



Project Management – Case Study # 2

PROJECT MANAGEMENT METHODOLOGIES

As companies approach some degree of maturity in project management, it becomes readily apparent to all that some sort of standardization approach is necessary for the way that projects are managed. The ideal solution might be to have a singular methodology for all projects, whether they are for new product development, information systems, or client services. Some organizations may find it necessary to maintain more than one methodology, however, such as one methodology for information systems and a second methodology for new product development.

The implementation and acceptance of a project management methodology can be difficult if the organization's culture provides a great deal of resistance toward the change. Strong executive leadership may be necessary such that the barriers to change can be overcome quickly. These barriers can exist at all levels of management as well as at the worker level. The changes may require that workers give up their comfort zones and seek out new social groups.

Clark Faucet Company

BACKGROUND

By 2010, Clark Faucet company had grown into the third largest supplier of faucets for both commercial and home use. Competition was fierce. Consumers would evaluate faucets on artistic design and quality. Each faucet had to be available in at least 25 different colours. Commercial buyers seemed more interested in the cost than the average consumer, who viewed the faucet as an object of art, irrespective of price.

Clark Faucet company did not spend a great deal of money advertising on the radio, television, or Internet. Some money was allocated for ads in professional journals. Most of Clark's advertising and marketing funds were allocated to the two semi-annual home and garden trade shows and the annual builders' trade show.

One large builder could purchase more than 5,000 components for the furnishing of one newly constructed hotel or one apartment complex. Missing an opportunity to display the new products at these trade shows could easily result in a six- to 12-month window of lost revenue.



CULTURE

Clark Faucet had a noncooperative culture. Marketing and engineering would never talk to one another. engineering wanted the freedom to design new products, whereas marketing wanted final approval to make sure that what was designed could be sold.

The conflict between marketing and engineering became so fierce that early attempts to implement project management failed. nobody wanted to be the project manager.

Functional team members refused to attend team meetings and spent most of their time working on their own pet projects rather than on the required work. Their line managers also showed little interest in supporting project management.

Project management became so disliked that the procurement manager refused to assign any of his employees to project teams. Instead, he mandated that all project work come through him. He eventually built a virtual brick wall around his employees. He claimed that this would protect them from the continuous conflicts between engineering and marketing.

THE EXECUTIVE DECISION

The executive council mandated that another attempt to implement good project management practices must occur quickly. Project management would be needed not only for new product development but also for specialty products and enhancements. The vice presidents for marketing and engineering reluctantly agreed to try to patch up their differences but did not appear confident that any changes would take place.

Strange as it may seem, no one could identify the initial cause of the conflicts or how the trouble actually began. Senior management hired an external consultant to identify the problems, provide recommendations and alternatives, and act as a mediator. The consultant's process would have to begin with interviews.

ENGINEERING INTERVIEWS

The following comments were made during engineering interviews:

- "We are loaded down with work. If marketing would stay out of engineering, we could get our job done."
- "Marketing doesn't understand that there's more work for us to do other than just new product development."
- "Marketing personnel should spend their time at the country club and in bar rooms. This will allow us in engineering to finish our work uninterrupted!"
- "Marketing expects everyone in engineering to stop what they are doing in order to put out marketing fires. I believe that most of the time the problem is that marketing



doesn't know what they want up front. This leads to change after change. Why can't we get a good definition at the beginning of each project?"

MARKETING INTERVIEWS

These comments were made during marketing interviews:

- "Our livelihood rests on income generated from trade shows. Since new product development is four to six months in duration, we have to beat up on engineering to make sure that our marketing schedules are met. Why can't engineering understand the importance of these trade shows?"
- "Because of the time required to develop new products [four–six months], we sometimes have to rush into projects without having a good definition of what is required. When a customer at a trade show gives us an idea for a new product, we rush to get the project under way for introduction at the next trade show. We then go back to the customer and ask for more clarification and/or specifications. Sometimes we must work with the customer for months to get the information we need. I know that this is a problem for engineering, but it cannot be helped."

The consultant wrestled with the comments but was still somewhat perplexed. "Why doesn't engineering understand marketing's problems?" pondered the consultant. In a follow-up interview with an engineering manager, the following comment was made: "We are currently working on 375 different projects in engineering, and that includes those that marketing requested. Why can't marketing understand our problems?"

QUESTIONS

1. What is the critical issue?
2. What can be done about it?
3. Can excellence in project management still be achieved and, if so, how? What steps would you recommend?
4. given the current noncooperative culture, how long will it take to achieve a good cooperative project management culture and even excellence?
5. What obstacles exist in getting marketing and engineering to agree to a single methodology for project management?
6. What might happen if benchmarking studies indicate that either marketing or engineering are at fault?
7. Should a single methodology for project management have a process for the prioritization of projects, or should some committee external to the methodology accomplish this?

