Achieving Excellence in Changing Times: IBM’s Journey to Project Management Competence

Presented by
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Director, IBM Project Management Center of Excellence
Agenda

• Why and how IBM...
  – Developed this initiative
  – Adapted the strategy to business priorities like Smarter Planet
  – Is impacting our employees, our business, and our clients through Smarter Project Management
IBM Recognized its Internal Challenge…

*Project management was identified as key to reliably delivering business commitments*

*Lack of project management discipline was identified as a major factor in failure …*

*… contributed to by the entire organization*
... And Developed an Enterprise Approach to PM

The Business Charter: **Raise PM to a Core Competence**

- The Change Agent: PM Center of Excellence
- One Consistent PM Approach
- Qualified PMs on Significant Projects
- Strong Project Performance Measurements
- Accountable PMs and Executives
- A vibrant PM Community of Practice

The End Result: **A Project-Based Enterprise**
We Defined the Governance Structure to Manage the Change

**Executive Steering Committee**
- Ensure “Decision to Change” Happens in Their Business Unit
- Provide Guidance
- Work Through Deployment Leaders and Business Unit Management
- Remove Obstacles
- Communicate the Message

**PM Center of Excellence**
- Develop and maintain programs, tools, methods, and policies to develop and support systemic use of PM disciplines across the corporation
- Deploy and integrate PM discipline by the business units

**Business Unit PM Competency Networks**
- Business Unit PM Competency Leaders

**Line Organizations**
- PM Community
We Used Project-Based Constructs to Organize our Work and to Develop Project Management Competency

Manage Strategic Objective(s)

- PROGRAMS
- PROJECTS
- PORTFOLIO(S)

Provide Business Views

Deliver Tactical Solutions
We Documented our Desired Outcomes

A _community of qualified PM Professionals_ that lead teams and manage on-time deliveries within scope and cost, reducing risk by _using project based disciplines_.

_PM Methods and PM tool set_, scalable and adaptable to customer program and project needs, that provide the right level of control to match risk and ensure delivery.

Management systems, _infrastructure and process_, that provide visibility to project and program information needed to manage the business effectively.
We Planned IBM’s Journey to Ultimately Reach Systemic Use of Project Management Disciplines

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We Identified the Specific Initiatives ....

### Desired Outcomes

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- **Build skills of professionals**
  - Put key enablers in place
  - Make PM systemic to our business
**2009 INTERNATIONAL PROJECT MANAGEMENT DAY**

...Necessary to Build Competence throughout the Enterprise

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| Initiatives      | • Skills  
• PM education  
• PM qualification  
• PM Knowledge Sharing | • PM method  
• PM tools  
• Guides  
• Maturity assessments | • Executive involvement  
• Measurements  
• Mgt systems integration  
• Communications |
| Competence       | **Individual**                                                                                                                                                  | **Project**                                                                                                                                               | **Enterprise**                                                                                                                                         |
“Every human being, company, organization, city, nation, natural system and man-made system is becoming interconnected, instrumented, and intelligent. This is leading to new savings and efficiency – but perhaps as important, new possibilities for progress.”

- Samuel J. Palmisano
IBM Chairman, President, and CEO
Project Management disciplines must be interconnected, instrumented, and intelligent.

Project Example: Smarter Cities
So how do we manage projects in a globally integrated business environment?
Smarter project manager education includes...

• **Common global curriculum** that places all project managers in the organization on a common foundation.

• Provision for **specialized knowledge for different business units and geographies**.

• Mechanism to **keep the project managers current** as the world is rapidly changing.

• **On-demand education** to meet the project manager’s delivery needs.
We Match Project Manager Capabilities to Program and Project Needs

- **Tiers of qualification** to provide a logical career path for PM professionals
- **Common education and experience requirements** with provision for specialization
  - Knowledge test to verify retained learning
  - Verification of technical experience
  - Professional PM experience
- **Evidence of dedication to the profession**
- **Periodic revalidation**

A yardstick must be available to measure capability for staffing.
Project Management disciplines must be interconnected, instrumented, and intelligent.

**Project Example:**
Stockholm’s Smart Transport System

- **Financial** sustainability: so that a city’s costs are in line with revenues
  - The congestion charge has been self-financing, generating **€84m** that will be channeled into further reducing congestion

- **Environmental** sustainability: so that a city does not run out of resources and is not wasting resources
  - The environmental benefits include a reduction in emissions from road traffic of up to **14%** and in greenhouse gases of **40%**

- **Economic** sustainability: using resources efficiently, meaning all costs, private and public, are reflected in the price of a service in a city
  - Economic benefits include a decrease in inner-city traffic of up to **25%**, greater use of public transport, and a **6%** boost in inner-city retail business
IBM’s Worldwide Project Management Method (WWPMM) provides a common link.

- Defines how to shape, manage, and execute
- Integrated into the business
- Adapted to different technical methods for different types of work
- Portable and predictable
- Expands on PMI’s PM Body of Knowledge (PMBOK®)
We Chose a Project Portfolio Management Tool Flexible Enough to Support the Enterprise Needs

- Consistent delivery
- Reduced learning curve
- Better visibility to portfolio
- Reduction in tool and training cost
- Portability of key resources
- Increased client satisfaction
- Better management decision making
Project Management disciplines must be interconnected, instrumented, and intelligent.

We live in a world of pervasive technologies, sensors, and networks.
We Continue to Build a Core Competence in Project Management and a Strong PM Community

- PM Center of Excellence leads our global community of PM professionals
- 25,000+ Project Managers worldwide
- 12,000+ Project Management Professionals (PMPs)
- 5,500+ IBM Certified Project Managers
- Single Worldwide Project Management Method
- Single Strategic Project and Portfolio Management Tool
- Single Worldwide Project Management Curriculum
- Recognized by PMI and delivering
- 100,000+ Annual Student Days of PM Education
- PMI Awards: Continuing Education Provider, Distinguished Project, Professional Development Provider of the Year, and Education Provider of the Year
PM Community Members Share Intellectual Capital and Lessons Learned…

Community. Interconnecting and leveraging common goals.

- Knowledge sharing
- Communities of interest
- Mentoring
- PMI Study groups
- Giveback volunteers
- Peer reviews
IBM uses the Rational Asset Manager Tool (IRAM) to **collect and manage** Project Management Intellectual Capital

- Web-based
- Available to all IBM employees
- Since 2000, always in top 3 of over 100+ IC repositories
- Enables project managers to submit IC online
- Contains functions to manage the review and approval for submitted assets
- Assists Project Managers in search for needed solutions and reuse of existing solutions often applicable to new projects and initiatives
Our Project Managers Access a PM/COE Website for Current information on Corporate PM Programs

The Project Management Center of Excellence (PM/COE) mission is to drive corporate programs to transform IBM to a project-based enterprise working with the PM Competency Network across IBM's various lines of business. Enterprise Project Management (Enterprise PM) underlines the integration of project management disciplines into the fabric of IBM to make project management systemic across the enterprise.

Executive Spotlight

Transformation and Discipline
I am writing these thoughts as our Chairman Sam Palmisano announced IBM's second quarter financial results. In his remarks to IBMers, Sam said, "Our continuing solid performance in the second quarter was the result of our transformed business model and discipline." Certainly part of IBM's business model transformation over the past decade is its change to a project-based business. As project management professionals, each of you has helped to drive this change through your project management leadership.

Read More

Recognizing our Best

Each month for the balance of the year, the Project Management Center of Excellence will recognize an individual who goes beyond every day demands of the project management team.

Read More

PM Proposal Inserts Now Available

Responding to a RFP? Looking to describe the value of project management? A series of project management proposals are now available to assist you.

PM Proposal Inserts Now Available

Read More

A new perspective: Global Delivery added to Technical Leadership Exchange

Starting now until August 31, the Technical Leadership Exchange team is inviting project management professionals to submit an abstract for all series and tracks, with an emphasis on the challenges of global delivery.

A new perspective: Global Delivery added to Technical Leadership Exchange

Read More
We Equip our PMs to be Able to Broker the Virtual World

- Culture – Ethnicity, Nationality, Language, Religion, Politics, Slang, Practices, Respect, Naming, Classes
- Geography – Distance, Time, Technology
- Technology / Virtualization:
  - Conversations – conference calls, instant messaging
  - Meetings – Web meeting, virtual world
  - Learning – virtual classroom
  - Mentoring – conference calls, Web meeting
  - Socializing – Facebook, LinkedIn, Twitter
IBM’s Three-Pronged Approach Provides the Necessary Building Blocks for Smarter Project Management …

MANAGE AN INTELLIGENT PROJECT MANAGER PIPELINE

- Education
- Qualification
- Cover key projects

PROVIDE INSTRUMENTED PROJECT-BASED ENABLERS

- Method
- Tool
- Policy

INTERCONNECT ACROSS IBM’s PROJECT-BASED ENTERPRISE

- Executive involvement
- Management systems
- Knowledge sharing
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To Help us Build a Smarter Planet … Ensuring Value to our Business and our Clients

The widespread use of PM disciplines is integral to a strong, qualified resource pipeline, product and service delivery, and our customers.

**IBM Enterprise Value**
- Single investment stream in PM methods and tools
- Reduce duplicate training, technology and documentation
- Maximum utilization of resource
- Early detection of troubled projects
- Reduced loss, improved gross profit

**Project Manager Value**
- Relevant PM skills, education, qualifications
- Portability for future assignments in any business unit, project or program
- Professional community Collaboration

**Client Value**
- Improved efficiency and effectiveness of project teams
- Project start up, status, reconciliation
- Use of best practices
- On time, on budget, high-quality delivery
IBM Project Managers … Helping to Build a Smarter Planet