

EFFECTIVE PROJECT MANAGERS AND OTHER FACTORS CONTRIBUTING POSITIVELY TO PROJECT OUTCOME

Abstract: This paper aims to better understand what makes project managers effective and what factors contribute to a satisfactory project outcome. The paper, which is based on the results of a survey and third party research, concludes that project managers are first and foremost trustworthy and skilled communicators. Communication is a recurring theme as factors meant to enhance communication are seen as strongly contributing to a satisfactory project outcome. Divergence exists between Operators and Suppliers on the importance of project managers to be skilled negotiators and to be competitive.

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1. INTRODUCTION

The purpose of this paper is to shed some light on the character attributes and skills of effective project managers and to identify factors that make a positive contribution to a satisfactory project outcome. The paper is based on the results of a survey sent to stakeholders of the submarine cable industry and other third party research.

The survey was sent to a large sample of stakeholders with direct experience in the implementation of submarine cable projects. A total of 14 usable responses were received leading the author to use the data cautiously as the sample set is small.

2. RESULTS AND ANALYSIS

In the first question respondents were asked to rate, in order of importance, a set of 8 skills for project managers with 1 corresponding to the most valued skill and 8 the least valued relative to the others. The chosen set of skills included those typically expected in a project manager such as organisational skills and other

skills not necessarily associated with project managers such as negotiation and listening skills. The average result for each skill is shown in Table 1 below.

Skills set	Supplier	Operator
Organisation skills	3.7	3.9
Technical/engineering skills	4.7	4.7
Leadership skills	3.0	4.3
Interpersonal skills	6.8	6.7
Listening skills	4.3	5.6
Communication skills	2.3	3.5
Time management skills	5.7	5.0
Negotiating skills	2.5	5.5

Table 1: Average ranking for each skill

Both Supplier and Operator were more likely to rate communication skills as the most valued skill in a project manager. The fact that communication skills are valued is consistent with research on partnership [1] which concluded that communication was found to be one of the 8 elements of successful partnerships along with fairness and trust.

The author hypothesises that communication is particularly important in the context of a submarine cable project because of the requirement for teams of specialists to work cooperatively across various disciplines. More importantly, this finding points to a way for Suppliers to achieve higher customer satisfaction and profitability by enhancing the communication skills of their project managers through training.

Suppliers were almost as likely to value negotiating skill as much as communication skills. There are a number of potential explanations for this the first one being that project managers inherit projects which scope vary considerably from the time they are signed requiring them to negotiate variations or changes to the contract scope. A second potential explanation is that project managers are often faced with competing priorities from the various stakeholders and their role as arbitrator of last resort compels them to negotiate to achieve consensus. A third and less desirable interpretation is that Suppliers value project managers for their negotiation skills as a way to enhance margin when faced with contract variations.

As a project manager working for a Supplier at the beginning of his career and now as a consultant representing Operators the author has had direct experience of negotiating contract variations. As a result of his previous role as a project manager the author is well aware of the ‘temptation’ to price contract variations towards the high end of the scale. As one now representing the Operator the author has been at the receiving end when project managers take the captive-customer advantage too far leaving the Operator with the impression that he has been unfairly treated. Such attitude negatively impacts the relationship between the parties creating a dynamic governed far too

much by the ‘rapport de force’ between the parties rather than principles of fairness and trust which are the foundation of long lasting business relationship [2]. The author also notes that Operators have also at times made liberal use of their position of strength thereby contributing to an environment where such behaviour is the norm.

Operators in general tend to rate negotiating skills as a less desirable skill for the project manager. The author hypothesises that, from an Operator’s point of view, the contract should leave minimal scope for negotiation. As such it is not required for project managers to be particularly skilled in the art of negotiation.

Other soft skills such as listening skills and interpersonal skills tended to be comparatively less valued in project managers by both Operators and Suppliers. The way the question was presented dictated that some of the above skills would have to be rated last. It would be wrong to conclude, as some respondents have pointed out, that those skills are unimportant.

In the second question respondents were asked to rate 8 items as contributing factors to a satisfactory project outcome. A rating of (1) corresponded to having a positive contribution to a satisfactory outcome, (2) a neutral contribution, and (3) or a negative contribution. Table 2 below shows the average score for each contributing factor.

Contributing Factors	Sup	Op
Friendship between Purchaser and Supplier representatives	1.2	1.5
Project teams in close proximity or in the same time zone	1.7	1.6
Regular (monthly or bi monthly) face to face project meeting	1.0	1.4
Regular (weekly or bi weekly) conference calls	1.5	1.3
Single point of contacts (1 for Supplier and 1 for purchaser) for all project matters	2.5	1.1
Overall Project Manager with	2.2	1.7

complete authority over technical and commercial matters		
Recording and approval of minutes for each project meeting	1.0	1.5
Members of the sale team continuing as project team members	1.8	1.8

Table 2: Average score for each contributing factor

With the exception of 2 all other factors were regarded as making a positive contribution to a project outcome.

Consistent with the results of the first question communication remains a key aspect. In general regular meetings (either by weekly conference calls or face to face encounter) are seen as having a positive contribution to a project outcome. Both groups also agree that recording of minutes during meeting has a positive contribution with the Suppliers being strongly in favour of such practice.

Friendship between the respective teams is also seen as having a positive contribution to a project outcome. On this particular question some Operators were concerned that friendship was not completely appropriate and that a good relationship was in itself sufficient. Some also have mentioned that respect for the other party was perhaps more important/relevant than friendship itself. In the experience of the author friendship is a very positive contributing factor to project outcome as it tends to facilitate communication and create an atmosphere that fosters cooperation.

An area of significant divergence is the requirement to have a single point of contact for all project matters. Operators almost unanimously believe that this positively contributes to project success whilst Suppliers tend to believe that the contribution is somewhere between negative and neutral. The author believes that the contribution of this particular factor is open for debate and that the

different responses may be consistent with the need of each party.

From the point of view of the Supplier there is a need to obtain timely information and decisions from various stakeholders in the Operator's team. Final approvals on the RPL, shore end protection, test results, training date, contract variation, etc, may ultimately be made by different staff in the Operator's team. The requirement to go through a single point of contact to obtain such approvals tends to delay the decision process which is an added burden to the already complex task of delivering the system. Suppliers are also liable to liquidated damages as a result of delays thereby making them all the more sensitive to delays in the decision process.

In the context of system implementation the task of the Operator, being that of an overseer, is far less complex than that of the Suppliers, typically resulting in a smaller team on the Operator side. The Operator's counterpart to the project manager may, as a result of being faced with fewer tasks, value control more than the speed of decision making. Whilst Operators are also under significant pressure to deliver projects on time they are not always risking direct financial penalties hence perhaps a higher tolerance for a longer decision making process. The author is aware that Operators may at times be subject to direct financial cost as a result of financing arrangements and/or the loss or potential revenues.

In general the author believes that having a single point of contact for all project matters is detrimental to project outcome as it slows down the flow of information potentially lengthening the decision process. The author favours a flatter structure where experts from Suppliers and Operators are encouraged to correspond directly with each other referring and communicating matters with wider impact to the rest of the team. This approach

frees the project manager from an unnecessary burden, reduces the temptation to micro manage the project and enables him or her to play the dual role of main customer interface and team manager more effectively.

In the third question the respondents were asked to think of the 3 most effective project managers they knew and rate them for character attributes. Table 3 shows the averages of all results with 1 corresponding to a very prominent attribute as in very 'assertive', 2 to a moderately prominent one, and 3 to a mildly prominent as in mildly 'assertive'.

Character Attributes	Supplier	Operator
Assertive	1.6	1.3
Cooperative	1.3	1.9
Creative	1.2	1.8
Determined	1.4	1.6
Flexible	1.8	2.1
Friendly	1.8	1.9
Honest	1.5	1.3
Patient	2.0	2.3
Perseverant	1.3	1.3
Tactful	1.8	2.1
Trustworthy	1.2	1.3
Competitive	1.2	1.9

Table 3: Average score for each character attribute

With the exception of competitive, cooperative, and creative both Operators and Suppliers tended to be in broad agreement about the character attributes of effective project managers. Trustworthiness and perseverance were rated as being dominant traits in the most effective project managers. There is also broad agreement that the most effective project managers only tended to be moderately patient and flexible. The results on trustworthiness are consistent with research done on partnership by Rodd

Wagner and Gale Muller of the Gallup organisation [3]: "In a good collaboration, 58% of partners strongly agree that they trust each other, and another 29% score the statement a 4 on a 1-to-5 scale. In a poor partnership, less than 3% strongly agree they trust each other, while 50% strongly disagree. Trust is the linchpin of a partnership." The same research also suggests a way forward for project managers by concluding: "In the end, the degree to which you succeed in forming trusting partnerships is less a reflection of how much people trust you than how much you trust them -- less a reflection of their trustworthiness than of your own".

The most divergent results were on the character attribute of competitiveness. Suppliers believed that effective project managers were somewhat very competitive whilst Operators believed that effective project managers were more likely to be moderately competitive. The author is of the opinion that being very competitive can be detrimental in the context of project implementation because competitions tend to create win-lose outcomes. It is the view of the author that being achievement-oriented is more important than being competitive in the context of a project implementation as there is simply nothing to be gained in seeking win-lose outcomes. On the other hand the project manager must have the drive to tirelessly meet deadlines and solve problems; both signs of achievement-oriented personalities. Suppliers regarded cooperation as a very prominent attribute on par with competitiveness, providing a counterweight to the competitive instinct and perhaps lending credence to the hypothesis that the term "achievement-oriented personality" is a better way to describe effective project managers.

On this point the research [4] seems to side with the view of the Operators on the issue

of competitiveness: "But in a Tit for Tat world, where most people return good for good and bad for bad, the world you inhabit is the world you make... When you exhibit trust, you will most often find trustworthiness. When you are selfish, you will most often find selfishness. When you compete, others must resort to competition. If you choose to play the game strictly for your own advantage, your attempts at collaboration will indeed be solitary, poor, nasty, brutish, and short."

3. CONCLUSION

The paper has shed light on the soft skills and character attributes most valued in Project Managers. There is unanimous agreement that effective project managers have very good communication skills pointing to a way for Suppliers to enhance delivery through training of their project managers. This finding is consistent with the fact that both Operators and Suppliers regard communication tools such as regular project meetings/conference calls and recording of minutes as strongly contributing to a successful project outcome. An area of significant difference exists on the need to have a single point of contact for all project matters. Suppliers tend to believe that such practice does not contribute positively to a successful project outcome whilst Operators tend to favour such practice. The author hypothesises that Suppliers have a greater need and incentive for fast decision making as a result of their direct exposure to liquidated damages and the complexity of the tasks at hand. Operators, on the other hand, may be putting a premium on control rather than fast decision making because they are not exposed (in general) to direct financial penalties as a result of a project delay. Both Operators and Suppliers agree that bonds of friendship between the respective teams contribute positively to a project outcome.

With respect to character attributes significant differences between Operators

and Suppliers were found on the value of being competitive as a project manager. The author hypothesises that contrary to the view of the Suppliers a competitive attitude is not conducive to successful project outcomes as it fosters win-lose outcome. There is a strong consensus that trustworthiness is a dominant character attribute of effective project managers.

4. REFERENCES

- [1] Rodd Wagner and Gale Muller, Whom do you trust?, Article adapted from: Power of 2: How to Make the Most of Your Partnerships at Work and in Life, Gallup Management Journal, 29 October 2009.
- [2] Ibid
- [3] Ibid
- [4] Ibid