



2018

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ROUNDTABLE
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Series Partner



THE UNIVERSITY OF
SYDNEY

—
John Grill Centre
for Project
Leadership

Project Leadership:

the game changer in large scale complex projects

Discussion Paper



Australian Government
Department of Defence

2018 International Roundtable Series - Discussion Paper

Project Leadership: the game changer in large scale complex projects

Introduction

Who is the Leader?

In Kaye Remington's publication "Leading Complex Projects" she writes:

"When this book was still a germ of an idea, Jonathan Norman, from Gower Publishing, posed an important question about leadership of complex projects. He asked: 'Who is the leader?'"

*The answer to that question, strongly supported by the results from our research, is that in a complex project or programme there is rarely one leader. A complex project or programme is a multi-level endeavour involving numerous different groups and individuals, a kind of macro-team activity. Although certain individuals might be required to take overt leadership roles at critical times, the command-control notion of a single leader stems from a simpler world view. The many levels of leadership in a complex programme or project must somehow coalesce – individuals, teams, organisations and environment. Highly networked groups interact, each group having a small but significant impact on the overall carriage of the project."*¹

In our 2016 Roundtable Series we looked specifically at "Contracting for Success in Complex Projects". For our 2018 Series we look to build on the successful outcomes from that series, specifically focusing on the most vexing issue, what does **Leadership** for Success in Complex Projects mean? We have partnered with the John Grill Centre for Project Leadership at The University of Sydney to investigate this critical topic. The John Grill Centre has significant expertise and experience in the area of project leadership through their applied research and leadership development programs targeting Boards, executives and project directors/managers. They have worked with organisations across multiple sectors of the economy to uplift their ability to lead, sponsor and govern projects and have demonstrated strong contributions to project success through these initiatives

It is well understood that in most cases organisational success depends to some extent on the successful delivery of program and project outcomes. Too often, the potential for achieving the highest degree of organisational success relies heavily on the execution of effective leadership.

The purpose of the roundtable discussion is to bring the collective wisdom of the participants together, to focus on the topic of leadership of complex projects, with the principal outcome being a clear definition of further action required.

¹ Remington, K (2011) Leading Complex Projects, Gower Publishing, Surry, England

The purpose of this discussion paper is to provide a perspective on *Leadership for Success in Complex Projects* and to identify key questions that will guide the roundtable discussion.

Background

In the *ICCPM Task Force Report – Complex Project Management – Global Perspectives and the Strategic Agenda to 2025* released in 2011, we said in relation to Delivery Leadership:

The challenge of leadership today lies in dealing with the greater uncertainty and ambiguity that has arisen as a consequence of accelerating change, driven not only by social, technological and cultural diversity, but also by the transformational shift from an 'information age' of interrelated systems to a 'knowledge age' where the focus is on interconnected capabilities, rather than individual solutions. In order to deal with these new complexities, successful organisations are shifting from centralised power and decision-making structures to a distributed, shared leadership model, which involves a shift from 'power over' to 'power with'. While traditional project management focuses on the 'iron' triangle of cost, schedule and performance, complex project management must encompass aspects in the non-technical, intangible domain (called soft systems), including economics, human resources, stakeholders, leadership, systems thinking and politics in its widest sense. There is a growing need for all people working on projects to possess multidisciplinary awareness and skills, to be open to the meanings, language, mental models of professionals from many disciplines and cultures, so leaders must acknowledge a multiplicity of internal and external stakeholder interests across a wide range of perspectives. The leaders of complex projects must be able to forge an understanding of how high-order thinking may resolve conflicting assumptions and interests amid rapid social, economic and technological change. The responsibilities and accountabilities of complex project management often overlap with other leadership positions in business and politics. The relationships between these different entities – politicians, government agencies, officials and company executives - with managers of complex projects can, therefore, be problematic. There needs to be holistic oversight, clarification and agreement upon roles and responsibilities to encourage collaboration within and across projects. Anything less can lead to factional infighting, resulting in unhealthy tension.

Commitment to longer-term benefits through collaboration and trust will ensure that sustainability is driven from all levels of an organisation or project. Within this new paradigm of emergent complexity, executive decision makers must provide types of leadership which embrace and enable an environment for innovation, commitment, increased risk appetites and accountability. In order for executives to provide this leadership and encourage positive behaviours of their workforce, they must first look internally and understand their own behavioural drivers and personal characteristics. Ultimately, executive leadership behaviours set organisational cultural patterns which determine the environment for ongoing success - or failure.

POLICY RECOMMENDATION

Maintain delivery leadership capability appropriate to the degree of project complexity

Complex projects demand strong leadership as well as traditional management expertise in planning, budgeting, organising, staffing, monitoring and mentoring team members. Complex projects also require expert leadership that exhibits collaboration, teamwork and shared team leadership as appropriate. This assumes that the project leader is supported by a multi-disciplined, highly skilled and dedicated team. It is also important to promote managing complexity as a specialised discipline and thus reduce the knowledge boundaries between functional silos and enable cross-pollination of specialist knowledge.

In our 2016 Roundtable Series we looked specifically at “Contracting for Success in Complex Projects” and more specifically in the section titled “Competency to Lead Complex Contracts” we explored the essential capabilities required, these essential capabilities are equally relevant in the leadership of complex projects. The report includes the following:

Essential Leadership Capability

The literature and roundtable discussions clearly demonstrate that effective leadership is vital for project success. The views about the limitations of traditional contracts for complex endeavours were reflected in the assessment of the limitations of traditional leadership styles. Traditional leadership models tend to promote transactional views, aiming to follow the process, and focus on managing the letter of the contract, rather than the business acumen necessary to drive the relationships to deliver the capability or outcomes.

Traditional forms of leadership may have been successful for traditional/complicated (transactional) projects where the leader is expected to drive decision-making and deliver outputs. A different style is needed to cope with the risks and emergence associated with complex endeavours.

Good leadership is the most important competence of both a Project and Contract Manager. It is through leadership that we craft and drive visions, effectively engage with stakeholders, and motivate our teams. In the domain of complex projects, the importance of leadership cannot be understated. Leadership is necessary to deal with emergence, change management, maintain strategic outcomes focus, and work with multiple stakeholders to name the many other challenges for complex projects. Leadership is also necessary to establish positive behaviours of the organisation as observed by the Australian National Audit Office (ANAO) Better Practice Guide on Public Sector Governance²:

“Leadership sets the ‘tone at the top’, and is absolutely critical to achieving an organisation-wide commitment to good governance.”

In the domain of relationship management and fostering collaboration, leadership is also of paramount importance as observed by the UK National Audit Office (NAO³):

² https://www.anao.gov.au/sites/g/files/net616/f/2014_ANAO%20-%20BPG%20Public%20Sector%20Governance.pdf

³ <https://www.nao.org.uk/contact-us/project-leadership/>

“Every case study ranked leadership as the most important factor in developing collaborative relationships.”

Leadership alone will not ensure project success; however, an absence of effective leadership will invariably lead to failure. Consider the following comment from the Director of the UK National Health System Information technology program:

“Managing the NHS IT suppliers is like running a team of huskies. When one of the dogs goes lame, it is shot. It is then chopped up and fed to the other dogs. The survivors work harder, not only because they have had a meal, but also because they have seen what will happen should they themselves go lame.”

Unsurprisingly, this leadership style created enormous tension with suppliers and contributed to program failure.

The desired leadership style for complexity is one that balances technical hard skills with human soft skills, and is one that is focussed on building strong and productive relationships through excellent communications. An appropriate leader for a complex environment is one who enables the success of their team by setting the right values and culture, delegating as appropriate, and adapting their leadership style to the current context through situational awareness.

There are challenges associated with developing talent to acquire these traits and behaviours. The issue of organisational maturity and the need to create supportive talent development programs, training, and career pathways are imperative. The organisation must be aware and plan for the growth and development of individual capabilities throughout the lifecycle of the project/contract.

Research

There are many published articles and works that focus on managing complex projects, or leadership of complex organisations. There are very few that focus specifically on leading or leadership of complex projects, perhaps because it is a difficult topic to research. The work of Kaye Remington as mentioned previously is one such piece of research that specifically seeks to address leading and leadership in complex projects. She has published in her 2011 publication, *Leading Complex Projects*, a table of essential role capabilities (p263 Table 11.2) that may prove to be a good launch pad for thinking on this issue, they are as follows:

- Uses high level communication skills in ways appropriate to individual stakeholders and groups.
- Builds strong relationships based on transparent communication and trust with all stakeholders.
- Manages the interface within the organisation to achieve project outcomes.
- Accepts and works with ambiguity.
- Translates ambiguity in ways appropriate to the needs of various stakeholders so that they can participate effectively.
- Views the project from a holistic perspective.

- Uses flexible multi-paradigm approaches suiting the style of management to the purpose and the group.
- Uses divergent thinking to solve problems and negotiate obstacles.
- Able to motivate the teams to deliver the project milestones whilst allowing them space to work effectively.
- Employs high level holistic, analytical and organising skills.
- Uses advanced cost management and analysis skills.

It is not surprising that the attributes identified in the research above map to those contained in the Competency Standards for Complex Project Managers. What is surprising however is the view that “Project Leadership” is still the most vexing issue for practitioners and leaders in organisations today! We need to address this issue and determine why this is so, what can and must be done, and how change must be implemented in order to improve the outcomes for complex projects globally.

Although we recognise that complexity can be and is present in the majority of projects it is not true to say that all projects are defined as truly complex projects. For the purposes of these roundtable discussions we will focus on large scale, strategic projects whose success or failure will have a significant impact on the organisation (or national/global economies).

A different but complementary perspective on complex project leadership can be found in recent developmental psychology. Rather than focus on leadership traits, styles or competencies, this perspective focuses on the underlying cognitive capacity and development of a project leader, which ‘influences what they notice or can become aware of, and therefore what they can describe, articulate, influence, and change.’ (Cook-Greuter 2004, p.277). It relates to a project leader’s depth of understanding, ability to make sense of increasingly complex projects, and therefore their ability to come up with sophisticated responses to wicked or adaptive problems.

Becoming more effective as an executive leader of major and complex projects requires both lateral and vertical development. Lateral development is what is typically seen as learning, and includes training or learning-on-the-job. From a developmental perspective, it is about adding skills or knowledge to one’s toolbox and consolidates the ability of a project leader to operate effectively at a particular cognitive level or level of project complexity. Vertical development refers to transformations in how one views the world or reality, and has a far more powerful impact on someone’s ability to lead complex projects. The latter has been likened to increasing the toolbox altogether.

Research by the John Grill Centre for Project Leadership (forthcoming) with senior project professionals who lead major, complex projects identified five key manifestations of such vertical, cognitive development. These manifestations provide insight into the natural inclination to act (‘action logics’, see Rooke and Torbert 2005) of these leaders, particularly when under pressure, and included the extent to which they enacted their role by: orchestrating dialogue between the right people, at the right time, about the right issues; guiding collaborative meaning-making to align key stakeholders; drawing on practical wisdom and judgment to progress complex project challenges; using a range of power sources, and sensing a pathway through power dynamics; and negotiating project success for key stakeholders based on a broad concept of value.

Contributions of a developmental perspective of complex project leadership include a better ability to match people to the tasks or projects that they are equipped to lead, and fewer occurrences where project leaders feel they are 'in over their heads' (Kegan 1995). A developmental perspective further helps the creating of development strategies that include suitable opportunities and support for both horizontal as well as vertical development. Such developmental strategies require far more fundamental and deeper reflective work on understanding self and making sense of one's environment

Next Steps

Roundtable participants **might** be asked to consider the following:

- Explore how we might encourage and increase board level participation in the execution of good project leadership.
- Explore how we might encourage and increase board level participation in the selection of a good project leaders and their teams.
- Explore and design what complex project leadership capabilities might look like.
- Share examples and case studies of exemplar leadership of complex projects.
- Explore how project leaders could/should deal with uncertainty and ambiguity
- Explore how leaders create highly networked groups that coalesce to make a significant impact on the overall carriage of the project.
- Explore how executive decision makers (leaders) might create a project environment that encourages innovation, commitment, increased risk appetite and accountability.

UPDATED additional considerations:

- How do we create an ecosystem of collaborative leadership where leaders at multiple levels of the organisation and across organisations are aligned so that innovation is encouraged and value is optimised?
- Explore how an organisation can create a culture of leadership, instead of merely develop individual leaders
- How do we enable project leaders to speak up when they feel 'in over their heads', and what sort of support will help them navigate complex project situations that lie beyond their current capability?
- If leadership is so often a contributor to project failure, how can we prevent that (1) the learnings are not lost because of fearfulness to be critical of leaders and (2) learning reviews are not used as weapons to scapegoat leaders?

About ICCPM

The ability to manage complexity has been identified as the number one issue of concern for company CEOs globally. The International Centre for Complex Project Management (ICCPM) is a not-for-profit organisation established in 2007 to champion the development and implementation of practical solutions for organisations facing the effects of complexity. These solutions have application across all industry sectors; for corporate, NGO and government initiatives throughout the world.



ICCPM's key objectives are to:

- Develop and sustain effective collaborations;
- Educate and develop leaders and organisations on issues of complexity and managing complex programmes; and
- Develop and disseminate practical knowledge and solutions.

ICCPM performs a central and coordinating role, to bring together leading thinkers and practitioners in complexity management from around the world. In doing so, ICCPM has created a global network of organisations and individuals that are utilising and sharing techniques and tools to develop and deliver customised, systemic, broad-based solutions at organisational, portfolio, programme and project levels.

ICCPM also facilitates a broader network for action learning, through its membership programme, with courses, conferences, forums, and regular communications designed to link practitioners and deliver emerging research and tools to help optimise our members' implementation efforts.

About the John Grill Centre for Project Leadership

The John Grill Centre for Project Leadership at the University of Sydney works in partnership with organisations to change leadership mindsets and practices through our education and research. By addressing real-world challenges, the Centre undertakes research with organisations, lending insights in energy and resources, infrastructure and technology transformations to support greater social wellbeing and economic prosperity.



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for Project
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The Centre is well placed to support ICCPM's 2018 International Series and connect the Centre's high profile community of directors, executive level leaders and senior project professional to collaborate to achieve successful project outcomes through an uplift in project leadership.

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