

Continuous Improvement – Now!



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Do you notice any built-in contradiction in the title of this article? A naive approach to Continuous Improvement (CI) would be to attempt to benchmark Toyota, and just do what they do. That would be OK if: 1) You make automobiles, and 2) You have fifty years of Toyota management experience. Without those advantages, you would do best to consider a modified strategy.

As an ongoing process, CI cannot be reduced to a moment in time, but over time it is a potential source of knowledge and especially, of action.

It's not easy to change, and usually not fruitful to change precipitously. An anecdote from the Military of an unnamed country, several wars ago, decided to mechanize the cavalry. An inspector, reviewing the prototype of the new battalion, marveled in the shiny new personnel carriers and tanks. However, he then noticed two soldiers standing off to the side, apparently doing nothing. When he inquired, he was told: "They are there to hold the horses."

What I'll do in this article is to extract (cherry-pick) four fairly recent "Quality - Continuous Improvement" articles from the Harvard Business Review (HBR) archives, where authors express opinions, what and how, to maximize benefits from CI knowledge and activities. It will be difficult to reduce fifty or so pages of the articles selected, in order to fit within the scope of this piece, so I'll list the bibliography at the end of the piece.

One of the first articles that appeared in a text search for "continuous improvement" from the Harvard Business Review' on-line library – Nolan and McFarlan's, "Information Technology and the Board of Directors", (2005), introduced the idea that not all environments can use the same improvement processes. Figure 1 shows the differentiation they found:

	Defensive	Offensive
M o d e s	Factory (Low cost, High failure impact)	Strategic (High cost, High impact)
	Support (Low cost, Low impact) (less) IT Technical	Turnaround (High cost, Low impact) Needs → (more)

Figure 1. Environments for Continuous Improvement

The left side of the grid can function with less technology but generally can't tolerate outages. The right side is less vulnerable to short term outages, but requires high consistency for improvement in development. Each quadrant has its special needs.

Factory processes are not only what we normally think of, such as manufacturing, but also include airplane reservations and stock trading. These activities are routine, repetitive, precise, and time-critical. Strategic systems, on the other hand, involve extensive rethinking where creativity is more important than speed. The "Turnaround" and "Support" systems group into our traditional thinking.

The next article, Hammond et al, "The Hidden Traps for Decision Making", (2006), looks at impediments to continuous improvement thinking and action. Some of these inject irrational behavior into the improvement possibilities.

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Launching a Successful Project



Marsha Hughes, PMP, CSM, has more than twenty four years' of experience in the technology, telecommunications, and internet business sectors. She has an established record of accomplishments in project management, business analysis, software development, project management methodology development, process improvement, and courseware development and training.

Project teams often take considerable time at the beginning of a project coming up to speed. The time the team spends planning and putting effective team methods into place can be shortened considerably with a focused project launch. Getting out of the starting gate quickly and effectively is especially important for projects facing difficult constraints, such as an aggressive schedule. A project launch can be conducted as a facilitated workshop in which the team works on the activities as a group; the outputs of the activities are documented and form the basis of their project plan. The launch is typically held at the start of a project, and includes all members of the project team.

Open communication among team members builds trust and loyalty. Members of a team have specific concerns [1], many of which relate to communication:

Acceptance and membership

- Will I have a say in decisions that affect the team?
- How will we reach consensus on decisions? What if we can't reach consensus?
- How will commitments to our stakeholders be made? Do we have a say in the commitments that are made?

Information flow

- How will we communicate? Who do I go to if I see a problem or risk?
- How will information be distributed to the team members? How will we communicate with our stakeholders?
- How will we solve problems?

Goal formation and productivity

- Do we have a shared vision and goals?
- Is our individual work well-defined?
- Do individuals have clear project goals? Do I know what I'm supposed to do? Do I know what you're supposed to do?
- Will the project meet any of my personal goals?

Control and organization

- Who is responsible for what?
- How do I report on the status of my work?
- How do I find out if the other members of the team are on track?

The project launch approach takes the team through a facilitated discussion of these issues, focusing the discussion on producing specific outputs, such as: Team Roles and Responsibilities, Methods of Operation, Project Risk Assessment, Project Life Cycle, and Project Tracking.

Stay tuned... This article will be continued in next month's "The Critical Path" newsletter.

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Boom, Bust, and Risk Management



A Risk Doctor Briefing Note © 2009 Dr David Hillson PMP FAPM david@risk-doctor.com

The world has been shocked in recent months by unprecedented volatility in financial markets, coupled with steeply rising energy and food prices. Banks previously thought to be invulnerable have suffered, with knock-on effects into the wider stock markets. Political and business leaders seem unable to exercise any positive influence on events, and appear to be mere bystanders as the situation unfolds. Some believe we are seeing the re-emergence of the infamous boom-and-bust cycle from the Bad Old Days. And many are blaming this situation on a failure of risk management – why did we not see this coming and avoid it? Is the current situation proof that risk management doesn't work, and we should stop trying to foresee the future?

Risk managers will say that they did predict many aspects of the current crisis, but their warnings were ignored by colleagues who were focused on business development and profitability. Whether this is true or not, the role of risk management in protecting businesses from losses has been challenged, and a response is required. Perhaps trying to manage risk in advance is just a waste of time?

The argument is that since risks are merely uncertain future events that may never happen, there is no need to spend time and effort on identifying, assessing and managing them. Instead organizations should ensure that their fundamental structures and processes are sound and resilient, and they should only react if risks materialize into actual events.

There are three reasons for keeping risk management in straightened times when all non-essential costs are rightly being removed wherever possible.

1. Risk management improves an organization's ability to cope with an uncertain future, by providing advance warning of threats to be avoided or minimized, and opportunities that can be exploited or maximized. The risk process stops potential bad things from happening so we don't have to deal with them later, and it helps us to capture additional benefits and create value.
2. A proper understanding of risk exposure allows an organization to set aside appropriate levels of contingency to cope with the effects of likely future uncertainties. Targeted resources can be pre-positioned ready to be used when the need arises. This will contribute to the flexibility and resilience which are so vital to organizational survival in these turbulent times.

3. Risk management identifies actions which reduce waste, cut rework, maximize productivity, and support successful delivery. Avoiding and minimizing threats naturally cuts out additional costs, by proactively dealing with potential problems before they have a chance to have any negative effect. And a risk process that includes opportunity management will automatically result in performance which is faster, smarter and cheaper.



There is no doubt that all sectors of industry and society are facing real challenges in coping with the current fallout from the credit crunch. But risk management should not be regarded as part of the problem in these difficult times. Instead organizations should use the insights offered by the risk process to ensure that they can handle the inevitable uncertainties and emerge in the best possible position in future. With high levels of volatility surrounding us on all sides, risk management is more needed now than ever, and cutting it would be a false economy. Rather than treating risk management as part of the problem, we should see it as a major part of the solution.

To provide feedback on this Briefing Note, or for more details on how to develop effective risk management, [contact the Risk Doctor \(info@risk-doctor.com\)](mailto:info@risk-doctor.com), or [visit the Risk Doctor website \(www.risk-doctor.com\)](http://www.risk-doctor.com).

Is Project Management a Dead-End Job? (Part 2)



Steve Blais, PMP is a consultant and educator living in Sarasota and Key West Florida. He has worked for 40 years in the field of computing. He is currently working with companies to create and improve their business analyst processes. He is the author of the ILL Business Analysis series of courses, and the forthcoming book, "The Beginning and End of Software Engineering: a guide for the Business Analyst."

Give 'em the Business

Perhaps you find that you enjoy managing people, mentoring them to excellence, working the process. You also find that the part of the organization for which you are managing the project holds great interest for you. In this case, a lateral move to the process side of the organization is on the horizon.

A move of this nature requires you to become more proficient in the business processes and in people management. It also requires networking to position yourself for the next opening on the business side. This is good. Networking is a major element of process management and the eventual upward mobility that accompanies it ... right up to the executive suite.

Project Manager for Life

Maybe you relish all the roles a project manager performs. In this case, moving up may not be what you have in mind. Staying in the position of project manager may be exactly where you belong. There are a couple of other considerations for your career path.

Do you like the projects you are working on and the organization you are working for? Is the daily grind getting a bit old? If the answer to the first question is "yes" and to the second question is "no," then you have confirmed that you are where you should be. Congratulations!

If the answer to both questions is "yes," fortunately, experienced project managers, especially those with PMP® (Project Management Professional) credentials, are in great demand. Besides working for a single organization, there is the consulting angle. A number of my peers are having success as consulting project managers. Consulting requires a preference for the entrepreneurial role and a solid understanding of the mechanics of social networking. In fact, every role a project manager plays is accentuated when you are a consultant. You not only manage the client's project, you also manage your own project: your business.

Upward and Onward

Another path available to experienced project managers is the Project Management Office (PMO). The PMO is often made up of successful project managers who mentor the

organization's neophyte or up-and-coming project managers to achieve project management excellence. PMO managers also help the organization decide which projects should be run and in what priority.

Mara Burns, vice president of the PMO at Bank of New York Mellon, defines highly successful PMO members as possessing the following twelve characteristics:

- Strong written and verbal communication skills
- Effective professional relationship-building skills at all levels
- Good consensus-building and facilitation skills
- Flexible—enjoys being a 'jack of many trades'
- Diplomatic
- Able to 'smell smoke'
- Consistently proactive
- Seeks opportunities to improve processes.
- Effective multi-tasker
- Enjoys being a mentor
- Persistent and patient
- Thorough.

Pick a Path

You may be a project manager by accident, not necessarily by choice. Now you need to determine if fate has placed you where you want to be. Decide what it is that you enjoy most about being a project manager—what your talent is—and then pursue that role. Being a project manager is a great opportunity to explore most of the roles that organizations have to offer. Choose the path that you will enjoy walking down the rest of your business life.

If you like what you do, you are going to be successful. If you are successful, you will probably like what you are doing.

Continuous Improvement – Now! *(continued from page 1)*

Of the six impediments cited in the article, four are noted here: “Anchoring,” starting when an initial number is thrown out; “Sunk Costs,” defending the past numbers; “Confirming Evidence,” others are doing it, and “Estimating and Forecasting,” which places too much emphasis on a single outcome – these are elements that cloud thinking. (The other two are too hard to explain in a short phrase.)

Also noted were “Overconfidence,” and its opposite, excessive “Prudence.” While all of these are potential traps in all spheres of action, the authors’ solution to good decision-making is active “Awareness” – the continuous introspection of hidden assumptions in one’s decisions. It seems that CI is as dependent on avoiding pitfalls as it is on doing the right things.

Perhaps the most useful source in search of CI wisdom is Spear’s article, “Learning to Lead at Toyota,” (2004). This article emphasizes learning and metrics. It asks to compare preplanned expectations to testing ongoing performance, through constant experimentation. The Toyota way views work differently, on the “overburden” placed on the worker instead of just looking for “waste.” That is, dealing with the person and team, by making work simpler and putting inputs closer to the worker, just-in-time. Most of the examples are from the production floor, not from office work, but the key principle is “direct observation.” The goal isn’t to make the manager more productive, but to make the workers more efficient in their actions. A Team Leader spends 20 % of time on innovation, and a manager, 70 % of his time. Managers coach, not fix. The key to mastering the Toyota way is to apply principles, not tools.

The oldest article I included from the search was Gavin’s, “Building a Learning Organization,” (1993). The article picks up on Peter Senge’s 1990 book, “The Fifth Discipline”, and looks at five skill areas – Systems Thinking, personal mastery, mental models, shared vision, and team learning. It is interesting that the recommendations are today already in wide use in PM, for example, in the sub-section, “Meaning, Management, and Measurement,” the vital importance of “metrics” in the process of creating, acquiring, and transferring knowledge is emphasized to modify behavior and reach consensus. He lists tools grouped by stages of project development: (See Figure 2, below).


Steps	Tools
Generate Ideas	Brainstorming, Interviews, Surveys
Reach Consensus	List Reduction, Weighted Voting
Display Data	Cause and Effect, Force-Field
Plan Action	Gantt and Flowcharts

Figure 2. Tools Appropriate to Stages of Project Management Activity

I found it interesting that the article above provided “Thought Leadership” – in this case, 1) Systematic Problem Solving, 2) Experiments, 3) Lessons Learned, 4) Information Transfer, and 5) Knowledge Transfer, (each step that is supported through Metrics) – has permeated our practices. But with hindsight, it’s gratifying to realize that the “Think-Tank” knowledge does finally trickle down into our practices.

Bibliography:

1. Richard Nolan and F. Warren McFarlan, “Information Technology and the Board of Directors”, (HBR, Oct, 2005)
2. J.S. Hammond, R. L. Keeney, and H. Raiffa, “The Hidden Traps for Decision Making”, (HBR, Jan 2006)
3. S. Spear, “Learning to Lead at Toyota”, (HBR, May 2004)
4. D. A. Gavin, “Building a Learning Organization”, (HBR, Nov/Dec, 1993).



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PM Tip: Stress Management

Feeling overwhelmed, overworked, overloaded and stressed are all too commonplace nowadays. The problem is that these feelings are actually compromising our effectiveness, productivity and efficiency. We get things done but at a cost to both the quality and quantity of work we produce and at a cost to our physical, mental and emotional health.



Some individuals become so overwhelmed that they are forced to give up their jobs. Others choose to take this route to a calmer and healthier lifestyle. In reality, you shouldn't have to choose between your health and your job. It's a question of getting the right perspective on life and work and finding balance.

Nickolove Lovemore is a Life Coach and a Certified NLP Practitioner who delivers one-to-one and group coaching programs, personal development workshops and seminars, and publishes the Skyline Coaching Blog (<http://www.skylinecoachingblog.com>). She offers the following stress management tips to help you restore balance in your life.

1. **Set Goals:** Without goals we drift aimlessly through life. When your goals are clear they act as a filter. Anything that is not relevant to your goals you can simply ignore.
2. **Eliminate:** Cut the clutter - make it a habit to get rid of things that no longer serve a useful purpose in your life. Aim to keep at least a section of your work space or desk clear at all times. Clutter will inhibit your thinking and productivity.
3. **Turn it Off!** Learn how to switch off to become more switched on. Get comfortable with turning off your email, Blackberry, mobile phone, etc. for hours at a time. Periodically closing your personal information highway will free more of your time for focused work and play, as well as provide the time for the restoration of your mind and body.
4. **Learn How to Say "No":** There are probably many things that you do on a day-to-day basis that perhaps you don't need to do because you are not the best person for the job. Find that person and delegate that particular task to them. Also, don't say "yes" to other people's requests when you know that it's not in your best interest, simply because you can't pluck up the courage to say "no"

5. **Plan:** Take time to plan your day-to-day activities as well as the various projects that you are involved with. Plans are not rigidly set in stone - they need to be flexible because when you set about planning you want to predict where any problems might arise. In this way, if something does go wrong, you will be prepared and can smoothly make the transition to an alternative plan
6. **Focus:** Decide what is really urgent and important and focus on these tasks first and foremost. Set aside dedicated blocks of time to focus on just one task at a time. Multi-tasking has been proven to be inefficient. If something relates to a bigger project then break that project down into discrete, bite-sized chunks that can be completed within short timescales. In this way, whenever you work on that project you will make considerable forward momentum.
7. **Ask for help:** Don't be afraid to ask for help. Too many people suffer in silence.

If you are an employee, speak to your boss to explore possible ways of restructuring your workload. If you're the boss, then look at introducing new systems and ways of automating aspects of your work to take the pressure off your shoulders.

Chapter Meeting – February 10, 2009, 5:30 to 7:30 pm

Topic: “Rescuing a project using Agile and Lean principles – a Case Study”

A number of studies over the years have pointed out that a large number of IT projects are considered failures. The reasons why they are considered failures vary, and the causes of failure vary as well. But the warning signs are almost always there - and many failures could be avoided if these warning signs were recognized and acted upon.

The principles and practices of Agile and Lean methods are a great mechanism for identifying and addressing risks and issues on projects. As one of the leaders in the use of Agile and Lean methods, ThoughtWorks has been called on a number of times to apply these principles and practices to help rescue projects that are in trouble. In this session Joe Zenevitch will present a case study on one such project for a client in the medical systems industry.

Featured Speaker - Joe Zenevitch, a Senior Project Manager with ThoughtWorks, Inc., a global IT consultancy which utilizes leading edge technologies and practices to develop custom software for Fortune 100 companies.

Location

Casaletto’s Fine Italian Cuisine
 15 Saw Mill River Road, Elmsford, NY
 914-592-5980 | [Get Map](#)

Agenda

5:30 to 6:15	Networking, buffet dinner, Meet the Vendor and Recruiter
6:15 to 6:30	Chapter business / announcements
6:30 to 7:30	Featured program
7:30 to 7:45	Continued networking, buffet dinner, Meet the Speaker, Vendor, Recruiter
7:45 to 8:45	PMO SIG Meetings (PMO & Quality)

Fees

Chapter members – \$20; Non-members – \$25
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Vendor Corner

RallyDev
 Hosted by Bryan Smith
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Career Corner

Watch our website for details.

Directions:

From White Plains:

From Central Avenue in Hartsdale, take Hartsdale Avenue West for 2.2 miles. Turn left onto Route 119, and follow for one mile. Turn left onto Saw Mill River Road, and go .1 mile.

From the South:

Take the Saw Mill River Parkway North. Get off at the Elmsford exit, and turn right at the Stop sign. Turn right at the first light onto Saw Mill River Road. The restaurant is on the right.

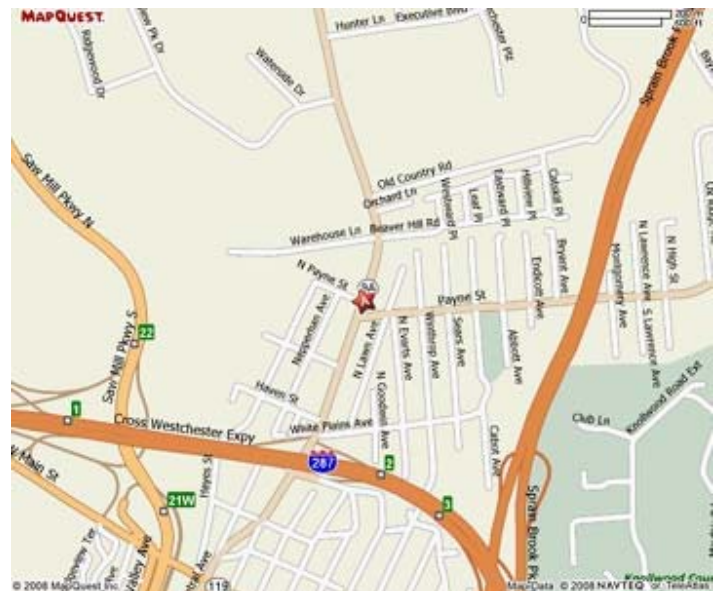
OR Take the Bronx River Parkway North to the Sprain Parkway North to I-287 West. Get off at Exit 2 (Elmsford). Turn left at the light onto Saw Mill River Road. Go straight through the intersection. The restaurant is on the right.

From the North:

Take the Taconic Parkway South to the Saw Mill Parkway. Get off at the Elmsford exit. Go around the bend, and turn right at the Stop sign. Turn right at the first light onto Saw Mill River Road. The restaurant will be on the right.

Valet parking is available in the front. Additional parking is on the street or in the Post Office parking lot across the street from the restaurant.

Map to Casaletto’s Fine Italian Cuisine



Upcoming PMI Westchester Events

February Breakfast Roundtable Meeting

Topic: "Going Green – what does it mean for a PM"

Facilitator: Joanne Guerriero

Date: Thursday, Feb 19th – 7:30 to 8:45 AM

Location: 108 Corporate Park Drive, White Plains, NY (off Westchester Ave) Cafeteria – Lobby Level – 2 Buildings down from Malcolm Pirnie

Breakfast available for purchase at the cafeteria

March Chapter Meeting

Topic: Discover How Axiology (study of Human value) Can Improve Your Project Leadership Skills.

Speakers: **Traci Duez**, Break Free Consulting

Date: March 10, 2009

Location: The Royal Palace, Greenburgh, NY

PMI Westchester Education



Topic: PMP Exam Preparation/Study Series

PMI Westchester is pleased to offer this study group to further prepare you to take the PMP Exam. The curriculum

has been updated to cover the new PM BOK 3rd edition.

These sessions are fast paced and require a 6 week commitment. Study materials will be provided, light dinners are included, and there are weekly homework assignments. Our exam passing rate is excellent and we are proud of the hard work and success of our students. Again in 2009, it will be possible to earn 12 education credits with the completion of all class requirements.

Audience: Portfolio Managers, Project Managers, and Project Participants

Date: **Mondays – March 30, April 6, 13, 20, 27, May 4**

Time: 6:30 PM - 8:30 PM (6 Monday nights - Minimum 8, Maximum 20 students)

Location: Lower Hudson Regional Information Center - BOCES - Elmsford Directions

Instructor: Anita Wilton - Please contact Anita Wilton, 914 332-9391 or anitawilton@optonline.net for information and reservations.

Cost: \$250 for PMI Westchester members, \$275 for non-PMI members (Payments must be made via Pay Pal or by check the first night of class).

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