Imagine a world where all projects succeed!

33%
Aspirational vs. Accidental Project Managers

Average age of PMs = 42.4

Professional Membership Trend
Our agenda

• Human capital as a key EPM element
• What the current data says
• Understanding the full meaning of competency
• Linking competency to organisational maturity
• Embedding competency in resource cycles
• Developing richer competency development pathways
• Going the extra yard to develop full professionals
• The importance of evaluating the ROI for that development

A little self-reflection

• Who will manage your projects - next year, even next month?
• How are you resolving any competency or experience gaps?
• Do you measure the success of professional development?
They don’t grow on trees

ENTERPRISE PROJECT MANAGEMENT AND PEOPLE

EPM - Traditional Elements

- Governance
- Human Capital
- Methods, tools and systems
EPM - Traditional Elements

Governance

Human Capital

Data, Knowledge

Methods, tools and systems

Culture

EPM - Traditional Elements

Governance

Human Capital

Data, Knowledge

Methods, tools and systems

Culture
THE FULL MEANING OF COMPETENCY

They don’t grow on trees

Competency

• The ability to perform a role or task successfully under prescribed conditions
Why a competence difference?

Why you want more than knowledge ...

» You board a flight piloted by two “Air Academy” graduates who have never taken off or landed a plane.

» Your defense lawyer just passed the bar, knows all the case law, but has never practiced before a jury.

» Your heart surgeon memorized the manual, but has never used a scalpel.

Q: What is missing? Competence!
Competency Clusters

PROJECT MANAGEMENT COMPETENCY FRAMEWORK

TECHNICAL

1.1 Integration Management
1.2 Scope Management
1.3 Time Management
1.4 Cost Management
1.5 Communication Management
1.6 Procurement Management
1.7 Risk Management
1.8 Quality Management
1.9 Human Resource Management

CONTEXTUAL

2.1 HSEC Management
2.2 Engineering Management
2.3 Construction Management
2.4 Legal
2.5 Finance

LEADERSHIP

3.1 Flexibility
3.2 Negotiation
3.3 Conflict & Crisis
3.4 Vision
3.5 Communication
3.6 Collaboration
3.7 Judgement
3.8 Accountability
3.9 Leadership

3.2 Flexibility
3.3 Negotiation
3.1 Integration
3.2 Scope
3.3 Time
3.4 Cost
3.5 Quality
3.6 Procurement
3.7 Risk
3.8 Communication
3.9 Human Resource

4.1 Action Orientation
4.2 Credibility
4.3 Collaboration
4.4 Feedback & Recognition
4.5 Accountability
4.6 Judgement
4.7 Leadership Attributes
They don’t grow on trees

COMPETENCY ALIGNMENT TO MATURITY AND TO RESOURCE CYCLES

Competency Embedded in Resource Cycles
Alignment to Organisational Maturity

1: Ad Hoc
   • Ad Hoc

2: Planned
   • But inconsistent
   • Basic induction training, practical project skills workshops

3: Managed
   • At project level
   • PM level training and certification

4: Integrated
   • Effective governance
   • Program, Portfolio Manager and PMO training, Sponsor training

5: Optimised
   • As a learning organisation
   • Genuine Enterprise wide training – learning organisation

ADDRESSING COMPETENCY GAPS

They don’t grow on trees
Strategic Drivers

“Delivering value through the project pipeline”
Marius Kloppers, CEO BHP Billiton

“Acute shortage of experienced project staff”
Marc Vogts, VP Project Management Services
Career Progress

- Project Support
- Minor Projects
- Major Projects, EPCM, EPC etc.
- Major Projects
- Alliances, Global Projects

Resourcing our Projects

- <$5M USD
  - Site Managed
  - Band 1 Project Manager

- $5M to $250M USD
  - Asset/CSG Managed
  - Band 2 Project Manager
    - With Full Time Functional Resources*

- $250M to $2B USD
  - CSG Managed
  - Band 3 Project Manager
    - With Share or Full Time Functional Resources*

- $250M to $5B USD
  - CSG Managed
  - Band 4 Project Manager
    - With Full Time Functional Resources*

- >$5B USD
  - CSG or Corporate Resourced
  - Band 5 Project Manager
    - With Full Time Area Managers and Functional Resources*

*For Engineering, Project Control, Construction, HSEC & Procurement
But it is Complex

- Career paths are more complex, .. Pathways in this framework are indicative, ... They represent only some of the more typical progression paths.:
  - movement between roles as personal preferences and job requirements dictate, .. between project management and governance or technical roles, or even .. between various levels of project management....
  - Individual entry points for staff who join the organisation or as current staff members join the project management community ....
The Key Steps in the Process

Online questions
Interview later today
Manager review
Debriefing with you and your manager.

Development:
- Training
- Mentoring
- Experience

Paul McGuckin, PM Services, June 2009
Slide 31

2.2 SELF ASSESSMENT MAP

Technical: 1-Emerging 2-Aware 3-Applying 4-Competent 5-Mastery
Personal & Leadership: 1-Strong need 2-Develop need 3-Functional 4-Strength 5-Exceeds

Integration Management
Time Management (Schedule)
Cost Management
Quality Management
Human Resources Management
Communication Management
Risk Management
Procurement Management
Health, Safety & Environmental Management
Engineering Management
Construction Management
Commissioning Management
Legal
Finance
Commissioning Management

1. Technical
2. Contextual
3. Personal
4. Leadership

International Project Management Association
The Printed Report

Project Management Competency Development

Paul McGuckin, PM Services, June 2009 Slide 33
It Takes Three, Baby

Training + Experience + Mentoring = The Genuine Article

They Don’t Grow on Trees

GOING THE EXTRA YARD – DEVELOPING THE GENUINE ARTICLE
Four Stages of Learning

**STAGE 1: UNCONSCIOUS INCOMPETENCE**
- Unaware
  - Typically unaware of the discipline of project management, or certainly doesn't attribute this function to own role.
  - No training or competency development in the field.

**STAGE 2: CONSCIOUS INCOMPETENCE**
- Novice
  - Aware of project role, but untrained
    - May operate as part of team or under guidance
    - Induction training
    - Basic PM courses
    - IPMA Level E

**STAGE 3: CONSCIOUS COMPETENCE**
- Practitioner
  - Aware of role, and typically has basic training
    - Is accountable for project outcomes
    - Needs holistic competency based training
    - IPMS Level C

**STAGE 4: UNCONSCIOUS COMPETENCE**
- Expert
  - Challenged by more demanding and accountable project roles
  - Is already competent at practitioner level
  - May be already professionally certified
  - Advanced, purpose designed training
  - Learning organisation
  - IPMA Level B
Getting to Good

Building the Genuine Article
- Learning Organisation
- Coaching and Mentoring
- Peer Networks
- Project Forums
- Special Interest Groups
- KPI’s and Incentives
- Performance Reviews
- Benefits Management
- Lessons Learned Process

STAGE 4: UNCONSCIOUS COMPETENCE
STAGE 1: UNCONSCIOUS INCOMPETENCE

STAGE 3: CONSCIOUS COMPETENCE
STAGE 2: CONSCIOUS INCOMPETENCE

HOW DO WE MEASURE THE SUCCESS OF PROFESSIONAL DEVELOPMENT?

They don’t grow on trees
• What is the measure of success?
• Are there any ROI models?
• How do competence frameworks fit into the equation?

![Pie chart showing percentages of Training (17%), Logistics (6%), and Downtime (77%)](chart.png)
Summary

• Whoever said it would be easy?
• Tomorrow’s successful project is being built on today’s professional development decisions
• And as the man said – If you fail to plan, you plan to fail!
## ROI – Kirkpatrick Model

<table>
<thead>
<tr>
<th>Level</th>
<th>Meaning</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reaction – Did the learners like it?</td>
</tr>
<tr>
<td>2</td>
<td>Learning – Did they learn?</td>
</tr>
<tr>
<td>3</td>
<td>Behaviour – Do they actually use it?</td>
</tr>
<tr>
<td>4</td>
<td>Results – Did it have a business impact?</td>
</tr>
</tbody>
</table>

## Return on Investment

<table>
<thead>
<tr>
<th>Level</th>
<th>Proof</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reaction – Participant Feedback - 😊</td>
</tr>
<tr>
<td>2</td>
<td>Learning – Summative Assessment Knowledge Questions</td>
</tr>
<tr>
<td>3</td>
<td>Behaviour – Workplace Observation Skills Audit re-baselining Professional Accreditation</td>
</tr>
<tr>
<td>4</td>
<td>Results – Project Management Maturity Specific ROI Measures</td>
</tr>
</tbody>
</table>
But It is not Just ‘Bang for Buck”

• Sure, measuring ROI is a good idea on first principles
• It makes sense to ensure we are spending well
• But the ROI approach is intrinsically smart:
  • The ROI proofs themselves represent good organisational best practice
  • So if ROI leads us to that point – Great!

Measuring the Return on Investment

• Benefits Management is not new
• Kirkpatrick Model is widely applicable
• ROI requires “sharpening the pencil”
• ROI can be based on tangible elements
• But it not just measuring bang for buck
• ROI forces us to ‘do the right things’
Are We There Yet Mum?

SUSTAINING SUCCESS
The Trick is:

- The failures are linked to people issues
- Keep the snakes small
- Build the ladders big

CONCLUSION

They don’t grow on trees