"Building professionalism in project management..."

News Letter

www.pmi.org.uk
Sept/Oct 2005

President's Corner

I write this shortly after returning from a meeting in Toronto held for the volunteer leaders in PMI. Most notably, PMI membership has continued to grow at a surprising pace and there are now more than 200,000 members worldwide. There are more than 4,000 members in the UK.

The demand for PMP certification has increased greatly over the last few months. There are now over 1,600 PMPS and CAPMs in the UK. Congratulations to the 66 Chapter members who achieved CAPM or PMP this month. Worldwide, there were more PMPs certified in August 2005 than in the whole of 2004. At time of writing the transition is taking place from the certifications being based on the Guide to the Project Management Body Of Knowledge 2000 to the third edition.

The Programmes Committees are busy organising events for our UK Chapter members. Events include two in Scotland; a half-day event in Glasgow on 7th November which follows a meeting in Aberdeen on 26th September and a London evening meeting on 5th October. For more information, visit the Chapter web site.

I encourage you to have a look at a member benefit that's recently been added: the PMI eReads & Reference section of the web site. It's accessed through the Members Area so you will need your member number and password.

It contains 200 books from leading business publishers in Web-based format, complete and unabridged. It can be used for easy browsing and in-depth online reading as a learning resource. It's also a searchable database. So if you want to look up an unfamiliar term or find examples of how to use a project management technique, the search engine lets you search by words, phrases, title words, author's name, publisher or ISBN. Searching by words and phrases lets you pinpoint not only titles but also shows the relevant sections of text.

If you use eReads & Reference, PMI is asking for feedback on how you use it and what we might do to develop the selection of books offered to best suit your needs. Send your feedback to kwc@pmi.org.

Best wishes,
Nick Lake

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Requirements for Effective Project Communications: Differences and Similarities in Virtual and Traditional Project Environments

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Introduction

The primary mission of the project manager working with either a virtual team or a traditional team is the delivery of the desired product or the facilitation of the required service. To that end, the team's efforts are focused on the activities and measures that would produce the deliverable of the project in a cost-effective and efficient manner. The team must plan the delivery of the product or service through best practices, policies, and procedures. Effective communication within the team and with the project's internal and external stakeholders is required.

Communication is defined as the transfer of some type of message that contains one or more pieces of information. The information that is conveyed can be either through formal channels or informal channels. Today's project manager is both blessed and cursed by the quantity of communication tools available in the workplace. Formats for communication are extensive and include individual meetings, staff meetings, conference calls, e-mails, videoconferences, messages, and faxes. What each of these formats has in common is that all communication is interpersonal and goes from the sender to the receiver or receivers.

The project manager, as a communicator, must have correct tools and skills to reach all of the different types of individuals on the project team effectively. If the communication is predictable and effective, it will help maintain trust and momentum among team members. Communication techniques to assure team member involvement throughout all aspects of the project, therefore, are required.

This paper discusses similarities and differences in virtual and traditional project environments in terms of effective communication strategies and presents ideas, strategies, and guidelines for consideration and possible use on both types of project teams.

Open and Effective Communication

Effective communication among project team members and stakeholders is important on any project team. Miscommunication can create hard feelings that might remain undetected for a long time, undermining team success. Open communication in all directions, without fear of reprisal, must be encouraged so that every team member feels comfortable contributing to discussions and debates. Project debates are exceptionally useful because it is during these debates that team members provide useful and important information to others. Improving communication involves identifying information needs and ways to best share information among the team. Predictable and effective communication will help maintain trust and momentum. The team's policies should provide an environment that assures that the information shared is valuable to the project.

Many different communications tools can be used. A common data interchange format should be available. In order to assure that the flow of information among the team is unencumbered, the team should be given the opportunity to draft protocols as to when each tool should be used. Early involvement of team members sets the stage for encouraging them to work with one another to develop effective ways to communicate project information. Team meetings, either face to face or virtual, should be viewed as results oriented and as a useful way to spend time. Each team member should participate actively in team meetings in whatever format, taking responsibility for being heard and being understood. Agreed-upon methods to stay in contact with team members throughout the project life cycle also are useful and can then serve as starting points to discuss ideas, issues, insights, and information. A communications schedule, as detailed in the communications management plan, should be established that is flexible and can be adjusted if required to changing conditions. Team members should be willing to modify their availability standards to best fit those of the team.

Requirements for Effective Project Communications .. continued

Communication Challenges with Virtual Teams

In traditional and virtual teams alike, one of the beneficial side effects of regular communication is that it imparts to the project team members the comfort of being physically and emotionally connected with other members of the team. The image depicted by regular face-to-face communication between employees of the same department in the same organisation typifies a traditional, co-located team. It is commonly accepted that working in a traditional project environment, in physical proximity with other team members, will reinforce social similarity, shared values, and expectations. Another subtle advantage of proximity is that collocation increases the anxiety pressure resulting from the possibility of failing to meet commitments (Latane, et al., 1994). Presumably this anxiety increases the likelihood of success. Research further has shown that collocation practices increase the opportunities for communication (Allen, 1977) and that distance inhibits communication. Allen's research showed that people sitting 40 meters apart had only a 5% probability of communicating at least once a week. The percentage did not increase until the distance between the parties decreased to eight meters. Then, team members were found to be more likely to communicate and collaborate.

This research demonstrates the challenges faced in communicating on virtual project teams, particularly because the distances are such that face-to-face communication is nonexistent, a rarity at best. Additionally, communication inadequacies are more damaging in virtual team because of reduced personal access and because of a natural tendency to rely on nonverbal communication clues, which are not readily available in the virtual environment (Guss, 1977).

Diminished Informal Communications

Informal communication in some forms tends to be eliminated when the team is geographically dispersed, or virtual, such as the type of communication that would take place around a water cooler or a coffee pot. Such casual communication is reduced since the team members will rarely, if ever, see one another. On a virtual team, new or modified team processes and procedures may need to be formulated in order to maintain a healthy flow of communication within the team in spite of the significant physical separation.

After the team forms, team members must be continually aware of and sensitive to the fact that conventional human interaction is scarce in virtual teams. That is not to say that people do not make personal connections, but that modified or new venues must be used to achieve personal connections. The virtual team also may require more frequent communication so that team members continue to feel connected, especially since many of the virtual team interactions are asynchronous. Attention to people's feelings, priorities, and perceptions, however, is equally important and becomes more challenging in the virtual environment in conveying information. Communication processes and procedures may need modification to assure cohesiveness and commitment of team members.

Fewer Nonverbal Communication Clues

If clarification or additional information is required during a communication of a collocated team, often the sender can sense that requirement from nonverbal clues. And, the receiver can easily ask for clarification or additional information when required. Even if the receiver does not say something, the sender is able to observe how he or she reacts to what was said, and the nonverbal reaction may convey significant meaning. Both parties in the traditional environment then can take responsibility for content transference and can pay attention to feedback at the time communication occurs. By analysing feedback in either direction, adjustments can be made. This is critical, as according to the literature (Meharabian, 1968); words only comprise 7% of the total impact of a message, with vocal tones representing 38% and facial expressions comprising 55%.

Increased Reliance on Asynchronous Communications

While face-to-face communication of a collocated team is usually sender controlled, distance communication of a virtual team is primarily receiver controlled. One cannot assume that because a message was sent that it actually was received and understood. Since the virtual environment relies primarily on asynchronous communication, the receiver is left to his or her own devices to interpret the material, thus creating another level of complexity for virtual communications. The traditional process of walking someone through the comprehension of a topic obviously does not exist in the virtual mode, at least not in that exact form. The impact of errors is magnified because there is no opportunity for a continuous stream of questions and answers as there is with traditional teams. Consequently, there is extraordinary pressure, as compared to the traditional teams, to be accurate, succinct, clear, and direct in all items of information that are transmitted to other team members. It then goes without saying that the communication is ineffective if the intended message takes on different meanings.

Increased Impact of Cultural Implications

Cultural differences is another key consideration as they can alter communication symbols and meanings, thus resulting in other misunderstandings. On any project team, it is important to recognize that different people react differently to the contents of phone calls, e-mail, and voice mail. This disparity in comprehension and in subsequent behaviour is almost inevitable in virtual teams because larger geographical spans lead to greater cultural interpretations of the messages of the communication. For example, common misunderstandings that might easily occur in phone conversations can be the result of different interpretations of the significance of silence and the meaning of pauses in different cultures. Another example is starting from the abstract and then moving to the specific, which might be accepted by some but not others.

Requirements for Effective Project Communications .. continued

Raising and Resolving Conflicts

Conflicts are considered inevitable on projects. On any type of project, if minor issues are left unresolved, they might grow into major conflicts for which resolution is difficult. The earlier an issue is identified, the sooner it will be resolved. Early recognition of issues can result in fewer surprises, which in turn will promote open and constructive discussion among team members. Early detection and resolution of issues also can reduce the uncertainty in the work environment, which may be unsettling especially for virtual team members. In the virtual team environment, one's mood and morale are less apparent than they would be in a traditional team. It is difficult to express displeasure and frustration in the virtual environment unless someone makes an effort to send a curt e-mail that cannot be misinterpreted. If such virtual team conflicts are allowed to remain and fester, they may result in decreased motivation and negative behaviour, which may be more difficult to resolve in the asynchronous environment. Those conflicts that might rise to the surface when two people see each other on a day-to-day basis might remain hidden in the virtual environment. When there is a conflict between two members of a traditional team, the project manager can easily assemble the parties in a room and work with them to resolve differences. By comparison, when such a conflict arises in a virtual team, such a direct resolution is not available, at least not by using the same techniques and procedures. Therefore, on a virtual team, conflicts should be addressed in a proactive fashion with ample forethought in planning and more commitment in monitoring.

Guidelines for Consideration to Promote Effective Communications

Use of English as a Link Language

Since a global, virtual project normally consists of people from different nationalities, the project team should select a common language for the official project business. Research has suggested the use of English as the link language for international projects even though there are three times as many native speakers of Chinese as there are of English (Crystal, 1997). Simple and direct communications will help reduce the risk of distorted messages, which in turn can help reduce the probability of misunderstanding. If English is selected as the common language for the project, communications should be based on a vocabulary that is limited to essential and unambiguous words. The official project language, with the abbreviated English vocabulary, could easily serve as a common language for the project team. One approach to consider is to adopt an international English vocabulary, which contains the approximately 4,000 words in the English dictionary that are commonly used in order to promote a simple and clear communications tool (Chaney and Martin, 1995). Adoption of such a project language then will require that even those team members whose native language is English be more careful in their choice of words.

Establish a System of Regular Communications

A system of regular communications should be established, including regular reporting and reviews. Project managers of a collocated team in the traditional environment can easily call a meeting on a semi-regular basis. It is easy to take advantage of the physical proximity of team members and avoid the need for extensive meeting preparation, monitoring, and reporting. On a virtual team, however, project managers must be more proactive and organised, since meetings and information exchanges cannot be arranged in a quick and easy fashion. Preparation for a virtual team meeting then tends to be more complex than its traditional counterpart because there are more variables involved in planning and conducting team meetings. More lead time is required to set up the meetings, and they might involve different time zones and native languages. A specific and clear agenda for meetings is required as well as ways to assure full participation. Methods are needed to check for understanding. Contingency plans are required in case the technology to be used cannot be accessed by all team members. Time limits should be established to respond to ideas and to make suggestions. It is therefore recommended that topics to cover in the virtual meeting should be o-nes that are narrower in scope than in traditional collocated meetings.

Effective Use of Information Technology

If it were not for the ease of use and rapid developments in information technology, virtual projects would not be pursued as regularly and routinely. Its components facilitate the collaboration of the virtual team members. Common technologies include Internet portals, e-mail, videoconferencing, and group decision support systems. These tools enable facilitation of task-specific feedback, notification of upcoming tasks and priorities, and collection of day-to-day progress information about the project. Information technology assists the virtual team to overcome some of the barriers crated by time, distance, complexity, and diversity of participants (Tuman and McMakin, 1997). Information technology can become an instrument through which project team members can make personal human connections.

In a virtual environment, trust is the key ingredient necessary in preventing the geographical and organisational distances of team members from becoming psychological distances (O'Hara-Deveraux and Johansen, 1994). Since the vast

Requirements for Effective Project Communications .. continued

majority of virtual teams communicate over the computer and asynchronously, they lack face time to build rapport. One notable skill for developing trust is the proper use of what is known as "trained respect" in that one trains oneself to suspend judgment, temporarily or permanently, in order to truly listen to a different point of view (Bauhaus et al, 1996). Another requirement for a cohesive team is that team members must adopt a policy of not stereotyping others.

For better or for worse, on-line interaction strips away many of the clues and signs that are part of face-to-face interaction, thus making identity and organisational status more ambiguous. But while this lack of identity clues is often considered a disadvantage, it may be an opportunity for virtual team process improvement. The advantage is under the asynchronous mode of communication, people are judged more by the value of the ideas they have to contribute rather than by gender, race, religion, national origin, class, or age. Traditional chain-of-command hierarchies are less evident, which may result in team members being more willing to speak up and offer ideas and insights. Team members may become accustomed to the advantages of conducting specific communication without any knowledge of or reference to one's status in the organisation. Communication can be more based on mutual respect. It is incumbent; however, that the project manager put measures in place so that communications among team members is equitable, regular, and predictable. Substantive responses must be solicited from team members to keep everyone in involved in project team issues.

While technology serves as the enabler of the virtual project, the specific nature of technology, however, could become a source of conflict rather than collaboration. Team members must strive to reach agreement as to the purpose of each tool and the procedures for its use. Otherwise, the lack of common norms can lead to conflict that could damage work relationships. For example, one team member might feel that e-mail is a tool to be used for urgent business, while another might feel e-mail is to be used for documentation of information, with urgent business to be conducted by phone.

Promote Communications Consistency

Consistency in communications will further be enhanced if the team subscribes to predefined formats, a unifying and distinguishable logo, and operational templates. Standards should be established for format, language, and nomenclature for project management processes and technical components. It may be appropriate, for example to use "lean" technologies, such as e-mail for information exchange, with videoconferencing reserved for brainstorming sessions or conflict resolutions (Leonard et al, 1998). Specific guidelines for e-mail also are recommended on the virtual team since group dynamics are more difficult to manage in the asynchronous environment. The ability to write concise and effective e-mail becomes a skill for virtual team members. Team members then need to exercise due diligence in complying with the guidelines that are established and agreed-upon.

The Importance of a Team Charter

The importance of a project charter has long been recognized to set forth the justification for the project, its business needs, and the project manager's authority and responsibility. Similarly, a team charter is equally important and especially so on a virtual team. It can help to formalize the internal member-to-member behaviour of the team in planning and delivering results.

This team charter should be more specific than the project charter as it establishes the roles and responsibilities of team members, ground rules for the team's operation, and team development policies. It describes the practices and procedures that the team members should use to perform the project work. Additionally, it can encourage team members to set forth a vision of the project based on a common purpose, shared ownership, and collective commitment. In terms of project communications, the charter should include guidelines and ground rules for the use of e-mail and other communications modes. It should prescribe the times at which conference calls should be scheduled so that people in a certain time frame are not always unnecessarily burdened or surprised. Points of contact and modes of contact should be specified for interfaces with other groups and with key stake holders.

The team charter should set forth formal procedures that describe how to raise a conflict, what specific decision-making processes to use, and how responses are to be provided. The charter should also describe how one should extract a resolution from a conflict and how to escalate a conflict directly to upper management outside of the team when required. It should include guidelines for reviewing conflicts, resolving conflicts, appealing the resolutions, and tracking actions during the review and resolution process. Embedded in these procedures should be safeguards to ensure fairness and confidentiality. The goal of conflict resolution should not be to create a situation where o-ne individual team member declares victory over another.

Furthermore, one of the attractive features of advanced technology communications tools is that a team member can transfer information to other team members easily and quickly. Since virtual teams make extensive use of information technology, they can transmit a much larger volume of information compared to the traditional information exchange modes. In addition to addressing items such as how team members should collectively plan their work, share information, participate in making decisions, and perform their work in concert with one another, a virtual team charter must explicitly address the prudent transfer of project/company information. The team charter must include procedures to guard again infringement of intellectual property rights, propriety information, copyrighted information, trademarks, and service marks.

Summary

Today's projects are increasingly complex. Many projects involve creative and innovative products and services. In order to meet project challenges, team members must coordinate their efforts, share their ideas, and discuss their insights. Project teams are expected to produce results, and performance is hindered if the team members do not work together and communicate effectively.

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Beyond Risk Management – to Assumption Management

Keith Baxter, Managing Director of De-Risk
September 1st 2004

Keith made clear the difference between 'risk' management and 'issue' management. Failure to make this distinction with the stakeholders can lead to confusion. He defined issues as 'current known events' and risks as 'future unknown events'. Issue management is about what we 'need to do now' whereas risk management is about identification, classification and mitigation of these 'future events'.

Keith then presented the audience with a powerful technique for managing the risk inherent in any major project or project programme. The methodology that he proposed has three main advantages. Firstly, it can deliver a prioritised risk register in a short space of time. Secondly, it is a powerful communication tool. Thirdly, it reduces defensive behaviours that can be associated with a risk analysis.

The technique requires the development of an assumption register. Assumptions are regarded more positively than risks. The register is developed from one to one interviews with the project stakeholders and key participants. Each assumption needs to be classified with respect to stability (i.e. how safe is the assumption) and sensitivity (i.e. the impact to the project if the assumption fails).

Once collated, these assumptions are plotted on a Boston Square (16 square) diagram (axes: stability/sensitivity). The results are reviewed with each interviewee. Each interviewee is invited to comment on the classification. The position of the assumption can only be altered by moving one place up or to the right (i.e. increasing its priority). Hidden assumptions are highlighted by this technique.

Keith recommends the summary of the results should be presented in a single page bubble diagram. The bubble size reflects 'controllability' of the assumption in question. The axes for the diagram are reducing criticality (Y) and increasing time (X) and the chart divided into three horizontal zones: red, amber and green. Clustering of any bubbles around the origin will indicate a problem.

The final piece in the methodology is the resolution of the identified risks. Keith suggests this should be done via a review board with two roles: the risk owner and the risk action manager. The risk (or assumption) owner should be a senior manager. The risk action manager is the person tasked with the resolution. No other participants are required.

Perhaps the Greeks should have adopted this **A**ssumption **B**ased **C**ommunication **D**ynamic end-to-end methodology for their recent endeavour. The Olympic games might not have experienced an estimated 50% budget overspend. But not everything is as easy as ABCD!

Date for your Diary— Glasgow Event

The Scotland Programme Committee are organising a half day afternoon event in Glasgow at the SAS Raddisson for Monday 7th November.

Three speakers will present together with representation from the PMI UK Chapter board.

Details of the speakers and presentations will be announced in the next newsletter.

Project Management Tips & Techniques

Avoid Estimating From an End Date

Always estimate without time or cost constraints in mind. See what the project is really going to take in terms of cost and time. If you find that the estimates are way out of line with management's expectations, it will be necessary to negotiate with management to fit the constraints or change them if possible to reflect the reality of the project. If you do not do this, you may leave out some important tasks, inevitably will be adding additional risk to the project, and will not get it completed within management's expectations anyway. It may be that the project should be cancelled if it cannot be properly funded or given the necessary time to complete successfully.

Use a 50/50 Rule if Dealing With a Widely Geographically Dispersed Team

If your team is widely dispersed and you find it difficult to get discrete reporting, try simply asking for an e-mail when an activity is started and another email when it is completed. Give 50% credit for starting and 50% credit for completing. If you have many activities that are being performed simultaneously, the composite of all these activities should give you results close to a discrete reporting system. Then run reports for activities that should have started but haven't and another for activities that should have finished but haven't. Get on the phone and call the owners or better yet visit them in person for all late activities.

Do Not Ask for Percent Complete Reporting

When getting a person to provide a status of what they have accomplished, ask them for effort expended (work hours), effort required to complete, and duration (calendar time) required. These three parameters will give you a real sense of where things stand and prevent the 90% complete syndrome. With these parameters your project management software.

Track Project Work and Compare to Original Estimates

Always track the estimate with actuals, and begin to compile a lessons-learned database that allows comparison of the owner's estimate with what actually happened. Adjust the productivity rate for the individual being tracked so that the estimate is closer to the actual work. This will allow for reflection of owners who are pessimistic estimators, as well as for those who are more optimistic in their estimates.

Watch Out for Multi-Tasking

When estimating the work, be aware of the amount of multi-tasking that the organization is engaged in. If individuals are randomly moved from one project or issue to another, add 50% more to your work activities. If possible, eliminate bad multi-tasking where possible. Bad multi-tasking is where individuals are randomly pulled from one assignment and placed on another without being at a good stopping point.

Ask Work Package Owners for a 'Vacuum' Estimate

Ask the individuals who will own the work-package to estimate the work for the effort as if it will be accomplished by individuals free from outside influences—in other words, as if they were working in a room with no phone, e-mail, meetings or any other outside interruption. Then, based on a productivity rate for the individuals involved, extrapolate the estimate to be given to the work-package.

Always Use More Than One Method

When estimating any aspect of the project, always try and use multiple techniques. It is best if one of those techniques is a top down estimate base on what the stakeholders are thinking. If the stakeholders are thinking low in their estimates you will be better prepared with support information for how to justify your more definitive estimate or the estimate driven by using an estimating tool.

Describing Risk: How Much Detail?

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Risks can be identified and described at different levels of detail, and there can be considerable variation between different projects or organisations. Some projects identify just a small number of high-level risks, while others have many hundreds or even thousands of detailed risks. A generalised or high-level description of risk can make it difficult to develop responses and assign ownership, while describing risks in a lot of detail can create a great deal of work. How can we determine the correct level of detail? There are three components to consider: *management*, *ownership*, and *reporting*.

Firstly, risks should be described at the level to which they are going to be *managed*. A high-level description such as "something unexpected might happen during the project" is quite useless as no management action is possible at this level. Too much detail is also pointless, for example "George Smith, the junior system architect, may break his right leg at the football match next Tuesday night and will not be able to finish the Phase 2.4.2 detailed design drawings." The risk might be better stated as "key staff may not be available when required to complete the system design."

At this level the risk can be managed proactively, with careful resource planning, use of shadowing or deputies, and ensuring that key tasks are not assigned to one person. Of course it is true that some risks will need to be managed at a detailed level while others can be addressed at a higher level.

Secondly, each risk should be described at a level of detail where it can be assigned to a *single owner*, with clear responsibility and accountability for addressing the risk. However, this also allows for some variation in the level of risk description, as risk owners can range from junior team members who might be responsible for detailed risks, through to the project sponsor or senior managers who are only interested in the higher level.

Thirdly, the level of risk description should match the *reporting needs* of the person receiving the risk report. Project team members need detailed risk descriptions for those risks, which they are responsible for managing. The project sponsor or client needs less detail, perhaps with groups of risks being summarised into high-level descriptions.

Each of these three answers suggests that risk descriptions can be useful at various levels for different purposes. There is no one right level that meets all needs. So what can be done?

One useful tool addressing this issue is the **Risk Breakdown Structure (RBS)**, which is a hierarchical structure describing sources of risk to the project. This allows risks to be described at increasing levels of detail throughout the project. At the top level (Level 0), all risks are simply "Project Risks". But this can be broken down into major sources of risk at Level 1, such as Technical Risk, Commercial Risk, Management Risk, External Risk.

Each of these major areas can be further detailed at Level 2 (for example Technical Risk could be subdivided into Technology, Performance, Reliability, Interfaces etc). At the lowest level individual risks are described under each specific source.

Different RBS levels can then be used for different purposes. Detailed risk reporting, ownership and management can take place at the lowest level. Higher RBS levels allow groups of risks to be rolled-up and summarised for reporting, ownership and management further up the organisation. So the project safety engineer may need to know about a specific risk affecting a particular product trial (RBS Level 4), whereas the company's Chief Technical Officer may be interested in the overall level of technical risk on the project (RBS Level 1).

Risk descriptions at different levels of detail are useful in different ways. Instead of insisting that all risks are described at a single level which may not suit all needs, using a hierarchical RBS can provide the necessary flexibility with both high-level and more detail as appropriate.

[For details of the RBS concept and use, read www.risk-doctor.com/pdf-files/rbs1002.pdf.]

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***), or visit the Risk Doctor website (***www.risk-doctor.com***).