become more important to the project and couldn't be replaced, whereas project management is a transferable skill. The reasoning here is that the project is at a stage where it cannot afford to lose the SMEs knowledge by forcing them down a project management path they were clearly uncomfortable with, but that they would be able to support incoming project management professionals get up to speed rapidly.

If the NFP operates in silos, a project won't stop people acting the same way. The project needs a mechanism that encourages sharing and teamwork, and discourages silos. The subject project is currently trying daily stand-up meetings to encourage greater transparency.

3.2.10 Communications Management

The communications team leader originally developed a layered stakeholder engagement and communication plan that adequately reflected the project's needs to engage with its stakeholders. However, there proved to be organisational resistance to implementing aspects of this plan, or to permit the project to use the regular organisational communication channels.

3.2.11 Risk and Issue Management

This is another area which reflects the organisation's immaturity in project management. Individual team members seem to have difficulty in understanding the need to think through their plans to identify concerns that may mean the plan's objectives may not be achieved. Partly, this reflects a lack of domain knowledge about what could or does go wrong. It also reflects a view by team leaders that they can resolve their own actual or potential difficulties internally without revealing them to others.

However, once raised, issues were seen as the project manager's problem and risks were seen as the project board's problem. Team leaders seemed to think that they didn't have the time to manage risks or resolve issues, because of the volume of other work to be done.

Another indicator of organisational immaturity in project management was revealed when a particular problem occurred. Some programme board members expressed concern that the risk that the problem could occur hadn't been identified in advance and prevented from occurring. Apart from revealing a misunderstanding of the nature of risk, it also suggested that they didn't appreciate their role in risk identification and risk monitoring.

3.2.12 Procurement and Vendor Management

The project did not exercise effective control over its vendors. The core system developer delivered core functionality and initiated changes according to their internal product development schedule rather than the needs of the subject organisation, which meant that on many occasions, functionality and fixes not needed or expected by the organisation were delivered before functionality and fixes that were needed. There was also a lack of traceability between releases from this vendor and project-generated change requests, particularly when a project change request was implemented through multiple successive vendor releases. Extensive negotiations were required to establish a better arrangement with this vendor.

There was no contract in place with another vendor, which was providing most of the resources into one of the project teams. This exposed the project and organisation to considerable risk, but no level of governance sought to resolve this issue.

3.2.12 Benefits Realisation Management

The subject project will move 250 locations onto a centralised system, with minimal business process reengineering. The benefits of the subject project are primarily in the area of data quality. The project prepares the way for a subsequent business process reengineering project.

4. Progress Towards Sustainability

This section provides a snapshot view of the subject organisations project management maturity after almost a year of interventions.

4.1 Current Project Management Maturity Assessment

A follow-up P3M3 assessment of the subject organisation was undertaken nine months after the initial interventions, again focussed on the care system replacement project and its organisational context. The assessment was against those aspects associated with the first three levels of the P3M3 model.

The results of the latest assessment suggest that the organisation has progressed to the Initial level of project management maturity, and has made significant progress towards the next Repeatable level. The primary reason it has not achieved the Repeatable level is a lack of commitment from those in governance roles, and a lack of action from those in project team roles; the necessary actions have been identified. The assessment continued to be that the organisation had not yet reached the Initial level of either enterprise portfolio or programme management maturity in the P3M3 model.

The results of the assessment are indicated in the following diagram.

	Management Control	Benefits Management	Finance Management	Risk Management	Stakeholder & Comm'ns	Organisation & Governance	Resources
3 Defined	3.7 Integrated Management & Reporting	3.2 Transition Management 3.1 Benefits Management		3.11 Centre of Excellence Role Deployment 3.8 Lifecycle Control 3.5 Process Definition	3.9 Inter-group Co-ordination and Networking	3.12 Organisational Portfolio Establishment 3.10 Quality Assurance 3.4 Organisational Focus 3.3 Information Management	3.6 Training, Skills and Competency Development
2 Repeatable	2.5 Project Planning, Monitoring & Control 2.9 Configuration Management	2.10 Programme Planning and Control 2.3 Programme Definition 2.7 Requirements Management	2.1 Business Case Development	2.8 Risk Management	2.6 Stakeholder Engagement & Comms	2.2 Programme Organisation	2.4 Project Establishment 2.11 Management of Suppliers and External Parties
1 Initial	1.1 Project Definition 1.2 Programme Management Awareness						

Figure 2 Current P3M3 Maturity Assessment

4.2 Sustainability Achieved?

The care systems replacement project is viewed by the CEO and those governing the project as being under far better control and making much better progress than other projects of similar size in the organisation. These senior managers have stated that future projects will be commissioned and managed under the framework built up over time on this project. The project's core management team now 'understands' the value of working within a structured project management framework; this team will form the core teams of future projects to transfer their 'know how' and improve the competence in other staff. Regional and location managers and operational staff are regaining confidence in the organisation's ability to deliver successful major change initiatives.

Having said this, and while this position could partly be ascribed to the improvement in project management maturity, it remains the case that the project is not under effective organisational control, and basic project management practices are not yet operating effectively. The project's success to date relative to other projects in the organisation remains dependent on the hard work of the project team, not to procedural or structural improvements; there is no margin for error. The risk is that the project team will not be able to sustain the current heroic tempo of work required to perform not only its scheduled work, but also to deal with unanticipated work and rework, unmanaged risks, and issues that remain unresolved and threaten to obstruct project progress and performance.

The Gershon Report [06] into the use of ICT by the Australian Government makes a number of points that seem to be applicable to improving sustainability of project management maturity in the not-for-profit sector:

- A systematic means to promulgate better or best practice more widely, including removing barriers to adoption of better and best practice [and raising the pain of non-compliance]
- Requiring a return on investment in centres of excellence, such as PMOs
- Project management maturity assessments over the project lifecycle, although sustainability would require this assessment to also be at organisational level
- Coordination of future initiatives. There would appear to be value in some form of strong central leadership and authority to coordinate cross-functional initiatives in certain areas
- A focus on benefits realisation and the measurement of benefits arising from investments
- Adequate funding beyond the project to ensure project outcomes are sustainable in business-as-usual.

4.3 Issues Emerging

It seems likely that NFPs with low project management maturity are also likely to be relatively immature in other aspects of operations, such as service delivery management. The subject project found that it had to increase its scope to develop basic service management processes (Incident, Problem, Release, Change) for the organisation, because the nature of the project's deliverables required these to be in place in order to support benefits realisation. However, processes alone are not enough. Help desk staff still attempt to solve caller's problems (the 'can do' attitude again), which means other calls are not answered; front-line service staff often don't bother to call the service desk because their calls have historically not been resolved.

Another interesting issue relates to project team composition. Project team leaders are now typically much younger than the SMEs in the project team. This implies the need to very carefully allocate decision rights – which is more important: the right product is delivered, or an adequate product is delivered on time/to budget? The other issue for this project is that in some cases these SMEs were recently also the project team leader.

4.4 Lessons Learned

A number of lessons learned have already emerged in the context of this NFP organisation.

- Adopting a project management method during implementation of a major project is a tall order. Everyone will likely be task focussed and short of time (because this wasn't sorted earlier!). Resistance begins when you ask someone to change their work practices without explaining why the change is needed, why it's good for them and the organisation. It is better to progressively focus on those areas that provide immediate value to the project

team. If people don't have time to think, they won't place any importance on disciplines that don't address their immediate concerns.

- From a sustainability point of view, an organisation shouldn't become too reliant on external parties; it's better to embed your people in the process but understand that they are on a steep learning curve, and the organisation will need to be tolerant of their inevitable mistakes.
- Sustainable maturity improvement cannot be achieved beyond the initial levels without organisational (i.e. business unit and senior management) support. Further improvement can't be driven by a PMO or an IT shop or an external consultant.
- Independent review of progress towards improved maturity is critical, but its value is dissipated if those in governance roles do not ensure issues are addressed and recommendation implemented.
- It is critical to respect the culture of the NFP but don't let operational line management reporting arrangements confuse project governance arrangements.
- A lack of product planning makes it more likely that the project will need a project manager with deep domain knowledge, and encourages design on the fly. Adequate time spent creating product descriptions means that the project manager can later focus on delivery and performance, and not ongoing business analysis.
- Greater transparency of project issues and status meant that those in corporate or programme governance roles could see hooks into the comparatively well-run project, whereas other poorly-performing infrastructure projects were not 'assisted' to the same extent, because these people weren't being provided with enough information to work out what the real problems were or how to address them.

5. Conclusions

Improving project management maturity can be an effective way to improve overall organisational effectiveness. However, traditional approaches which attempt to take the entire organisation to a higher level of maturity may be beyond the capability of a not-for-profit organisation, particularly one confronting the challenges of a major project. This paper has discussed the approach taken in one organisation: focus on the critical areas and provide workable solutions. Ongoing sustainability of project management maturity improvements will require senior management commitment.

References

- [01] Cultural Archetype Study, publisher unknown, 1994
- [02] The Office of Government Commerce, Portfolio Programme and Project Management Maturity Model, 2008
- [03] The Project Management Body of Knowledge, Project Management Institute, 2008
- [04] The Office of Government Commerce, Managing Successful Projects with PRINCE2, 2009
- [05] The Office of Government Commerce, Managing Successful Programmes, 2007
- [06] Review of the Australian Government's Use of Information and Communication Technology (Gershon Report), Sir Peter Gershon, tabled in October 2008, retrieved in June 2009 from www.finance.gov.au/publications/ICT-Review/index.html

Author Bio

Geoff Rankins has been a practicing project management professional for over 30 years. Geoff is a member of PMI, and an accredited trainer and consultant in PRINCE2 and MSP, through his company Goal Professional Services Pty Ltd and other accredited training organisations. As well as his ongoing contribution to real-world projects and programs, Geoff now offers specialist services in project and program management as a consultant, coach, trainer and presenter. Geoff has extensive experience in implementing formal project and programme management methods into multinationals, major corporates, SMEs, Universities and NFPs. He is currently helping to implement PRINCE2 and MSP into Government and major private sector organisations in NZ.