

Executive Management's Role In Project Management

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You cannot be a success in any business without believing it is the greatest business in the world . . .

Thomas Watson, Sr. (1874-1956) Chairman of IBM

Role Ambiguity

The role of Executive Management in the field of project management has been cussed and discussed over the years and is again receiving attention in the project management community. It appears that few have found an agreeable description of the Executive Management's project role and in some fashion successfully conveyed that role description to their Executive Managers.

Frank Saladis, PMP, a Principal of Project Imaginers in New York City, recently highlighted some of the challenges faced by project managers because of the unclear project role of the Executive Manager.

- ♦ A manager was quoted as saying to a project manager "This project is going along very well, so what do I need you for?"
- ♦ "This planning stuff is OK but don't get carried away, we have REAL work to do!"
- ♦ Why do many people say when a project is being chartered, "Don't make a project out of this!"

Frank touches on an age-old problem -- some in Executive Management do not understand what project management is about and why some project activities are necessary to ensure meeting the objectives of the project. Project management literature does not adequately address the role of Executive Management in either a general way or give specifics. It is believed that Executive Managers who are better informed could make a significant difference in the organization's use of projects as the best possible approach to accomplishing the work.

Some argue that the Executive Manager needs the same **technical** knowledge and skills as the project manager to support the project. Others argue that Executive Managers just need to know how to delegate the authority and provide support when the project managers request it. Both arguments appear to come from project management practitioners more than from Executive Management. So, what is the answer?

Trainers often state that the Executive Managers should have the same **project management** knowledge and skills as the project manager. Therefore, they believe that Executive Management should attend courses that teach the technical skills of designing, planning, and controlling projects. This training often falls short in content and practice on conducting project reviews, how to assess the progress of projects, or when to intervene when projects are failing.

Hands-on or Hands-off Style

Executive Management may take a "hands-off" approach whereby the project manager is allowed to plan and implement the project, or a micromanagement approach where each detail is examined and questioned. An example of micromanagement is where an Executive Manager performed the scheduling and cost analysis for a major project – until the project failed to achieve its objectives.

An example of a hands-off approach is where an Executive Manager established milestones and only managed the milestones. His comment, "I empower people on the project to do anything they want between milestones as long as they meet those milestones."

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Factors for Consideration

Projects of all sizes and all priorities need some involvement by Executive Management to allocate the needed resources appropriately to the projects. Projects that are most important to the organization often need more Executive Management involvement than projects that are routine for the organization. The level of involvement by Executive Management in projects and project-related matters is contrasted with project managers to demonstrate the difference in knowledge requirements. And we derive the role for Executive Management from the comparison.

Strategic goals for the organization.

- Executive Management sets strategic goals for the organization and uses projects to meet those goals. The requirements of the strategic goals must flow down to projects and the Executive Managers must ensure the projects have a direct alignment with the goals. Any change to the strategic goals might be cause for a change to projects such as to terminate, modify, or continue under different project goals.
- Project managers implement projects under the guidance provided by Executive Management while ensuring the project goals are in alignment with the organization's goals.
- Role # 1 for Executive Management. Provide project managers guidance that is complementary to the organization's strategic objectives and track the alignment of strategic objectives to project objectives.

Selection of Projects.

- Executive Management selects efforts to pursue as projects and ensure these efforts enjoy good business cases for the organization.
- Project managers accept tasking to develop plans to implement authorized projects.
- Role #2 for Executive Management. Select those work efforts that contribute to the business of the organization and reject those that consume resources without the requisite benefits.

Organizational strategy for projects.

- Executive Management designs the organization to meet its strategy as to how the organization will implement project management. One might design the organization to use portfolios, programs and projects. A portfolio is a combination of multiple projects under the direction of a portfolio manager, who allocates resources and tracks project progress. A program is a series of projects that are interconnected and lead to a single product, such as a large aircraft development that uses projects to fabricate components of the aircraft.
- Project managers work within the organizational design established by Executive Management. Typically, project managers have little influence over the organization design or the management structure above the project level.
- Role #3 for Executive Management. Design the organization for project management implementation to best meet the organization's strategy for the use of projects as building blocks to organizational success.

Monitor Project Progress

- Executive Management tracks the general progress of projects, typically against milestones, to measure project performance. Reviews of progress and new guidance are accomplished on a monthly, bi-monthly, or quarterly basis.
- Project managers track progress at the work package level to determine project performance. Reviews of progress and corrective actions are typically accomplished on a weekly basis.
- Role #4 for Executive Management. Track project progress on a periodic basis to ensure progress is being made against the plan.

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Factors for Consideration, continued

Change the Project Plan

- Executive Management approves significant changes to project plans. The Executive Manager approves the original plan and reviews the impact of all major changes prior to approving those changes.
- Project managers request approval to make significant changes to project plans.
- Role #5 for Executive Management. Approve or reject significant changes to project plans.

Resource Allocation for Projects

- Executive Management allocates the organization's resources to projects (and other work) based on priorities of the work. This urgency of need for resources (staff, money, other) is made based on the organization's mission and commitments to delivery of products and services to clients.
- Project managers request resources from Executive Management through plans and other documentation. Assigned resources are used within the scope of the project in pursuit of project goals.
- Role #6 for Executive Management. Allocate resources to projects in accordance with the organization's priorities and commitments to clients for deliveries.

Leadership for Projects

- Executive Management develops and nurture project managers through a variety of means such as training, mentoring, coaching and the like. Executive Management fill the organization's need for project management competence by selecting project managers and building on their capabilities.
- Project managers exhibit and demonstrate leadership in the project team to accomplish the projects goals. Project managers also develop leaders within the project and serve as role models for aspiring project managers.
- Role #7 for Executive Management. Develop project managers as leaders within the organization and expand their capabilities to assume more and greater responsibility for project success.

Project Management Knowledge for Executive Management.

As seen from the short list of roles for Executive Management, there is some overlap in project management knowledge. It is the overall role of the Executive Manager, however, to be the good shepherd for the organization – projects being a part of that responsibility. To meet the responsibilities, your Executive Management group needs a knowledge base that includes many of the following topics.

- **Strategic Goals for the Organization.** Know the goals and how projects contribute to the organization's success. Executive Management must translate these broad goals to specific projects. If the strategic goals change, the Executive Manager must be able to assess projects that may be contributing to these goals and align projects to new goals.
- **Designing the Organizational Structure to best Accommodate Projects.** Executive Management needs to know about project portfolios, program, and projects. A project is the basic building block for portfolios and programs, and projects are typically classified in terms of small, medium, and large. Executive Management needs to know how to design the organizational structure to best accomplish the organization's business.
- **Project Selection.** Executive Management needs to develop criteria that guides the project selection process to ensure the projects deliver the desired benefits when completed. The selection process might consider risk, technical or management complexity, availability of resources, alignment with the business purpose, anticipated profit, and organizational growth of competency.

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Project Management Knowledge for Executive Management, continued

- **Project and Program Reviews.** Executive Management needs to know how to conduct reviews of work in progress and anticipated future progress. This is typically a look at the project plan to determine rate of productivity for completed work, current status as compared to planned accomplishment, and anticipated future work. For a quarterly review, the format is often (1) what happened in the past quarter, (2) what is happening in this quarter, and (3) what is planned for the next quarter.
- **Thresholds for Change.** Executive Management needs to know when intervention is indicated. Often, Executive Management do not support the project manager until the project is on the threshold of failure. Project managers are changed and the new project manager is given what the prior project manager needed to make the project successful. Intervention sooner may have saved a lot of effort and lost time. Establishing some thresholds for Executive Management to act upon at the start of the project should trigger involvement in a failing project.
- **Leadership for Executive Management.** Executive Managers can serve as role models for the project manager and project team through the right actions. One important item is to make timely and supportive decisions. If the project manager fails, the Executive Management fail as well. Executive Management' actions or inactions can severely impact projects and the project manager is then viewed as failing to meet the requirements.

In Summary

As seen from this brief treatment of the roles that Executive Management should have in regard to projects, there is a distinct difference from the project manager's role. While the role of the Executive Manager may vary among different organizations, there is still the responsibility to guard the interests of the organization by the proper interface with project managers. Selection and supporting projects that serve as building blocks to the success of the organization may be the primary functions, but Executive Management can be successful by making the project manager successful.

The primary difference between the two roles, i.e., Executive Manager and project manager, is the focus. Executive Managers are responsible for meeting the overall strategic and business goals of the organization and the project manager is responsible for meeting the project's goals. Executive Management must maintain a sharp view of the organization and a general view of each project to ensure convergence on objectives. Project managers, similarly, must maintain a sharp view of the project to ensure convergence on its objectives.

When each manager understands and is competent in his/her role, the organization receives the best results. Duplicate management of projects has no benefit, but Executive Management oversight and questioning measures the degree to which the project is progressing toward its objectives.

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Lew has authored or co-authored project management books and articles for professional journals. He is a continual contributor to the *American Society for the Advancement of Project Management* by writing short articles for our website. He was recently appointed a Consulting Editor to McGraw-Hill Publishing Companies for a project management series of books.

Lew has a history of serving for nearly 25 years in volunteer positions to advance project management. He is past President and Chair of the Project Management Institute and has served in various positions within PMI®. He has been recognized by PMI® for his contributions by the Distinguished Contribution Award, Person of the Year, and elected a Fellow of the Institute. He currently serves as President of the *American Society for the Advancement of Project Management (asapm)*, a professional society dedicated to better project management practices.

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