



Managing Outsourced Projects

A Case Study on the Soft Side

Joanne Aaronson

For the PMI KXF Oct. 24, 2006



Background

- Global telecom company (est. 2001)
- Third party software integration
- Vendor located in San Diego & Australia
- Multi-cultural team, many time-zones
- Standard project environment in place
- I was asked to take over as project manager



Situation: This is a troubled project!

- Technology:
- Development:
- Communication:
- HR/Team :
- Schedule:
- Cost/Travel expense:
- Virtual ISP (VISP)
- Systems integration
- Poor, no trust
- Matrix, sufficient staff
- Delayed
- \$\$\$ anticipated to solve problems face-to-face

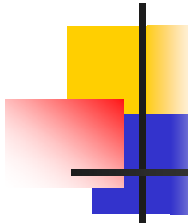
• **Work: stalemate!**

Where conflict may arise, during the five stages of Group Development.

Small Group Development Theory by Bruce Tuckman. Examples of conflicts that might be seen at each stage, with accompanying suggestions were developed by Delilah Poupore, Housing & Residential Services, UCSB.



Stages of Group Dynamics	Tasks of the Stage	Examples of Conflicts that Might Arise	Possible Approaches to Getting Through
1. Forming	<ul style="list-style-type: none"> • Joining • Welcoming • Understanding the purpose • Building relationships 	<ul style="list-style-type: none"> • If purpose or membership seems exclusive, or people don't feel welcomed, they might not join or might be tentative or suspicious • If leaders set an exclusive tone, others may follow 	<ul style="list-style-type: none"> • Individual outreach • Listening openly to members
2. Norming	<ul style="list-style-type: none"> • Setting Expectations • Establishing styles • Learning Leadership and Member Roles • Establishing processes • Establishing Goals 	<ul style="list-style-type: none"> • If expectations not clear, people may not be meeting them • If expectations not met, frustrations may arise • If judgments arise about styles and roles, people may act critically • If oppressive behavior happens and/or is condoned, people may be hurt or want apologies or even want to quit • If the organization's goals don't match members' goals, members may be frustrated 	<ul style="list-style-type: none"> • Team-building on expectations or style inventories • Leaders stating expectations • Individual confrontations and listening • Group discussions
3. Storming	<ul style="list-style-type: none"> • Airing Dissatisfaction • Finding Ways through conflict • Assessing Leadership • Assessing Member role 	<ul style="list-style-type: none"> • If people attack the leader or organization, the leader may be defensive and may not lead well • If the leader doesn't deal with conflict in the manner 	<ul style="list-style-type: none"> • A "support the leader" exercise • Individual discussions • Group discussion



		members want, members may feel distrust and may judge the leader	
4. Performing	<ul style="list-style-type: none"> • Functioning Well • Seeing Conflict as Opportunity 	<ul style="list-style-type: none"> • If there are unresolved issues, they will keep resurfacing in another form until resolved • If member performance isn't supported, members may burn out or attack leadership • If leadership isn't supported, leaders may burn out, not appreciate members, not cultivate new leaders 	<ul style="list-style-type: none"> • Group discussions • Appreciations for members and leaders
5. Adjourning	<ul style="list-style-type: none"> • Putting Closure on Tasks • Putting Closure on Relationships • Preparing for next group 	<ul style="list-style-type: none"> • If people have unspoken feelings about closure, they may procrastinate or otherwise sabotage projects 	<ul style="list-style-type: none"> • Team-building about "closure" and the importance of acknowledging feelings while taking care of tasks

A few other factors should be considered, independent of the stages of development:

Stressed out people looking for a place to vent.

Sometimes the organization becomes a target for other frustrations people may be having in their school, work, or family life. So, when the person is part of the organization, they are in a way looking for similarities between the problems they are having in the rest of their life.

Listening and asking how you can support them can work. It's okay to set limits and refer them to other support, and remind people of expectations as well, because you don't want your organization to stall over one person's issues.

Oppression

Most organizations will not be completely free of the oppressions based on race, gender, class, sexual orientation, religion, physical and mental ability and age, because these oppressions exist within society. Therefore, organizations will need to work to create a non-oppressive atmosphere, as well as deal with language or behavior that perpetuates exclusion or hate.

Solution: People Skills



One-on-one interaction

- Set up calls at alternating time for various time zones
- Got people talking



Got “players interacting”

- Key people for each project area
- Work became personal



Set up clear team goals

- Each group of “2s” worked to solve problems
- Trust developed

Virtual Project Management



Approach:

- Common vision
- Team building
- Individual incentives to play
- Appropriate performance measures

Special Skills:

- Intercultural Conference Calls
- Auditory skills
- Intuitive thinking - creativity
- Engaging the Heart & Head for real understanding



Words from the expert

■ 9.7 An interview with Michael F. Corbett

- (President of Corbett & Assoc., Ltd; recognized expert in the field of outsourcing by the President of the US and has advised senior executives.... *Text: Outsourcing Information Technology, Systems, and Services; W. Jones, Prentise Hall PTR, 1998.*

- *When the contract is signed, the relationship begins*

- *Elements of Managing Outsourcing Projects Best Practice:*

1. *Objective performance criteria are negotiated, measured and reviewed*


2.  *Formal relationship management structure*

3. *Performance-based pricing*

4. *Internal training and communications on business goals and relationship management*

5. *Vendor training on customer's business environment & goals*

6.  *Cultural normalization*

7.  *Ongoing exchange of knowledge and expertise*