

A black banner for the Project Management Practitioners' Conference 2018. In the top left is the PMI Bangalore India Chapter logo. In the top right is a circular logo with a globe and the text 'PMPC 2018'. The center features a night-time photograph of the NIMHANS Convention Centre, a large, ornate building with a central dome and multiple wings, illuminated with warm lights. Below the photo, the text 'Project Management Practitioners' Conference 2018' is written in a yellow, sans-serif font. Underneath that, 'ARCHITECTING PROJECT MANAGEMENT for Value Creation' is written in a smaller, white, sans-serif font. At the bottom, the dates 'July 12th – 14th, 2018' and the location 'NIMHANS CONVENTION CENTRE, BENGALURU' are written in the same yellow font as the title.

Managing global, nurturing local - Dilemmas of the new age project manager

Global reach

PMIBC-18-3-005

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ABSTRACT

Rapid technological advances in the last few decades have rendered several challenges to the art and practice of project management. Added to that, the convergence of different management concepts from various industries, has led to the spawning of newer methodologies. Each vying for its own space, in the world of resource management, both human and material, these methodologies compete with each other to demonstrate new and innovative techniques, through constant evolution. Technology has also undermined distance between nations and cities and brought the service provider and the customer more closer than ever. Optimum cost effective measures in every aspect of business, both strategic and operational, are the coded mantras for every organization. Delivering business strategy through projects has attained a different connotation. Creating value for the end user, be it the customer or the stakeholder, is of paramount importance. The responsibilities of the project manager are no longer contained in a charter, but beyond that. Managing resources across geographies, evaluating deliverables and ensuring successful delivery of the project are few of the key success factors for new generation project manager. The findings of the paper will help focus attention of the program and project managers, and senior stakeholders, on dilemmas of the project manager in managing global teams and also the several challenges being faced by the project manager in reaching the end goal of value creation.

INTRODUCTION

“My dream would be a multicultural society, one that is diverse and where every man, woman, and child are treated equally. I dream of a world where all people of all races work together in harmony.” — Nelson Mandela. These could well be the thoughts of every project manager leading a multi-location team. With due respect to the giant that Nelson Mandela was of human rights and freedom – the idea of harmonious co-existence of all team members working towards the common goal of project success is also the objective of the project manager.

The exponential growth in multinational corporations across industries has led to spread of workforce into different countries across the globe. Business partners, vendors, contractors, sub-contractors, clients, customers, peers, subordinates, superiors could be located in different locations and perhaps in different countries as well. Organizational ambitions are no longer restricted to local or national boundaries. Going global is no longer an option for corporations but a dire necessity.

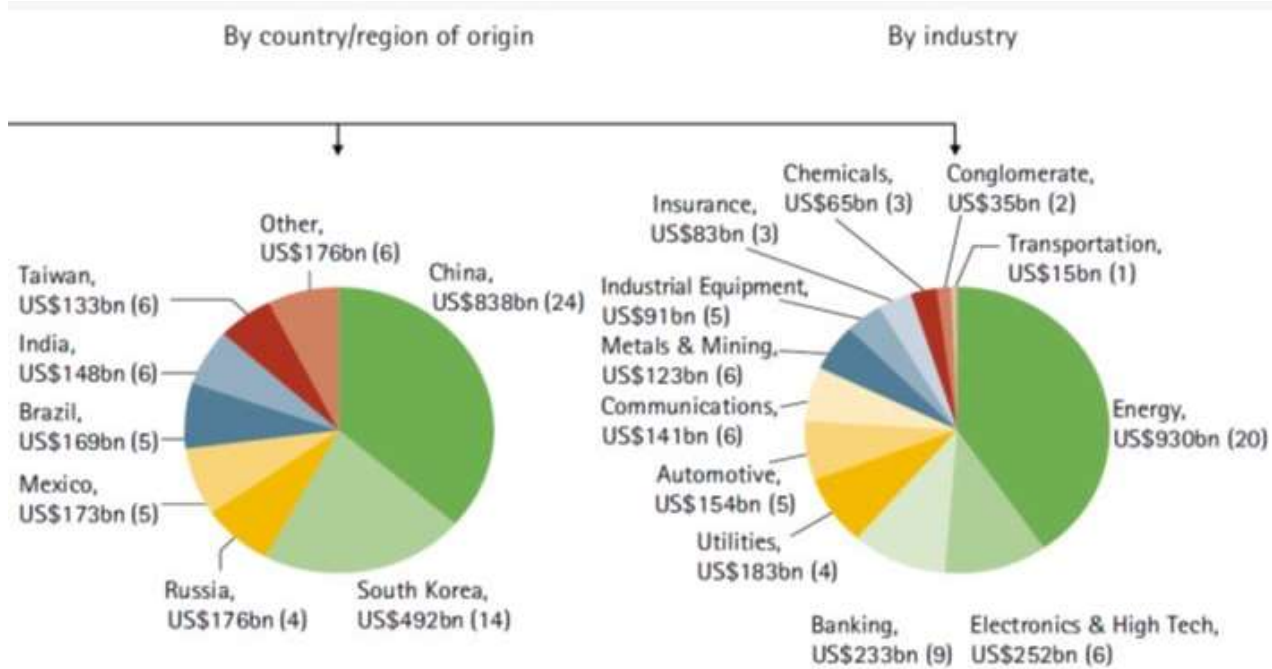


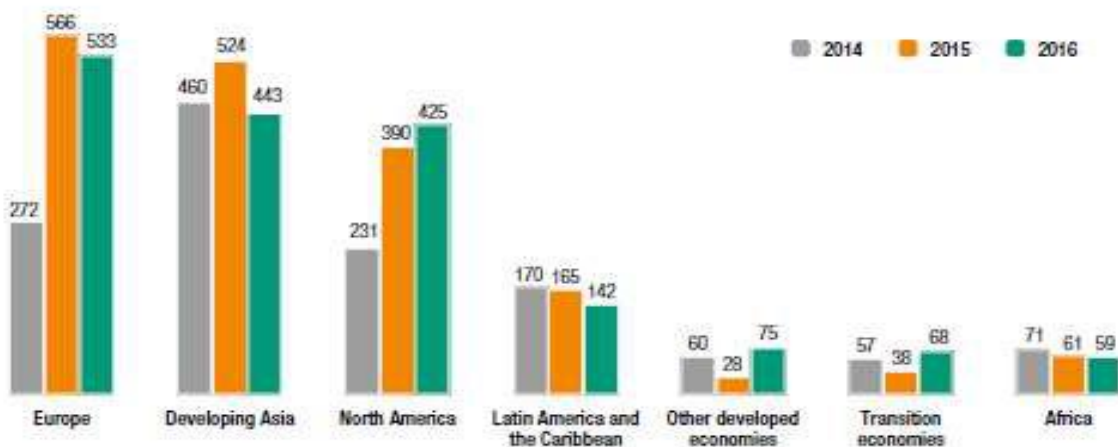
Fig.1

Robert Uberman (2008) has explained in the report on the industries in the multi polar world and their presence in the emerging economies. A thorough analysis of the data on industrial growth of multinational corporations provides guidance on how the different countries have received investments from different sectors. The highest growth is seen in the energy sector (Fig.1) and the highest investing country is China. There is substantial rise in the investments originating from India, Mexico, Russia, Brazil and South Korea.

The world has moved towards global economy and no single nation state can remain insulated to the changes happening around in the world economic markets. This has given rise to multicultural teams who have to now work together to ensure the success of the business, by collaborating and cooperating on real time basis. Project managers have to conduct resource management across national borders and time zones, interacting in different languages or bringing one common language after consensus, and navigating through different cultures and working styles. Project managers must deal with different aspects of emotional intelligence, cultural and work ethic aspiration, people to people interaction, adjusting and adapting their ability to work in teams, to bring about effective delivery of stated objectives of the project. Team members on the project deal with challenges both technical and non-technical which could be complimentary to the project manager's challenges. These challenges may not necessarily be related to the deliverable of the project but inclined towards working with each other and the stakeholders. The primary responsibility of the project manager remains effective engagement of stakeholders through all stages of the project through appropriate resource management.

RISE OF THE MULTINATIONAL CORPORATION

Multinational corporations or companies are not a new phenomenon. They have been part of the economic ecosystem since many centuries. The erstwhile trading companies of the western European nations ventured out into the high seas and established trade relations with the countries far beyond. This act of trading led to emergence of processing and manufacturing using resources of the local country and selling them in countries which had a demand for the same. Over longer period of time these corporations diversified into producing different goods and enabling services. After the initial stages of being a trading company, the second stage was partial building of assets through trading of physical assets with capital assets in the different location. The third stage involved the acquisition of the entity which was producing the goods or services by the company which had financial interests in more than one country. The last stage is that where the organization is able to invest through capital or resources and conduct trade activities from the other location. Technological advances also helped these large corporations to stay ahead of the competition and buck the economic curve during times of depression and slump. Heavy capital base and ability to develop at a faster pace are two key characteristics of the multinational corporation. One of the key reasons for the sustained rise of organized corporations was the adherence to principles of management. Studies in industrial engineering and management were incorporated into the daily aspects of business management by the corporate leaders. Learnings and examples of leadership were captured back from real life scenarios into the academic theory. Scientific experiments related to time and motion studies, human behaviours, motivational factors and related aspects were clearly documented. This helped to establish consistent practices of management of resources both human and material.



Source: ©UNCTAD, FDI/MNE database (www.unctad.org/fdistatistics).

Fig.2

Based on the World Investment Report 2017, the largest FDI flows were seen towards Europe and then towards Asia and North America (Fig.2) in that order. Many reasons can be attributed to this spurt in the FDI flows into Europe – first being the exit of Great Britain from the European Union, the second being the indebtedness of many smaller nations in the European Union causing an overall strain on the economics in the bloc.

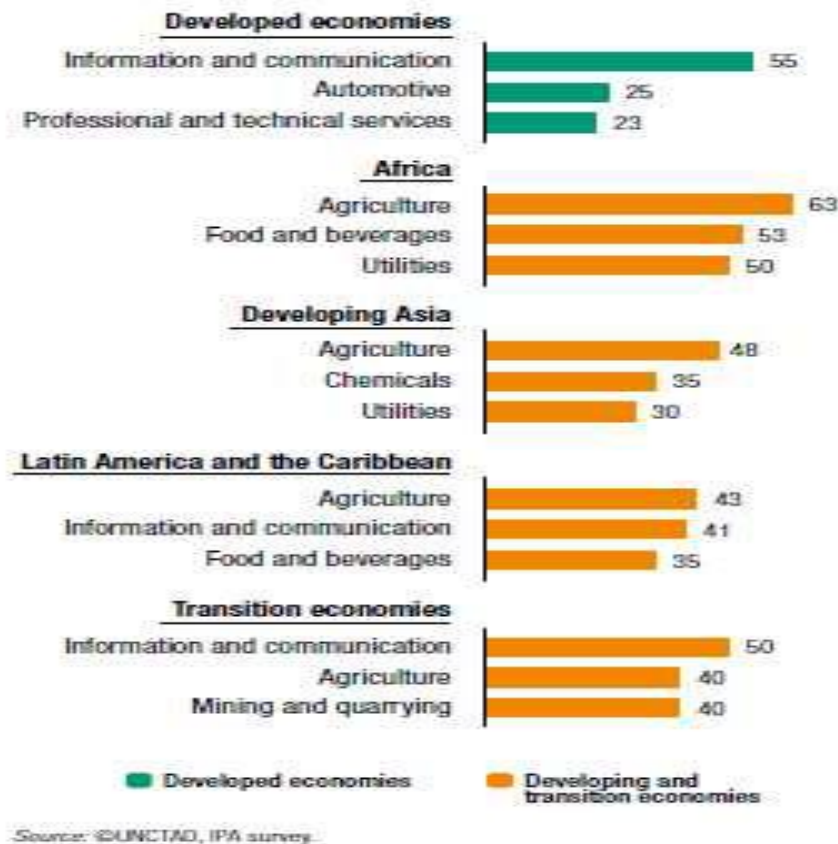


Fig.3

The recent trends indicate how business strategies will get re-focused to ensure sustainability and continuous growth. Sector-wise investment opportunities being sought by the multinational corporations (Fig.3) indicate Agriculture and Information and Communication as the top choices. Business strategists in every corporation decide on how to maximize benefit through minimum effort by capitalizing on the opportunities presented. Projects are crafted out of strategies to build the right set of deliverables for business success. Multinational corporations are at an advantage with respect to availability of capital resources and skilled staff in comparison to local companies who may not be able to fund growth strategies at all times.

DIVERSITY IN RESOURCING

Multinational corporations resort to hiring – recruitment and onboarding of resources at three different levels. The resource pool comprises of individuals from parent country, host country and third country. The right mix is always a challenge for the organization. Apart from focus areas like span of control, management control, technical knowledge, subject matter expertise there are other factors like local government rules on hiring, parent country regulations on recruitment of resources from other countries, and to large extent the ability of management staff to manage resources from other cultures. Recent developments in the field of human resourcing models like inclusiveness and diversity also add to the above dimensions. Fig 4. Highlights examples of few large multinational corporations and details like revenue generation from which country, origin of employees, origin of shareholders. Food and pharma companies have equal or next to equal employee presence in parent as well as host countries. This is also attributable to the core function of research and development which could be based in host country with employees from parent country and third country co-located with them.

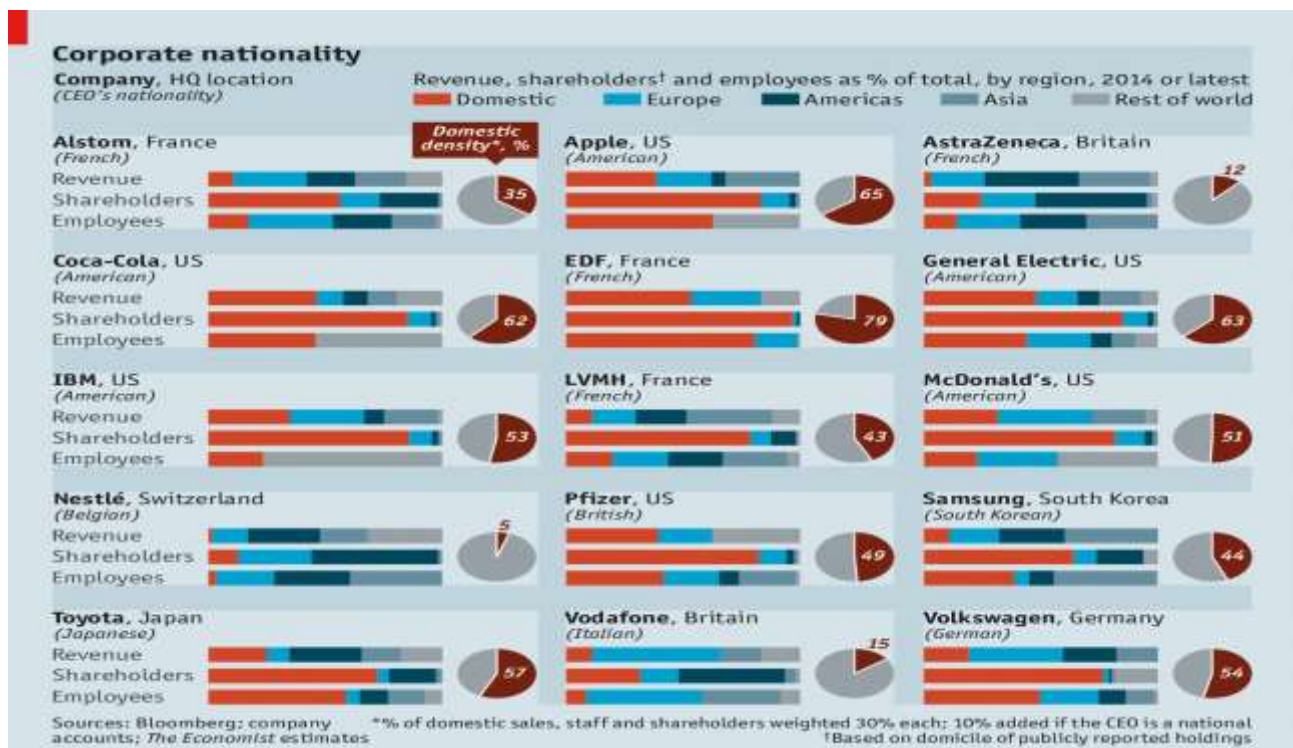


Fig.4

Presence of high quality education system, right skilled resources are key factors for such an arrangement. On the other hand automobile manufacturers tend to bring in their own employees to host country as there is heavy reliance on technical knowledge and expertise. The new generation of information technology companies rely

mostly on cost arbitrage models and hence the percentage of employees could be heavily tilted in favour of host country or third country.

The strength of the multinational corporation hiring strategy lies in its ability to enthruse resources with challenging opportunities in various locations. Diversified products and global reach are two critical factors which attract talent.

The share of foreign assets held by the multinational corporations and sales done for 2010 and 2015 as per UNCTAD report (Fig.5) indicates the growth sectors to be technology, pharma, food and beverages followed by telecom, petrochemicals and others.



Source: ©UNCTAD, based on UNCTAD's FDI/MNE database, company reports and data from Orbis BvD and Thomson ONE.

Fig.5

This data also brings to light the inherent need for corporations to traverse beyond their parent country boundaries in search of the right resources both human and material, to succeed in their strategy.

Business cases are drafted to explore the uncharted territories and capture hitherto untapped markets for their products and services.

VALUE OF PROJECT MANAGEMENT

Programs and projects are the key to delivering the business strategies and creating value for all stakeholders – customers, end users, sponsors, team members, vendors, and business partners. Projects are defined as endeavours with definite end date and specific outcome of product or service result. Engaging with stakeholders effectively to ascertain their requirements, converting these requirements into actionable work packages and executing these actions to create the deliverables as expected by the stakeholders are the key features of any project. Project management is essentially realizing benefits out of planned actions. It is important for the sponsors of the project to analyse the drivers for business strategy and transformation, if any. Agreement on the objectives and establishing clear direction for the project is part of the business case. Planning for execution is to agree with the ownership and registering accountability for the actions to be taken. These actions are towards the benefits to be derived out of the planned changes. At this stage it is also important to document the key performance indicators and criteria for the success of the project. The benefits realization plan is the outcome of this process. Executing the agreed and decided actions is the most critical aspect of any project. Reviewing the progress as against the benefits which were planned earlier, taking corrective action, and documenting the lessons learned helps to evaluate results of the project. Effective communication with stakeholders and engaging them to influence them for the success of the project is the key to the success of any project.

As per the Pulse of the Profession report published by PMI, 2017 only 58% of the organizations, world over, understand the value of project management. Those organizations that under value the importance of project management as a competency experience a failure rate of 50% of their projects. The value of project management goes beyond executing just the tasks set out in the plan. The real value lies in executing the strategy for business, operations, and in many cases, information technology using the business case and the benefits realization plan as the guiding beacon. The objective of the project is not complete without reaching the end state - the appropriate and optimum solution. This may be made possible either through a legacy transformation, business process design creation or change, changes in IT infrastructure, benefits realization and lastly post implementation review.

MULTITUDE OF PROJECT MANAGEMENT METHODOLOGIES

With an aim to improve time to market and meet the dynamic demands there is a need to adapt at a rapid phase. This has led to the evolution of multiple project management methodologies. Given the diverse applications, no single method can be “plug and play”. Organizations change strategy to suit the business needs and this has a

direct impact on the way projects are run. It has been seen across industries organizations use hybrid techniques to hold fort.

Over the years project management methodology has evolved in many ways to arrive at the same benefits realization stage. These life cycles have evolved over the years in order to meet the need to deliver successful projects. The hallmark of a sustainable project management team has always been the ability to adapt to a particular project lifecycle and its framework depending on the nature of the project and ensuring the success of the project.

Traditional project management lifecycle as described in the PMBOK 5th edition as the waterfall method, defines phases of the project in a sequential order. This method is also known as the predictive lifecycle. Activities that are performed in each phase of the project are different between the predecessor and the successor. Over the years it was observed that such type of lifecycle is only good for projects where the product, service or result to be delivered is understood. The iterative lifecycle came into existence so that continuous feedback from the end user/customer and ensuring the changes are incorporated into the organization. In this methodology exit criteria for every phase was well defined and unless that was completed the project did not move ahead. Another method which has come into practice is the incremental lifecycle. Every cycle of the incremental methodology adds new features to the product or service. The incremental method is slightly different from the iterative as it builds upon the accumulated implementation.

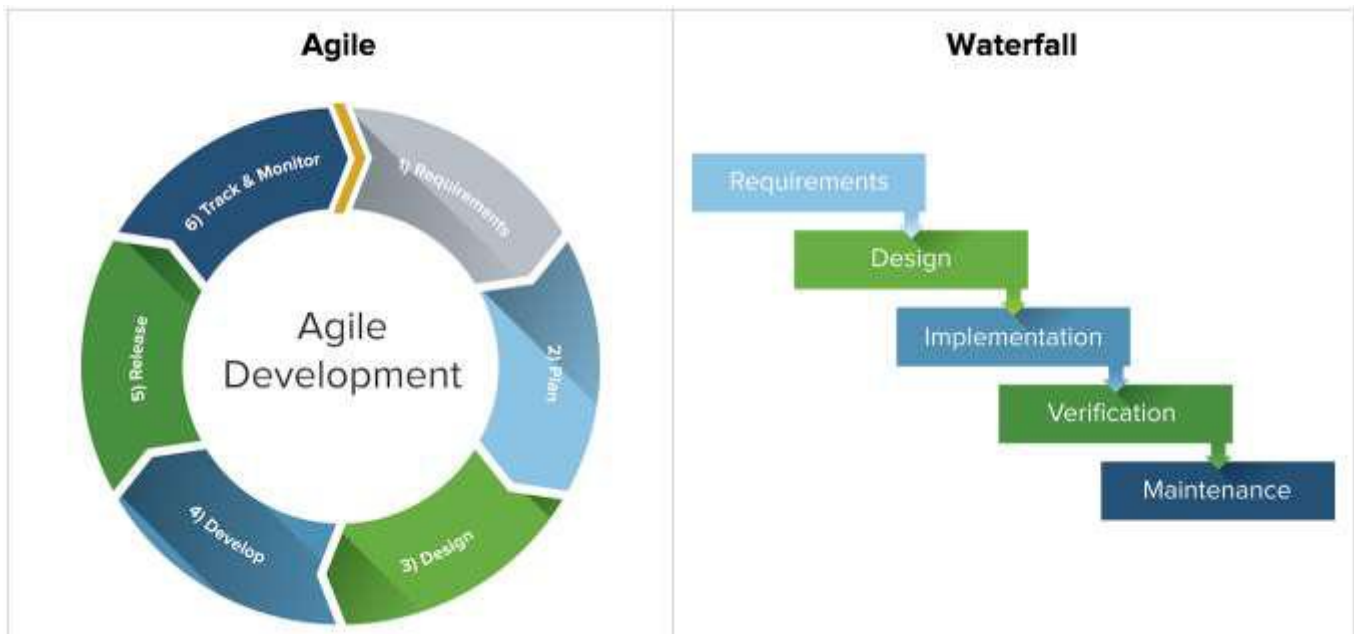


Fig.6

source:www.smartsheet.com

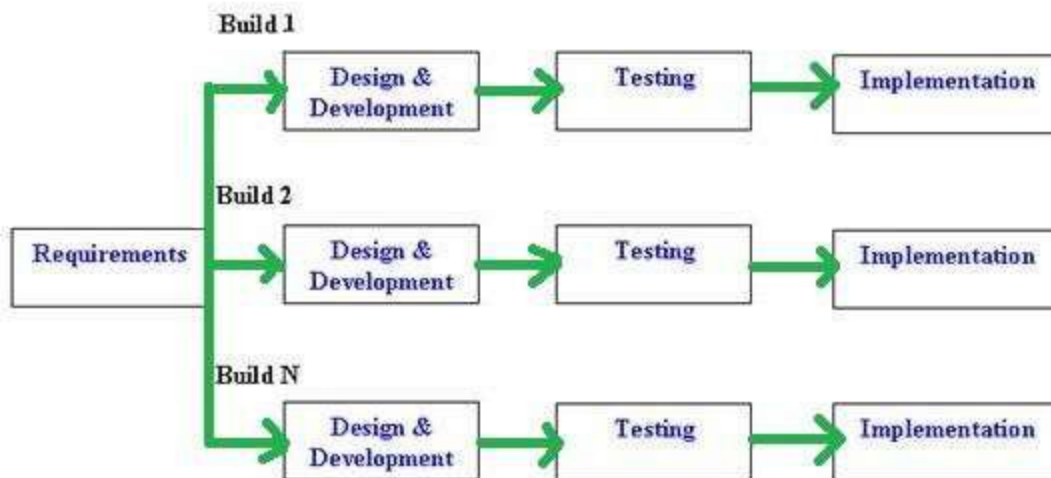


Fig.7 Incremental method of project management

The Agile method of project management focuses on consecutive releases and incorporating the feedback received at every iteration. Variations of Agile methodology have evolved over the last few years which are further customizable to suit organizational requirements.

Value of project management is understood by the organizations and the success of go to market strategies is based on the success of projects.

Clearly the project manager has many choices to make depending on the type of the project, the industry to which the project belongs to, the organizational practices and latest trends. Plethora of tools and techniques are now available for the project management team to utilize on the projects that they are working on.

However, the challenges of the project manager continue to evolve along with the evolving dimensions of organizations and how they execute their strategies.

DILEMMAS OF THE NEW AGE PROJECT MANAGER

The disruptive growth in technology, the changing economic scenarios in the world and the rise and rampant growth of the multinational organizations has created complex set of challenges for the project manager.

Though there have been various project management methodologies to cater to problems of the new economic order, yet the core concepts of project management have not yet been challenged.

From a different perspective, a review of the dilemmas of the project manager will throw light on the challenges faced by them.

- 1) Resource related
 - a. To find the fit-for-role candidate or near-fit candidate to deliver the project?
 - b. To find the right resources when there are changing project needs or to keep resources booked without booking cost on the project?
 - c. To retain resources on project (especially in functional or weak matrix organizations) or to let them go and negotiate with their managers when needed?
 - d. To train the resources on the skills needed for the project or release them for more skilled resources?
 - e. To create a resource pool for the project with different skills or to hire/contract from market as and when needed?
- 2) Team related
 - a. To set up team ground rules for interaction or to let the members work on their own?
 - b. To initiate co-location requests or let the teams continue to be distributed?
 - c. To intervene in resource working styles or to let the members practice their own?
 - d. To communicate and initiate continuous push communication or to let the team pull information as per their needs?
- 3) Stakeholder related
 - a. To enhance efforts on increasing engagement of positively inclined stakeholders or to invest time on building engagement with other stakeholders?
 - b. To engage with sponsors more often or to engage them as and when needed
- 4) Technology related
 - a. To reduce face-to-face connect by using more communication technology or to allocate budget for travel?
 - b. To adopt latest technology at a higher cost to the organization or to use status quo technologies available in the organization?

The above list of dilemmas is not exhaustive but indicative of the decisions the project manager has to make on a day to day basis while executing the project. Studies report (ref PMBOK) 90% of a project managers time is spent in communication. While this is true a large portion of the 90% is reporting/providing status updates about how the project is doing. While reports are important to gather a view on trend and subsequently a corrective action, recommendation would be to focus on the present and way forward.

Most of the above dilemmas are 'management' related in nature and not related to the actual deliverable (product, service, or result). The reason being that the challenges around scope, time, cost, quality, risk and procurement

which form the 6 pointed constraint star (Fig.8) are delivery related challenges which are guided by the requirements document which is later formalized as the scope document.

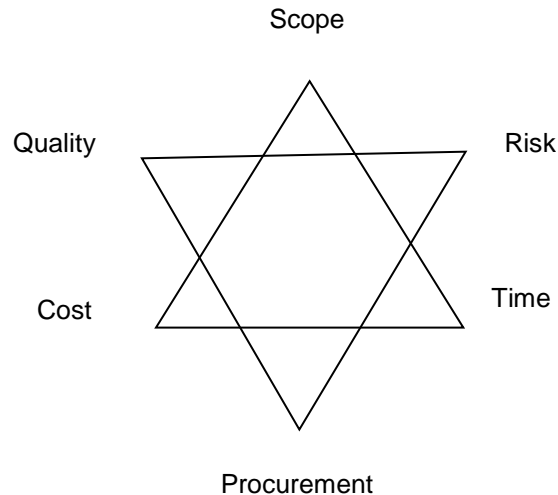


Fig.8 Project constraints

These dilemmas or questions are not specific to any specific type of project or any specific methodology. The uniqueness of these dilemmas is that these may also be faced by experienced project managers or program managers.

RECOMMENDATIONS TO REDEEM

The latest version of the PMBOK 6th Ed (PMI, 2017) has a separate section for every knowledge area which is called as 'tailoring considerations'. It is very important for any project manager to understand the situation of the project, the environmental factors, the organizational strengths and weaknesses, and in consultation with the sponsors and stakeholders arrive at the best possible tailoring mechanism for their project. The traditional concept of 'one-size-fits-all' have given way to 'fit-for-purpose' concept.

As organizations strive go to global and expand their reach beyond their own national or regional boundaries, the execution of strategy acquires more dynamic and further complexity.

Let us look at a couple of recommendations related to communication. Below are recommendations that may help the project manager to redeem the situation and make the right choices. It is well known that the time spent by

project manager on communication in a distributed team could vary depending on the proximity of the team members. This poses a challenge to the project manager on how to communicate progress.

Visual radiators can be used to minimize the effort on creation of manual reports. In order to make the radiator effective, selection of the right KPIs is primary. In no more than the 3 seconds one would get a view on where the project is heading. It is believed that the radiator creates new and is not for reporting news.

Selection of KPI could be based on broad themes such as productivity, flow delivery and any other parameter suitable. Deriving from the concept of daily management which is used extensively in the manufacturing sector and stand up meeting which is an agile concept, recommendation is to answer “how are we today” with either a red or a green and no in between status. (watermelon line brings out). A dipstick is done by the owner of the KPI to ensure data is reflecting accurately. However, a report/communication is sent to all stakeholders only if there is a need to have all hands on the deck. In case of an issue, a pareto is carried out to bring the process in control.

The above recommendation can be scaled up giving multiple views with real time data across time zones. This minimizes the time spent on meetings/preparing manual reports.

The author will present results of survey and recommendations in the final presentation.

CONCLUSION

The practice of project management has to move away from management to leadership. Project leadership is the key to success of the project and the overall business strategy. In recent times, servant leadership has also been a keenly contested term along with project leadership. Hence project managers have to work towards managing their teams by outcomes rather than by objectives. As organizations continue to grow and spread their presence across the globe, there is an intrinsic need for project managers to enhance their ability to manage teams to be able to pursue the global reach in a successful manner.

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