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For immediate release:

DECEMBER 2007

Roanoke, VA --

Project Management – The New Black
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Have you heard the news? The hottest new trend? It's sweeping the nation...no, the globe!

PMBOK. PMI. PMO. PMP. PM/CMM. Projects. Programs. Portfolios. WBS. Charters. Critical Paths.

To borrow a phrase from the 'here today / gone tomorrow' fashion industry – **Project Management is the new Black!**

While Projects and Project Management are nothing new, the attention and focus this management methodology is receiving from all levels of business, government, and academia is at an all time high. Project management certifications such as the PMP (Project Management Professional) from PMI (the global Project Management Institute) are becoming prerequisites not only for IT professionals, but for construction, architecture, finance, marketing, manufacturing, education, and government managers at all organizational levels.

New Tools for a New Economy

What is the reason for this unprecedented interest and emphasis on the theories and practices of managing projects? One only needs to consider the drivers for the previous management crazes du jour such as TQM or JIT. The answer is profit folks...the good old bottom line.

Just as the manufacturing and industrial era focused on task specialization and trimming the fat from inventory to squeeze every last penny of margin out of each widget they created, our current service and information economy is turning to another set of management practices to increase their chances for success.

Everything's a Project

When we stop to consider the product of today's information workers, we soon realize that nearly everything is project driven. Let's look at the PMBOK (Project Management Body of Knowledge) definition of a project:

"A project is a temporary endeavor undertaken to create a unique product, service or result."

The keys to this definition are that a project is:

- 1) **Temporary**, that is it has a beginning and a foreseeable end. Without an end, the work is operational.
- 2) **Unique**. A project is undertaken to create something new, something that has not been done in this exact way, by this organization.
- 3) **Product, Service, or Result**. A project must produce something.

There are certainly still jobs within our organizations that focus on the operational aspect, that is keeping the doors open. But even if you work for a factory churning out millions of tiny widgets over and over, at some point that widget was a concept in someone's mind, then it was a rendering on paper or a CAD workstation, then there was re-tooling of a production line, then quality control, then a marketing plan, then distribution...are you beginning to taste a project?

A new product line.
A new marketing campaign. A new political campaign.
A new class offering. A new service offering.
A new kids meal toy. A new weapons system.
Everything we do, everything we create is infused with the *project*.

Innovation Management

One thing that may be standing out at this point is that small modifier, "new". Projects are started to create something that hasn't been created before, something that will differentiate us from our scheming, dog-eat-dog competition who are right now, right down the street hunched around a table working on their own PROJECT!

Innovate or Die! This is the wisdom of our iPod, gadget phone, virtual second life information age. Those with the hippest, smallest, fastest thingamabob rule the NASDAQ. And once you make a splash, the expectation is set for a constant exponential escalation of yet hipper, smaller, and faster thingamabobs.

So what management technique will allow us to compete in a fast paced, competitive environment where we are constantly expected to produce unique products or solutions on an ever shrinking release cycle?

Project Management = Innovation Management

All innovation within a company, whether it comes from the CEO or the janitor, will need a project to take it from that *Eureka!* moment to a reality. And who will manage that project? Probably not the same person who dreamed it. You will likely want to find someone with the skills, processes, and tools needed to bring that concept to fruition on time, under budget, and with a compelling level of quality. This person is certainly beginning to sound like, hmmm...a project manager?

I've Been a Project Manager Since Before You Were Born

A common barrier to the adoption of new techniques and, indeed, paradigms is the old "if it ain't broke, don't fix it" mentality. I appreciate the battle tested and seasoned veteran manager's sentiment and sincerely value the trails that have been blazed before me. However, I have to pose the question, "Would you build a skyscraper without power tools?" or "Would you hand collate the mailings for a national marketing campaign?" All smugness aside, today's project management employs cost-based, statistically sound methods combined with a common language and theory to produce a higher quality outcome with significantly smaller variations in cost and schedule.

To quote some now infamous statistics from the 1994 *CHAOS Report* by The Standish Group...

- 31.1% of projects will be canceled before they are completed?
- 52.7% of projects will cost 189% of their original estimates?
- Only 16.2% of software projects are completed on-time and on-budget? (Only 9% in larger companies)
- Projects completed by the largest American companies have only approximately 42% of the originally proposed features and functions.

Now progress has been made in the last decade, but there is a lot farther to go. Cost, schedule, quality, and customer satisfaction form the foundation of today's project management methodologies.

If the Leaning Tower of Pisa had been managed by a PMP...well, you take my point.

Me? A Project Manager?

So do you need to put this article aside and go out tonight to study for your PMP certification test? Maybe. Maybe not. If you are the owner or C-level executive of an organization in a competitive market (and yes government and academia are competitive too), you should certainly consider hiring or developing some project management expertise in your organization. Your competitors certainly are.



Sam Carlson is the Practice Leader of Virtual IT's Program, Portfolio, and Project Management (P3M) Consulting Practice where he assists clients from industry, academia, and government discover the joys of project management.

Additional articles in this series include:

- How to Talk to a Project Manager, If You Really Have To (and you do)
- Project + Process + Platform = Profits
- What is (and is not) a Project, Program, and Portfolio? (How to tell the difference)
- Projects: The Bottom Line

Virtual IT is a full-service information technology consultancy, providing high-level strategic and tactical support for businesses, local governments and government agencies. The firm provides services in the areas of business strategy, IT strategy, and enterprise application integration and development. Headquartered in southwestern Virginia with additional offices in the Mid-Atlantic and Southern regions, the company provides clients with high-quality management and IT consulting services.

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