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Project delivery in the digital age

Why disruption doesn't mean disaster

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How the world of work is changing

PMI's survey, *Next Practices: Benefits of Disruptive Technologies on Projects* (2018), highlighted some of the key points of the fourth industrial revolution

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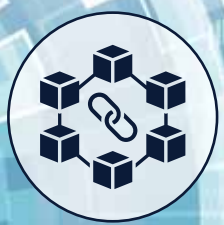

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Future-proofing your organisation

Sunil Prashara, president and CEO at Project Management Institute, explains how businesses must adapt in the era of automation and AI

The rapid acceleration of disruptive technologies has put organisations on a continuous transformational journey, one where both the pace and the breadth of change are unprecedented. There has always been change but before it was evolutionary, allowing organisations and workers the time to adapt to new conditions in a way that the status quo was not materially threatened. Today, the rate of change and scope of innovation are fuelling disruption in a revolutionary way. For example, 25 years ago, it took time for organisations to adopt the offshoring of IT—even though it was recognised as an extremely cost-effective strategy.

Eventually, the draw of operational savings, a readily available, low-cost and educated workforce, and increasing quality of standards meant offshoring couldn't be ignored. And low-cost delivery centres started to pop up all over India, the Philippines and Latin America. Companies such as Infosys, Wipro and TechMahindra grew rapidly to become formidable offshore providers of various types of services, including IT support, customer services, R&D, BPO and apps development.

Today, such "lift and shift" companies are offering a new form of service that generates even greater value for their customers: digital transformation. By leveraging the rapid growth and advances in such critical areas as telecommunications, RPA, AI, big data, design thinking, and no-code/low-code apps development, these companies are offering operational savings at another level while offering a top-line competitive edge.

Through a contemporary lens, the idea that outsourcing was once viewed as such an existential change now seems quaint. With companies investing so heavily in technology that processes, tasks, and jobs are automated or eliminated, our workforce increasingly comprises both man and machine. Global spending on the technologies and services that enable digital transformation are expected to reach $1.97 trillion by 2022, according to IT market intelligence firm International Data Corp. But at the same time, data from PMI and *Forbes*' The C-Suite Outlook show that while nearly 80 per cent of organisations have undergone a significant transformation using disruptive technology, only about 25 per cent of those initiatives are yielding the tangible benefits against their original goals.

This figure around benefits is too low. Yet no leader can claim – or allow him or herself – to be oblivious to digital disruption. To achieve digital sustainability – the capacity to adapt to and benefit from the change brought on by advances in technology – leaders must continuously move to future-proof their organisations.

Forrester predicted that by 2020 50 per cent of business applications will be developed using low-code or no-code platforms and in real time, as much as 90 per cent faster than more traditional coding methods, giving rise to the "citizen developer" movement. New no-code platforms such as WEM, Betty Blocks, and Pega are taking us on a journey beyond

Encourage disruption, embrace it

agile: real-time apps development. This is just one example of disruption that organisations and industries will want to adopt, pressurising the offshore application development factories using traditional .net, Java or SQL languages to adapt. Indeed, leaders are realising that even disruptors themselves are being disrupted; and either they adopt and adapt, or they will be marginalised.

One way to get ahead of disruption is to encourage it. A CEO at a major telecom company carved out and funded "innovation cells" with the goal of "inventing propositions to disrupt core services". While funding such initiatives seemed counterintuitive, the CEO viewed it as one way to future-proof his company. If the innovators came up with a viable proposition, he could morph the company accordingly. If not, he could proceed with some degree of confidence that the current business model was sustainable.

TechMahindra is partnering today with several no-code platforms and trialling them with several customers to learn how this capability may possibly replace some of its core business in the future. As with the telecom company that is funding "innovation cells", this move on the part of TechMahindra is an acknowledgment that change is not only inevitable but that it is also necessary. Furthermore, it demonstrates that change does not need to be threatening to a company's long-term viability if it is managed appropriately.

For all the anxiety generated by talk of digital disruption and what it means for the workforce, people must recognise that there is no question jobs will be created. But the types of jobs will be different, as will the needed skill-sets. And those skills aren't as technology-dependent as one might think.

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There is little point in having humans do anything that can be codified, automated, or rules-based. So what is the value-add that humans can provide? The people who will come to the forefront are creative; those who understand business processes, who are tech-savvy but who also understand customers' needs, who are strong in relationship building while being analytical and challenging.

Companies will continue to rely on and value the ability to execute. But technological skill is now table stakes. Indeed, this shift is reflected in PMI's Talent Triangle®. The new professional reality demands a combination of technical and project management skills, leadership skills, and strategic and business management skills—as well as the

Technology will create new jobs

ability to keep pace with technology.

To inspire stakeholders and motivate teams, leaders will not only need intellectual and technical prowess, but they must also tap into emotional intelligence qualities, such as empathy, self-awareness, and motivation. Data from PMI's *The Project Manager of the Future* report revealed the top six digital-age skills, which included expected entries such as data science, security and privacy knowledge, legal and regulatory compliance, and the ability to make data-driven decisions. But that list is rounded out by an innovative mindset and collaborative leadership.

As PMI noted in its recent *Pulse of the Profession* report, *The Future of Work: Leading the Way with PMTQ*, the essentials of project success remain the same: engaged executive sponsors, projects aligned to organisational strategy, and control over scope creep. What will continue to evolve are the skill-sets that enable these project and their execution.

To increase their chance of achieving digital sustainability, organisations are changing their decision-making bodies to be much more technology-focused. That does not contradict the notion that the skills needed are not technology-focused; rather it is recognition that the appropriate knowledge and insight around technology are critical. As a result, organisations are increasingly creating and hiring for roles like chief digital transformation officers and data scientists to boost the skills of the legacy employee base that may not have the knowledge to navigate transformation.

Research by Accenture found that while 60 per cent of business leaders had increased AI investments in 2017, only three per cent said they would invest significantly in training and re-skilling programs through 2020. Frankly, this number doesn't surprise me. Companies essentially have three choices: invest in their current workforce – with no guarantee of a return; acquire the talent needed to get to the next level; or engage outsiders who have the expertise and insight to help employees and organisations achieve excellence. Forward-thinking companies are doing all three, as well as investing in the next generation of talent.

As automation, AI, and other technologies put organisations on the journey of transformation, companies must not lose sight of the fact that they must transform sustainably. They must not be swept away by the force of transformation but instead harness it.

You can download PMI's *Pulse of the Profession* report here: https://tinyurl.com/PMI-UK

Workforces must be re-skilled on a rolling basis to keep pace with innovation, according to Murat Bicak, executive vice president of strategy at Project Management Institute

Disruption challenges us to do better

Project Management Institute's recently released *Pulse of the Profession*® report revealed that nearly 12 per cent of the money invested in projects is wasted as a result of poor performance – a figure that has held relatively steady over the past five years. While it is somewhat disappointing that project outcomes have not improved, it is not necessarily surprising. Technological advances are disrupting industries and markets and demanding a more comprehensive approach to managing projects. This is why PMI is encouraging leaders worldwide to evaluate and bolster their Project Management Technology Quotient, or PMTQ.

TQ refers to the ability to adapt, manage and integrate technology to the needs of the organisation to propel it into the realm of digital sustainability. Critical to success will be the ability to do so in the context of project management principles: emphasising results, identifying potential clients, and marking critical milestones. Indeed, PMI research has shown that by 2027, employers worldwide will need about 87m individuals working in project management-oriented roles.

This approach represents a way that organisations can help improve project performance in a world that has seen significant digital disruption. It also speaks to a fundamental shift in how work is being done and value is delivered. Roger Martin is among the prominent thought leaders who have suggested that in the future we will see more organisations reduce emphasis on the concept of jobs as we know it.

Increasingly, people in all

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roles, regardless of their nominal title, will be hired to work on or manage a portfolio of projects, and those will increasingly be tied to technology. Rather than working in hierarchical businesses with static infrastructures, there will be much greater emphasis on moving from project to project. Talent will find themselves in short-term assignments—what LinkedIn co-founder Reid Hoffman calls "a tour of duty". People will be hired more for capability and talent than for expertise. Qualities such as entrepreneurship, innovativeness, and being able to work as part of a team will likely become more and more important.

This is not to say that expertise will not be important. But given the pace of change, expertise will evolve only with a commitment to continuous learning. Indeed, that is at the very heart of PMTQ. We recommend that organisations do the following things to increase their PMTQ:

Put technology front and centre
Every business and industry is being disrupted by technology. The smart players don't see that as a threat but as an opportunity, and are using it to their advantage. Fashion designer Rebecca Minkoff is tapping into tech to future-proof her company's brick-and-mortar venues with interactive mirrors that let customers adjust lighting, select garments in additional sizes and colours, and save items to their online account.

Build digital fluency across staff
No organisation can afford to have just one agile person or one machine-learning expert. Each employee must simultaneously be a technician, mentor and project delivery expert in project centres. You'll need re-skilling, upskilling, whatever it takes to build a team that can adapt to shifts in the value delivery landscape.

Reimagine career journeys
Project leaders must partner with human resources teams to help craft career paths that meld project management expertise with leadership skills and digital acumen.

Future-proof the talent pool
It is critical to recruit and retain project professionals with the skills most needed for this digital era. The majority of Gen Z professionals don't think their job will exist in the same form 20 years from now, according to a LinkedIn survey. It's no wonder then that three quarters of Gen Z are looking to their organisations for on-the-job training, according to Deloitte.

Demonstrate inclusive leadership
Successful managers get the best out of their teams, regardless of their age, level of seniority, digital knowledge, skill-set or location. Leaders with a high PMTQ not only advocate for technology but also create a whole cadre of digital ambassadors.

Professionals with a high PMTQ are always looking for what's next—trying out new ideas and new technologies. They know when to integrate emerging project delivery practices without chasing after every trend. In this time of rapid technological advancement—whether it's blockchain, machine learning or automation—organisations need to be nimble. Organisations that don't adopt a PMTQ mindset will miss opportunities to increase their technology capabilities and risk being unable to deliver something outstanding or ambitious.
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