6 COVER STORY

Off To A Flying Start

Manage India examines how project management helped Bengaluru International Airport Limited (BIAL) to stay on the right track and deliver on time despite plan changes

An interview with Steven L. Fahrenkrog, PMP, Vice President, Regional Development, PMI

P4

By Invitation: Vishal Bali, CEO, Wockhardt Hospitals on how a successful hospital project involves much more than a good architectural plan

Contents

Bengaluru International Airport Limited: Off To A flying Start

Bangalore's new airport is a project management marvel. *Manage India* examines how in spite of large-scale scope increase, this mammoth project kept its deadline of 33 months.

Welcome Letter From
Managing Director, PMI India

Dear Reader,

It gives me immense pleasure to present *Manage India,* an e-magazine from Project Management Institute (PMI), India. *Manage India,* a bi-monthly, will provide a window to project management in the country. It will feature large projects, columns and interviews by industry captains and proponents of project management, a roundup of events organized by the different PMI chapters, besides other news articles and features.

PMI inaugurated its India office earlier in the year. We have a clear and well-defined program designed to address the requirements of organizations (corporate entities), academia and the government. This e-magazine takes our focused initiative to the next level.

The demand for skilled project management professionals continues to rise as the number of projects across industries swells. In keeping with PMI objectives globally, PMI India is partnering with industry to enhance the competitive skills of its talent pool. PMI India's role is crucial because in spite of a huge demand for skilled professionals, the percentage of those with formal, recognized training in project management is negligible. The IT industry has taken the lead in project management in India and now it is time for other industries to adopt it. This e-magazine will espouse the cause of project management across industries and sectors.

Despite the turmoil in global financial markets, we are witnessing growth across various sectors of the Indian economy. Industry is investing in new projects as well as upgrading existing facilities. The government is building expectations with better infrastructure. The time is right to bring in better principles and methodologies in managing projects across sectors. PMI India will focus on several sectors, including infrastructure-building and construction industry, the government, manufacturing, etc. We believe *Manage India* will serve the purpose of spreading the word about project management success stories in India and in turn, popularize it across these sectors.

I hope you enjoy reading this issue. I invite readers to give us feedback at pmi.india@pmi.org and contribute articles for *Manage India*.

2008 has been exciting for us at PMI India. We enter this year with a sense of fulfillment and look forward to the months ahead with renewed vigor. Happy New Year.

Regards

Raj Kalady
Managing Director, India

Raj Kalady
Managing Director, PMI India

BY INVITATION: VISHAL BALI, CEO, WOCKHARDT HOSPITALS GROUP

PM Lessons From A Hospital Project

Corporate hospitals in India are on a par with centers of medical excellence around the world. They have revolutionized healthcare delivery in the country. These hospitals are committed to quality care through clinical excellence, advanced medical technology and a caring environment. The hospital infrastructure today is designed and built keeping these basic parameters in mind. Project management is crucial for a hospital project if it has to adhere to the set goals and objectives through the stages of planning, designing, execution and, later, maintenance.

A hospital should provide the best of care in an environment that is safe, secured and pleasant. When we started to build the Wockhardt Hospitals Bannerghatta Road Project four years ago, our main objective was to give India a center of medical excellence.

The hospital would be easily accessible, high on patient convenience and comfort, and focus on five key specialities. These specialities are cardiology/cardiac surgery, bone and joint care (orthopedics), brain and spine care (neuro), minimal access surgery and woman-care. The design of the facility has to give expression to these broad objectives. We achieved what we had planned because of efficient project management at the various stages of planning and execution.

One of the biggest challenges that a hospital project in an urban center faces today is the availability of land. The first challenge for us was to find an ideal site to build the hospital that would later become a prominent address in the medical map of the region. After six to eight months, we found a site on Bannerghatta Road, opposite Indian Institute of Management (IIM) Bangalore. It was big enough to accommodate a hospital of this size — two and half lakh square feet over seven floors and 500 beds (after the second phase).

Four years ago when we began, many people told us we were making a mistake because the area was inaccessible. Bannerghatta Road was in a terrible condition and traffic was nightmarish. But we decided to take the risk as the plot gave us a good view on all sides. The frontal view of IIM Bangalore ensured no possibility of concrete structures blocking the face of the hospital. Today, South Bangalore has grown like we had estimated.

Designing a hospital involves much more than creating a feel-good space. Here, too project management plays a crucial role. A hospital design must keep in mind quality of services, infection control, adjacency of various clinical functions, ease of use of the facility and safety and security of patients. At Wockhardt Hospitals, we have a team dedicated to projects led by our President, Projects, Abbas Master. Having an inhouse strength in project management in constructing hospitals is a huge plus. We have so far built 15 hospitals in India.

Let me illustrate the kind of planning that goes into designing a hospital. Rather than having all the Out Patient Departments (OPDs) on one floor, we have the ortho and neuro OPDs on the ground floor close to the emergency and imaging. These departments require X ray/CT Scan/MRI regularly. The cardiac OPD is on the third floor near the cath labs and Intensive Cardiac Care Units (ICCUs). The corridors are wide enough to allow two stretchers to pass by at the same time. The granite flooring in the wards is polished only to a particular level to avoid slippery surfaces. The Operation Theaters (OTs) and Intensive Care Units (ICUs) have laminar flow system of air cycle changes which ensures that fresh air is circulated every 60 seconds. This creates a highly sterile environment

> **"Designing a hospital involves much more than creating a feel good space."**

Vishal Bali
CEO, Wockhardt Hospitals Group

for infection control. For power backup and IT infrastructure, we have to create several layers of redundancy. For patient safety, access control is crucial. It is particularly so in India where relatives increase the movement of people in the hospital.

Designing a hospital is a science in itself, which involves taking inputs from several quarters and hence, requires huge coordination between departments. It involves taking along the expectations of clinicians, patients, their relatives and hospital administration. The infrastructure has to be scalable. Above all, a hospital is probably the only place after the Pentagon that never sleeps.

Key project management strategies, like maintaining focus on ultimate project goals throughout the stages, allowing for project iterations, team-work and keeping the deadline, are crucial. We saw all these factors play out during our state-of-the-art Bannerghatta Road Hospital Project. We achieved what we wanted within just 16 months because of our clear focus on project management.

> " I was new to project management and looking for ways to network. Somebody suggested I go to a PMI chapter meeting. Little did I know that my conversation there would result in my career taking off. "

Good things happen when you get involved with PMI.

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Project Management Institute

Albert Brunner, with BIAL officials, gets ready to welcome passengers of the first flight landing at the airport.

COVER STORY

Off To A Flying Start

Manage India examines how project management helps
Bangalore's BIAL project to stay on track and deliver on time despite plan changes

When Bengaluru International Airport Limited (BIAL) started operations on the midnight of May 24, 2008, Bangaloreans heaved a sigh of relief. They were relieved that the international airport project had finally reached its destination after taking numerous twists and turns. Also relieved were the teams who worked day and night to meet the steep deadline in the wake of massive project scope increase. The greenfield airport, situated 40 km north of Bangalore's central business district, saw approximately 75 percent increase in project scope. The sharp increase in scope during the project execution phase was the result of a renewed estimate of air traffic, from 8.5 million passengers per annum to 11 million passengers per annum. In spite of these changes, construction of the airport was completed within the set timeline of 33 months. Considering the scale of

the project, it was an exercise that is a project management nightmare as well as fascination.

The project dynamics
BIAL is spread over 4,000 acres. It holds an investment of Rs. 2,470 crore. The airport has the capacity to handle 11 million passengers now and up to 50 million in the future. It has a runway 4,000 meters long, has 42 aircraft stands and eight passenger boarding bridges, including one double arm aerobridge. BIAL has a four-lane main access road, a central access road, a secondary access road and an airside service road. The parking can accommodate around 2,000 cars. On the first day, the airport handled 172 arrivals and 169 departures.
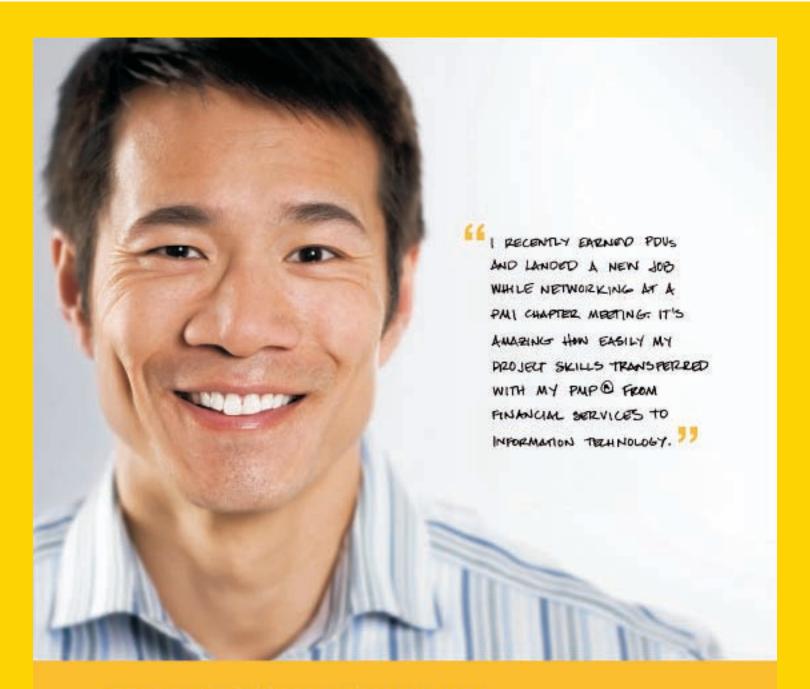
It is the first airport to be owned and operated by the private sector in India. Private promoters hold a 74% stake in BIAL, while the state holds

the remaining 26%. It is one of the largest projects executed in India under the Public-Private Partnership (PPP) model.

It took almost a decade from the time of land allocation to the start of construction. The project went through 75 percent increase in scope during the execution phase.

> **"***Only a year post the commencement of construction, the terminal building and other supporting infrastructure went through expansion plans to accommodate the sudden increase in passenger traffic.***"**
>
> *Albert Brunner,*
> *CEO, BIAL*

"I RECENTLY EARNED PDUs AND LANDED A NEW JOB WHILE NETWORKING AT A PMI CHAPTER MEETING. IT'S AMAZING HOW EASILY MY PROJECT SKILLS TRANSFERRED WITH MY PMP® FROM FINANCIAL SERVICES TO INFORMATION TECHNOLOGY."

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Project Management Institute

Construction took 33 months. As many as 600 people worked on the site seven days a week to achieve this feat. The three main players for construction of the airport facilities were Siemens, Zurich Airport and Larsen & Toubro (L&T).

The project management challenges faced by BIAL

Bangalore's journey from the HAL Airport, a facility of meager means, to the spanking new world-class airport was replete with roadblocks and route diversions. The BIAL project threw up some typical project management challenges – to achieve cohesion among the various stakeholders; remain focused on original project goals in spite of iterations; resolution of conflicts among the various stakeholders and the teams; and to honor the final project timelines in spite of delays at various stages. And probably most importantly, the city of Bangalore, both its common people and the political class, had invested in BIAL years of dreams and aspirations. BIAL would give this city, which is struggling with crumbling infrastructure and a loss of faith in its administration, a reason to feel proud. BIAL had to live up to the expectations of many. Albert Brunner, CEO, BIAL said, "It took almost a decade from the stage of land allocation and acquisition, to the signing of the shareholder agreements in January 2002, and finally the start of construction. At the time BIAL had to negotiate

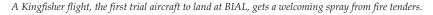| *Major Changes In Project Scope (Source: L&T)*		
Area/work	**Original scope**	**Final scope**
Engineering	Design and engineering to be carried out considering traffic flow of 8.5 million passengers per annum	Design and engineering to be carried out considering traffic flow of 11 million passengers per annum
Passenger terminal building	Building size – 168m X 144m (7 bays)	Building size – 216m X 144m (9 bays)
Taxiway	2 km of parallel taxiway	4 km of parallel taxiway
Apron	13 code 'E' aircraft stands	42 code 'E' aircraft stands

the legal framework, the Government of India had already planned to privatize other airports. BIAL, being the first private airport, had to set the right precedents for the other private airports and, therefore, all agreements falling within the purview of the legal framework had to be finalized carefully. Almost three and half years went in these negotiations."

Project management challenges are probably higher in a country like India, where the bureaucracy operates at its own pace. The BIAL project saw an unprecedented legal framework, coping with huge time pressures and recruiting and training personnel from a large talent pool with limited experience in airport management.

Manage India spoke to L&T's Engineering Construction & Contracts (ECC) division that handled the new airport construction to understand the challenges that

construction companies face in large projects. Javeed Shakil, project manager and task force leader, BIAL project, L&T ECC pointed to three main project management challenges at the time of execution: organizing resources, team building and control over time and cost. "Timely mobilization of resources is important for time-bound project execution. Otherwise it would mean resource idling and reduction in efficiency, and thus increase in the asking rates. Team-building is crucial because without such cohesion, people would pursue their individual goals without a sense of focus on common team goals. As far as control is concerned, if control check-points are not properly defined, it becomes difficult to recover at a later stage. Timely reconciliation is necessary for scope control as well as cost control. Added to this is documentation of processes and transactions, which in turn, help in keeping track of cost and time," Mr. Shakil explained.

Kingfisher flight at the trials.

A Kingfisher flight, the first trial aircraft to land at BIAL, gets a welcoming spray from fire tenders.

The runway in 2005, 2006 and after completion in 2008

A nightmare for project management professionals worldwide is scope alteration of the original project plan. The BIAL project saw umpteen deviations from the original specs, and an overall 75 percent increase in the project scope. Mr. Brunner said, "Since the commencement of the project, Indian aviation witnessed a surge in air traffic. Only a year post the commencement of construction, the terminal building and other supporting infrastructure went through expansion plans to accommodate this sudden increase in passenger traffic propelled by the growth of economy and civil aviation liberalization. The big challenge lay in significantly increasing the project which was already under construction without jeopardizing the initial airport opening date."

The project management challenges that L&T faced can be classified into two: known risks and challenges encountered while managing the project. When L&T and Siemens were awarded the project there was a single specification and the former was expected to coordinate adherence to the specs. Though this posed a challenge, the two partners worked together to further break-up responsibilities and assign check-points for coordination.

What posed a bigger challenge was that the project budget was untouchable despite scope changes. "It was an all inclusive firm pricing model with no clause for escalation," said Mr. Shakil.

This soon became a major hurdle with the construction method adopted which involved erecting 110-ton wing-shaped pre-cast roof elements with about 15-mm placement tolerance, all of which were not factored into the initial specifications and project cost.

For the consortium as the project came along, new challenges, now more so issues in the public domain, emerged and threatened to upset the timelines. The new airport is a good 32-km from the heart of the city, whereas the old airport is less than 10-km away. Bangalore's public transport system is not efficient and to reach the new airport people would now have to rely on private transport. With rising fuel costs and heavy traffic, it was not a welcoming thought. There soon started raging debates at different forums and public protests on improving connectivity to the new airport. There was hectic lobbying to keep the old HAL airport open.

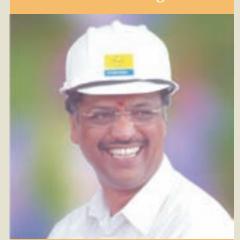**Using project management to resolve the challenges**

The consortium overcame the key challenges by applying some key project management tactics, like to work together to understand concerns; address the gaps, communicate effectively to establish stakeholder buy-in, and finally

deliver what was promised.

The main partners worked together at every stage and level to achieve the main goal of giving Bangalore a world-class airport that was user-friendly, technologically hi-end and supported a scalable infrastructure.

The connectivity issue that threatened to scuttle the project was addressed efficiently by addressing the gap. The distance to the new airport and the government's initial inertia to ensure connectivity to the new airport were emerging as major issues. Recalled Mr. Brunner, "This scenario dramatically changed months before the airport opening with increased efforts by the government to improve connectivity. Towards the second half of 2007, BIAL took it upon itself to ease connectivity for passengers by building a trumpet interchange (highway exit) which now connects the National Highway (NH 7) to the airport. This was completed in record time of eight months for commuters' convenience and in time for the airport opening, with an additional investment of approximately U.S.$ 30 million." The airport is currently linked to the city by a six-lane highway. In addition, an express highway and a rail link are being planned. A host of other services were launched, like GPS-enabled taxis, a helicopter shuttle and an airport bus shuttle.

> *"Team-building is crucial because without cohesion, people would pursue individual goals without a sense of focus on common team goals."*

Javeed Shakil,
Project Manager and Task Force Leader,
BIAL project, L&T ECC

L&T also encountered the challenges methodically. For the casting and erecting the roof elements, it adopted inhouse methodologies, adhered to timely performance with quality compliance, and procured moulds from known vendors with an excellent track record. To complete the trumpet flyover in record time, L&T paid extra incentives and mobilized huge resources in record time and instructed vendors not to take work from any other agency. It understood critical and time-taking processes to obtain approvals from statutory authorities in short time.

The trumpet flyover design was proof-checked from Indian Institute of Science (IISc), Bangalore to save on time. Traffic diversion on NH-7 was important to achieve the timelines. It explored several options, including inputs from the traffic department, to avoid inconvenience to traffic. The increase in scope and redesign meant negligible work between January and May 2006. The loss was compensated by a 2.27 times increase in work per month for the rest of the duration of the project.

Mr. Shakil said, "We managed all these challenges because of excellent team-building. We achieved it by sharing design and procurement staff from other projects, by continuously adding staff from other sites, maintaining a multi-cultural staff and managing personality clashes on time. We dealt with the shortage of skilled labor by making maximum use of sub-contract labor, providing skills training to our work force and by providing incentives and higher wages to our workers." On the while, L&T applied these project management principles: safety management; quality assurance and control; extremely sharp time management; and cost control.

A vital project management strategy is to honor what is promised. BIAL got past all the challenges by keeping to the timelines and delivering a quality product. "Despite all the challenges, the project was well on track and was ready for operation within its deadline of 33 months.

The airport is designed for passenger convenience, like a wide array of retail, food & beverage options and free wi-fi access within the terminal. The current terminal building is spread over 71,000-square meters and built to comply with the peak hour demand of approximately 2,700 passengers. It can handle the increasing traffic volume for the next few years," added Mr. Brunner.

Phase I includes a three-level terminal building, which brings considerable respite to the average passenger through elimination of long queues and archaic dual check-in processes. Time is a crucial factor when traveling and BIAL has a single check-in process. The foolproof, five-level baggage screening process is amongst the first to be implemented at an Indian airport. The airport is equipped with 53 common use check-in counters and 18 self check-in counters. It has parking for 2,000 cars and has 10 bus bays. The immigration process is fast and efficient with 18 counters each at the departure and arrival sections.

BIAL achieved a quality output within a record time in a country where projects of this magnitude proceed at a sluggish pace. The credit goes to efficient management of the project through time-tested methods of project management. It will remain a project of scholarly interest for project management professionals and the infrastructure industry in general in India.

1) Baggage check-in trials during the testing phase; 2) Passenger check-in during the testing phase; 3) The first flight to land at BIAL   Picture courtesy: BIAL and L&T

Linking Project Management To Business Strategy

By Aaron J. Shenhar, Dragan Milosevic, Dov Dvir and Hans Thanhain
with contributions from 11 additional authors

The research took head-on the popular current organizational mindset which is short-term and generally focused on immediate outcomes, i.e., operations, both physically and financially.

The researchers created three different teams to examine various aspects of this issue. They asked the singular question: what does linking project management to business strategy mean?

Report content
The report was published as a book in Q4 2007, and is divided into three main parts:

The conceptual foundation that creates the conceptual and theoretical frameworks for the questions of strategic alignment; empirical verification that is dedicated to the main empirical findings; and beyond the frameworks that use the data without any specific framework to look for consistency among projects that were exceptionally successful.

Literature review
The team examined Mintzberg's five 'P' framework for strategy: plan, pattern, position, perspective, and ploy. They reviewed Michael Porter's work on strategy. Porter's generic strategies include cost leadership, differentiation, and focus. In a later work, Porter re-described strategy as "the creation of a unique and valuable position, involving a different set of activities".

For the purposes of the study, the researchers defined project management strategic alignment as an internal collaborative state where project activities continually support the achievement of enterprise strategic goals.

Research hypotheses
Based on the theoretical survey and the initial conceptual work, the major hypothesis was: if projects are successful in aligning their efforts with the business strategy, they will better contribute to long-term organizational goals. It is a two-way influence and several more specific major hypotheses apply here:

• Most projects are not managed in a strategic way, aligned with the business strategy.

• The operational conditions of projects influence the effectiveness of strategic alignment.

• Aligning projects with business strategy is positively correlated with business success.

• Project management and business strategy are dynamically and iteratively interrelated.

Five of the major findings

• Most projects are not managed in a strategic way. They focus mainly on achieving their time, budget and requirements goals.

• Strategic alignment of project management can be achieved by using a hierarchical framework that includes at least the following components: strategy, spirit, organization, processes, tools and metrics.

• Strategic alignment is a two-way process, where the business strategy impacts the project planning and activities, and the project work and experience may have an upward impact on the enterprise strategy.

• Each project may have its own and specific 'project strategy'. Project strategy is the perspective, position, and plans needed to achieve the highest competitive advantage and the best result from the project's outcome.

• To align the team's activity and motivation with the strategy, each project may build its own 'spirit' or the collective attitudes, emotions and norms of behavior that are focused on a common vision.

To find out more please visit:
http://www.pmi.org/Marketplace/Pages/ProductDetail.aspx?GMProduct=00101025501

PMI INDIA

Kerala Chapter: Expanding Boundaries

The success of PMI in India can be gauged by the growth of individual PMI chapters. In this issue, we profile PMI Trivandrum, Kerala Chapter.

Kerala, an emerging destination for IT companies in India, is also a growing center for project management professionals. This trend is mirrored in the growth of PMI, Trivandrum, Kerala Chapter. The chapter, formed in 2003, has grown from 25 members to 250 members now.

It all began with a handful of IT professionals getting together to start a PMI chapter in Kerala in 2003. The growth that the chapter has seen so far is the result of the consisted efforts by these pioneers. Brajesh C. Kaimal, chairman, PMI Trivandrum, Kerala Chapter is one such individual. "A few of us, who had seen the benefits of PMI certification, wanted to bring PMI to Kerala. We held a few events to promote project management and PMP certification to project management professionals here. We received an encouraging response, and hence, decided to open a chapter in Kerala," said Mr. Kaimal.

Till recently, the focus of the chapter, located in the Technology Park, had been the IT community. Now, the chapter wants to extend its reach beyond. "The challenge has been to penetrate other industries. We are now focusing on sectors like science and research and the government. In the next couple of years, we hope to gain ground in these areas," added Mr. Kaimal.

In addition to Project Management Professional (PMP) certification, the activities of the chapter are governed by certain key chapter objectives like:

- Creating a common platform for project management professionals in Kerala to meet periodically and share knowledge and experience.

- Promoting globally accepted and standardized best practices of project management towards project excellence.

- Building professionalism in project management by promoting PMP certification conducted by PMI and involving more professionals in contributing towards the continued growth of the profession.

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Director - Training

Vital Statistics

- Started in 2003 with 25 members.
- Chartered on 3 March, 2004.
- Present strength 251 members.
- Produced more than 400 PMPs.

Chandrayaan Team Honored

India's first scientific mission to be moon, Chandrayaan-1, was successfully launched on 22 October, 2008. PMI Trivandrum, Kerala Chapter organized an event recently to felicitate the team that has made the country proud.

The function was held on 23 November at the Institution of Engineers Hall, Trivandrum. One of the main architects of this mission, G. Madhavan Nair, Chairman, Indian Space Research Organisation (ISRO), was present at the function, along

with senior ISRO officials. The function was jointly organized with Institution of Engineers, Kerala Centre; IEEE, Kerala Section; CSI Trivandrum Chapter and Aeronautical Society of India.

At the function, Mr. Nair said, "This project is an example of excellent team work and project execution from the ISRO team that comprised of more than 16,000 employees. The variation in the final landing of the Moon Impact Probe in the lunar south pole was just 10 seconds.

This shows the excellent work of the ISRO team."

Brajesh Kaimal speaking at the felicitation function. Seen on the dais is Mr. Nair, along with other officials.

Project Management Pays: Report

The question whether project management can be measured in actual terms has been answered now. A report, released by PMI recently, has documented what project management professionals have always said: project management pays.

To discuss the findings of the report, *Researching The Value Of Project Management*, Steven L. Fahrenkrog, PMP, Vice President, Regional Development, PMI held a three-city seminar in India in October. The report is the result of a three-year global research conducted to evaluate the real value of project management. The seminar was conducted in Mumbai, Pune and Chennai. Chennai saw the highest participation with over 90 delegates.

Mayank Gandhi, Secretary of Rebuilding Mumbai Federation, also spoke at the Mumbai seminar. The other speaker at the Chennai seminar was Pamela Ranganathan, COO, Thales Software India Pvt Ltd.

The report has been written by Janice Thomas, PhD and Mark Mullaly, PMP. The research, costing US$ 2.5 million, is based on data collected from over 60 organizations and 500 interviews.

Some of the key findings of the report are: PM must fit the organization and its context; PM maturity correlates strongly with project success, repeatable performance and customer/stakeholder satisfaction; and PM delivers most value when supported by top leadership and reinforced by continuous training.

The report revealed that 95 percent of the 60 companies achieved value in terms of revenue increases, cost savings, customer retention, and customer share, attainment of strategic objectives, improved overall management, corporate culture and reputation.

How To Manage Change

The competitive global marketplace throws up as many challenges as opportunities. Businesses and professionals have to keep pace with ongoing changes to remain relevant. The role of project management has grown in these challenging times.

PMI Mumbai Chapter dwelled on this aspect on the International Project Management Day on 15 November with a day-long conference. The conference focused on three topics: strategic role of project management, managing change, and integrating and managing diverse teams.

The speakers at the conference were Raj Kalady, managing director, PMI India, who in his present role is responsible for the advancement of project management and PMI in India; Rajnish Virmani, president & COO, Reliance BPO; Ramam Atmakuri, vice president and head, Invensys Development Centre India Pvt. Ltd, founder member and past president, PMI Pearl City Chapter, Hyderabad and currently the PMI component mentor for western Asia; Rajshekhar S Ingle, head, retail-projects, Future Group; Manish H. Modi, co-founder, managing director & CEO, Datamatics Technologies Ltd; Girish Kelkar, director, CoreObjects

and president, PMI Pune-Deccan India Chapter; Rajiv Bhargava, associate director (software quality assurance) and chief information security officer, Nuclear Power Corporation of India Limited; and Kanti Gopal, vice president, Consulting Services, Right Management (formerly Grow Talent Company).

PMI Pune Chapter AGM

The Annual General Meeting (AGM) of the chapter was held on 6 September in which 64 members, nine board of directors of PMI Pune Chapter and 12 guests attended.

President, PMI Pune Chapter, Girish Kelkar, presented the vision and goal of the chapter and spoke about some of the key challenges for growth. Programs Director Rahul Sudame provided an update on the departments of the chapter and the plans for the near future.
The AGM also approved the bylaw amendments of the chapter.
The chapter felicitated its active volunteers/core team members and ex-board of directors for their contribution.

Shantanu Bhamare, PMP, PMI Pune-Deccan India Chapter receives the PMI Component Award: Volunteer Leader of the Year Award, Asia Pacific Region 2008 from (right) Greg Balestreo, President & CEO, PMI and (left) Philip R. Diab, MBA, PMP, Immediate Past Chair, PMI Board of Directors.

Why Are Projects A 'Creep'y Story?

Projects not only constitute a $12 trillion business, but a complex landscape that is becoming all the more relevant and attention-grabbing in the times we are facing now

Steve L. Fahrenkrog, PMP, Vice President, Regional Development, Project Management Institute (PMI) facilitates sharing of project management theories, best practices and experiences. He was in India recently and met up with **Pratima Harigunani** of *CyberMedia News.* He cleared the fog on many current issues, like Scope-Creep, IT industry's deftness degree, the changing face of projects in a slowdown and much more. Excerpts:

Talking in particular about the IT industry, where projects are an inherent part of the service model, why are we still witnessing creeps on scope, time, costs, etc. with examples like the not-so-successful NHS project?
Yes, we have seen a dramatic increase in the IT genre of organizations coming to us for assistance. It's because they are having trouble with the basics. Look at the construction industry, they got the basics clear much early. IT has recently started moving to those basics.

But the environment in which IT work is dramatically different from other industries, since in a building construction, requirements are well-defined. In IT, mostly customers have a fuzzy concept and as you go into the project, the requirements keep changing and expanding. So yes, scope creep makes delivery a different issue.

Are there any solutions to the 'creep' problem?
The really successful companies are recognizing the importance of requirement identification. The key is to plan twice as much as you execute. Requirement definition at the very onset of planning is important. And now companies are merging planning and execution, the two different parts, well.

Any cross-industry lessons or practices on projects that IT companies can gain from?
Getting the basics right, managing cost, schedule and performance well and paying emphasis on scope is very important. The company buying the services should understand that change costs and the provider on the other side should be more imaginative and deliver without any drastic impacts. It's possible when both are in a partnership rather than adversary mode.

Proactive stakeholder management and communication become significant here. Another area that we are observing is the issue of 'fit'. Project management should be as per a company's culture, size and environment.

Too much or too fast project management in a wrong organization can cost you as well. Instead of firefighting, there should be a structured approach with processes and standards.

How helpful or different can project management be in the global crisis that companies are grappling with now?
Companies should realize that all projects are not of equal value and that should guide them in re-allocation which becomes important from the perspective of resource constraints.

They should apply portfolio management smartly here and stop projects that don't fit anymore. Then allocate, apportion and re-allocate resources accordingly. Project management, in turn, can be used to re-plan the project, re-cost and reschedule it.

How do you reckon Indian IT companies on project management maturity?
They are amongst the best in the world. Companies like Infosys, that have Leadership Institutes, know that in tough personnel markets, looking after an employee's personal and professional development is the key to retention.

How has project management evolved over the years vis-à-vis portfolio management?
Between portfolio management and results, there stands a strategic curve. Project management is closest to delivery of projects. That's how you bridge the gap. If you compare the first set of research results with CEOs back in 1998 to what they say today, we see that even today they find execution difficult. The gap exists at execution.

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$12,000,000,000,000

(That's 12 Trillion Dollars*)

▶ 1/5 of the world's GDP this year will be spent on projects, including your next one.

That's a lot of money at risk – don't waste it.

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