CREATING A PROJECT CULTURE: THE UNTOLD STORY

Ivan Rincon, B. Eng., MBA, PMP

National Aeronautics and Space Administration

NASA History Office

Report of the

PRESIDENTIAL COMMISSION

on the Space Shuttle
Challenger Accident

June 6th, 1986
Washington, D.C.

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Report to the President

IMPLEMENTATION OF THE RECOMMENDATIONS

of the Presidential Commission
on the Space Shuttle

Have we learned the lesson? Sadly no…

Initial thoughts about organizational culture

- Why is it important?

- Why is it relevant?

- How is it related to projects?

- Are there differences between the organizational culture and a project culture?

Session objectives

- Understand the differences between an organizational culture and a project culture

- apply a knowledge base to assess project culture to the participant's organization using simple tools

- create a plan to 'bridge the gap' and move towards a project culture within the organization

Organizational culture principles

■ Case study:

Mary is a long time employee in our organization and well regarded by all her colleagues. Maria is the financial analyst in a very critical project. The Project Manager gives Mary the approved timesheets and Mary generates the invoice for the client. After one of these cycles, the PMO discovers a major difference in the last invoice and it was clearly Mary's fault.

Questions (3 minutes)

- What is the most immediate action taken by your organization in this case?

- Assign 10 points between this three improvement actions. If your organization does not follow this action, assign 0.
  - *Review the process*
  - *Review the tools used*
  - *Review Mary's skills and abilities*

- What is the long term lesson learned from this incident with Mary

Agenda

- Principles of organizational culture
- Culture life-cycle
- Elements of a project culture
- How to create a project culture
- Summary

What is organizational culture?

■ Organizational culture is a shared set of values and attitudes providing context of how individuals function within an organization. Every organization has a culture and those individuals inside the organization are "subscribed" to this culture.

■ The culture helps to form the work style, decision-making process, feeling and work dynamics within the organization.

Elements of great corporate cultures

- Vision – Provides a sense of purpose

- Values – They are the core of the culture. Create behaviours and offer guidance.

- Practices – Tangible elements providing concrete actions.

- People – Recruiting, retention, and rewarding practices support those who live the culture.

- Narrative – Tell a story and it is powerful to its employees, clients, and partners.

- Places – The organization creates spaces where the culture will flourish.

Source: HBR, Mayo 2013

Why is corporate culture important?

- It allows the organization to recognize if it has the ability to do things right.

- It builds fields of positive (and negative) energy.

- Enables employees to act in ways that prove to be positive to the organization.

- Generates "self-correction."

- It reflects to the outside of the organization.

Ten actions to create a positive culture

- Do what you say you want to do but be clear on the intention,

- Be transparent; involve people.

- Reward humility and hard work.

- Allow people to resolve problems. It fosters relationships.

- Show true empathy

Ten actions to create a positive culture

- Support teams and provide them with tool to make it happen.

- Define a hierarchy to show structure and not power.

- Do not seek immediate rewards but incremental gains.

- Always support people and the culture they represent, specially when it is the culture you want for the organization.

- Use your heart and mind in equal parts.

Organizational assessment

- Questionnaire

Project culture

- What is project culture?

- Are there common elements? What can be different?

- What do I need to do different to approach the creation of a project culture?

Project culture?

- "Norms, beliefs, values and assumptions of the project team."
- "Building of basic principles used to establish the way people work in a project team."

Project culture!

"Organizational culture where new and transformational initiatives are considered strategic, and they are implemented in the organization with a systemic approach comprised of organizational principles, internal and external resources, tools and processes, increasing the success rate of those initiatives."

Why is it important to define project culture?

- Business Improvement Architect's project management research of over 750 organizations world-wide shows that 60% of Project Management Offices (PMO) say that the organizational culture is not supportive of the PMO. The major reason for project failure is that most organizations do not ensure that all projects they implement align with their organization's corporate strategy. Furthermore, findings show that performance management systems do not take into account new reporting structures such as Matrix Management. The result is that employees identify time spent on projects as an intrusion to their daily job. Moreover, few organizations clearly define and consistently use project success measures from one project to another and usually fail to capture and retain project knowledge. The bottom-line is that most organizations today are operating with a diversity of organizational cultures that change from one project to the next, from one department to the next.

Source: Business Improvement Architects

Project culture components
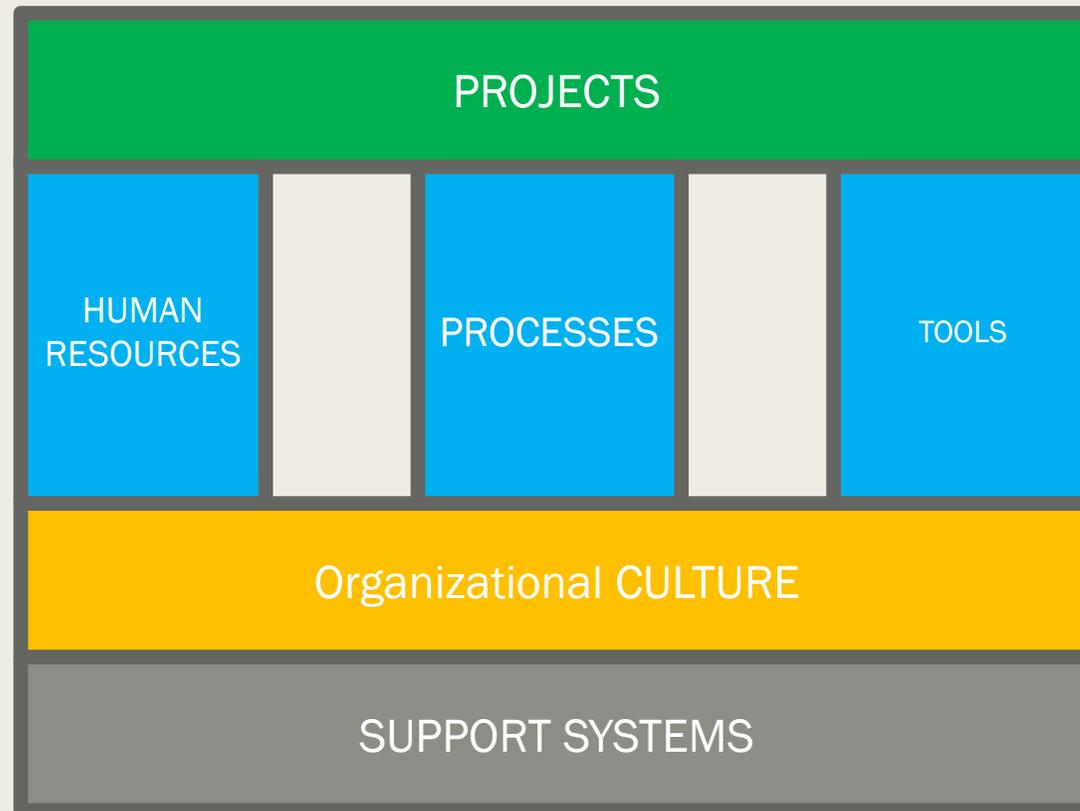
Support systems

- All those functions and organizational components providing daily support to the organization:
  - *Finance*
  - *Human Resources*
  - *Basic IT Services*
  - *Logistics*
  - *...*
- They are important because they support all aspects of the project and they do not change overtime

Organizational culture

- Overarching elements of the organization
  - *Values*
  - *Beliefs*
  - *Behaviours*
  - *Performance*
  - *HR Policies*
  - *...*
- They are important because they allow the project teams to align themselves to the organization where they dwell.

Human resources

- ■ Members of the organization assigned full or part time to work in projects.

- ■ Includes organizational reporting (hierarchy) both formal or informal.

- ■ Includes a clear indication of skills and abilities needed to execute projects.

- ■ It also include specific support elements like training, education, mentoring, and coaching.

Processes

- Policies, processes and procedures supporting project execution
- Includes:
  - *Strategic and tactical alignment of projects and business objectives.*
  - *Dynamic prioritization of projects*
  - *Tracking of project outcomes*
  - *Performance measurement*
  - *Governance*
  - *Specific support for project management processes*
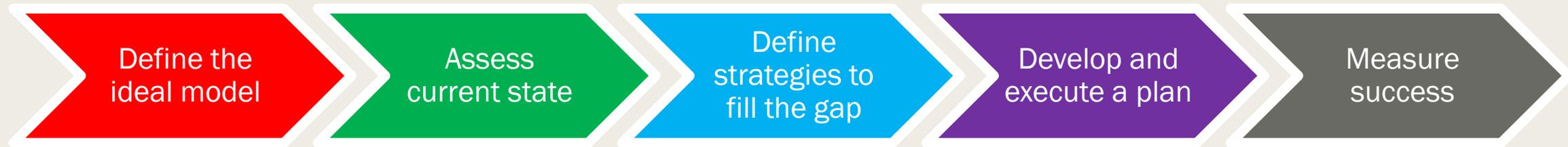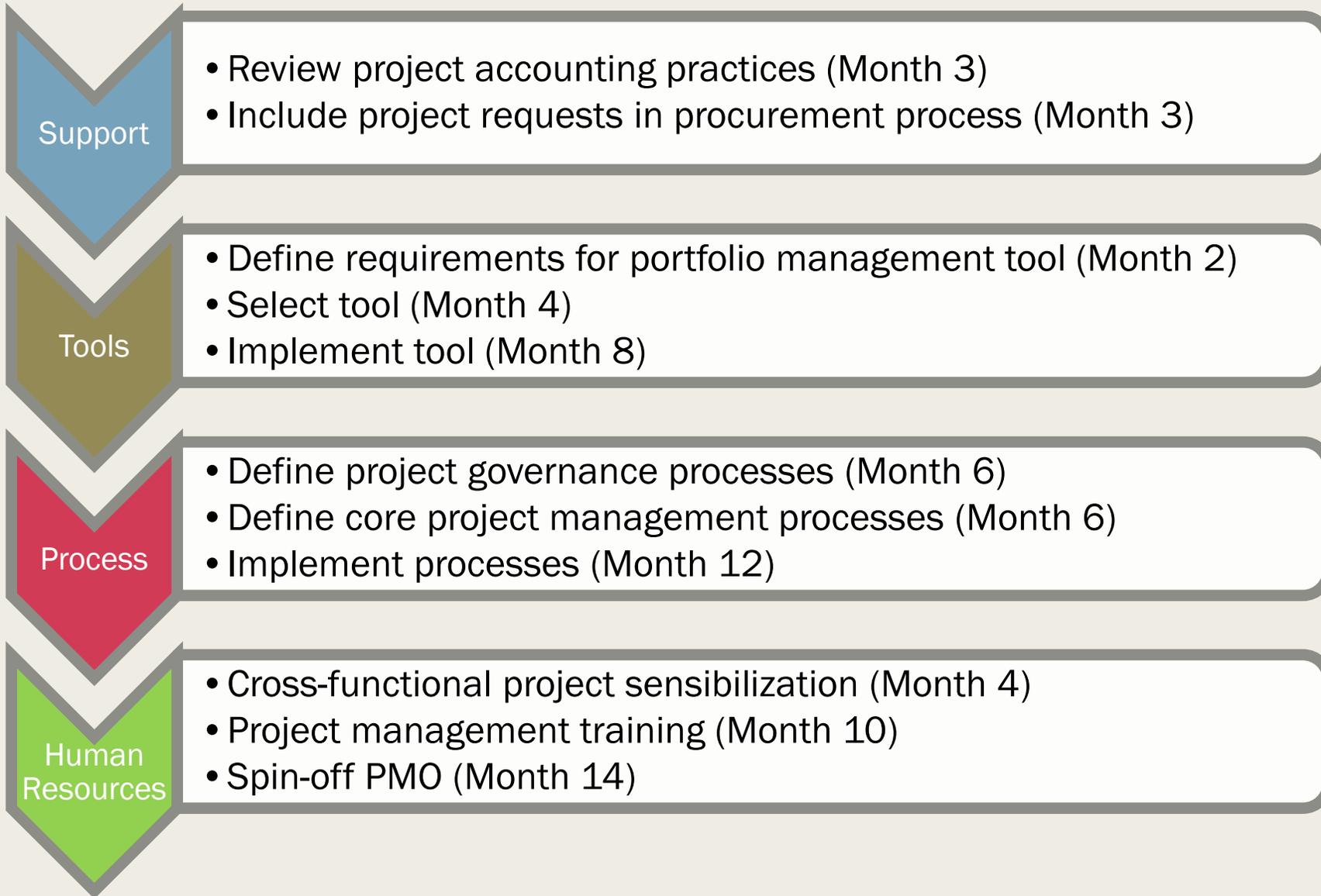- It does NOT include operational business processes

Tools

■ Project-based tools that are supported by the organization. Includes:

– *Software tools*

– *Frameworks and methodologies*

– *Third-party support*
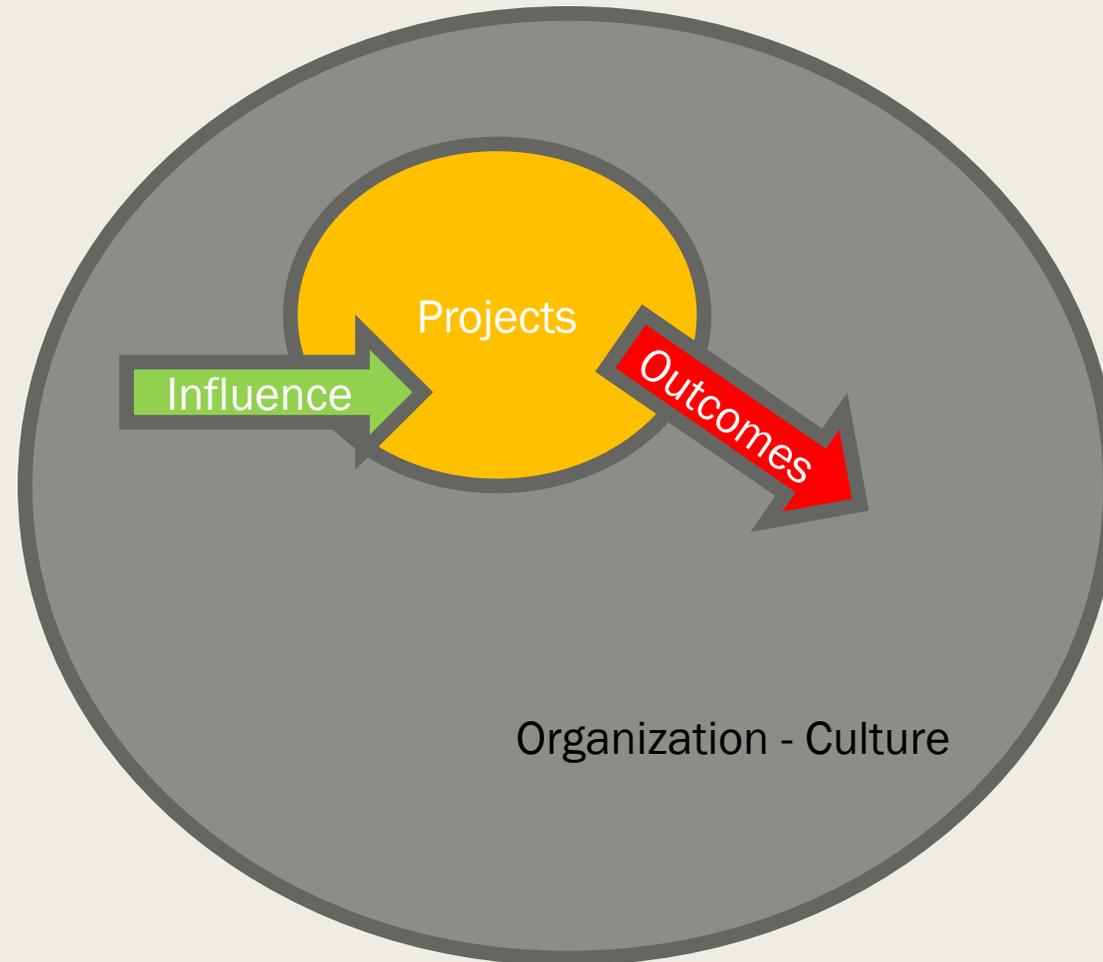
Tips to create a project culture

- You cannot "legislate" a project culture.

- An organizational commitment is needed, even when lower-level resources are in charge of execution.

- It is a process and it takes time. You need to establish a timeline and define specific outcomes.

- Manage as a Project.

Proposed implementation model

Define the ideal model → Assess current state → Define strategies to fill the gap → Develop and execute a plan → Measure success

All together

Thank you!
Gracias!
Merci!
Danke!