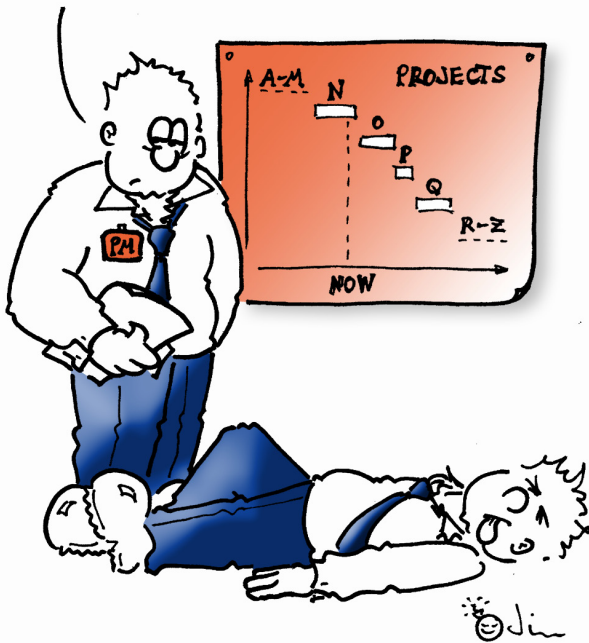




Projects: The Productivity Paradox

“One last push to the end... and then we can hit the ground running for the next project...”



We notice that in some sectors there has been a trend in recent years to re-structure process-oriented work into projects. This is often referred to as ‘projectification’. It happens, at least in part, because there is a belief that project-based working allows greater control, transparency and value for money. The control and transparency are obvious, though the hidden costs of greater supervision and reporting are sometimes missed. However, the improved value for money, unless there are resource, technology or

process changes involved, has to come from increased productivity. Though often implicit, the logic applied is that, by structuring work into projects, progress can be managed better. Once structured as a project, the tempo of the work can be set by the schedule and milestones, and project managers can better deploy resources and direct effort than conventional line managers. The underlying belief is that any slacking and meandering can be eliminated. With deadlines to hit or the finishing line in sight, project managers can cajole extra effort from their teams.

Is this approach valid? We’d say that when considering individual projects in isolation, the logic undoubtedly holds. Individuals can and do put extra effort into their work for short bursts. Projects are the equivalent of short distance races in athletics: maniacal sprints of investment bankers trying to close merger and acquisition deals; high-energy laps from consultants doing strategy studies; or fast-paced ‘vanilla’ software implementations. If projects are occasional, people may be enthused, engrossed or committed and so put in more time and effort. If projects are occasional, they can be conceived as falling outside organisational norms of working hours and work-life balance. If projects are occasional, then disbanded team members can recuperate doing (perceived) lower paced routine work.

But, what if projects are the way an organisation operates? Project managers inherit team members still gasping for breath from their last project. Productivity at the start of the project suffers, more effort is demanded to maintain or catch up the schedule. This accentuates the (usually someone else’s) problem, leading to stress, burn-out and departures. Now, many investment banks and strategy consultancies use this unrelenting pace to weed out those individuals lacking stamina or dedication. But these are high pressure,

high reward environments. Few other sectors can sustain such high levels of internal competition or afford to lose more than half of their recruits within three years. And in any case, 100% utilisation is not expected nor targeted – slack is built into the way such firms work. Traditionally process-oriented organisations that have transitioned into project-based working have rarely built in slack. The productivity benefit of ‘projectification’ would be foregone. Project managers become taskmasters, implicitly expected to drive hard and leverage goodwill to protect the plan. The naïve ones and those totally absorbed by the project management ethos of delivery, rarely reflect on the role they are asked to play, or the human consequences of stress and burn out. For them, team members – the people who will deliver for them are resources, and, as we know, the verb exploit is (too) often applied to resources.

The option of transferring exhausted individuals to the line organisation or routine operations has always been a short term fix storing up longer term problems, whether deterioration in operational performance or the reluctance of individuals to work on the project as they hear the stories of the suffocating workload and see the state in which their colleagues return. Now even this option is evaporating.

So, what can be done? Perhaps we can learn from programme managers who have long had to balance hitting deadlines with conserving team members’ energies? The best programme managers are

acutely aware of the need to maintain a steady pace. Individuals tend to work on a programme for extended periods, often moving from one project or tranche to the next. Programme managers, unlike many of their project counter-parts, personally reap the consequences of pushing too hard. Just like in any long distance race, upping the pace every now and then is fine, but there has to be enough strength to finish the race strongly. The best programme managers set and realign schedules according to a pace that the team can sustain over the long term, accelerating only when it is vital. They actively gauge stress levels and when people need to be rested. They seek to make better use of, and where possible to extend, individuals’ talents, rather than simply demanding more effort. In short, they have learnt how to behave like senior managers, looking after the sustained vitality of the organisation rather than the achievement of a single objective.

We completely accept that individually, projects can foster increased productivity through pacing and controlling work. Collectively though, such attempts are counter-productive, eroding employees’ goodwill and undermining the organisation’s values and sustainability. **We believe that project management, as a discipline, needs to transcend its isolationist perspective if projects are truly to become a strategic, enterprise-wide way of managing work.**

To read more Lucid Thoughts from Lucidus Consulting, please visit our website www.lucidusconsulting.com