

# TAPPING INTO THE POWER LINES A 3<sup>RD</sup> DIMENSION OF PROJECT **MANAGEMENT BEYOND LEADING AND MANAGING**

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# **ABSTRACT**

Project management is a relatively recent professional discipline. It initially developed out of the construction and defence industry's need to plan, control and manage large, complex series of activities (projects) to produce for example, a hospital, bridge or battleship. From these endeavours arose 'hard' skills for the most commonly accepted project success criteria such as schedule, cost, scope and quality management. However, project management can also be seen as being about managing change, and project managers should be considered as change agents. This is a particularly relevant view when considering non-traditional, non-construction projects such as those in the sphere of IT or business process change.

Successful completion of project deliverables depends on project management of both 'hard' skills (time, cost, scope—1<sup>ST</sup> Dimension) and 'soft' skills (relationship management—2<sup>nd</sup> Dimension) throughout the project lifecycle to achieve project objectives that fully address stakeholder expectations. Until recently, the focus of initiatives for improving the practice and profession of project management has been on enhancing techniques and methods for developing hard skills. The development of tools, techniques and frameworks to develop essential soft skills such as managing relationships has been the subject of a much more muted focus. Soft skills are required to facilitate the application of hard skills because it is people who realise projects and not techniques or hardware.

Project management does not occur in a vacuum. It requires an infusion of enthusiasm and commitment powered by the full range of project stakeholder energy sources, particularly from project management colleagues, that can be tapped much like connecting to an energy grid. The key is knowing how and when to connect to this organisational grid and identifying who the key connectors (stakeholders) should be. Without attention to the needs and expectations of a diverse range of project stakeholders, a project will probably not be regarded as successful even if the project manager was able to stay within the original time, budget and scope.

**Keywords**: project management, stakeholder management, culture, organisation.



# INTRODUCTION

Tapping into the power lines—the concept of a further set of skills and experience beyond those required to manage and lead the project's diverse set of stakeholders on major projects in large, complex environments is explored in this paper. Special skills, beyond leadership and management, provide project managers with the wisdom and knowledge to map power and influence grids using their understanding the historical and cultural issues that control the available flow of people's potential energy. We argue that these special skills focus upon understanding the nature of the power source that drives these large, complex organisations, and knowing how to effectively harness this energy for project success. These skills are largely the ability to make sense out of complex, fragile and often confusing sets of sub-textual alliances of power, influence and resource availability.

The implication of environmental complexity means that to succeed, project managers must establish and maintain relationships with many stakeholders within the project management organisation. They must be able to capitalise upon supportive stakeholder energy sources and anticipate and defuse the power and actions of stakeholders that may be detrimental to the project. This paper will focus on those aspects of a project manager's skills and knowledge that must be invoked for project success in large, complex organisations. The first task will be to define project management as a mixture of art and craft and how this connects to concepts of management and leadership. One of the themes of this paper will be that a successful project manager must be able to balance the requirements of art and craft, of management and leadership. We will base these arguments on some preliminary research that defined project success in terms of project 'hard' and 'soft' criteria. However, even the 'what' (or hard criteria) of project management can be affected by stakeholders' 'hidden agendas'; these 'hidden agendas' must be recognised early and resolved. It is these aspects of managing a project that do not fall neatly into methodologies of project management, that we have termed the 'Third Dimension'. In large complex organisations this often understood as 'politics'. However, to be successful in these projects, a project manager must be able to understand and work within the power and influence structures of the organization through tapping into the 'power lines'. A project manager can survive in the Third Dimension, and can deliver successful projects, but must know how to acquire and internalise the tacit knowledge that allows them to read situations, formulate a response based upon their knowledge of the 'who', the 'what' and the 'how', to master problematic situations effectively using both the skills and resources of people and administrative systems and processes to achieve this. Many project managers do not see the need, nor believe that it is possible to learn how, to do this.

# THE CASE STUDIES

The data that forms the basis for ideas explored in this paper have been collected from three case studies provided from three candidates of the RMIT, Australia, Doctor of Project Management (DPM) each with several decades of project management experience. Two of the project case studies reflected on Information Technology (IT) projects in large Australian organisations, the third was based on the experiences of a young Australian construction project manager working on his first project in Asia. The Hong Kong Airport Project was a construction project, with clearly defined goals and methods, roles and responsibilities. There were, however, many similarities between this one and the other two less well defined IT projects best defined by the lessons learned from the projects. These include:

- The need to focus on 'soft' skills relationship building as well as the 'hard' skills measuring and controlling for risk minimisation
- The importance of defining and maintaining the project vision



- The effect that stakeholders had on the project outcomes.
- The part that a project manager's knowledge, experience, personal style and management preferences played in project success.

Case study 1 was established within the Internet Service Provider section of a large Australian utility company to automate aspects of registration and renewal of domain names and provide IT support for capture of issues and tracking of resolution activities. Although this project was initiated to reduce the likelihood of legal issues for the company and promote the concept of social performance [1], it was viewed as 'easy' and an inexperience project manager was assigned. Many of the assumptions at project startup were false, there was conflict of interest within the stakeholder group and a second project manager with more experience, but not enough to unravel the stakeholder issues replaced the first project manager. The project was completed, but it went over time, over budget, and did not meet stakeholder expectations. Both project managers described their experiences as 'extremely stressful'.

Case Study 2 was a sub-project within the much larger Hong Kong Airport Construction Project. It was to be delivered by a set of joint ventures and strategic alliances comprising of partners representing many countries and cultures. It was planned to be delivered in six months and appeared to be a straightforward construction project. The Australian project manager had never worked in a project in Asia before. He was competent in managing the 'hard' criteria of time, cost, quality and scope, but had never needed to develop skills and experience in managing relationships in a multicultural environment [2, 3]. The project did deliver the required scope, on time and within budget. However, even after eight years had passed, the project manager still describes that assignment as 'the worst ever'.

In Case Study 3, the project manager was assigned to this project to 'fix' a complex, multi-vendor, highly visible project that was experiencing lack of cohesion, lack of leadership and schedule and budget overruns. Once again, this was a stressful experience for the project manager, who had come to specialise in 'troubleshooting' projects such as these. Progress on the project had been stalled, with conflicts arising from cultural misunderstandings between the major delivery groups – one group of 'staff'-business analysts, one group of technical contractors and one group was from a company with clear visions and methods [4] which conflicted with the vision and methods of the other two groups as well as the vision and methods of the project. In addition there was no clear leadership, and four project managers attempting to implement what each believed was the best outcome through the best means. This situation was finally resolved when senior management decided to support the methods and vision of one group. Eventually the project did deliver to the satisfaction of the users, but in a much longer timeframe with a significantly reduced scope.

# PROJECT MANAGEMENT (PM) AS A MIXTURE OF ART AND CRAFT THE CONNECTION TO CONCEPTS OF MANAGEMENT AND LEADERSHIP

The principal elements of 'hard ' criteria define the 'what', and 'soft' criteria define the 'how'. **Table 1** incorporates the *Third Dimension* awareness that a project manager must have in managing the project environment along with the appropriate skills and knowledge. We use the term *Third Dimension of Project Management* to describe the 'ability to read the power structures of the organisation'. We have used this term rather than 'politics' because it moves beyond negative connotations applied to this activity in an organisational context to recognise and absorb important tacit "how to influence and shape events" knowledge. Along with the ability to read the power structures must come the knowledge, experience and art necessary to act effectively for project success [6-8].



Table 1 - Defining Success Criteria adapted from [5]

The Third Dimension	Hard Criteria	Soft Criteria	PM Skills &
	The what	The How	Knowledge
In the Open	Performance specs	How to control project	PMBOK tools and
Declared, visible,	Time and Cost	Review meetings	techniques
openly discussed by	Contractual Terms &	Procedures to use if it goes	Clearly defined as part
stakeholder	Conditions	wrong	of PM Craft.
	Delivery terms, Quality	How communication is to	
		take place	
Under the Table	'Real' budget	Political concerns 'don't	A combination of Craft
Withheld deliberately,	constraints that are	rock the boat' or 'if	(tools & techniques) and
undeclared by	arising or foreseeable	anything goes wrong you	Art (experience,
oversight, or not usually	e.g. delivery dates,	are on your own'	knowledge and
discussed, but very	resources available	'Hidden agenda'	leadership skills)
influential		_	, ,
May Emerge	New options arise from	Risks too large for the	Art of negotiation,
Unknown by both	practical events and	client personally	problem-solving
parties, but should be	experience	Outcomes from joint	Combined with PM
dealt with positively	The unexpected	participant days of	adaptability which can
when they emerge	enforces different	problem-solving	only result from
	constraints	j .	experience
	'Acts of God' crisis		

Every project manager is expected to be competent in Table 1 Set 1 – *In the Open.* Set 2 – *Under the Table* requires much more knowledge and experience for not only identification but also satisfactory resolution. The project manager of the Hong Kong Airport project was continually battling with *under the Table* issues. He had some small successes in managing the relationship, but his skill in managing the *in the Open* issues meant that the project did deliver on schedule and within budget. The true test of the project manager is how he/she anticipates and identifies Set 3 - *May emerge* and negotiates the best resolution for the project. In some cases the best resolution may be to close the project. This was the eventual outcome of project Taurus, the London Stock Exchange's 500 million pound IT venture where weak project definition along with the impetus developed through unchecked stakeholder expectations caused massive budget overruns [1]. The *May emerge* category was the level that the Case Study 3 project manager should have been able to operate at. She did not know how to read the power structures of this new organisation. This knowledge of who and how the organisation worked was the element that made the difference in this project. We will discuss aspects of working within these power structures later in this paper.

# STAKEHOLDER INFLUENCE

Cleland identifies the need to develop an organisational structure of stakeholders through understanding each stakeholder's interests and negotiating both individually and collectively to define the best way to manage their needs and wants [6, p151]. Stakeholders have been described variously as "The ones who holds the beef" [9], those who have an Interest, [10], essential in "people-oriented project cultures" [11] essential at all points in the project from 'initiation' to 'closeout' [6]. Briner *et al.* explore the idea of a framework of six directions of which a 'project leader' must be aware, to manage a project's stakeholders successfully [5]. Weaver and Bourne [12] describe a seven-element framework as the network or 'sphere of influence and support' on which a project depends for its very existence.



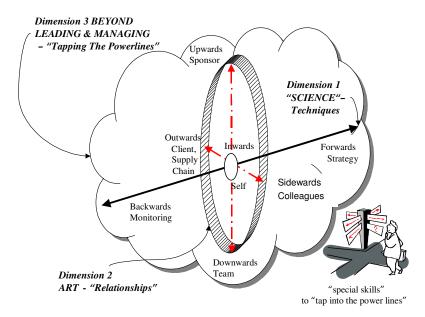


Figure 1 - Dimensions of Project Influence

Figure 1 defines what a project manager must do to be successful. The project manager must manage the processes to develop the plans, schedules, reports, lessons learnt and forecasts that will serve as communication devices to everyone who has an Interest. This is 'Dimension 1' looking *forwards* and *backwards*. The project manager must also manage him/herself, from the point of view of personal discipline, but also from the point of view of having needs and wants that must also be met through successful completion of the project. This aspect of stakeholder management – looking *inwards* - is often neglected. If the project manager's needs and wants have not been satisfactorily delivered, it cannot be termed a successful project, because all stakeholders have not had their interests fulfilled. [12] Looking *outwards*, managing the needs of clients, suppliers and users, requires a mix of management and leadership. Looking *downwards*, requires considerable leadership skills to motivate followers and ensure all team members have their needs and wants satisfied. Looking *inwards*, *outwards* and *downwards* are 'Dimension 2' skills.

It is the 'Third Dimension' skills - looking *sidewards and upwards* - that are the focus of this paper. Dimension 3 in Figure 1 focuses on satisfying the needs and wants that a project manager's peers and senior managers require. This demands significant interpersonal skills that call upon flexible and appropriate responses to situations when these stakeholders threaten the success of the project. Each of the case studies illustrates that, without attention to the needs and expectations of different sets of project stakeholders, the project will probably not be regarded as successful (and certainly not to the project manager) even if he/she was able to stay within the original time, budget and scope.

An understanding of the concept of managing different types of stakeholders in different ways is an essential part of a project manager's *art* AND *craft*. Another essential element is the knowledge and understanding of identifying project stakeholders and their 'how, why and when' issues so that these needs might be best addressed. Results of analysis of data from the case studies show that project teams and their stakeholders operating in multicultural environments or outsourcing environments with multivendors teams must demonstrate a greater level of flexibility and leadership to ensure that they can work together to jointly deliver successful outcomes. [13-15].



The three case studies indicate that all four project managers rated close to expectations on individual elements except for managing *upwards*, *sidewards and inwards*. The wants and needs of individual projects managers are subjective, but clearly, if there has been constant conflict on a project not accepted as successful by stakeholders, then achievement to expectation will be below the required level. This will probably affect the behaviours of stakeholders. Lovell states that behaviours ranging between accommodating and assertive will be displayed by the stakeholders depending on each persons perception of how needs and wants are being met [16]. Two elements varied most widely from the stated expectations – managing *upwards*, and managing *sidewards*. This data supports the definition of these elements as the ones requiring knowledge and skills in understanding and working within the power structures of the organisation.

#### THE THIRD DIMENSION

What was missing in all three case studies was the knowledge of how the organisational structure supporting (and encircling) the project worked. From the small sample of (unsuccessful) projects represented by the case studies, it can be deduced that there is a range of skills, leadership and management ability and personal style that a project manager has, acquires or develops that will enable him/her to manage projects of increasing complexity or importance to an organisation. We argue that the Third Dimension – understanding and using the *power lines* – is the <u>additional</u> essential ingredient to success with IT projects in a large complex organisation.

In large complex organisations, project managers have responsibility and authority for managing schedules and costs rarely have a sufficient level of authority to manage all aspects of the project. The power base of the individual project manager depends on the perceived importance of the project as well as his/her reputation and influencing skills. "Knowing which styles of persuasion to use and when depends to large extent to the political skills and courage of the particular project manager" [16].

None of the project managers described in the case studies was able to operate within the power structures of the organisation outside the project. Even those who recognised it was necessary could not always do it. One thing is clear from the comments of each project manager, they now know (each at his/her own level) more than they did before.

The key to surviving (and thriving in) the 'politics' of an organisation's power structures in and around a project is to build and maintain durable relationships. As has already been shown through the case studies, it is dangerous to ignore the effect of 'politics' on the outcomes of a project. It is important to understand how the patterns of political activity operate in any particular organisation. It is also important for a project manager to understand how he/she reacts to these situations and if necessary adapt behaviours to ensure success. Overly emotional reactions will lead to disaster. The emphasis must be on striking a balance between left brain and right brain activities – development of deliberate rational thoughtful strategies as well as supporting the psychology of the emotive and intuitive aspects. It is significant that these qualities are ones that Thompson emphasises as those of a successful negotiator [17]. This skill has also been defined as sensemaking, the ability to read tacit signals and tap into a whole area of subconscious and cultural knowledge that helps us make sense of situations [18, 19].

Understanding the power environment within the organisation and the position of the actors within it for particular issues is also crucial [16]. With experience, this understanding is a combination of conscious and intuitive, almost instinctive, thought processes leading to actions. It occurs through changing situations and adapting attitudes to be more in line with the project's goals [20]. This sounds deceptively



simple, but requires knowledge of the environment and all the 'players' in this process and what their drivers (needs and wants) are. Even when the project manager lacks formal power, he/she needs to be able to influence people and outcomes; through building and nurturing what power they have in optimising "coalitions of support" [10]. Failure to understand and control the political process has been the downfall of many good projects [16, 21]. To manage successfully within an organisation's power structures it is also necessary to understand the organisation's formal structure (an organisation chart will illustrate this), its informal structure (friendships, alliances, maintaining acquaintance with former work colleagues and thirdly its environment (each player's motivation, priorities and values) [20].

Communication is vital for project managers for relationships with close, supportive 'tame' stakeholders. These power structures are complex and constantly changing and require a high level of maintenance. Maintenance in the form of 'active communication' systems will also provide the necessary 'early warning 'systems' [5]. Active communication, including sharing access to the 'grapevine', is more easily accomplished with the project manager's peers, through meetings, telephone calls perhaps even regular (even if infrequent) coffees. Maintaining communication, hence the power lines in an upwards direction is a great deal more difficult, but not impossible. Regular project updates and formal project communications and presentations to defined senior stakeholders and frequent governance meetings are formal means. The informal ones require more 'face': always making eye contact and greeting them, also ensuring currency in knowledge of the organisation and product offerings, not to mention tapping into the 'grapevine'.

Inevitably, 'rogue' stakeholders – supporting one of the warring parties in the team, or seeking to establish ascendancy over the 'tame' stakeholders, or with other hidden agendas- will incite conflict or cause trouble for the project manager and seek to cancel the project or even worse, change some aspect of the project; change the scope, technical direction, reduce the funding, require additional or different reporting. If the project manager has established credibility, built the foundations by involving all stakeholders from project startup and establishment of shared vision, and developed relationships through the power structures of the organisation and maintained them with active communication systems, disaster can be averted.

A project manager must be able to recognise the danger signals, the 'early warning systems' the warning of possible trouble with senior stakeholders. Boddy and Buchanan list these danger signals as: interfering without consultation, not providing support when needed, poor communication links – too many reporting levels between the project manager and the senior stakeholder, unfounded promises or commitments [10]. Only a project manager who has built credibility, and knows how to tap into the power structures of his/her organisation can recognise these signs, and defuse potential crises before disaster strikes. We argue that the qualities and actions that make a good leader will support a project manager working successfully within the power structure of an organization to maintain the objectives illustrated in the project vision and mission.

Sorcher and Brant identify leadership traits that should be valued in an organisation: effective communication, development and managing project vision, and leading and influencing all stakeholders to successful project outcomes [22]. Leaders today are required to be equally proficient in technology, administration and 'politics' [7]. Organisations focus on preparing the technological and administration skills of their Managers, but neglect the political skills. Peled also supports the argument that leaders with extensive backgrounds in organisational politics complete more projects more successfully because they manage the appropriate aspects of their stakeholders (upwards and outwards, sidewards) while at the same time being able to tailor their technological vision to the day-to-day reality of their organisations. Technological managers with less political experience tend to manage inwards and downwards and build 'generic' solutions that fit 'any organisation'.



It may be possible to learn how to operate in the Third Dimension to significantly reduce learning period and the number of errors. Organisations are now initiating programs to "grow leaders" through coaching and mentoring, specific seminars and training programs and other action learning methods as well as planned job rotation to ensure a balance of work experiences [23].

Organisations can fall into the trap of overvaluing certain project leadership attributes, in many cases the traits that best manage the 'hard' project criteria. Instead, the emphasis should be placed on the ability to operate in 'grey' areas, to adapt, to have a balanced set of skills.

Leonard-Barton advocates the use of 'people with T-shaped skills' [24]. These individuals can see the world from two or more different perspectives – knowing one discipline (or more) in great depth as well as having a broader view of the bigger picture. However, the career path of many project managers has been through technical rules-oriented technical roles. Learning from their peers and mentors who have also followed this technical route reinforces the stereotype. Without clear guidance they will continue to fight the wrong battles, provoke senior stakeholders with politically naïve remarks, and fail to build vital power partnerships.

### CONCLUSIONS

The effective management of a project requires a range of analytical and planning techniques, especially when the project is large (and is operating in a large, complex organisation). These approaches feature strongly in project manager training and in the professions from which project managers are traditionally drawn. "A new emphasis is needed - acquisition and use of a wider range of interpersonal skills. These enable the project manager to work more effectively in the uncertain and political environments and to take the lead in managing the different interests around it...."[10]. With data from only three case studies, some personal experience, and anecdotal evidence from other project managers working in large complex organisations, it is not possible to draw definitive conclusions, nevertheless evidence presented in our chosen case studies combined with substantial personal project management experience supports our view that "Project managers in large complex organisations have responsibility and authority for managing the schedule and costs, but do not always have a sufficient level of authority to manage all aspects of the project. Those project managers who have delivered successful projects – within budget and schedule and to agreed scope and to the expectation of all stakeholders, have invoked additional knowledge of the power structures of the organisation and skills to 'tap into the power lines' of that organisation.

By providing more project managers with the skills and tools to succeed in this environment, and by reducing the learning time and number of scars received in the process, a larger percentage of projects in complex organisations could deliver more effective and efficient solutions. This would not only benefit the organisations themselves would could also improve the profile of project Management as a profession and increase the capability as well as the self-esteem of individual project managers.

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