

concept

DECISION MAKERS, DOERS AND ADVISORS
– JOINING FORCES TO ENHANCE UTILITY OF INVESTMENTS

Concept Symposium 2010
Oscarsborg, Norway
16 – 17 September 2010

Symposium web-site: <http://www.conceptsymposium.no/>
Concept Research Programme: <http://www.concept.ntnu.no/english/>

INTERNATIONAL
CENTRE FOR
COMPLEX PROJECT
MANAGEMENT

Oscarsborg Conference September 2010

Stephen Hayes MBE
CEO ICCPM



Characteristics of Complex Projects

- Characterised by uncertainty, ambiguity, dynamic interfaces, and significant political or external influences
- Usually run over a period which exceeds the technology cycle time of the technologies involved or where significant integration issues exist
- Can be defined by effect, but not by solution

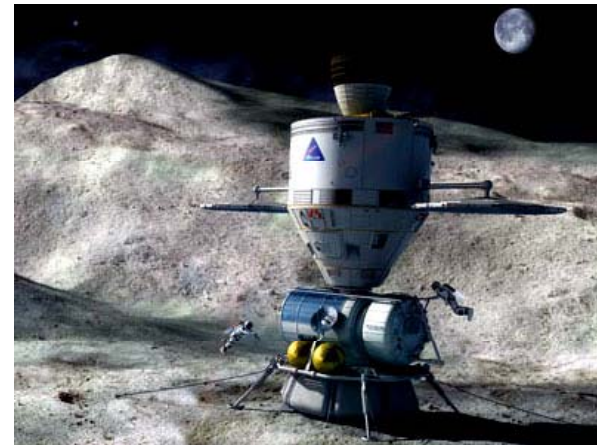
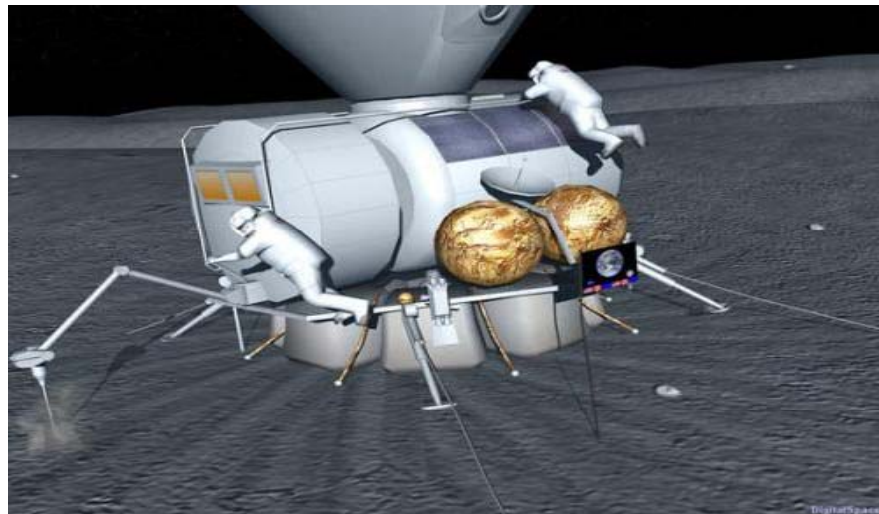
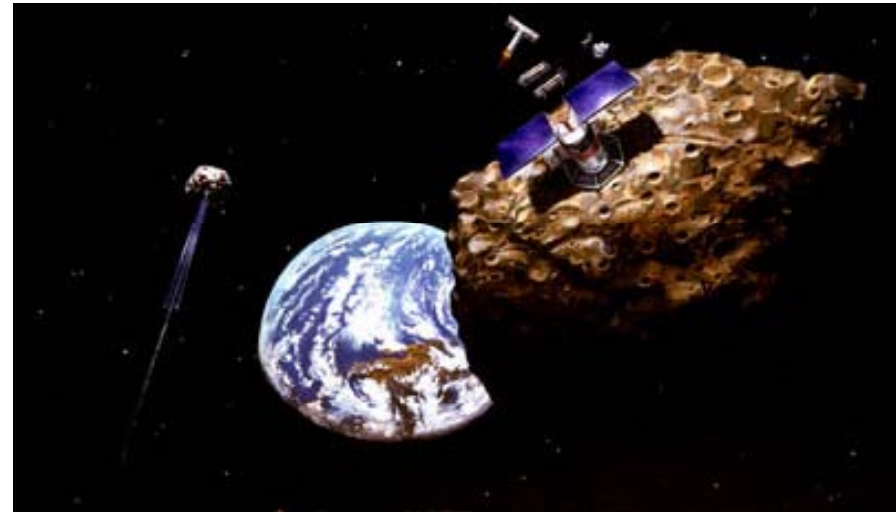
The Defence Sector – JSF or Future Submarine?

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NASA – Asteroid Mission?

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Disaster Recovery?

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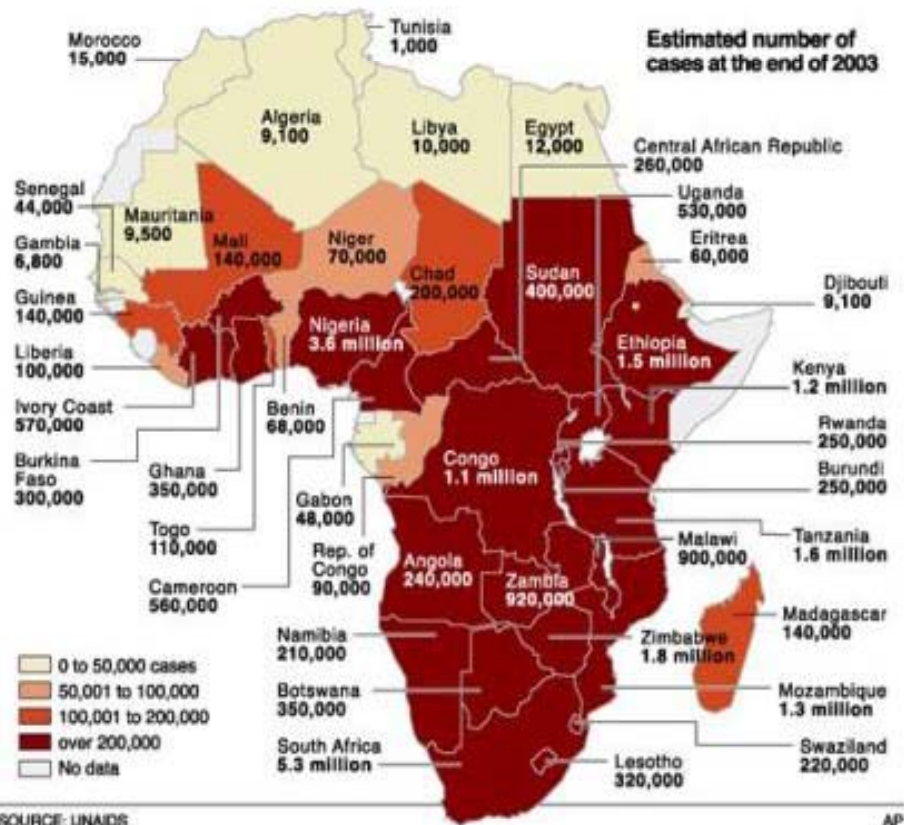




The World Bank/UN/WHO – AIDS in Africa?

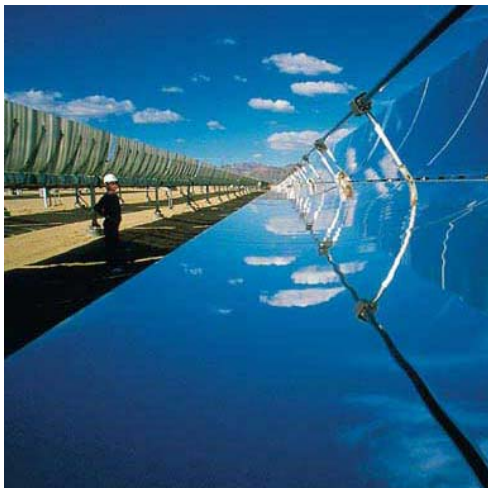
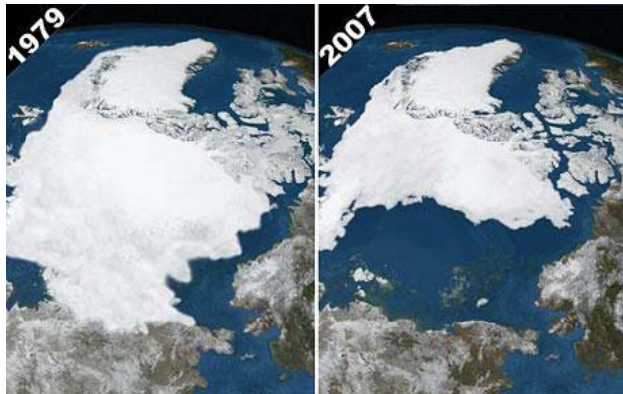
AIDS in Africa

Of the estimated 39.4 million people living with HIV worldwide, more than two-thirds of them are in Africa.



Governments – Climate Change, Resources & Energy?

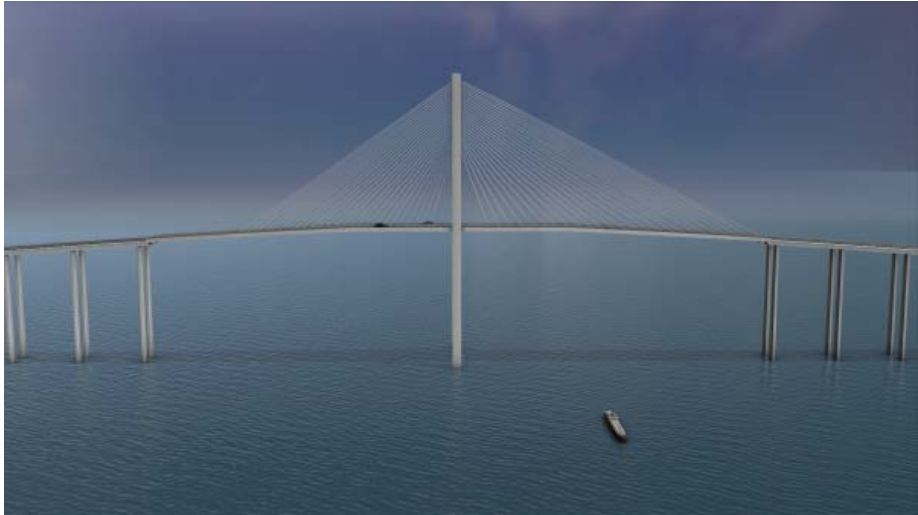
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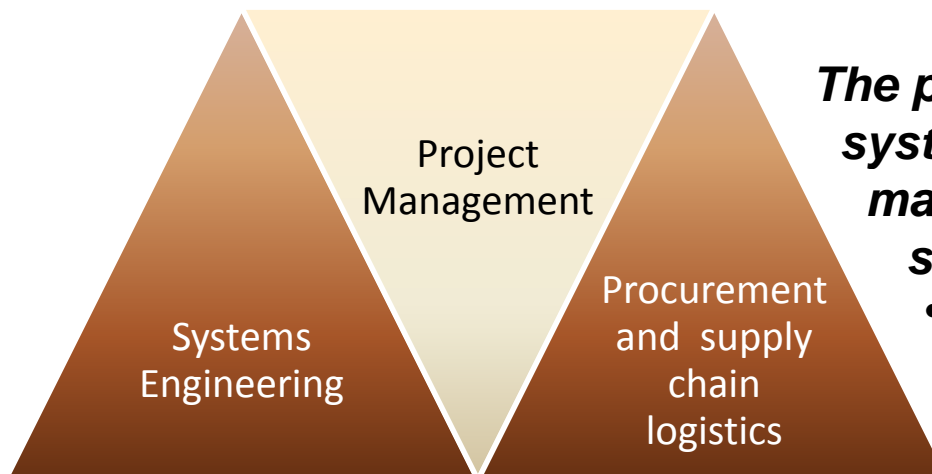


- U Uranium
- Gas
- Oil
- Coals, oil shales

National/State Infrastructure

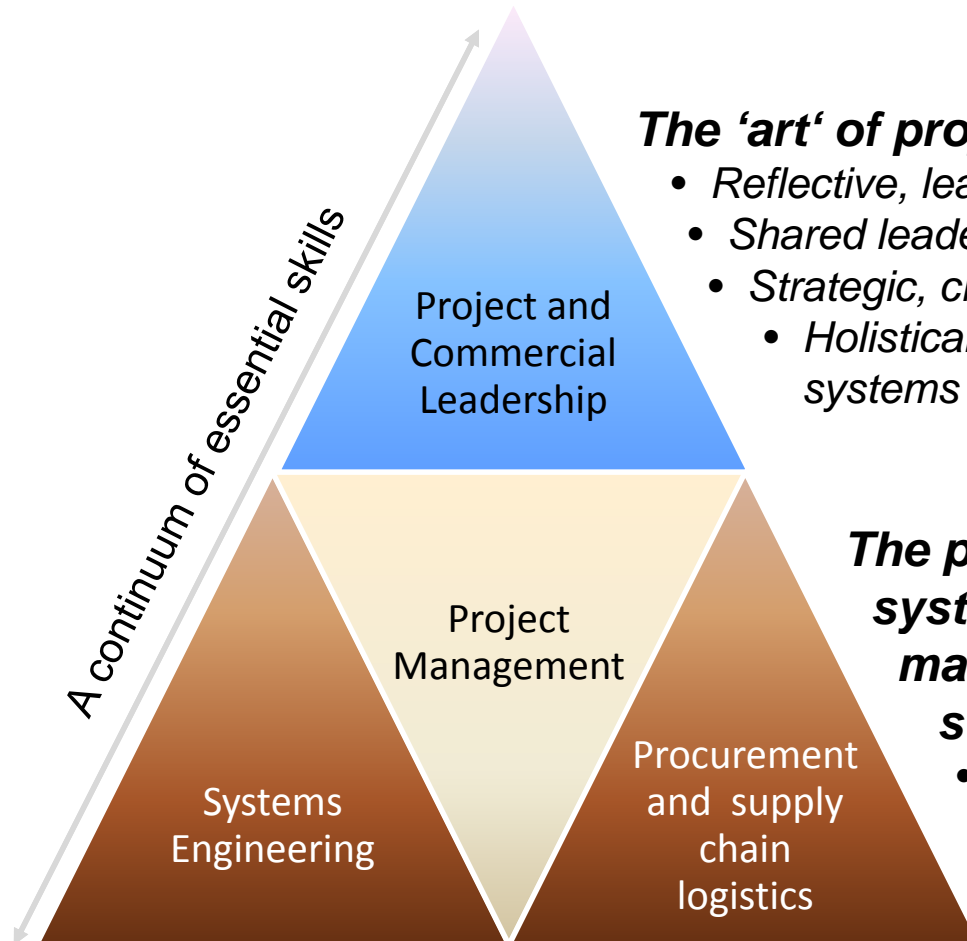
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The process and technology of systems engineering, project management, procurement and supply chain logistics

- *Administrative Management (PLOC)*
- *Reductionist procedural approach*
- *Technical problem solving (SMOP)*



The 'art' of project and commercial leadership

- *Reflective, learning and high trust leader/organisation*
- *Shared leadership to synthesise multiple disciplines*
- *Strategic, creative, respectful and adaptive*
 - *Holistically guides ambiguous, interconnected systems (stakeholders) to maximise benefits to all*

The process and technology of systems engineering, project management, procurement and supply chain logistics

- *Administrative Management (PLOC)*
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CPM Initiative

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- **Australian, UK and US Governments and Defence Industry have supported an initiative to improve the international community's capability to deliver very complex projects across all industry sectors**
- **Three strands:**
 - Competency Standard for use as a framework for assessment and development of complex project managers
 - Executive Masters and Continuing Professional Development in Complex Project Management (Including ICCPM's CPM Foundations Course)
 - **Formation of the International Centre for Complex Project Management (independent international not-for-profit peak body)**



Integrating Communities

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Current Partnerships/Alliances

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MALLESONS STEPHEN JAQUES

Raytheon

THALES



Round Tables - *Bring the collective wisdom of the participants to bear on a specific topic or problem, with the principal outcome being a clear definition of further action required*

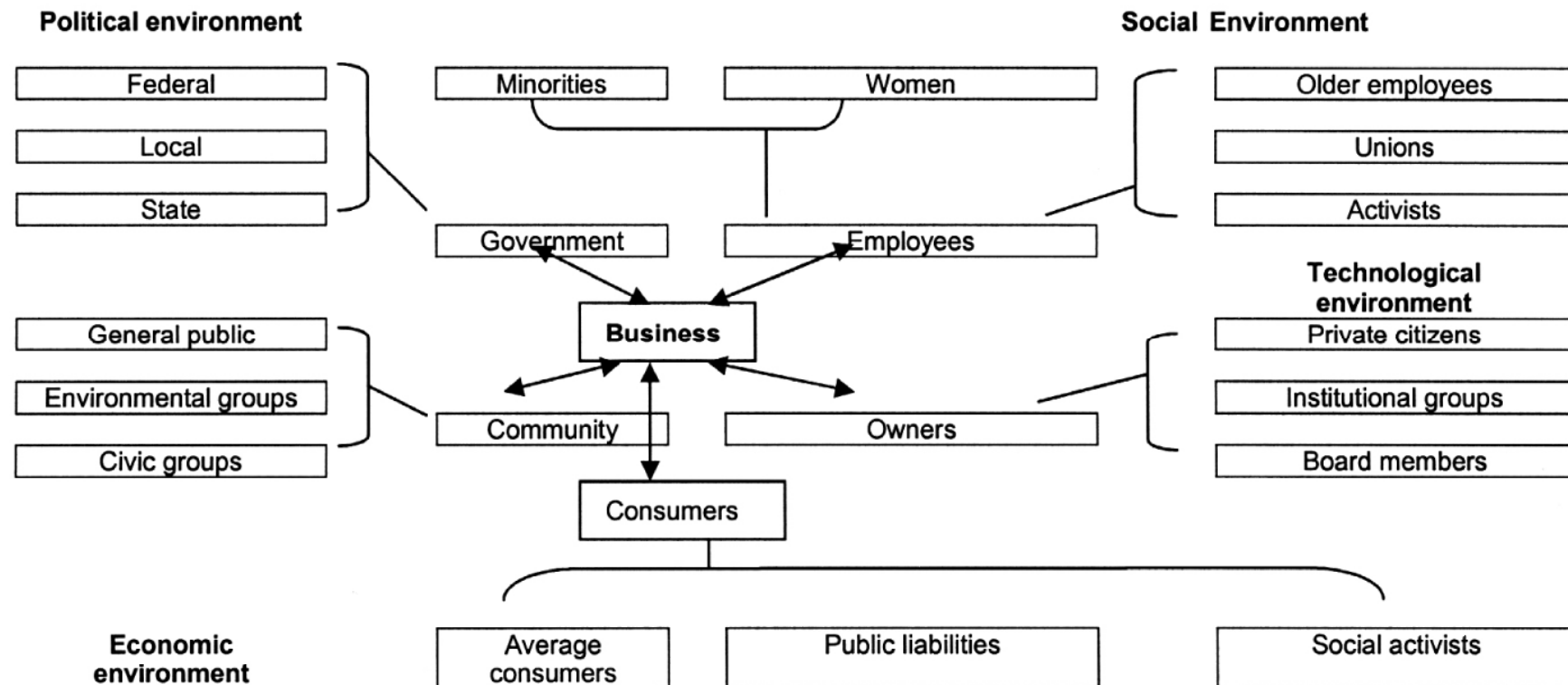
- First series 'Conspiracy of Optimism'
 - Australia 27 May 2009
 - USA 13 October 2009
- So what did the global corporate and public sector say?

The 'Big Issues'

The 'big issues' as highlighted by ICCPM Roundtables:

- Unaccommodated or unaligned stakeholder view of success
- Tension between product success and project success (product vs outcome)
- Political and public relations pressure militating against doing the right thing
- Lack of understanding or acknowledgement of non-technical risk
- Use of competition as a weapon
- Institutionalised procurement practices
- Few project managers are equipped as project delivery leaders
- Lack of opportunity for engagement between government and industry
- Future capability (projects) are predicated on attaining rational estimates
- Current tools and decision processes unsuitable for analysing uncertainty
- Inevitability of scope creep (cost & schedule) especially if contract too early

Unaccommodated or unaligned stakeholder view of success



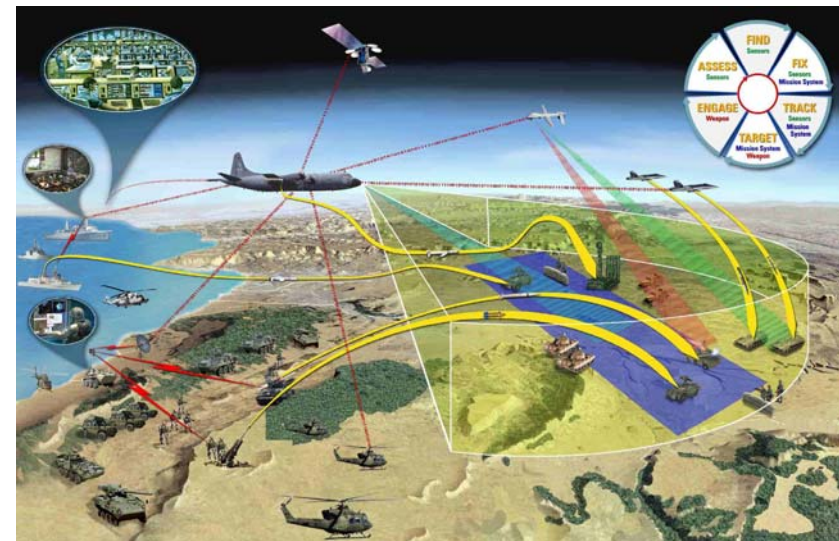
Source: Carroll and Buchholtz (2003, p. 73)

Big Issues

Tension between product success and project success (product vs outcome)



VS



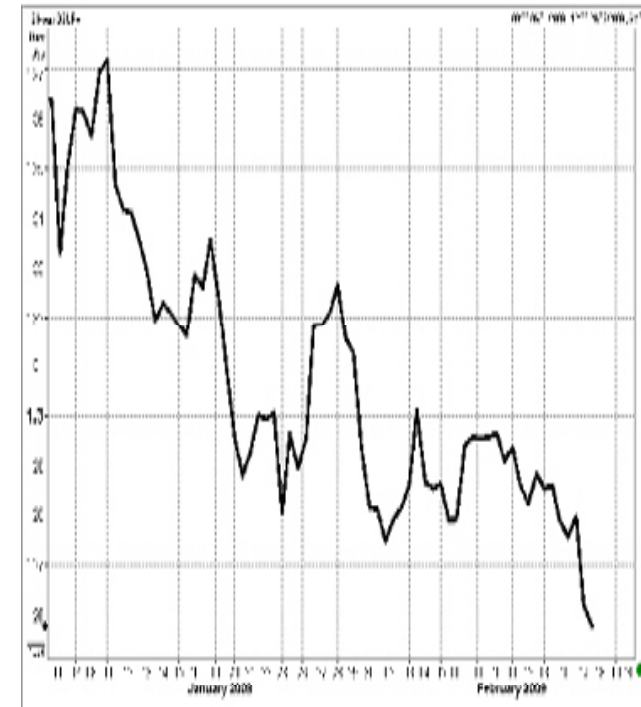
Political and public relations pressure militating against doing the right thing



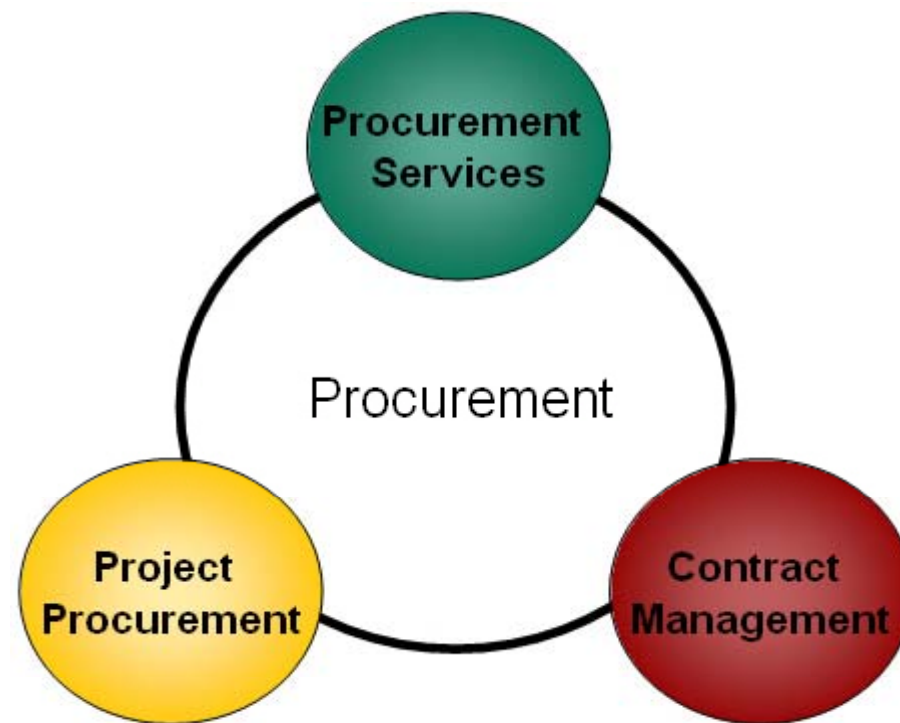
Lack of understanding or acknowledgement of non-technical risk



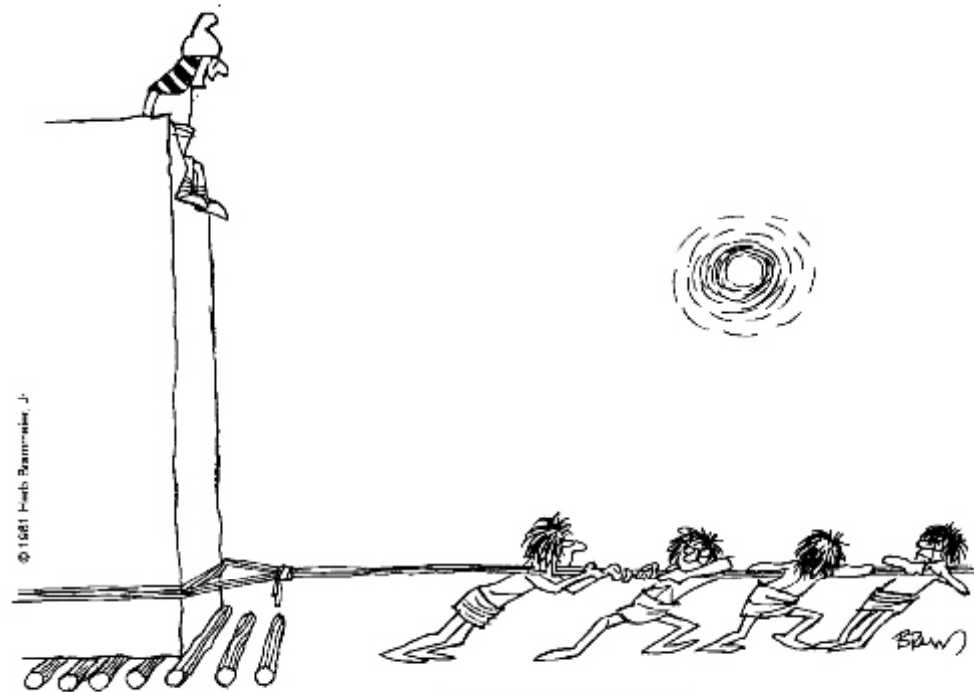
Use of competition as a weapon



Institutionalised procurement practices



Few project managers are equipped as project delivery leaders



© 1981 Herb Rantow, Jr.

"Believe me, fellows, everyone from the Pharaoh on down
is an equally valued member of the team."

Lack of opportunity for engagement between government and industry



Future capability (projects) are predicated on attaining rational estimates



Current tools and decision processes unsuitable for analysing uncertainty



Inevitability of scope creep (cost & schedule) especially if contracted too early



DOES IT MATTER?

YES Because:

- Corporate/government reputation, future contract potential and partner relations
 - Shareholders/citizens will not tolerate ongoing failure
- leads to inaccurate strategic planning, future corporate/national capability and growth
- So what needs to be done???

What Needs to be Done?

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International Education:

- Supporting globalisation of investment in CPM education
 - DMO/QUT Executive Masters in Complex Project Management/Strategic Procurement (EMCPM/SP)
 - UK/Europe/USA/China.....

'I am delighted to be able to inform you that your submission to the Management Education and Development division of the Academy of Management entitled, 15307 Transfer of learning success: The benefits of collaborative academic/industry engagement, has won the MED Division Global Forum Best Symposium Award (Sponsored by U. of Manchester, Manchester Business School).'

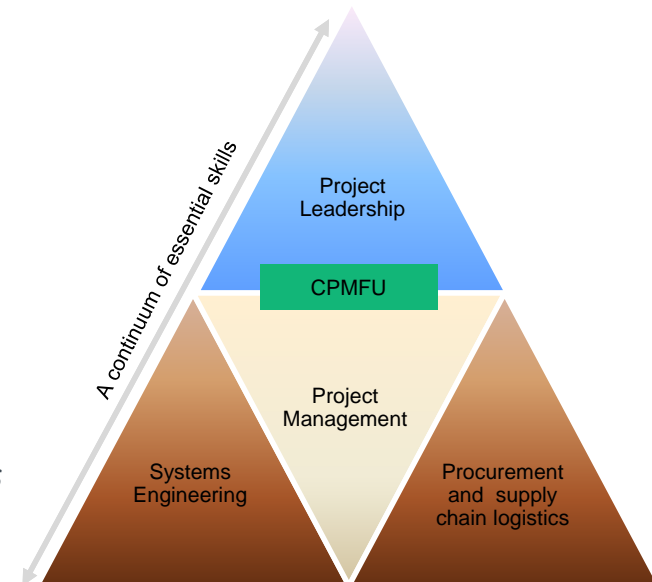
*Jon Billsberry Professor of Organisational Behaviour Coventry University
Program Chair, Management Education and Development (MED), AoM
Academy of Management Chair, Organisational Psychology Special Interest
Group, British Academy of Management*

An advertisement for the Executive Master of Business program. The top section features the QUT logo and the text 'a university for the real world'. Below this, the program title 'Executive Master of Business' is displayed, followed by the two tracks: '1. Complex Project Management' and '2. Strategic Procurement'. The main visual is a photograph of a man in a suit and glasses looking thoughtfully to the side, with a blurred background of a woman and architectural elements. At the bottom, a blue banner contains the text: 'If you are already recognised as a successful project or commercial manager and want more, these immersion programs can accelerate your career to the forefront of complex project and commercial management.'

What Needs to be Done?

International Education:

- In collaboration with QUT and other EMCPM partner universities, ICCPM Developing CPM introductory programs such as CPM Foundations Unit for broader public service and industry education
 - *Looking beyond important but traditional PM processes and skills to introduce new concepts needed to enable work in more uncertain and ambiguous project environments*
 - *Introduces systems thinking as a major unifying theme for considering the nature of complex projects against a background of strategy, stakeholder needs, and the organisational and project delivery architecture (Central Text: Michael Jackson (2005) Systems Thinking: Creative Holism for Managers)*
- Future courses in executive education series to include topics such as Cross-division and Multi-partner CPM, Tools for CPM and Complexity Leadership



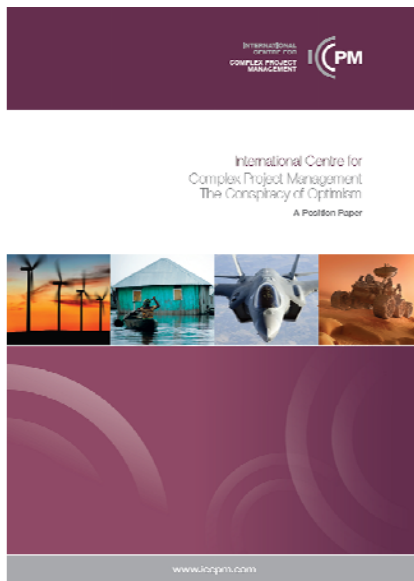
ICCPM Foundations Education
Systems Thinking and
Complex Project Management
A business course



What Needs to be Done?

International Research:

- Annual CPM Research and Innovation Conference – Skema University, France (Aug 2010)
- International investment and collaboration in a number of research projects or activities
- Global White Paper Task Force



International Centre for Complex Project Management
The Conspiracy of Optimism
A Position Paper

www.icpmp.com



Global Access Partners & ICPM present
Complex Project Management Task Force

“No one remembers the budget or schedule anymore of the Olympics, the Big Malar or Sydney Opera House. No one cares either.”
Michael Gansky, ICPM, November 2008

It is a rapidly changing and increasingly complex global and economic environment. New and more effective complex project management and cost-effective delivery capabilities have become a necessity for business, complex projects have emerged to meet the needs of global organisations in global markets. Case studies from around the world demonstrate that although all important, cutting processes and tools are not sufficient for the solutions that many delivery of complex projects. Complex projects face to be completed with an increasing reliance on skills, knowledge and expertise to generate and effective delivery of intended outcomes.

In recognition of this, the International Centre for Complex Project Management (ICPM) and Global Access Partners (GAP) are establishing a task force that will investigate the current barriers and factors affecting the delivery of complex projects. The Complex Project Management Task Force will include key national and international stakeholders from the private sector, governments and academia.

Initiatives will draw heavily on a suite of supporting research, including ICPM’s ‘Conspiracy of Optimism’ White Paper, published through a series of International Conferences (Australia) throughout 2008.

The ‘Conspiracy of Optimism’ as a concept has gained widespread acceptance in past decades, with some major public sector projects’ delivery to be unsustainable. Some of the common structures in the company, while also highlighting the common aspects of project delivery include, compliance and tools to address complex project management.

It is a key objective of an International Centre for Complex Project Management Task Force will be the publication of a white paper that will guide and inform government and business entities on investment required to improve complex project management and service delivery. The white paper will also include advice for future public design and implementation. It is envisaged that among the recommendations of the white paper will be the establishment of a world-wide global research centre for complex project management.

Commitment of Optimism
“Research itself and progress”
The term ‘Conspiracy of Optimism’ has been coined by the Management Practice Institute based in London, UK. The Institute has been a pioneer in the field of project delivery. The Institute has been instrumental in the development of the project delivery process for large and complex projects. The Institute has been instrumental in the development of the project delivery process for large and complex projects. The Institute has been instrumental in the development of the project delivery process for large and complex projects.

ICPM and GAP
www.icpmp.com



ICPM and ONOS-UTS Business Research Project
Complexity as a product for building complex project capabilities

Observing how professionals practice or plan management are available for building something strategic or happening

Many projects fail to meet their objectives. They are over budget and/or miss their deadlines. The project manager often has to explain to the sponsor why the project failed.

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DELIVERING COMPLEX PROJECTS
AN INVITATION TO JOIN A COLLABORATIVE RESEARCH CONSORTIUM
Mark Gibb and Sir, RUSI, Whitehall, London

THE RESEARCH QUESTION
In spite of all the investment made on project management, why do some of the most highly resourced, independently evaluated, national-critical and politically important projects still fail to deliver what’s expected of them - and to cost, quality and time?

THE PROJECT
The working hypothesis that we want to explore is that excellent project management is necessary but not sufficient to deliver complex programmes.

What Works...?

ICPM and RUSI
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White Paper Task Force Members

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<p>Mr Tim Banfield Director National Audit Office United Kingdom</p>	<p>The Hon. Mr Frank Kendall Principal Under Secretary of Defense for Acquisition, Technology & Logistics Secretary of Defense USA</p>	<p>Mr Tom Burbage Executive Vice President F-35 Program Lockheed Martin USA</p>	<p>Mr Tim Cummins CEO IACCM United Kingdom & USA</p>	<p>Mr Colin Douglas Director Communications NHS United Kingdom</p>
<p>Mr Peter Fielder BAE Systems Managing Director Performance Excellence United Kingdom</p>	<p>Mr Peter Fritz AM Managing Director, Global Access Partners (GAP) Australia</p>	<p>Mr Kim Gillis General Manager Systems Defence Materiel Organisation Department of Defence Australia</p>	<p>Dr Steven Gumley AO Chief Executive Officer Defence Materiel Organisation Department of Defence Australia</p>	<p>Dr Gerard Grosjean Senior Advisor Euroadvisor Belgium</p>
<p>Mr Stephen Hayes MBE CEO, International Centre for Complex Project Management Australia</p>	<p>Dr Edward Hoffman Head of Program Management NASA USA</p>	<p>Mr Chris Jenkins Managing Director Thales Australia and Chairman ICCPM Australia</p>	<p>Mr Peter Jennings Deputy Secretary Department of Defence, Australia</p>	<p>Mr Dan Korte President, Defence Aerospace Rolls Royce USA</p>
<p>Mr Robert Lindeman Vice President, Mission Assurance Raytheon Space & Airborne Systems, USA</p>	<p>Prof Peter Little Executive Dean, Faculty of Business Queensland University of Technology Australia</p>	<p>RADM Ian Mack Director General Major Project Delivery Department of National Defence & Canadian Forces Canada</p>	<p>Dr Susan Maybaumwisniewski Vice President for Policy Business Executives for National Security USA</p>	<p>Mr Alastair Milroy AM Executive in Residence Research Council Centre of Excellence in Policing and Security Australia</p>
<p>Mr Mark Pedlingham Commercial Delivery Director Office of Government Commerce United Kingdom</p>	<p>Mr Nick Pelham Head of Gateway, Victorian Department of Treasury & Finance Australia</p>	<p>Ms Sue Pritchard Chair, Complex Project Management Research Consortium United Kingdom</p>	<p>Dr Roy Wood Dean, Defense Systems Management College School of Program Managers US Defense Acquisition University USA</p>	<p>Mr Peter Woodgate Chief Executive Officer CRC for Spatial Information Australia</p>

White Paper Areas of Focus

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The areas of focus as defined by the Task Force include:

- Complexity Frameworks/Competency Standard
- Executive Behaviours and Decision Making
- Risk
- Commercial Management
- Stakeholders
- Knowledge Management
- Complexity Tools
- Education
- Ongoing Research Agenda

Post White Paper – The Future

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- Launch White Paper 1st Quarter 2011
- Provide policy and strategic implementation advice for governments and global corporations
- Establish the long-term roadmap for CPM applied research – funded by ICCPM partnership funds and external grants
- Collaborative, federated, international research community – ICCPM independence from government, corporate and academic allows us to bring together the best global resources to deliver tangible results and change
- Feedback loop into CPM education

The emerging directions for research include:

- Identification Project Leader characteristics
- Data capture and estimation techniques/methodologies
- National/International benefits realisation (what does this look like)
- Development of integrated models within multidisciplinary environments
- How to bring industry and government closer and to enable honest discourse
- Political effects on complex projects
- The transition of service and infrastructure delivery from govt to industry
- Alternative procurement approaches
- The planning Paradox
- Developing value through leadership and supporting organisational change
- Cognition around stakeholder interests and the conspiracy of optimism (why does it occur)

So What Does this Mean?

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- What are the implications for Governments and Organisation?
- What does this mean for the individual?

Although there may be some short-term opportunities, investment in Complex Project Management capability is a long-term strategic journey

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