

One rule for us, and another rule for them

We have recently noticed that many client organisations apply a different set of project management standards for the projects they carry out in-house to those that they subcontract or outsource. This is characterised by the often stringent requirements laid out in tender documents that request contractors, suppliers or service providers to submit evidence of their risk management process or change control process and to present already populated risk logs that show they are already thinking about what might not go to plan. In addition they will often be asked to provide detailed schedules and resource plans, using sophisticated scheduling tools, in order to justify how they will meet the client or customer's objectives.

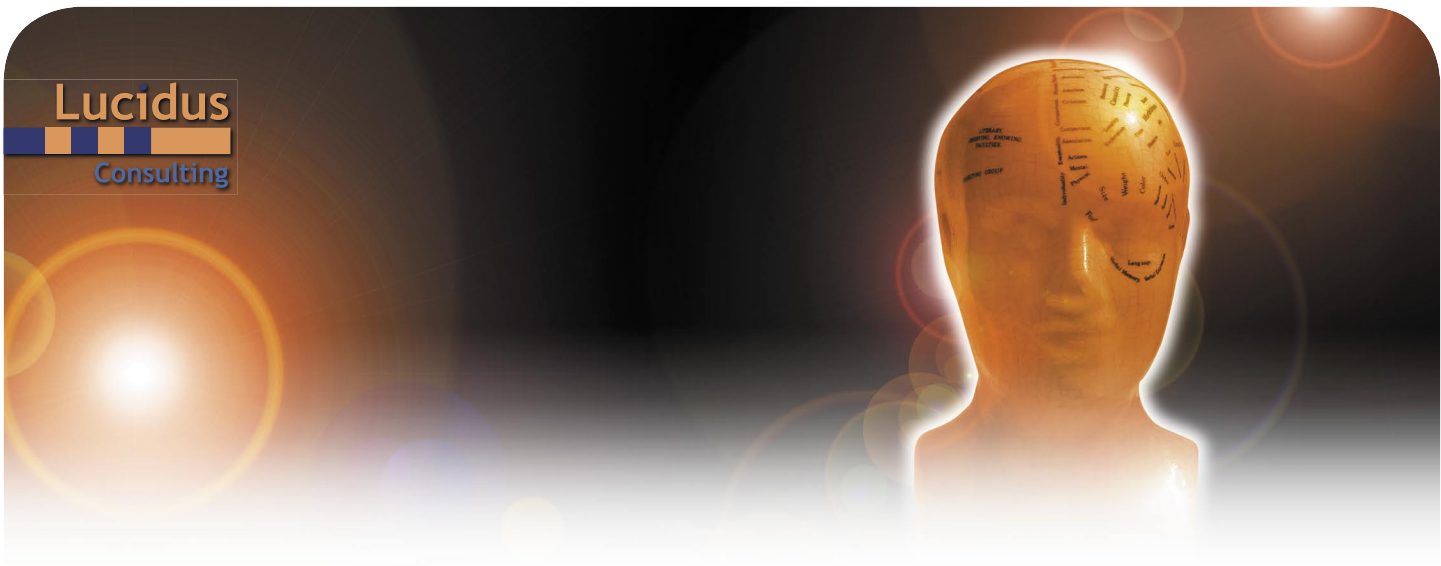
Ironically many companies that make these demands fail to practice many (sometime any!) of these good project management practices themselves. They demand a risk management process from others yet fail to apply one internally. They require contractors to adopt a thorough change control process but change their own projects apparently without any consideration of the effect the change may have on the project's objectives; particularly the budget!

This double standard gives a series of mixed messages. From the contractor's perspective - "why should we do it when you don't?" or "who's the one who knows what they are doing around here?" or "so much for the 'intelligent' client" or maybe from the client's perspective - "we do a great job without all the overhead of systems, processes and training - why can't they?"

Having come across this situation twice recently, and in very different organisations in different industries, we have been

thinking why this might be?

- **Is it a matter of job design?** In Lucid Thought 48 we talk about the difficulty that some organisations have because they have domain experts managing projects who appear to be implicitly (or maybe explicitly) incentivised to focus on task first and delegation/project management second. Perhaps sometimes people really don't have time to do the right thing?
- **Is it a matter of personal preferences?** Also in Lucid Thought 48, we suggested that perhaps organisations value project management in theory, but don't value it in practice when it means individuals doing work that they don't particularly enjoy. Or is it because it is far easier to insist that a contractor does what they are told than telling an internal 'manager' to do things in a different way?
- **Is it a lack of trust of any organisation that isn't 'us'?** Maybe people are worried about delegation of any sort and therefore in the supply chain insist on lots of rules and controls because they believe that third parties can't do a good job without them? "Leave them to their own devices and they will not deliver what we want, when we want it so therefore we must tell them how to".
- **Is it the 'illusion of control' bias at play?** There has been much written about the systematic human tendency to believe if we are doing a job ourselves it is far less likely to go wrong than if someone else is doing it. Studies have focused on tasks like trading on the stock market, where on-line investors (doing it themselves) believe they are more successful than investors who use a broker. The evidence says they are not.
- **Or is it just because you can?** The client organisation has the power to impose the rules so that's exactly what they do. Failing to



impose rules might be seen as a weakness in the client contractor relationship?

Whatever the underlying cause, it seems entirely inappropriate for an organisation to believe that project controls, like schedules, resource plans, risk logs and change processes are applicable in one organisation and not another. Either the controls have value, or they don't - or **"what's good for the goose, is good for the gander"**.

The information we don't have is what gives the best results. One of our clients performs project work internally, and also sub-contracts exactly the same scope of work on other projects (using contractors to manage peak work loads). It would be interesting to find out whether there is a greater project success rate in the client or contractor environments. If we find out we'll tell you and try to make sense of what the metrics mean.

In the meantime, you may want to take a look at your practices. Do you expect different standards from contractors than you do from your own staff, or from yourself? Or if you are a contractor or service provider do your clients demand standards that you have yet to see in their organisation? **If the answer is yes to either of these why is it like this? Just let us know if you have any insights on the subject. We would like to know if there really is any merit in applying "one rule for us, and another rule for them"**.

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