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Project Management & PSA Software

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Project management and professional services automation (PSA) software exists to solve a dilemma – summed up by one of our article authors as this: most professional project managers are well-trained, well-motivated and highly skilled, yet still projects go off track with almost monotonous regularity.

So what's the problem? This issue's Management Briefing authors look to provide the answer.

In terms of PSA software, Jeremy Miles of Valtech (page 14) says the key to successful implementation lies in an awareness of the complexities of company culture.

In terms of successful project management, authors Alan Fowler, Rod Baker, Benita Sutton-Cegarra, Steve Clarke, Keith Bedingham and Russell Berkeley put forward solutions ranging from adapting the 'lean engineering' methods used by car makers to focusing on creative people management.

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Project Management & PSA Software   **Management Briefings**

Project Management & PSA Software   **Supplier Profiles**

Throughout this issue we feature profiles of leading project management and professional services automation software vendors. This information, supplied by the companies, has been checked and validated by specialist independent consultancy Impact Plus.

Conspectus is a publication for directors and decision makers who are interested in current developments in information technology.

Conspectus is published on the internet at **www.conspectus.com**, providing online access to both editorial and supplier information from all the previous year's issues, with an online search capability.

PROJECT FAILURES remain a major management problem. Recent headline-grabbing disasters include the renovation works at Bath's famous spa – where the local authority has finally pulled the plug on a millennium project which has massively overrun on both cost and time – and ongoing issues with the planned upgrades to the Government's Child Support Agency computer systems.

And it's not just the public sector which is having trouble bringing complex projects to a successful conclusion. There are many examples of commercial companies struggling to hit critical deadlines and meet key user expectations.

Some industries, notably construction and engineering, have a long tradition of using sophisticated project management tools to handle their requirements. More recently, service organisations such as consulting firms, architects and lawyers – who have to manage staff deployment and billing over a range of different projects – have had recourse to specialised professional services automation (PSA) software.

In both these areas, the latest *Conspectus* survey suggests that, slowly but surely, organisations are starting to place more reliance on project management and PSA technology.

But while such software is becoming a central element in their attempts to keep projects on track, difficulties in developing a convincing business case are causing concern for many companies.

Of the organisations polled (see Survey Statistics box, opposite), the overwhelming majority (92%) make use of Microsoft Project as a project management tool – often in conjunction with other, more specialised software packages.

As Figure 1 shows, the majority (88%) have also adopted a formal approach to project management, most
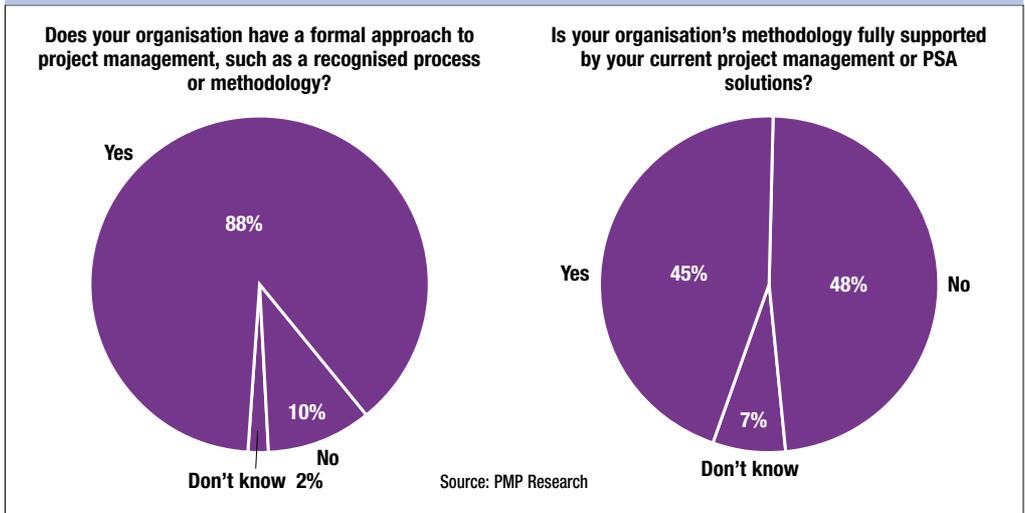
commonly a recognised methodology such as PRINCE (52%), or a home-grown methodology which has been developed inhouse (32%).

This indicates a mature approach to project management – and yet this view is somewhat undermined by the discovery that only half the respondents believe their chosen methodology is fully supported by their current project

management or PSA solutions.

This discovery may well be one of the reasons why around half of those polled (54%) are disappointed in the performance of their current project management tools. Only a third (36%) of companies reckon their present choice of software either meets or exceeds their requirements, with 10% undecided.

The main motivation for

using such tools remains the desire to improve project visibility, cited by 86% (see Figure 2). Reducing milestone delivery risks (78%), along with improving resource allocation (76%) are also key goals.

All three of these aims have to do with the immediate issues raised in handling live projects. Significantly, companies show themselves to be much less concerned about longer-term benefits, such as the ability to create metrics for use on subsequent projects (42%), or the chance to re-use knowledge gained on a particular project (34%).

These findings point to many companies using project management and PSA software as fire-fighting tools – rather than as a technology which can help them manage projects more successfully in the longer term, by allowing them to learn from previous experience or even previous mistakes.

What is more, even at the tactical rather than the strategic level, companies are struggling to manage some of their key requirements.

Slow and steady

UK companies report gradual rather than spectacular progress towards adopting project management and PSA software. Pat Sweet finds out why.

FIGURE 1: Project methodology

Does your organisation have a formal approach to project management, such as a recognised process or methodology?

Yes 88% — No 10% — Don't know 2%

Is your organisation's methodology fully supported by your current project management or PSA solutions?

Yes 45% — No 48% — Don't know 7%

Source: PMP Research

FIGURE 2: Main reasons for using project management tools

Reason	Percentage
Improve project visibility	86%
Reduce milestone delivery risks	78%
Improve resource allocation	76%
Create metrics for use on subsequent projects	42%
Re-use knowledge	34%
Save money	28%
Identify business opportunities	12%

Percentage of respondents

Note: respondents could specify all that apply

Source: PMP Research

FIGURE 3: Multi-project management

How easy is it for your organisation to manage a portfolio of inter-dependent projects using the tools you have currently?

Difficult 54%

Easy 12%

Very easy 2%

Don't know 8%

Do not have this requirement 4%

Very difficult 20%

Source: PMP Research

FIGURE 4: Integrated PSA

How important is an integrated PSA environment to your organisation now compared to two years ago?

More important 58%

Less important 0%

Same level of importance 24%

Of no importance 6%

Don't know 12%

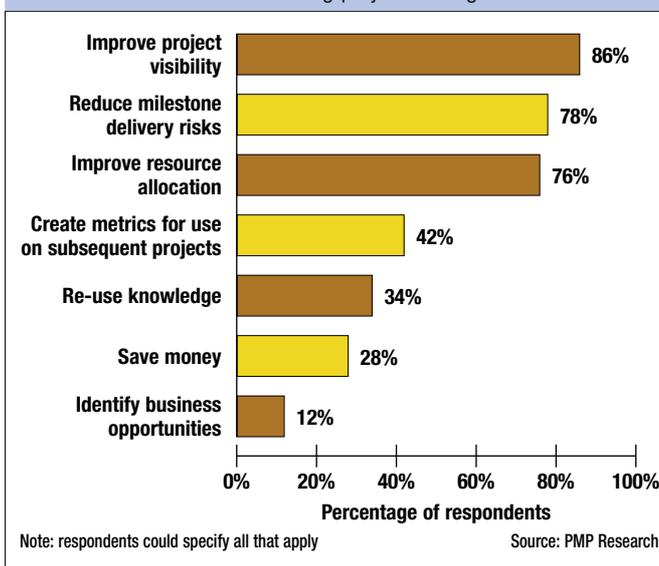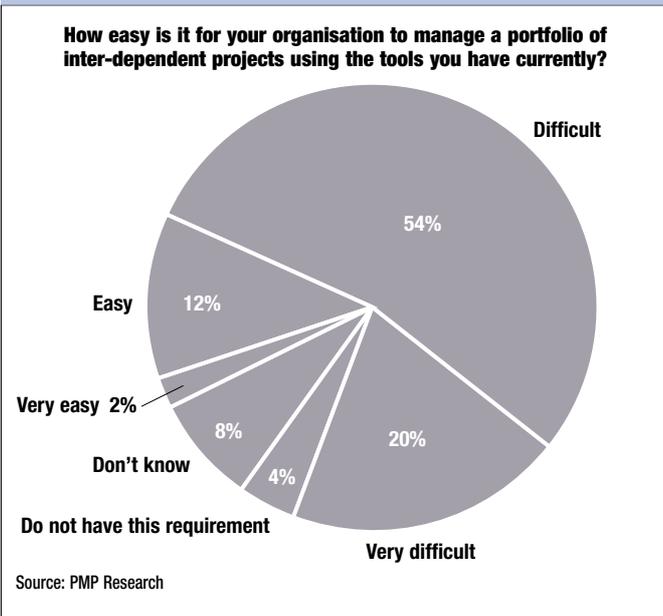Source: PMP Research

Take resource allocation, which emerges as a critical area for improvement. Although 84% say their current system allows them to track resource allocation, and 64% can also track resource utilisation, three-quarters concede that they are having problems in this area.

While more than half (59%) report that it is 'difficult' for their organisation to allocate resources and skills to projects using the tools they have currently, a further 16% label this task as 'very difficult'.

More worryingly still, none of those polled are prepared to describe this process as 'very easy' and only 19% feel it is 'easy'. Yet just 4% reckon they do not need to do this, suggesting the majority are struggling with what is widely viewed as a very common requirement.
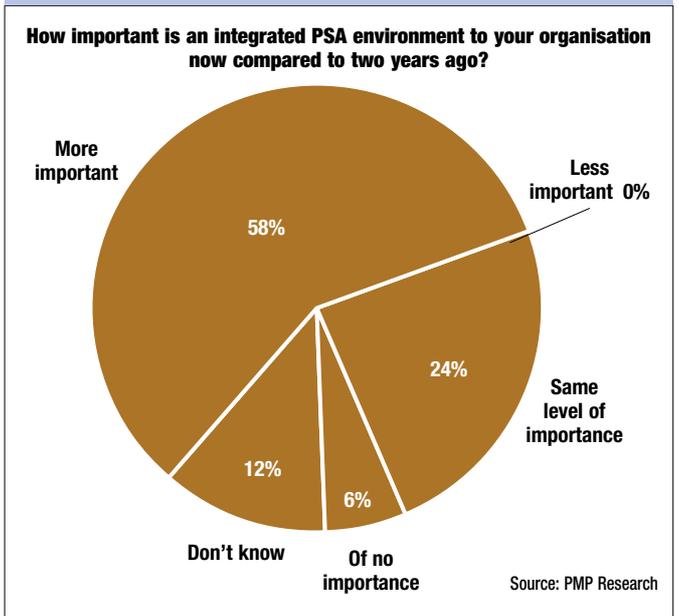
It is a similar story when it comes to managing a portfolio of inter-dependent projects, a challenge which many professional services organisations frequently face. Again, three-quarters of those polled report major problems, with 54% describing this requirement as 'difficult' to manage and 20% calling it 'very difficult' (see Figure 3).

As our Expert Opinion article on page 5 shows, the issue of inter-dependency is a complex one for both the human brain and modern technology to tackle.

Yet there are successful approaches to pursue – although many of those in our survey are faltering at the first hurdle, since 60% report that their project management tools do not support a consolidated view across projects.

Even less sophisticated facilities are taking a while to catch on. Two-thirds (65%) of respondents continue to use manual expenses recording processes while around half (48%) use manual time recording processes, despite the fact that both procedures are obvious candidates for automation.

These findings indicate that companies tend to use project management and PSA solutions in isolation, divorced from other activities and applications.

However, this year's survey shows that companies are making greater attempts than in the past to integrate such software with other operations.

Getting on for a quarter (22%) say their current project management system is integrated with their financial systems, and 10% report this is also the case for HR and procurement applications. This is significant, since money and people resources have an obvious impact on project outcomes.

Previously, the levels of interconnectivity have been much lower. Last year, for instance, none of the companies in the sample reported links between their project management system and HR, and only 16% had integrated with their financial systems.

Significantly, 22% of those polled now maintain that an integrated PSA environment is either 'very important' or 'business-critical' for their organisation, with the majority (58%) declaring that such an option is now more important than it was two years ago (see Figure 4).

None feel this option has reduced in significance, while for a quarter (24%) the situation remains unchanged.

SURVEY STATISTICS

Our survey includes companies of varying sizes and from different industry sectors, although the majority are larger organisations.

A third (36%) report an annual turnover of between £150 million and £1 billion, with a further 14% falling into the £1 billion to £5 billion category and another 14% topping the £5 billion mark. Towards the smaller end of the range, 16% are in the £10 million to £50 million bracket and 10% have a turnover of between £50 million and £100 million.

Respondents are evenly split between those who are professional services providers with commercial clients (25%), and those who are inhouse service providers (29%) – with 19% describing their organisation as a mixture of the two.

The public sector, which has a long history of complex projects and significant inhouse service provider teams, accounts for 22% of our sample, while 12% are drawn from the financial services sector, which is also well-known for introducing ambitious new computer systems against tight deadlines. In addition, IT (6%), telecoms (6%) and legal firms (6%) are represented, along with transport (6%) and distribution & logistics (4%).

In fact, a quarter of companies have either already installed a PSA solution (6%) or will be doing so within two years (20%). A further 14% intend to move to a PSA environment over the next five years and just 12% rule this out completely as an option.

The main barriers to adopting such a solution emerge as concerns about the cost or difficulty involved in implementation (46%), coupled with worries about the need to re-organise business processes to accommodate the new software (42%).

Looking at this last point in more detail, three-quarters believe that introducing PSA or project management software calls for either 'substantial' business process re-engineering effort (24%) or 'some' business process engineering (50%). Only 18% reckon operations will be carried out exactly as before, with 8% uncertain.

Although companies show themselves to be convinced of the merits of using project management and PSA software – since they are gearing up to introduce more such solutions in the future – they face some very real battles in getting approval for such purchases.

Nearly half (45%) concede that it will be difficult for their organisation to develop a business case for introducing such technology (see Figure 5). This is almost double the proportion (26%) who maintain that the benefits of project management and PSA make building such a case very straightforward.

Part of the problem seems to lie in the difficulties almost all companies have in pinning down those benefits. Just 10% maintain that it is either 'very easy' (2%) or 'easy' (8%) for them to measure the impact that project management or PSA software has on their company's performance.

In stark contrast, half (49%) believe it is 'somewhat hard' to gauge benefits accurately, if at all, with a quarter (23%) feeling that this is a 'very hard' task to perform.

In fact, companies demonstrate strong agreement about the top three criteria for assessing the success of any implementation: better management visibility (80%), improved resource utilisation (76%) and cost savings (70%).

However, as one respondent points out: "Cost savings are the only driver likely to prove acceptable, while better management visibility is likely to be the only one that can be put forward."

Certainly, respondents do not anticipate asking for a substantial slice of budget to support any project management or PSA implementation, since a third (36%) estimate that the most they would want to pay per user to buy and deploy such a solution is less than £500.

Only a small proportion are prepared to invest more, with 10% saying they would be willing to put in between £500 and £1,000 and 6% indicating they could spend anything from £1,000 to £5,000. The remainder would not be drawn on the topic.

The difficulties in providing a watertight cost justification for using project management or PSA software, coupled with an obvious reluctance to open the corporate purse any wider than necessary, are reasons why progress towards using this technology is slow and steady rather than spectacular.

But sometimes internal barriers such as these can be overturned if there is a strong enough push from an external driver.

One such factor is the recent publicity and legislation in the area of corporate governance, with companies now required to track their performance and financial results in much more detail than before.

However, although project management and PSA packages include features that would help with new demands (such as those of Sarbanes-Oxley), there is little sign of companies rushing to sign up as a result.

Just 2% of our sample report that such developments have had an impact and will lead to greater use of project management or PSA software (see Figure 6). A further 18% are unsure as to how their plans will change, but a two-thirds majority (66%) say that corporate governance requirements are having no impact whatsoever.

Without an external driver for action – or a clear set of benefits to aim for – many organisations are going to have a hard job persuading the powers that be to invest in project management or PSA solutions.

Yet down at the ground level, where the projects are managed, there is a growing acceptance of the advantages such solutions can deliver. At the moment, that makes many implementations seem like a triumph of hope over analysis.

● *Pat Sweet is the research analyst on Conspectus. If you are interested in this study, please contact Cliff Mills at PMP Research. Email: cliffm@pmpresearch.co.uk.*

FIGURE 5: Justifying projects

Do you feel it is (or will be) easy for your organisation to develop a business case for introducing project management or PSA software?

- No 45%
- Don't know 29%
- Yes 26%

Source: PMP Research
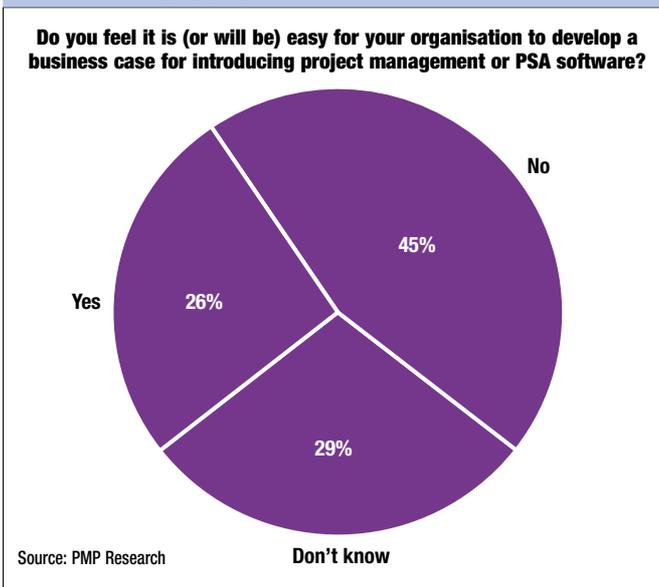
FIGURE 6: Impact of new regulations
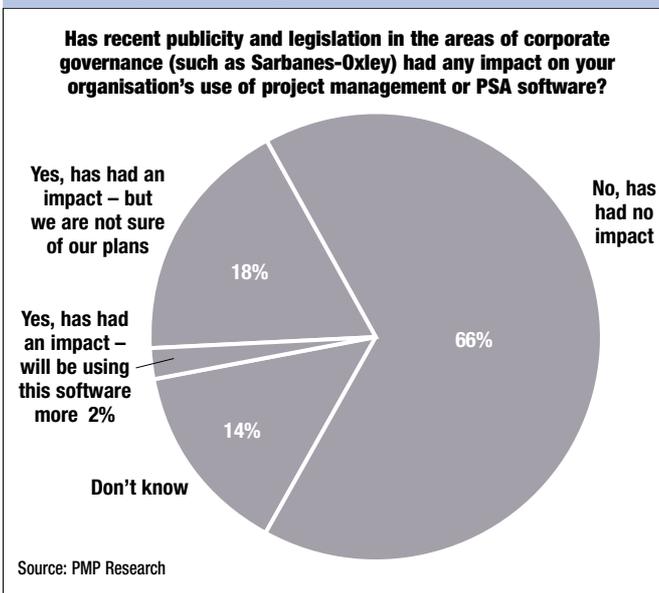
Has recent publicity and legislation in the areas of corporate governance (such as Sarbanes-Oxley) had any impact on your organisation's use of project management or PSA software?

- No, has had no impact 66%
- Yes, has had an impact – but we are not sure of our plans 18%
- Don't know 14%
- Yes, has had an impact – will be using this software more 2%

Source: PMP Research

It all (inter-)depends

Inter-dependencies in projects manifest themselves in unexpected contentions, permutations of dependencies – and, at worst, gridlock. As Muir's law states: "When you try to separate anything out by itself, you find it hitched to everything else in the universe". This is the stuff of nightmares!

So what can companies do to manage it? The most common options are to:

● Increase resources to avoid waiting for a key resource to come free – but often the additional resource is spare people who are not masters of the skills and knowledge needed.

● Replicate the tasks to avoid waiting for the other project to finish – but often the budget isn't there to replicate the work, and the inefficiency is hard to justify.

● Take a risk and push ahead on a best assumption – but the budget may not be there to pay for the re-work if the assumption is wrong.

● Accept the delay – but delay will rarely be acceptable to the business.

To manage dependencies successfully companies need to take a radically different view. Consider the fact that more things happen concurrently across time than happen sequentially, along time. What matters is how you make things happen as simultaneously as possible and then manage the consequences.

In projects, things happen concurrently and not just in sequence. These concurrent events can become dependent on each other. Inter-dependency arises from links between concurrent streams of events, or episodes. Episodes (and therefore projects) are linked together over shared:

● Resources – key people, skills and knowledge, locations, facilities, machines.

● Events – components of other projects, shared tasks.

● Outcomes – results and products of other projects and tasks.

Projects are in contention for these resources, events and outcomes. Links between episodes build complex networks of dependency. Project managers find it very difficult to hold such complex networks of dependencies in their conscious attention, and there is a good reason for this.

Consider what would happen if you could pay attention to all the billions of messages coming from your brain at once and all the inputs from all your senses. You would go into overload!

So you make all that processing unconscious. You have conscious attention of only one thing at a time. You think you are handling things in parallel, but actually you're just polling fast like a communications processor.

When you manage a project, the way your brain works means you deal with one thing at a time. As a result you:

● Have difficulty anticipating contentions that will cause inter-dependency.

● Lack techniques to scope projects to structure inter-dependency.

● Tend to build more sequence into project plans than is needed.

Knowing how the brain works helps produce some approaches to managing inter-dependency. Structured walkthroughs may have fallen out of fashion, but they do still

Alan Fowler: knowing how the brain works can help

have an important role by bringing together the enormous connective power of the combined brains of the project team and stakeholders to capture dependencies and risks.

And a technique used for nearly 50 years in the automotive industry – lean engineering – offers another approach. Lean engineering starts with a finished prototype of a car and works backwards, notionally taking it to pieces and noting the construction steps, until it ends up with the bill of materials needed to put to the suppliers.

A great advantage of this approach is that the resulting construction path is:

● Minimal in task and effort.

● Convergent towards the finished article

– ie, redundant detail and scope creep are instantly identifiable and eliminated.

● Structured around the key large components, so that the work streams are minimally inter-dependent.

It would be ideal to run a project using lean engineering – if only you had the equivalent of a prototype car!

However, new project concepts are coming on stream that offer something that will do as well – 'recognition events' and 'value flashpoints'. These are sufficiently specific and matter-of-fact representations of project outcomes to make it possible to 'backcast' project plans.

You can then use a simple method to remove any redundant sequences in the project and to reduce inter-dependency to a minimum. This is what you do:

1. List all the project tasks you know about (which will be less if you do not use the RE-VF-backcasting approach!) on the Gantt chart without any duration (ie, one day each) nor any resource allocation.

2. Ask of each task: "Why can't I start this tomorrow?"

3. If you can start tomorrow, the task is shown as the lead task in what will become an autonomous cluster. If you can't, it is shifted and hooked onto the preceding task on which it is dependent.

4. Estimate the tasks and extend them on the Gantt chart.

5. Add back in the resources and resource constraints.

Result – a project plan consisting of concurrent clusters of tasks, each maximally internally cohesive and minimally externally dependent. In my experience, the overall elapsed time of the plan will reduce by about one-third.

In summary, to manage inter-dependency more easily, respect your brain – it is as richly networked as anything in the universe! Then, using the techniques above, you can trick it into helping you to manage the parallel world in which your projects live.

● *Alan Fowler is managing director of consultancy firm Isochron Ltd. Tel: 0131 247 7568. Email: afowler@isochron.co.uk. Website: www.isochron.co.uk.*

View from the top

Q: What were Gist's reasons for adopting project resource management software?

A: The Consulting Services team is a key component of Gist's supply chain solution and implementation process for its customers. As the volume of work was increasing and the team was growing in size – currently numbering some 40 people – we wanted to implement a robust and effective resource management process. This would ensure optimal allocation of resources to projects and provide visibility of our resourcing patterns and any conflicts that were likely to arise.

Initially we developed a simple solution using Excel spreadsheets to forecast demand and plan current workload, but this gave poor visibility of projected demand and didn't provide any consistency to the data. We wanted better visibility and to improve our resource planning and utilisation rates.

We recognised that the Consulting Services team needed to have an understanding of where people were, what they were doing and what work was coming up – it was all about making sure we had the right people available for projects at the right time.

Q: How did you solve the problem?

A: We wanted to formalise our resource management process and made the decision to implement resource management software round about the middle of 2003.

We set up a small project team to design a new sales and operations planning (S&OP) process for Consulting Services. We then developed the software requirements specification and went through a small software selection process from a shortlist of resource management software vendors.

At the time, we were actually looking for a quick-fix solution. This was because our IT department was planning to purchase a fully integrated resource management software suite that would support the whole of the Business Solutions department – of which Consulting Services is a part – so we were looking for a product that was cost-effective for about 12 months.

Our selection of Innate Resource Manager was tailored to that. Cost-effectiveness was one of our priorities, and we were willing to sacrifice functionality for that.

Q: How were the users prepared for the new software?

A: Having made the decision that we wanted to implement Innate Resource Manager, it was important to keep all parties affected by the change informed of what we were planning to do and the

timescales involved. The key audience for the changes was the senior management team in the department.

Our standard project management process requires a sponsor for each project, and in this case the sponsor was the head of Consulting Services so he was able to keep a close eye on the project.

We followed a communications plan to ensure that we provided consistent information to the team about why the project was being set up, how we were evaluating the software, the effect it would have on the team and the new processes that were being put in place.

We gave the users demonstrations and held question and answer sessions to support the communications process. In reality there was very little change for most people. Individuals can have visibility of their future workload but the software is mainly used by the resource manager.

Q: So how is the software used in practice?

A: We have set up within our S&OP process a new process of having demand managers – this is a group of people who we use to manage consultancy demand.

They work with existing customers and any potential new customers that we have identified. They input all projects into Innate, including possible projects, so that we have visibility of all actual and potential work.

The demand managers have to indicate the resource levels needed for each project and the skills these individuals would need. They allocate a 'generic' resource to each project, such as

transport consultancy or warehouse resource. Our part-time resource manager then reviews the available resources and allocates individuals to projects.

As is the nature of all projects, some might have a confirmed start date, but some might be delayed, cancelled or extended. The resource manager has to remain aware of these changes. He is the main user of Innate Resource Manager but everyone in Consulting Services has visibility of their workload.

The demand managers work in particular sectors or with particular clients, and they have visibility of their sector. Everyone can also input their own holiday and training time – but they can't change project details. That has to go through the resource manager.

Q: HOW HAS THE NEW SYSTEM AFFECTED YOUR CONSULTING SERVICES OPERATION?
A: The biggest change was putting in the S&OP process, and making the demand managers responsible for entering demand – before it was all done on an *ad hoc*, almost informal, basis. By separating demand out from other processes, it was clearly understood that demand managers are responsible for populating the pipeline.

Q: YOU BOUGHT INNATE AS A STOP-GAP BUT YOU ARE STILL USING IT – HOW DID THAT COME ABOUT?
A: We had been planning to install an integrated suite, but as this project developed we realised that we couldn't match our overall requirements from off-the-shelf software.

Our view as a business has always been to exploit best of breed applications. In the past it has been cumbersome to manage effective integration across different applications, but in recent years we have found this easier to deliver so we are planning on this approach for our new project management application suite.

We have the ability inhouse

NAME: Trevor May.
BACKGROUND: Trevor has worked for Gist for the last 10 years, performing the roles of industrial engineer, head of solution design, consulting manager and resource manager. As the resource manager for Consulting Services, he managed project allocations for a team of 40 consultants. As well as being part of a virtual team, Trevor has led a variety of projects with a range of blue-chip clients in the retail market. Prior to joining Gist, he worked for Booker Food Services as productivity services manager, introducing improved methods of working throughout its distribution supply chain and undertaking transport reviews and network re-designs.

He also worked for Cadbury Schweppes as a senior distribution analyst, introducing new incentive schemes for warehouse and transport, as well as reshaping the distribution network and introducing warehouse productivity improvements.

Trevor currently manages a team of warehouse consultants within the logistics transformation team in Consulting Services. His role includes the development of leading-edge capability and project delivery to clients in all areas relating to warehousing.

to put together and use various best of breed packages for project management, timesheets and resource management. As a result, Innate was chosen as the resource management software.

The IT and Consulting Services teams share a project office, so we migrated the resource management package across to IT as well. The IT team has now been using Innate for around seven months.

Q: WHAT BENEFITS HAS THE RESOURCE MANAGEMENT SOFTWARE PROVIDED?
A: There are tangible benefits around resource utilisation. In the last 18 months, for instance, utilisation has gone up by five percentage points, which is quite significant for us. As well as helping us get forward visibility, the software has been a real driver to improve utilisation.

There are also other benefits. With the visibility of demand, we now have the ability to identify skills gaps in the future. It gives us the option of retraining people if we know there will be demand for certain

skills. We can also identify whether we need extra resource or, if there is a short-term blip, whether we should be using resource from outside suppliers.

If we see we have spare resource coming up, we can also ask the demand managers to see if they can find work in those areas in, say, three months' time.

Q: HAVE THERE BEEN ANY PROBLEMS WITH THE PACKAGE?
A: What is good about Innate is that they are continually updating the software, based on user feedback, so they have included a lot of what we originally wanted.

We did have some teething problems before the implementation, but the implementation itself went well and we don't have any real day-to-day problems with the software.

I do have one concern which relates to the fact that parts of the product are customisable. You can change entries on the screens to use terms which are familiar to your business – for

example, Project ID could be changed to Project Name. This is done via scripts which you can amend.

When Innate issue an update to the software with new programming it will probably have new scripts, but if we implement that, we lose all of our customisation.

Innate are now working towards grouping their customisation features together in one place.

Also when we did upgrade, Innate offered to customise the scripts for us and send it through to us – so we haven't been left in the lurch.

Q: BASED ON YOUR EXPERIENCE, WHAT'S YOUR ADVICE TO OTHER COMPANIES LOOKING AT AUTOMATING RESOURCE MANAGEMENT?
A: People should think about the process around the software – if your processes need changing, this is an ideal opportunity to do that. People should also be aware that we didn't find much of this type of software in a standalone version.

4c Systems

4c Systems Ltd is an independent UK-owned company, formed in 2002 as the result of a management buyout.

Background

The company traces its roots back to the early 1960s but the current product, 4c, was first installed in 1997.

Since then 4c has continued to develop: the latest feature is a web version of 4c's integrated timesheet module which will be available shortly after May 2005.

4c Systems works in partnership with current and potential customers, offering advanced programme/project management systems that help organisations manage their projects and resources. The company recognises that software is only a tool to support organisations' processes and procedures – so its software is designed to do just that.

Product

4c is a programme/project management software tool with configurability features, all under user control.

It provides hundreds of switchable components and menu options, allowing users to choose only the facilities they want. As needs change, users can add new facilities by changing the relevant component settings.

Users do not have to learn new terminology: they can change virtually all the system labels to reflect the terms that their organisation uses.

Facilities which can be selected in any combination include:
● Project evaluation and prioritisation.
● Project estimating and costing.
● Planning and scheduling.
● Project billing and/or invoicing.
● Time collection and expense recording via integrated timesheets.
● Programme/portfolio analysis and reporting.
● Resource management.
● Risks/issues logging.
● Business process mapping.
● Document management.
● Sub-contracts and materials, including supplier database.
● Customer database.

4c collects estimated and actual time, cost and charge data at the task level and automatically rolls it up to the overall programme or portfolio.

The portfolio can be broken down into as many levels of sub-programme as required.

Users can also utilise the 'Virtual Programmes' feature to analyse the portfolio using any of the project categorisation fields.

Services

4c Systems says that almost all of its software development is in response to customer requests and suggestions for extra functionality.

Most enhancements are built into the overall system so that all users can access them if they wish. The design always includes a high level of user configurability – very little is 'hard-coded'.

4c Systems provides an implementation service covering consultancy, training and customised documentation. The software also comes with context-sensitive help.

Once the system is up and running, 4c Systems' support desk is available during office hours to answer queries. The company also makes an annual Health Check visit, to review how the system is being used, to acquaint users with any new features that might be useful, and to provide any refresher training or consultancy required.

4c Systems' Multiple Escrow Agreement with the National Computing Centre (NCC) also helps to ensure the user's investment in its software is protected.

Market focus

4c Systems' customers come from a range of industries, with user numbers ranging from tens to hundreds.

Organisations use 4c in different ways – some for time collection and project costing, some for project planning and resource scheduling, some for estimating and tracking.

Because of its configurability, 4c can be used to manage projects lasting from a few hours to several years, and is designed for organisations of all sizes.

PRODUCT

Name	**4c**
First installed (year)	**1997**
No. of UK sites/new sites last 12 months	**22 – 4**
No. of World sites/new sites last 12 months	**22 – 4**
Key markets	**Engineering, information technology, publishing, project evaluation/ prioritisation, time collection**
Current version – date of release	**v3.1 – April 05**
Operating system(s) supported	**Windows NT, 2000, XP**
Database(s) supported	**Oracle, SQL Server, Interbase**
Can product operate in a web services environment?	**No (not yet)**
Min/max no. of users supported	**1-1,264+**
Project-related functionality offered:	
Enterprise project portfolio management	**Yes (in client/server environment)**
Project management process	**Yes**
Planning	**Yes**
Programme management	**Yes**
Web-based collaboration	**No**
Risk management/assessment	**Yes**
Knowledge sharing	**No**
Links to planning software	**Microsoft Project 2000 and MS Project 2003**
PSA-related functionality offered:	
Time recording	**Yes**
Business process workflow	**Yes**
Resource/practice management	**Yes**
Billing/project accounting	**Yes**
Portfolio/opportunity management	**Yes**
Knowledge management	**No**

Agresso

AGRESSO Business World (ABW) is an integrated business information system which offers a solution for finance, project accounting, purchasing, HR and payroll. ABW provides project-based or people-centric organisations with access to key information to analyse, manage and plan their resources, and adapt and change as required.

It is a multi-lingual, multi-currency, multi-company system configurable for different operating environments.

Agresso recognises that the needs of project-based or people-centric organisations are different to other types of businesses. People are the key resources and the effective management of these resources over a number of projects is vital. A modern business information system needs to be able to address the major issues facing today's professional

services organisations, such as:
● Capturing and analysing operational and financial information related to projects and activities within projects.
● Providing accurate management information so that responsibility and accountability can be devolved to those with greatest control.
● Providing appropriate access to all systems to users, regardless of location.
● Controlling key business processes such as time & expense recording, estimating, billing, cash collection and procurement.

Traditionally, the only way organisations could attempt to address these issues was via the use of multiple business systems, often with little integration. AGRESSO Business World focuses on delivering information, in an easy-to-use manner, throughout the

organisation. ABW has been deployed in hundreds of people-centric organisations worldwide, including Halcrow Group, WSP, AEA Technology, LogicaCMG, ABB Eutech, the RAC, Buro Happold and EC Harris.

ABW's integrated nature means all data is held in a single database which can be accessed using the integrated, online analysis and reporting facilities. Users have access to up-to-date and relevant data, to control major areas of operational focus. Each user can be presented with different views of the same information according to their business requirements.

The software automates key business processes, enabling project managers to concentrate on customer-facing activities rather than managing mundane tasks.

Employees can access the system via the internet through the AGRESSO self-service client. Timesheet entry, expense entry, billing, requisition entry and reporting are web-enabled for quicker and simpler data entry and workflow approval. AGRESSO IntellAgent provides an alerting tool for user-defined critical business processes.

A key feature of AGRESSO is its ability to rapidly accommodate change through its information structure. Any changes that the organisation may face – for example,

modifications to the organisational structure, project elements or reporting hierarchies – can be reflected within ABW.

Jim Billinghurst, finance director of Halcrow's water and utilities business group, who led the project to select and implement the system, has commented: "Introducing AGRESSO as our core business system was critical in helping us move forward."

Company

Agresso's UK customer base includes both commercial and public sector organisations. Over 2,000 organisations worldwide have implemented the system and ABW has been awarded several accreditations. In 2001, ABW was named Microsoft Best Packaged Application of the Year worldwide.

Agresso is part of Unit 4 Agresso NV, an international developer and distributor of integrated business information and management systems and security solutions, with over 1,800 employees and a turnover of €276 million in 2004.

The group is headquartered in the Netherlands and has offices in the UK, France, Norway, Sweden, Denmark, Germany, Belgium, Spain, the US and Canada. It also has a distributor in Ireland, Italy, South Africa and Australia.

COMPANY

Turnover (UK)	**AOR**
Turnover (W)	**€276m**
Profit Before Tax (UK)	**AOR**
Profit Before Tax (W)	**AOR**
Number of Employees (UK)	**190**
Number of Employees (W)	**1,800+**
Software Marketed (UK)	**D/I**
End User Support by	**D/I**
End User Training by	**D/I**

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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PRODUCT

Name	**AGRESSO Business World**
First installed (year)	**1987**
No. of UK sites/new sites last 12 months	**335 – 40**
No. of World sites/new sites last 12 months	**2,100 – 100 plus**
Key markets	**Professional services, support services, built environment, public sector (all areas), education (higher & further)**
Current version – date of release	**v5.5 – Oct 05**
Operating system(s) supported	**Windows 98, 2000, Server 2003, XP**
Database(s) supported	**SQL Server, Oracle**
Can product operate in a web services environment?	**Yes**
Min/max no. of users supported	**1-2,000+**
Project-related functionality offered:	
Enterprise project portfolio management	**Yes (in client/server environment)**
Project management process	**Yes**
Planning	**Yes**
Programme management	**Yes**
Web-based collaboration	**No**
Risk management/assessment	**Yes**
Knowledge sharing	**No**
Links to planning software	**MS Project 2003**
PSA-related functionality offered:	
Time recording	**Yes**
Business process workflow	**Yes**
Resource/practice management	**Yes**
Billing/project accounting	**Yes**
Portfolio/opportunity management	**Yes**
Knowledge management	**No**

APS

APS was founded in New Zealand in 1991 to support professional service organisations using legacy systems. With growing demand for a Windows product, APS released Advance for Windows in 1994, and was the first to market with a Microsoft SQL Server solution for the accounting profession in 1995.

In August 1998, APS launched its Australian operation in Sydney and in February 1999 its UK operation.

APS has over 25,000 registered users, including over 60 of the top 100 Australian and 15 of the top 100 UK accounting firms as clients.

Major clients include KPMG, Deloitte, BearingPoint, ISoft, Mazars, Menzies, Armstrong Watson, Hazlewoods, Saffery Champness, Investor Group, BDO, PKF, Bentleys MRI, Grant Thornton, William Buck and Pitcher Partners.

Advance was accredited by the Institute of Chartered Accountants in England and Wales (ICAEW) on 21 July 2004. The main components of Advance are:
● Time and value recording.
● Multi-currency.
● Billing and fees ledger.
● Disbursements and expense recording.
● Marketing and client relationship management.
● Document and communication management.
● Budgeting and fee forecasting.
● Reporting.
● Workflow.
● Integration journal to third-party finance solutions (Epicor, Great Plains, Navision).
● Business intelligence (OLAP reporting).

The independent evaluator used by the ICAEW to accredit Advance concluded that: "APS Advance is a comprehensive and flexible practice management solution, which uses standard Microsoft technologies. APS Advance uses an SQL database and provides flexible reporting. Optionally, this can be further extended by use of an intelligent query tool (IQ) that accesses an integrated data warehouse of transactional data."

Design

Since the launch of its first version of Advance in 1994, APS says it has invested in quality design and the most up-to-date architecture.

APS is a Microsoft Gold Certified Partner and uses the following development tools to develop Advance:
● Microsoft Visual Basic 6 and Visual Studio .NET.
● Microsoft SQL Server 2000 and Microsoft Analysis Server 2000.
● Microsoft COM+ Services.

The design of Advance involves discrete application modules that can be isolated for re-development or enhancement. This design means Advance's development team can provide discrete application updates that allow a client to regularly keep pace with change, with reduced disruption to the organisation.

With Microsoft COM+ Services, Advance can scale automatically from 50 to tens of thousands of seats.

APS utilises Microsoft Data Analysis services to introduce mainstream OLAP-based web reporting (Practice IQ) for professional service organisations. In the last two years, APS has begun to migrate some of its components to utilise Microsoft's new .NET development framework, with products such as web time & expense recording and a desktop document handling and PDF creation tool (AdvanceDocs).

It will continue to develop new components of the application using these new technologies.

The backbone of Advance is an advanced database design and application framework called Advance Fusion.

Fusion offers Advance users flexibility in the design of their database schema and application, including the ability to view, maintain and report on information residing in third-party systems from within the Advance environment.

This adheres to the central database concept without sacrificing the user company's freedom to choose products from disparate suppliers in a 'best of breed' strategy.

PRODUCT

Name	Advance
First installed (year)	1999
No. of UK sites/new sites last 12 months	90 – 15
No. of World sites/new sites last 12 months	750 – 100
Key markets	Accounting firms, business consulting, risk consulting, system integration and managed services consulting, other professional service organisations
Current version – date of release	v8.5 – Nov 04
Operating system(s) supported	Windows 2000, 2003 Server, XP, 2000 Professional
Database(s) supported	SQL Server 2000
Can product operate in a web services environment?	No (not yet)
Min/max no. of users supported	1-4,500
Project-related functionality offered:	
Enterprise project portfolio management	No
Project management process	No
Planning	No
Programme management	No
Web-based collaboration	No
Risk management/assessment	No
Knowledge sharing	No
Links to planning software	N/A
PSA-related functionality offered:	
Time recording	Yes
Business process workflow	Yes
Resource/practice management	No (Workflow only)
Billing/project accounting	Yes
Portfolio/opportunity management	Yes
Knowledge management	Yes

COMPANY

Turnover (UK)	AOR
Turnover (W)	AOR
Profit Before Tax (UK)	AOR
Profit Before Tax (W)	AOR
Number of Employees (UK)	10
Number of Employees (W)	75
Software Marketed (UK)	D/I
End User Support by	D
End User Training by	D/I

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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ChangeDirector

ChangeDirector UK Ltd was founded in 2002. It provides methods, software and training to:

● Improve the link between strategy and initiatives.
● Improve evaluation and realisation of benefits.
● Improve decision making on change investment.
● Reduce the overhead of managing change.
● Manage stakeholder issues.

The company works directly with organisations and through a number of consultancies to establish practices for benefits, portfolio and programme management.

Products

ChangeDirector is a software application that helps organisations to manage a portfolio of initiatives and to realise benefits through change.

The application is based on a six-step process: set strategy; evaluate benefits and changes; define initiatives; optimise portfolio; manage initiatives; and manage performance. The process is designed to ensure organisations remain focused on delivering tangible business benefits that contribute towards strategic objectives.

The package's key functionality includes:
● Strategies. Users create strategy maps; identify objectives; create benefit linkage charts; identify benefit measures; define and evaluate changes and enablers; assess change impacts; and review target achievement.

ChangeDirector includes a graphical tool to construct and display the linkages between objectives, benefits, disbenefits, enablers and changes and drill-down into supporting data.
● Stakeholders. Users create stakeholder structures and can evaluate the impact of changes, benefits and disbenefits on different stakeholder groups.
● Delivery structures. Users maintain programme and project work hierarchies; identify deliverables and dependencies; estimate project resources and costs; develop business cases; manage project issues, actions and risks; enter actuals; and review and report project status.
● Portfolios. Users create portfolios of programmes and projects; evaluate strategy contributions; optimise project portfolios given resourcing constraints; and review and report portfolio status.
● Resources and costs. Users maintain a resource and cost library; maintain resource availability; evaluate resource loadings; and set standard cost rates.
● Measures. Users define and structure measures; and capture baseline data.

ChangeDirector recognises that change involves a large number of internal and external stakeholders, many of whom will not want (or be allowed) access to certain functionality or data. The software provides a role-specific interface to each user. The application can be customised to use an organisation's standard templates and reports and terminology (by the system administrator and not as a software modification).

All ChangeDirector data can be exported in standard formats. Imports can be developed using the ChangeDirector XML-based interface tool. An MS Project interface is provided as standard.

ChangeDirector is a client/server application and requires an MS SQL Server database, MS Word and MS Excel. The same software can also be installed on a single PC or laptop, in which case an MS Access database is used. Strategy maps and benefit linkage charts use embedded MS Visio. The application can run in a browser over Citrix.

ChangeDirector users can buy and implement the modules required initially, then add others as needed.

Market focus

ChangeDirector is marketed to private and public sector organisations of all types and sizes. The process and software can be used at corporate, divisional and programme level – ie, any level at which strategies are created and supporting portfolios of programmes and/or projects are selected and managed.

The application is suited to organisations seeking to implement the OGC (Office of Government Commerce) MSP (Managing Successful Programmes) approach or similar leading practices.

COMPANY	
Turnover (UK)	**AOR**
Turnover (W)	**AOR**
Profit Before Tax (UK)	**AOR**
Profit Before Tax (W)	**AOR**
Number of Employees (UK)	**AOR**
Number of Employees (W)	**AOR**
Software Marketed (UK)	**D/I**
End User Support by	**D**
End User Training by	**D/I**

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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PRODUCT	
Name	**ChangeDirector**
First installed (year)	**2003**
No. of UK sites/new sites last 12 months	**17 – 12**
No. of World sites/new sites last 12 months	**19 – 14**
Key markets	**Portfolio, benefits, performance, project and resource management**
Current version – date of release	**v2.2 – Feb 05**
Operating system(s) supported	**Windows XP, 2000, NT, Citrix**
Database(s) supported	**SQL Server 2000+**
Can product operate in a web services environment?	**No**
Min/max no. of users supported	**1-100+**
Project-related functionality offered:	
Enterprise project portfolio management	**Yes**
Project management process	**Yes**
Planning	**Yes**
Programme management	**Yes**
Web-based collaboration	**Yes**
Risk management/assessment	**Yes**
Knowledge sharing	**Yes**
Links to planning software	**MS Project + any via XML**
PSA-related functionality offered:	
Time recording	**Yes**
Business process workflow	**No**
Resource/practice management	**Yes**
Billing/project accounting	**Yes**
Portfolio/opportunity management	**Yes**
Knowledge management	**Yes**

The right quality assurance process can solve long-running project problems, says Rod Baker.

QA the way

IT'S AN UNFORTUNATE fact of life that many projects either fail completely or are abandoned. Even those that are finished often miss their deadlines, cost more than planned or don't deliver the expected results.

This is true of big projects and small projects, in the public and the private sector, for all types of projects and in all types of organisations in all countries (read the press if you doubt this!).

Yet we have had 'formal' project management for over 50 years now. We have all the tools, techniques, methods, processes, procedures and software to help us manage our projects – and still we don't handle the process of project management effectively.

However, organisations can use a properly structured project quality assurance (QA) review system to minimise the chance of failure, by undertaking prescribed audits at regular intervals throughout the lifecycle of the project.

Background

Although books on project management may use different names for the project phases, and some phases (particularly the project execution phase) may be sub-divided, the key components in every project remain the same:
● The project is defined.
● The project is planned.
● The project is executed.
● The project is eventually closed.

A more realistic view of what happens is that in almost all real-life projects, the phases overlap significantly. This is to make (hopefully early) progress. And the overlapping doesn't matter too much – as long as there are clear gateways before too much effort is committed to the succeeding phase.

A structured QA review process tightens up on this gateway issue.

Project roles

It is important to note the two main approaches by which projects are undertaken:
● Internal project – where an internal department that specialises in project work, or a group of employees, are formed into a project team (the supplier), which undertakes the project on behalf of some other part of the same company (the customer).
● External project – where an external organisation (a real-life supplier) undertakes the project on behalf of a customer (the real-life customer) and money changes hands.

In both cases, there's a customer who, one way or another, 'pays' for the project, and a supplier who does the work and delivers the project.

Many of the problems that crop up in project work occur because the customer and the supplier don't get their act together. The most frequent problems are caused either by the customer not knowing what they want, or not explaining it in a way the supplier can understand; or the supplier not having the right skills, competencies, knowledge or experience to do the work.

Even the biggest projects often go wrong because of the failure of these two parties to communicate effectively.

One of the strengths of a QA review system is that from the outset, and throughout the lifecycle of the project, rigorous reviews take place and reports are produced. If there's something going amiss, this review process will identify it and hopefully put the project back on track before too much damage is done.

It's all so obvious you'd think everyone would do it – but they don't. It costs money (though not much time) and it needs the right skills to undertake these reviews and so at the start of most projects, it's seen as a luxury. Or maybe it's that the project sponsor and project manager think that it'll all be OK this time!

Process

In simple terms, a QA review process operates alongside the project, and at various times during the project structured QA reviews take place which provide a rigorous healthcheck on the project.

It may appear daunting to agree at the very beginning of a project to undertake these regular 'audits', but it is best seen as an insurance policy against serious problems or outright failure.

It is clearly a management judgement whether to undertake a QA review process.

There are three key features of the review process:

1. It should be based on prescriptive but known and proven project checklists to ensure complete coverage.

2. Experienced project managers should undertake the QA review process.

3. A formal report should be

FIGURE 1: Key elements in QA review process
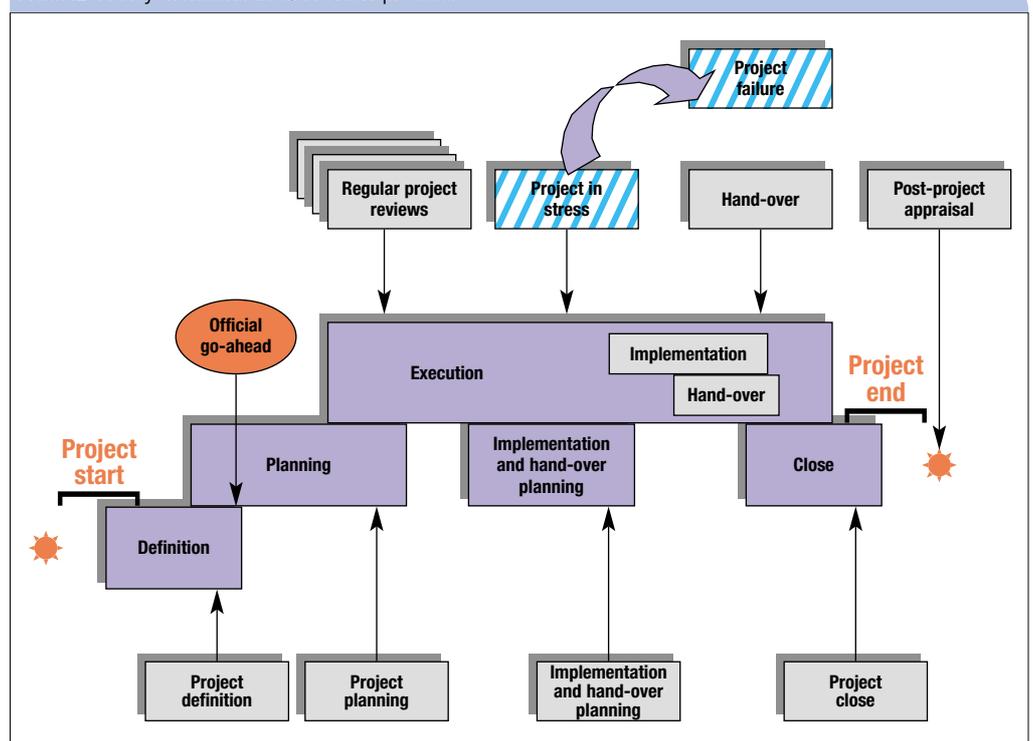
prepared immediately at the end of each of the QA review processes.

The importance of using experienced project managers to undertake the review cannot be overstated – ie, someone with many years' experience on multiple big projects, if possible in a multi-company, multi-country environment.

This is not elitist – it's just that an inexperienced person will be unable to understand the full implications of the results of the project review and will also be unable to prepare the appropriate management report and/or provide the remedial advice where necessary.

As important as experience is attitude. QA reviews are inevitably fraught with potential difficulty. In simple terms, an outsider comes along and tells a project manager (who's already under pressure and working all hours) that they should have done this or done that.

It's therefore essential that the reviewer approaches all reviews with absolute empathy for the challenges faced by the project manager. Hopefully a very experienced project manager will have learnt the lessons well enough to handle this situation.

Figure 1 shows the most important element, in terms of understanding a QA review process. It shows the likely phases of a typical project and where the various QA reviews should take place.

Reviews

The QA review process is based on undertaking formal project reviews at appropriate times during the lifecycle of the project. As Table 1 shows, the mandatory project reviews follow the normal phases of a project, starting at definition and ending with post-project appraisal. The precise sequence of reviews should be agreed between the project sponsor and project manager at the very start.

In the case of the regular review, the frequency will

TABLE 1: Mandatory reviews

REVIEW NAME	PURPOSE	TIMING
Project definition	To ensure that the project definition phase has been completed successfully	Within a week or two of the end of the project definition phase
Project planning	To ensure that the project planning phase has been completed successfully	Within a week or two of the end of the project planning phase
Regular review	Regular project healthcheck	Regularly during the execution phase of the project. Frequency determined by joint agreement between project sponsor and project manager
Project close	To ensure that the project close phase is successful	Immediately prior to the formal project close
Post project appraisal	To learn lessons	Appropriate time after the project has closed (typically not more than 3 months)

TABLE 2: Implementation and hand-over

REVIEW NAME	PURPOSE	TIMING
Implementation and hand-over planning	To establish that the implementation and hand-over plans are complete	Prior to the end of the implementation and hand-over planning sub-phase
Hand-over	To establish that the hand-over sub-phase has been completed successfully	Immediately following the hand-over sub-phase

TABLE 3: Project in stress

REVIEW NAME	PURPOSE	TIMING
Project in stress	To understand why the project is in stress and make recommendations on how to get it back on track	Initiated by the project sponsor at any time they feel the project is in difficulties

TABLE 4: Project failure

REVIEW NAME	PURPOSE	TIMING
Project failure	To understand why the project has failed and learn lessons	Initiated by the project sponsor

depend on the overall duration of the project and is again agreed between the project sponsor and manager at the very start.

In addition to the mandatory reviews, there can be several optional reviews, as shown in Tables 2-4.

These reviews are used when the project includes a special emphasis on implementation and hand-over to the end user. In these cases, it is assumed that a special planning phase takes place, prior to implementation and subsequent to hand-over.

The implementation and hand-over QA review (Table 2) is used to ensure that this special planning phase has been undertaken to a satisfactory standard and that the chance of a successful implementation and hand-over is maximised.

The project sponsor can, if necessary, initiate the special project in stress review

(Table 3), although it is to be hoped that they will not need to take this action.

It is better to undertake a project in stress review, and take remedial action, than to leave it too late and for the project to fail completely.

When a project is considered to have failed, either during or after the end of the project, a project failure QA review (Table 4) is used to understand what went wrong and to learn lessons for the future.

Methods

It is up to the *reviewer* to decide how to go about the QA review process.

Every review will be different and it is impossible to predict who will be involved. In theory, a very well-run project will only require a few meetings with the project sponsor, a senior person from the client community, the project manager and a key

person from the project team to validate the findings.

On the other hand, with a project in stress, the review may involve multiple meetings with many people to get to the bottom of the problems.

At all times the reviewer should be mindful of the time constraints placed on the project manager and other key players involved.

For the review process to be as productive as possible, the project sponsor and the manager should liaise closely with the reviewer. The reviewer must decide whom to meet first (probably the project manager, but maybe the sponsor).

After that first meeting, further meetings can be organised with the appropriate stakeholders, functional management and project team members as required.

End report

A report on the status of the reviewed project should be written after all reviews are complete. The report should be presented within days of the final review, to ensure momentum is not lost.

The report must be clear and concise – and should not pull punches. It is essential that a full and truthful picture of the project is presented, without compromising the integrity of either the participants or the reviewers.

For the regular review, only those points essential to indicate the status of the project should be written in the report. As well as highlighting the points that need attention, the report must make clear and concise recommendations on any remedial action that is needed.

Action on deficiencies and problems should be taken immediately, to ensure their effective resolution.

● *Rod Baker is a director of consultancy firm Project Essentials. Tel: 07802 608080. Email: rod.baker@ projectessentials.com. Website: www.projectessentials.com.*

More than IT

Jeremy Miles of Valtech looks at the key challenges standing in the way of the successful implementation of PSA systems, many of which are non-technical.

THE BENEFITS OF automating the administrative components of professional service organisations are clear. Too many organisations still suffer from duplicated data, manual processes that require significant overhead to process, little real-time management overview of the performance of the organisation, and a general lack of efficiency that means lost competitive advantage in an increasingly cut-throat world.

Why is it then that some of the perennial complaints from organisations that have attempted to adopt PSA, still revolve around the onerous burdens of timesheet and expense completion, incomplete project analysis and inaccurate invoicing?

How can companies capitalise on the obvious benefits that PSA packages can offer, and how can they address the challenges facing successful integration of PSA applications?

Benefits

Imagine the scenario:
● At the end of the working day on client site, the consultants access the internet to enter their time and their estimation of the percentage completion on their assigned activities. They also pre-book holiday leave and update their expenses.
● Their project manager automatically receives an update on progress from all the consultants and amends the project plan accordingly.
● The account manager receives an up-to-date snapshot on the P&L for the project.
● Finance can accurately project revenue forecasts and are ready to reconcile the monthly figures and run the invoices within hours, not days.
● Operations can plan for future project requirements, identify suitably qualified resources and update HR with a recruitment profile to meet the forthcoming business needs.
● The MD has a dashboard of key performance indicators at their fingertips, relating to

business targets which can be matched to the personal objectives of the senior management team.
● Performance measures are publicised on the corporate intranet, meaning that the consultants entering their time can also see the impact their contribution is making to the business itself.

All this is based on common data which eliminates the duplication of information ensuring that business efficiency is maximised, utilisation optimised and overheads reduced.

These are some of the benefits offered by the concept of professional services automation, which is becoming one of the fastest growing business solutions areas, especially amongst small to medium-sized enterprises.

Until recently, complex and expensive enterprise resource planning (ERP) solutions were the only means of consolidating a raft of administrative processes within the organisation. However the cost of implementation could only be justified by the largest of companies and even here the nirvana of true integration has rarely fully been reached.

Currently the next generation of technical solutions – service oriented architectures (or SOAs) – are being hailed as the magic bullet for successful integration by the key players in the enterprise software market. However, the challenges that face organisations large and small are the same, and relate less to technology than to limited strategic planning and a departmental silo culture.

Over recent years, many software vendors – who

previously specialised in a single area of business support, such as accounting or project management tools – have been developing a new generation of PSA add-ons to their core product. These are targeted specifically at those organisations that could not justify the cost of a full ERP solution.

This has been driven both by the demands of a growing number of organisations for increased business efficiency, as well as the vendor desire to increase customer lock-in on the back of product enhancement.

Challenges

As with all IT-based solutions to organisational challenges, the key to successfully implementing PSA goes beyond the appropriate technology. It requires an awareness of the culture of the organisation, an identification of the key stakeholders involved along with their requirements, and an understanding of the motivational factors that drive the individual staff within the organisation.

Understand these complexities and you are well equipped to gain significant ROI from the implementation of PSA; ignore these and you are probably better off retaining the disparate collection of manual processes, spreadsheets and bespoke applications that constitute the management tools currently deployed in the majority of small to medium-sized professional service organisations.

Conflicts

Consider the disparate stakeholder groups and their conflicting requirements and

expectations of a system. You have:
● Consultants – by nature highly educated individuals who have little time or inclination towards administrative duties and who want a simple tool that requires as little effort as possible to populate, as they see minimal personal return for their time investment.
● Project managers – who are potentially co-ordinating the work of project teams dispersed both geographically and across multiple time zones and who require daily detailed status reports based on accurate time and cost information.
● The finance department – who are used to the detailed drill-down capabilities of accounting packages and the flexibility of pivot table reporting, in order to be able to provide accurate client invoices, rolling revenue forecasts and scenario plans based on sales pipeline.
● Resource managers and HR – who need to be able to map skills profiles, analyse training needs, track appraisal objectives, as well as forecast resource requirements and recruitment targets, often across a global enterprise.
● The MD – who requires a balanced scorecard to track the overall health of the company.
● The quality manager – who requires all activities to comply to an overarching process-driven quality framework such as ISO or CMM.

Each of these groups will have historically developed tools and processes for fulfilling their own individual objectives and are likely to resist relinquishing these unless the replacement package is equally tailored to their specific requirements.

There are also environmental considerations that need to be taken into account when considering the integration of PSA solutions.

In order to meet the requirements for remote data entry, the system itself needs to be accessible over the web,

access to which is not always guaranteed on client sites. Even where internet access is available, will the full functionality of the system be accessible through the variety of browsers currently available? Any web-based application will be inherently slower than the desktop applications staff might have been used to.

It is important to ensure staff comply with the business process rules. Increasing automation with any systems relies on increased levels of workflow – the automatic triggering of an event within a process, based on an action (such as the completion of a timesheet) through a business process. If the user fails to complete one step in the process, the whole workflow can be invalidated.

The concept of fully integrated PSA systems is a very powerful one but it must be recognised that such systems serve a wide stakeholder list and, to satisfy each group, there will have to be some sacrifices in functionality made. This is often perceived as unacceptable by users who might be familiar and comfortable with the dedicated manual systems which had been designed to meet their specific requirements.

The individual will need to recognise the responsibility on them to enter data accurately and completely, if the system is to function correctly. The organisation also needs to have developed and implemented a process-driven culture to ensure that users have adopted a mindset that will embrace a workflow-driven system.

This can be particularly challenging for expanding professional practices that still retain the entrepreneurial organisational configuration in which rules and processes are not readily accepted.

Implementation

So, how do you set about ensuring that the investment in professional services automation will result in cost

Jeremy Miles: the organisation needs to have developed a process-driven culture

and efficiency savings?

This is a set of recommendations that can help guide you through the process:
● Create a steering committee to manage the selection process and ensure they have sufficient authority, time and access to colleagues in order to effectively manage the process. This should be led by a senior manager with detailed insight of the business requirements – *not* the systems department.
● Identify the stakeholders who will be required to utilise, or provide data for, the PSA solution.
● Consult in-depth with them, not only to establish their needs but also to understand the context in which they work and what their key success criteria would be for a new system. These will not be the same for each stakeholder group and any enterprise-level solution has to recognise and accommodate this.
● Create a detailed functional specification for the solution against which any existing application or new system can be assessed. (Often, having

conducted this exercise, it becomes apparent that existing solutions, having been in place for several years, do not in fact meet some fundamental requirements of the users. Rather, the users have modified their practices to accommodate the limited functionality of the systems.)
● In addition to the business requirements, specify those parameters of the current IT infrastructure, such as operating systems, protocol, authentication and security, with which any new system must comply. Consider also the external technical environment – ie, if the system is to be accessed remotely, what browser compatibility is required.
● Research the potential solutions that are available – both ERP and best of breed as appropriate – against a prioritised set of selection criteria. For example, does the specific operational functionality of a BoB approach warrant the increased level of integration support required?
● When assessing products, don't just rely on standard

demonstrations, develop one or more typical business scenarios (Valtech employs the concept of Use Case analysis to help define and visualise a specific process) and create a sample data set. Get the vendors to demonstrate how the system satisfies your specified requirements rather than being persuaded of the features their system may offer that are inappropriate for your needs.
● Involve representatives from the stakeholder groups in the evaluation of the system – not only the components specifically relevant to them but of the entire application – in order to develop an enterprise-level mindset. This will in turn lead to more effective use of the system and thus ROI.
● Once you have created a shortlist of systems that demonstrably meet your specified functional requirements, involve your systems department (or an external consultancy if the complexity of the integration warrants this) in the final validation of the system that offers best value for money. It is critical to understand the effort that will be involved in system integration once purchase has been made.
● Appoint a project manager – ideally from within the original steering committee – to drive the implementation and work with the project champions from within each of the stakeholder communities, to ensure user acceptance.
● Do not assume, once the system is in place, that users will automatically recognise the benefits that are being offered. The importance of communication and training in the process cannot be over-estimated if a successful implementation is to be assured.

● *Jeremy Miles is Director of UK Operations at global IT consultancy and solutions provider Valtech Ltd. Tel: 07740 046894. Email: jeremy.miles@valtech.co.uk. Website: www.valtech.co.uk.*

Epaccsys

Epaccsys provides a web-based integrated business solution, designed specifically for medium-sized project oriented enterprises. Its application is among the first PSA solutions built entirely on the Microsoft .NET web services platform covering the entire service lifecycle, from opportunity to engagement to delivery and performance review.

Epaccsys has customers worldwide, with users in the UK, Australia, North America, Japan and most European countries. Its solutions are used by over 20,000 organisations in over 140 countries.

Epaccsys' solution provides the following integrated functions:

● **Marketing and bid management**. Users can maintain, plan and review opportunities against predefined 'bid road maps'. As opportunities progress, 'bid' projects can be created to accurately forecast both revenue and skills-based resources. Workflow processes automate tasks such as proposal approvals, while suggested user-defined lists of tasks/activities associated with the opportunity can prompt users with next actions. 'Bid' projects can be engaged as 'live' projects when opportunities are successful.

● **Estimation of cost, time and resources**. Epicor for Service Enterprises enables users to estimate the project cost initially at a high level. Resources can be planned using resource categories which are defined by the business (eg, project manager). As estimates progress, they can be further refined by allocating specific resources to tasks. Estimates and bids can be used to create the basis of a proposal document.

● **Project planning and start-up**. The project planner allows for user-defined project tasks. The number of levels within the project task structure is unlimited and templates can be held for project types of varying complexity.

The project planner provides bi-directional integration with MS Project. This allows staff to plan projects in their tool of choice. The resource pool is shared between MS Project and Epicor for Service Enterprises.

● **Financial management**. The software provides project accounting, including revenue recognition, WIP calculations, billing based on fixed priced, capped, time & materials, payment schedule and milestone billing.

● **Project monitoring and control**. Project management features can be viewed as a function of what key measures the business identifies as the source information to assist in managing each function. Workflow tools and transactional data can assist in managing these functions.

● **Portfolio management**. Project categorisations accommodate matrix company structures. Projects can be summarised for reporting purposes by any categories including industry, location and discipline. Because projects can span legal and geographic boundaries, analysis is performed at the enterprise level.

● **Resource management**. The software can provide an enterprise-wide view of resource levels over different timescales. This immediately highlights under or over-allocation of resources. Regular staff, contractors, sub-contractors or external customer resources can be accommodated.

● **Time and expense management**. From the time and expense entry screen, employees have visibility of the tasks they have been assigned. In addition to entering time, the employee can enter hours to complete and percentage complete, consolidating back to the project management view of the project.

Other integrated functions include procurement, HR, sourcing, billing and business intelligence.

Market focus

Epaccsys provides solutions to medium-sized project-based organisations. Typically these organisations are within IT, management consultancy or research and development.

Often users are spread throughout the world and benefit from the internet user interface offered by the entire solution.

COMPANY

Turnover (UK)	**AOR**
Turnover (W)	**AOR**
Profit Before Tax (UK)	**AOR**
Profit Before Tax (W)	**AOR**
Number of Employees (UK)	**30**
Number of Employees (W)	**30**
Software Marketed (UK)	**D**
End User Support by	**D**
End User Training by	**D**

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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PRODUCT

Name	**E4SE**
First installed (year)	**2002**
No. of UK sites/new sites last 12 months	**50 plus – 20 plus**
No. of World sites/new sites last 12 months	**200 plus – 80 plus**
Key markets	**IT software/services and consultancy, management consultancy, R&D, consulting engineers, PR/media**
Current version – date of release	**v8.10b – March 05**
Operating system(s) supported	**Server: Windows 2003 Server. Client: Windows 2000, XP, NT. Browser: IE 6.0 or above**
Database(s) supported	**MS SQL Server 2000**
Can product operate in a web services environment?	**Yes. E4SE is a web services application**
Min/max no. of users supported	**10-4,000+**
Project-related functionality offered:	
Enterprise project portfolio management	**Yes**
Project management process	**Yes**
Planning	**Yes**
Programme management	**Yes**
Web-based collaboration	**Yes**
Risk management/assessment	**Yes**
Knowledge sharing	**Yes**
Links to planning software	**MS Project, Excel**
PSA-related functionality offered:	
Time recording	**Yes**
Business process workflow	**Yes**
Resource/practice management	**Yes**
Billing/project accounting	**Yes**
Portfolio/opportunity management	**Yes**
Knowledge management	**Yes**

Lawson Software

Lawson Software provides business process software solutions designed to enhance business performance by streamlining processes, optimising resources and enabling companies to make informed, accurate decisions.

Its solutions include service process optimisation, financials, human resources, procurement, retail operations, enterprise performance management and distribution.

The solutions are focused on services organisations such as healthcare, professional services, retail, financial services, public sector and other strategic markets.

Lawson is headquartered in St Paul, Minnesota, USA, and has its international operations in Bracknell, Berkshire. It also has offices and affiliates serving North and South America, Europe, Asia, Africa and Australasia.

Projects

Lawson recognises that whether it involves managing a building renovation or a technology upgrade, keeping projects on budget and on time is critical. Project managers need to keep track of resources, timelines and finances accurately at all times.

Lawson helps users manage projects effectively, from requirements gathering to project delivery and all milestones in between.
● Lawson Service Process Optimisation helps professional services organisations and corporate service divisions optimise processes from opportunity through to delivery.

The solution enables users to forecast how much time a project will take, find employees with the right skills for each job, and gain insight into which business development opportunities to pursue.

The aim is to improve employee retention and customer satisfaction, and positively impact the bottom line.

The solution enables users to manage all critical aspects of a project – work, resources, time, expenses and finances – in one location.

At the start of projects, Lawson's advanced forecasting tools help users accurately predict time and budget, and find employees with the right skills for each job. The time tracking and expense tools also facilitate project status management and chargebacks. Users can manage several projects with or without shared resources simultaneously.
● Lawson's Services Automation software provides professional services organisations with tools to manage work, resources, time, expenses and finances, from the initiation of a sales opportunity to collecting the revenue.

Key components of Services Automation include:
– Opportunity Management, which allows users to manage their pipeline, review the revenue and forecast capacity.
– Project Management, which provides strategic analysis of current investments and opportunities.
– Resource Management, which lets users analyse their resource capacity and conduct availability searches.

Combined with Lawson's Time and Expense and Billing features, Services Automation gives decision makers information to help them win and complete projects.
● Lawson Portfolio Manager provides a side-by-side analysis of all engagements, whether they are active projects or new engagements coming down the pipeline.

It can hep users determine which opportunities will deliver the greatest margins, maintain a portfolio mix aligned with the overall risk/reward profile, and identify clients or projects that detract from the company's financial success.

Portfolio Manager also monitors key project metrics on behalf of the user company's clients – helping clients to establish priorities and stay up-to-date on project status.
● Lawson Time and Expense is designed for organisations that capture employee time and expense data.

It gathers all time and expense information in one place, accommodating traditional employees, offsite workers, non-employees and international staff.

It can also help users comply with regulations and tax codes, control employee expenses with business rules, project labour costs, and accelerate their billing and payroll cycles.

COMPANY

Turnover (UK)	**N/P**
Turnover (W)	**$363m**
Profit Before Tax (UK)	**N/P**
Profit Before Tax (W)	**N/P**
Number of Employees (UK)	**N/P**
Number of Employees (W)	**1,600+**
Software Marketed (UK)	**D/I**
End User Support by	**D/I**
End User Training by	**D/I**

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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PRODUCT

Name	**Lawson Software**
First installed (year)	**1995**
No. of UK sites/new sites last 12 months	**N/A**
No. of World sites/new sites last 12 months	**N/A**
Key markets	**Professional services, healthcare, IT departments, retail, financial services**
Current version – date of release	**v5.2 – Feb 05**
Operating system(s) supported	**Windows, NT, OS/400, Unix**
Database(s) supported	**Database independent**
Can product operate in a web services environment?	**Yes**
Min/max no. of users supported	**10-1,000+**
Project-related functionality offered:	
Enterprise project portfolio management	**Yes**
Project management process	**Yes**
Planning	**Yes**
Programme management	**Yes**
Web-based collaboration	**Yes**
Risk management/assessment	**No**
Knowledge sharing	**Yes**
Links to planning software	**MS Project**
PSA-related functionality offered:	
Time recording	**Yes**
Business process workflow	**Yes**
Resource/practice management	**Yes**
Billing/project accounting	**Yes**
Portfolio/opportunity management	**Yes**
Knowledge management	**Yes**

Project Management & PSA Software

Maconomy

Maconomy provides web-based integrated business management solutions, designed for project-oriented organisations. Its business systems help manage all aspects of projects and processes across departments, companies and countries.

Maconomy has offices in the UK, Denmark, Sweden, Norway, the Netherlands and the US. Its products are used by more than 70,000 people in over 700 companies in 50-plus countries.

The modules available include Project Accounting, Financials, HR, CRM, Resource Planning and Procurement.

A recent survey by ASA Research, who evaluated 94 accounting and ERP solutions against 350 key features, ranked Maconomy as number one amongst high-end vendors and number five amongst Tier 1 vendors. Maconomy was the only supplier to achieve a 100% rating for job costing functionality.

Maconomy recognises that it is important for companies to ensure a fast return on investment. It offers five pre-configured industry solutions, designed to support key business workflows and allow organisations to meet the challenges that they face – Consulting Solution, Agency Solution, PR Solution, Research Solution, and Tax & Audit Solution.

Industry issues

Maconomy focuses on developing business software that addresses the key issues within its specialist market sectors. It recently commissioned a survey to better understand how UK consultancies approach the issues of profitability against a backdrop of service-based processes.

Petitioning board-level executives of consultancies across the country, the research found that there are high levels of satisfaction with existing systems and processes. There is, however, a significant desire to review the influence consultancy processes have on company profits.

● 79% of consultancies believe operational efficiencies can improve profitability.
● 65% of consultancies do not use automated processes to support project management.
● 63% of respondents do not capture staff utilisation through automated processes.
● 84% of consultancies believe technology has a key role to play in delivering better project management.
● Only 24% of consultancies have integrated management processes.

The survey also tackles the area of accurate and timely billing processes, assessing what overall effect this has on the bottom line. 63% of consultancies agree that existing processes present a challenge in accurately pricing consultancy projects and 57% see reducing invoicing times as a means of improving cashflow.

The main conclusions from the survey are:

● Bottom-line profitability in any consultancy business can be increased through a strategic focus on process automation and the integration of currently disparate project management processes.
● Greater process efficiency can impact all levels of the consultancy business and enable a more effective response to changing client and project needs.
● The scale of business taking place in medium-to-large consultancies makes it impossible for management to gain an accurate view of business in real time using existing processes. This can jeopardise output and profitability.

Maconomy has worked with a number of companies including WPP, Publicis Group SA, PricewaterhouseCoopers Denmark and South Africa, Ramboll and Scandia Consult to address the challenges above.

Implementation

All Maconomy solutions are based on a documented and defined business model for organisations working in that sector.

This is taken as the starting point for implementation, and Maconomy's solution is designed to allow systems to be deployed rapidly, ensuring a faster return on investment.

COMPANY

Turnover (UK)	AOR
Turnover (W)	AOR
Profit Before Tax (UK)	AOR
Profit Before Tax (W)	AOR
Number of Employees (UK)	32
Number of Employees (W)	220
Software Marketed (UK)	D
End User Support by	D
End User Training by	D

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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PRODUCT

Name	Maconomy
First installed (year)	1989
No. of UK sites/new sites last 12 months	125 – 25 plus
No. of World sites/new sites last 12 months	700 plus – 60 plus
Key markets	Agency (advertising, branding, PR), consultancy (management, IT and engineering), research, tax & audit consulting, departmental
Current version – date of release	v9.0 – June 05
Operating system(s) supported	Client: Windows NT, 2000, XP, MacOS. Server: Windows 2000, Unix, Linux
Database(s) supported	Oracle, SQL, DB2
Can product operate in a web services environment?	Yes
Min/max no. of users supported	25-4,500+
Project-related functionality offered:	
Enterprise project portfolio management	Yes
Project management process	Yes
Planning	Yes
Programme management	Yes
Web-based collaboration	Yes
Risk management/assessment	Yes
Knowledge sharing	Yes
Links to planning software	Any standard system
PSA-related functionality offered:	
Time recording	Yes
Business process workflow	Yes
Resource/practice management	Yes
Billing/project accounting	Yes
Portfolio/opportunity management	Yes
Knowledge management	Yes

Mundane Software

The Mundane Software Company has 15 years of experience in offering affordable software developed by project managers for project managers.

Its Master suite of project management tools is designed to control the administrative monotony of projects, lay the foundations for industry best practice and allow managers to focus on the project in hand.

Approach

As the Mundane Software company name suggests, 'mundane' administrative documentation is produced and managed within one integrated solution.

The company recognises that effective and efficient reporting is crucial throughout the lifecycle of any successful project.

It aims to provide a controlled environment for these tasks, helping businesses achieve return on investment.

Mundane's suite of applications can either be implemented independently on a 'pick-and-mix' basis, allowing a team to gradually get the project office off the ground; or collectively.

Mundane says neither of these options attempts to reduce the importance of good management but provides professionals with tools to help them do their job.

Capabilities

Mundane's approach is summed up in its phrase: 'Life shouldn't be mundane, software should'.

The company's view is that, if a person can identify something, they can document it. If they can document it, they can manage it. Simply Project Office helps with this management.

The software helps to reduce the time and effort expensive project staff spend on managing minor administrative duties, so they can concentrate on the main business issues.

Within a single organisation, there can be any number of projects running alongside one another at any given time, which can easily lead to an inconsistency of understanding.

Mundane's web-based solution is designed to offer the project manager clarity and control.

The Simply Project Office toolset covers change management, expense administration, fault, issue, meeting, timesheet, quality and risk management.

Key features

The software supports PRINCE 2 methodologies and sits alongside Microsoft Project.

It provides the project team with visibility by:

● Assigning accountability of actions to project staff and recording them centrally.

This allows the project manager to monitor progress towards proposed resolutions, focus on exceptions and determine the status and healthiness of any project.

● Flagging all outstanding actions to users each time they log on.

Any recalcitrant owners of actions are prompted by emails initiated by nominated team members, and reports of overdue and outstanding actions are available.

● Providing a database at the core of the toolset with fixed common elements or parameters set during the project initiation phase.

This accommodates simple consolidated reporting models.

● Holding and maintaining all data for every project in one central depository with a browser-based interface, making it easier to share information and define user access levels.

● Supporting 'helicopter vision' by allowing the programme manager to create summarised views of all the projects for which they have responsibility.

Market focus

Simply Project Office operates in all Western European languages, and plans for 2005 include multi-currency features.

Mundane offers tailored onsite consultancy services and runs modular training courses on a regular basis.

Company director Mike Hopgood is a member of The Association of Project Managers and the Project Management Institute.

● More information about the software is available from info@mundanesoftware.co.uk or telephone 01635 876387.

COMPANY	
Turnover (UK)	N/P
Turnover (W)	N/P
Profit Before Tax (UK)	N/P
Profit Before Tax (W)	N/P
Number of Employees (UK)	N/P
Number of Employees (W)	N/P
Software Marketed (UK)	D
End User Support by	D/I
End User Training by	D

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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PRODUCT	
Name	**Simply Project Office**
First installed (year)	**Product launched April 2005**
No. of UK sites/new sites last 12 months	**N/A**
No. of World sites/new sites last 12 months	**N/A**
Key markets	**Information technology, engineering, construction & civil engineering, any organisation running projects**
Current version – date of release	**v1.00 – April 05**
Operating system(s) supported	**Client: browser based. Server: Linux**
Database(s) supported	**Server: mySQL**
Can product operate in a web services environment?	**Yes**
Min/max no. of users supported	**N/A**
Project-related functionality offered:	
Enterprise project portfolio management	**No**
Project management process	**Yes**
Planning	**No**
Programme management	**Yes**
Web-based collaboration	**Yes**
Risk management/assessment	**Yes**
Knowledge sharing	**Yes**
Links to planning software	**Provided by .CSV file extracts**
PSA-related functionality offered:	
Time recording	**Yes**
Business process workflow	**No**
Resource/practice management	**No**
Billing/project accounting	**No**
Portfolio/opportunity management	**No**
Knowledge management	**No**

Avoiding structural damage

Benita Sutton-Cegarra shows how managers can use structure to ensure the success of their IT projects.

TO SUCCESSFULLY DELIVER any change programme or project, it is imperative to minimise the risk of failure. The key to this lies in defining and structuring a project or programme in such a way that adequate checks and balances are in place to identify and address any risks as they emerge.

Most IT projects are usually straightforward and very complex at the same time. The technological solution is straightforward and clear; the complexity lies in the business environment of the organisation undertaking the change.

To the IT people, it is simply a matter of stripping out the old system and implementing the new one. To the operational business people, it means upheaval and invariably considerable changes to the way they work. Change equals resistance. Resistance equals risks to the success of the implementation.

Successful implementations recognise and manage this from the outset, breaking the project into manageable chunks that the whole organisation can deal with more easily. Successful implementations also understand that business process and the organisation's people have to be considered, along with the technology itself.

There are essentially four stages in a project's lifecycle. To ensure success, these are supported throughout by proactive management of the change. The relationship of the stages is shown in Figure 1 – and each stage carries different challenges:

1. Establish firm foundations.
Some people will believe this is stating the obvious. But given the number of well-known international companies that embark on major technology change programmes without first establishing a clear definition of the real goals and expected benefits, it is worth stressing.

Problems here are primarily due to each of the stakeholders assuming that everyone else has the same view of where they are today and of the expected benefit of the change. This same group of usually very senior people also assume that the project manager will sort out the implications for them.

Unfortunately, this starting point is a recipe for project re-work, over-run and over-spend.

To ensure the best development environment for a project, project managers and sponsors should seek to ensure that the key stakeholders have a common view of where the company is now and where it wants to get to.

This will enable them to establish a common understanding of the project's objective(s) and expected benefits. It will also enable projects to align with the overall company strategy and vision, ensuring that related projects work together, not against each other (a common symptom of many change programmes!).

This stage of a project's lifecycle covers the areas of high-level risk assessment, both to the project and to the operational business, as well as the definition of the project's goals and benefits and the implications.

My preferred approach to this stage is a people-focused one. Through a series of workshops and interviews with stakeholders, operational business people and project key players, you can define a common view of the organisation's current status – ie, the starting point – as well as the project's true goals and benefits, and associated implications.

You should also complete a full analysis of the risks and their expected timing, which should include mitigating actions and a contingency plan. The criteria for cancelling the project should also be defined (yes, really).

The main project management task at this stage is to document all the sessions, highlight decisions taken and establish a risk register. The project should also appoint a steering group or governance board at this stage.

To be truly effective, every member of this group should have a clear role and responsibilities, as well as being committed to the successful outcome of the project.

Part of the early change management activity will have been to establish a central project document repository. The documents should all be stored in this repository.

There are several applications on the market that provide this and most large organisations already have a preferred tool. I recommend using whatever is the established tool within your organisation, as this will increase your chances of ensuring that everyone uses the documentation management database, since they will hopefully not need training in how to use it!

2. Mobilise.
The second stage of the project lifecycle is the mobilisation of resources – money and people.

Again, the project sponsor or manager (if already appointed) must think about both the business people and project key players, you can define a common view of the organisation's current status – ie, the starting point – as well as the project's true goals and benefits, and associated implications.

project and the operational business. What processes will be affected by the change, and which parts of the organisation will the project therefore need to involve?

It is important that a realistic project plan is prepared and the associated resources identified.

The project team should include an identified business change manager in each key business area. Budget calculations should take into account the fact that resources supplied from the operational business will probably need to be backfilled. An organisation that expects its business people to provide support to a technology change project and carry out 100% of their day job is heading for implementation problems.

Neither should a project accept project team or governance board members who are known to be unable or unwilling to deliver. Technology change has a great impact on all business operations, therefore business project team members should be recognised good performers, not the 'junior that we can manage without for a couple of days a week'.

Having said that, it is better for a project to have a dedicated B-player rather than 10% of an A-player. A company can develop a bigger pool of A-players by encouraging promising B-players.

There should be a physical project office, or offices if a global project, to give a central focus to the project or programme.

3. Diagnose and design.
This is the third stage of the project lifecycle and the best approach is an iterative one.

The business must understand the benefits of the technology change and the project must understand how the change will affect the

FIGURE 1: A project lifecycle
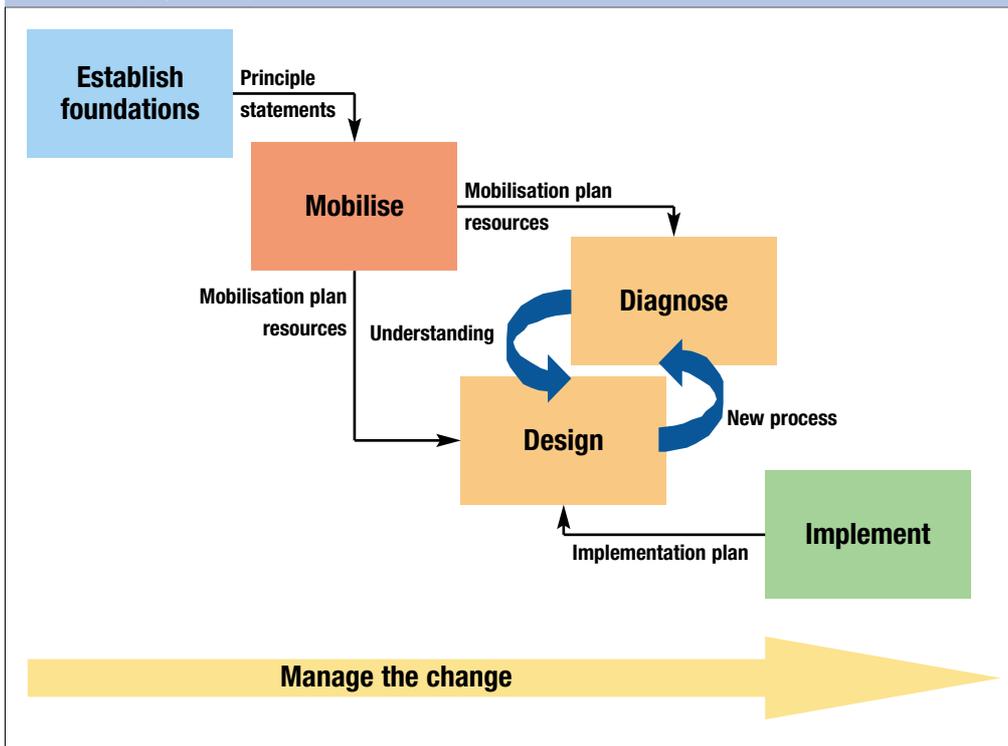
processes. The business processes that will be affected by the project must therefore be identified and mapped, in order to understand all the information and data flows and dependencies.

Approaching a technology change project from a business process point-of-view will ensure that essential information requirements are not missed.

There are some important questions to ask at this stage:
● Has the project been mapped against the processes it will affect?
● Do the process analyses show all the information and data flows – ie, system, paper and people?
● Have all manual workarounds been identified?
● Do the existing process flows conform to the company's required way of working?
● Where does the project touch the customers and the suppliers?
● What will need to change within the existing ways of working to enable the project?
● How ready is the company to start the project development activity?

There are many business process mapping tools. When choosing a tool, you should ensure that it is capable of depicting the relationships between activities and departments or groups of people, as well as the flows of information.

It is important to capture the manual flows of information, as well as the system flows. I have found that asking 'What do you do?' and using department swim lanes to depict the activity and information flow gives the best overall picture. To quote the ERP manager from one client company: "I wish we'd done this before we wrote the system specification."

The new business process(es) should be designed before any environment or systems definition, design or development. The solution should be tested with the business at all stages. Sign-off of development should include business representatives.

4. Implementation.
A successful project implementation understands that support continues after go-live. As well as an implementation plan,

requirements for post-implementation support should be assessed and resourced.

The users should be trained and any issues identified during the training must be resolved prior to go-live. Readiness to go live should be properly assessed and signed off.

It is folly to go live before the organisation is ready to do so. Senior management may be pushing to stick to the agreed go-live date, but the operational problems that will be involved in doing so will have a knock-on effect for months afterwards, including potentially not being able to invoice your clients.

If it's presented to them correctly, senior management will be happy to support a delayed go-live date. An organisation will remember a difficult go-live for years, but a delayed implementation that runs smoothly will quickly become part of the normal operating environment and no-one will remember that the go-live date slipped.

Manage the change
Change management must start at the beginning of the project if it is to be successful. It is an

element that is often overlooked or tacked onto the implementation phase.

Change management has one goal – to keep the organisation on side. It is primarily about communication and should be planned as an integral part of the project, not as a nice-to-have.

The golden rule of communication is to ensure that it is tailored to the audience. Emitting general messages does not engage the organisation. It might tell them what is happening, but it does not sell the project to the individual. People need to understand how a project will affect them and what they are expected to contribute to ensure its success.

Thinking about change management as a two-way process will help deliver more effective communications.

Once a project has finished, there should be a review of the project, with the objectives of confirming whether the benefits are being delivered, identifying that project's specific strengths and documenting the lessons learned.

Summary
Successful project implementations are as much about people and the operational processes as they are about the new technology to be implemented.

A good IT project team can deliver a reasonable implementation, but to enable a great implementation the operational business needs to be involved throughout.

Taking a structured approach and breaking the project into manageable chunks will help the organisation understand what is really required during a technology change, and will enable it to provide the right support at the right time.

● *Benita Sutton-Cegarra is managing director of change management consultancy BJC Europe Limited. Tel: 01285 643640. Email: marketing@bjc-europe.com.*

Knowing your left from right

Steve Clarke introduces an innovative 'left-brain, right-brain' approach to change project management.

ORGANISATIONS recognise that they have to be able to orchestrate change effectively to be competitive, to be more responsive to customers, or to even survive. Yet most projects fail, with those initiatives that require some change or transition management failing at the rate of 80%.

Commercial companies are just as poor at achieving corporate change as the public sector. And while most of us know the rhetoric of what we need to do to achieve change, despite this knowledge organisations still go wrong.

However, achieving successful organisational change need not be a mystery.

Generic rules

Most management books on the subject focus on specific applications in specific environments without identifying the generic rules that underpin successful change. But without those generic rules in place, an approach that works in one organisation is unlikely to work in another.

One size does not fit all. Indeed, describing specific experiences is only of limited use because the manager has still to identify those generic rules and apply them to their own unique situation.

Despite identifying best practice in those 'left-brain' activities like portfolio, programme, project and process management, people (a) fail to fully appreciate the best practice and (b) do not carry it out when they run their initiatives.

There is widespread acknowledgement that projects are doomed to failure if you do not actively engage in the 'right-brain' activities of creativity, strategy, how you treat people, and inclusion. Yet despite this acknowledgement, we still don't

really have clear methods of undertaking such right-brain activities. We need to move past rhetoric onto action.

We have techniques and systems that significantly aid the application of these left-brain activities – particularly with respect to engaging in co-operative working across many people – but precious few techniques or systems that help us with the right-brain activities.

We need a generic approach to change that aids the marriage of the right brain with the left, and sets the appropriate context for achieving successful change.

If people understand why best practice is the best and how it makes achieving their objectives easier, they will (a) learn the best-practice methods and (b) apply them when they undertake change.

Solution

With so many corporate change initiatives failing, a new approach that lifts our level of thinking is essential.

With the future of organisations being dependent on the ability to achieve intended change, the modern manager, politician or professional needs to be able to approach change in a way that makes it easier and achieves better results.

The 'Wholemind' approach to achieving successful change is based on the use of eight maxims. These invite managers to radically change their perspective about how change is brought about and show how they can contribute to achieving sustainable change more effectively.

Within this new frame of reference, managers can better apply what they already know about running programmes and projects.

The maxims do not dictate what you have to believe or what your objectives should be – but they do outline what you have to do to be successful.

You will only succeed to the extent that the maxims are applied. You may wish to achieve world domination or to feed the poor. But to succeed, whatever your aims, you have to apply the maxims.

However, maxims are not enough. The Wholemind approach includes processes and techniques which support the application of the maxims. In addition, people can appreciate and apply the techniques from the wide range of management theory and literature that is available, and better apply those systems that support best practice.

The Wholemind maxims are:
- **Maxim 1: Think differently.**

The problem is not the challenges you face, but the level of thinking you bring to the situation. Einstein said that people cannot solve problems at the same level of thinking at which they created them. In other words, you have to be open to a new way of looking at your problem situations if you are to find the solution inherent in them; you have to be prepared to consider the possibility of a new perspective. And you need practical processes and techniques that will help you form this new perception and develop your solutions.

Maxim 1 is the solution to rigid mindsets. People often confuse rigidity of mind with a firmness of purpose. These are different attributes.

This maxim encourages people to be willing to change their perspective and underpins all the other maxims. It cautions you not to be so sure that you are right. It says you

should think differently because nothing will change until you change your mind. You should consider the possibility of a new approach to change and be open to new perspectives.

The reason why most efforts at change fail is because people constantly make the mistake of thinking the cause of things is outside of them.

Whether you are willing to think differently or not is a matter of personal choice. Without that choice, however, you may condemn your change efforts to follow the deeply worn tracks that have led to failure and will lead you there again.
- **Maxim 2: Say what it is you want.**

Maxim 2 encourages the setting of clear business objectives and being faithful or loyal to them in behaviour and intention.

Previous attempts at gaining clarity over business objectives often take the form of a mission statement or equivalent, drafted by a few senior executives, and forced onto a compliant or indifferent workforce. This then produces general agreement about how useless mission statements are and a willingness to move on to the next management fad.

Instead of this, Maxim 2 encourages an extended period of developing a fuller and more supported view of the business aims. This should be a comprehensive and iterative process involving talking to others, listening, adapting and persuading.

An appropriate description of the business objectives should include the new business processes to be introduced, the benefits to be realised, and the measures for those benefits. The development of this description should actively involve a wide

FIGURE 1: Wholemind maxims – achieving organisational change

FIGURE 1: Wholemind maxims – achieving organisational change

audience and miss out on their contribution.

Usually, people believe that their particular combination of thinking preferences is the only way of approaching, analysing and solving problems. By not valuing others' thinking styles, people sow the seeds of failure. If instead you value differences, you greatly increase the resources and options to tackle problems.

These quadrants combine to provide the diverse responses that humans have to situations. The 'personality' of each of the quadrants relates to observable thinking and behavioural traits people see in themselves and others. Each of these thinking preferences have distinct styles in the way that they communicate and expect others to communicate with them.

As Maxim 2 asserts, for any sizeable endeavour to succeed, a 'whole-brained' – or better a 'Wholemind' – approach must be adopted. That is, there should be a balance between the strategic and conceptual why; the values and relationships of who; the methodical and procedural how; and the technical and feasibility of what.

On that basis, in combination the maxims form the Wholemind approach to change (see Figure 1).

● **Maxim 5: Co-operate.**

For change to be effective, you need to set the roles and responsibilities of those involved, and the decision-making organisational structure needed to help reduce resistance to change. In other words, you have to organise the organisation. Best-practice programme and project management methodologies address this maxim.

Having set the vision, the business objectives and the way the future processes should work, organisations often obstruct their own success by maintaining decision-making processes and authorities that actively inhibit the very change being sought.

and visible collection of representatives from every aspect of the organisation.

The process and progress of the definition should be communicated to all staff. Importantly, the behaviour and subsequent decisions of the senior management should reflect a consistency of purpose and a genuine belief in the objectives.

● **Maxim 3: Understand relationships.**

Maxim 3 encourages people to identify and develop the relationships that support or potentially block achieving change.

It encourages the use of theories of change and basic psychology to actively involve people.

In essence, the practice of change management is about how you respect and treat others in the workplace. It is a

process of how you transcend your own and their situations, to achieve improvements in the way things are done.

It is easier and more effective to reduce resistance to change rather than increase the pressure for it. Therefore, change management should focus on lowering the resistance to change through adherence to the Wholemind maxims.

This comes down to a question of style. Telling those affected by the change what to do may increase the resistance to change. Consulting with them about the change – while being open to being persuaded – may reduce their resistance to such an extent that they undertake the change without much more effort on your part.

● **Maxim 4: Value differences.**

For change to be effective, the business objectives have to be understood. For a change to

attain its full efficacy, it must be expressed in a language that each recipient can understand.

By using people's different thinking styles to resolve conflict, to improve communication, and to balance creativity, values, technical feasibility and procedural safety, you value others and their differences. You let go of judgement of others.

Most people are familiar with the brain's left-rational and right-intuitive divide. They can also consider the divide between the thinking cerebrum and the feeling limbic brains.

Each person approaches problems and decisions using these thinking divisions in some combination of preference and avoidance. If within your communications and stakeholder involvement you neglect one of these quadrants, you exclude part of your

Functional (or silo) management is a poor system for delivering change. It is widely recognised that cross-functional teams are required to implement significant change – yet companies often employ functional structures to undertake the change. And even if they do form cross-functional teams, they often keep the power with functional departments who control budgets, orders, recruitment, etc.

The organisation's policies and processes have to support project management effectively, and project management skills and behaviours should be cultivated.

Generally the use of teams should be encouraged and, in particular, HR departments should change their way of working to one that supports team-led development.

● **Maxim 6: Make it easier.**

Change is hard enough without putting obstacles in its way; organisations should make it easier for themselves. Organisations often fail to remove internal procedural obstacles to change initiatives. They fail to harmonise all related activities to make it easier to achieve.

It is vital to integrate and refine management processes including: project management processes; functionality testing and accreditation processes; and implementation and transition processes.

● **Maxim 7: Frame the solution.**

Set the boundaries of the work so it is big enough to solve but small enough to achieve. The scope and authority should be such that key issues can be resolved.

People often scope to suit what they think they have permission to do, rather than what needs to be done.

Keep the duration of projects as short as possible. Maintaining senior management attention and commitment, or maintaining a high-calibre project team, after

Steve Clarke: remember that business risk overrides project risk

12 to 15 months is extremely difficult.

Do not set too narrow a scope. Project managers should make sure they are not downscaling the scope for an easier life at the expense of the business objectives. Make sure that 'showstoppers' (those issues which, if not resolved, will ensure that the initiative will fail) are identified and the means and authority to address them are included within the project or programme.

Remember that business risk overrides project risk. Business risk is often increased when project risk is reduced. The organisation needs to assess whether project risk reduction is worth the increase in business risks.

Projects sometimes have to carry additional project risk to avoid the organisation being exposed to a greater business risk.

● **Maxim 8: Leave no hiding place.**

This maxim promotes the idea that the results of the change should be measured, publicised and appraised. The management of performance is essential to establish a focus on delivery.

You will only successfully deliver purposeful change if there is sufficient pressure for this to happen. To support successful delivery you should focus on products and quality criteria, and develop and maintain project plans and controls.

To achieve the level of accountability required, stakeholders, customers and, sometimes, the public have to accept a lack of certainty in project outcome. Living with uncertainty, within a rigorous approach as outlined here, increases the likelihood of achieving successful change.

Living with uncertainty is easier because, within Maxim 8, the Wholemind approach comes full circle:
● Having been clear about the business objectives, your definition of products is clearer.
● Having defined the products clearly, projects are easier to manage.
● By including users in the development of the objectives and definition of products, and by communicating this, it is easier to obtain their product sign-off; users are also more likely to co-operate with the transition and be happier with the results.
● Industrial strife can be greatly reduced, wasted effort can be avoided, bureaucratic projects need not be attempted, and change need not fail.

Conclusion

The Wholemind approach, when followed in its totality, provides an effective model for purposeful change. It integrates the complex process of change management, sets the context for rigorous programme and project management, and reduces the workload needed to achieve successful and effective change.

By establishing a common understanding of the total picture of organisational change, with supporting processes and techniques, you can better persuade senior management to see the essential importance of programme and project management skills and processes.

You will also be better able to apply best-practice theory, and to select and use the project management and professional services automation software systems that support that best practice.

● *Steve Clarke is a director of the Steve Clarke Consultancy which specialises in programme, project and change management. Tel: 01865 248943. Email: info@steve-clarke.co.uk. Website: www.steve-clarke.co.uk.*

Perspective Solutions

Perspective Solutions is an independent provider of risk and programme management tools. It was founded by a team with over 80 years' collective senior and board-level management experience.

Perspective's solutions are designed to give senior managers a 360-degree view of all programmes and projects. The aim is more effective decision making, improved planning, better alignment of strategy to programmes and the ability to identify and respond decisively to risks and threats.

The Perspective approach is supported by the RPM (Risk and Performance Management) technology platform. Perspective says RPM was designed in response to real-world needs. Using recognised standards, RPM can be integrated with existing systems, both within the enterprise and in collaboration with partners, suppliers or customers.

Background

Perspective recognises that many organisations, even those with excellent operational processes and supporting systems, often encounter difficulty in getting up-to-date summary information from across multiple programmes or projects. These challenges are frequently described in terms such as 'drowning in a sea of data' or 'too much data, not enough information'.

The challenge, Perspective says, is to get a balanced view of ongoing activity, illustrated in simple but powerful graphics.

For senior managers, division heads or business sponsors, the only way to get a 'big picture' of a specific set of initiatives is to consolidate data from multiple sources.

Perspective says this type of procedure is likely to be error-prone, often necessitating manual intervention and is thus time-consuming.

Managers needing timely information are often unable to determine from the end-result the extent to which inputs may be incomplete. The tools used by project managers (MS-Project, Excel or Word) are file-based, making a consolidated view more difficult to produce quickly and accurately.

Perspective claims that RPM provides the following capabilities:
● Consistency. RPM manages the collection of data from multiple sources and manages its transformation into a common format and agreed time period.
● Consolidation. RPM pulls together any combination of projects across different initiatives, business units or geographical boundaries.
● Compliance. RPM monitors compliance in terms of internal procedure and the requirements of external regulatory obligations.

RPM introduces a process for consistent consolidation of data extracted and summarised from multiple sources. It uses a role-based workflow so that everyone who submits, receives or reviews operational information is aware of the inputs required, when they are needed, and when they have not been delivered and/or approved on schedule.

The resulting consolidated view, presented as an interactive graphical dashboard, can be composed of any combination of projects and programmes. A two-level drill-down helps senior managers focus attention where it is needed.

Delivery

RPM is available for deployment either internally to an organisation or via a managed, hosted service. Selected partners offer RPM as an addition to their present services, or as a 'white-label' solution.

Perspective Service Partners are required to complete a training programme and achieve certification, and are recognised specialists in either a specific sector or professional discipline.

Perspective Technology Partners enable clients to use hosted and remote RPM solutions as a managed application service.

Selected Perspective Technology Partners offer complementary applications that integrate with RPM, providing a broader and more tailored solution.

COMPANY	
Turnover (UK)	AOR
Turnover (W)	AOR
Profit Before Tax (UK)	AOR
Profit Before Tax (W)	AOR
Number of Employees (UK)	4
Number of Employees (W)	12
Software Marketed (UK)	D/I
End User Support by	D/I
End User Training by	D/I

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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Website address	**www.perspectivegroup.com**
User Group Chairman/Contact Point	**N/A**

PRODUCT	
Name	**RPM**
First installed (year)	**2002**
No. of UK sites/new sites last 12 months	**2 – 3**
No. of World sites/new sites last 12 months	**3 – 1**
Key markets	**Finance (including banking, insurance, pensions), construction and engineering, consultancy, manufacturing, public sector**
Current version – date of release	**v2.1.4 – Aug 04**
Operating system(s) supported	**Apache, Oracle, DB2, Sybase, Windows, Unix, Linux**
Database(s) supported	**Oracle, DB2, Sybase, MySQL**
Can product operate in a web services environment?	**Yes**
Min/max no. of users supported	**10-5,000+**
Project-related functionality offered:	
Enterprise project portfolio management	**Yes**
Project management process	**Yes**
Planning	**No**
Programme management	**Yes**
Web-based collaboration	**No**
Risk management/assessment	**Yes**
Knowledge sharing	**Yes**
Links to planning software	**MS Project, Deltek Vision, Primavera P3G**
PSA-related functionality offered:	
Time recording	**No**
Business process workflow	**Yes**
Resource/practice management	**No**
Billing/project accounting	**No**
Portfolio/opportunity management	**Yes**
Knowledge management	**Yes**

Primavera

Primavera is one of the largest independent providers of collaborative project, resource and portfolio management solutions.

Its software and services are used by Global 2000 organisations to choose the projects that best enable their strategy; to plan, control and govern the chosen projects; and to accelerate the delivery of results for themselves and clients.

Primavera offers solutions for organisations in aerospace and defence; engineering and construction; financial services; government; high technology; power, energy and process; and professional services engagements.

Gartner and META Group have each recognised Primavera as a Project Portfolio Management leader.

The company has more than 75,000 customers in 164 countries.

Products

Primavera's project, resource and portfolio management software helps IT organisations provide improved IT support and maintain critical applications while aligning information technology investments with corporate strategy.

Its solutions are designed equally for companies focused on maximising resources to provide IT support and maintenance and those developing large, strategic business applications.

The solutions are designed to work the way the user works, whether they are an executive, project manager, resource manager or team member.

Capabilities

Primavera helps organisations managing IT projects and operations stay in alignment with overall business objectives, by delivering specific functionality, by role, across the project team:

● Project management professionals. Primavera provides critical path method scheduling so managers in the project office can model all the projects they oversee.

Primavera also enables users to establish best-practice and process libraries for storing methods for all types of work and services that need to be planned and managed.

Programme managers gain summary views of all their portfolios and programmes, including what-if capabilities to support analysis of multiple delivery scenarios.

● Resource managers and team leaders. Primavera offers a simplified project management interface for team leaders and resource managers, to check that deliverables are on schedule.

Primavera's resource request and fulfilment features help ensure that resources are properly deployed, relative to strategic objectives.

● Executive stakeholders and extended project team. Primavera makes visible detailed up-to-date project information, keeping project stakeholders informed of fiscal and project performance.

Cross-project and portfolio status, issues and risks are also available through dashboards with customisable thresholds and indicators.

● Team members. Primavera enables the project team to manage their own critical project deliverables, to receive new assignments, and report actual time worked on projects.

Market focus

Among Primavera's customer base:

● Hewlett-Packard (HP) is using Primavera solutions to manage thousands of IT projects and professionals – reporting substantial cost savings, focus on the right projects, and achieve faster project completion within budget.

Primavera was directly responsible for enabling HP to reduce $110 million in estimated project costs during its 2001-2002 merger process with Compaq.

● The National Exhibition Centre (NEC) in Birmingham is using Primavera to rationalise projects and eliminate redundant and non-strategic projects, reducing the number of live projects by 67%.

COMPANY	
Turnover (UK)	N/P
Turnover (W)	$102m
Profit Before Tax (UK)	N/P
Profit Before Tax (W)	N/P
Number of Employees (UK)	N/P
Number of Employees (W)	425
Software Marketed (UK)	D
End User Support by	D
End User Training by	D

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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PRODUCT	
Name	**Primavera**
First installed (year)	**1983**
No. of UK sites/new sites last 12 months	**297**
No. of World sites/new sites last 12 months	**641**
Key markets	**Aerospace & defence, engineering & construction, financial services, government, high technology**
Current version – date of release	**v4.0 – May 04**
Operating system(s) supported	**Windows 98, 2000, NT, XP**
Database(s) supported	**Microsoft SQL Server Desktop Engine (MSDE), MS SQL Server, Oracle**
Can product operate in a web services environment?	**Yes**
Min/max no. of users supported	**5-20,000+**
Project-related functionality offered:	
Enterprise project portfolio management	**Yes**
Project management process	**Yes**
Planning	**Yes**
Programme management	**Yes**
Web-based collaboration	**Yes**
Risk management/assessment	**Yes**
Knowledge sharing	**Yes**
Links to planning software	**Microsoft Project, SAP, PeopleSoft, J D Edwards**
PSA-related functionality offered:	
Time recording	**Yes**
Business process workflow	**Yes**
Resource/practice management	**Yes**
Billing/project accounting	**Yes**
Portfolio/opportunity management	**Yes**
Knowledge management	**Yes**

Thomson Elite

Thomson Elite is a leading provider of financial, practice and knowledge management systems to the professional services markets, including accounting, legal, engineering, marketing services, and management and IT consulting.

Elite solutions are designed to help firms streamline service delivery and improve competitive advantage by optimising the cycle of key business activities within a professional services firm.

Elite provides a flexible enterprise resource planning (ERP) solution designed from the outset to address the cycle of business delivery in global professional services organisations.

Elite solutions streamline business processes – beginning with the pursuit and inception of new business and continuing through resource allocation, engagement management, time and cost capture, billing, financial statement preparation and enterprise performance management.

Solution

Thomson Elite recognises that to provide long-term value, enterprise software must be able to fulfil the changing needs of the business.

Elite solutions are accessible from a web browser or a Windows client platform. The applications utilise Microsoft .NET connection software and can be extensively tailored to match the organisation's requirements.

The scalable n-tier architecture supports large professional service organisations, including those that operate globally.

The software supports multiple languages, currencies and entities, helping organisations to manage complex international business transactions.

The company claims that Elite solutions enable professional services firms to:
● Achievable measurable increases in billable resource utilisation.
● Efficiently use available skills and expertise.
● Provide accurate business intelligence and financial reports to appropriate individuals across the firm.
● Focus marketing and business development on the most profitable clients and prospects.
● Improve cashflow by establishing timely and accurate billing and collections procedures.

Market focus

Thomson Elite has decades of experience in offering solutions to clients who include a number of top 10 firms from the accounting, consulting, legal and marketing service sectors.

The company claims to have steadily increasing revenue growth and stable operations, and to continuously invest in advanced technologies and new product development.

In a recent survey carried out by the company amongst the Thomson Elite client base, several organisations provided detailed statistics on the measurable return on investment (ROI) they had achieved since implementing the Elite system.

ROI was achieved in areas such as increase in billable time, quicker work in progress-to-cash cycles and a reduction in lock-up.

Statistics are available from Thomson Elite on request.

Company

Thomson Elite is headquartered in Los Angeles and employs more than 700 professionals.

It has offices in Albuquerque, Auckland, Calgary, London, Minneapolis, New York, Philadelphia and Sydney.

The London office opened in 1993 and now employs more than 50 staff.

Services

A team of Elite consultants can provide implementation expertise and advanced technology consulting to clients.

Professional services organisations are offered knowledge and expertise which Elite consultants have gained through over 200 combined years of experience working in the professional services industry. As a result, Elite's consulting and implementation team provides a mix of domain knowledge and market expertise.

COMPANY	
Turnover (UK)	AOR
Turnover (W)	AOR
Profit Before Tax (UK)	AOR
Profit Before Tax (W)	AOR
Number of Employees (UK)	50+
Number of Employees (W)	700+
Software Marketed (UK)	D
End User Support by	D
End User Training by	D/I

Key: **D** Direct, **I** Indirect **N/A** Not available/not applicable, **N/P** Not provided, **AOR** Available on request

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PRODUCT	
Name	**Elite Financial and Practice Management System**
First installed (year)	**1985**
No. of UK sites/new sites last 12 months	**600 plus (75 firms) – 18 (9 firms)**
No. of World sites/new sites last 12 months	**6,800 plus (850 firms) – 300 plus (38 firms)**
Key markets	**Accountants, architects, actuaries, consultants – management and IT, lawyers**
Current version – date of release	**Elite Enterprise 3.5 – Jan 05**
Operating system(s) supported	**Windows NT, 2000, 2003, XP, Unix**
Database(s) supported	**SQL, Oracle, Informix**
Can product operate in a web services environment?	**Yes**
Min/max no. of users supported	**10-4,000+**
Project-related functionality offered:	
Enterprise project portfolio management	**Yes**
Project management process	**Yes**
Planning	**Yes**
Programme management	**No**
Web-based collaboration	**Yes**
Risk management/assessment	**No**
Knowledge sharing	**Yes**
Links to planning software	**MS Project**
PSA-related functionality offered:	
Time recording	**Yes**
Business process workflow	**Yes**
Resource/practice management	**Yes**
Billing/project accounting	**Yes**
Portfolio/opportunity management	**Yes**
Knowledge management	**Yes**

Projecting success

Keith Bedingham and Russell Berkeley identify two techniques that can finally crack the problems of projects.

"IN THE 20 years I've been here, we have never had a project come in on time or in budget." said the research director of one of our high-tech clients, almost proudly. The chief executive of the same company said: "Getting a project finished on time, let alone within the original budget, would be a miracle," accompanied by the nearest thing a Californian can get to a Gallic shrug of resignation.

Such resignation and sense of hopelessness is common. There is a whole plethora of project planning tools available. Most professional project managers are well-trained, well-motivated and highly skilled – yet still projects go off track with (almost) monotonous regularity.

We believe that the reason this happens is because the information systems used by project and programme managers are woefully inadequate. So project managers are unaware, quickly and early enough, of the work done at any point in time, versus what the project should have achieved and the consequences (in terms of money, time and effort, other resources) to put it back on track. Nor are they aware of the causes (as opposed to the ostensible reasons) of it going wrong, so that they can be prevented in future and fixed now.

The techniques for providing this information are EVM (earned value management) and PIMS (project intelligence and management system). Working in tandem, these two techniques will give the project manager all the information needed to fix problems of all sorts, keep the project on time and within budget.

EVM

EVM is the ability to get the right information to the right person at the right time. BMT Sigma has broken down EVM into eight discrete areas:

1. Organisation.
2. Schedule and resourcing.
3. Budget and authorisation.
4. Sub-contract management.
5. Accounting.
6. Managerial analysis.
7. Change management.
8. Risk.

The first four areas describe the creation of the 'baseline' – the time-bound profile of the expected work over time. This profile (called the budget cost of work scheduled or BCWS) is created directly out of the resourced schedule, and is the basis of all performance metrics.

The consequences of this are that the schedule is fundamental. Sections 5 and 6 are about the collection of information relating to the performance and the costs, and then the analysis of that data.

Section 7 is to control the changes to the baseline profile – it makes sense that if all decisions are based on the baseline and the associated metrics then any changes should be controlled.

Section 8 is all the aspects to do with risks and should be embedded throughout all the previous sections.

These stages individually or combined are simple – but people still find them hard.

In most organisations where we have implemented EVM, we have found the hardest thing is the changing of the culture to ensure the first principles of project management are carried out.

Most organisations already have project management processes in place, and most have been in place for a long time. They therefore question the need to change what they have 'successfully' been doing.

So why do it? Simply, because if EVM is run and controlled properly, it allows the management team to focus on the areas of the business that truly need their support. Basically it is about getting the right information to the right person in time for them to make the right decision.

Certainly, the Association of Project Management has a Specific Interest Group which is in the process of writing examinations for EVM in the UK, and has written numerous guidelines to help people understand the concept. The group consists of practitioners from the construction, aerospace, defence, IT, academic and other organisations.

Project scope

Put simply, EVM is the identification of all the project assumptions and scope within a resourced schedule over time (see Figure 1).

This gives you a value over time profile. This profile (the performance measurement baseline or PMB) is then used to create all those variances with which people can make effective decisions. It recognises that there are three key components to a successful implementation – people, process and tools.

Earned value management has been around since the 1960s in the US. Since then there have been many publications on the processes needed to make it work, and BMT Sigma has created an interactive website that covers all the areas of an EVM system in detail.

The IT companies have jumped on the bandwagon and there is a myriad of software solutions that help ease the analysis of all these variances, and some that will even do it for you.

So, if it is simple and well-documented with toolsets available, why is everyone not doing it?

The answer is in the word 'everybody'. Even with the world's best processes and IT solutions, if people do not want it to happen it will not.

EVM is all about being honest and open. It is an easy system to deliberately hide variances if you are clever enough. However if people are genuinely interested in understanding the true progress and associated costs, then this is the tool for you.
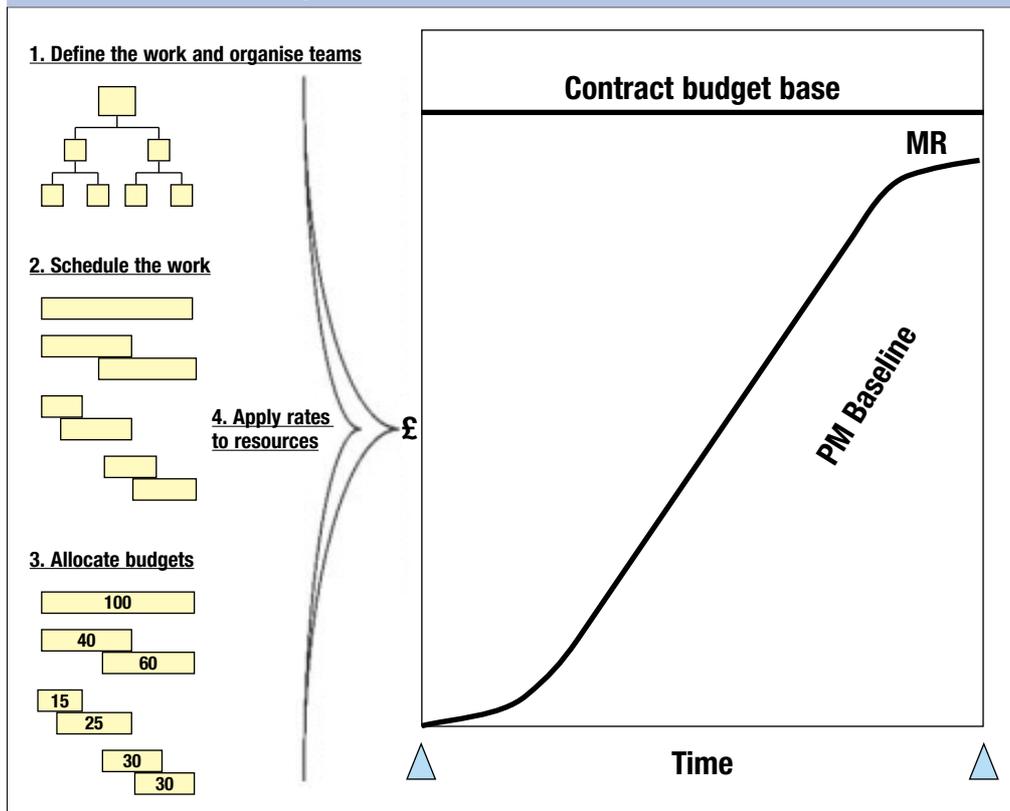
Some key things to remember are:
● Earned value is nothing more than project management with some rules.
● An EVM system is designed to create variances.
● There is no good or bad variance – there is the variance and a good or bad reason for it.
● Expectation management for all roles and levels in the organisation is key.

PIMS

In the previous section we discussed the difficulty of changing or creating a culture that would enable project management to work: PIMS explains what the culture is like, the consequences of the culture and, more important, the causal impact it has on the way work is done, the cost/budget element of the project, and the timelines with which the project is delivered.

FIGURE 1: Earned value management

1. Define the work and organise teams

2. Schedule the work

4. Apply rates to resources

3. Allocate budgets

100
40
60
15
25
30
30

Contract budget base

MR

PM Baseline

£

Time

Think about a project as a system. It has a variety of resources allocated to it (as described above). These are then subjected to a number of processes (undoubtedly some more efficient than others) which in turn produce the outcomes or results of the project (work done, quality, timelines, cost-effectiveness, stakeholder satisfaction, etc).

Looked at this way, it is easy to see the causal links between the way things are done (culture) and the outcomes or results achieved.

Research carried out by Verax over a four-year period has identified 16 factors that cause or create the results of the project. These factors fall into four main categories:
● Strategic focus – the way the project's strategy is used to deliver project performance.
● Performance management – the alignment of team and individual goals with the project's goals.
● Leadership and management – how managers at all levels manage, support, coach and engage staff in performing as

they should to achieve project outcomes.
● Systems, processes and structure – how efficiently the project infrastructure enables people to deliver what is needed to make the project successfully achieve what it should.

Like the EVM performance measurement baseline, PIMS starts with the creation of the 'desired state' which sets out what the project needs to achieve by when, and then, working backwards, how things need to be done with the resources available to achieve those ends.

This is a facilitated process which is then modelled and statistically tested to ensure there is a high probability that, if things are done that way, the project will indeed deliver on time, to budget and satisfy stakeholders, the customer, etc.

If the project has already started, don't worry. This process can still be carried out and kick-off gap analysis performed at almost any stage of the process.

As with EVM, data is

collected in real time on an ongoing basis so that the management team and other appropriate parties can see in real time, at any time, how things are going, the gap analysis between actual and the desired state, and what (if anything) is creating any deviations from the plan.

PIMS also produces a priority list of specific recommendations of what to do to bring things back on track and/or what to reinforce and build on where certain factors may be delivering above expected performance results.

Until now, even if project managers had access to such accurate information – which most did not – there was still the risk that making changes would not have the positive effect, or minimise the negative effect wanted.

PIMS, however, will not only analyse historic trends but also forecast the likely successes and impact of changes made so that managers can have confidence in their own decisions where appropriate, or fine-tune others where needed.

As a result, project and programme managers can have access to information which not only gives them data about the project as a whole, at any point in real time and ongoing, but the same level of specificity is available for any sub-team, group or function within the project.

Success

Two characteristics of successful projects emerge from research in this area.

First, more time and effort is spent before anything happens on clarifying and defining what stakeholders want, agreeing the contract budget score and the performance measurement baseline, the desired state – thoroughly planning and organising the teams, the work schedule and budget, ensuring excellent information provision, monitoring systems and communications strategies.

Second, successful project teams have use of first-class, accurate, specific information to demonstrate that the project is on track, and act quickly but maturely to put deviations back on track, at an early stage, before things get out of hand.

EVM and PIMS provide for these requirements.

As proof this works in practice, BAT's supply chain used the approaches and information systems described above in a small project – Project Darwin – involving only about 120 people. By using the information derived from such approaches, BAT was able to make savings in year one of over £3.4 million, further savings of £5 million in year two and similar in year three.

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IN APRIL 2003, Test Valley Borough Council (TVBC) in Hampshire began a programme of change which has had a profound effect on the way the organisation operates.

One of the biggest changes experienced at all levels has been a new-found motivation, as the organisation pulls together to deliver its strategic goals.

Pre-2003, the council had an established project management methodology, but implementation was *ad hoc*. No common procedures were in place to gauge the success or failure of projects.

Following its recent comprehensive performance assessment, the council questioned its ambition versus its capacity. The council needed to establish where it wanted to be and how long it was going to take to get there.

Training and consultancy firm FGI was selected as the development partner to help facilitate this process. Graham Barrett, head of IT services, commented: "FGI were selected because they were able to meet several key criteria – an outstanding public sector track record, high pass rates and the ability to provide bespoke courses tailored specifically for the benefit of our council.

"We were also impressed with feedback from previous courses from FGI. Our delegates found that in their dual role as consultants, the trainers were up to date with industry developments and could provide real-world experience of other organisations that have undergone similar change."

FGI worked in partnership with Test Valley to produce a roadmap for individual development that progressed candidates from introductory courses through to formal qualified project management training using a phased approach.

Chris Sellen, business systems manager, said project management has allowed the

A unified approach

How Test Valley Borough Council is using project management to improve its service delivery.

organisation to "see into the future" because it showed the extent to which the organisation was not changing and therefore demonstrated where patience must be exercised in order for the new culture to be established. "Project management allows us to see what can be reasonably expected," he said, "and this helps us to be realistic about what can be achieved, which is enormously motivating."

Becoming a more modern organisation is one of the council's six priority areas of development.

Barrett explained that the council wants to be an organisation that puts its customers at the heart of what it does. "It wants to share knowledge and experience for the benefit of its staff and customers, and it wants to modernise, using e-Government to make greater use of its website and e-channels such as email, text and e-forms for both informational and transactional interactions," he said.

TVBC's decision to implement PRINCE2 as the framework for its approach to

project management was led by its ICT strategy.

Brian Dawson, the council's e-Government and information manager, said: "We wanted to achieve corporate visibility for our e-Government projects. This means that in practice it's not just the responsibility of the IT department to realise ownership of successful project delivery – in fact it is co-ordination across departments that is all-important. We are all working on a common goal: customer priority outcomes."

Understanding this broader theme helps people know where they fit in and what part they

Graham Barrett: sharing knowledge and experience

play in helping the organisation achieve its objectives, said Dawson. Now that everyone is using the same system there is better morale. Many staff have been given training and they have attended workshops.

"There is no quick fix," he said, "instead we have adopted a pragmatic, streamlined approach which allows everyone to see where they fit. We are even able to acknowledge that minor failures are part of e-learning."

Tony Borowiec, IT project support officer, agreed that the council is experiencing new levels of enthusiasm across the board. "We have found that most people are very receptive to using the project management approach. They understand that the new tools will help them but it's important to manage their expectations (as we have limited resource) while we embrace the project management methodology across the council and work to embed project controls into the business streams."

Another key objective of the council's modernisation priority

is to increase efficiency in the delivery of services. Through the use of modern technology such as electronic forms, process automation and document management, it will be possible to re-engineer and streamline existing processes.

"Through streamlining it should be possible to reduce the amount of effort spent on manual and routine work and increase the time available for dealing effectively with customers and their needs," Sellen said.

Barrett agreed: "Given the degree of change in culture, working practices, technology and skills presented within this vision, a key focus of the modernisation priority involves improved learning. This includes considering the training required for both staff and members, and further recognises that the customers and citizens of the council will also be required to learn.

"It's important that our elected members, the borough councillors, understand the approach. The overall direction of ICT can be quite technical."

However, Barrett said that steps have been taken to ensure that the councillors understand the objectives and how ICT will help them.

In addition to training staff with project management skills, the council sought to develop individuals to demonstrate other soft skills required to successfully complete projects. Through its candidate assessment and re-assessment workshops, FGI was able to monitor the progress of candidates' knowledge, skills and attitudes and carefully match them to business objectives at each stage.

The council has also brought in project management staff into specific roles. "In some areas the team needs to have a project manager with specialist skills," Barrett said, "and there are also times when the whole team needs mentoring."

As IT project support officer, this role has fallen to Borowiec.

Test Valley (above and left): the council is streamlining its services through structured projects

He is an advocate of the adopted approach and can help people apply it appropriately. He also works with project managers in the council who are running projects which may or may not have an IT element. He has to remove a lot of the apparent mystique around PRINCE2 and to translate the methodology into practical tools.

"Large complex corporate projects must apply the methodology fully, whereas for smaller, less complex projects then a minimal approach is required," Borowiec said.

In practice this means that all projects will have a project brief and a plan along with a risk and issue management. Deciding which projects will go ahead is simply a question of whether it will contribute to the delivery of TVBC's ICT strategy and thus the overall customer service enhancement objectives.

Projects are also analysed when they are complete to determine whether the implementation of the methodology has improved the ability to deliver projects successfully. This was something that did not happen before the project management methodology was initiated.

All projects are overseen by the Information & Communication Board (ICB), chaired by a corporate director. Membership includes two councillors and senior managers.

The Board has an overview of all projects initiated. Their status is reported as green, amber or red – depending on whether they are on target – so that the ICB can monitor the delivery of all projects.

TVBC is also implementing a Windows Sharepoint service within the project support office, which will allow departments to collaborate as project views are created to present projects in a unified way.

"One of the main benefits of implementing PRINCE2 has been the ability to use a common language. Now that the terminology is beginning to be understood it has instilled a sense of confidence and positivism," said Barrett.

This structured approach is allowing project managers to take on different roles. For example, a project manager may be asked to get involved at Board level because of their previous delivery experience.

Another benefit of adopting project management principles means that the council can forge links with other local authorities across Hampshire – the great benefit being that everyone can share information and experience.

Given the focus on customers and the recognition that the council is not the sole provider of services, this has led to a move towards working more effectively with partner organisations that are involved in service delivery.

Working more effectively with other authorities and with the voluntary sector, and ensuring that information is shared, has resulted in the formation of new partnerships in terms of shared service delivery with neighbouring local authorities.

This all adds up to improved service delivery for residents; not to mention that dealing with TVBC is now a more positive experience for the service recipient.

Richard Pharro, managing director of PRINCE2 examination body APMG (see Box), commented: "Here's an excellent example of the use of project management to deliver physical and organisational change.

The council's work clearly demonstrates the significant benefits available when an organisation totally embraces project management as a way of achieving its core objectives or transforming itself to be ready for the challenges of the future."

ABOUT APMGP

APMG is an accreditation, registration and examination certification body for key elements of best practice in programme and project management.

It works with its main partners – the Office of Government Commerce (OGC), The Stationery Office and the Chartered Management Institute – to develop a range of activities that broaden the application of best practice.

APMG is accredited as a certification body by the United Kingdom Accreditation Service (UKAS).

UKAS is the sole national accreditation body recognised by government to assess organisations providing certification services.

Uniquely in the project management arena, APMG received UKAS accreditation in December 2000.

Online project support

The *Conspectus* partner website, Evaluation Centre, offers more information for organisations using and buying project management and PSA software.

THE EVALUATION CENTRE website – www.evaluation centre.com – is an interactive service guiding you to the successful procurement of software, services and technology, including project management and professional services automation (PSA) systems.

The website, a *Conspectus* partner, helps you find products and services across 11 Evaluation Centres, including a special centre on Project Management & PSA Software. Like its 10 counterparts, this Centre provides guidance on the whole project lifecycle.

Strategy

The Strategy section of the Project Management & PSA Centre offers tools and templates to download, explaining the steps you can take to develop your project strategy. They include:
● Business Systems Project Framework. This template provides a graphical view of every action in an IT project – the key deliverables, who should run each project element and who should sign every element off.
● Business Requirements Document. This is a key document for the whole project. It defines the most important measure against which everything else must be benchmarked – business value.
● Guide to Investment Appraisal. There are a number of ways of evaluating projects and this document outlines the most common methods – using capital and ongoing project costs and comparing them with projected business benefits.
● Guide to Project Planning. The project plan is the backbone of all project management. It defines what is to be done, how it is to be done and when it is to be done.

The Strategy section also includes a range of market research, management briefings by independent consultants and detailed white papers.

Also in Strategy, you will find Expert View commentary on the latest trends in project management and PSA software by market specialist Andrew Holmes (see Box, below). Andrew is a director of PricewaterhouseCoopers LLP.

Supplier Evaluation

To help you select your next project management and PSA software vendor, the Supplier Evaluation section of the Centre provides information on over 200 vendors.

You can access detailed company and services information on 'Certified Vendors' – where fully audited Evaluation Reports are available – and on 'Listed Vendors', where you can find contact points for key players in the market.

Certified Vendors include Agresso, Atlantic Global, Business Engine, ChangeDirector, Maconomy, Ninth Wave, Optim8, PlanView, Primavera, SharpOWL and TCL. This section of the site will shortly be updated with full details on the PM and PSA software suppliers covered in this *Conspectus*.

In addition, contact details are provided for another 202 Listed Vendors offering products and services within this market.

Also within Supplier Evaluation, a 'browse by category' feature enables you to search across all the Evaluation Reports for the specific functionality you need – from programme management to project accounting, and from risk assessment to time and expense management – with a full glossary explaining what the jargon means.

Implementation

The Implementation area of Project Management & PSA Software Evaluation Centre provides information about the remainder of the project lifecycle, including articles by top consultancy firms.

It also features case studies, including an interview with Yorkshire Water, which is using project management software to improve its visibility of IT resources and projects, and promote best practice.

AVOIDING THE COMMODITISED ZONE

The ability of companies to survive increasingly lies in the hands of their project managers – and the underlying reason for that is the move to 'commoditisation' across industry as a whole, *writes Andrew Holmes of PricewaterhouseCoopers LLP*.

How does that logic work? The start point is that, currently, one of the biggest – and perhaps most worrying – business trends is business process outsourcing (BPO). BPO is worrying not so much in its own right, but rather in the statistic about the number of high-quality Indian graduates coming to the market. At 20 million a year, it doesn't take a genius to figure out that we have barely scratched the surface of this growing trend.

This leads on to commoditisation. I believe everything is becoming more commoditised and, in some quarters, even IT (through outsourcing) is being reclassified as a commodity. Commodities are generally abundant, cheap and do not provide competitive advantage. Price often becomes the only factor on which to compete – which we have been witnessing for some time with the low-cost airlines.

So how does your company respond? There are two options. The first is to commoditise your services and offerings as quickly as possible in order to gain market share. Getting there first involves ruthless standardisation and cost reduction so that the services you provide are as efficient and effective as possible and delivered at the lowest price.

The second option is to do your level best to stay out of the commoditised zone by constantly innovating, diversifying and changing your company's portfolio of products and services. Indeed this is precisely what some of the suppliers to MG Rover have done over the past four years. So as some suppliers will undoubtedly suffer, one or two will continue to survive.

The ability of companies to survive, therefore, lies in their capacity to deliver change projects successfully – whether these are designed to reduce costs and standardise what they do, or to innovate and change the game. And this all depends on the professionalism and skill of the project or programme manager, without whom many companies would be in a dire position.
● *Andrew Holmes is a director of PwC LLP. Email: andrew.j.holmes@uk.pwc.com.*