

# The Customer Relationship in IT Project Management

*PMCenters* USA®

## The Customer Relationship In IT Project Management

**Rick Clare**

PMP, CBAP, CSM, MSPM



Pittsburgh PMI (Project Management Institute) Chapter

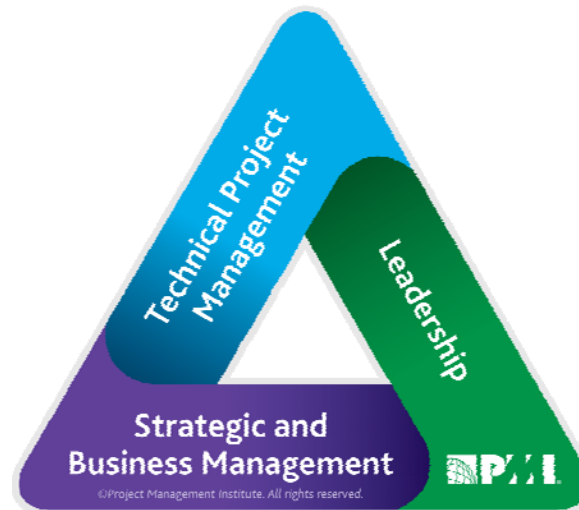
**Professional Development Day!**

November 1, 2017



## PMI Talent Triangle

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# The Customer Relationship in IT Project Management

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**Strategic & Business Management**


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- Benefits management & realization
- Business acumen
- Business models & structures
- Competitive analysis
- Customer relationship & satisfaction
- Industry knowledge & standards
- Legal & regulatory compliance
- Market awareness & conditions
- Operational functions (e.g. finance, marketing)
- Strategic planning, analysis, alignment

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# The Customer Relationship in IT Project Management




## Strategic & Business Management

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- Benefits management & realization
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- Business models & structures
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- **Customer relationship & satisfaction**
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## Topics

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1. Who is the Customer?
2. Common Customer Disconnects
3. Understanding the Customer
4. Information Flow
5. Relationship Enhancement



# The Customer Relationship in IT Project Management

## Topic 1

### Who is the Customer?

- Organization definition
- IT definition
- PM definition



### Organization Definition of Customer

- The people who give us money for what we do!
- For a bank, it is the people on the street who put money in our accounts, or who invest in us
- For a grocery chain, it is any hungry person who shops at our stores
- The company only exists because of these people!



**This is not the definition we are interested in!**



# The Customer Relationship in IT Project Management

## IT Definition of Customer

- Our Business partners at the company
- All the different corporate departments that request project work
- All the board members that decide which projects will get funded
- All the senior Business stakeholders that we will be working with on our projects



**This is a little closer**



## PM Definition of Customer

- All the Business people

**PLUS**



- All the IT executives that have projects for us to run also!

**This is a complete definition for an IT PM**



# The Customer Relationship in IT Project Management

## Topic 2

### Common Customer Disconnects

- Everything is Fine!
- Define the Word “Estimate”
- PMs Have to be Subject Matter Experts
- IT Works For (vs With) the Business



## Disconnect 1

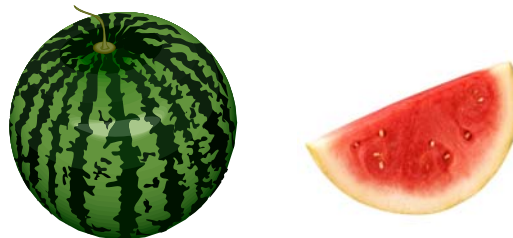
### Everything is Fine!



# The Customer Relationship in IT Project Management

## What Does the Business Sometimes Hear?

- PMs are leaders themselves and want to give the best impression
- We will often “spin” the results to give the best news possible – we are human, after all!
- The result can be a “Watermelon” project – green on the outside but red in the middle



## What Does the Business Want to Hear?


- The truth, of course!
- How else can appropriate decisions be made?

Note: There used to be a photo here of a certain person on a show called The Apprentice, informing someone that they had been fired. The photo has been removed.

**Just tell me the truth or  
you are fired!!!!**




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## Solution: Bad News is OK Here


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- If you get raked over the coals enough times for delivering bad news, you will start speaking “carefully”
- **This is not what is needed!**
- Work on developing an atmosphere where there is comfort when delivering bad news
- Get them to encourage bad news as well as good
- **There is a difference between a project in trouble and a bad Project Manager – they need to realize this**






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## Disconnect 2

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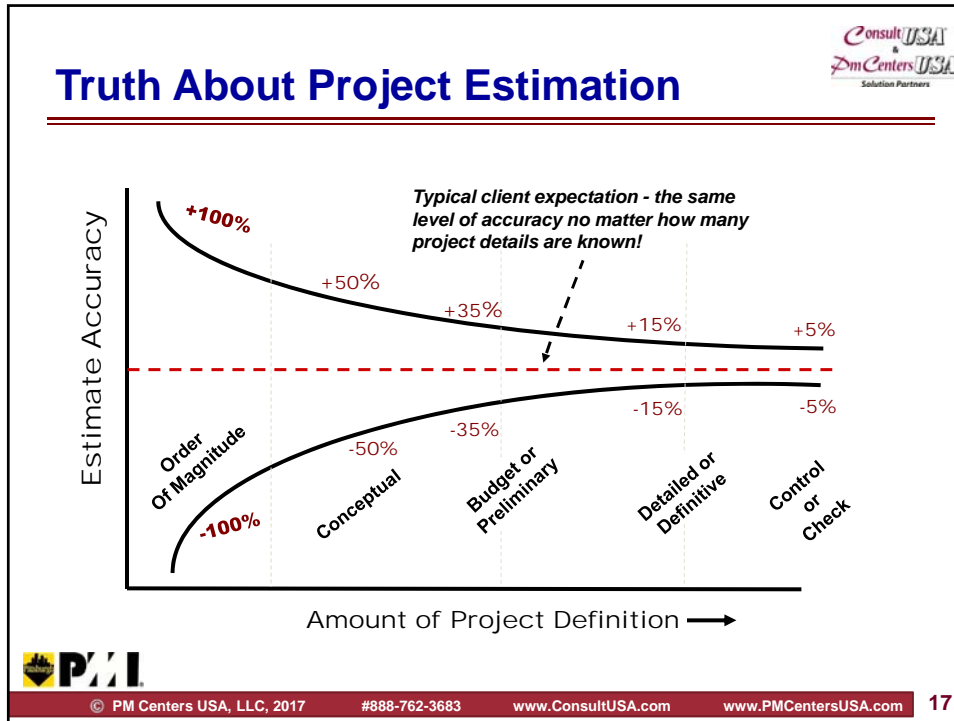
# Define the Word “Estimate”



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## The Problem Scenario

**Sponsor:** You have 8 months and \$100K for this project

(Two weeks later) **PM:** Our detailed estimates show 12 months and \$110K

**Sponsor:** No, change it back...

**Why is this happening?**

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## Business Perspective

- I know the game that these PM's play – I have seen it all before
- They always pad their estimates, so I have learned that I have to reduce them – it is the only way to keep control

**Note to PM:** Have you been padding? If so, **stop it!** Instead, use Contingency – an openly visible task at the end of the schedule to account for the inherent uncertainty



## PM's Perspective

- I know the games that they play – they have no real idea of the uncertainty in project estimations
- I will have to fiddle with the numbers to get what I need...

**Note to PM:** Use proper contingency calculation and be prepared to show how your estimate was developed. Education is your best friend here!

**Note to Business:** Listen to your PMs – they are experts at this stuff. Learn to trust them! Be prepared to take their position up the line in support



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## Solution: Trust on Both Sides

- If the PMs are operating in a climate where they can speak the truth about their estimates, they will do that - **trust will grow**
- If the Business gets the truth from the PMs they will start to rely on that and be able to explain it higher in turn – **trust will grow**
- Hopefully this will percolate to the highest levels of the organization



## Disconnect 3

### PMs Have to be Subject Matter Experts

**The Expert is:**



# The Customer Relationship in IT Project Management

## PMs are Useless Unless They Know...

- Everything about the technology
- Everything about the business
- All the accounting practices
- All the retail practices
- All the insurance details
- How a mortgage really works
- Why this stock is worth more



Oh, and they have to know all that PM stuff also (risk, cost, HR, etc)



## All Knowledge is Good, but...

- They are paying you to be a PM, not a SME
- Project Management is already a complicated profession and there are only so many brain cells available
- Certainly, domain knowledge will grow – it is inevitable, but the focus should be on how good a PM you are



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## Solution: PM Skills as the Focus



**Project Managers do not have to be experts – Project Managers need to *surround* themselves with experts**



## Disconnect 4



**We Work For (vs With) the Business**



# The Customer Relationship in IT Project Management

## Some History

- **1950s:** The only people who know anything about computers are the geeks and we write all the software – pendulum is with the Techies
- **1970s:** The business starts to rebel against being told to “Stop Complaining” – pendulum swings to the Business side
- **2000s:** Changing thinking makes it obvious that the pendulum should be in the center – IT and Business should be partners for success

**Partners should work together, not for each other...**



## Solution 1: ITIL

- Not the only such thing out there, but the best known
- A set of best practices about how the Business and IT should work together
- Centered on Service Level Agreements between the parties, requiring behaviors from *each*
- An ITIL implementation only works if most of the things are already in place...



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## Solution 2: Business Presence

- Bring the Business more strongly into each project
- If you are using BAs you are well on your way, but do it even more strongly than that
- PMs should invite the senior Business person or rep to the weekly status meetings
- Can have amazing results!



## Topic 3

### Understanding the Customer

- Learn their business
- Captive audience (in our case)
- They do NOT know your world
- Who is your best resource in getting to know the Business?



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## Learn Their Business

- Read the Business Case
- Take a tour
- Do some reading
- Are there any certifications that could help?
- How about an MBA?
- Their long term strategy could help you predict future project work



## Captive Audience

- Unlike most other customer situations, there is nowhere else for them to go!
- Good relationships are a must – you are essentially married
- The customer knows this and it can lead to some subconscious irritation





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## They Do NOT Know Your World

- The Business knows their business
- They do not have enough capacity to also know the IT and PM stuff
- They will need explanations for things that may seem obvious to you
- Get them to trust you and let you do things, even if they don't know why you are doing them

**LEARN**



## Who is Your Best Friend?

- **The Business Analyst!**
- This position in IT essentially came into being to fill the understanding void between IT and Business
- BAs should already have a great relationship with the Business
- Use this relationship to “insert” yourself into the circle of friends



# The Customer Relationship in IT Project Management

## Topic 4

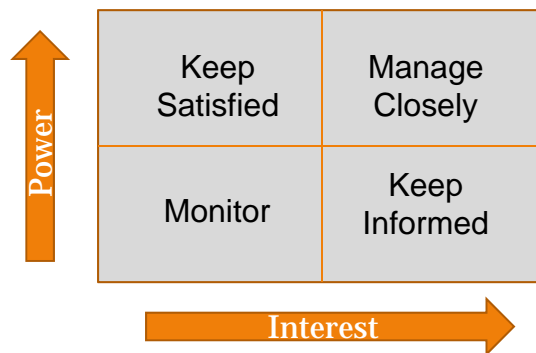


### Information Flow

- Stakeholder analysis
- Communication plan



### Stakeholder Analysis



- Use this to understand multiple stakeholders
- Remember that some stakeholders are nervous!



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## Communication Plan



Stakeholder	Communication	Frequency
Business Area Manager	Simple, readable progress report	Weekly
Business Lead	Detailed progress report	Daily
IT Sponsor	Statistical dashboard	Weekly

- Some examples ...
- Lesson is that different audiences need different reports
- Target the status information!



## Probably Too Much!



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## Topic 5



### Relationship Enhancement

- Togetherness through Meetings
- Education
- Lessons learned



### Togetherness Through Meetings



- Use meetings to establish rapport
- Face-to-face (as always) is better, because of this relationship aspect
- Invite them and encourage them to attend:
  - They will have time constraints
  - Encourage them by emphasizing their contribution
  - They will learn as much as you will
  - Relationship building!



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## Education

- A primary goal in relationship building is for them to have faith and trust in you
- The relationship should not be a boss/subordinate one – recall that as one of the disconnects earlier
- You must be in a position where you can say “No” occasionally
- This requires them to recognize you as an expert!



## Education Example

- Business: I need this done by this date, and there is only this amount of money available
- PM: Sorry but that is not possible – here is why...

If this conversation is going to go well, the PM has to know her/his stuff, and to be able to explain things very clearly and convincingly!



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## Sneaky Education

- Try and use regular meetings to introduce some technical subjects
- Don't act like a teacher, be sneaky!
- Use techniques like "Just to make sure I understand, I want to take a minute to restate..."
- The business will be listening carefully
- They will end up learning lots about the IT world and why this work can be challenging



## Some Examples of Technical Education Opportunities

- Relational Database basics – tables, foreign keys, triggers
- Structured Query Language
- Virtual Servers vs Physical ones
- Security!
- Why regular upgrades are important



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## Lessons Learned

- All too often, this is either not done, or just a formality at the end of a project
- Instead, make it a big deal, and bring the Business along for their input!
- **Important** – make sure that the information gleaned from lessons learned gets passed on and USED by the higher-ups



## Review

1. Who is the Customer?
2. Common Customer Disconnects
3. Understanding the Customer
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# The Customer Relationship in IT Project Management

## Company Background



### Specialty Staffing, Customized Training & Consulting

- ✓ Specialty Project Management/Agile Staffing as a Service
- ✓ Customized Project Management/Agile Training
- ✓ Project Management/Agile Consulting
- ✓ Public & Private Training (on-demand, virtual, & on-site)



### National IT Staffing & Placement

- ✓ IT Staffing as a Service Solutions
- ✓ Traditional IT Staffing Services:
  - ✓ Contract-to-Hire
  - ✓ Contract
  - ✓ Direct Hire/Permanent Placement



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## Presenter



### Rick Clare

PMP, CBAP, CSM, MSPM  
Partner with   
Partner with 

Websites: [www.PMCentersUSA.com](http://www.PMCentersUSA.com)

[www.ConsultUSA.com](http://www.ConsultUSA.com)

Email: [Rick.Clare@ConsultUSA.com](mailto:Rick.Clare@ConsultUSA.com)

Office: (888) 762-3683

Cell: (412) 303-9878

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