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ALIGNMENT

The Key to Addressing Conflict in Front End Planning

WHITE PAPER



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Introduction

Have you ever been involved in a project where your team seems to be in constant conflict? Every decision is a struggle as team members push their own individual viewpoints. The level of conflict slows everything down.

Addressing this conflict is best achieved through leadership commitment by nurturing and facilitating alignment - starting in the front end planning phase of every project.

Barriers to Team Alignment

The idea of alignment is simple enough. In the project management context, alignment means ensuring the project team is working to a common set of project objectives. Because of the complexity of the conflicts and barriers project teams face, achieving alignment is often very difficult.

Cooperation among specialists

Today's industrial capital projects are highly reliant on specialists. Capital project investments are often built on a business case that includes adoption of technological innovations. This requires a careful balancing act during front end planning, as a specialist can quickly head down a narrow path that lacks coordination with other team members. Focusing on alignment helps ensure that all individuals are represented and given the opportunity to contribute their knowledge for the benefit of the team.

Multiple stakeholder groups

Complex relationships including joint ventures and public-private partnerships (P3) increase the likelihood of conflicting stakeholder objectives for the same project. To realize the value of these partnerships, we must focus on achieving alignment and gaining each stakeholder group's commitment to overall project objectives as early as possible in front end planning.

Decentralized decision-making

Project teams are often formed with groups located in geographically dispersed locations. In an integrated project team environment, team members may work for the owner, a design/engineering firm, a contractor or a consulting organization. The result is that many dispersed team members will make critical decisions every day. A strong focus on alignment will help avoid conflicting decisions - the classic "one step forward, two steps back".

Compressed project schedules

Required completion dates are usually driven by external factors that are outside of the project team's control. Pressure to reduce the time to value of a capital investment leads to decisions such as overlapping project phases, concurrent engineering, and other innovative approaches to crash the schedule. Ensuring the team is well aligned and focused on a common set of goals will help avoid any deviation off course.

Gaining & Maintaining Alignment

Achieving team alignment requires developing clearly understood objectives among all team members and gaining commitment to work toward those goals.

There are four key areas that are proven to help gain and maintain team alignment:

- Establish a culture that supports your environment
- Utilize standardized work processes
- Communicate project priorities
- Use project planning tools

1. Establish a culture that supports your environment

Establishing a culture that supports your environment is driven by three closely linked factors.

- **Effective Leadership.** Identify a project leader skilled in front end planning and fully support your leader in all interactions with stakeholder groups. Your leader must have both the responsibility for delivering results and the authority to take action.
 - Provide training and skills development in your front end planning process for project leaders to ensure they can effectively lead their project team in:
 - Identifying and communicating business objectives for a project.
 - Establishing project goals that align with the business objectives.
 - Developing a well-defined scope of work and execution approach.



- **Effective Communication.** Focus on establishing open and effective communication between all team members. This is especially important given the iterative nature of the planning process, the large number of stakeholders involved, and the number of significant decisions that must be made.

Depending on your environment and how disbursed your team is, you may consider:

- Utilizing advanced communication methods including video conferencing for team meetings and video chats between team members.
- Leveraging communication applications that help connect virtual team members including email newsletters, team collaboration sites, and social collaboration tools.
- Providing training in effective communication skills that addresses how to properly leverage email, instant messaging, text messages and video chat in a manner that avoids creating misinterpretation and conflict.
- Trust & Honesty. A culture that fosters trust and honesty is critical to team alignment. Ideally this starts right from your kick-off meeting where you have your first opportunity to establish a positive tone for the team. The project sponsor and project leader can lead by example by providing the team with honest and straightforward information on the business drivers for the project, the economic basis, priorities and required timeline.

2. Utilize standardized work processes

There are four key work processes that are proven to have the greatest impact on alignment.

Front end planning process

A well aligned project team needs a clearly defined front end planning process that they are expected to follow. This includes detailed activities for each stage (feasibility, concept and detailed scope) and expectations for each gate review (gate owner, inputs, deliverables, gate decisions).

Figure 1 below shows a typical front end planning process map. This example includes four gate reviews (0 - 3) that each project must complete as part of the front end planning process.

Sufficient budget, schedule and resources must also be committed to accomplish the tasks and objectives outlined in the process. This level of clarity helps each team member understand their role and increases their confidence and enthusiasm.



Figure 1. Example of Front End Planning Process Map

Multiple stakeholder groups

Stakeholder engagement doesn't happen automatically. It requires a very purposeful effort by the project leader and sponsor to evaluate the project, identify project stakeholder groups and select individuals at the right level of the organization to join the project team.

Figure 2 below provides an example of typical stakeholder groups in industrial capital projects.

Key stakeholders can be grouped into:

1. The Core Team who have the most interest in project success
2. Additional stakeholders who need to be represented, but can be consulted as required



Figure 2. Example of Stakeholder Groups & Representation

Reward & recognition system

The project sponsor needs to provide a reward and recognition system that supports overall project objectives. It should be inclusive of everyone on the team - both internal groups and outside contractors. A reward system for the front end planning team should focus on encouraging behaviours that focus everyone on common project objectives and priorities. Ideally, the reward and recognition system will also tie some amount of reward to the ultimate project outcome and avoid shortsighted decision-making.



Team meeting framework

Project leaders need to conduct frequent team meetings that are both productive for sharing updates and engaging their team. Meetings are where the real teamwork happens. Yet sadly, many team members will start the project with a jaded view of meetings being unavoidable, painful and unproductive.

Timely and productive team meetings significantly affect alignment by improving communications, giving all team members a chance to contribute to the plan, and developing a collaborative environment for making decisions and problem solving.

Establish a team meeting framework that outlines effective meeting practices to follow:

- Define distinct types of meetings with specific context and purpose (e.g. daily check-ins, weekly tactical, monthly team update and project readiness reviews)
- Provide an agenda appropriate to the meeting type
- Review open action items
- Promote honest and open discussion on issues
- Take and distribute meeting minutes
- Practice good time management
- Assign action items
- Set up the next meeting time and location at close

How effective are the meetings
in your project organization?

3. Communicate project priorities

Ensure the project sponsor communicates clear priority between decision elements. Some of the most common decision elements include cost, schedule, quality, safety and security. Communicating clear project priorities empowers team members to make more uniform and appropriate decisions.

Project leaders frequently face resistance from their project sponsor to rank these decision elements. Additional steps may need to be taken by the core team to establish project priorities. Effective techniques include:

- Sensitivity analysis. Simulate changes in variables to measure the effect that change has on project viability. This serves to more clearly identifying the elements with the most impact (highest priority).
- Key stakeholder involvement. Involve the core team in developing details around these decision elements and gain consensus on project priorities, with the support of the project sponsor.

Is your team fully aligned on project priorities?

- Cost
- Schedule
- Quality
- Safety
- Security

4. Use project planning tools

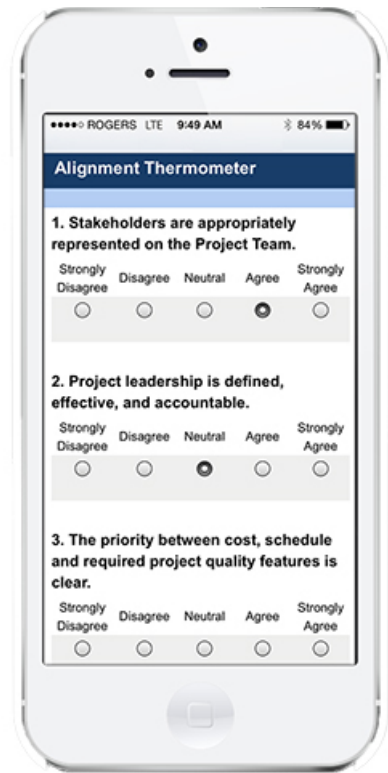
Selecting your project planning tools is an opportunity to empower your team with tools that fully support your planning process, as well as engage the entire team and increase alignment. Key planning tools to implement include:

Alignment Survey

The Alignment Thermometer is a diagnostic tool developed by the Construction Industry Institute (CII). It is used periodically throughout front end planning to measure project team alignment, identify areas needing focus, and help communicate team progress toward alignment.

Front End Planning Process Map

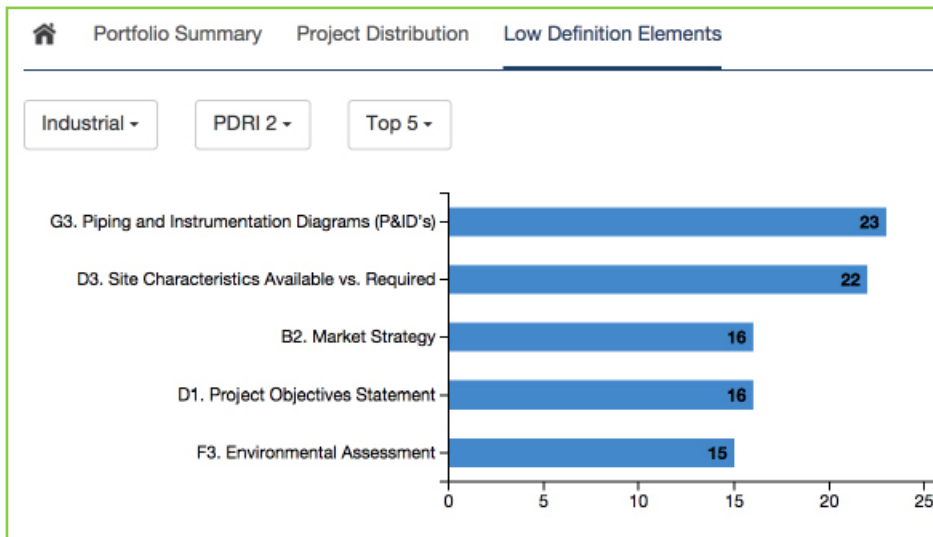
Your front end planning process map should be easily accessible to the integrated project team (both internal groups and outside contractors) and clearly communicate expectations of each stage and gate review in your front end planning process.



Alignment Thermometer survey

Scope Definition Checklists

The Project Definition Rating Index (PDRI) is a weighted checklist of critical scope definition elements. It has been refined over the past 20 years through research by CII on over \$96 billion in capital projects. Through a facilitated project readiness review, using PDRI enables the project team to collectively determine their current progress on scope definition. It is used during the feasibility, concept and detailed scope development stages of a capital project. PDRI tools are available to address scope definition for industrial, infrastructure and building projects.



The PDRI process allows a project team to objectively identify low definition elements and align on follow-up action items and scope definition priorities.



As your team reaches a new gate or adds new members, check your alignment and take action to keep the entire team aligned with project and business objectives.

SECTION I - BASIS OF PROJECT DECISION

A. MANUFACTURING OBJECTIVES CRITERIA

B. BUSINESS OBJECTIVES

C. BASIC DATA RESEARCH & DEVELOPMENT

D. PROJECT SCOPE

E. VALUE ENGINEERING

SECTION II - BASIS OF DESIGN

SECTION III - EXECUTION APPROACH

Leveraging PDRI for Alignment Purposes

PDRI is an ideal alignment tool to ensure that both the owner and contractor stakeholders agree on the purpose and scope of a project. The first section of the PDRI is entirely dedicated to reviewing the basis of project decision.

The Basis of Project Decision section allows the PDRI facilitator to easily stimulate discussion on manufacturing and business objectives and ensure the project team is on a productive path and working to a common set of project objectives.

Summary

Team alignment is critical to executing a successful project. Leadership commitment to nurturing and facilitating alignment starts in front end planning. Key considerations for gaining and maintaining team alignment during front end planning include:

- Establish a culture that supports your environment
- Utilize standardized work processes
- Communicate project priorities
- Use project planning tools

As the project team grows and progresses through the project lifecycle, team dynamics will change and new conflicts will arise. Project leaders must continue their commitment to maintaining team alignment throughout the entire project life cycle.

References

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3. "Death by Meeting: A Leadership Fable About Solving the Most Painful Problem in Business," Patrick Lencioni, 2004.



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Valency provides project readiness solutions to reduce risk for organizations managing a large portfolio of capital projects.

We are a Registered Education Provider (REP) with the Construction Industry Institute (CII), specializing in training and education on front end planning, risk management and team alignment.