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WIN-PM

When It's Not Project Management

AOAI

Ed. 1

ABSTRACT

This book approaches a decades old paradox in project management – we see what we want to see, we manage the part we care to see, we manage it as we care to manage it. For complex initiatives, the convenience of the tool of choice may be contributing to our evasion of our management responsibility.

With classical project management practices, having learned the tools, we then spent a lot of time and effort trying to get reality to conform to that tool. Classical project management practices are readily understandable – it is everything - soothing, comforting – an organizing archetype that seemingly cuts through complexity like a knife. It's also a major cottage industry – selling the dream is a huge business onto itself with internationally positioned consulting firms. However, as complex initiatives continue to fail, could it be that the appeal of the tool may be distracting us from the greater picture?

Classical project management practices treat the circumstance of overwhelming detail in the problem at hand. They successfully disintegrate the situation to a more readily manageable construct. However, highly complex projects entail dynamics – a shifting context and, moreover, a game that changes as you play, and depending on how you play.

The Dynamic Baseline Model (DBM) is used to situate the issue of detail, explore the dynamics at play and characterize the nature of the dynamics. In this regard, the DBM identifies five levels of complexity as the basis for solution optimization and performance anticipation.

The DBM has been the subject of lectures across Canada over the past decade. An article, "The Dynamic Baseline Model for Project Management" was published in the Project Management Institute Journal in 2001.¹ The University of Ottawa added the DBM to the curriculum of its MBA program. The DBM has been adopted by the Treasury Board of Canada as the basis for its Policy on the Management of Projects², applicable to government projects across the board. Subsequently, Canada's central procurement authority for acquisitions, the department of Public Services and Procurement Canada has adopted the DBM as the basis for procurement solution streamlining and authority delegation.

Analysis Of Analysis Introspectus Ltd.³ was initiated in 2014 with the prospect of establishing an Analysis Of Analysis Institute (AOAI) – dedicated to exploring the context for societal analytics, drawing the distinction between bon fide analytics and facsimiles thereof.

The larger framework for analytics is the Greenfields Model⁴ available at www.aoui.ca. This book addresses Program 2, Module 4 of the greenFields model.

When It's Not Project Management (WIN PM)

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Chapter 1: Introduction



What is this book about?

Ever have one of those “stop the world I want to get off” moments? You have a 5:00 p.m. deadline to submit the project plan. Senior stakeholders are standing by in anticipation of great things. But, the pieces just aren’t coming together. There is a contextual flaw in the mindscaping for this thing.

Deadlines come and go. Credibility is on the line. So, you have followed what the good book says – ticked all the boxes, conformed to policy and project management practice. You were the good soldier. You did everything they told you to do. You did everything everyone else is doing. You followed the consultants. You are disillusioned and need to find a different approach. But, how could it be that you are right and the world is wrong? Well, that is what this book is all about. We too think you are right and the world is wrong.

Our intent is to deconstruct the management paradigm, paring it back to first principles and then reconstruct it so that we can better understand our reality, where the classical project management model fits, and where it doesn’t. Through some extrapolation and interpolation, we find the linkage between Process Management through to Public Governance and between the two contextualize

three distinct frameworks for today's needs. In the end, we achieve a five speed orientation that is proposed as a replacement for the current operation or project choice.

Why was it written?

As we learn project management, we latch onto a paradigm that is quick and simple. As H. L. Mencken said: "There is always an easy solution to every human problem—neat, plausible, and wrong."⁵ We spend a lot of time in project management circles attempting to reverse engineer reality – forcing the circumstances to fit the tools we are provided. We may be favoring simplicity over accuracy. Notwithstanding the fancy products, the tools are only useful where they apply. It is suggested that Project Management (PM) practice is "sociolytic"⁶ – an application where social conformity has overtaken analytical integrity. Unfortunately, for the project management industry, the truth doesn't sell and thus, investment in consulting often brings us back to the familiar paradigm – whether it applies or not.

I like Project Management because:

- a. it gives me a reliable road map to success
- b. I'm told to like it by my stakeholders
- c. I'm an appallingly dull and boring individual
- d. everyone is doing it
- e. all of the above

What does it provide?

This book provides a five level taxonomy for assessing projects, their performance characteristics and the pathway to optimization for each. The reader has five distinct models to choose from. With that, we are hoping to appeal reasonably to simplicity while not losing site of accuracy. For every complex question there is a menu of considerations from which to choose as you advance toward the right answer.

Who should be interested?

As Maslow said, *"I suppose it is tempting, if the only tool you have is a hammer, to treat everything as if it were a nail"*⁷. Imagine the patient on the operating table, the nurse passes the doctor a hammer...well, that is quite often what happens in the project management world. Incredibly sensitive and intricate project structures, mission critical functionality, followed up with a bag of hammers.

The primary target audience for this book is the project practitioners and stakeholders who are thoroughly frustrated with the tools at hand. The miscalibration of complexity is suggested as the general problem here.

Authors' Message to Readers

Before we get too engrossed in the destruction of the current project management panacea, it is important that we clarify. Project Management is a wonderful concept for organizing things. For those aspiring to be a project manager, the virtues of understanding the archetype behind the generally accepted practice,



as with the Project Management Institute's Project Management Body of Knowledge (PMBok)⁸ for example, establishes an important background for discussions herein. The authors want to ensure that you have "inflated your balloon, before we try to pop it". Our intention is not to undermine the fantastic work of the industry leaders in project management practice. Rather, building on the fine work, this book will situate the circumstance where the classical practice applies vanilla, and will identify broader considerations where it doesn't.

We also wish to acknowledge the many institutions that have moved past the classical organizing model to provide advanced perspectives - organizations such as The International Centre for Complex Project Management⁹, the Telfer School at the University of Ottawa¹⁰, and the Project Management Institute.¹¹

Chapter 2: Deconstructing the Paradigm



What is Project Management?

The Project Management Institute (PMI) in 1996 defined “project” as one of two form of organized work. *“Organizations perform work. Work generally involves operations or projects although the two may overlap...a project is a temporary endeavor undertaken to create a unique product or service.”*¹² Today PMI defines a project management “the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements”¹³. As such, the terms “project” and “project management” continue to be considered in a very broad sense to encompass all manner of non-routine undertaking.

The act of “projecting” suggests we have a concept in mind, a preconceived notion of the outcome. This is a “reductionist projection” where we know the answer and must merely organize things to make it happen.

In some projects, this is exactly the case. Most construction projects for example feature an artist's rendering of what the building will look like. One can see the picture coming into focus through the course of the project, floor by floor. This is fundamentally an organizing archetype, i.e. a framework that puts tasks in a particular order or arrangement.

No, what is Project Management?

Well, it may have become all things to all people. The projection of a preconception and the notion of organizing the project environment to achieve the outcome is pretty open.

We know intuitively that in developmental and transformational initiatives, the intended outcome need be studied while we are in implementation. The learning that unfolds tests the initial hypothesis, allowing adjustment while underway, effectively allowing us to steer to a destination that wasn't apparent from the outset. This dynamic is in conflict with projection.

Borrowing from Einstein's adage, "*things should be made as simple as possible, but not simpler*"¹⁴, it is suggested that the application of the project management tool is often a matter of making things simpler than they are. Your road map may be easy to read, it's just not the one for your area.

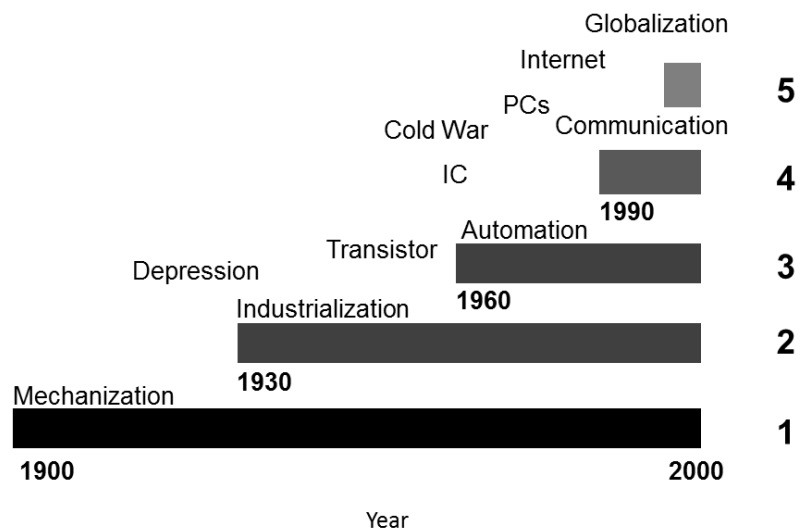
Project Management is:

- a. a comfortable paradigm
- b. simple. Familiar and generally accepted
- c. a tool to organize the unorganizable
- d. a huge industry
- e. All of the above

What has changed?

Reviewing management practice over the past century, there were a number of key focuses that consumed the attention of our learning institutions. There were also a number of strategic turning points where the management paradigm of choice transformed.

Starting with the introduction to the 20th century where industry was just getting into



mechanization – the notion of mass producing consumer goods. This foray into management science was enabled by the advent of central power utilities, the expansion of rail lines, and the birth of the production factory. Management Science and Taylor-type¹⁵ studies were in vogue.

Along came the 1929 stock market crash that led to extensive government investments in infrastructure projects to bail the economy out of the Depression. This shifted management science focus toward custom infrastructure projects – buildings, roads, bridges, dams. Construction techniques formed the rudimentary legwork for the ensuing Project Management Body of Knowledge.

The invention of the transistor in the late 1950's, and shortly thereafter the integrated circuit, brought forward electronically animated equipment where functional emulation was the central challenge. In response, major players at (inter alia) Department of Defence (DOD)¹⁶ and the National Aeronautics and Space Administration (NASA)¹⁷ established systems engineering approaches to step participants through a systems engineering development project. Proficiency in project practice for system development was a matter of national security – keeping military state-of-the-art beyond the capability of the opposing side. Prowess depended on our ability to push the developmental envelope.

The 1990's marked another demarcation point in the project management evolution with the networking of desk top computers. PCs came to the desks of America in the 1980's. By the 1990's we had them networked and emulating business functionality. A new and unfamiliar type of project was born - Business Transformational Projects.

Today, project management is applied on the grand stage – The Project For the New American Century¹⁸ for example - where the complexity in globalization and societal rebalancing moves us toward the New World Order.

Each of the foregoing events marked a turning point in the Project Management need, transformations that entail consideration of greater complexity. They also align with the five levels of the DBM that will be explored in the later chapters of this book.

As the accepted project management panacea is stretched to fit a new complexity, the utility of the model need be reviewed.

The Project Management Institute was founded in the 1960's, embracing the stereo typical organizing model. By that time, however, the world was struggling with three different management models identified above. The rigors of systems engineering projects may have pushed the framework beyond reason. By the time business transformation became mainstream, it was readily apparent that the standard organizing model was not a sufficient concept.

Notwithstanding various iterations of the PMBOK through the 1990's to add the latest terminology, new concepts such as "evolutionary prototyping", "business case" and the like, the framework remains fundamentally rooted in organizing things.

Commodity Stereotyping

Projects are often categorized based on industry sector. To name just a few, we will consider the Construction Industry, Automotive Industry, Marine Industry, the Aerospace Industry and Information Technology Industry. A few project examples are provided in the figure below.

Looking at the figure, we see many spectacular projects in different commodities, posing challenges for the project team. We'll run through the exhibits to describe what they are and then use the DBM to determine their complexity level and associated performance expectation.

Exhibit A features the Automotive Industry with automobile production. We see robots and more robots. Robots aren't perfect but, they don't take breaks, aren't entitled to holidays, they don't sleep, they don't get moody or irritable, and they don't suffer from having gone out with the other robots the night before. They perform task replications as programmed. Though they aren't cheap, they don't get paid either – no robot Union. They can breakdown but they can't strike!

Exhibit B features the IT Industry with "The ID Chip". Perhaps there is peace of mind in knowing the state can track you 24/7. The powers-that-be can choose to turn you on or turn you off. Now a proven technological, all that remains is the public controversy. Just think, pretty soon stores can have a transponder for a check out. That machine will interrogate your chip, talk to your banking machine. Money will automatically leave your account – you don't even need to be in the loop.

Exhibit C features the Power Industry with Nuclear Power with its intricate interweave of piping, valves and electronical equipment. If you see anything out of place, let us know. Positioning everything just right is a very complicated affair. A clean alternative to burning fossil fuels, Nuclear Power is the perfect solution, except for those pesky spent fuel bundles that linger for centuries - and for those that remember Chernobyl and Three Mile Island, power generation truly has become a community event.

Exhibit D also features the Power Industry with the Possum Point Power Station. A more tradition power station, Possum Point was coal fired and was converted to natural gas and oil in 2003, staying ahead of the environmental lobby.

Exhibit E features the Marine Industry with Princess Cruise Ship A.K.A. "The Love Boat"¹⁹ aired on the ABC Television Network. This is a beautifully crafted and appointed vessel.

Exhibit F features the Aerospace Industry with the F-35 jet fighter. This is the all singing all dancing jet that, at times, politically flew past its engineering markers. Promises designed to keep the forty-three countries onboard raised the bar – first strike agility, heavy payload delivery, stealth and, to top it all off, vertical takeoff and land. In tangling with physics to balance these competing interests, the price also flew past its markers.

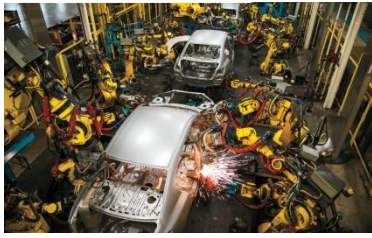


Exhibit A



Exhibit B



Exhibit C



Exhibit D



Exhibit E



Exhibit F



Exhibit G



Exhibit H



Exhibit I



Exhibit J



Exhibit L



Exhibit M



Exhibit K

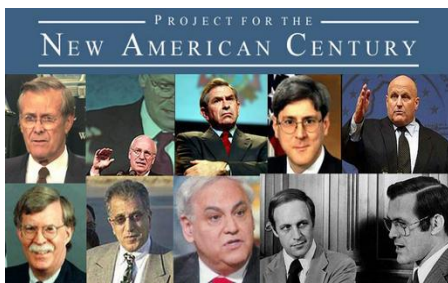


Exhibit N



Exhibit O



Exhibit P



Exhibit G features the Marine Industry with HMS Liverpool. It tracks targets, engages in munitions interdiction, responds to threats to protect itself. There is a fine line between a floating fortress and a sitting duck. The prowess of the vessel need be technologically superior to what the bad guy has.

Exhibit H features the Aerospace Industry with the International Space Station. The US, Canada, Japanese and the Europeans, embarked on what was to be a \$50B project. The Russians joined in latter. Pushing technology into new horizons was exacerbated by the limitations of payload size and weight to meet the constraints of the Space Shuttle loading bay.

Exhibit I features the Construction Industry with The Chunnel. Finally the centuries old dream of a dry link between England and France was realized. Thirty foot laser-guided cutters digging under the channel, fifty Kilometers of digging followed by a bit of poured concrete “et voila” as the French would say. The English-French under the sea “hand shake” was opened in 1994.

Exhibit J features the IT Industry with The Long Gun Registry. Keeping track of who had what in fire power is one thing, deciding what the algorithm does with that information vis-à-vis rights and liberties of gun owners, is a whole other matter.

Exhibit K features the Aerospace Industry with the F-18. Now a mature technology aircraft, once in production, they are constructed in an assembly line. Each jet has a high degree of custom configuration for the particular order and a particular jet.

Exhibit L features the IT Industry with Computer Production. Computers are mass produced on an assembly line with dedicated resources on dedicated tasks.

Exhibit M features the Commercial Industry with the Back Yard Barbeque. This is the epitome of a small scale organizing model project. If you follow the instructions precisely, the process yields the intended outcome.

Exhibit N features the Politics with The Project for a New American Century (PNAC). The architects of PNAC advocated and implemented a program to realign and enhance US prosperity through military and clandestine actions, launched publicly with 9/11.

Exhibit O features the IT Industry, Information Technology Transformation Projects. The inception of the desk top computer and subsequent networking provide a catalyst for business transformation.

Exhibit P features the IT Industry with Automated Licence Place Renewal. The project included the client server kiosks and the backing system and database.

So, dispensing with the foregoing product stereotypes, let’s see how these projects align under the DBM taxonomy. The table below provides the DBM correlation.

Level 1: Rules Intuitive

Primary Mission: to optimize the ratio of direct and indirect costs for maximized yield
 Performance Expectation: greater than 100%

Exhibit A	Automobile Production	Once the cars are in production, the management orientation is in regulation of the process
Exhibit L	Computer Production	This provides an example of an IT initiative at Level 1. Regulation of the process is designed to replicate the product.

Level 2: Methods Intuitive

Primary Mission: to optimize the ratio of costs to scheduled completion for earliest in-service.
 Performance Expectation: high

Exhibit C	Nuclear Power	Notwithstanding the intricacy of the nested components, this is a detail complexity issue. Nuclear power plants are highly predictable and are generally tendered.
Exhibit D	Possum Point Power Station	If built today as a coal fired plant, this project would elevate to the public forum of Level 5. The oil and gas conversion appealed to public. As such the same Level 2 moniker applies.
Exhibit E	Princess Cruise Ship A. K.A The Love Boat	This is a ship construction, a “metal bashing” exercise - think of a big bus that floats.
Exhibit I	The Chunnel	A spectacular moment in history, the Chunnel was an example of a very largescale Level 2 implementation. We know what dirt and rocks are, we know how to deal with them.
Exhibit K	The F-18	Once developed, orders follow an assembly line structure. Each order may entail a substantial degree of particularized custom configurations rendering the initiative a Level 2.
Exhibit M	The Back Yard Barbeque	This is an example of a very small Level 2 initiative that uses the same management orientation as the larger Level 2 initiatives.

Exhibit N	The Project for a New American Century (PNAC)	This is an example of an international project that was managed at Level 2. The circumstances enabling a reduction in level were the public conditioning associated with 9/11, and the force of the US military – avoiding the Level 5 foibles of public engagement.
Exhibit P	Automated Licence Place Renewal	Though an enterprise IT, the initiative is a matter of automating pre-existing business processes. We use to do it manually with human tellers, now we do the same thing electronically at the machine. This is an example of a Level 2 IT project. The business processes to which the IT was applied were pre-existing.

Level 3: Objectives Intuitive

Primary Mission: to optimize the investment for the functionality for a viable outcome.
 Performance Expectation: Low

Exhibit G	HMS Liverpool	This is not a love Boat – think of a hunter killer computer that floats. This was not, first and foremost, a ship, though it looks like one. It was an investment in pushing the bounds of science to satisfy a yet-to-be-proven operational need.
Exhibit H	The International Space Station	Spectacular as this initiative appears, it is an investment in pushing the bounds of science to satisfy an operational need.

Level 4: Principles Intuitive

Primary Mission: to renew the corporation with regard to external determinacies
 Performance Expectation: nil

Exhibit O	Information Technology Transformation Projects	Typical IT projects, are transformations of the business environment. The world spent a lot of time trying to “shoehorn” the Level 4 reality into a Level 2 tool. The consequence was, and still remains, not only a high rate of failure but, perhaps an abrogation of management responsibility.
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Level 5: Values Intuitive

Primary Mission: to optimize social value

Performance Expectation: nil

Exhibit B	The ID Chip	The ID Chip is controversial due to the risk to rights and freedoms. Those in favour of the ID Chip site crime prevention, health recognition, and security benefits. The debate continues.
Exhibit F	The F-35	The F-35 was intended for a broad spectrum of allied countries. Bulking the order would bring the price down. Unfortunately, aggregating everyone's requirements to a super jet may have undermined its viability.
Exhibit J	The Long Gun Registry	Who has rifles is one thing. Who has a profile that should adjust their right to bear arms is the larger question in public debate that played out on the evolving IT baselines.

What do we need?

Well, within the aforementioned Management to Governance continuum we to transition our taxonomy from the operation/project paradigm to a model with "five speeds". We need to reflect on the hallmarks of each of the five circumstances and establish what in is different amongst them.

The historic transition in focus from production to infrastructure projects entailed a shift from routine to custom management. The transition from construction to systems-laden projects entailed a shift from detail complexity to dynamic complexity. The transition from systems-laden projects to enterprise transformation entailed a shift from closed systems to open systems. The transition from enterprise transformations to public policy transformations entailed a shift from corporate culture to public cultures. The table below summarizes the Dynamic Baseline Model – with five speeds, each dedicated to one of the above circumstances in our historic project evolution. The rest of the book will expand on each of these archetypes.

The DBM Taxonomy

Level	Institution	Complexity	System	Culture	Performance Expectation	Example	
5	Values	Custom	Dynamic	Open	Public	-	Public Policy Transformation
4	Principles	Custom	Dynamic	Open	Corporate	0%	Enterprise Transformation
3	Objectives	Custom	Dynamic	Closed	Corporate	Low	Innovative Developments
2	Methods	Custom	Detailed	Closed	Corporate	High	Building Constructions
1	Rules	Standard	Detailed	Closed	Corporate	>100%	Widget Productions

Chapter 3: Reconstructing the Paradigm



What is the Dynamic Baseline Model?

If it is a panacea that we want, then it is a panacea that we shall have! Except, this panacea need be much deeper than the organizing archetype of classical project management. We first need to strip the corporation within which we operate back to its essence and then rebuild.

The framework used here is a hierarchy of purpose:

- "Values" that reduce to codified principles,
- "Principles" that reduce to strategic objectives,
- "Objectives" that reduce to tactical methods, and,
- "Methods" that reduce to regulatory or institutional "Rules."

“Principles” refers to the corporate principles of our organization, the common good as ascribed through its Mission and Vision statements. “Objectives” are the desired strategic outcomes of the various business lines that comprise the organization. “Methods” are the processes of established practice. “Rules” are instructions to employees relating to the conduct of their work, whether they are by policy, notification or law. To cap it all off, the highest level construct, “Values” is a reference to societal values, an overarching concept shared by all people. Each of the is a baseline within the Dynamic Baseline taxonomy - the “Values Baseline”, the “Principles Baseline”, the “Objectives Baseline”, the “Methods Baseline” and the “Rules Baseline.”

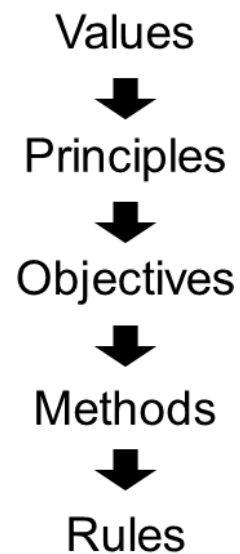
The Dynamic Baseline model establishes the complexity of an initiative based on the levels the initiative disturbs, or renders dynamic, within the hierarchy and establishes a reference or control point for management based on the stable reference above the dynamic baselines. This concept can be thought of in terms of expanding horizons of management purview – the higher the dynamics, the greater the horizon of management concern and, the greater the complexity.

For Level 1 - Process Management - the product configuration is impacted by the initiative whereas the “Rules” of the process provide a stable reference. This is, thus, a rules-based archetype. All baselines above it are also stable and therefore are not of consequence to Level 1 Management.

Level 2 - Project Management - interferes with the rules baseline – one need throw out the rules to enable a custom initiative. The stable reference is “Methods” or the methodology that one follows in pursuit of a custom construction. It is a methods-based archetype. The rules within will dynamically change to accommodate the unique features of a custom construction. All baselines above it are also stable and therefore are not of consequence to Level 2 Management.

Level 3 - Program Management - interferes with the Methods baseline. The Methods baseline is dynamic as is the rules baseline. This is a construct based on a stable “Objectives” reference. It is an objectives-based archetype. The two baselines above it are also stable and therefore are not of consequence to Level 3 Management.

Level 4 - Program Governance - interferes with the objectives baseline. The objectives, Methods and Rules baselines below are dynamically changing. This is a construct based on a stable “Principles” reference. It is a Principles-based archetype. The baseline above is also stable and therefore not of consequence to Level 4 governance.



Level 5 - Public Governance - interferes with the Principles reference. All baselines below Values are dynamically changing. This is a Values-based archetype.

Moving up through the five levels, the dynamics expand, uncertainty expands, and complexity increases exponentially.

Matching and Mismatching

The movie "The Ghostbusters"²⁰ provides an important metaphor here with Egon's advice to Venkmen regarding not crossing the streams. Short of a total protonic reversal, all hell breaks loose when you do this.

A Level 1 scenario requires a Level 1 intervention, a Level 2 requires Level 2 and so on and so forth. If, in a two speed world, management inclination eclipses with the Level 2 model, the rest of the challenges will not be seen, nor accounted for. Management has an obligation to confront reality for what it is.

Though much has been written on the subject of why IT projects fail, the Ghostbusters had it right all along – more to come.

Egon Spengler: Don't cross the streams
Peter Venkman: Why?

Egon Spengler: It would be bad

Peter Venkman: I'm fuzzy on the whole good/bad thing. What do you mean, "bad"?

Egon Spengler: Try to imagine all life as you know it stopping instantaneously and every molecule in your body exploding at the speed of light.

Raymond Stantz: Total protonic reversal.

Peter Venkman: Right, that's bad. Okay, Alright, important safety tip, thanks Egon.

Chapter 4: Level 1: Process Management



Process Management

Have you ever played jacks? No matter how bad you are, the more you play, the better you get. This is because you repeat and reinforce the good habits and dispense with the bad habits. This is the epitome of Level 1 management. There is a preconfigured product, a widget of sorts, the production of which is a matter of running the components through an assembly line. Accuracy in the repetition, and adjustment to counter deviations, enable a “fine tuning” of the exercise. The reference for management is a “Rules” baseline which carefully sets out who does what to whom and when. These are production rules.

This Level 1 of the DBM is arguably not project management – it is process management. It, however, establishes an important marker in our DBM continuum for defining higher levels of practice.

How do I know I am at Level 1?

For Level 1 we have:

- tasks within your control,
- an existing concept for which normalization is required,
- conduct established within a rules framework,
- no significant external determinacies,
- authority devolved to a supervisory level.

Level 1 particulars are summarized in the following table:

Level 1: Process Management

Features:	<ul style="list-style-type: none"> • Closed System • Internal Determinacy • Standard environment • Detail complexity
Focus:	<ul style="list-style-type: none"> • Yield • Directs vs. Indirects • Quality Expectations
Test:	The extent to which yield and efficiency target are met.
Control Point:	The product configuration is the control point
Archetype:	This corresponds to “Rules” lowest static baseline.
Performance Management:	Direct Costs vs. Indirect Costs
Performance Measurement:	Control Charts ²¹
Performance Expectation:	Great than 100%
Success:	Provided yield expansion targets are reasonably aligned with commodity standards, the initiative will success.
Failure:	If the targets are beyond reason, the initiative will fail.
Resources:	Canadian Institute for Procurement and Materiel Management ²²

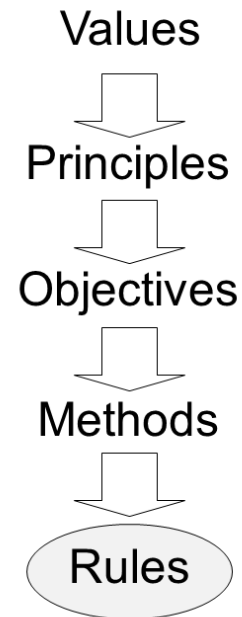
Level 1 management

The vitality of corporate production internationally turns on this ability to set rules and repeat applications – from consumer product production to more esoteric concepts such as routine business operations. Here, actions are guided by the policy manual. You merely consult the rules and then try to fit in.

In true Taylorism, people and machine become mere tools in production. The art and science of Level 1 management includes Capacity Requirements Planning, Time and Motion Studies, Production Control, Part Control, Inventory Control, Material Requirements planning, Line balancing, Queuing Theory and the like.

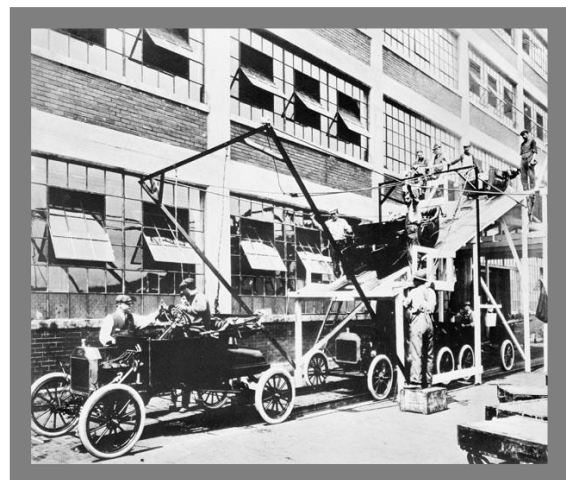
In the Values to Rules continuum at the heart of the DBM, management prerogative is devolved to a line supervisor. As a true Level 1 management situation. This is a reductionist management approach – the concept is established as a set of rules, the supervisor is there to ensure adherence to the rules.

With that established, it is important to point out that the corollary is not true. A Level 1 management practice entails production, but, production does not necessarily entail Level 1 management. For example, developing the product, creating the assembly line, dealing with a situation where variation requires a rethinking of the approach, often requires a management approach beyond Level 1.



The Henry Ford Example

Henry Ford is well known for his ingenuity in the production of the automobile. His purpose was to enable mass production – establishing a rigidly defined configuration for the automobile, one that would service the interests of the average consumer, and one that could be readily produced in an assembly line. Buying components in bulk, dedicating people to tasks, enabled them to become proficient in what they do. Setting in motion the rules framework that produced many automobiles simultaneously led to an increased yield, drove the price down, enabled greater market penetration with the average consumer, and,



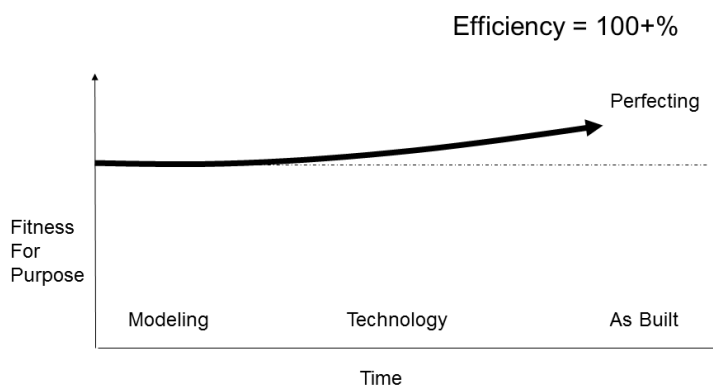
thereby came close to positioning a Ford in every driveway.

The famous quote “you can have any color you want as long as it is black” epitomized the indifference to individual consumer needs. The intent was to focus on what the mass wanted on average from this mass production exercise, not what each particular person wanted. Particularization was the evil that would destroy the purpose. Rather, one set of rules and repetition under those drove efficiency and a huge success. Black was also the fastest drying paint which further enabled efficiency in the production schedule.

Today, the automotive industry operates much the same way – perhaps with variants in models and options to enable some consumer choice. You can order the A package, the B package, the C package. You can have the standard model or the deluxe model and, in addition, you can now have colors!

Performance

The performance expectation is greater than 100%. If we give a manager a budget and quota for production in a given year, we expect next year’s figures to improve. In other words, relative to the



initial year, we should be able to reduce funds and/or expand the yield. The extent to which this could be achieved is dependent on the learning curve inherent in the exercise. With the benefit of industry experience in many commodity domains for production, learning curve indices are readily available for reference.

To position this performance expectation within the context of the other Levels, the figure shows time on the X-axis and “Fitness For Purpose” on the Y axis.

Depending on the learning curve for a particular commodity, the trajectory of performance relative to the initial baseline should steadily and exponentially increase through time, albeit with diminished expectations as the process trends toward a peak optimization.

A key consideration in achieving optimization is the overhead investment – automating machinery, software and the like that enable greater efficiency.

Chapter 5: Level 2: Project Management



Project Management

Putting that puzzle together – time consuming but, we know all the pieces are in the box – we just need to get them in the right place. This is the epitome of Project Management. Classical project management is an organizing archetype. Provided your initiative will allow itself to be organized, this approach should work well for you.

How do I know I am at Level 2?

For Level 2 we have:

- work that entails customization not repetition,
- a solution that is not based on an existing rule set,
- innovation to within the state-of-the-art,
- technology that is largely tried and proven,
- a solution pathway through a methodology,
- control devolved to a Project Manager level.

Level 2 particulars are summarized in the following table:

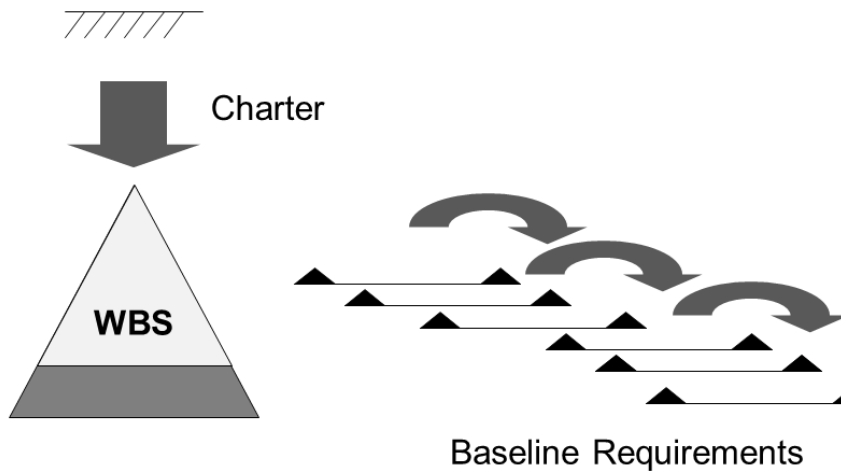
Level 2: Project Management

Features:	<ul style="list-style-type: none"> • Closed system • Internal determinacy • Custom product • Detail complexity
Focus:	<ul style="list-style-type: none"> • the target end state • schedule vs. Cost considerations
Test:	The ability to achieve on-time, on-budget
Control Point:	The functional specification is the control point.
Archetype:	This corresponds to “Methods” lowest static baseline.
Performance Management:	Project Costs vs. Schedule
Performance Measurement:	Milestone Dashboard
Performance Expectation:	High (80%)
Success:	Provided the cost and schedule have been reasonably estimated, the initiative will succeed.
Failure:	Inadequate cost and schedule estimation will contribute to failure.
Resources:	Project Management Institute

Level 2 Management

The centerpiece of Level 2 Management is the methodology. This is comprised of a Charter, a Work Breakdown Structure, and baselined requirements with schedule and cost factors detailed. The Charter is in essence a contract with stakeholders. It positions authority for stewardship of all that is required with a Manager, a Project Manager. The Work Breakdown Structure confronts detail complexity, allowing you to disintegrate the prospect into sub elements and, thereby, “eat the elephant a bite at a time.”

Establish Objective

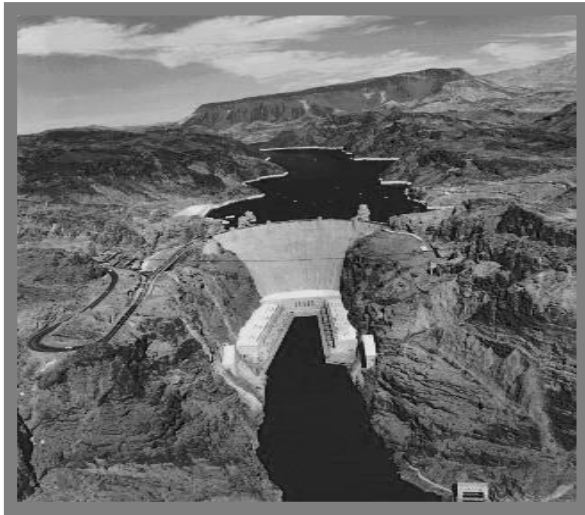


The major challenge to a good methodology is risk – the chance that something may not go according to plan. In anticipation of adversity, statistics provide a basis for assessing the probability of a reasonably possible adverse event and the potential exposure should that event occur. Multiplying the two provides a basis for a risk contingency that is then added to the estimate in advance of

the implementation. A risk registry becomes the project manager’s tool for soldiering forward against adversity. In fact, with the highly predictable environment of Level 2 management, prescribed contingency plans are put in place just in case and, should the need arise, they are pulled off the shelf, dusted off, and put into action.

At some point through the course of the project, the final configuration of the product comes into focus. With that, the configuration is documented and the initiative reduces to a Level 1 management model for its operating phase.

The Hoover Dam Project Example



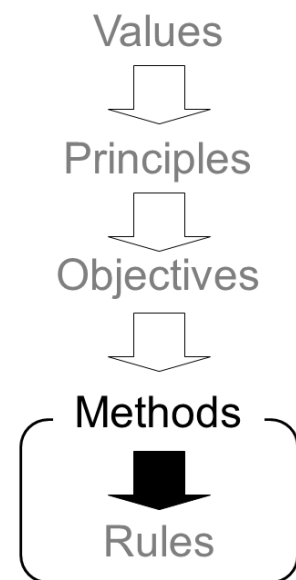
There are no rules for building a dam, no mass production, no building and then discarding. It has to be right the first time!

On the upside, we know what the physical terrain is. Our forbearers have studied soil, rock, concrete and steel ad infinitum. Though the initiative is spectacular – large scale – the prospect is also stable. This is not trial-and-error high tech development. If we can attack the detail complexity issue through a work breakdown structure, have a master project plan with a Manager responsible for devolution of sub tasks through a Responsibility Assignment Matrix, our dam will come together roughly as predicted. While, we need to move that river out of the way, blast bed rock and take care of some other details, but with a stable methodology in place, we should be able to plan the work and then work the plan to bring the project to a successful end.

In the civil engineering world in general, the stability of infrastructure enables stability of methods. Projects are so predictable that they are often awarded through a competitive tender. Low bid wins. The Hoover Dam was awarded to a consortium of five companies that united to call themselves “Five Companies”. For \$50B, they established a base camp, moved the river, poured the concrete and turned on the power, all within a five year construction period!

The Hoover Dam remains a great wonder in engineering and construction, attracting tourists for the better part of a century. The project was funded by the Federal Government of the United States as part of the infrastructure push post-depression. Construction began in 1933. Of course, you do not just run in, pour four million tons of concrete, and call it a day. There is a river in the way, there are no workers on site...and so the organizing archetype of classical project management is employed to reduce the exercise to a methodology.

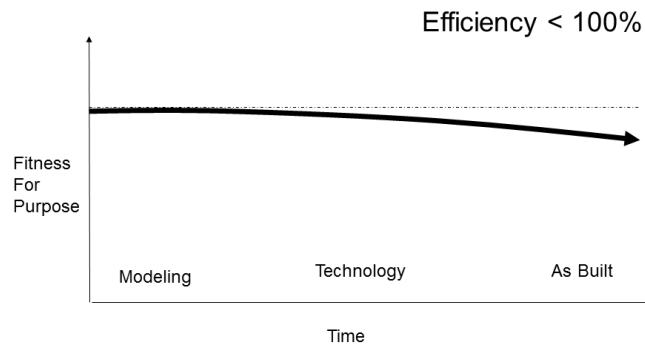
There are no rules



Performance

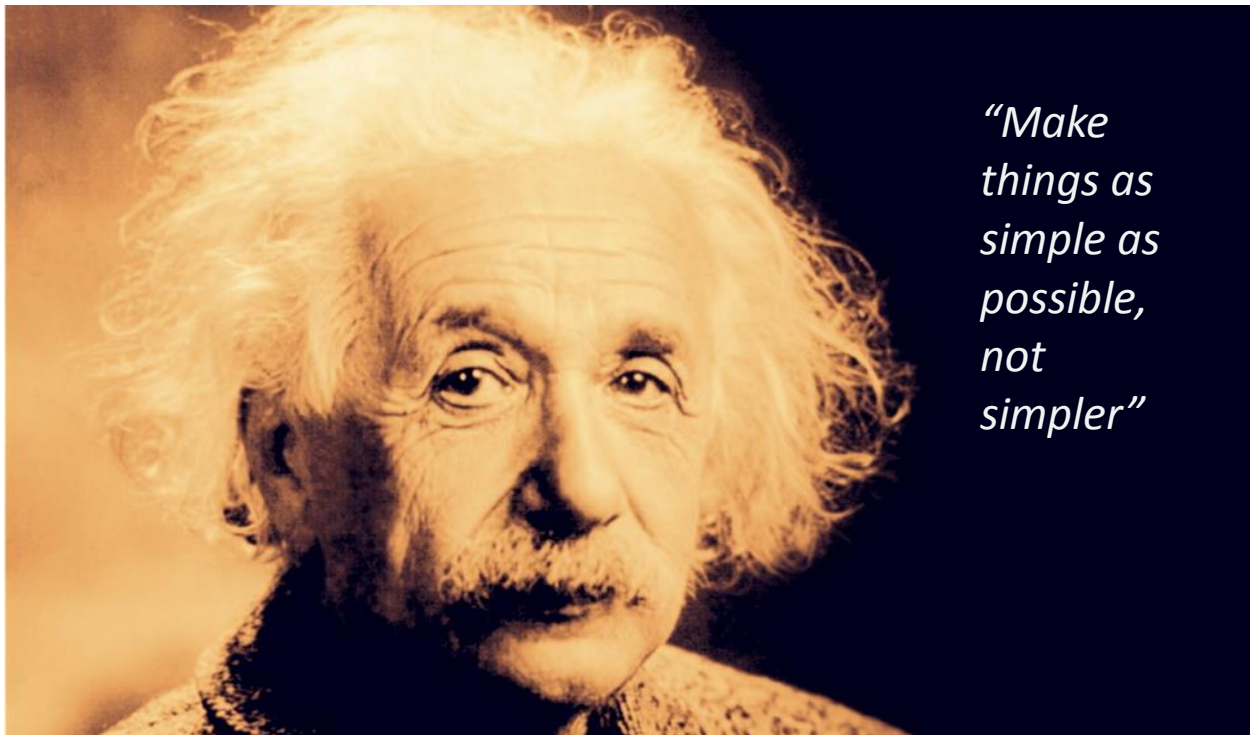
Management initiatives at DBM Level 2 do not typically go according to the initially programed plan, however, they do typically remain within the contingency established for risk. The amount of contingency depends on the nature of the situation – the commodity, labor conditions and regulatory constraints. Unlike Level 1 where there is the benefit of repetition and adjustment, at Level 2 one can anticipate the initial baseline to degrade by as much as the contingency. A reasonable contingency in the order of 20%, will entail a project efficiency of roughly 83%.

To enhance performance, at greater cost and risk, the Project Manager has the prerogative to “crash” or “fast track” the project schedule in an attempt to bring the end date forward.



It is important thus to get the contingency calculations as accurate as possible as profitability of the job depends on it.

Chapter 6: Sociolytic Mindscaping



Living the Dream

So, how many times has this happened? The project is launched to much fanfare. The new management superheroes are unveiled. Shortly after the champagne corks are popped, the project management plan is rolled out, the architects of which need to find a new career path before reality sets in. The project team is left to pick up the pieces.

Embracing those implicated in the project positively requires that you both set the motivators for success and communicate a readily comprehensive and thus simplistic way forward. This is where the dichotomy sets in - the cognitive dissonance in simultaneously clinging to fact and fiction.

Death of the Dream

Where the sponsor elects to undermanage the initiative as with, for example, a Level 2 application in a Level 3 reality, or a Level 2 in a Level 4, this amounts to relinquishing control to the law of entropy. The project team is left with a dilemma – embrace reality for what it is, with all its uncertainty and intricacies – external determinacies, dynamic complexities and the like - or simplify the implementation to a more readily manageable construct.

There is something to be said for simplification. A scenario that encompasses a diverse number of individuals and accountability centres can easily lose focus without some reduction of the issue to a more readily embraceable proposition. That said, we realize that, in an under-targeted mismatch, the obligation conveyed to the various parties does not rationally compare to the greater challenge they face. This response may not be logical, realistic or fair. The end may justify the means - for a while - provided there is greater plan developed for bridging to reality.

With mismatching, as reality unfolds, the various parties engaged will be left to their own devices to find their way of the box you have put them in. Extensive and prolonged mismatching will lead to cynicism, a loss of integrity, and disenfranchisement of the various players. As one would do in a Level 2 environment, holding the team's "feet to the fire" on the simple plan will only exacerbate a bad situation.

The problem with reality is that it will not go away. The earlier gained enthusiasm for change and the illusion of success generated in the formative stages of the project, will cede to reality as the dream fades away.

Analysis of Analysis

So we concur – you are right and the world is wrong. But, what in the world is the world thinking? As we illuminate this mismatching phenomenon with analysis of our analyses, there is some useful terminology that comes into play.

"Analytics" – is the term reserved for analyses that adhere to sound analytic method, i.e. strict adherence to the principles of science. Bona fide analytics test hypotheses objectively and sufficiently with the intent to achieve an accurate result.

"Pseudo analytics" - are a facsimile of analytics, often referred to as analyses but with the intent to mislead. Analyses are designed to achieve an outcome other than as would be derived using an

accurate and sufficient analytic method. Pseudo analytics is a deliberate subterfuge, an analytic malfeasance

“Sociolytics” - are a facsimile of analytics, entertained by society as being analyses but within limits of comfort. Self-imposed constraints on the solution resulting from misconceptions, tailoring to belief systems, or simply avoiding discomfort, is a game we play with ourselves to evade an inconvenient truth. This behaviour renders us simultaneously comfortable and wrong. This is a more insidious problem as we willingly do it to ourselves.

Project management analyses are replete with sociolytic fallacies. A project team that forges ahead to achieve success on our behalf must first confront the warped perspective and turn it in favour of reality – truth being the first casualty in war.

Sociolytics

To enhance the watercooler talk, the following terms can also be added to the lexicon:

- Argument from Authority (Argumentum ad Verbecundiam) – fallacy of appealing to authority, ceding your own good analyses to that of a recognized and respected voice – “The big company over there said it, therefore, it must be right.” This is fallacious if the respected voice is wrong.
- Cognitive Bias – believing what you want to believe.
- Band Wagon Effect – suggests that if everyone is doing it, we should as well.
- Conflict of Interest – the analyst has a vested interest in a particular result that obscures analytic integrity.
- Group Think – substitute pride of membership or belonging for reasoned analyses.
- Over Simplification – covering up complexities – the appeal to simpler than possible.
- Stereotyping – using a generalization that does not apply to the whole group – for example, project management as the panacea.
- Traditional Wisdom – argumentation that a convention is good because it has been used in the past – we do it this way, therefore we will do it this way.

It is hoped that, by putting a name to the phenomenon, we can spot these behaviours as they occur.

Custom vs. the Standard Stereotype

The challenge in engineering complex projects is to break the mould of the institution. As the DBM would suggest, all of the rules, regulations, policies and procedures rightfully developed for corporate production, are often not transferable to the custom experience. As such, application of these constraints and pandering to the corporate watch dogs in this regard can subvert project opportunity. For this reason, project offices tend to operate incognito – outside the corporate mainstream.

Dynamic Complexity vs. the Detail Complexity Stereotype

It is important to draw the distinction between two types of complexity that we humans confront in our lives. There are “Detail Complexity” and “Dynamic Complexity.”

Peter Senge in his book “the Fifth discipline”²³ put it this way. Detail Complexity is “the complexity in which there are many variables”. According to Senge, “The reason that sophisticated tools of forecasting and business analysis, as well as elegant strategic plans, usually fail to produce dramatic breakthroughs in managing a business - they are all designed to handle the sort of complexity in which there are many variables: detail complexity.”

The second type of complexity is dynamic, “situations where cause and effect are subtle and where the effects over time of interventions are not obvious. Conventional forecasting, planning and analysis methods are not equipped to deal with dynamic complexity. The real leverage in most management situations lies in understanding dynamic complexity, not detail complexity.”

This makes three points – firstly that both detail complexity and dynamic complexity pose challenges for our management requirements, secondly, they are distinct in nature, and thirdly, our tendency is to embrace frameworks associated with detail complexity while not favoring consideration of dynamic complexity.

Now, provided we could pretend-away dynamic complexity, this wouldn’t be so bad. A well laid out plan and a carton of pixie dust and away we go. This is where Sociolytic management preference may be outweighing our duty to reality.

In this context, the classical project management archetype is a detail complexity reductionism. It is, in essence, a charter that fixes an objective with the selected project manager, he or she then manages a construction. The application of a Work Breakdown Structure allows us to reduce detail complexity into as fine a granularity as the project manager cares to have. Baselines are formed in a methodology that is set in place and the factors of the construction are marshalled through a rigid methodology to achieve the objective. A bit like a meat grinder, the faster you turn the

quicker your building comes into focus. Further information on this archetype is provided as the Level 2 archetype in chapter 5.

Returning to Mencken, “for every complex question there is a simple answer, and it’s wrong”, applying a tool designed to sort through a detail complexity in circumstances of dynamic complexity is a wrong.

Open System vs. a Closed System Stereotype

So, one day I sent a Level 2 planning and control operative into a Level 4 scenario. Rather than point out the open system nature, I thought I would study what he would do. Within a day he was back, all quiet. I asked him about the project – “all done” he replied. He was happy, the project was happy. Of course I was both amazed and apprehensive. I asked to have a look at the Work Breakdown Structure to see how he treated all the open system governance stuff – the major contributor to dynamic complexity that a WBS won’t capture. Looking at the page, there, buried a couple of levels down was the box “Governance.” The WBS was refreshing and appealing to the team as it cleverly made the lion’s share of the problem disappear from the radar screen. The whole open system context was buried. Suddenly reality appeared simpler than it is and we could all go home for the weekend in comfort!

We like to depict our initiative within a control framework. We addressed how Level 1 is a matter of line supervisor oversight, how Level 2 entailed a manager level, how Level 3 entailed an executive director oversight. So, what happens at Level 4? Do we keep moving up the organigram to find the common control point? As we are already reaching the canopy of the organization, how much further can you go?

The bitter reality is, Level’s four and five are open system. Though there are simple work-arounds for this, there are no meaningful and simple work arounds. As with the lower levels, the Work Breakdown structure remains an important part of the solution set. However, for Level 4 and 5 there is an inversion at the top – the triangle transforms into an hour glass shape, one triangle turned on another.

The upper triangle reflects the work required to reduce the dynamic complexities of the open governance network to a manageable baseline, the low triangle reflects the detail complexity disintegration of the problem as the pathway to the solution.

One triangle operates on the other. Hence, as the project team is trying to achieve a product, the end users aspirations for the solution are transforming. The further you go, the broader the expanse between planned implementation and the objective.

Governance versus Management

Management: the judicious use of means to accomplish an end (ref. Webster's), often synonymous with authority, accountability, command and control. Corporate environment depend upon the delegation of authority to professionals in the front line.

Governance, on the other hand, which is more clearly apparent at Level 5, is found in a different place in the dictionary for a reason. Though the corporate environment may have latched onto the term "Governance", it is often implemented as simply a senior level management model. The more subtle aspects of governance can easily be lost.

Governance entails "exerting a determining or guiding influence in or over" (ref. Webster's). Governance (vice management) treats preservation of autonomy, delegated authority, morale. It recognizes the reality that the knowledge workers are in the front line. A senior committee is there to guide and stimulate, not overtake and conquer.

Public Culture in a Private Culture Stereotype

We turn to that age old question in public management – "why won't these people do as they are told?" Of course, in public governance networks, versus the corporate network of Level 4, there is the notion of social engineering. Though Level 4 networks contain people that should subscribe to a common corporate ideology, this luxury does not exist in Level 5. Projects at Level 5 are even more dynamic and thus more elusive for this reason.

Level 2 in a Level 3 World – simpler than possible

"Shoe horning" a dynamic complexity problem into a detailed complexity framework can be done – it just won't play out as intended. Also, in under-targeting the response, our preferred tool distracts us from the greater issues to be addressed. We, in essence, relinquish control of the main point of the endeavor to the whims of nature.

A Level 2 tool in a Level 3 world is also convenient for approval stakeholders. It provides a depiction that maintains the illusion of greater control of resources and respect for deadlines. In fact, approval stakeholders often demand life be made simpler than it is through the requisite application of the classical project management model – an application that his both highly appealing and wrong!

Level 2 in a Level 4 World – much simpler than Possible

In this context, revisiting the classical question that has been entertained internationally by scholars of project management – why do IT projects fail?, the answer is – because we treat them as IT projects. The classical “organizing” project management archetype, even with new terminology injected to position modern lingo, will not achieve success if the people you are playing with will not be organized on your terms.

IT projects, per se, are not a problem. There are many examples of highly successful IT implementations where the simply applied to existing “automation”, if you will, require, an open system type of IT initiative would either Level 3, if the tool map onto the existing Level 2 if the tool can be existing tailoring which Level it is, the will achieve the expectation

“The mark of a good theory is that it can explain, in a coherent way, all or at least most of the relevant facts and is not contradicted by any of them. A bad theory is one that is contradicted by some of the relevant facts. An outrageous theory would be one that is contradicted by virtually all the relevant facts.”

-David Ray Griffin²⁴

information technology is business processes. Such does not feature, nor governance network. This be classified in the DBM as requires development to business processes, or calibrated to suit within parameters. Depending on performance of the project set earlier for that level.

The IT controversy that spawned the question, Why do It Projects Fail?, is in reference to enterprise transformational initiatives that result from an infusion of IT technology. The IT is merely a catalyst for the greater impact of testing the legitimization of the enterprise in its existing terms of reference.

This is enterprise Darwinism, survival of the fittest. With its external determinacies, IT based enterprise transformations are nothing short of a recalibration of the utility of the enterprise within its external context. Stakeholders of the enterprise face a choice. They can embrace the external determinacies, often referred to as an end-user base, and thereby allow the dynamic baselines of the project to remain fluid at the expense of yielding a product. When this option is followed, as is often the case in the initial and euphoric phases of the implementation, the instability of the dynamic baseline eventually depletes resources, leading to a lack of stakeholder confidence and ultimately a frustration of the implementation. Project and contract cancellations or “failures” result.

The Streetlight Effect

A policeman sees a drunk man searching for something under a streetlight and asks what the drunk has lost. He says he lost his keys and they both look under the streetlight together. After a few minutes the policeman asks if he is sure he lost them here, and the drunk replies, no, and that he lost them in the park. The policeman asks why he is searching here, and the drunk replies, “this is where the light is.”

Opting for the alternative, shutting out the external determinacies to achieve a timely and cost effective product, amounts to disregarding the “sands of change”. This is a denial of the changing world around you – the buggy whip syndrome. Here, you will yield a product that

no one will use and you will have fortified your organizations position to obsolescence!

With this in mind, here is how IT enterprise transformations roll out. We start with the former – embrace the outside world in a bid to ingratiate ourselves. Meanwhile we apply the Level 2 model. Though it is not representative of what we are doing, it sets up a hypothesis that meets stakeholders’ ambitions and lets us “get off the ground.” This is like “street light effect” per the insert.

The conceptually reduced plan is simpler than possible. Level 2-esque performance expectations are nailed down and performance dashboards are deployed to capture the result.

Meanwhile the essence of the undertaking – the requirement to recalibrate the utility of the business line within its larger external determinacies does not appear on the radar screen. This is, in a nutshell, why IT projects fail.

Gaming Systems

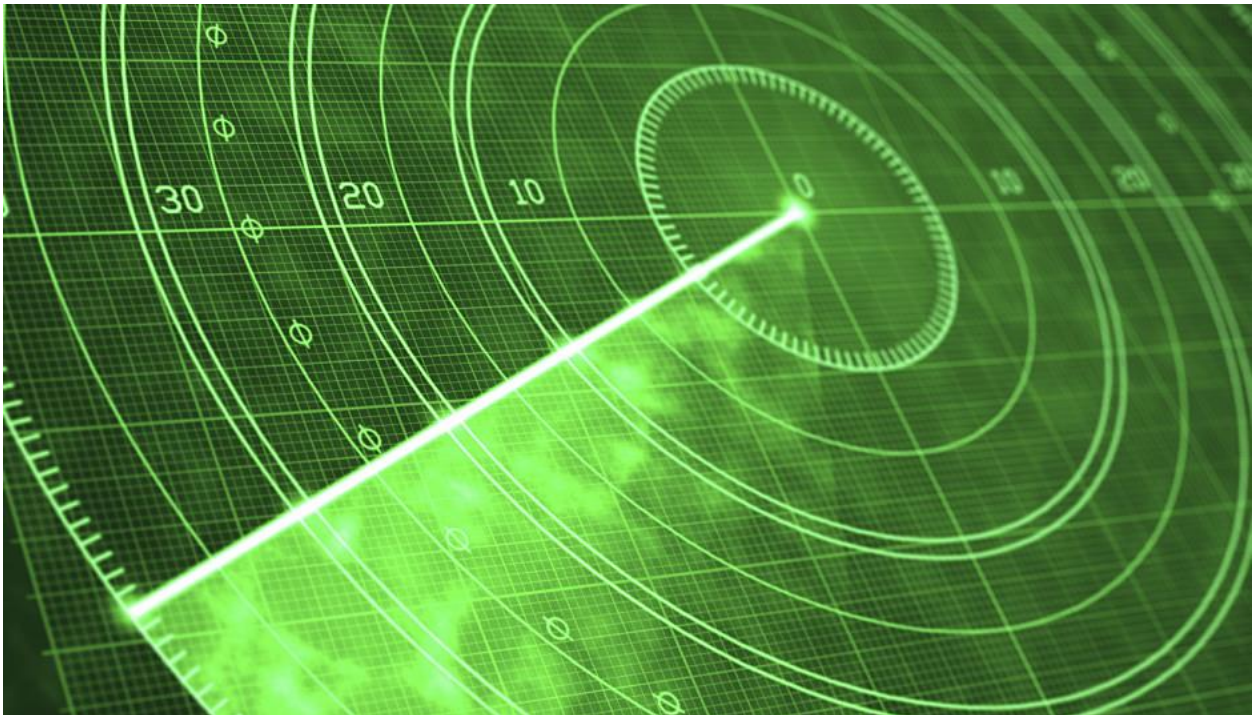
A gaming system is the natural occurrence where project practitioners and contractors lose faith in the project plan, such as with a mismatched solution approach.

When confronted with a simpler than possible project plan, parties are left to figure it out for themselves. They can faithfully follow the plan to failure, they can navigate at a higher level informally under an unsanctioned regime or they can move to subvert the plan to avoid accountability or liability.

Gaming systems are often accompanied by apathy, disenfranchisement, low morale, a lost project investment and a higher incidence of project failure.

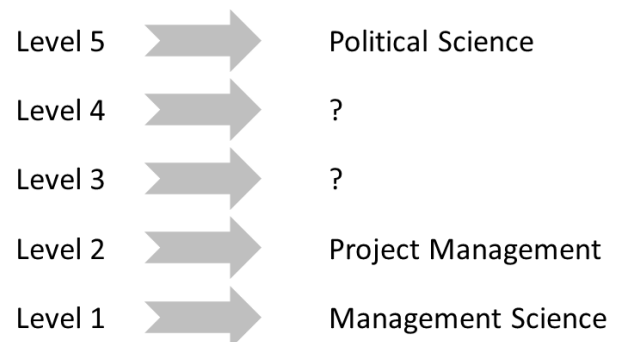
To avoid gaming, it is incumbent upon the sponsor to match a DBM complexity classification with the corresponding DBM level response - ensuring things are made as simple as possible, not made simpler.

Chapter 7: Finding Levels 3 and 4



Interpolation

The DBM is a five level management model. We reduce management practice to the five nested levels or horizons. Three familiar “anchor points” in the five-level continuum are Management Science, Project Management and Program Governance, Levels 1, 2 and 5



respectively. The Level 1 management science is applicable to a production environment. The Level 2 project management practice is applicable to a construction environment. The Level 5 public management or governance is applicable to social transformations.

Within this context, interpolation enables an enhanced definition, and characterization, of the third and fourth levels – intercepting the practice appropriate for developmental programs and enterprise programs respectively.

The first consideration in levels 3 and 4 are dynamic complexity and the dynamic baselines that apply.

Getting Real

By interpolation on the management hierarchy, Level 3 is an orientation based on fixed objectives, where the Methods baseline is evolutionary – a dynamic Methods baseline. The art and science of effective Level 3 management is considering the implications of a dynamically shifting methodology, knowing where, how and when to stabilize the proposition.

In this regard, Level 3 is not about building a product. It is about optimally learning adopting, adapting and repositioning the plan. Much of the decision making in this regard is performed real time, on line. There is rarely the opportunity to “go to committee”. The ability to achieve an outcome at all depends on the effective treatment of this learning process. As is often the case, the learning may lead to the reality that the quest for the outcome becomes too expensive, where cancellation becomes the prudent recourse. This result, though not what is hoped for, is not be “failure” as you would rightfully indicate in such a circumstance at Level 2. Rather, it was never meant to be within permitted funding.

Further, Level 4 is an orientation based on fixed principles, where the objective is evolutionary – a dynamic Objectives baseline. The art and science of effective Level 4 management is considering the implications of a dynamically shifting objective, knowing where, how and when to stabilize the proposition.

Level 4 is also not about building a product or incorporating a product. The product by which the initiative may be referenced is merely a catalyst in the larger transformation that the product is enabling. Through the introduction of the product, you are, in essence, “re-statusing the pond” as participants in this new functionality enjoy different rights and entitlements. Their utility to the organization is shifting in ways that will only come into focus through the roll out and, in fact, the utility of the organization is being tested. Such is the reality of external determinacy.

The project team at Level 4 is the instigator, a catalyzer in organizational transformation. They are wittingly, or unwittingly, reinventing the organization.

Chapter 8: Level 3: Program Management



Program Management

Ah, chess, a game of strategy. As you play the game, the game changes – depending on the moves of the opponent.

How do I know I am at Level 3?

For Level 3 we have:

- a quest that is substantially beyond the state-of-the-art,
- innovation beyond leading-edge technologies,
- functional specifications that can't yet be achieved
- authority devolved to a Project Leader or Program Manager level.

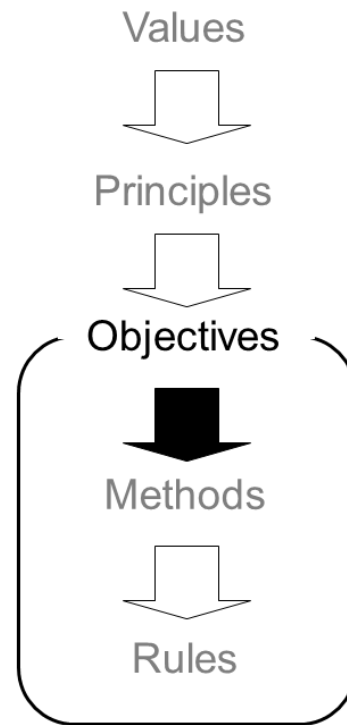
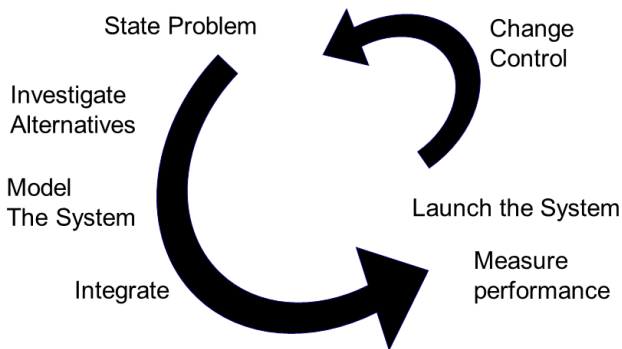
Level 3 particulars are summarized in the following table:

Level 3: Program Management

Features:	<ul style="list-style-type: none"> • Closed System • Internal Determinacy • Custom environment • Dynamic complexity
Focus:	<ul style="list-style-type: none"> • yield • directs vs. Indirects • quality expectations
Test:	The extent to which a reasonable fitness for purpose is financially affordable
Control Point:	The Statement of Operational Requirement or overarching functional mission is the control point.
Archetype:	This corresponds to an "Objectives" lowest static baseline.
Performance Management:	Investment Assessment
Performance Measurement:	Earned Value
Performance Expectation:	Low
Success:	If stakeholders are willing to entertain cost growth and schedule delay through the learning, and provided the innovation stretch target is reasonably within reach, the project will succeed.
Failure:	If stakeholders hold to initial budget and schedule estimations or the innovation stretch target is outside the art of the possible, the project will fail.
Resources:	Department of Defense (US), NASA, The International Centre for Complex Project Management, The Telfer School

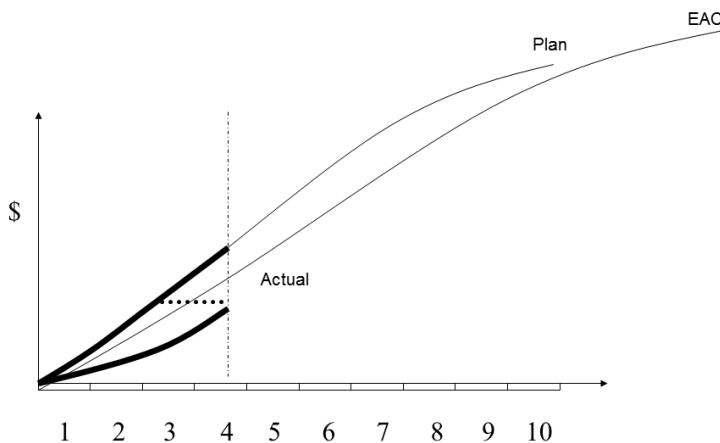
Level 3 Management

The developmental cycle is central to the Level 3 Management controversy. You only really understand the project parameters after you are well into the investment. With this, in typical applications, it is very difficult to



anticipate the final cost and schedule position and even the final configuration of the product. The art of the possible will either be discovered or the quest becomes too expensive and the project is cancelled. This is a normal aspect of Level 3 management. This uncertainty becomes particularly arduous where developers are required to firm price a bid, as one would rightfully expect at Level 2.

However the project becomes established, the key to success is rarely in any of the formative documentation provided to Stakeholders as the basis for approval to proceed. Rather, a "Project Leader", a senior officer above the station of the Project Manager, oversees the trajectory of the estimate at complete. Trying to establish a sense of "Earned Value"²⁶, attempts are made to see how the investment is proving out. From this, an Estimate-At-Complete is calculated to guesstimate the final figures.



The Program Manager can then reflect on the mission importance of the initiative and decide whether the organization can afford to continue with it. Killing the project will, obviously, save project costs but at the expense of foregoing the intended functional outcome. Part of the judgement is realign

subcomponents, perhaps by eliminating cost bearing functional components or by reducing technology to one that is tried and proven technology.

An often understated, and easily discarded, dimension of intrigue in this regard is the implication of relaxing requirements when nature “forces your hand.” Keeping sights trained on the end user’s minimal requirements is also a key constraint on how the project manager “plays the game.”

Regarding Earned Value, the concept is good, the regime behind it is not so good. Earned Value assessments in their initial incarnation entailed a detail accounting exercise, the rigour of which was upset by the dynamic complexities. Imagine highly detailed accounts, painstakingly compiled in a detail complexity data base, only to then be changed like sand on a beach with the first wave of change. Successful Earned Value calculations require experience-based parametric estimation.

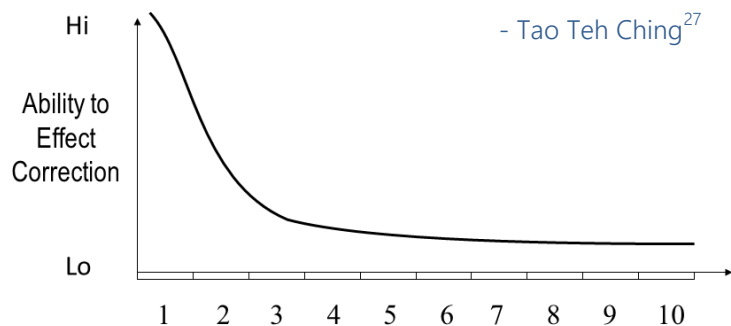
When to Re-baseline

Learning quickly and getting this prediction correct as soon as possible can make the difference between a viable outcome and a cancelled project.

“Deal with things in their formative state....

...before they grow confused”

Deploying resources in pursuit of an unachievable outcome is a necessary casualty of learning. Letting the problem fester unnaturally is a waste of opportunity to make corrective action.



The analogy of baking a cake applies. Through the process of buying your ingredients, mixing them, getting them into a pan and finally to the oven, the ability to change trajectory – make a different shaped or a different favoured cake - decreases exponentially as you progress through the process.

The Apollo Example

John F. Kennedy went before congress and publicly announced the Apollo program and its quest for the moon²⁸. NASA engineers didn’t know how to get a person to the moon back at the time of the 1961 announcement. This needed to be studied, tested, better understood, developed and attempted. The purpose behind JFK’s announcement was to solidify the dream in the mind of the

paying voter. With that, debate re competing budget priorities (e.g. Vietnam) was off the table. NASA engineers had carte blanche to focus on the challenges in physics.

Getting a person to the moon and back requires some sort of launch vehicle, one with sufficient thrust to lift off but not so much thrust that the occupants don't survive. Technology was evolving swiftly.

Under a procedure of evolutionary prototyping the project entailed trying things out, seeing what worked and what didn't, and realigning the methodology within the overarching objective. The project was like a series of Level 2 initiatives where formative constructions were merely fodder for learning and were promptly discarded. Various Apollo missions were launched, some aborted. Apollo 8 encountered an unfortunate death of three astronauts. Finally, it was Apollo 11 that made its way out of Earth's orbit and off to the moon.

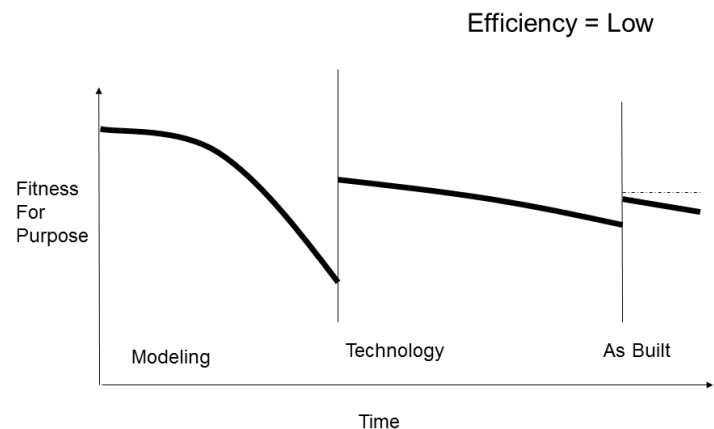
Performance

From the perspective we introduced for Level 1 and further explored for Level 2, the trial and error learning sharply reduces the performance expectation. Invariably the best laid plan will encounter uncertainty, interim failures and a realignment of performance expectations.

These initiatives are often the subject of complete re-baselining, requiring that the project permit be reviewed with approval authorities a number of times prior to completion.

For those advocating a hedge factor to account for the uncertainty, the challenge here is the implications this would pose to project motivations. If you gave the team more money knowing the initial attempt was not practical, what

would that do to the efficiency of the spend? Rather, it appears to be a necessary requirement to "hold feet the fire" within reason while not unduly restricting cost growth.



Wisdom to know how and where to adjust is only learned while the investment is underway – much like playing chess.

If there is hedging to be done, it is perhaps privately with the approval stakeholders as the project team acquaints them with the reality that, "notwithstanding our promise to bring this home on time and on budget, this isn't going to happen as submitted."

Chapter 9: Level 4: Program Governance



Program Governance

This should be interesting - Chess with a twist. You may think you have a strategy to outwit the other guy but who is that other other guy and what do they have in mind? Playing will entail adjusting and adapting the strategy, of course all within the principles of fair gamesmanship.

How do I know I am at Level 4?

For Level 4 we have:

- external determinacies, substantively to within a common Corporate purpose
- an autonomous end user network.
- authority, illegitimately devolved to a Project Champion level.

Level 4 particulars are summarized in the following table:

Level 4: Program Governance

Features:	<ul style="list-style-type: none"> • Open System • External-to-project Determinacy • Custom environment • Dynamic complexity
Focus:	<ul style="list-style-type: none"> • delegated authorities • manager autonomy • centralized Mission and Vision • centralized transformation
Test:	The extent to which the intended change maps onto the external corporate determinacies.
Control Point:	The Mission and Vision are the control point
Archetype:	This corresponds to a “Principles” lowest static baseline.
Performance Management:	Proximity to Vision and external determinacies
Performance Measurement:	Balanced Score Card ³⁰
Performance Expectation:	0%
Success:	If the mission and Vision are sustainable in regard to the evolving industry environment, then the initiative will succeed.
Failure:	If the mission and Vision are not sustainable, the transformational initiative will serve to accelerate the corporate demise. The initiative is merely a catalyst for transformation.
Resources:	Nil

Level 4 Governance

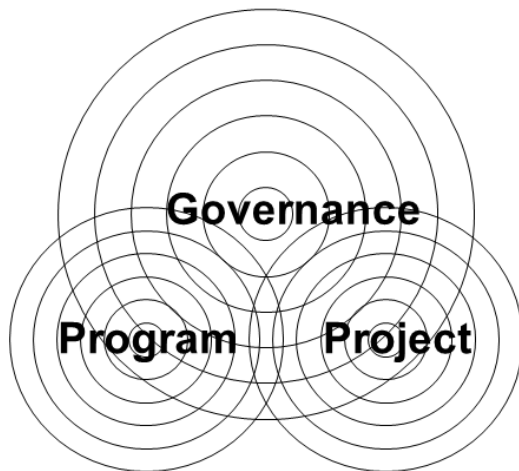
There are a number of distinguishing features that require a different approach to Level 4 than the previous three levels. These features are:

Level 4 is an open system concept where the roll out of the initiate is subject to external determinacies and success is determined by both internal and external stakeholders, hence, the three dimensional chess metaphor.

Level 4 is thus a matter of governance, not management.

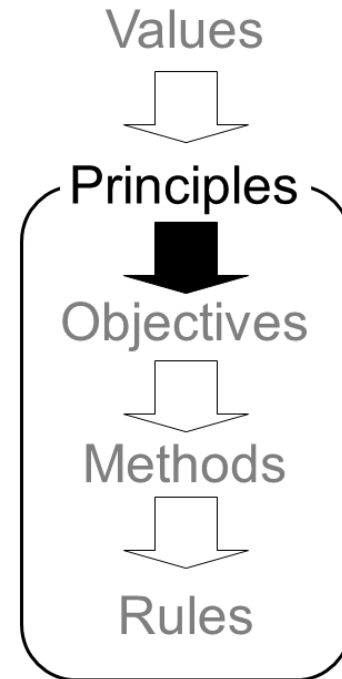
Level 4 is not about implementing a preconceived solution. It is about considering a business case of a proposed direction, testing it with the external determinacies and adjusting the formulation based on what the governance network determines.

In DBM parlance, Level 4 entails a dynamic objective, the only stabilizing context linking project practitioners with the end-user is appeal to the common principles of the organization.



The corporate IT implementers and the corporate end user base at least share a common set of corporate principles. This is a fixed-principles reference within the DBM. Unlike Level 3 projects, Level 4 entails a dynamic objective. The project may launch with a notionally fixed objective, a precept that will only be tested and adjusted by the corporation's end user base. These end users are not under the management control of the IT project manager. With this, the term for this role has become "Project Champion" suggesting the individual falls somewhere between project advocate and cheer leader.

The Level 2 attempt at solidify baselines is short lived as the project management change control loop heats up like a hot wire. The half-life of associated schedules, cost estimates and contracts can be measured in days, not years. The reply from senior management to dysfunctional projects



is to apply more anxiety - rather than undertaking the more intellectual posture of seeing the Level 4 for what it is.

Governance, meaning "corporate governance", is the basis for bringing the purpose of the organization together with the purpose of the enterprise project and enabling the unfolding new Darwin-forged reality.

The ability to bring the disparate forces together, instilling trust and relying on that trust for a harmonized implementation is key, while reconciling those losing in the Business Process Reengineering equation to the fact that life has changed.

The Enterprise IT example

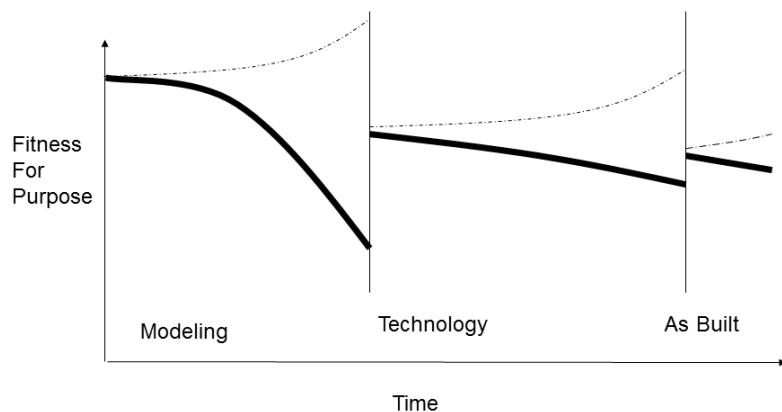
The Mike Hammer²⁹ era of business transformation took hold in the late 1990's. The invention of the desktop PC and the networking of them to enterprise business-emulating communications tools created an alignment of business logic that was never considered in the formative stages of the business operations. Gone was the era of the monolithic impenetrable company fortress, and the new externally friendly open communication world was ushered in. The CEO was not there control the ship, but to sale it!

Management delayering enabled greater connectivity between senior leadership and the company's workers who then undertook hand to hand combat in the halls to survive.

Of course, through this swift transformation, many a company went the way of the dinosaur as the true experience of Level 4 initiatives became apparent. IT was the catalyst for a re-equilibration of the larger sense of purpose. Putting the technology aside, the great question that is tested in this exercise is – how relevant is my operation to my swiftly changing surrounds?

Performance

Our familiar performance plot is nuanced for the Level 4 reality. The illustration is the depiction of a Level 4 initiative with a high tech (unproven) Level 3 imbedded within. Here the lower curve follows the trajectory of Level 3 – try, try and try again.....and again.....and again, until you learn the art-of-the-possible.



The upper curve shows an expanding expectation – a dynamic objective. With this, as the project delivery is falling flat on its face, the crowd is demanding more.

The notion of a dynamic objective results from engaging the corporate user base, an external-to-the-project nonaligned, autonomous, work force, acquainting them with your objective and testing their appetite to jump on board. This simple description of the exercise disregards the larger overarching purpose for the project – to test and adjust the relevance of corporate purpose and the organizational pieces within. This is an exercise that is well beyond the capacity, the authority and the business acumen of experts in information technology.

The typical battle plan is to cause the IT experts to “do it to” the organization. The organization, feeling somewhat disenfranchised and exercising its autonomy, fights back – a bit like a virus attempting to invade the human body – the battle itself absorbs a lot of the resources. Absent any greater vision, the cause is lost.

Given the true nature of business transformation, the enterprise must find a way to enable particular sectors of the business to sub-optimize their interests in the future for the benefit of others – an “altruistic” management concept.

Chapter 10: Level 5: Public Governance



Public Governance

Chess with an even bigger twist! So let's play three dimensional chess with these players. What the heck are they you ask? What moves can they make? As complex as the Level 4 proposition was, how about chess with players you don't know?

How do I know I am at Level 5?

At Level 5 we have:

- diverse nonaligned cultures,
- facilitation of disparate behaviors,
- public entitlement issues,
- an obligation to social harmony
- authority illegitimately devolved to a project champion level.

Level 5 Particulars are summarized in the following table:

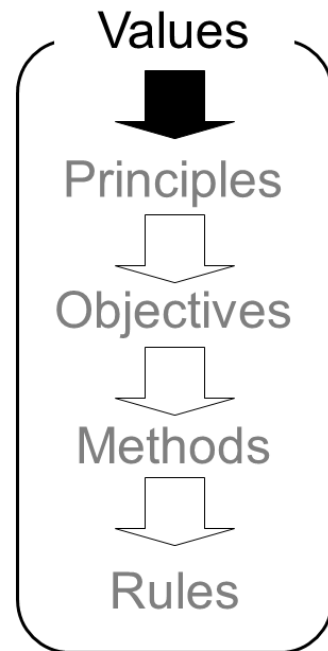
Level 5: Public Governance

Features:	<ul style="list-style-type: none"> • Open System • External Determinacy – dependent on public will • Custom environment • Dynamic complexity
Focus:	<ul style="list-style-type: none"> • balance of power • Opposition • Public Debate • Lobby • Constitutional due process • Cultural diversity • Constitutional rights • imposed transformational imperative
Test:	The extent to which the intended change maps onto the external corporate determinacies.
Control Point:	The Public Policy position of the advocacy group is the control point
Archetype:	This corresponds to a “Values” lowest static baseline.
Performance Management:	Proximity to Policy Position and Public Will
Performance Measurement:	Balance Score Card
Performance Expectation:	0%
Success:	If these values are sustainable in regard to the evolving social values, then the initiative will succeed.
Failure:	If these values are not sustainable, the transformational initiative will serve to accelerate the demise of the policy interest.
Resources:	Political Science, University of Ottawa Center on Governance ³¹ , the Institute on Governance. ³²

Level 5 Governance

When the determinacy of an initiative extends into the public forum, the ability to move forward is contingent upon satisfying the will of the people. Success thus depends upon effective Public Governance and the forward looking malleability of the intention to conform with an evolving public acceptance.

Level 5 is a Values-based archetype. This is for initiatives that bind diverse cultures to a common interest – as is swiftly taking place under The New World Order. There are no common Principles that bind the parties at Level 5, no preordained corporate mission, vision or authority structure. The only common denominator for consensus is a hypothetical common set of human values. Orchestration of transformation is achieved through appeal to values that are innate to humans – the right to life, liberty, security, prosperity and the pursuit of happiness. Like Level 4, this is an open system concept but, here, the open system extends to a diverse societal interest.



In a free and open democracy power and influence on the total system is exercised by free voice. Democracy refers to: “a government in which the supreme power is vested in the people and exercised by them directly or indirectly through a system of representation usually involving periodically held free elections” (ref. Merriam Webster). Constraints on that voice are established with constitutionally entrenched rights and processes. Constitutional Rights are “The basic principles and laws of a nation, state, or social group that determine the powers and duties of the government and guarantee certain rights to the people in it: a written instrument embodying the rules of a political or social organization” (ref. Merriam-Webster)

The plot thickens with cultural diversity and presumed rights or “inalienable Rights.” For example, “Human rights are basic rights and freedoms that all people are entitled to regardless of nationality, sex, national or ethnic origin, race, religion, language, or other status. Human rights include civil and political rights, such as the right to life, liberty and freedom of expression; and social, cultural and economic rights including the right to participate in culture, the right to food, and the right to work and receive an education. Human rights are protected and upheld by international and national laws and treaties.” (ref. Amnesty International)

As imperfect a science as Political Science may be, it is a well establish discipline, with a diverse knowledge base extending back thousands of years, some concepts established by Plato and Socrates for example. Political Science is “the study of how people get or compete for power and how it is used in governing a country” (ref. Cambridge Dictionary). Political Science Elements

include: Comparative Politics (empirical), International Relations, Political Philosophy, Public Administration and Public law.

The PNAC Example

The United States' Project for A New American Century (PNAC) was initiated in the late 1990's. PNAC was to provide for a transformation of US foreign policy to enhance prosperity on the main land. Elements of Public Governance, coupled with clandestine support and military force, were brought to bear in pursuit of US interests. President George W. Bush, Dick Cheney, Donald Rumsfeld, Paul Wolfowitz, Richard Perle established the project wherein US values were to be exported throughout the world. 9/11 was the project's debut.

With public sentiment galvanized in pursuit of reaction to 9/11, the DoD fire power was used to implement the re-propagation of international affairs. Though the initiative clearly reaches into the social/public ionosphere, where might is right, the normal complexities of public backlash characteristic to Level 5 dynamic complexity do not operate. The implementation of PNAC thus follows a tactical or Level 2 approach.

The Gun Registry Example

Canada's bid to control and manage arms in the general population was referred to as the gun registry initiative, more formally, the Long Gun Registry Project or Canadian Firearms Registry. Billed as an IT project, the initiative in reality was establishing and determining the rights of the public in regard to bearing weaponry. Compare this, for example, to automation of driver's license plate renewals. A minor challenge in the instance of Gun Registry was the need to create a database to manage the information. The major challenge was the interplay between the system and the public on what the system would do with the information and what repercussions were wrought. This latter challenge is one for the elected officials, not for IT experts on data base development. The functional baseline was dynamically evolving throughout the implementation due to the interactions between data base artists and a non-aligned public voice. The project itself became a "political football" and, in a subsequent election the football was kicked offside.

Performance

Public Policy transformations take time. As the purpose remains trained on respecting the democratic rights and entitlements, drastic changes tend to become viable in response to an imminent threat – such as National Security interest or war.

Chapter 11: DBM Implementation



With the deconstructed paradigm and the reconstruction under the DBM, we now have the terminology in place to more effectively discern best practices for each Level. In this chapter we will be addressing implementation for each of the five distinct levels - Level 1 Process Management, Level 2 Project Management, Level 3 Program Management, Level 4 Program Governance and Level 5 Public Governance, including:

- a. Clarifying the Level
- b. Establishing a realistic performance expectation
- c. Managing performance at level
- d. Bringing it to "ground"
- e. Measuring performance at level
- f. Seeking Opportunities for Improvement
- g. Contracting Considerations

We need merely start with a complexity diagnostic to determine which DBM Level applies.

Clarifying the Level

Starting with a DBM diagnostic, identify internal and external determinacies on the solution.

Level 1

The profile would feature internal determinacies only, i.e. the planned solution should not be dependent upon functional discretion beyond the line supervisor's control. The DBM diagnostic profile would also indicate no substantive developmental dependencies, whether technological or otherwise, would also indicate the solution is not contingent on custom construction elements.

Level 2

The profile would feature internal determinacies only, i.e. the planned solution should not be dependent upon functional discretion beyond the Project Manager's control. The DBM diagnostic profile would also indicate no substantive developmental dependencies. The profile will indicate a solution contingency on custom construction elements.

Level 3

The profile would feature internal determinacies only, i.e. the planned solution should not be dependent upon variables beyond the Program Director's control. The DBM diagnostic profile would also indicate substantive developmental dependencies. In other words, the Program manager has substantial prerogative over the decisions concerning the investment and functionality trade-offs ahead.

Level 4

The profile would feature external determinacies within the larger corporate structure. This is an open system concept. In other words, others within the corporate entity will determine your success. The control of the program is not in the exclusive authority of the Program Director and finding the objective with that external network is an essential element of success.

Level 5

The profile would feature external determinacies that extend to the will of the public. This is a highly open system concept. The control of the balance between intended implementation and public will remains in the hands of elected officials.

Establishing a Realistic Performance Expectation

Level 1

Hedging with Stakeholders entails setting expectations on quality, quota and unit cost that are achievable. In other words, negotiating a lower learning curve than you think you can achieve leaving some wiggle room for misadventures in process management.

Level 2

As per classical project management practice, uncertainty is generally broken into Known unknowns and unknown unknowns, i.e. adverse events that can be identified without the ability to establish the certainty of the event transpiring and adverse events for which one would want to bank a reserve given experience with this type of project for which there is no identifiable event per se. For Level 2 Project Managers, getting the science of risk forecasting correct can make the difference between winning and losing a bid and between making a profit or loss at the end of the project. With this contingency can be applied to ensure the Project Manager keeps things on the proper side of the balance sheet.

Level 3

This is a challenging consideration for Level 3 initiatives. The Dynamic complexity inherent in Level 3 is not readily predictable. Risks considered at Level 2 revert substantially to unknown unknowns. It should be known from the outset that a Level 3 initiative will entail a dynamically evolving methodology to maintain course for the objective. Success in this regard is not measured by adherence to cost and schedule as one would at Level 2, but rather by the skillful strategy imparted by the Project Manager in learning swiftly, forecasting intelligently, compromising as required, and to achieve all that, persevering.

Level 4

The bitter reality is, they never achieve their objective. In lectures we often refer to this a zero percent chance of success. At the outset, there is no prescribed reference for success or failure. The project needs to be initiated, to then engage the end user base with whom you will find the objective. Hence, the zero percent success rate is a logical deduction. Level 4 initiatives are often initiated with a Level 2 Framework. Though, fallacious, the initial baselining may provide some useful orientation of the organization.

Level 5

If we think the dynamics are Level 4 resulted in 0% chance of succeeding with the initial concept, Level 5's have higher dynamics. The make or break for these initiatives remains contingent on sound public facilitation.

Managing Performance at Level

Level 1

Managing Performance at Level entails locking down a Rules Based environment. Instructions for people and for software engaged in the process must be as precise as clock work. The role at Level is to regulate the process, to ensure conformance with the common rules set, to monitor Total Quality Management process, to adhere to ISO³³ or other quality systems, to look for assignable causes of variation and correct them in a timely fashion.

Level 2

This is largely a tactical undertaking. The essence of a Project Managers performance obligation to stakeholders at Level 2 is to achieve a reasonably prescribed functional implementation on budget, on schedule and within target quality. This requires a Project Manager that can achieve a methodology implementation, and one capable of marshalling the people, equipment and resources through that methodology. The back bone of the methodology is generally a Gantt chart³³ or Pert Chart. Detail complexity is managed through the Work Breakdown Structure. There should be no significant dynamic complexity determinants. Risks and the risk registry are critical to success. Obviously, the Project Managers intellect and personal fortitude in maintaining discipline to the methodology will be essential.

Level 3

This is an Objectives-Based orientation, a strategic venture. The notion of reaching for an object notwithstanding lower level consideration was honed in management academies during the mid1980's as "Management By Objectives. At Level 3 managing performance entails simultaneously balancing both user needs and project outcomes on a continuous basis throughout the implementation, keeping tabs on the budget burn rate as prudent investor and on a timely basis know which parameters to adjust and when to maintain that overarching objective.

Part of the exercise is conditioning the larger corporate institution to the nature of your challenge – avoiding the infiltration of the program operation by institutional rules, policies and procedures that don't apply to, and can't be applied to, Level 3 realities if success is to remain in the offing.

The Program Director is not a passive overseer but rather holds the command of the key trade-off decisions on route to the solution that will make or break success. Some hallmarks of effective practice are:

- understanding the distinction between detailed complexity and dynamic complexity and the implications of this to predictability,
- understanding the rudiments of the Systems Engineering Methodology,
- knowing the Systems Engineering water fall model and the folly therein,
- implementing evolutionary Prototyping with “evergreening”,
- managing the dynamically evolving baseline,
- recognize dynamic complexity -don’t suppress it,
- engaging in Continuous Risk Management refresh,
- managing cost growth -don’t suppress it,
- deciding how and when to reduce to Level 2,
- considering Commercial Off the Shelf Alternatives for systems and subsystems,
- managing opportunity proactively,
- being conscious of the diminishing opportunity to correct – early redirects,
- conducting regular (daily) briefings,
- exercising timely and decisive impact analysis change control.

Level 4

The previously addressed levels start with the premise prerogative to implement whatever you want. You decide the functionality and then go to hell and back to try to deliver it. Such is the luxury of closed systems. Open systems, with their external determinacies, don’t give you prerogative to implement at will. Sustainability of the product is dependent on what the end users will accept.

The first order of business is to have a solid review of the world around you – to determine if the business you are in remains sustainable in future, if changes to corporate roles and structures are required, if their need be expansions or reductions to the corporate organization. The Level 4 project, whether you intend it or not, is a corporate rebalancing exercise.

External determinacies should delineate between external determinacies where the Program Director has influence and external determinacies where the Program Director does not have influence. The Governance network should expand sufficiently to encompass the leadership of these areas where there is influence.

External determinacies where you won’t have influence become constraints on your solution – factors which you may care to accommodate or may disregard at risk. A risk assessment associated with non-conformance will provide context for prerogative forward.

Where this risk is determined to be substantial, the mission and vision for the program, and perhaps for the overall enterprise, may need to be reconsidered. Though hard work and perseverance are important, this won't counter a naturally non-sustaining proposition.

Managing Performance at Level entails a Principles Based approach – a opposed to the adversarial leadership model of Level 3. Level 4 requires a champion to lead that the people in both internal and external networks can identify with - someone that can be trusted to look after the interests of both sides.

In this regard, the CEO is not a passive observer – he or she is a required participant in success. Moving forward, the objective evolves with reality. Success becomes defined as enhancing the corporate vitality relative to new realities.

To avoid a situation where developmental technologies (Level 3) exacerbate an already challenging problem,

Low technology products limited to existing off the shelf Commercial Off The Shelf (COTS) solutions

Acquainting senior management and end users that the transformation itself will challenge anyone's ability to stay in the game and thus, those relying on business process functionality will need to contend with a substandard product through the transformation.

A decision on the right time to reduce the Level 4 prospect to a Level 2, by force, will establish the

Level 5

At Level 5 management, or governance as we prefer to say, entails a thorough review of the intend policy position in comparison to the evolving public perspective and timing in relation to other priorities. Public institutions move slowly and cautiously. This can, in part, be attributed to bureaucratic inefficiency, however, the larger concern is due procedure associated with the sustenance of democracy and the public trust. Informed public debate, critic by the opposition, and review by legislative authorities are all bona fide interventions on the Level 5 aspiration.

Bringing it to Ground

Bringing it to ground refers to the adjustment in the DBM level through the life cycle of the initiative. Regardless of initial level, initiatives that succeed all eventual end up in a Level 1, operational state.

Level 1

A Level 1 is already at an operational level.

Level 2

A Level 2 initiative will transition through baseline control at the point where the construction is completed, accepted and turned over to operators for operation and maintenance.

Level 3

A Level 3 initiative will transition to Level 2 once the bulk of the dynamic complexity associated with innovation has been addressed and a functional specification has been stabilized. In highly developmental scenarios, however, the spiral of evolutionary prototyping and the “evergreening” of functionality is the better approach. Where there are a number of items to be produced as with, for example, a fleet of war ships or a series of sophisticated aircraft, obviously, with due regard to money and time constraints, Level 3 management is focused on the prototype or first in class. Once the developmental component is stabilized, the project should transition to level 2 for repeat builds and then to Level 1 at in-service acceptances.

Level 4

Here, with the extent of the dynamics at play, there is no credible baseline for the outcome at the outset, though one may be presented nonetheless for good form. It is essential that the product nested within the initiative be of proven technology – in other words a Level 4 initiative with a nested Level 2 product is acceptable, a nested Level 3 product will likely push the boundaries of the initiative beyond the art of the possible. Introducing the product, which is likely to be less functionally robust than the legacy, will require time for the project team to acquaint end users with this reality and secure some hedge room to move forward. The message is: “it will get worse, before it gets better”.

Level 5

Unlike Level 4, Level 5 is not a captive audience. Here you are left to market the appeal of the new approach in terms that the public will understand and appreciate. Bring Level 5’s to ground is the job of the elected officials – the project team can do the work, but not clear the path.

Measuring Performance at Level

Level 1

Measuring Performance at Level 1 entails dashboards and performance charts that focus the audience on:

- Yield – number of widgets produced
- Quality Variations relative to standards, generally done on an exception-reporting basis
- Utility in Overhead Investment

Level 2

Measuring performance at Level 2 entails a dashboard centered on schedule, cost variance and risk factors.

Level 3

Measuring performance at Level 3 entails estimation of Earned Value and the Estimate at Complete (EAC). It should be noted that the evolving methods baseline at Level 3 poses a challenge to tradition accounting methods for acquiring and processing data. As such, the Earned and EAC parameters need be estimated using the original plan as the reference and the application of sound object and experience-based analysis to produce the current performance picture.

Level 4

A performance dash board at Level 4 must encompass the broader mission at hand. The context of a business transformation, not merely the product within that is to be rolled out. A Balanced Score Card approach provides sensitivity to the various balances being exercised by the Program Champion. The frequent tendency to instill a level 2 dashboard is emblematic of under targeting.

Level 5

Public Policy positions move slowly as a matter of due diligence to our democracy and the democratically-based institutions engaged. Balanced Score Card representations should include the public relations, constitutional checks and balances as well as the progress on the project itself.

Seeking Opportunities for Improvement

Level 1

Opportunities for improvement should address the overhead utility question, Direct Labor vs. Indirect Labor and Overhead bearing equipment, the degree of automation and the associated investment.

Level 2

Opportunities to improve upon an anticipated outcome generally focus on “crashing” or “fast tracking” the project. Crashing entails incurring added costs to accelerate schedule as with, for example, adding another shift. Fast tracking is a decision in risks to break the logic of precedents within the schedule – starting dependent successor task prior to knowing the outcome of a precedent task.

Level 3

Given the state of chaos associated with dynamic complexity, it becomes hard to distinguish opportunities from threats. Embracing the positive side here, every position taken by the Program Manager is an opportunity for improvement – i.e. against the back drop of imminent failure. Relaxing functional requirements, reducing scope, perhaps making for but not with, paring back to the fundamentals and allowing the product to “evergreen” through time may enhance traction. Effective phased of the implementation, through concept, definition, build, may enable a greater sense of stability.

Level 4

Generally Level 4 solutions entail simplifying the implementation to a less than appealing functionality, a concept that is within the art-of-the-practical. The greater purpose is to rebalance end user base in favour of a new harmonization. This is a tall order when they may be paying hundreds of millions of dollars to then find the new solution is less functionally robust than the legacy system. Once the new orientation takes hold, functional enhancements through evergreening will be closer to Level 2 intervention.

Level 5

Level 5's require a sound estimation of the public mindset that will intercept the initiative in its implementation phase. Understanding the public mood and engineering this mood to the extent possible through discussion forums, op ed's and the like enhance the interception.

Chapter 12: Conclusion



We have discussed five levels of project complexity. We have suggested the project approach need be established in the context of the five and that management considerations cannot be reduced to a form simpler than the five without abrogating essential management responsibility. Level 1 – The plan is in place, it has been reduced to a set of process rules, follow the rules while seeking opportunity to improve. Level 2 – put the plan in place – plan the work, then work the plan. Level 3 – put a plan in place that will get you to the next marker – managing through financial optimization, establish a plan for how and when you will review performance and adjust the plan. Level 4 – notwithstanding the project you think you have, reflect on the mission and vision for the corporate entity, establish the external determinacies, transform the entity to maintain its vitality in the new world, as a secondary interest consider how to segue to an optimal variant of the intended product. Level 5 – establish a concept of the public will, test it through debate, implement in conformance with the public will.

We discussed the project team and the importance of the team's perseverance in bolding going where no one has gone before. It is hoped the five levels will shed some light on their challenge, provide an enhanced corporate management appreciation for their efforts and, thereby enhance motivation.

The 10 commandments of the DBM are provided below for reference.

The DBM Ten Commandments

Thou shalt:

1. conduct a complexity diagnostic for alternative project proposals,
2. indicate the complexity classification in approval documents,
3. establish a complexity reduction plan,
4. manage the initiative at Level,
5. measure performance at Level,
6. lead Levels 1, 2 and 3 as "management" and lead Levels 4 and 5 as "governance",
7. identify external determinacies for which the organization has influence and external determinacies for which the organization has no influence,
8. consider external determinacies where there is no influence as constraints and assess the risk of avoiding the constraint,
9. treat change, including cost growth, with objectivity and fairness,
10. avoid mismatching and gaming.



A final point, the challenge is often far greater than society will admit. See the game for what it is and acknowledge this with colleagues, and employees. May the project participants have the serenity to consider and acknowledge the things they cannot change the courage to change the things they can, and the wisdom to know the difference. Best of luck in your endeavors ahead - happy trails and.....

.....don't cross the Streams!

Appendix A: DBM Complexity Diagnostic

Purpose

The purpose of the complexity diagnostic is to establish the determinacy of an intended project proposition, thereby establish its complexity level and with that, establish the optimal implementation approach and associated performance expectation.

Target Audience

The audience for the complexity diagnostic is first and foremost the project team. These individuals will use this information to flesh out alternative approaches to the solution and will communicate to decision authorities the particulars for each option.

Opportunity

With higher level complexities, the VIP faces the choice of reducing the complexity with an alternative lower level proposition – one that is perhaps less functionally robust, with the opportunity to evergreen the solution through time. For example, Commercial Off the Shelf can be considered in lieu of high technology development.

A primary consideration for stakeholders here is the fitness for purpose vs. cost and schedule consideration. The stakeholders will have a choice between a lower target fitness for purpose and the associated lower cost, faster schedule expectation, or a higher target fitness for purpose and the associated high cost, longer schedule expectation.

With these expectations established in concert with stakeholders, the VIP should be accorded support for the real challenge inherent in the selected implementation. There is no escaping reality!

A further step toward realism is achieved in presenting the obligations of senior corporate management toward supporting the facilitation of the client regarding external-to-project expectations.

Complexity Template

The complexity diagnostic is provided below. In addition to the diagnostic, a secondary and yet important complementary diagnostic is the risk assessment.

<p>Level 5</p> <p>Custom/ Externally Determinate/ Public Rationality Dynamic Complexity</p> <p>Performance Expectation: There is no basis for performance assessment</p>		
Determinacy		Treatment of Complexity
Identify any public facilitation that will impact the project baselines		Brief narrative on treatment of the complexity – whether to confront or ignore and basis for legitimacy of the latter.
1.		
2.		
3.		
<p>Level 4</p> <p>Custom/ Externally Determinate/ Corporate Rationality Dynamic Complexity</p> <p>Performance Expectation: There is no basis for performance assessment</p>		
Determinacy		Treatment of Complexity
	Identify any external-to-project facilitation that will impact the project baselines	
1.		
2.		
3.		
<p>Level 3</p> <p>Custom/ Internally Determinate/</p>		

Dynamic Complexity	
Performance Expectation: Low	
Determinacy	Treatment of Complexity
1.	
2.	
3.	
Level 2	
Custom/ Internally Determinate/ Detail Complexity	
Performance Expectation: High	
Determinacy	Treatment of Complexity
1.	
2.	
3.	
Level 1	
Standard/ Internally Determinate/ Detail Complexity	
Performance Expectation: Greater than 100%	
Determinacy	Treatment of Complexity
1.	
2.	
3.	

Risk Assessment

Proposition Name _____

Complexity Level _____

Risk Characterisation:

Risk Event (known unknowns)	Probability of Occurence	Impact should the event occur	Treatment of risk	Dollarized Contingency for Cost and Schedule
1.				
2.				
3.				

Stakeholder Decision

With this information, the project team and the Stakeholders can make an informed decision amongst the alternative prospective implementations with due regard to:

- Target Cost,
- Fitness for purpose,
- Performance Expectation, and,
- Risk contingency.

Appendix B: The Performance Dashboard

Purpose

The purpose of the performance dashboard is to focus the audience's attention on the critical information they need to help in their decision making. The intent is to enable advocacy and proactive intervention as and when required.

Target Audience

There are two target audiences for the dashboard, the decision-makers and the project team. The decision-makers rely on the information to reaffirm the terms of reference established in the approved project charter. For the project team, it is the basis upon which their capability and diligence is assessed. Integrity in this reporting requires a tailoring to the complexity level confronted by the team. The dashboard must be appropriate to complexity level. Integrity in reporting requires that performance be measured at level.

Other Considerations

Think of the dashboard as an artist's rendering. Starting with a blank canvas, your role is to tell the story. The story is yours to tell – don't reverse engineer the story based on convention – tell it like you see it! Integrity in reporting requires that the story be an accurate one.

Key information conveyed can be categorized as: "Primary Information", "Collateral Information", "Contextual Information", and "Tombstone Information". Primary Information refers to the central theme, the single most important message on the page. It should be the prominent graphic, roughly 50 % of the visual field. Collateral Information refers to other information necessary for providing a sufficient account of performance. This should be limited to 30% of the visual field. Contextual Information refers to representations of what has changed in the reporting interval. 15% Tomb Stone provides a reminder of the essential elements of the endeavor, information that remains unchanged from reporting period to reporting period. This should be limited to 5% of the visual field. Generally green/yellow/red signifies good/caution/problem respectively. Obviously population of display objects should be based on accuracy of data or where conjecture is used, the object should be annotated accordingly with a foot note.

Trends in data provide important information regarding whether the performance is improving or degrading, providing a basis for extrapolation.

In the defence world, a chaff launcher can be deployed as a decoy to take the interrogator off target. Similarly, many other spectacular plots and illustrations can be added to your report as a campaign of message avoidance.



Issue

The dashboard is often crafted based on what the stakeholders want to see. For complex projects, pandering to stakeholder desires can often result in a simpler than possible formulation, a rendering that is neither accurate to the challenge at hand nor accurate to the problem practitioners are confronting. Applying a level 2 dashboard in a Level 3, 4 or 5 world, leaves the practitioners to work incognito, against the system, to deal with the primary dilemma.

Level 1 Dashboard

The Level 1 story is about control – Stability of rules and alignment of the work with those rules.

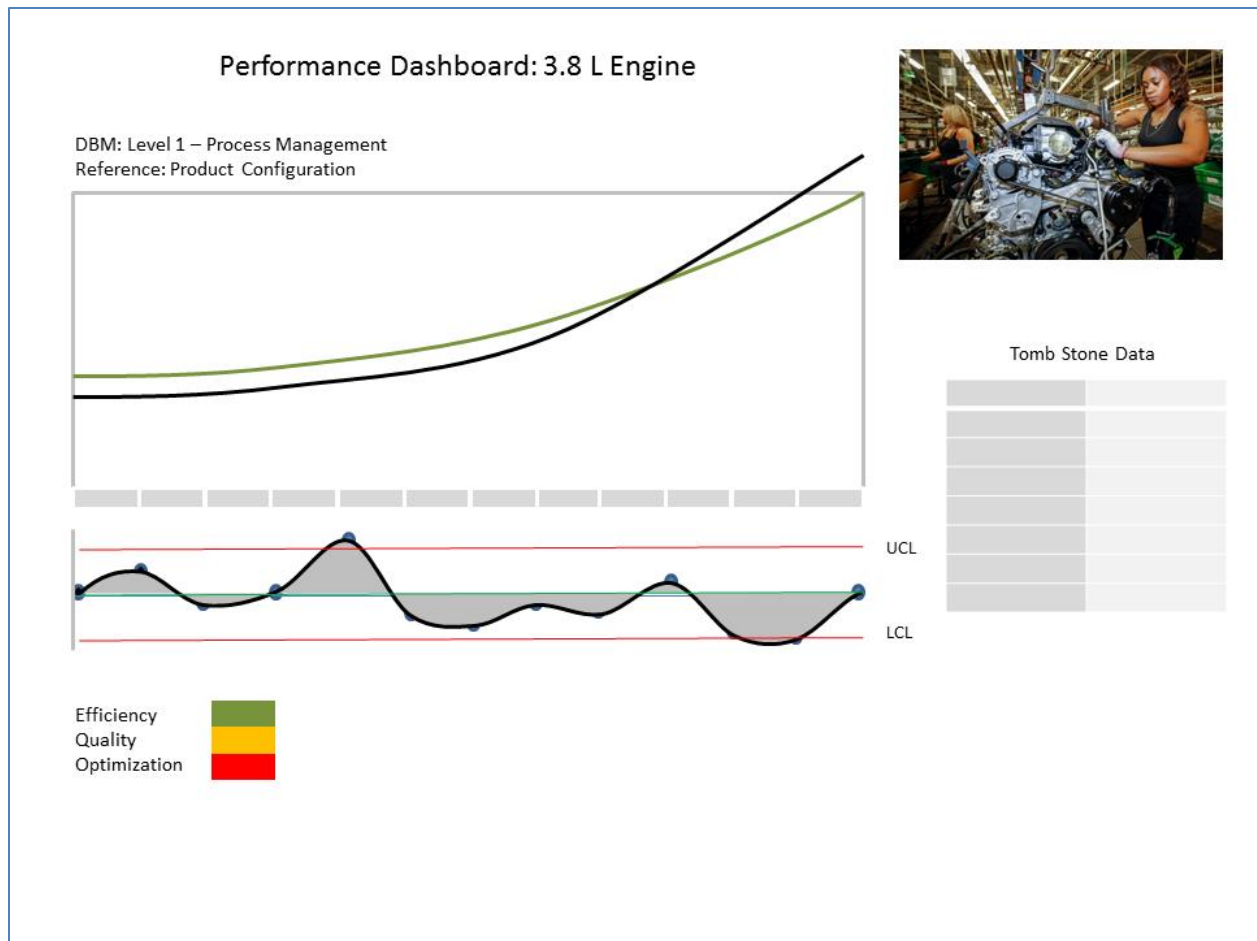
Primary Information – the primary graphic addresses the question: will I hit my quota? Process control charts displaying yield versus targets and quality variation support this message.

Collateral Information – for sufficiency in messaging, information supporting the primary graphic includes, for example:

Contextual Information – other general topical information may include:

Tomb Stone Information - generally includes:

- the name of the initiative
- the DBM classification: Level 1
- the reporting regime: Control Chart
- a brief description that establishes the context at Level 1
- the client or sponsor and a brief description of their expectations
- perhaps the dollar value



Level 2 Dashboard

The Level 2 story is about progress – Stability of methods and alignment of the work with those methods.

Primary Information – the primary graphic addresses the question: will I achieve schedule? A Gantt chart displaying the project planned schedule and the actual achievement supports this message.

Collateral Information - information supporting the primary graphic includes, for example:

- Contextual Information – other general topical information may include:
- schedule variations and opportunities to Fast Track or Crash the schedule.


Tombstone Information - generally includes:


- the name of the initiative
- the DBM classification: Level 2
- the reporting regime: Schedule

- a brief description that establishes the context at Level 2
- the client or sponsor and a brief description of their expectations
- perhaps the dollar value

Performance Dashboard: Sundance Power Station

DBM: Level 2 – Project Management
Reference - Specifications





Tomb Stone Data

Risk contingency

Schedule

Cost

Risk

Level 3 Dashboard

The Level 3 story is about proof of concept – Stability of Objectives and alignment of the work with those Objectives.

Primary Information – the primary graphic addresses the question: is this going to work? An Earned Value plot with Estimate at Complete will support this message.

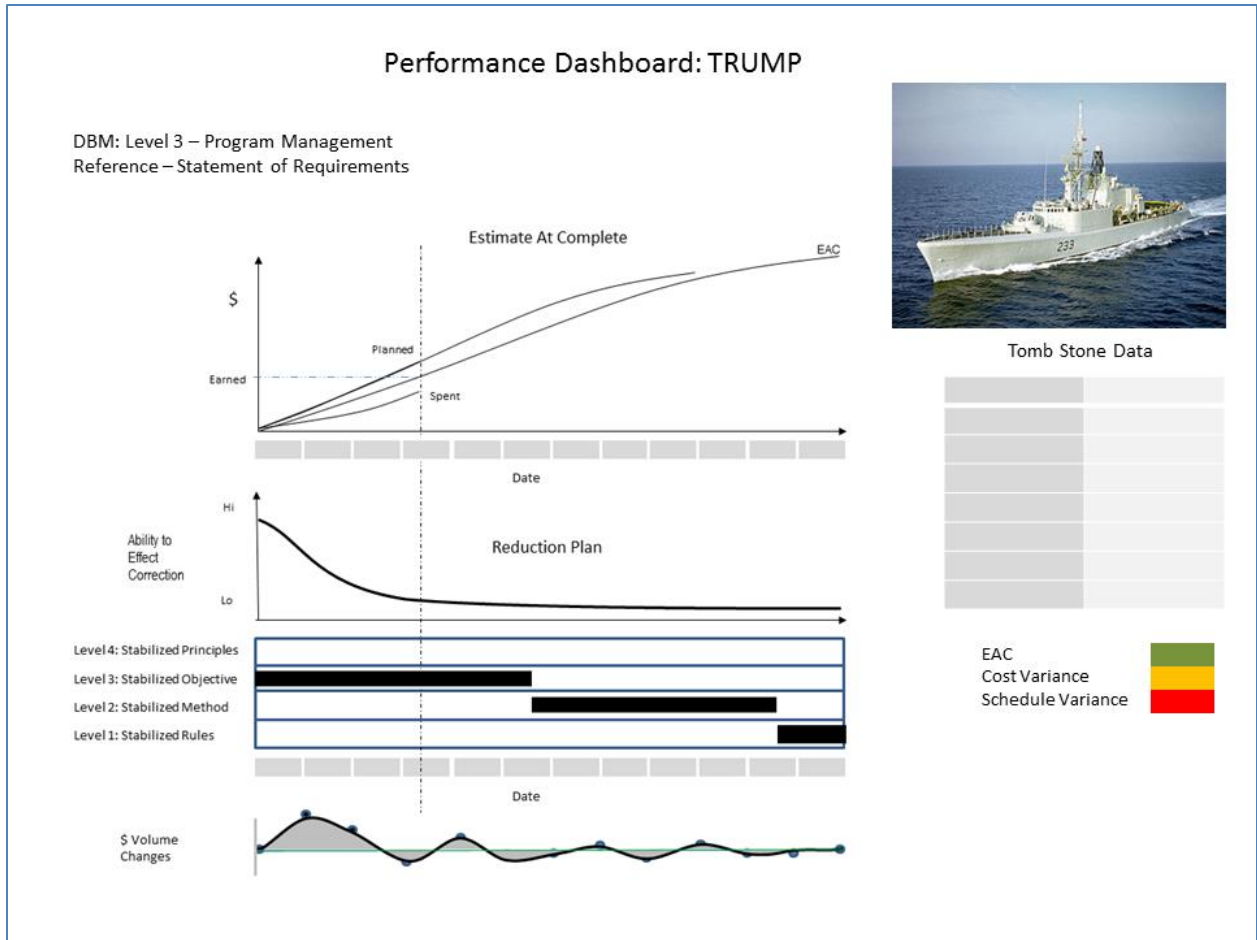
Collateral Information - for sufficiency in messaging, information supporting the primary graphic includes, for example:

The planned reduction of the baseline to Level 2

Contextual Information – other general topical information may include:

Tomb Stone Information - generally includes:

- the name of the initiative
- the DBM classification: Level 3
- the reporting regime: Earned Value / EAC
- a brief description that establishes the context at Level 3
- the client or sponsor and a brief description of their expectations
- perhaps the dollar value



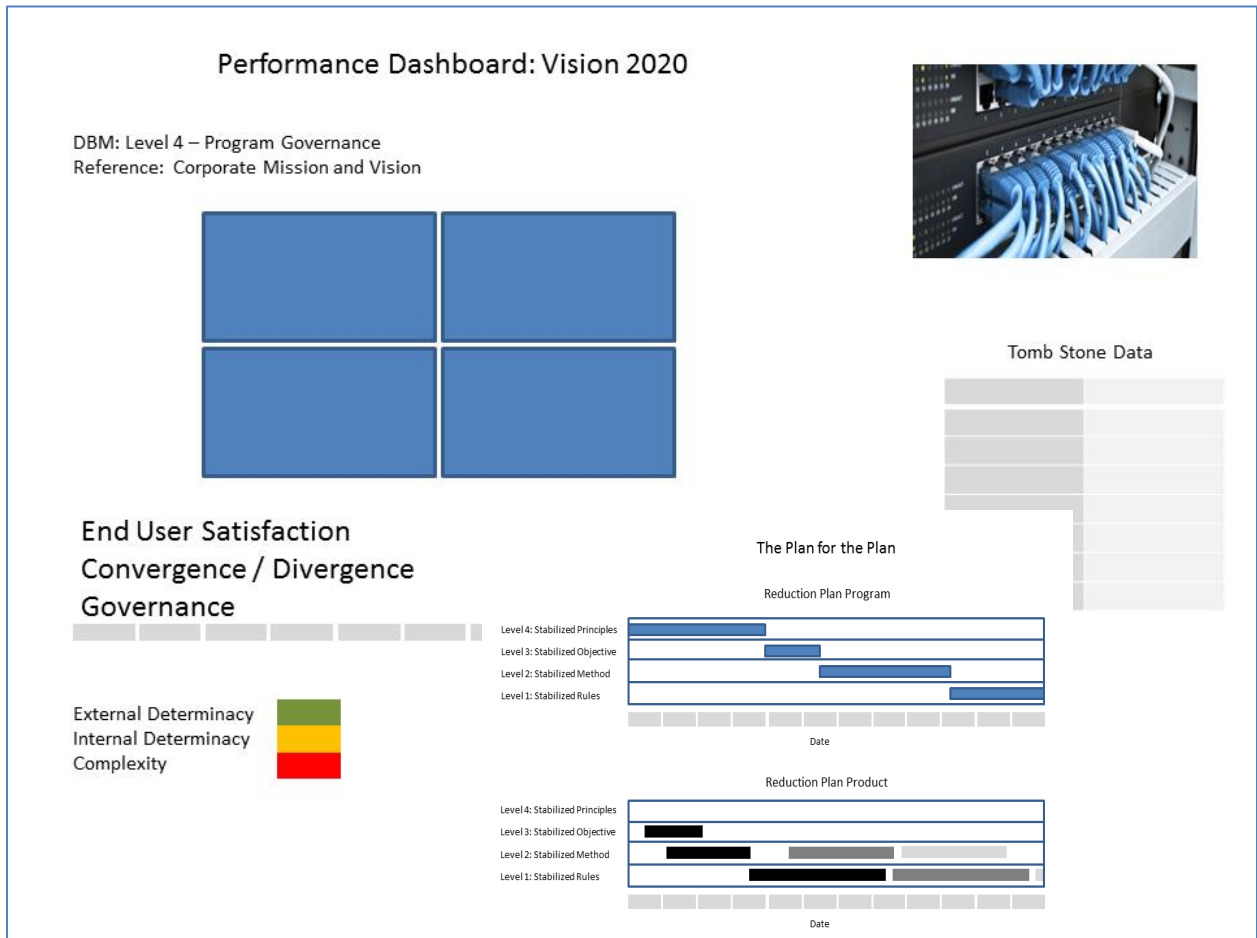
Level 4 Dashboard

The Level 4 story is about sustainability – Stability of principles and alignment of the work with those principles.

Primary Information: the primary graphic should address: will I further the corporate vision? A Balanced Score card and trends in achievement thereof will support this message. The primary information is the alignment between the internal-to-project functionality and the corporate determinacies. The performance dashboard provides stakeholders with the prognosis for interception of the initiative with the corporate mission and vision. As such, the story provides stakeholders vital information on the health, currency and viability of the corporate mission and vision. The Balanced Scorecard approach positions project performance within the context of competing interests. Contextual information should address adequacy of the principles, application of the principles, alignment of the process with the principles, and stability of the principles.

Collateral Information - for sufficiency in messaging, information supporting the primary graphic includes, for example:

- Contextual Information – other general topical information may include:
- Tomb Stone Information - generally includes:
 - the name of the initiative
 - the DBM classification: Level 4
 - the reporting regime: Balanced Scorecard
 - a brief description that establishes the context at Level 4
 - the client or sponsor and a brief description of their expectations
 - perhaps the dollar value



Level 5 Dashboard

The Level 5 story is about prosperity – Stability of values and alignment of the work with those values.

Primary Information: the primary graphic should address the question: will the public support it? The primary information is the alignment between the internal-to-project functionality and the public determinacies. The performance dashboard provides stakeholders with the prognosis for interception of the initiative with the public will. As such, the story provides stakeholders vital information on the health, currency and viability of the public policy and/or the utility of the organization in industry. The Balanced Scorecard approach positions project performance within the context of competing interests. Contextual information should address adequacy of the Values, application of the Values, alignment of the process with the Values, and stability of the Values.

Collateral Information - for sufficiency in messaging, information supporting the primary graphic includes, for example:

Contextual Information – other general topical information may include:

Tombstone Information - generally includes:

- the name of the initiative
- the DBM classification: Level 5
- the reporting regime: Balanced Scorecard
- a brief description that establishes the context at Level 5
- the client or sponsor and a brief description of their expectations
- perhaps the dollar value

Performance Dashboard:

DBM: Level 5 – Public Governance
Reference: Policy Statement

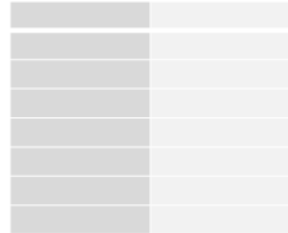


Public Satisfaction
Convergence / Divergence
Governance

Schedule
Cost
Risk



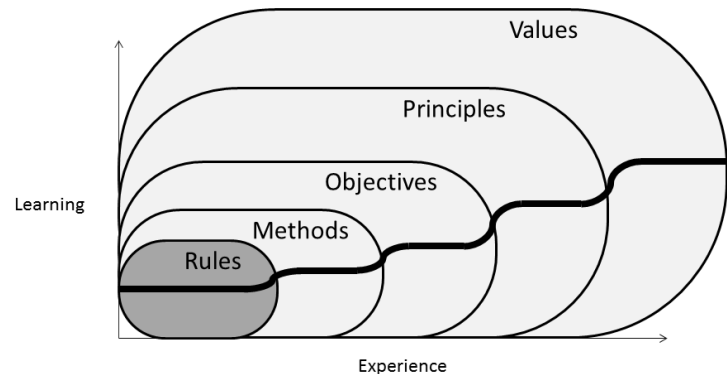
Tomb Stone Data



Appendix C: Human Characteristics

Affinity for rules

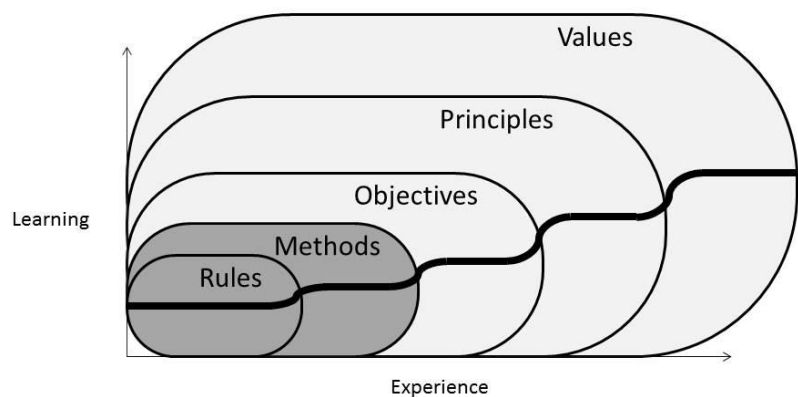
From Hersey Blanchard's³⁵ studies on management style, some people have a natural affinity for a rules-based environment. The thought of not have rules, in other words, having the prerogative to create, may be too distressing. The Myers Briggs³⁶ orientation here would be an iSTj – introverted / Sensing / Thinking / Judgmental persona. Though it's not for everyone, corporate manufacturing thrives on the dedication of the many men and women that bring products to market under situations of high competition.



In the learning continuum identified in the figure, affinity for rules and the allegiance to these rules are essential for success.

Affinity for Methods

The tendency for humans to want to order chaos makes this archetype particularly attractive for people who are naturally organized. Myers Briggs would suggest this is a iSTp – Introverted / Sensing / Thinking / Perceptive – personality.

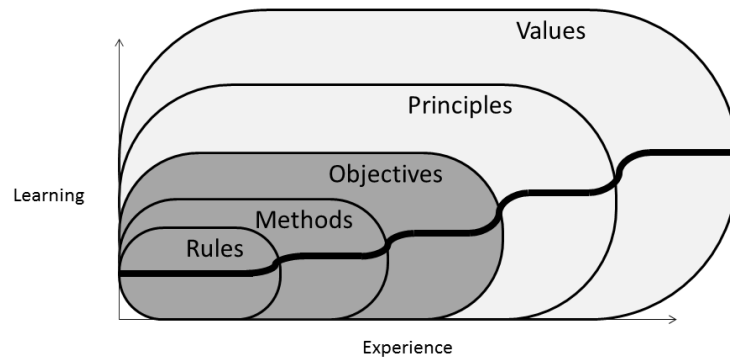


The calling at Level 2 entails foregoing the comfort of a proclaimed rule set, venturing into the custom world, managing parameters into a semblance of order and following the methodology in pursuit of success.

Affinity for Objectives

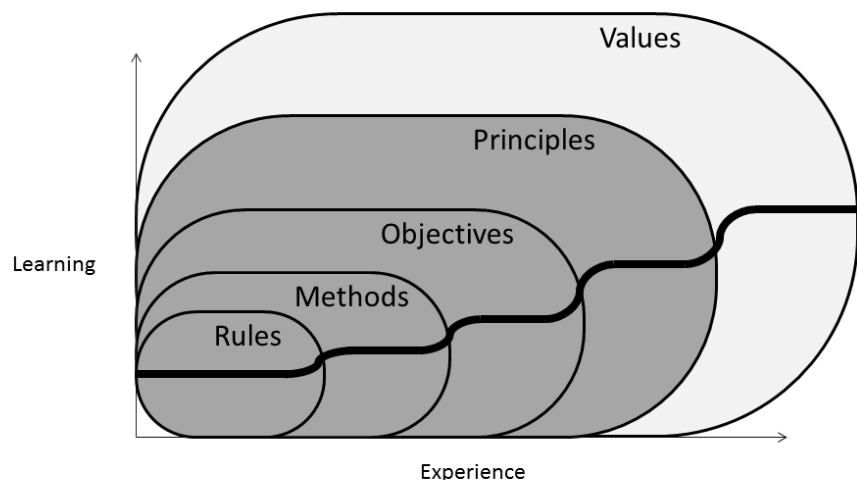
So what causes VIP's to enjoy the thrill of adventure – “to boldly go where no one has gone before”, especially when the world looking on has a concept of reality that is simpler than it is. Level 3 entails awareness that things won't go according to plan, VIP's plan on them not going according to plan, VIP's, with all of their tenacity, keep the “arm-chair quarterbacks” at bay, fight adversity and play to win. This is not the “organizing” challenge of Level 2.

The Myers Briggs personality here is an eNTj, Extroverted / iNtuitive / Thinking / Judgmental. These are people good at ruthlessly fighting adversity – not the type of person that should be allowed to mingle with the general population.



Affinity for Principles

Unlike the tough strategic conditioning of the Level 3 field Marshal, the Level 4 champion operates on the higher plain of principle. The Project Champion is to be an exemplary emblem of the organization, able to build trust in both projects and end user domains while at the same time exercising resolve to keep the initiative on course.



As the Project Champion is often left to account for progress, this dichotomy of principled openness and tactical maneuvering creates a cognitive dissonance – a seemingly unresolvable dilemma. The Myers Briggs super hero is an eNFp – Extroverted / iNtuitive / Feeling / Perceptive. Hopefully the warehouse has lots of them in stock as we wear them out quickly.

Affinity for Values

The person here is one that attracts and binds cultural diversity to a common interest – a world facilitator.

Matching

So, with the foregoing human factors, there is a natural alignment with the complexity levels. Humans with a high affinity for rules align with Level 1, those with a high affinity for methods with Level 2 and so forth. Give a task to someone and watch what they do with it. Have a project practitioner diagnose a problem on the project. You will receive a response based on the perspective of the person.

A Level 1-inclined individual will rationalize their response based on evaluation against rules. Institutional policies and procedures are the guiding reference. This is generally the correct perspective for production environments for which the corporate rules set has been developed and “evergreened” through time.

A Level 2-inclined individual will rationalize their response based on a tactical review of methods. This is the correct and appropriate perspective for construction-based project environments.

A Level 3-inclined individual will rationalize their response based on a strategic perspective that encompasses consideration of requirements, budget and motivations of the parties.

A Level 4-inclined individual will rationalize their response based on a principled perspective appropriate to ensuring the larger corporate interest is served potentially at the expense of the subject project initiative they are undertaking.

A Level 5-inclined individual will rationalize their response based on public Values, the altruistic pursuit of duty to others.

Mismatching

Common mismatches that will be used to demonstrate the point are a Level 1 regulatory perspective in a Custom Project, a Level 2 tactical perspective in a Dynamic Complexity Project, a Level 3 closed strategy perspective in an Open System.

Level 1 regulatory perspective in a Custom Project

By DBM definition, the ruleset is dynamic for levels 2 through 5. Hence, making reference to institution rules, appropriately designed for the standard or routine circumstance, would not be sufficient for evaluation of a custom scenario. A classic example of this is the mismatch posed by “the corporate audit”. Such audits often entail a comparison of the work to the rule set. Auditors are not at liberty to stray from the rules and, as such, findings typically are not favourable to the custom practitioners that have been required to work outside the corporate rule set for the corporate benefit.

Level 2 tactical perspective in a Dynamic Complexity Project

The desire to organize reality is the strength of the Level 2 practitioner. However, in circumstances of an evolving methods baseline, this strength often becomes an impediment to progress. With dynamic complexity, expectation that the work will conform to the tool is misguided. Rather, the tool need follow the learning process inherent in dynamic complexity.

Level 3 closed strategy perspective in an Open System

As you reflect back on closed system scenarios, there is often a strong personality at the helm – the tough, battle hardened construction chief for example. This demeanor provides for a myopic and ruthless stance – fighting adversity to realize the objective. Where, the objective is dynamic, however, where the greater benefit accrues to the larger corporate interest and the associated network of colleagues outside the project objective, the Level 3 persona may serve to undermine the common interest.

Appendix D: Contracting Considerations

Contracts are, in essence, an agreement between two parties to undertake something, delivery of a product or work for a stipulated pricing formulation that is protected in law. They are comprised of terms and conditions that are based on a prediction of what will unfold. Predictable scenarios, such as initiatives at the lower levels of the DBM, enable a greater certainty and with that greater application of traditional contracting practice. At the higher levels of the DBM, however, the dynamics at play preclude certainty, and have contract predictability.

Matching

Level 1

When purchasing an item, once contracted, the contractor is to provide the item to the sponsoring party for the price and schedule as stipulated in the contract. The Level 1 rules orientation provides a basis for the sponsor's authority to "police" the purchase to ensure the sponsor's full entitlement.

Level 2

Projects can be substantively contracted to a contractor. Such is the case generally with public sector contracting, where the sponsor has a need but is, by mandate, not in the business of doing this type of work, and in the private sector where companies are exercising comparative advantage. As with the principle of favoured advantage, it makes sense to position the contractual risk with the party best able to manage that expertise and associated risk.

With project contracting the evolving context introduces some important considerations. Firstly, the Terms and Conditions in the contract need be reviewed in terms of the new context to determine whether the intended work remains aligned with, or is outside of, the scope and contract provisions.

For Level 2 projects, the methods baseline remains stable. As such, the future circumstance is predictable and the associated terms and conditions of the contract remain valid. Special consideration can be given to progress payments that shore up the risk position between the parties as value is achieved. Projects of Level 2 stability tend to be bid in an open tender format where the lowest price wins the work. Tendering works well by enabling the competitive forces of the market place to establish what is a fair and reasonable price for the job. The stability of the roll out and achievement of interim value enable Firm Pricing.

Level 3

Level 3's entail an evolving methods baseline, the trajectory of which is not readily predictable until the initiative is underway. Both the sponsor and the contractor learn throughout the rollout and have the opportunity to adjust the initial concept as appropriate to fitness-for-purpose, affordability and schedule considerations.

At Level 3, this joint sponsor/contractor decision making obscures the contracting relationship. To maintain currency, contract change control procedures maintain alignment of the work with the evolving intentions. In this scenario, stakeholders need consider how the cost growth associated will be managed, providing fair relief to the contractor for decision made by the sponsor that impact the contractor's contractual obligation. The procedure applied is an impact analysis to determine the attribution of liability and quantum, the amount of relief. This principle of fairness is a matter of integrity and is also protected in law.

A major consideration in contracting is the uncertainty regarding final price. A Level 3 matched solution would entail a pricing formulation that motivates cost restraint while providing flexibility regarding the dynamic complexity, such as with a Target Incentive, Ceiling arrangement. These can be challenging to administer and require adjustment to the target and ceiling with each sponsor-induced change. Also, attention can be given to "off ramp" provisions where the parties can agree to part-company within a stipulated liability cap.

Level 4

With Level 4, the objective of the initiative is evolving, as are the underlying methods within the objective. This is a higher dynamic complexity challenge that undermines a solid reference for the contracted position. The utility of the originally contracted position has a half-life that can be measured in weeks and days, not years. The volatility induced by the joint contractor and sponsor decision making, through the engagement of the sponsor end users

As failure is not an option, the contracting formulation need be reconsidered to enable the joint sponsor-contractor learning through the engagement process. This can be achieved through phased contracting where initial phases would recognize the sponsor and contractor as partners in learning. This would entail a more open basis of payment – for example, a "cost reimbursable award fee" approach. The plan should address how the project is to transition from the open learning to a more concrete implementation, a Level 2 for subsequent phases and, with that, how the price formulation will transition to firm price. Relational contracting³⁷ also enables a more fair apportionment of complexity causation and risk.

Level 5

At Level 5, the context is firstly addressed as the social contract with the public. This is a figurative representation, not a contract per se, but social contracts³⁸ are supported in law by virtue of constitutional representations and procedures. The first matter of business is to identify the advocate that speaks officially on behalf of government for the facilitation with the public will that will unfold. Understanding their social obligations and any constraints will position the initiative in an accurate context for analyses what moving forward.

For the product itself, considerations can be given to public-private partnering, an opportunity to shift existing boundaries between public and private sectors on public program delivery.

Mismatching

Common mismatches that will be used to demonstrate the point are Level 1 Contracting in a Level 3 or 4 Project, Level 2 Contracting in a Level 3 Project, Level 2 Contracting in a Level 4 Project

Level 1 contracting in Dynamic Complexity World

The common inclination to look into the contract for an understanding of rights and wrongs is generally insufficient in cases where dynamic complexity has shifted the context within which the contract should be read. For Levels 3 through 5, the contract becomes an amalgam of the expressed words on the latest contract document and the behavioural alignment of the parties in that regard. In other words, through performance, the parties change the agreement, notwithstanding expressed terms and conditions. As such, absent the larger perspective, simply policing terms and conditions undermines effective stewardship and provides an illusion of entitlement that is not supported in law.

Level 2 contracting in a Level 3 Project

This approach entails creating a logically impractical arrangement and adjusting it to an arrangement that works. A project team adept at managing gaming scenarios can maintain the relief position through change control procedures to avoid a project failure. Where this is applied, cost growth negotiations are generally a matter of posturing, brinkmanship, adversarial positioning, and potentially a legal challenge.

There are many behavioural tendencies to consider in the management of cost growth. Firstly, during the bid phase, the primary objective of bidders is to win the bid. Forthrightness in bidding would require either that the bidder disclose the price anticipated for the work or that the bidder accept that any underage in pricing is a “lost leader” for securing the business. The less forthright approach is a bid-to-win posture in which the contract relies upon disproportionate future cost growth for contract changes or contract imperfections.

During the initial stages of the relationship, the tendency is for both to suppress cost growth as they allow time to kindle “trust” in relationships. When the honey moon is over, reality overrides trust and the game of brinkmanship takes hold.

The tendency (obviously) is for the sponsor to suppress interest in cost growth while the contractor is in favour. In the end, a mounting loss for the contractor will motivate greater focus on changes – particularly those that would be out of the scope of the baseline as contracted.

Many companies are reluctant to sully relationships with the sponsor out of concern for diminished “public relations” with any adversarial positioning. This provides the sponsor greater latitude to push the envelope, an opportunity that need be managed with great responsibility to avoid an untenable business situation and perhaps project failure or litigation.

Level 2 Contracting in a Level 4 Project

With the context for dynamic complexity established through the DBM, we can revisit the Standish Group report on the failure of IT projects. The conjecture here is projects failed to control the work to conform to the pre-established objective. In the DBM context, the objective is intended to dynamically evolve, the opportunity to confront the larger questions in transformation such as the utility of the organization in the brave new world, the good and proper consideration of end user needs and the like.

In this context, the term “failure” is perhaps indicative of a under targeted solution where simply controlling the work to conform to the pre-established objective, as one would at Level 3, renders the work obsolete. You can do it, but you deny the learning opportunity that will enable the organization to navigate to its optimized position and you should anticipate fielding a result that nobody wants.

With an evolving objective, the notion of using change control procedures to maintain contract currency become impractical – the change control loop would “heat up like a hot wire.”

Gaming for Success

Gaming for success refers to an intentional mismatching with the further intent to manoeuvre the markers as appropriate to maintain the prospects of success. This works where the simplicity of the under-targeted response enables a more familiar and acceptable-to-decision-authorities depiction of reality than the real reality you are confronting. Where this is practiced, the project reporting regime is generally bifurcated – one message designed to make the light go on with approval authorities, the other designed for reality.

This “colouring outside the lines” approach can work where the leader for the initiative has sufficient flexibility to move forward. It, however, leaves a simpler than possible expectation with



stakeholders leaving practitioners with a greater-than-realistic burden and may leave them personally vulnerable following the next audit.

Complexity is an inconvenient truth. Where expediency in transactional progress overtakes consideration of complexity, gaming becomes the new normal.

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To project manage, or not to project manage - that is the question:

Whether 'tis nobler in the mind to suffer

The slings and arrows of outrageous frameworks

Or to take arms against them,

And by opposing, end them.³⁹