Oftentimes, it is difficult for people to put the project and overall goals ahead of their individual objectives.

Steven Lang, PMP

Examining the value of Programme Management

Top international experts to be featured at Conference 2008

KPMG Director, Makgotso Letsitsi
STAYING OR GOING in 2008?

At the start of a new year, we inevitably take a moment to think about doing new things, doing old things differently, changing our bad habits and adopting good ones. Some of us actually do more than think about it and actually make real changes that are sustained through the year. This year, it seems, many of us are looking to make a most significant change – leaving the country.

According to a third-hand source – i.e. this is hearsay so don’t quote me on it – three times more applications were made to immigration lawyers in January 2008 than in the previous year. Is the Eskom power crisis so frightening? Is the ruling party making us nervous? Are the lights going to blow out? Is the JSE going to crash? Is the rest of the country doubtful and pessimistic, or are we out doing our own thing?

The country is preparing itself to rise to the start of a new year. This year, it seems, many of us are looking to make real changes that are sustained through the year. This drive for innovation has been marvellous to see. But, don’t forget your association in the process. Project managers seek solutions – when everyone else is milling around. Project managers lead – when everyone else is waiting. Project managers achieve results – when all others fail. Project managers are flexible – when everyone else says “there is only one way …”. Project managers seek solutions – when everyone else starts “the problem is…”

As a communicator and not a project manager, it is difficult to measure the mood in the project management environment at a given time. Other than seeing our membership numbers rise and respond to endless queries from people who want to pursue project management as a career, I don’t have any solid facts on which to base my opinion on the “state of the profession” as it were. I was therefore greatly encouraged during my interview with University of Pretoria’s Prof Herman Steyn for the article on page 12, when he remarked that in his opinion, project managers are earning competitive – in some cases quite high – salaries on South African projects. In addition, aspiring and experienced project managers have the opportunity to attain their career goals by taking up senior positions on local projects, at an earlier stage in their career than they could in another country. It may not mean much to those set on making it abroad, but for those who are looking for reasons to stay, the opportunities are there to apply your skills and reap the inevitable financial rewards of contributing to solutions that will impact the entire country?

I really hope so!

Taryn

EISH! The year has certainly started with a bang!

Can any of you honestly say that you expected us to be in the middle of potentially the greatest economic crisis that this country has ever faced?

Let’s see … uncertain financial markets, USA heading for recession (with the world following on its heals?), the election in the political jewel of Africa – Kenya, volatile JSE, Societe Generale, Polokwane, electricity, roads congestion, water, water everywhere …

Just before Christmas, there were problems … but … that!?! Maybe we should all go back on holiday again! Or press the rewind button, or something. Seriously though, this is what our profession is all about. Change, as we know, is disruptive to the normal flow of events. That is why the discipline of project management was conceptualised. Now, like never before, we can prove our mettle. Do we have what it takes? Are we a real profession? If we cannot show that now, then it is difficult to measure the mood in the project management environment at a given time. Other than seeing our membership numbers rise and respond to endless queries from people who want to pursue project management as a career, I don’t have any solid facts on which to base my opinion on the “state of the profession” as it were. I was therefore greatly encouraged during my interview with University of Pretoria’s Prof Herman Steyn for the article on page 12, when he remarked that in his opinion, project managers are earning competitive – in some cases quite high – salaries on South African projects. In addition, aspiring and experienced project managers have the opportunity to attain their career goals by taking up senior positions on local projects, at an earlier stage in their career than they could in another country. It may not mean much to those set on making it abroad, but for those who are looking for reasons to stay, the opportunities are there to apply your skills and reap the inevitable financial rewards of contributing to solutions that will impact the entire country?

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Taryn
THE VALUE OF PROGRAMME MANAGEMENT IN CONTEMPORARY ORGANISATIONAL MANAGEMENT

At the first PMSA Johannesburg Branch meeting for 2008, guest speaker Makgotso Letsitsi, a director at KPMG, presented her views on the value of programme management for modern organisations. These views are based on her extensive experience in project and programme management from a consulting perspective, setting up programme offices and conducting PMO audits and reviews. Makgotso is a qualified CA (SA) and has assisted numerous private and public sector clients on various levels.

"Present day circumstances have resulted in organisations facing a continual rate of change and transformation brought about by dynamics such as fierce competitiveness; technological advancements, innovation and globalization; a need to deliver shareholder value when shareholders have ample opportunity to take their money elsewhere; and the regulatory environment," she says.

These changes have led to organisations having to revise business models to consider strategy and strategic objectives. "Corporations respond by embarking on major projects running concurrently. These are complex, which has meant that the management structure has also become complex. The focus now is on benefits management, resource prioritization, and project versus enterprise risk.

To deal effectively with these requirements requires programme management."

The strategic level at which the programme manager needs to operate begs the question: if it makes sense to have a chief financial officer in the company embracing modern management trends, why not a chief programme officer. "Indeed, effective programme management is increasingly becoming a competence that present day organisations cannot do without," says Makgotso. "The role of programme manager has evolved from that of managing multiple projects to being about implementing the business strategy through an integrated portfolio of projects involving the management of multiple teams of professionals, as well as executive level stakeholders."

As such, the programme manager today requires a refined set of business and leadership skills that are different to those of a traditional manager or project manager. "They require the ability to execute strategy and direction," explains Makgotso.

In addition to known project and programme management principles and techniques, effective programme management requires a combination of other skills and attributes.

Typical programme manager skills and responsibilities are identified as:

- Macro level control coordination and oversight
- Managing project interfaces
- Aligning programmes with business strategy
- Prioritising projects and justifying the need for projects within the programme
- Providing policy and broad programme direction, designing guidelines, working out costing, estimating budgeting, resourcing
- Benefits management
- Change management
- Quality management

With all these abilities being applied by the resident programme manager, how do present day organisations benefit from programme management?

"It helps translate the business strategy into clearly defined initiatives and projects. Successful completion of these strategic projects helps companies realise return on investment and positive spinoffs, as well as value to the business in money terms," Makgotso explains.

"ROI from a PMO can be measured in a number of ways - reduction in project failures, more efficient utilisation of resources, improved bottom line as a result of growth brought about by organisations being able to deliver better on their strategy." Although they have not attempted to quantify a ROI in any of the organisations KPMG has been involved in, Makgotso cites the example of one specific organisation, where prior to their involvement, the programme and project management culture was particularly poor, and after the introduction of the PMO and adoption of a programme management culture, they started to see a remarkable improvement in project success. "ROI from a PMO is not something that can be witnessed in the short-term and is closely linked to the project and programme maturity level. As the programme and project management maturity increases and the programme management culture becomes embedded in the organisation, one is able to see the real rewards of programme management both financially and non-financially. As the PMO evolves further we expect to see a greater emphasis on ROI as organisations realise that the days of the bottomless project cost centre are over."

Programme management helps to make sense of the myriad of projects that organisations are undertaking. It ensures that project management principles are consistently applied throughout the organisation, thereby improving performance and distilling best practice management across the organisation. With the growing focus on good governance, it helps the organisation to demonstrate that investment decisions about any project embarked on in the organisation have followed a detailed approval process and are auditable.

"If it makes sense to have a Chief Financial Officer in the company... why not a chief programme officer?"

Makgotso Letsitsi, KPMG Director.
A Framework and Credential for PROGRAM MANAGEMENT

The Project Management Institute (PMI) recently introduced a standard and credential for Program Managers. ProjectNet spoke to X-Pert CEO, Clinton in't Veld for his perspective on the PgMP credential and Program Management Framework, including the gaps in this early version.

The PgMP is geared for PMPs who see their skills and abilities as being beyond that of the PMP, and are seeking a differentiation. That is not to say the PgMP is a prerequisite for the PgMP, but there is a lot more involved in obtaining the PgMP credential than what goes into the PMP.

Firstly the eligibility requirements are very high and there is a stringent verification process and multi-rater assessment by an adjudication panel. Only candidates whose submissions have been allowed, and fare well in audit process, will be given the go-ahead to take the exam. The PgMP certification process also introduces the requirement that a candidate’s references are contacted directly and a report of the reference process is included.

Being at the helm of a company involved in training programme managers and preparing candidates for the PgMP, Clinton has identified some gaps in the PMI’s Program Management Framework.

“The aspect of prioritisation is a bit weak. It does talk about prioritization models, but I don’t know if this is mature enough. Another area that can be worked on relates to the assumption that a good strategy exists. In cases where we have applied programme management properly, we spot gaps in the strategy and assist the organisation in filling those gaps, and also identify the result of the gaps. The Framework can offer certain guiding principles to programme managers who can use when interrogating a strategy to determine how to structure the programme. The programme manager may argue that they aren’t meant to define strategy, but they need to be able to spot the strategic gaps that could render the programme ineffective. Like any good framework, this will mature in time.”

“The third gap we have identified is when you operate in the realm of programme management, the person requires an entrepreneurial / business / operational management flair because a lot of programmes talk to the business benefits. The programme manager should be a business champion and an evangelist for project management. Future leaders should come from programme management ranks because they are effective at tactical deliver and can link up with strategy and have understanding across the organisation. The framework can help cultivate this – but at this stage it is still much of a science than an art, which is natural in a framework that is still new. This will also mature.”

Programme management also performs the necessary function of tying projects closer to strategic objectives and ensuring that they fit into overall strategic goals. It ensures optimal use of scarce resources through projects prioritization, eliminating wastage of resources. Programme management helps plan, manage and track benefits - continuing where project management ends - ensuring that return on investment of investor funds is realised. Programme management is about proactive rather than reactive management. It is about timely, informed decision making. It helps the organisation to anticipate and manage the change brought about by a particular programme.

The benefits of programme management are tangible and linked to strategic success, does it mean we have a high level of programme management maturity in South Africa organisations?

“This depends on how you define maturity,” says Makgotso. “The last two decades have seen a lot of SA organisations embracing the concept of programme management and implementing PMOs. What we have seen in practice, is that most organisations measure PMO maturity by the number of years the PMO has been in operation. However the programme management maturity has less to do with how long the organisation has had a PMO in place. I have experienced, for example, PMOs that have been in operation for five years or more and yet the incidence of project failure within the organisation is still significantly high. It is, therefore, fair to say that the length of a PMO existence is not, by itself, a valid measure of PMO maturity.”

A mature PMO is (based on the PMI’s Organisational Project Maturity Model) one that is capable of enabling the organisation to implement business strategy through the identification, prioritisation, coordination and oversight of successfully consistently and predictably delivered projects. Such characteristics and capabilities include:

- A clear and well-defined organisational vision and strategy that is understood by everyone
- Executive level support. “As stewards of substantial corporate funds, programme managers are accountable for the success of the programme in all aspects and need to have the responsibility and authority to execute” adds Makgotso.

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Almost everyone wants to be ahead of the curve when it comes to technology. Look no further than the throngs of people angling to get their hands on the precious iPhone on the day it came out. It’s no different in project management. Dangle the promise of a new software or gadgets that improve project results or boost ROI faster, and many companies will gladly sign without hesitation. But even chronic early adopters of first-generation technologies will admit rushing into a new way of doing things can be risky. “New technology is really like a green banana,” says Ralf Frederich, PMP, a senior consultant, executive coach and trainer at the International Institute for Learning Inc., Frankfurt, Germany. “As a project manager, you have to make everyone aware that it may turn yellow after some time, but not at the first release. You have to be very agile in the way you think and be willing to try completely new ways of working to make that technology work for you.”

Organizations adopting the latest releases always face the danger of the unknown, Mr Frederich says. If something goes wrong, project managers don’t have a team of experienced experts to turn to. It’s probably all new to the in-house staff, and software providers may not have experience applying the technology in the exact way a company will use it.

“They’re going into it with very little detailed knowledge and a high degree of uncertainty,” he says. “As we know, the devil is always in the details of those projects.”

So before they bring in all these newfangled concoctions, organizations better do their homework and help team members learn how to actually use the tools. “Any technology rolled out without adequate training creates a problem,” says Laura Aziz, PhD., PMP and IT consultant and project manager at Computer Sciences Corp. in Lake Bluff, Illinois, USA.

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“Any technology rolled out without adequate training creates a problem.” Laura Aziz, PhD, PMP and IT consultant and project manager at Computer Science Corp.
you pilot a product you can make sure it’s going to do what you think it will do and make sure that it’s easy to use,” says Steve Miller, president of Pragmatic Software Co., Inc., a project management software developer in Englewood, Colorado, USA.

Most organizations turn to technology when what they’ve been doing just isn’t working—and they’re often in a hurry to change it. Rather than jumping in head-first, Mr. Miller suggests making a smaller investment in a pilot program that will simulate the software in action.

“There’s a lot less risk when you’re not paying the full price of product,” Mr. Miller says. “Trialing it for 60 or 90 days costs one-tenth of the normal cost of implementing new software.”

Stay Calm

Even if the technology is exactly what the organization needs and the vendor is ready and willing to help whenever you need it, don’t overlook all those people who actually have to use these tools. Perhaps more than the strengths of the technology itself, successful early adoption relies on human qualities such as patience and communication.

It’s important that the management of new technologies has a high guard against frustration,” Mr. Frederich says. “With early adopter projects, there are always high emotions. The project manager has to stay calm.”

To that end, he recommends securing support from senior executives to help keep the project on track and help everyone keep an eye on the bigger picture.

Ultimately, Ms. Rodriguez says, the success of a new project management technology rests mostly with the understanding and expertise of its users.

And as tempting as it is to blame every little problem on the technology, sometimes that’s simply not the case. Project managers may not take their own fallibility into account when applying what they think will be “magic bullet” solutions. “The tracking of project progress is always tricky as it relies on subjective assessment, and so you’re likely to feed the technology with unreliable information,” Ms. Asiz says.

Project managers need to carefully evaluate the level of support they are getting from a vendor. “You have the best software, but if you run into issues or you don’t understand how to use it and you can’t reach somebody for support within a week, that’s going to be very problematic,” Mr. Miller says.

Beyond the Cool Factor

Given that the second generation of a technology almost always outperforms the first, the advantages of being an early adopter are not always obvious.

“The benefit may not come directly with the product but from the experience gained in the development,” says Ralf Frederich, PMP, International Institute of Learning. “And if you launch something, and the rest of industry has to follow, you’re two years ahead or even 18 months ahead, which is a long time in most industries.”

In the most successful cases of early adoption, the rewards are to the bottom line, with reduced time and costs and improved efficiency for the company.

When interactive ad agency imc2 adopted a new time-tracking software, the advantages outweighed the hassles and risks, says Erica Robertson, PMP, and program management office department head at the Dallas, Texas, USA-based firm. “We knew there was a chance people would be hesitant to adopt a new system,” she says, “but we felt strongly that the benefits, such as better resource allocation and invoicing made it worth taking the leap.”

IT PROJECT MANAGEMENT

IT Project Management (Introduction)
Description This course is based on the PMBoK 2nd edition and covers project management from the life-cycle perspective.
Target Audience Project administrators, project team leaders, project managers for small to medium projects.
Duration 3 consecutive days (09:00 – 17:00)
Cost R1 500 (all inclusive).

IT Project Management (Advanced)
Description This course is based on the PMBoK 3rd edition and covers project management from the nine knowledge areas perspective and has a substantial practical component.
Target Audience Project managers for medium to large projects, program managers, project management office (PMO) managers.
Duration 10 days spread over 10 months
Saturday 09:00 – 17:00.
Cost R1 6 900 (all inclusive).

IT Project Management (Intermediate)
Description This course is based on the PMBoK 3rd edition and covers project management from the nine knowledge areas perspective.
Target Audience Project team leaders, project manager for medium to large projects, business analysts.
Duration 5 consecutive days (09:00 – 17:00)
Cost R7 900 (all inclusive).

IT Management (Intermediate)
Description This short course in IT management focuses on the application and deployment of service focused best practice principles as part of the IT Management Strategy of businesses in set scenarios.
Target Audience IT Managers, business analysts, IT directors, consultants.
Duration 4 days spread over 4 months (09:00 – 17:00)
Cost R7 900 (all inclusive).

University of Johannesburg
Newly Revised Resources

FOR THE PROJECT MANAGEMENT COMMUNITY

Academic faculties offering project management tuition, business schools and project managers seeking literature that makes use of practical, applicable examples to impart project management principles will be pleased to see the fully revised versions of two popular titles on the bookshelves.

Project Management: A Multidisciplinary Approach, is edited by Herman Steyn and authored by the experienced local industry / academic team comprising Herman Steyn, Gert Basson, Michael Carruthers, Yvonne du Plessis, Deon Kruger, Josua Pienaar, Birgit Prozesky-Kuschke, Stefan van Eck and Kigs Visser. This second, revised edition is a comprehensive update of the first edition published in 2003. Based on the latest trends and feedback from users of the first book, it introduces more local case studies, two new sections and an enhancement in readability. The book is aimed at developing management skills essential for project managers in all sectors of business and government. It explores the “hard” skills such as scheduling and risk analysis, as well as the softer, interpersonal skills required for effective management.

Project Management by John Nicholas and Herman Steyn and published by Butterworth-Heinemann, is the third edition of a popular international book, and the first version to feature our own Herman Steyn as co-author. This book is suitable for graduate courses such as master’s degrees in project management, and is a prescribed work for business and engineering schools in several countries. In fact, the second edition (published in 2005) is available in languages such as Chinese, and the latest edition is also likely to be translated.

With the launch of the two above mentioned books imminent in South Africa and the USA respectively, ProjectNet spoke to Professor Herman Steyn about the labour of love that is book publishing.

**PNet:** What did the research uncover?

**HS:** With both books we identified the need for more teaching cases with questions that can be discussed by students, more short stories about real projects and updating of tutor materials. The local book required updating and expansion of most chapters, chapters on ISO 9001 certification and time-cost trade-off respectively, and inclusion of more references for further reading.

Research for the international book highlighted the need for: cross-border project information; project management methodologies; more on front-end topics such as RFPs; proposals, charters and definition of needs; project procurement; project management maturity; the project need to address TOC and Critical Chain; mapping of contents to PMBoK knowledge areas; knowledge management; systems engineering and a chapter on project quality management, among others.

**PNet:** What kind of research took place prior to updating the two books?

**HS:** For the local book, we looked at feedback from questionnaires to users, who are mostly lecturers, information obtained from book reviews, and the experience of lecturers. For the international book, the publisher, Butterworth-Heinemann did an international survey and as authors, we did extensive research to develop content, including literature searches, and interviews on case studies, such as the Mandela Bridge (which graces the book’s cover).

**PNet:** How did you come to co-author with John Nicholas?

**HS:** I used John Nicholas’ book (the first edition) back in 1996 when I first joined the University of Pretoria. I had some criticisms of it. In 2001 I met him in his offices in Chicago and told him what I thought and the relationship developed from there. The book, as it stood, was a lifetime job and not something I could consider starting from scratch, so it made sense to team up with him. In the process, we found there was a lot of synergy between the two books.

**PNet:** Why did you think it was important to update this book?

**HS:** Although we address SA cases and also some topics that are specific to SA, such as labour law, the principles are universal and copies have been exported to the USA.

**PNet:** What would you say are the current trends in terms of tertiary instruction for project managers?

**HS:** There is a much larger demand for training, from government, the private sector as well as utilities, the mining and steel sector. There is also a larger demand for tailored in-house training. It is definitely circling out wider than engineering, where the original emphasis was.

**PNet:** Are we still short of qualified project managers in SA?

**HS:** The shortage lies in people who have technical expertise coupled with project management skills. Project managers cannot be trained from school level. A project manager needs to know the “bricks and mortar” work and have field experience behind him or her before they become a project manager. This is why we do not offer project management as a Bachelor’s qualification at the University of Pretoria’s Graduate School of Technology Management.

There are a few things that describe the current era in project management. Our is the age that is proud of machines that think and suspicious of men and women who try to. Ours is the age driven by project planning software, bodies of knowledge, processes, and policies. Without undermining the importance of these, I believe that when used in isolation without other crucial elements in project management; they become more of a burden than offering sustainable solutions. The great irony is that even though rules and policies are designed to create productive work, as soon as they are the only instructions, cities cease running, effective civil functioning stops. What work-to-rule demonstrates is that no organisation functions on the planned contributions of its members. Every organisation relies on its employees going beyond the rules and roles, figuring out what needs to be done, solving unexpected problems as they appear. These days, people in projects are told what to do all the time. Then leaders go outside the organisation to look for answers, returning with programs and methods invented elsewhere. Those in organisations only see these pre-packaged solutions as insults. Their creativity has been dismissed, their opportunity to invent something new for the organisation has been denied. We often deny the people’s need to create something of value for our organisation. We have been so excellent at formulating strategies to overcome the resistance to change, and yet we forget that the human system is always evolving; everyday we’re growing up, so there is no concept of resistance to change for people. It is such that we often fail to engage with people properly.

Since people are the creating force in projects, we need to work with them or they will soon be provoked to work against us. We deny these creative forces when we narrow people to self-serving work, when we manipulate colleagues against one another to improve performance, when we believe people are most strongly motivated by promises of personal gain. If we deny people’s great need for relationships, for systems of support, for work that connects to a larger purpose, they push back. They may respond first by embracing competition but then lose interest in the incentives. Then performance falls back to pre-contrived levels. In organisations driven by greed, people push back by distrust and despising their leaders. In organisations that try to substitute monetary rewards for true purpose, people respond with apathy and dissatisfaction. The ferment in management will continue until we build organisations that are more consistent with man’s higher aspirations beyond food, shelter and belonging. This is because when people talk about meaningful experiences in organisations, they always talk about being part of something larger than themselves, of being connected, of being generative.

Organisations as “machine-like”

The problem in our organisations is totally embedded in our kind of thinking. This thinking further cascades to everything we do, whether it be projects or change management programmes. We view our organisations as machine-like. Even though we profess that we live in the information age, I fully contend that our thinking is still much dominated by the industrial age which is machine-like thinking. In any kind of problem in our organisations, we quickly leap to technical solutions, even if technology is the cause of the initial problem. In most of our endeavours, in projects and in general management, the focus is on creating better-functioning machines. We replace the faulty part, reengineer the organisation, instil a new behaviour and attitude, create a better fit, and recharge our batteries. The language and thinking is mechanistic. When we conceived ourselves as machines, we gave up most of what it is about being human. We created ourselves devoid of spirit, will, passion, compassion, emotions and even intelligence. Machines have none of these characteristics innately, and none of them can be built into its specifications.

When people talk about meaningful experiences in organisations, they always talk about being part of something larger than themselves, of being connected...

...When people talk about meaningful experiences in organisations, they always talk about being part of something larger than themselves, of being connected...

Could the “human aspect” be the missing link in projects?

The profession of project management dates back to pre-historic times. The building of the tower of Babel and the ark of Noah must have required some serious project management skills. Certainly, the early Egyptians must have relied on the skills of project managers for the completion of the pyramids.

In a world that is experiencing high failure rates in delivery of successful projects, one has to ask, what has really changed in project management? Has it drifted from what it was in ancient times? Has this change been for better or worse? If project management is an old profession, why do we see it as creating a revolution in our organisations? Why do we have to motivate the value of project management when it has been visible for centuries? Are we perhaps throwing away what made projects a success, replacing it with something even more dubious to manage? Are we making project management so complicated that it confuses the way we operate and doesn’t deliver the end result? These are the questions that people are now asking because of the rising failures in projects.

There is an increase in book publications, internet websites, and journal publications giving advice on how to handle troubled projects. This points to troubled times in project management. We need to find ways out of this muddy situation. We need to stop the deterioration in project management. We need to find ways out of this muddy situation. We need to stop the deterioration in project management. We need to find ways out of this muddy situation. We need to stop the deterioration in project management. We need to find ways out of this muddy situation. We need to stop the deterioration in project management. We need to find ways out of this muddy situation.
it. We learned to play the master designer, assuming we could engineer people into perfect performance. But you can’t direct people into excellence; you can only engage them enough so that they want to do extra mile in their creativity.

**Comport in Compliance**

The reason for us being comfortable with the compliance route is that it comes from the command and control era; which some of us greatly admire. We’re often wary if the energy released through commitment can be controlled and directed. So we settle for compliance and content ourselves with moving people up the compliance ladder. Our job as project managers in making people to be committed and enrolled is to first be enrolled ourselves. There’s no point attempting to encourage another to be enrolled when you’re not. This produces superficial agreement and compliance. Secondly, we must be on the level with people. We must describe the vision as simply and honestly as we can. Lastly, as difficult as it may sound, we must let others choose. You don’t have to make a free choice, the freer she will feel. This is because no leader can possibly have all the answers. The actual solutions about how best to meet the challenges of the moment have to be made by the people closest to the action. As project managers we have to find a way to empower these frontline people; to challenge them, to provide them with the resources they need, and then to hold them accountable. As they struggle with the issues, the project manager then becomes their coach, teacher, and facilitator.

The big switch for most project managers comes when they realise what they thought was soft is hard, and what they thought was hard is often arbitrary. Most people are seldom motivated about the fancy project plans, mind maps, or business intelligence software designs. They need the motivation, encouragement, deeper empathy and mostly leadership. In our crazed haste, we don’t have the time to get to know each other, to be curious about who a person is or why they are behaving a particular way. Listening to colleagues – their interpretations, their stories, what they find meaningful in their work – always transforms our relationships. We may not like the person or approve of their behaviour, but if we listen, we move past labels. Our “enemy” category shrinks in population. We notice another human being who has a reason for certain actions, who is trying to make some small contribution to our organisation or project. The stereotypes that have divided us melt away and we discover that we have divided us melt away and we discover that we

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<td>1 May:   Workers’ Day (Thu)</td>
<td>16 Jun: Youth Day (Mon)</td>
<td>8 Jul: KZN Branch Golf Day</td>
<td>9 Aug: Women’s Day (Sat)</td>
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<td>12 May:  JHB Branch Meeting</td>
<td>16-18 Jun: 9th International Conference on Innovation in Architecture, Engineering and Construction (Atalaya, Turkey)</td>
<td>13-16 Jul: PMI Research Congress (Warsaw, Poland)</td>
<td>26 Aug: WC Breakfast Meeting</td>
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<td>27 May:  WC Branch Meeting (Mowbray)</td>
<td>29 Jun-2 Jul: AACE International and ICEC World Congress on Cost Engineering, Project Management and Quantity Surveying (Toronto, Ontario, Canada)</td>
<td>29 Jul: WC Branch Meeting (Mowbray)</td>
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<td>27 May:  PMSA Annual Dinner and awards evening</td>
<td>26 to 28 May: PMSA Conference 2008 (Galagher Etridge)</td>
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<td>17 Sep:   JHB Branch Meeting</td>
<td>28 Oct: WC Branch Meeting (Mowbray)</td>
<td>9-11 Nov: 22nd PMW World Congress (Rome, Italy)</td>
<td>16 Dec: Reconciliation Day (Tue)</td>
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<td>24 Sep:   Heritage Day (Wed)</td>
<td>18-21 Oct: PMI Global Congress 2008 (Denver, Colorado, USA)</td>
<td>17 Nov: JHB Branch Meeting</td>
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<td>30 Sep:   WC Branch Meeting (Mowbray)</td>
<td>20 Oct: JHB Branch Meeting</td>
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*Information courtesy of PM Forum. For more information about these events, go to www.pmtforum.org*
confirmed plenary speakers

we are pleased to announce the first of our four international plenary speakers and workshop presenters. dr ginger levin and dr terry cooke-davies have been selected by our programme committee and invited back to share their knowledge at conference 2008. dr ginger levin and dr terry cooke-davies were the two most popular speakers and workshop presenters at the 2006 conference. the remaining two international plenary slots will be filled by speakers who are new to our conference, but also come highly recommended and with global credentials. the conference organizing committee is sorting out the details of their attendance and will make them known shortly through the conference e-newsletter and on the conference website.

about the speakers

dr ginger levin, pmp, pgmp, certified omp3 assessor and consultant, is a senior consultant and educator in project management. her specialty areas include project management, business development, maturity assessment, metrics, organizational change, knowledge management, and the project management office. she is also a lecturer for the university of wisconsin-platteville in its m.s. in project management program and is its project management program specialist.

she is the co-author of: project portfolio management, metrics for project management, essential people skills for project managers, achieving project management success with virtual teams, and advanced project management office a comprehensive look at function and implementation.

people skills for project managers, business development capability, maturity model, and esi international’s pmp challenge! pmp study guide, and capm™ prep guide and is a frequent contributor to esi’s newsletter, project horizons and to alarm.com.

dr levin is a member of the project management institute and pma (asapm) and is a frequent speaker at pmi congresses and chapters and the international project management association. she received her pgmp in december 2005 and the pgmp in june 2007 and was certified in the opm3 product suite as an assessor and consultant in 2006. she has something on her resume no one in the world does. she is the only person in the world to hold every certification offered by the project management institute.

dr terry cooke-davies, fapm

dr terry cooke-davies has influenced project management thinking quietly, consistently, but significantly, for the past 30 years. first known for his innovative work on project management benchmarking in the mid-80s, he was also one of the first to vocally the need to bring project management within the overall context of general management.

unlike many industry gurus, terry doesn’t primarily consider himself to be a project manager. his strong feelings on the critical business issues associated with successful project management derive directly from his experience as a director of development and supply for letraset international. here terry recognized that project management could not be successful if it were regarded as a discrete single departmental discipline, but that it affected the overall management of the organization.

a true thought-leader, terry’s thinking is always ahead of its time. whilst today, the value of assessment and benchmarking is universally acknowledged, when terry founded human systems’ project management knowledge networks back in 1993, the profession was still young and few had considered this higher level perspective on its value. terry not only brought together many of the world’s leaders in project management best practice, but he used his facilitation skills to enable these organizations to work together to create new knowledge. terry realized that what was needed was a critical loop between those at the ‘practice’ end of the industry and those whose focus was academic research; he used the knowledge from his network to feed research that would then help define new directions for the industry.

terry cooke-davies has contributed to a great many industry initiatives over the years – directing thinking both through his own clearly stated views and through the subtler role of facilitation.

he is an expert adviser for the apm, reviewed the then ccia’s managing successful programmes initiative in the early 90s, was programme manager for pmi’s opm3 initiative and was a key participant in ‘rethinking project management’, a uk based research network funded by the engineering and physical sciences research council (EPSRC).

terry’s passion about the development and improvement of project management is reflected in his abundant and continuous writings on the subject, through which he shares his experience and wisdom with the rest of the world. this has culminated in the recent publication of his highly acclaimed book ‘the right projects done right!’ which was co-authored with paul dinmore.

details of the plenary and workshop topics will be made available on the conference website shortly.

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PM SA and the conference organizing committee extend a big “thank you” to our sponsors for conference 2008.

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Calling our decade-old members

Did you know that PMSA is celebrating ten years of service to the project management industry? To mark this anniversary, PMSA is acknowledging those members who have been part of its ranks since the PMSA began back in 1997.

Members who have retained their membership all this time will be presented with a certificate and commemorative gift at the PMSA awards dinner, to be held in conjunction with the PMSA Conference Dinner, on 27 May 2008.

Those members not attending the conference are more than welcome to purchase tickets to attend the event. Invitations and more details will be circulated soon.

At the same event, the PMSA Board will acknowledge the project management excellence award entrants.

Ongoing call for volunteers

Even though the Exco positions have been filled once more, PMSA is still appealing to members who would like to volunteer their time and services to contact the PMSA administration by sending an email to info@pmisa.org.za indicating how you would like to assist. As you will have noticed, the PMSA has changed its website and requires the services of a member to act as the webmaster liaison who would perform these functions and has the stated skills and interest:

- Good understanding of web technology
- Able to make suggestions on improvements and recommend these to EXCO

If you are a PMSA member who wished to be registered as Professional Construction Project Managers

If you are a PMSA member who wished to be registered as a “Professional Construction Project Manager” and you have not received your certificate, yours may have been returned due to a change of address. Please consult the “Articles of Interest” section of the PMSA website to view the list of applicants with incorrect addresses, to see if your name appears.

PMSA’s Executive Committee for 2008

Late in 2007, on the instruction of the PMSA Board of Directors, PMSA filled vacant positions on the National Executive Committee, welcoming new volunteers on board and saying “hello” again to some familiar faces.

The PMSA extends a big “thank you” to those who have agreed to the responsibilities associated with their portfolios and look forward to a long, productive and mutually rewarding relationship with you.

Going forward, the National Executive Committee is comprised as follows:

- Jurie Smith  VP: Technical & Education
- Valerie Carmichael-Brown  VP: Marketing
- Elmar Roberg  President
- Francoise Steynberg  VP: Finance
- Francois Steynberg  VP: Finance
- Roger Layton  VP: SIGs
- JC Kruger  VP: International Liaison
- Rudolf Schenker VP: Projects
- Dhevan Chetty VP: PR
- Sandro Quattrocchi Branch President: KZN
- Arnold Okkenburg Branch President: WC
- Ronel Frangeskou Branch President: Tshwane
- Danie De Waal Branch President: Jhb
- Arnold Okkenburg Branch President: WC
- Arnold Okkenburg Branch President: WC

PMSA Western Cape Annual Golf Day

The Western Cape Branch is actively seeking corporate and community participation in the annual Golf Day, which will take place on Monday 31st March 2008 at the Parow Golf Club. This informal occasion is a great opportunity to strengthen relations between PMSA in the Cape, and local business.

As a non-profit organisation, the purpose of the Golf Day is to raise additional funds to enable the Branch to fulfil obligations to members and visitors alike.

Interested parties can participate in one of the following ways:

- Sponsorship of a tee or green R 1000.00 (this entitles you to display or hand out promotional material at a specific tee or green, and during the prize-giving)
- Financial contribution
- Gift Vouchers
- Items for prizes or raffle
- Red wine for auction

To volunteer your services for this task, please contact Tanyn van Olden: info@cyansky.co.za.

PMSA Johannesburg Branch Promotes Student Involvement in PM

From now the Johannesburg Branch will be involving students in branch meeting presentations by affording post-graduate researchers the opportunity to report on their research findings in this public forum. This will be of benefit to both students and members, as students have the opportunity to pose their ideas and findings to an informed audience, while members can find out about the latest research in the project management environment.
Calling for Participation in a PMI-Approved Research Project

PMI member, Victor Sohmen is a PhD candidate from the University of Queensland, Australia, seeks primary data from international project practitioners to develop a new model of Transcultural Project Leadership (TPL). The survey pertains to their most recently completed international project.

Research Topic:
Transcultural Project Leadership.

To participate in this 20-minutes’ MLQ-TPL Survey, Project Managers (PMs), Project Portfolio/Programme Managers (PPMs), and Project Team Members (TMs) with at least two years of cross-cultural, international project experience are requested to complete a questionnaire (one for PMs and one each for Team Members and Program/Portfolio Managers as raters of their PMs):

Once you have filled out the questionnaire by yellow-highlighting your responses, it can be emailed to Victor at tpl.vss@gmail.com.

Participants will receive a summary report of the international survey results, along with specific recommendations for their guidance.

Agreement signed for Gas-Powered power generating facility in Port Elizabeth

An agreement between independent power producer IPSA was signed with the South African government’s Central Energy Fund (CEF) who acts as the holding company for State-owned oil company PetroSA, and iGas, to install a 521-MW open-cycle gas turbine plant outside Port Elizabeth, as well as investigating the construction of a further four plants with the same capacity and technology at a later stage, as part of the integrated energy project being developed at the Coega Industrial Development Zone (IDZ), in the Eastern Cape Province of South Africa.

In addition, the company will also proceed with its proposed 1 600-MW Coega fast-track combined-cycle gas turbine project in close collaboration with PetroSA and iGas and so achieve rapid installation of new privately financed and much needed power generation capacity in South Africa. IPSA stated that this would be in tandem with the South African government’s plans for Coega to be at the “heart of a new energy centre” providing liquid fuels and liquefied natural gas (LNG) to the industrial tenants of the IDZ, it stated.

Also under the agreement, a joint working group, including PetroSA, iGas and the Department of Minerals and Energy (DME), will be established to coordinate the different parts of what will be a substantial energy development, linking fuel importation with power generation and energy distribution.

CEO Peter Earl is reported to have said: “We are pleased to have taken these first steps towards making Coega South Africa’s first integrated LNG-to-power project. This is an important diversification away from the dependence on the country’s Northern coal reserves” and added: “We aim to install our turbines as fast as possible to ensure uninterrupted supply of electricity in the Eastern Cape”.

IPSA Group PLC (“IPSA” or “the Company”) is a company incorporated in England and Wales which has been established to develop, own and manage power generation plants in southern Africa. The Company acquired the southern African power business of Independent Power Corporation (“IPC”) through its acquisition of Blazeway Engineering Limited (“Blazeway”) http://www.ipsgroup.co.uk.

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Contact person: Victor S. Sohmen, email: tpl.vss@gmail.com

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The Black Swan

Book review by Ian Jay

One risk faced by the project manager is the unknown unknowns. A means of understanding and coping with high impact events we cannot forecast is the topic of this book.

Risk is commonly explained in terms of probability distributions, of which the normal distribution or ‘bell curve’ is best known. In reality, and particularly in the realms of projects, there is little information upon which to build any objective or formal view or risks using such a model. This text explains why that is so. It also explains the hazards of using the ‘bell curve’, and its assumptions about the world, when trying to anticipate future events.

One problem is historical data with which to build such models. Recorded history is selective in nature and gives a biased picture of the past.

One of the main problems with forecasting is the historical basis of the data used. For instance, research publications present findings which had a positive impact on a topic, but rarely those experiments that yielded no appreciable change. In the same way things that did not work are discarded and what worked in a specific instance is promoted as a general solution. The author explores this theme with an example of studies presenting the common characteristics of the world’s richest men. As he points out, these characteristics may also be shared with failures, a point missed in such presentations.

Historical data can be blind to certain events making a forecast based on that data inherently inaccurate.

The author goes on to make the point that the future is almost entirely unguessable. The human mind is blind to this fact and never remembers its past failures when predicting tomorrow. As a result we continue to repeat the errors of the past, trying to predict with tools that are inadequate or irrelevant to the task they are put. He makes this point particularly strongly in regard to the use of the ‘bell curve’ in financial markets, which is his area of expertise. He draws on other thinkers where he needs to. For instance explaining that Popper argued that “to predict historical events you need to predict technological innovation, itself fundamentally unpredictable”.

The ‘Black Swan Event’ is a rare event that has extreme impact and with hindsight was predictable. The description also applies to an important expected event that fails to materialize. A key point made in the book is that these events are the ones that shape the modern world. As a result history is written to explain them, post event. In other words history is not written to predict them, because we do not know the future with sufficient precision to identify which extreme impact event will come next. A final point about the ‘Black Swan’ is that it can be positive as well as a negative event in terms of its outcome. Several examples of positive events are given; one example from financial markets is that in the past fifty years half the total returns were made in ten trading days.

After explaining what extreme events are and why we do not see them in our futures, the author suggests some strategies to guard against the negative impacts and to profit from the positive ones. One strategy is the ‘Barbell’ where a strong defensive position is taken against the negative events, and an aggressive but small risk in the high risk areas. In effect the downside risk is minimized and the upside is unlimited. Because these events are by definition improbable many limited risks have to be taken in the areas with the high upside potential.

The book presents a completely new way to regard risk and to view it with a positive frame of reference. As the author explains, if you can predict what you will know tomorrow then you already know it today. The trick is to prepare today to take advantage of tomorrow’s luck.
