





Smartsheet is a leading cloud-based platform for work execution, empowering organizations to plan, capture, track, automate, and report on work at scale, resulting in more efficient processes and better business outcomes. Smartsheet empowers collaboration, drives better decision making, and accelerates innovation for over 76,000 customers in 190 countries, including 96 percent of the Fortune 100.

RACONTEUR

Publication sponsored by



**Publisher** Sophie Kavanagh  
**Project manager** Tom Andrews  
**Editorial consultant** Gren Manuel  
**Editor** Lindsay O'Hagan  
**Design** Sara Gelfgren, Kellie Jerrard,  
Harry Lewis-Irlam  
**Head of production** Justyna O'Connell  
**Digital marketing manager** Elise Ngobi

**Contributors**

**Sarfraz Ali**  
Senior Director of Europe  
Market Development  
at Smartsheet.

**Alison Coleman**  
A writer and editor, she has  
contributed to Forbes, The  
Guardian, Telegraph, Sunday  
Telegraph, Economia and  
Employee Benefits.

**Oliver Pickup**  
Multi-award-winning journalist  
who has written for publi-  
cations including The Times,  
Telegraph, Guardian, and  
FT Weekend

# Contents

The wave of corporate transformation unleashed by the digital revolution has greatly increased the need for project management. This report explains how a new generation of project managers is being created, helped by fresh thinking and new technology.

---

## 04

---

Meeting the new challenge for project management

## 06

---

Managing change: a blueprint for success

## 08

---

What makes the perfect project manager?

## 10

---

PMOs turn to analytics to optimise performance

## 12

---

How to manage a client's demands for change

# Meeting the new challenge for project management

As businesses undergo digital transformation, strategic projects are multiplying fast. Where can the vital management skills be found?

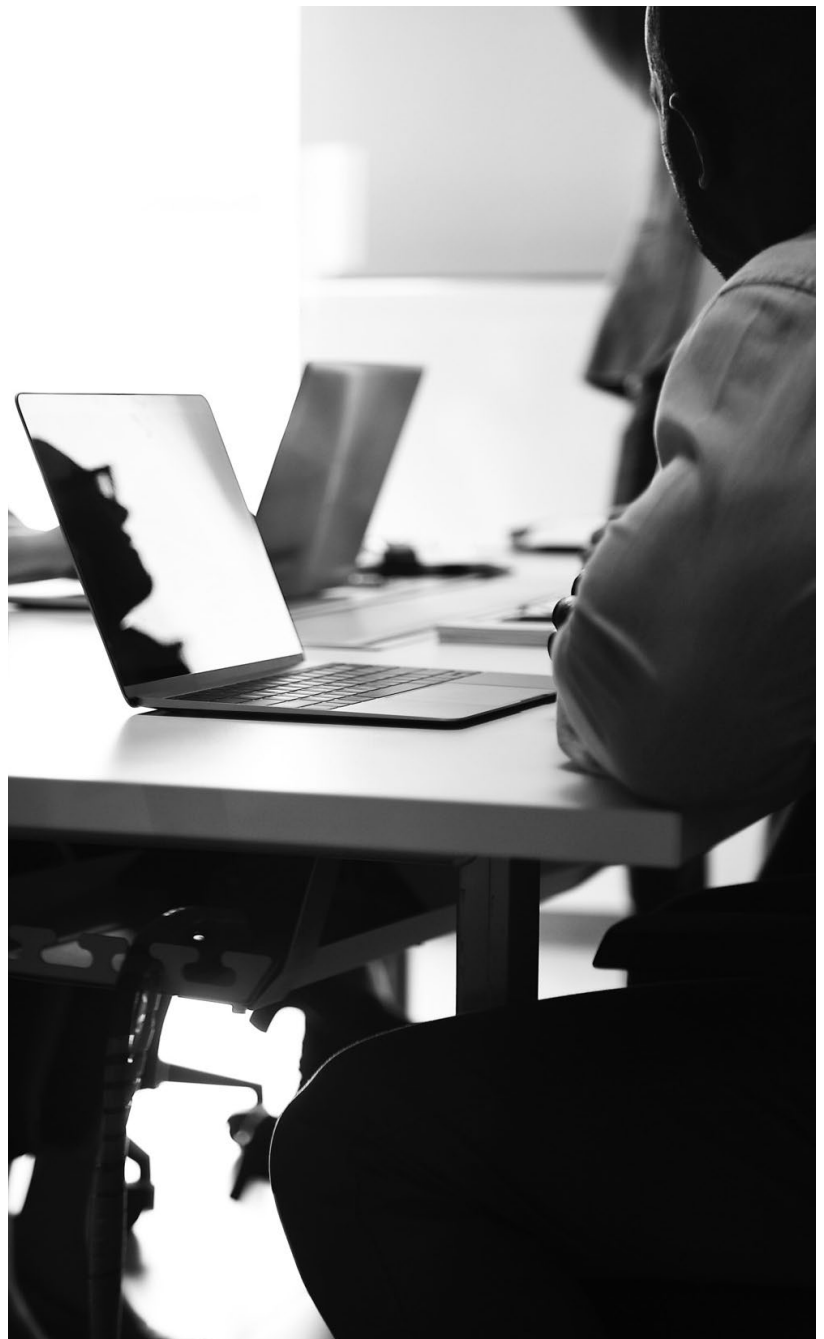
**T**he rate of change that organisations face today is faster and more complex than ever before. Whether as a result of restructuring or upgrading legacy systems, more companies than ever are managing massive internal transformation, to the extent that their entire business strategy becomes a transformation project.

This presents huge challenges for C-suite executives who have to master project management to lead that change, and for the project management office (PMO), whose role has also been transformed in today's dynamic business environment. Sarfraz Ali, senior director of Europe market development at Smartsheet, explains why managing that scale of change in a way that will drive the business forward is inherently difficult unless you know exactly what is going on in your organisation.

Smartsheet is a leading cloud-based work execution platform with over 76,000 organisational customers in 190 countries.

"Disruption is rampant in the market, impacting every industry sector, and at an increasingly rapid pace. Reacting to change is hard if your business is not instrumented to provide you with real-time insights," says Mr Ali. "Most organisations have systems and instrumentation that provides data on things like revenue, sales, and profit margin, in other words the output of the business. But as important is the input, the work that people are doing related to change initiatives, and being able to see what the company is doing is also really important to drive output."

Responsibility for delivering that work has usually fallen to the project manager or PMO, operating as a centralised function or team. As the percentage of knowledge workers increases in organisations, this activity is becoming decentralised.



“Decentralised work by itself can be great because the people doing the work that is driving change are the most empowered and the most knowledgeable because they are closest to the customers,” says Mr Ali. “But it can also create chaos, so you need a balance between decentralising work and having an infrastructure that gives you visibility into the status of work, the risk, and the opportunities, and allows you to report and act on that information. This is key to driving the business forward and is also really hard to achieve.”

In dealing with the challenges of managing internal transformation being driven by the whole organisation, tools and platforms are available, including Smartsheet’s work execution platform, that can help organisations to achieve that balance between decentralised work and visibility into work status.

Mr Ali says: “Smartsheet is a flexible tool that is easy to configure and to use. For example, let’s say the HR team has an employee-onboarding process implemented in the work execution platform. In the event of changes in legislation or recruitment strategy that impact that onboarding process, instead of needing to involve the IT team, HR can make the necessary changes themselves.

“More importantly, all the information around the status of this work change is reported by the system, giving the C-suite that all-important visibility. When change initiatives are in flight, adapting them quickly and cost effectively is crucial.”

The decentralisation of change-related work has had a profound impact on the PMO. In most companies, while it retains a central function, housing standard capabilities, such as project methodologies, tools and metrics, as well as higher value capabilities like governance or portfolio management, the PMO’s role is moving from one of execution to enablement of the entire organi-



40%

of managers say projects mostly/always finish on budget



36%

say projects mostly/always deliver full benefits

Wellington PPM survey of UK project management professionals, 2018

sation to deliver work. With a decentralised PMO model, the same higher value-add capabilities are distributed within the various business functions, with project managers directly aligned to each one.

“The PMO has traditionally been an operational function,” says Mr Ali. “With the wholesale transformation of organisations that we are now seeing, as the key enablers of change, project managers are operating at a much more strategic level that is closely aligned with the business objectives.”

The key to managing organisational-wide transformation projects is agility. Flexibility is critical to meet changing market conditions, while extensibility is also important, in that the platform must be configurable to extend to all key functions within the organisation.

Because of the scale and nature of change it is important to start small, says Mr Ali. “Start with one function, or one team, such as audit and compliance, facilities management, mergers and acquisitions, and customer onboarding, and change the way they work,” he says. “With a successful outcome you can then use it as a template for transforming the whole organisation.”

However, the single most important factor for the success of these change projects is strong leadership from the CEO and the rest of the senior executive team, who have also had to adapt to change and master project management like never before.

Mr Ali says: “There needs to be a very clear directive, led from the top, that sets out the reasons for change, and for working in different ways, and engages people at every level of the organisation. That statement of intention and clarity of vision can make the difference between resistance to change among the workforce and the embrace of it that will empower people to implement the changes that are needed to move the business forward.”

**When change initiatives are in flight, adapting them quickly and cost effectively is crucial**

Sarfraz Ali, Smartsheet



# Managing change: a blueprint for success

Consistency, standardisation and repeatability are essential elements of every process when delivering projects at the scale that transforms organisations

## OLIVER PICKUP

**T**he digital disruption wrought by the inexorable march of technology has meant that organisations, large and small, are having to pivot to survive and – with luck – thrive.

Startups and small and medium-sized enterprises (SMEs) are by nature more agile. However, for bigger corporates, weighed down by legacy systems and numerous stakeholders, digital transformation can be less straightforward.

Whatever the size of the enterprise, though, a project manager who can produce the desired outcome, to time and budget, is essential. He or she then needs the tools – including a blueprint for success – to work with.

Repeatability, consistency and standardisation are important elements of every process when managing change or projects at the scale necessary to transform organisations, according to Ray Monaghan, a senior business consultant at software company SQS Group. “The key to delivering transformation at scale is co-ordination, communication and transparency,” he says. “When multiple initiatives, portfolios and programmes are involved this is especially tricky.

“Stakeholders must understand how the various components of any transformation are progressing. They need to be able to speak a common language across the multiple initiatives. That language needs to be able to help stakeholders across the organisation understand what the initiatives will deliver, who owns them, what areas they affect, how they are being delivered, and how they are progressing against scope and time expectations.”

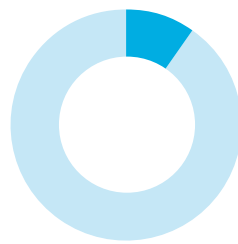
To catalyse this way of working, it is critical to establish that common language, as well as a central function, such as a centre of excellence. “This is where standard approaches, training and coaching in the ways of working to deliver transformations in the organisation can be developed, communicated and improved as they are used and implemented,” says Mr Monaghan.

“As organisations transition to more business-agile ways of delivering change, there will still be a need for a central function to drive the transformation to the new ways of working. This will provide a way to formalise the loopback mechanisms that are vital to driving continuous change.

“The combination of a central function that can provide advice and support, plus the experience of people in the delivery teams working with people well versed in how the organisation delivers change, is the best way to replicate success in different parts of the organisation and/or apply lessons learned elsewhere.”

**Highlight best practice**

Echoing Mr Monaghan’s words, James Woodall, founder and chief technology officer of Intoware, a cloud-based software tools company, insists the key to success at scale is creating a bank of blueprints that highlight the best practice and winning methodologies to execute elements of projects. “Development teams move around, so having a consistency of rules is critical for execution and best practice,” he says.



9.9%

US capital investment wasted due to poor project performance

Project Management Institute, 2018

“In an ideal world, this should include processes like dual review – where projects are checked by two people – and the code ticking off at least one item in the task list, thereby automatically tying the code to a feature. This means that, no matter the project, all the rules are followed.”

In the same way that business models should be revisited and revised, taking into account innovations spawned by tech advancements, Mr Woodall suggests project management blueprints should be reconsidered regularly.

“Each situation is different but it is best practice to review every three months to account for new technology being released,” he says. “This frequency of review doesn’t necessarily mean action or change. But it does ensure that there is regular measurement against the latest developments in the market.”

Tabitha Winter, delivery director at engagement specialists Partners Andrews Aldridge, says it is important not to be too regimented because it stifles creativity. “It is imperative to recognise that each agency, department and project is different,” she says, “and you have to overlay the nuances of each over the basic structure of the process. A lack of flexibility is never going to work as everyone becomes so concerned with following process that nothing ever gets done.

“However, as long as the basics are in place and understood, and individuals are given the autonomy to stretch things to suit different circumstances, then you are going to end up with the necessary transformation being done properly.”

**Staying flexible**

Staff training to ensure the process runs as smoothly as possible cannot be ignored, stresses Ms Winter. “More important than standardised blueprints, though, are a group of people, typically skilled in project management, who know the key methodologies inside out and ensure that the important parts are adhered to,” she says. “The rest will follow, and will suit the individual project, or department, or agency.

Ms Winter’s advice is to “keep it simple, stupid”, otherwise known as the KISS principle. “You need to understand the current landscape. There will be a set of key elements that are absolute necessities for certain industries. You need to know what they are and then develop process around achieving those.

“Apply the KISS principle liberally, as change management is more easily achieved in small, simple chunks over time than in one big bang. Be willing to stand by the project if you believe it works, but also change when it’s clear that it is not working.”

“Change management is more easily achieved in small, simple chunks over time than in one big bang

# What makes the perfect project manager?

An outstanding PM demonstrates five key skills: orchestration, persuasion, empathy, anticipation and customer focus

## OLIVER PICKUP

In this era of digital transformation, where organisations of all sizes are being forced to undergo transformation to keep pace with technology-fuelled market disruption, the ability of a project manager (PM) can be the difference between success and expensive failure. But, in 2018, what makes an excellent PM?

There is a significant overlap between the skills required for a PM and a general manager (GM), suggests Carl Jones, head of business and technology solutions for Capgemini in the UK. “The trick behind balancing a project, which does come with experience, is matching the need,” he says. “Do not over-manage a simple project, as you will waste time and effort and slow it down. Conversely, under-managing a complex project is likely to result in not achieving the desired outcome.”

Peter Ballard, co-founder and executive director of user experience design agency Foolproof, lists five skills that transform a good PM into an outstanding one:

## 2.4m

People in the UK saying they have project management skills

LinkedIn, 2018

orchestration; persuasion; empathy; anticipation; and customer, or end-user, focus.

He says: “Organisational transformation involves multi departments, managed by the C-suite with their own agenda, personal fears and differing leadership styles. The PM for transformation has to be able to adapt to, relate to, and inspire in the various C-suite stakeholders the desire to collaborate, co-ordinate and set aside departmental agendas for the greater good of the entire organisation.

“Persuasion is more than communication. A PM for transformation must be a salesperson, a consultant, a confidant and an orator all in one human.” The same could be said for a GM.

Empathy is important, Mr Ballard says, because “transformation is still essentially delivered for people by people, and in times of change people can be scared, anxious, protective, defensive, uncooperative and even hostile”. He continues: “As a PM, you are the face of that threatening change, and being able to remember that, and see what you are asking for through the eyes of the people you deal with, can be the mark of a great PM.”

## PM v GM: how the key skills compare

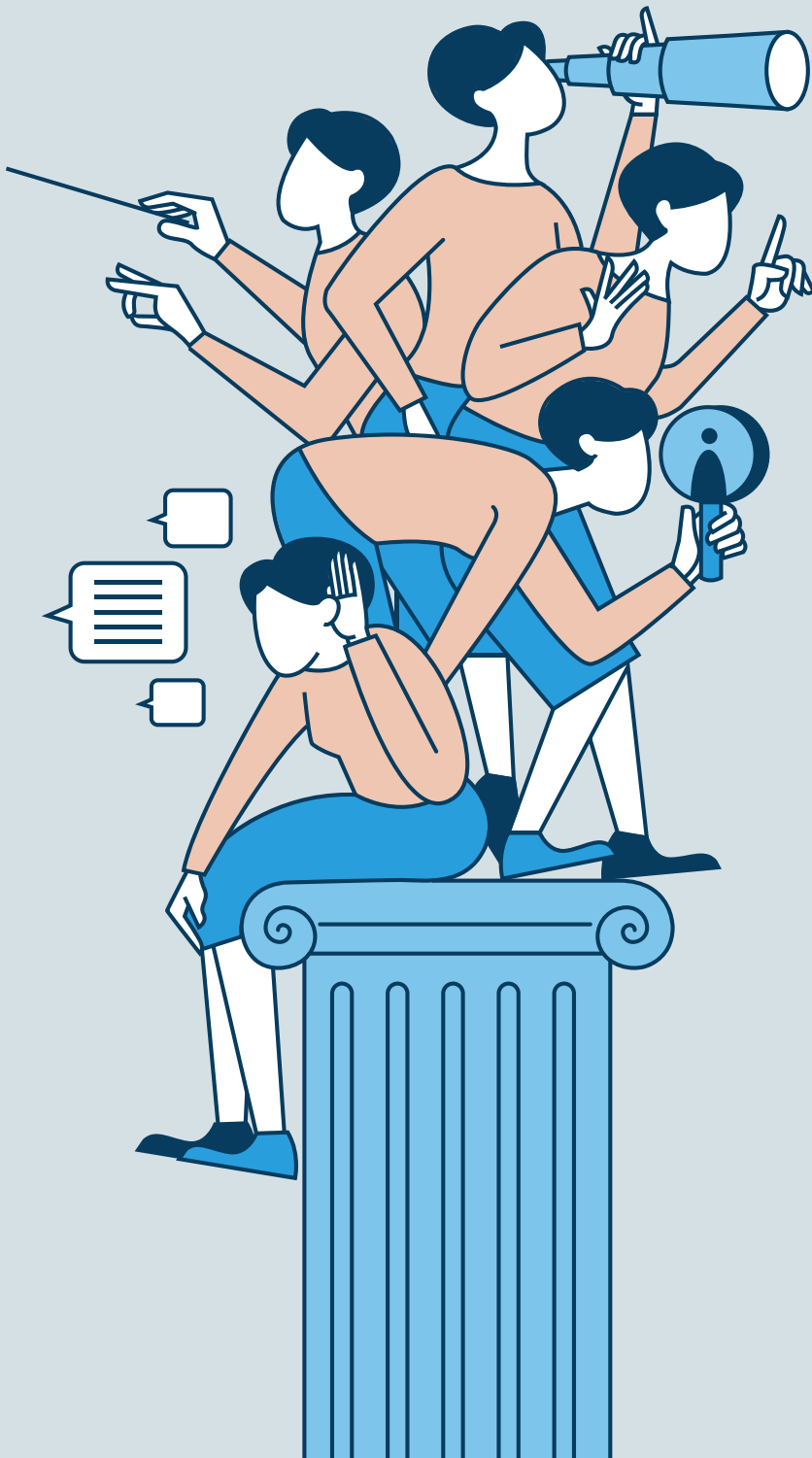
### Resourcing/talent

“A project manager (PM) is responsible for identifying gaps in the team and putting forward the business case for additional resourcing,” says Hilary Stephenson, managing director of user-experience design agency Sigma. “A general manager (GM) is responsible for looking at the overall team.” Darren Chapman, director at business consultants RedRock, adds: “The PM is more likely to think short term, being focused on what the project needs. The GM should have a longer-term view.”

### Financials/P&L

“A PM should be responsible for the project financials,” according to Ms Stephenson. Mr Chapman argues that it’s more nuanced. “PMs provide financial accounting from a project perspective, typically funded by a capital expenditure (CapEx) pot,” he says. “A GM has to balance operating expenses (OpEx) and the CapEx budget.” Nathan Baranowski, co-founder and director of technology consultants Ojo Solutions, says: “The skills are very different in these areas.”





On anticipatory skills, he says: “A great PM will anticipate and plan for the worst, while hoping for the best.” And finally: “The PM is in a position to be the first to see when things look off-track, and a good PM spots that. But a great PM goes further, and performs a vital function as the ‘conscience of the customer’. Always be willing to challenge the teams on whether the deliverable is solving the real-world problem identified of a customer, or staff, or other intended end-user.”

Another important question is: should a PM be appointed from outside the company for a transformation job? “Absolutely yes,” says Gary Ross-Simmonds, senior consultant on project and delivery management at cloud-first solutions organisation Amido. “In my experience, companies cannot always self-manage a transformation, so invariably an outside influence is sought.

Mr Ross-Simmonds adds: “Transformation comes with a different set of rules to business as usual. An outside influence with autonomy, and a clear set of objectives can help break the resistance to change. The best chance of success is using someone who has guided teams through a transformation before.”

Karlene Agard, senior risk and value consultant at Aravun, an organisation that specialises in improving outcomes for meg-projects (costing more than \$1 billion) using risk and value management, says businesses should be looking to the project management office (PMO) for the managers of the future.

The best will be able to manage the uncertainties of the economy, attrition and legislature by seeing their teams as delivery vehicles of a specific set of metrics.

“Projects drive significant change and meg-projects can substantially contribute to wider socioeconomic matters,” Ms Agard says. “As such, the PMO should contain not just the managers of the future, but the leaders of today.”

### Compliance

“A GM should ultimately be responsible for compliance as the PM forms part of the team that would be audited,” suggests Ms Stephenson. Mr Chapman believes compliance “is essential for both roles”, while Mr Baranowski says: “The role requirements are very different and I would say they are not comparable.”

### Productivity and performance

“The PM would ‘productivity manage’ individuals on what tasks they need to complete for the project,” says Mr Chapman. “Often for matrix-managed environments this may only represent a small fraction of an individual’s working week. The GM, conversely, is responsible for overall productivity and performance and needs to invest in aspects such as team motivation.”

### Enablement and training

“The PM would be focused upon the implementation requirement for their project to support full adoption,” says Mr Chapman. “The general manager would take a longer view of learning and development on what expertise he or she may need.” Mr Baranowski adds: “Delivering training programmes is a project and needs project management expertise.”

# PMOs turn to analytics to optimise performance

Cutting-edge data tools are key weapons in the project manager's arsenal, but the jury is out on when to use them

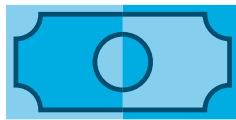
ALISON COLEMAN

**T**he best projects are delivered ahead of time and under budget and are categorised by their performance. If the result is also of a higher standard than required, so much the better.

Performance management helps a project manager track the progress of a project and make any necessary adjustments based on this information. It holds the project management team accountable and keeps the senior team informed.

However, projects are notoriously unpredictable, and dealing with this is a constant challenge for the project management office (PMO). In their efforts to streamline and maintain control of the process from deliverable to deadline, many project managers are turning to the latest technologies to boost their performance.

The project management profession is projected to hit a value of \$5.81 trillion by 2020, and global revenues for big data and business analytics are expected to reach \$187 billion by 2019, according to research from market intelligence firm IDC. So it's no surprise that project managers are using data analytics to boost performance management.



**\$187bn**

Predicted 2019 global revenues for big data and business analytics

IDC forecast

Few in the profession would argue that cutting-edge data analytics tools are considered key weapons in the arsenal of all project managers. Scott Burt, programme director at technology firm Telent Technology Services, with 20 years' experience in project management, agrees, but insists that managers first need to be well acquainted with the fundamentals of project management.

"Analytics can prepare managers for the inevitable changes and environmental factors that can send teams off course from the original scope of the project," he says. "But equally important is mastering the skills of people management, as this is where the reach of analytical methods ends."

If the project manager can direct the project into a stable delivery phase before data analytics are used, Mr Burt believes these tools will provide a more valuable contribution to the project.

"Having time to measure and monitor the environment, as well as the shifts and changes directly affecting the project, allows the process to provide data which is much more precise, project specific and beneficial," adds Mr Burt.

However, Val Jonas, chief executive of risk management specialist Risk Decisions, argues that the biggest improvements to project performance can be seen when analytical tools are embedded from the outset. She cites the scenario analysis that was used to evaluate the 'bridge versus submersed tunnel' options for the Fehmarnbelt link between Denmark and Germany, one of the biggest public infrastructure projects ever undertaken in Europe. The analysis was a key factor in the eventual decision to choose a tunnel rather than a bridge.

Ms Jonas says: "Too often projects utilise analytical tools to establish an initial price and schedule, to win the bid, or achieve internal business case approval, but then fail to deploy their full value throughout the project lifecycle. Forecasting likely problems well in advance gives you the time needed to successfully manage issues, rather than having to fire-fight your way to project success."

She also argues that when it comes to delivery, the best projects are the ones that complete under budget and early, but not necessarily to a higher standard than required.

"It's about achieving transformation and stakeholder benefits, through a culture of lean, driven by efficiencies," she says. "In fact, high performing project managers are expected to give back budget and resources to use on other initiatives within the organisation."



Today's PMOs have access to a wealth of technology tools, platforms and systems that can enhance project performance, by helping project managers to record, analyse and interrogate project data and ensure that all parties concerned can keep track of critical activities; essential to meeting budgets and deadlines.

Sam Addison, director in project and building consultancy at property firm Colliers International, says: "We've been hearing about IoT [the Internet of Things] for years and now it is finally being utilised in the architecture, construction and engineering sector. This can help project managers to review things like accuracy on cost, leading to establishing more effective capital plans; accuracy on timelines to minimise business impact; and on health and safety near misses to help drive down injury and harm. It also allows lessons to be learned in a structured way to drive continuous improvement."

In delivering enterprise change through IT project management, where change is driven throughout the organisation, project managers have to stay at the forefront of the evolving nature of the industry if they are to achieve optimum performance.

## “High performing project managers are expected to give back budget and resources to use on other initiatives

"Evidence demonstrates that enterprise change is most effectively achieved when a PMO is used and the projects that create the 'change' are delivered effectively," adds Ms Addison. "Successful projects build trust, support efficient planning, enable effective feedback loops and allow continuous improvement to be realised."

Of course, the data analytics and other technologies that can aid performance management are also subject to constant change themselves. Project managers who can adapt to evolving technologies and demonstrate a sound analytical knowledge and understanding of them will be better placed to deliver the best projects based on performance.

# How to manage a client's demands for change

'Scope creep in' is almost inevitable but having contingency measures in place helps project managers react quickly when new issues arise

---

ALISON COLEMAN

---

**P**rojects and change are inextricably linked, and to a certain extent project scope change – or scope creep – is almost to be expected. However, to deliver a project successfully, project managers need to deal with the challenge of requests for changes from internal stakeholders or external clients.

These can arise for a variety of reasons. They can be driven by the need to comply with new legislation; a change in business strategy due to competitive threats; updated technology, where the systems put in place at the beginning are out of date by the planned end; a lack

of resources, including people, cash or equipment; or the fact that a key stakeholder in the project simply changes their mind.

Eman Al-Hillawi, principal consultant at business change consultancy Entec Si, points out that the ability to manage change is an essential element of successful project delivery.

“While planning should always consider the potential risks anticipated, it is important to bear in mind that some degree of change is inevitable,” she says. “Putting the right contingency measures in place can provide project managers with much-needed agility, helping them to react quickly to any new issues that arise.”



# 52%

The proportion of projects completed in the past 12 months that experienced scope creep or uncontrolled changes to the project's scope

Project Management Institute 2018  
Pulse of the Profession survey

Failure to manage change can have serious implications for the project. According to the Project Management Institute's 2018 Pulse of the Profession survey, 52 per cent of the projects completed in the past 12 months experienced scope creep or uncontrolled changes to the project's scope. This is a significant increase from the 43 per cent reported five years ago.

When requests for changes are made, the project management team has to identify the scope of the changes and the benefits, or otherwise, of implementing them, factoring in any cost impact and the effect it could have on the agreed project delivery date. One of the issues is that stakeholders often request change without appreciating the value to the project or the potential impact.

Sorrel Gilbert, project manager and producer of the PM podcast, says: "When it comes to managing changes that have been requested, the most important step is to ensure that it is actually adding value. If you wouldn't have agreed to do it at the beginning of the project, don't be tricked into it."

Rather than considering project change requests in isolation, a more holistic approach, making a thorough impact assessment that takes into account any knock-on effect on people, processes, systems and infrastructure, can help avoid issues further down the line.

Where a number of projects and programmes are running simultaneously, putting in place a robust Project Portfolio Management Office (PPMO) can provide stakeholders with increased visibility, allowing interdependencies to be identified and driving intelligent prioritisation and decision-making. For example, identifying a delay to a particular project could present an opportunity to reallocate resources across the portfolio.

Ms Al-Hillawi says: "Making use of blended teams that encompass a broad range of specialisms and skill sets, for example pairing staff primarily responsible for administrative tasks with dedicated project managers, can also

provide the flexibility required to respond to unexpected developments or client requests."

Communication is key. Ensuring that stakeholders are fully informed about the inevitability of change and putting buffers in place, both financially and in terms of the project timeline, can help PPMOs react quickly and effectively to unforeseen changes without jeopardising successful project delivery.

Nevertheless, project management teams need a robust process for managing unplanned but desired influences on the project that will inevitably affect costs. Nigel Davies, founder of digital workplace Claromentis, points out that clients often don't know what the solution they need should look like, so an incremental approach, delivering only the most important features of the project first, can be the best line of action.

In the early days, he explains, Claromentis's first big customers had too much control over their software product development. He says: "It is hard to say no when customers that you're scared to lose insist they are right. They know how important they are to you."

Claromentis now manages and prioritises changes using agile methodologies, an iterative approach to managing software development projects that focuses on continuous releases and incorporating customer feedback with every iteration. This empowers clients to decide what they need next. Claromentis has also introduced an 'onboarding' budget, offering services on an hourly basis, which mitigates some of the cost risk associated with requests for changes to the project.

"Some clients would prefer an upfront cost for the end solution, and in those cases we try to predict the approximate costs and amount of effort required," says Mr Davies. "But this is less accurate and will not account for any last-minute changes, so we would always recommend agile first."

Change in project scope often happens for legitimate business reasons. Although project management teams should resist unnecessary changes, it is important to stay open to potential opportunities that could bring more value to the project and the organisation.

“It is hard to say no when customers that you're scared to lose insist they are right”

RACONTEUR