

Newsflash

Word from the
President

International
PM Day

Value of PM

Biggest Risk

and Like Water

PMI Finland Chapter

Newsletter

September 2009

Announcement!

Have an article you want to share and publish in this newsletter?

Please, contribute and contact Bernhard Korjonen (bernhard.korjonen@pmifinland.org).

F.Y.I.

Currently the Chapter has **232 members**.

Message

Please, check out the discussion board on our web-pages where we continue the discussions from the Breakfast Round Tables. This is also an opportunity to join if you did not participate.

UPGRADE

We are working on the "Members only" area for our web-pages and hope to go live within a few weeks.

You will receive an email about how to access.

Important DATE!

International Project Management Day 2009 in November.

PMI Finland Chapter is offering discounted access to the web-cast organized by IIL.

Come
See
ME 😊

www.pmifinland.org

From the President



Most of us are aware that there are increasing financial pressures on both businesses and individuals in Finland and abroad. We are also aware that it is times like these when it is especially important to take advantage of the value of project management.

Because of this the PMI Finland board has made decisions to reduce the cost of joining the PMI Finland chapter, and for a few months, to distribute the newsletter and invitations to events to PMI members resident in Finland but not members of PMI Finland branch. There are more details about this elsewhere in the newsletter.

By doing this we intend to reduce any financial barrier to membership of the chapter, and demonstrate the value of membership to non-members.

Making executives aware of the value of project management is also especially important at this time. I encourage you to read the extract from an article by Karen Clarke PMP, President of the PMI New Zealand chapter (www.pmi.org.nz) about research into the value of project management, and how important it is to know what to say when an executive asks about the value of project management.

Tony McGlenn PMP
President PMI Finland Chapter

Special discount for members of PMI Finland Chapter on International Project Management Day 2009

Join IIL's Webcast on November 5, 2009 to celebrate the 6th Annual International Project Management Day (IPM Day). IPM Day was established as a way of recognizing the extraordinary efforts made by project management professionals everywhere – across industries and geographies. This year, we invite you to tune into live webcast, where top industry experts will weigh in on critical issues facing project managers and project teams today.

As the global economy continues to shift and transform, project managers need to explore new ways to do our work in a socially and environmentally responsible way. IIL focuses in on this theme in this year's 3½ hour IPM Day webcast: **Achieving Sustainability in a Shifting Global Economy.**

Moderated by IPM Day founder Frank Saladis, the program features speakers including Gregory Balestrero, E. LaVerne Johnson and Dr. Harold Kerzner. Senior executives from IBM, Hewlett-Packard, Ericsson and wind energy pioneer Eolfi will join them in exploring the landscape of our profession and the challenges and opportunities that await us. For more information, view the [event schedule](#) and [presentation descriptions](#).

Join for one of the two live webcasts based on what works best for your time zone and schedule.

Wednesday, November 4, 2009 8:00 p.m. ET – 11:30 p.m. ET (→ Nov. 5th @ 03.00 – 06.30 a.m. in Finland)

Thursday, November 5, 2009 11:00 a.m. ET – 2:30 p.m. ET (→ Nov. 5th @ 18.00 – 21.30 in Finland)

Individual IIL Pricing US\$45 → **Special Price for PMI Finland Chapter members is 20 Euros**

and PMPs Earn 3.5 PDUs for participation

For registration please send an e-mail to events@pmifinland.org with following information (registration deadline: by **October 20th, 2009**)

1. PMI membership number
2. Event date (Wednesday 4th or Thursday 5th)
3. Your invoicing address
4. Phone number (in case of troubleshooting)

The Value of Project Management

By Karen Clarke PMP

“You know that following good project management practices deliver results. You also know that the discipline of project management is key to bringing success to organisations. But do your managers or executives know this? Are they aware of the value of project management? Do you know what to tell them when they ask?”

This was the introduction to the May 2009 supplement to PMI Today which showcased the ‘Value of Project Management’ – an in-depth research study conducted by academics and practitioners begun in 2005. The final report was delivered in August 2008 and included 65 case studies from more than 40 organisations around the world. The teams working on the research sought answers on how project management is implemented and assessed in organisations.

The results were illuminating – they discovered that, because organisations implement project management differently and they each have unique values, executives had trouble discussing their specific ROI using terms that would translate across the sample. It meant that project management needs to be seen in context of the organisation – if it isn’t well thought out and customised, then the end result may not be what was expected or wanted.

It was also apparent that if executives did not nurture and see the value in project management, it can become a ‘house of cards’ and fall apart. I’ve seen this first hand on many occasions, particularly in respect of the Project Management Office which is often the first casualty of a failure to understand or see the value in project management. However, the failure may not be from senior management – the research shows how important the fit is to providing perceived and real value. Along with Context, Fit and Value, the Implementation of project management (people, processes, tools and culture) are the key variables and these need to be adaptable to changes over time, both in the organisation (such as changes in leadership) as well as the environment (for example, changing economic conditions).

Essentially then, the value of project management translates into how the business results are defined – in delivering outcomes and meeting stakeholder expectations.

When you managers or executives ask “What is the value of project management?”, make sure you know what to tell them.

What is your Biggest Risk?

© June 2009, Dr David Hillson FRSA FIRM HonFAPM

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It should not be too hard to answer the question “*What is the biggest risk in your project or business?*” Most of us know what keeps us awake at night, either worrying about what could go wrong (threats), or getting excited about possible improvements (opportunities). But how do we decide which risk is the “biggest”? Is it just an intuitive feeling, or are there measurable parameters we can use?

It is very common to use just two factors to size risks: **probability** and **impact**. These estimate how likely the uncertain risk is to occur, and how significant its effect would be if it actually happened. Probability and impact are related to the size of a risk because they describe two fundamental characteristics of every risk:

1. Each risk is uncertain, which means that it may not happen, and “probability” reflects the degree of uncertainty about whether it will happen or not.
2. A risk that occurs would affect our ability to achieve one or more objectives, and “impact” describes our prediction of the extent to which objectives would be affected.

There are however several other important characteristics of risks which we might want to use when we answer the question “*Which is the biggest risk?*” For example:

- **Manageability** – How easy is it to do something about the risk? We may decide that a medium-probability/medium-impact risk that we can do nothing about is more risky than a high-probability/high-impact risk which is simple to deal with.
- **Proximity** – If the risk happens, how soon do we expect that to be? A risk that might happen tomorrow should be treated as more important than one which might not occur until next month or next year.
- **Propinquity** – How important is the risk to me personally, or to my team or our business? We are more sensitive to risks that affect us directly, and view risks to others as less important.
- **Urgency** – How much time do we have in order to implement an effective response to the risk? If we must act now to address the risk, we should give it higher priority than one where we have longer to respond.
- **Relatedness** – Is this risk related to other risks? A risk with complex links or dependencies with many other risks should be treated as higher priority than a simple independent risk.

We might wish to consider these and other factors when we try to decide how big a risk is, and what degree of priority we should give it. Simply assessing probability and impact is a limited way to determine risk size. Of course if you use more dimensions to size your risks, it becomes harder to develop suitable ranking algorithms and to present results. For example the traditional Probability-Impact Matrix only deals with those two characteristics, and other tools are required to deal with additional dimensions – for example bubble charts or risk meters.

The question “*What is your biggest risk?*” seems simple, but we should avoid the trap of giving an answer which is too simplistic.

[Many of these issues are addressed in the “*Prioritising Project Risks*” guide published recently by the UK Association for Project Management (APM). Full details at <http://www.apm.org.uk/PrioritisingProjectRisk.asp>.]

David's Food for Thought



DAVID ALLEN

MIND LIKE WATER

Even very important things can be on cruise control and not on your mind. If your attention is being grabbed, then there's almost an inverse relationship there. The degree to which your attention is being grabbed is the degree to which you are not free to place your attention where and how you want to. So, if nothing else, it's just a pure practical idea that, if you can get rid of the demons that are grabbing hold of your brain and shaking it around—whether that's buy cat food or reconsidering your career—then it will give you a lot more freedom to be thinking about those things in more creative ways or not have to think about them at all.

In *Getting Things Done*, this is a key practice I discuss in the very first chapter:

In karate, there is an image that's used to define the position of perfect readiness: "mind like water." Imagine throwing a pebble into a still pond. How does the water respond? The answer is, totally appropriately to the force and mass of the input; then it returns to calm. It doesn't overreact or underreact.

The power in a karate punch comes from speed, not muscle; it comes from a focused "pop" at the end of the whip. It's why petite people can learn to break boards and bricks with their hands: it doesn't take calluses or brute strength, just the ability to generate a focused thrust with speed. But a tense muscle is a slow one. So the high levels of training in the martial arts teach and demand balance and relaxation as much as anything else. Clearing the mind and being flexible are key.

Anything that causes you to overreact or underreact can control you, and often does. Responding inappropriately to your email, your staff, your projects, your unread magazines, your thoughts about what you need to do, your children, or your boss will lead to less effective results than you'd like. Most people give either more or less attention to things than they deserve, simply because they don't operate with a "mind like water."

Your mind is a great place to have ideas, but a terrible place to manage them. If you are still walking around with a head full of "stuff" that you have your attention on, don't be surprised if you're not reaping the fruits of your labors with GTD. I never said getting your head clear was easy—it requires work to keep it on your mind as well—but the rewards of having a clear head on a regular basis will pay you back many times over in ways you may never have thought possible for feeling in control and getting perspective.

Anytime is a great time to clear your head. Don't wait.

"If your mind is empty, it is always ready for anything; it is open to everything."

-Shunryu Suzuki