

INNOVATION

CAPTURING THE ELUSIVE

GOLD-DUST

How can you sprinkle dynamism and excitement through your projects? That's the million-dollar question...

WORDS / ALEXANDER GARRETT

In a certain sense, innovation is at the heart of every project. As one project management consultant points out: “Every project undertaken is undertaken for the first time. A project team may not be the first to build an aircraft carrier, but they are the first to build that aircraft carrier, which must be built using this team, in that location, with those suppliers, this design and those constraints.”

Innovation in project management most obviously takes the form of inventing a new practical and theoretical model, with each furnishing a methodology and a set of tools designed to provide guidance and structure to the project manager. Process management innovation, on the other hand, can be either more iterative, focusing on just one aspect of the process, or more specific, addressing the needs of an individual organisation or project.

WHERE DOES INNOVATION COME FROM?

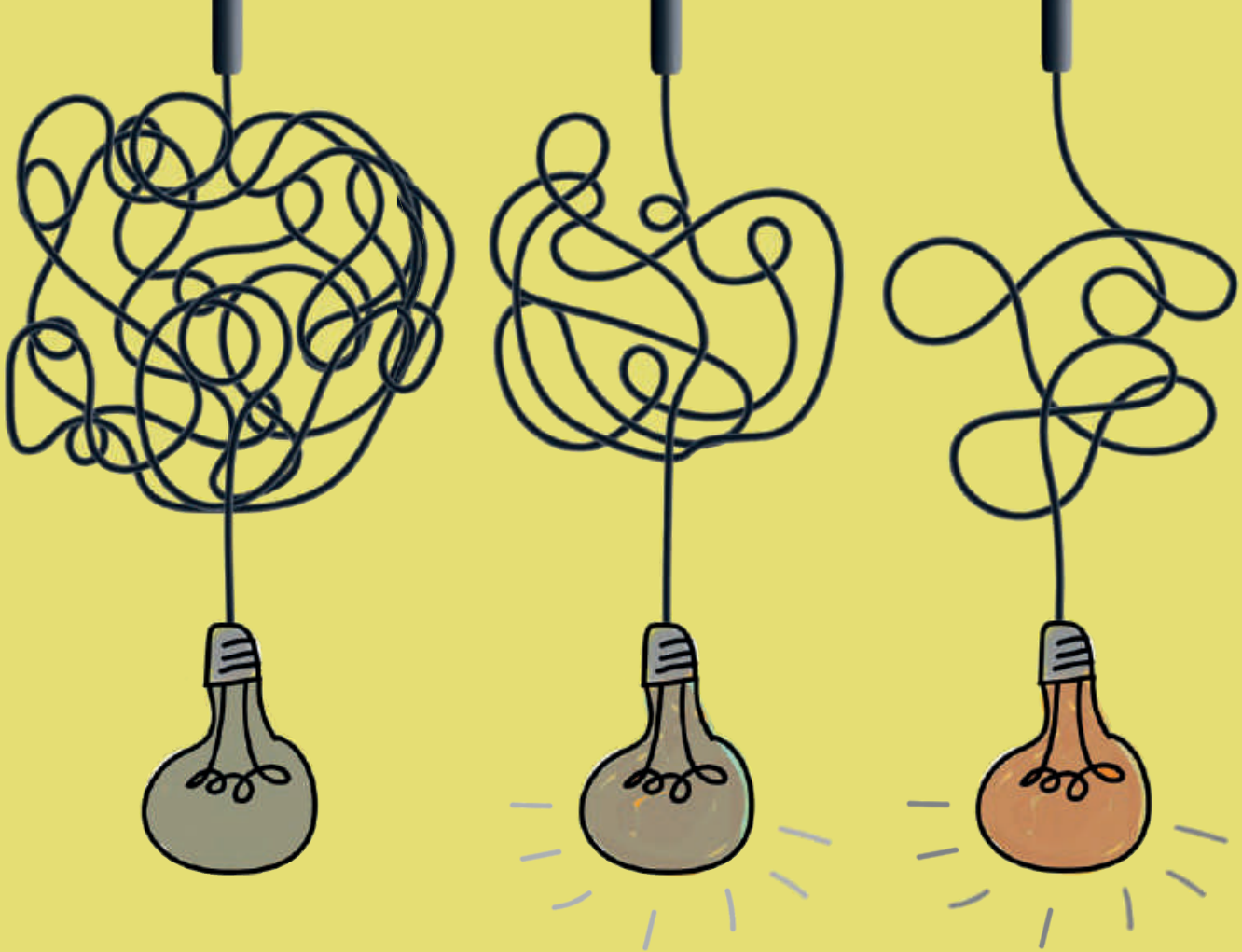
In 2019, APM introduced a new Innovation in Projects Award, designed to recognise “the team whose project or programme has delivered successful outcomes by using new, diverse and innovative approaches to project delivery”. The winning entries showed the range of new ideas and just how powerful the results can be when executed well.

But where does that innovation come from in the first place? Not all companies are equal when it comes to delivering innovation, and there have been many attempts to find out why. Global design company IDEO, for example, helps organisations understand their strengths and weaknesses in this area with the help of Creative Difference, its digital tool to assess, guide and track the development of creative and innovative teams.

David Aycan, managing director of IDEO Products in San Francisco, has come up with some of the best ways to get innovation flourishing in your organisation. Perhaps create a shared vision of what you're working towards, for example, or provide a working environment that encourages collaboration and experimentation. Prototyping with high-performing teams and then codifying and sharing what you learned are also key elements.

The first winner of the APM Innovation in Projects Award was Proteus, a specialist provider in the project management space with a focus on change management, which won for its digital and data offering. This pioneering self-help hub enables project professionals as well as non-professionals to evaluate the progress of any programme, transform their own expertise and deliver results. ►►





For John Roberts, co-founder of Proteus, developing the hub started with a strategic assumption: “That organisations will do more and more change in order to survive and excel, and that for that to happen, change as a competency needs to be owned by everybody – not just the project manager.”

He elaborates: “Organisations can’t continue to rely on expensive consultants to fix their change challenge. So that means they increasingly need to develop change, project and programme management as core competencies of the whole organisation.”

DEMYSIFYING THE DARK ART OF PROJECT MANAGEMENT

Starting a decade ago, Proteus responded to this by codifying its experience, drawn from £14bn of projects and encapsulated in 250,000 data points, in a suite of digital tools encompassing project assessment, benchmarking, gap analysis, diagnostics, capability modules and much more.

A key feature is enabling professionals and non-professionals to share a plain-English Common Language of Change that demystifies the dark art of project management without being couched in specialist jargon. The platform also makes heavy use of digital data and visualisation,

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relying on the adage that a picture paints a thousand words. “Together, these allow people from different levels of your organisation, right up to the C-suite, to have a really powerful conversation about the project in question,” Roberts explains.

In the case study submitted to APM, a financial services company used the Proteus Learning Hub to achieve a range of objectives across its change management projects: implementing new ways of working, redefining the role of the project sponsor, building team capabilities, using diagnostic tools to improve project assurance and establishing a change community of practice. But unlike

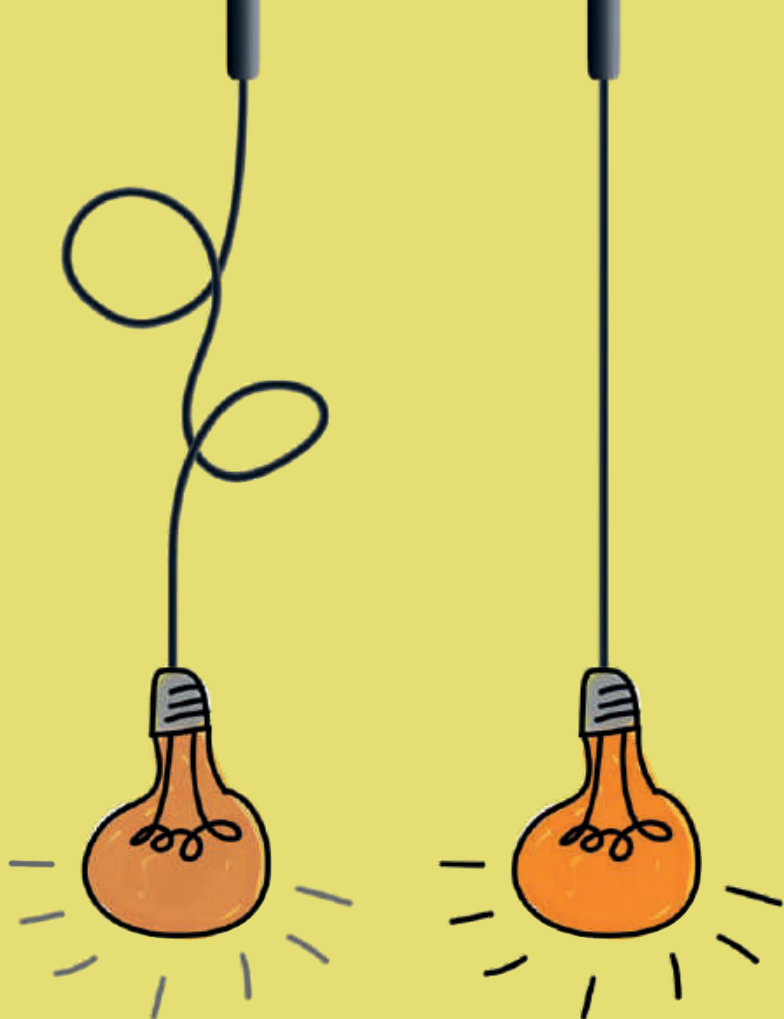
conventional consultancy engagements, it required only one Proteus consultant on the ground to support the programme.

One example of what can be achieved was a £50m efficiency gain in how change is done, a reduction from 40 hours to one hour to undertake an assurance review and a 60 per cent reduction in elapsed time to shape projects – and that’s without counting the value of better teamwork, increased confidence and more effective decision-making.

As more clients use the Learning Hub, more data is fed back into the system to provide benchmarking and improve the model itself. “Our focus is changing people’s understanding of what change could be,” says Roberts. “We want to help them be self-sufficient and more agile in their cultural mindset, as well as delivering efficiency and effectiveness gains in the ways they are working. Ultimately, we hope to improve the predictability of project performance.”

LETTING INNOVATION FLY

Innovation can be more prosaic, too. Among the runners-up for APM’s Innovation in Projects Award was one nominee offering a simple and utilitarian innovation: a new method of finance. The RSPB wanted to install solar panels



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Top tips for project innovation

1 Create an innovation lab

This is a dedicated space to focus on understanding what your customers want and to generate worthwhile ideas.

2 Be inclusive
Use language that the greatest number of people can understand.

3 Measure success
Establish a set of metrics (not just financial) that reflects what your innovation really sets out to achieve.

4 Be flexible
Allow for the fact that where innovation is involved, not everything will go to plan. You may have to adjust the timing or resources you’ve allocated.

5 Codify and share what you’ve learned
According to IDEO, teams that have access to information about prior initiatives are 51 per cent more likely to create successful solutions.

at a number of its nature reserves around the UK, as well as installing a biomass boiler and energy-efficient LED lighting. For the first time, it planned to do so using debt finance rather than charitable donations from supporters and the public.

“Moving away from donative funding has always been an idea for us, but historically there had been some nervousness around it,” explains senior project manager Nikki Marks. “One reason we wanted to do it was that some of our donative income is restricted. For example, some of the legacies we receive might be dedicated to particular expenditures, whereas debt finance could be allocated wherever we chose. That means the donative income can then be dedicated to conservation impact.”

The main obstacle was that the RSPB didn’t have in-house expertise in debt finance, and persuading its trustees that it was a good idea proved a challenge. To address this, the charity used external consultants Environmental Finance, as well as consulting with another charity in the sector who had tried a similar approach. A number of banks were approached, and a proposal from Triodos Bank was given the green light.

“It required approval from our trustees, so we had to anticipate the questions that

they would ask,” says Marks. “We had to keep our internal stakeholders on side when they couldn’t see much happening.”

The project secured £710,000, resulting in the installation of more than 700 solar panels at seven nature reserves. The debt is being successfully serviced through cost savings to the RSPB, as well as government subsidies and energy that is generated and sold back to the grid.

Beyond the clear environmental benefit, Marks says that the project has provided a model and the in-house capabilities to raise debt finance for other initiatives. A £4m project to develop the RSPB’s catering assets is now under way.

MEASURING INNOVATION

As well as projects with tangible outcomes like these, there are also those projects that focus specifically on delivering innovations such as new products or processes. But how can the success of the innovation be measured?

A research team at Brno University of Technology in the Czech Republic has been working for a number of years on just this issue. Its Innovation Scorecard is a way of continually measuring how successful any innovation has been in order to decide whether to retain the new approach, modify and retest it, or discard

INNOVATION

it as being unsuitable for the intended purpose. Ondrej Zizlavsky, associate professor at the university, says: “It’s not rocket science. We just picked some good ideas from the measurement concept known as the ‘Balanced Scorecard’ and from project and process management, put these bits together and developed our Innovation Scorecard.”

The starting point, he says, was in 2013–15, when the university wanted to find out how companies in the Czech Republic measured their innovation, “if they did at all”. Many simply didn’t bother to try and evaluate what they were doing, which meant they effectively lost control. “At some point, things would go wrong, but they didn’t know why or where,” Zizlavsky says.


SCORES ON THE DOORS

The Innovation Scorecard has been thoroughly implemented in two projects at IT and software development company Red Hat (see below) and has shown significant benefits in terms of the level of innovation taking place there. Eddie Fisher, professor of project management at Brno University of Technology and an external project management consultant for the Innovation Scorecard team, says that one significant benefit, for example, has been in terms of empowerment.

“People before didn’t have the authority or autonomy to make decisions. They were waiting for others to tell them what to do. Now they are able to use their ideas without having to go through a long chain of command. Customer

projects and services have been delivered much faster and to higher levels of quality.”

Using the Innovation Scorecard also enables organisations to measure the amount of innovation taking place, says Fisher. “Innovation is by definition doing things in a different way – creatively – so you can look, for example, at how many ideas are being considered within each stage of your projects, compared to how many ideas were created before within the same teams,” he explains.

For project managers, innovation can mean different things in different contexts, but it is always going to be central to the goal of achieving business objectives with available resources within a fixed period of time. 



Experiment



Catalyse innovation



Immerse your team

Case study: Red Hat

To verify that it could deliver on its promise of managing and controlling a newly designed ‘Innovation Scorecard’ approach to measure how successful an innovation has been, a team from Brno University of Technology in the Czech Republic, undertook a pilot implementation within the Czech operation of open-source software company Red Hat.

The three-year-long project, known as ‘Innovation Scorecard: Management Control Framework of Innovation Projects within the IT Industry’, began in 2019 and was backed by the Technology Agency of the Czech Republic.

The Czech company, a research and development subsidiary of Red Hat in Raleigh, North Carolina, was considered an ideal candidate for the project because of its strong commitment to innovation.

The aim was to ensure that Red Hat achieved maximum return on its Innovation Scorecard investment. And as a high-performing, innovative company, it was hoped that Red Hat would enable the Brno team to apply all the usual project management skills: to plan, organise, monitor and control the full cycle of the Innovation Scorecard process within an agile project management environment.

To kick off the initiative, two sub-projects were developed (a third one is set to follow this year): Atomic Host (completed in 2019) and Continuous Integration (due for completion in 2020). Red Hat could ultimately extend the approach to other, non-IT areas.

Atomic Host focused on building software and looked at changing the structure of what team members do, to see if the process could be improved.

“A bot system that automated tasks was implemented, freeing up team members’ time to focus their attention on more creative activities,” explains associate professor Ondrej Zizlavsky.