Submission 1

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In response to a request by the chair of the Public Accounts Committee for submissions into the management of ICT Projects I submit the following:

 Background

1. **What is the role of the AIPM and who do you represent**?

    a. AIPM is the peak body for the profession of project management in Australia. We represent over 11,000 members including almost 400 corporate members which include some of the largest organisations in Australia. AIPM membership is more than twice the other representative membership organisation.
        i. We do not include the Prince 2 community of practice in this view as it is not a membership based organisation and does not represent a local practice view. Nor PMI which has no national autonomy.
    b. AIPM represents best practices in project, program and portfolio management - our professional standards now cover all of these levels of practice.
    c. We also represent the international view in the sense of our membership and high level of participation in the International Project Management Association (IPMA), to which we are the second largest national membership association.

We have determined through our relatively recent capacity to benchmark through our IPMA relationship that AIPM, from a national population perspective, has the highest level of professional representation of any significant national project management professional association, more than twice the proportionate rate of the somewhat larger British national body, and more than four times the proportionate rate of the third largest IPMA member association, the German Project Management association.

2. **How do you liaise with NT Government**?

    a. We maintain contact with the NT Government directly through our NT Chapter and more broadly through our national framework through briefings.
    b. We have engaged with a number of NT Government entities through our Project Management Annual Awards to highlight and celebrate professionalism in project management through:
        • Calls for submissions from all industry
        • Request for sponsorship for this event
    c. We also have a high level of government officer participation in our membership in the NT of 111 people, with five representatives on our governing body the 'Chapter Council' of ten.

The Terms of Reference:

In accordance with its resolution on 28 August 2013, the Public Accounts Committee has adopted the following terms of reference for an inquiry into the Management of ICT Projects:

The Committee inquire into and report on issues regarding the management by government agencies of the implementation of information and communication technology (ICT) projects in the Northern Territory arising from the Auditor-General's reports on the Department of Infrastructure's Asset Management System, the Department of Health's Grants Management System and the Power and Water Corporation's Asset Management System, including:

1. The factors that are considered to have determined either success or failure in outcomes in regards to:

(a) Cost

(b) Time

(c) Meeting user needs

(d) Meeting project objectives

2. Lessons learned from the implementation of each of the projects mentioned above and how that experience might influence the management of future ICT projects.

3. Options for improving ICT procurement and management across government.

1 The factors that are considered to have determined either success or failure in outcomes In regards to: Cost; Time; Meeting user needs; Meeting project objectives.

While I have read the Auditor-Generals reports, due to a lack of access to other primary reports, documents and our limited resources I submit the following:

a. This is a complex area and opens up the need for a mature view of the concept of what is a total project management organisation view. A project management delivery environment perspective must take into account the project sponsoring and funding area, the immediate client from a deliverable perspective, supporting and resourcing areas in the project delivery organisation, the project team itself and contractors and sub-contractors including software vendors.

b. Failure can rarely be relegated solely to the project team, or even to the project management delivery method although immaturity in both these areas can be a contributing cause. Other failure causes include:
   i. Poor requirements specification and in many cases almost a complete absence of holistic requirements management
   ii. A misunderstanding of the difference between requirements management on one hand and scope management on the other, including a poor understanding of the managing the interfaces between both these area
   iii. Poor sponsoring competencies and almost a studied lack of interest in a large proportion of organisations in developing a responsible and accountable level of sponsor competency.
   iv. Inadequate time and effort in determining requirements, or in these legitimate instances where requirements development is more complex, a tendency not to stage logically and systematically through a requirements development phase and subsequent phases of a project.
   v. Lack of realism in determining reasonable expectations of software capability, a genuine assessment in software gap assessment and related to this -
   vi. The complex business rules that often attach to extant government business requirements/business rules and a reluctance or incapacity to examine better practice options for business rules that are better matched to global best practices and/or actual software capacity
   vii. A residual tendency for optimistic time and cost estimating, driven by desires to champion a business case at all costs.

viii. A tendency to use technical managers in the project management role, and a poor understanding of what actually constitutes 'project management' viz a vis technical delivery.

ix. Lack of a structured competency project management framework in many organisations, lack of best practice in human resource organisational strategies to organically grow and sustain internal competencies, and/or the poor follow through or commitment to such approaches

x. In the instances of low levels of formal internal competencies a need to revert confidence and responsibility for adequate outcomes and good governance to vendors, contractors, or contracted project managers.

xi. The relatively pauce state of organisational project management maturity, notwithstanding the availability of an indigenous and highly respected organisational project management maturity evaluation framework through the AIPM Project Managed Organisation Award program.

xii. Low levels of risk management maturity in project delivery organisations.

2. Lessons learned from the implementation of each of the projects mentioned above and how that experience might influence the management of future ICT projects.

Again while I have read the Auditor-Generals reports, due to a lack of access to other primary reports, documents and our limited resources I submit the following:

a. Our stock in trade as project managers is "lessons learnt," and we accept that unless we properly review, report, then analyse and communicate those lessons there can be no identifiable improvement in future projects and we are literally "cursed" to repeat those same errors that have been experienced in implementation of any project into the future.

b. It can also Include a requirement to address the following:
   i. Poor requirements specification and in many cases almost a complete absence of holistic requirements management
   ii. A misunderstanding of the difference between requirements management on one hand and scope management on the other, including a poor understanding of the managing the interfaces between both these area
   iii. Poor sponsoring competencies and almost a studied lack of interest in a large proportion of organisations in developing a responsible and accountable level of sponsor competency.
   iv. Inadequate time and effort in determing requirements, or in these legitimate instances where requirements development is more complex, a tendency not to stage logically and systematically through a requirements development phase and subsequent phases of a project.
   v. Lack of realism in determining reasonable expectations of software capability, a genuine assessment in software gap assessment and related to this -
   vi. The complex business rules that often attach to extant government business requirements/business rules and a reluctance or incapacity to examine better practice options for business rules that are better matched to global best practices and/or actual software capacity

c. And the following could be utilised:

   i. Baseline evaluation of organisational project management maturity through, we would commend, the highly respected national model given by the AIPM Project Managed Organisation framework
   ii. Develop and sustain long term project management human capital strategies to grow authentic internal project management capability
   iii. In particular, the inclusion of project sponsor competency development in the total organisational approach

      iv. Demanding formal project management competency from contractors, vendors and contracted project managers.
- d. Additionally
  - i. Largely described above but with our perspective that AIPM is the peak body, has organisational and individual competence frameworks that have been researched and derived in Australia, are accountable to Australia stakeholders rather than global shareholders, and can be implemented in a most flexible and responsive way to meet the needs of government

3. Options for improving ICT procurement and management across government

I have taken a broader view across government not only restricted to ICT procurement and management; again while I have read the Auditor-Generals reports, due to a lack of access to other primary reports, documents and our limited resources I submit the following:

a) How do you think project management skills can be improved?
   i. By reverting to a competency based view and acknowledging that AIPM is the only national or global project management body in Australia that actually affords a competency based approach. We would, in particular, advise governments to discern between the benefits of Prince 2 methodology on one hand, and the reality of Prince 2 training in Australia and elsewhere.
   ii. The Prince 2 training framework is almost entirely focused on a compliance basis, a knowledge basis, and certainly has much greater focus on conferring qualifications from an employability basis than developing competency in any genuine sense. There is not much doubt that the prime beneficiaries of Prince 2 training in Australia are the APM Group and the training delivery entities.
   iii. We also draw a distinction between the PMI stereo typed true/false examination approaches which is poles apart from any mature approach to genuine competency development.
   iv. By developing mature and sustainable project management human capital strategies in government organisations
   v. By committing to continuing professional development in the project management community of practice across government, and drawing down on the significant resources of AIPM in developing and sustaining internal communities of practice.
b) How can this keep pace with a rapidly changing industry?
   i. What industry is the question, in reality the change of pace of project management generally and in information technology project management specifically is not an issue; it is relatively stable. Nor is there a huge divide between 'pure' project management on one hand and IT project management on the other, except for specific issues and technical interfaces. Care with urban myths about rate of change.
   ii. It would seem a reasonable proposition that it would be easier for Australian organisations to engage with a nationally based professional body especially one such as AIPM which has such a track record and a high level of international respect for the long term commitment to organisational and individual competency standards.

     iii. AIPM have an ongoing commitment to standards development and an active standards refresh and new standards development cycle. The most recent refresh of the three ongoing professional standards is less than two years old, and the introduction of two new standards, Senior PM and Portfolio Management gives that Australian community of practice a unique and unprecedented level of standards engagement with the real requirements of the practice.

c) What role do you think industry associations have in improving skills?
     i. To understand the needs of public and private sector requirements
     ii. To set the most effective and contemporary professional standards
     iii. To provide a professional standards certification framework to operationalise these standards in the practice environment
     iv. To continually monitor and improve the standards and also the assessment/certification environment.
     v. To provide direct professional development resources to members and to the project management profession generally
     vi. To drive and champion best practice education delivery across private and public providers.
     vii. Provide annual events to call for submissions on projects delivered expose them to collegiate review and assessment and celebrate those that meet the highest standard and appropriately award to publicise those awardees.

Conclusion:

Project management, experience, qualifications and certification can naturally lead to improved outputs in projects, programs, portfolios and strategic outcomes.

Commitment to investing in the development of those skills in our staff, those that we contract services to, our executive is the only way to start to improve outcomes.

This commitment takes the form but is not limited to the following:

- Recognition of any prior experience or learning
- Commitment to training and developing staff
- Providing resources for qualifications and certification
- Supporting Professional and Industry Associations
- Contracting work to qualified and certified suppliers
- Encouraging and promoting applications for awards to recognise individual and team achievements in projects, programs and portfolios of work

As I have previously stated the list is not exhaustive but it does require strategic, policy, executive and individual support to succeed.

It is important that I acknowledge the efforts of a range of NT Government instrumentalities and Departments that are making improvements by training/certifying staff, setting standards for contracts.

And it is appropriate that I recognise the Department of Infrastructure's recent establishment and accreditation as a Project Managed Organisation.

If there is anything we need to understand from commissions and committees of enquiry it is the issues that they are established to address are rarely new and often the issues continue to emerge and re-emerge over cycles of government and indeed generations.

At some point a commitment needs to be made to acknowledge 'lessons learnt,' from pervious and current enquiries and work to translate that to action to improve our stakeholders return on investment.