Planning consultant led organisational change projects in the South African public sector

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Abstract

The contracting of consultancies to lead the implementation of many organisational change projects in the South African public sector has not always led to the successful implementation of these projects.

Seeing as the planning process plays a critical role in determining project success, the research was aimed at establishing ways of improving the planning of consultant led organisational change projects in the South African public sector.

From a public sector client perspective the key research findings amount to the need for the pro-active management of the consulting relationship and deliverables by the client.

From a consultant's perspective the key research findings amount to the development of a project solution and implementation plan that meets the client's requirements and can deliver on what it promises.

In terms of overall project planning approaches and methodologies, it was found that improvement opportunities do not lie in the implementation of radical new approaches in project management, but rather the disciplined implementation of basic project management principles, processes and methodologies, particularly focusing on the following six main areas;

a) obtaining an understanding of the client's unique environment;

b) clarifying and agreeing relevant and realistic project outcomes;

c) the formulation of relevant and realistic project plans;

d) the establishment of an optimal project team and support structures for the team;

e) planning for sustainability; and

f) the establishment of project governance frameworks.

Declaration

I, Tammy Beatrix Dohmen, hereby declare that the thesis (Planning consultant led organisational change projects in the South African public sector) is my own, unaided work.

It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration in the University of the Witwatersrand. It has not been submitted before for any other degree or examination in this or any other university.

Acknowledgments

I would like to thank the following people without which this report would not be possible:

- My supervisor, Mike Pycraft who provided guidance and clarity throughout the process;

- The respondents who willingly gave up their time to participate in the interview process;

- My family who have always supported me in realising my dreams.

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1 CHAPTER 1: INTRODUCTION

1.1 Purpose of the study

The purpose of this study is to identify and explore ways of improving the planning of consultant led organisational change projects in the South African public sector.

1.2 Context of the study

The South African Public Service defines its commitment to improving service delivery in its vision for the Batho Pele (People First) initiative, which is "to enrich the quality of services we render, and make people-centered and people-driven development a reality" (Batho Pele Handbook, 2004: 3).

The framework for improving service delivery is further articulated in the Batho Pele Revitalisation Strategy, which consists of the following four pillars or improvement focus areas:

- Re-engineering and improving back-office operations of government;
- Re-engineering and improving front-office operations of government;
- Internal communications; and
- External communication.

The re-engineering and improvement of both back and front office government is defined as "efforts to improve systems, work processes and institutional structures, which collectively make service delivery possible" (Batho Pele Handbook, 2004: 11).

Strategies such as the Batho Pele Revitalisation Strategy have created a sense of urgency in improving public service operations and, as such, have resulted in the planning and implementation of a large number of projects aimed at supporting the realisation of these levels of required service improvement in the public sector environment.

Many of the more visible public sector projects focused on infrastructure development such as access to water, housing and transportation infrastructure and could thus be categorised as engineering or construction projects. However, seeing as the public sector is mainly an administrative environment, many of projects that have been completed or are being planned for future implementation, are organisational change projects aimed at re-engineering and improving administrative operations.

Due to the complexity of these large-scale organisational change projects, most public sector organisations chose to procure the services of external management consultants in the relevant fields to provide expertise and capacity in the implementation of these projects. The increased use of external management consultants by the South African public sector is in line with international trends. Kennedy Information, an American firm that monitors the consulting industry, estimates that consulting to the public sector makes up over 30% of the global consulting market (Economist, 2005).

Despite the increase in the number of public sector initiatives and projects aimed at improving service delivery and the procurement of professional consultancy services to assist with the planning and implementation of these projects, research conducted by the Institute of Security Studies over the period of 2006 to 2008 found that public sector initiatives and projects implemented in this period achieved varying degrees of success (Benjamin, 2008).

True success stories such as the South African Revenue Service's improvement in revenue administration and collection processes were outweighed by failures such as the lack of service delivery by the Department of Home Affairs as well as parastatals such as the Land Bank. Clearly, the organisational change initiatives and projects aimed at realising process and service improvement in these public sector organisations failed dismally making the realisation of the Batho Pele vision look like a distant dream (Benjamin, 2008).

The realisation of improved public sector service delivery is dependent on the successful implementation of initiatives and projects aimed at supporting this goal. Government has thus started to realize that a project management capability, even where external consultants are used to lead the project, is becoming more and more critical in the Batho Pele journey.

As highlighted by the Deputy Minister for Provincial and Local government, ms Nomatyala Hangana, in her address to the South African Chamber of Business (SACOB) 2007 annual convention when discussing the topic of "Sustainability Beyond 2010", government's approach to sustainable development is premised on increased public sector investment in public enabling infrastructure and services. However, the benefit of this increased spending can only be realised by improving public sector capacity to spend and manage public financial resources through the deployment of project management and engineering capacity to public sector entities (SACOB, 2007).

Furthermore, National Treasury also recognises the critical importance of effective project management in the public sector through the establishment of its Technical Assistance Unit (TAU) which focuses on providing project management support to public sector organisations, the improvement of project management approaches and processes as well as levels of knowledge in the sector (Technical Assistance Unit, 2007).

The Project Management Body of Knowledge (PMBOK) handbook (2000) defines projects as consisting of the following phases: initiation, planning, execution, control, and closeout.

Each phase makes a critical contribution to the overall success of the project. Burke (2001) however argues that the quality of the project planning process is the key predictor of project success. Levels of ambiguity and complexity are at their greatest in the planning phase as opposed to the implementation phase where, unless dramatic scope changes occur, the project activities are merely focused on implementing the project as per the project design contained in the project plan (Turner & Cochrane, 1993). Even though a project may be implemented perfectly in terms the project solution and plan, the project will still fail to meet stakeholder requirements if the project was not designed and planned properly (McAdam & Donaghy, 1999).

Improving the planning of public sector projects should thus contribute to the improvement of project success and the realization of the Batho Pele service delivery vision.

1.3 The problem

If public sector organisations are to realise the Batho Pele Revitalisation Strategy's service delivery improvement vision they need to implement a large number of organisational change projects which, due to capacity and capability constraints in the sector, will in many cases be consultant led.

The lack of past public sector organisational change project successes indicate that the project management of these projects needs to be improved.

In light of the importance of the project planning process as a component of the project management process (McAdam & Donaghy, 1999), the identification and exploration of ways of improving the planning of consultant led organisational change projects can make a meaningful contribution toward improving the capability to deliver successful projects in the sector.

As stated in section 1, the purpose of the research is therefore to identify and explore ways of improving the planning of consultant led organisational change projects in the South African public sector.

1.4 Delimitations and limitations

The sample for the study will be purposive, as the researcher will elect respondents who have the required experience to answer the research question. No attempt will be made to ensure that the sample is random and representative of the population.

The study will be delimited to the planning component of project management. Participants in the survey will however have participated in South African public sector projects where they have concluded the planning as well as the implementation and close out phases of the project thus being able to provide a perspective on how the planning process hindered or enabled the achievement of successful project completion.

The study will be delimited to the South African public sector, which includes government parastatals.

The study is aimed at exploring the details of how the planning process can be improved and aims to obtain practical suggestions and techniques that will be useful to consulting as well as public sector office bearers involved in the detail of the planning process. The study will thus be delimited to exploring improvement areas from the consulting project manager as well as client sponsor perspective. Sponsors who will participate in the study would have been extensively involved in the detail of the planning process so as to provide comment on possible improvement areas.

1.5 Significance of the study

The study will assist in the identification and exploration of ways in which the planning of organisational change projects in the South African public sector can be improved.

As such, the study will identify factors that are distinctive to the planning of organisational change projects in the South African public service environment. This is considered important, as the literature on the planning of organisational change projects in the South African public service environment is very limited.

It is proposed that this research output will provide both consultants as well as public service office bearers that are responsible and accountable for the planning and implementation of organisational change projects with practical information on how their planning processes can be improved so as to increase the probability of successful project implementation and the realisation of Batho Pele's vision of improved public sector service delivery (Batho Pele Handbook, 2004).

1.6 Assumptions

The following assumptions underpin the research to be conducted:

a. Although the activities completed during all phases of a project's duration impact the overall success of the project, the project planning phase determines the framework for all future project work as well as the project completion success criteria and, as such, it is a critical phase in the project lifecycle that offers more opportunities for improvement. The focus of the research is therefore limited to the planning phase;

b. There will be transparency and integrity in the responses provided by respondents.

2 CHAPTER 2: LITERATURE REVIEW

This chapter outlines the literature used to derive the propositions against which the research will be conducted.

The literature review commences with an overview of project planning as a critical component of the project management process. The nature of consultant led and organisational change projects is then explored.

The literature review continues by elaborating on unique challenges in implementing consultant led organisational change projects in the public sector where after means of improving the planning of organisational change projects in the public sector environment are then discussed in terms of four main areas.

The areas were derived on completion of an initial review of the literature which identified a wide range of improvement areas. To enable the meaningful identification and exploration of key themes, the improvement areas were then clustered into similar areas. The following four areas were identified and are elaborated on in the literature review; a) obtaining an understanding of the client's unique environment; b) clarifying and agreeing relevant and realistic project outcomes; c) formulating relevant and realistic project plans and c) the establishment of an optimal project team.

The literature review concludes with a summary of the argument thus far and sets the foundation for the research.

2.1 Project Planning

2.1.1 Projects and the project life cycle

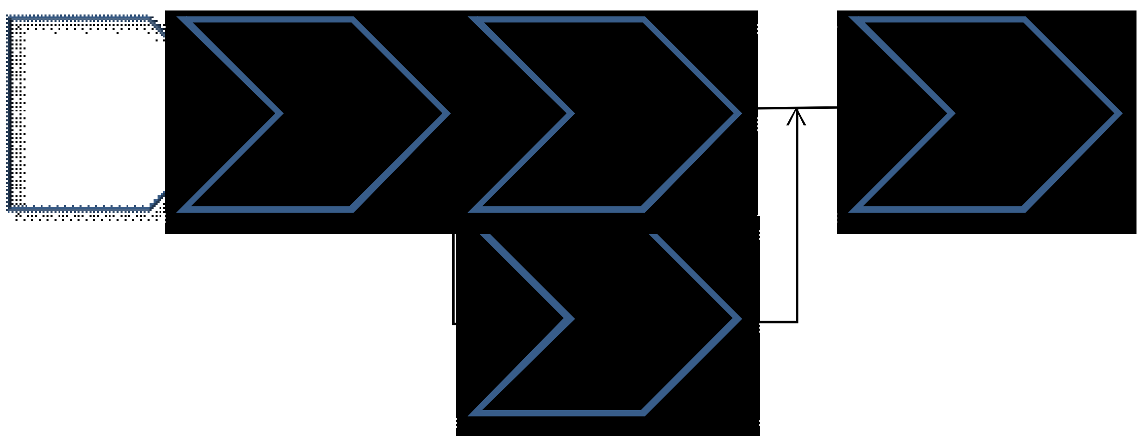
Turner and Cochrane (1993) as cited in Svetlana (1999:4), define a project as:

"An endeavour in which human, material and financial resources are organised in a novel way, to undertake a unique scope of work of given specification, within constraints of cost and time, so as to achieve unitary, beneficial organisational change, through the delivery of quantitative and qualitative objectives".

The process of organising human, material and financial resources as referred to above, takes place in a number of phases.

In terms of the phases defining a project and the project management process, the Project Management Body of Knowledge (PMBOK) handbook (2000) defines the phases as initiation, planning, execution, control, and closeout.

Figure 1: The Project Lifecycle



Source: Adapted from Burke (2001)

Burke (2001) describes the project initiation phase as entailing the identification of the need for a project and the decision that the project will commence.

The project planning phase typically includes activities such as stakeholder needs analysis, conducting feasibility studies, project risk assessment, project product design and project scheduling.

The execution and control phases include activities such as executing work and communication plans, monitoring progress and adherence against scheduled plans and quality criteria and managing project risk by resolving problems. The close out phase includes the evaluation of project deliverables, the transfer of project product responsibility as well as the reassignment of the project team (Burke, 2001).

2.1.2 The importance of project planning in the achievement of project success

In their research conducted amongst project managers to establish current practice in the field of project management, White & Fortune (2002) identified the following top five criteria for or measures of project success:

Table 1: Criteria for Project Success

Ranking	Criteria for Project Success
1	Meet client's requirements
2	Completed within schedule
3	Completed within budget
4	Meets organisational objectives
5	Yields business and other benefits

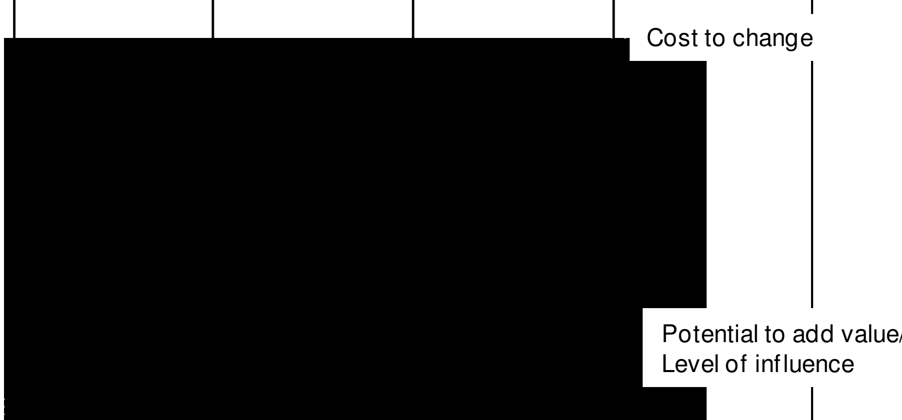
Source: Adapted from White & Fortune (2000)

In terms of the link of the above criteria to the different project phases, client requirements and completing the project within budget and schedule (part of the top three ranked criteria) are determined during the project planning phase. The fourth and fifth ranked criteria, meeting organisational objectives and the yielding of business benefits, also speak back to the definition of organisational objectives and required business benefits which takes place during the project planning phase.

Burke (2001) furthermore proposes that the initiation and planning phases of a project offer the greatest potential to influence the project design and outcome and, as such, add the greatest value. He argues that the implementation phase should be focused on no more than implementing the project as per the project design which is concluded during the initiation and planning phase.

Burke (2001) also highlights that the cost involved in making changes to the project plan increases substantially as the project moves from the planning to the implementation and control phases. Refer to figure 2: Potential to add value/cost of changes during the project life cycle for a depiction of how the potential to add value and the cost to change declines and increases during the project life cycle.

Figure 2: Potential to add value/cost of changes during the project life Cycle

Phases	Initiation	Planning	Execution & Control	Close Out
				
Initiation				
Planning				
Execution				
Control				
Closeout				

Source: Burke (2001:30)

Turner & Cochrane (1993) support Burke's view in proposing that the levels of ambiguity and complexity are greatest in the planning phase and as such decisions made during this phase will have further reaching consequences than that of decisions made in other phases.

In their research conducted on current practice in the field of project management, White & Fortune (2002) also identified the top five factors that were deemed to be critical project success factors. The critical success factors are depicted in table 2 below.

Table 2: Critical Success Factors for Projects

Ranking	Critical Success Factors for Projects
1	Clear goals/objectives
2	Support from senior managers
3	Adequate funds/resources
4	Realistic scheduling
5	End user commitment

Source: Adapted from White & Fortune (2002).

As can be seen from the above table all the above critical success factors are impacted by the project planning processes. The definition of project goals as well as the scheduling and resourcing of the project take place during the planning stage. Furthermore, the process of obtaining support from stakeholders such as senior managers and end users commences with the stakeholder identification and consultation process that is an important component of the project planning phase.

The research thus clearly indicates that the project planning phase is critical to the overall successful completion of a project.

2.2 Consultant Led Projects

Due to the complex nature of projects, organisations in both the private and public sector often turn towards external management consultancies to lead the implementation of projects in the organisation.

2.2.1 The need for consultant led projects

Although many modern day organisational structures include internal consulting and project management functions, many organisations still choose to procure the services of external consultants to provide expertise and capacity in the conceptualisation and management of large scale projects.

The business environment has become increasingly complex and fast changing and the consulting industry has taken the opportunity to position itself as a knowledge industry providing the ability to solve complex business problems. The premise is that the industry consists of knowledge intensive consultancies employing knowledge workers who through their qualifications and continuous exposure to a range of business challenges and scenario's have developed best practice methodologies that will provide the client with a sophisticated problem solving capability leading to the implementation of cutting edge solutions. In effect, the claim made by industry is that internal client resources are limited in terms of their exposure to various environments and as such cannot offer the benefit of the level of experience, research and lessons learnt that the consulting industry can offer (Fincham. 1999).

Clients thus procure consulting services based on the need for objective advice, new ideas, methodologies and approaches. Furthermore, clients often find that whilst they are looking towards fundamentally improving organizational performance, they cannot afford to lose focus in terms of current operations and, as such, the services of consultants are often procured as a means of providing capacity and to realize short implementation turnaround times by means of leading the implementation through an experienced team (Appelbaum, 2004).

2.2.2 The Consultant-Client Relationship

The consultant-client relationship can be analysed in terms of the financial motives, the level of dependence as well as the expectations that exist between the two parties.

2.2.2.a *The financial motives of the two parties*

Seeing as the client is paying for a service, the client will assume that the consultancy will deliver a certain level of capability and capacity in return for the payment for that service. The client thus wants to obtain maximum value against the financial commitment it has made.

Likewise, consulting firms operate as profit driven businesses and would have costed their proposal to the client based on assumptions around the expected levels of complexity of the project as well as the number and level of resources to be allocated to the project for the expected project duration. It is thus in the financial interest of the consulting firm to maximize profits leveraging the use of resources, including the use of pre-defined, re-usable solutions and methodologies, in a manner that will ensure minimum input cost against consulting revenue (Scott Sutterfield, Friday-Stroud, & Shivers-Blackwell, 2006).

Appelbaum (2004) thus argues that a potential conflict exists in that the client will seek to obtain maximum effort and input/resources from the consulting firm whereas the consulting firm will aim to provide minimum input/resources to the assignment so as to minimize input costs.

Depending on which of the two parties is more successful in achieving their profit/value for money objective, the final outcome of such a conflict would be the implementation of a project that may be deemed as successful by the client but is unprofitable to the consulting firm. Alternatively, the project may be highly profitable for the consulting firm but the client experiences the service as not providing the required return on investment.

However, Fincham (1999) highlights that consulting firms cannot risk purely focusing on short term profits. He raises reputation management, the need for consulting firm success stories and case studies as well as the reliance of the industry on repeat business as reasons for “good consulting firms delivering solutions to clients that are perceived to be value for money” (Fincham, 1999: 347).

The successful consulting firms that manage to balance high levels of service delivery to clients with making good profits on their services are those that are most effective in their development and utilisation of best practice methodologies that can be re-used on different assignments with some form of customisation supported by efficient planning and implementation processes (Scott Sutterfield *et al*, 2006).

2.2.2.b *The level of dependence between the two parties*

In many cases clients do become dependent on consultancies during the course of a project. Due to the client’s constraints in terms of knowledge, experience and/or capacity they have to rely on the consultancy to provide guidance in terms of both the solution design (the “what”) as well as the implementation process (the “how”).

Clients are particularly dependant on consultancies as far as the implementation process, which is finally articulated in the project plan, is concerned. Senior executives in the client company may themselves be highly qualified and up to date with the latest in business trends and approaches. They thus typically have an understanding of the solution design (the “what”) but because they have no or limited experience in the solution implementation process, they do not have definite answers to questions around process, resourcing, infrastructure, time and budgetary requirements. In terms of finding the answers to these questions, the option of turning towards a consultancy that provides experience and tried and tested methodologies seems to be a logical process (Appelbaum, 2004).

Bloomfield and Danieli (1995) as cited in Fincham (1999:338) indicate that consulting firms tend to take advantage of the client’s lack of knowledge and or experience and “position their role in the relationship with the client as indispensable, thus aiming to create a dependency”.

The client's ability to judge the quality of the solutions provided and thus its true dependency on the consultancy it has contracted is often limited. Fincham (1999) states that consultants often offer advice in areas that are unfamiliar to the client thus making it difficult for the client to judge the quality of that advice. Fincham (1999:338) furthermore argues that due to their limited ability to judge the true quality of expertise provided, "clients have to rely on indicators of expertise such as presentation material, imposing methodologies and the professional demeanour of consultants assigned to the project".

On the other hand, consultancies are often also very dependent on their clients. In terms of the solution design process (the "what"), the process is based on information about the client's unique environment. Challenges in accessing sources of client information and the provision of inferior quality of information hampers the consultant's ability to design a relevant solution.

The client also plays a critical role in the planning of the implementation process as constraints in the environment such as cyclical increases in operational volumes or infrastructural constraints will impact on the ability to deploy the project solution. If these constraints are understood upfront they can be incorporated in the design of realistic project plans. The implementation against planned timelines is however again dependant on potential changes in the client environment (Appelbaum, 2004).

Furthermore the consultancy is particularly dependant on client project team members and decision making processes. The level of expertise and availability of team members as well as the power base of the project sponsor plays a critical role in project success. A project sponsor that is not authorised to make project decisions or a sponsor that has to revert to lengthy consultation processes on even basic project decisions will most likely lead to delays in the implementation of the project (Boddy & Buchanan, 1999 as cited in Bourne & Walker, 2006).

Ideally the consultant-client relationship should be managed as a partnership where both parties realize their co-dependence in achieving the mutual benefit of successful project implementation. This can only be achieved through clear allocation of roles and responsibilities and a realistic understanding of the work load involved (Scott Sutterfield *et al*, 2006).

2.2.2.c *Consultant promises and client expectations*

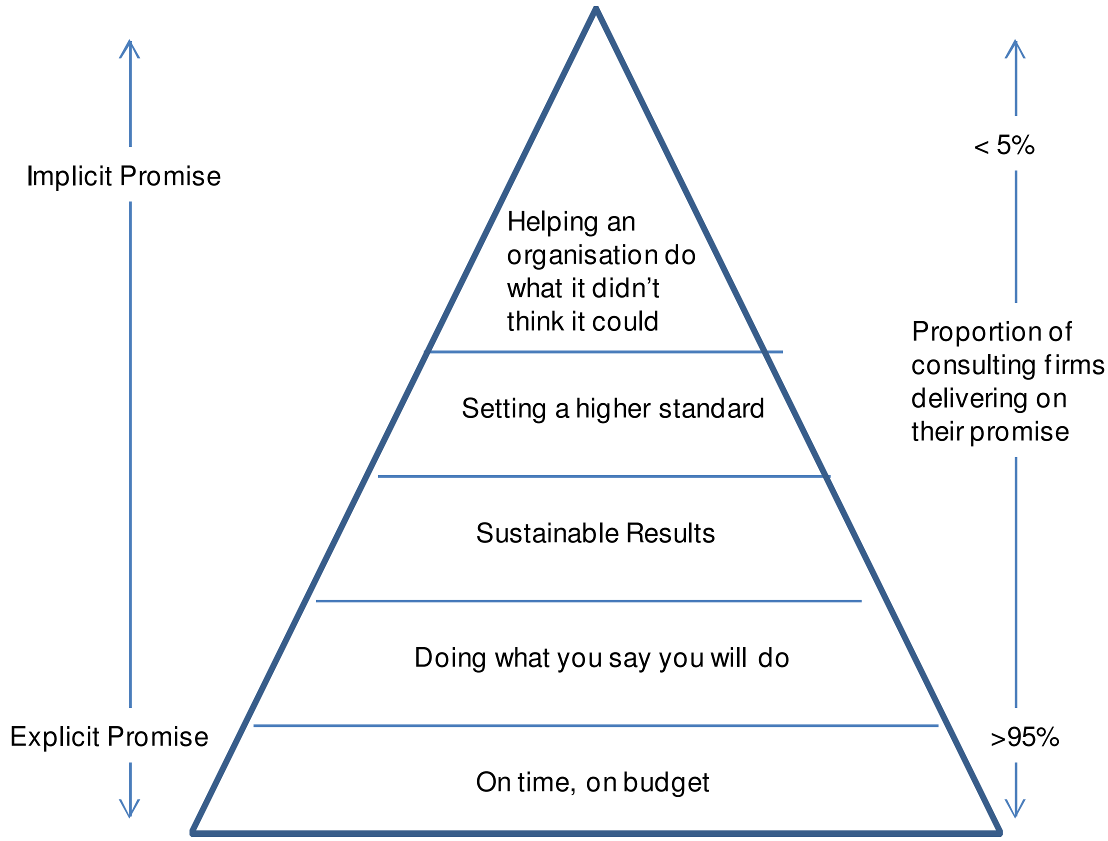
When clients procure the services of external consultant to lead projects, they do so with certain expectations in mind. When consulting firms commit to delivering on these client expectations they are effectively making a promise to the client (Czerniawska, 2006).

It is important to note that these promises are often made at the initiation stage of the project where the exact nature and scope of the project are not yet fully defined and understood by either the client or consultancy.

Furthermore, many of these promises are made as part of the sales process where consultancies compete against one another for the appointment as project consultants. These promises are thus typically made by a sales team that will most likely not form part of the final implementation team assigned to the project. The competitive nature of the sales process also results in unrealistic promises being made to secure business (McLarty and Robinson, 1998 as cited in Appelbaum, 2004).

Czerniawska (2006) describes the types and levels of promises made by consulting firms. She depicts the different levels of promises in a pyramid that orders promises ranging from an explicit to a more implicit nature.

Figure 3: Czerniawska's Promise Pyramid



Source: Czerniawska (2006: 4)

Explicit promises include the promise to deliver on time and budget as well as completing deliverables as per the contractual agreement that governs the project, thus "doing what you say you will do" (Czerniawska, 2006: 4).

However, other than the explicit, contractually governed promises made, Czerniawska (2006) proposes that clients experience the promise of project outcomes that they hope will be delivered. These include promises such as the achievement of sustainable results, setting a higher standard and helping the organisation achieve levels of performance that seemed unachievable before.

In terms of which party creates the implicit promises, Czerniawska (2006) indicates that although the hope which drives the implicit promise is typically originated by the client, the consultancy tends to easily take up a position where it represents the ability to meet this aspiration.

The creation of both explicit and implicit promises leads to the creation of expectations against which the client will ultimately judge the level of the project's success.

In terms of meeting promises made to clients, Czeniawska (2006) found that fewer consultancies met the more complex and implied promises than the more explicit promises relating to the basics of service delivery.

In a study of the extent to which consultancies delivered on client expectations, Appelbaum (2004) however found that, on completion of consultant led projects, clients perceived consultancies to have under delivered particularly in terms of the levels of expertise provided as well as the pace of project implementation. In comparing the cost of purchasing external consulting services versus implementing the project with existing internal resources, clients also perceived consultancies to be expensive.

As far as the planning of change projects was concerned, clients perceived consultancies as too often planning pre defined, standard solutions and are too focused on designing plans, leaving it up to the client to implement plans that were often not realistic in terms of outcomes or timeframes.

Clients also perceived consultancies as not fully collaborating with the client in the planning process, thus not fully leveraging off existing in-house experience and expertise to obtain a better contextual understanding of the client environment so as to design project plans that were realistic in terms of implementation.

Finally, clients required greater knowledge transfer and accountability of consultancies in terms of the specific measurement of performance and allocation of roles and responsibilities in the project (Appelbaum, 2004).

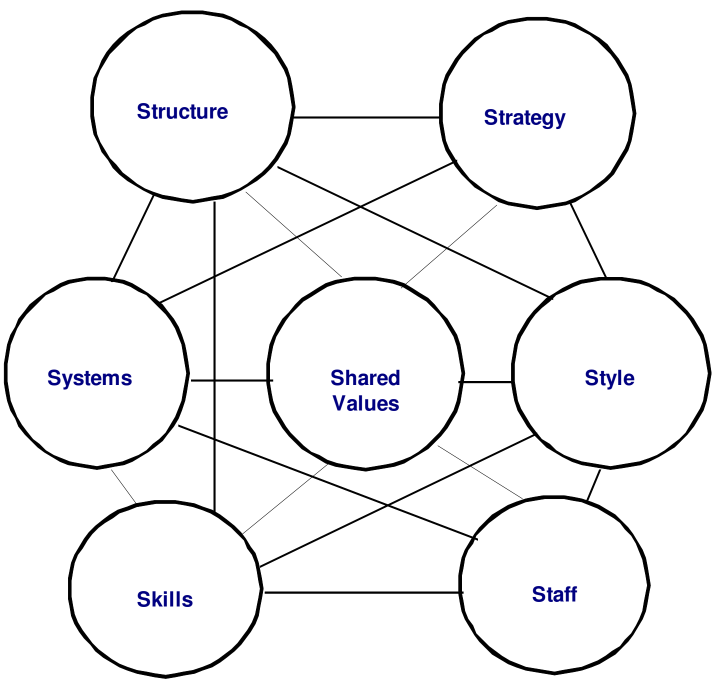
2.3 Organisational Change Projects

Svetlana (1999) distinguishes between four categories of projects namely a) engineering; b) new product development; c) system development; and organisational change projects.

Svetlana (1999) defines organisational change projects as projects that aim to effect organisational changes in process, structure, practices or behaviours.

Peters & Waterman (1995) provide a broader view of organizational change focusing on seven elements of organisations that need to be addressed to enable the achievement of excellence.

Figure 4: The 7 S model



Source: Peters & Waterman (1995:32)

The elements of the 7 S model are summarised in the following table:

<u>Table 3: The elements of the 7 S model</u>

Element	Definition
Strategy	A plan that sets direction and goals including resource allocation priorities
Structure	The organisation chart indicating roles, reporting lines, hierarchies and span of control
Systems	Operational processes and procedures
Skills	Unique capabilities of the organisation
Shared values	The overarching purpose and belief of the organisation
Staff	The people in the organisation – their demographics
Style	The way managers collectively behave

Source: Adapted from Peters & Waterman (1995)

Organisational change projects can thus focus on any or all of the above elements of an organisation which are all interrelated and interdependent, resulting in the complex nature of such projects (Peters & Waterman, 1995).

In terms of differentiating organisational change projects from information technology projects, organisational change projects may or may not require automation and the implementation of enabling technology. The implementation of enabling technology as part of an organisational change project is a means to an end i.e. an enabler of process improvement, and not an end in itself (Svetlana, 1999).

In terms of the different types of projects, projects also differ in terms of the nature of the final project outcome or product (Turner & Cochrane, 1993) as well as the uncertainty in start-up and implementation phases (Svetlana, 1999).

PMBOK categorises projects outcomes as either tangible or intangible. Examples of tangible outcomes are buildings and roads as are seen in engineering projects. Examples of intangible outcomes are people who can effectively apply their training in the work environment or display behaviour aligned to service orientated values that have been entrenched in the organisational culture (PMI, 2000).

Organisational change projects differ mainly from other types of projects due to the often intangible nature of their outcomes (Svetlana, 1999).

Organisational change projects that produce intangible outcomes are complex in that not only is the end result of these projects difficult to quantify and measure but the process of obtaining the final outcome of the project entails the management of complex variables that are often also intangible. Examples of these variables are relationships, knowledge, processes and systems, leadership and communication, culture and values, reputation and trust, skills and competencies (Nogeste & Walker, 2005).

2.4 The Public Sector

2.4.1 Public Sector Challenges

Public sector organisations have a number of specific characteristics, which need to be taken note of in the planning of public sector projects.

2.4.1.a *The public sector procurement process*

To start off with, the public sector procurement process is different from that of the private sector in that a tender process is mostly followed. Both the tender submission and evaluation processes are based on limited information.

The selection of consultancy is largely based on pricing as well as the ability to complete the project in minimum time frames (Hutton, 1996).

2.4.1.b *Hierarchies*

In terms of planning and implementing awarded projects, public sector organisations typically function based on rigid hierarchies. This impacts significantly on the decision making processes involved in the organisation as decision making has to follow protocol and be channeled via the correct roleplayers which can become a particularly time consuming process (Hutton, 1996).

2.4.1.c *Bureaucratic culture*

Public sector organisations are characterised by a bureaucratic culture where the operations of the organisation is governed by policies and procedures that are to a larger or lesser extent aligned to legislative requirements.

Not only do proposed changes to processes in the organisation need to be reviewed against compliance requirements they also need to be approved via the organisation's decision making structures which may make the decision making process cumbersome and time consuming (Hutton, 1996).

2.4.1.d *Levels of stakeholder consultation required*

Public sector organisations form part of larger and in many cases political structures that require consultation with multiple stakeholders before any real decision making or change can take place (Hutton, 1996).

2.4.1.e *Skills levels*

Organisational change projects which aim to implement best practice business principles in public sector environments are typically faced with the challenge of dealing with an environment where skills and experience in terms of commercial business approaches and methodologies are limited (Hutton, 1996).

This challenge is particularly relevant to the South African public sector as other than the general skills shortage in the country, the public sector also faces challenges in terms of limitations in public sector management experience due to the change of power in 1994 (Benjamin, 2008).

2.4.2 Critical success factors for project implementation in the public sector

In their study of successful projects in the UK public sector (McAdam & Donaghy, 1999) found that the most important factors for successful BPR implementation in the sector were: top management support, commitment and understanding of BPR; communication; empowerment; alleviation of downsizing fears; preparedness for organisational change; choosing the re-engineering team; and enlisting customer and stakeholder support.

Many of the above success factors as well as characteristics of the public sector are similar to those experienced in private sector projects. However, the level of rigid hierarchies; beauracratic culture constraints, the large implementation span and large range of stakeholders to be consulted with as well as their high needs for consultation are very specific to the public sector.

These characteristics have a particular impact on the planning component of a project and projects that do not take these factors into account are most likely to fail (McAdam & Donaghy, 1999).

2.5 Improving the planning of consultant led organisational change projects in the public sector

What becomes apparent through the study of the literature on project management and project planning in particular, is that ways of improving project planning have more to do with ensuring the disciplined implementation of fundamental project management principles, processes and methodologies than it has to do with incorporating highly innovative ideas or approaches into the planning phase.

The project planning tools are known and available but it seems that the pressure to move on to the implementation phase is so great that the planning phase and its critical processes such as understanding the current environment, defining exact project outcomes, realistically scheduling project work and establishing an optimal project team are given minimal time and attention.

In terms of the specific improvement areas to be focused on, a wide range of improvement areas were derived on completion of an initial review of the literature. To enable the meaningful identification and exploration of key themes, the improvement areas were then clustered into similar areas. The following four areas were identified and are elaborated on in this section; a) obtaining an understanding of the client's unique environment; b) clarifying and agreeing relevant and realistic project outcomes; c) formulating relevant and realistic project plans and c) the establishment of an optimal project team.

2.5.1 Obtain an understanding of the client's unique environment

Most projects start with a sense of urgency to commence with the project implementation phase. This sense of urgency is often created by the consultancy who created optimistic timeline expectations with the client during the sales process where they were keen to secure the business or where the project billing structure is based on implementation deliverables to be completed before larger billing amounts can be effected.

The sense of urgency may also be created by the client who want their problem fixed as soon as possible and may not be aware of the complexity and importance of the processes involved in the planning of a project (Laufer,1991).

Whatever the reason for the sense of urgency to move into implementation mode, the reality is that the process of obtaining an understanding of the client's unique environment is often not given the priority it requires. This short sightedness can doom the project to failure before it even commences as more far-reaching assumptions are made at this stage than at any other (McCray, Purvis, & McCray, 2002).

The planning process must be informed by an understanding of the environment. Designing the project solution based on the unique client environment is important as organisational change projects where the consultant team had understood the importance of gathering and interpreting information about the organisation before designing and implementing interventions have been found to be more successful (O'Driscoll and Eubanks, 1993 as cited in Appelbaum, 2004).

Appelbaum (2004) also found that consulting clients experienced greater levels of satisfaction on projects where the solution took into account the client's internal state of readiness. McAdam & Donaghy (1999:2) refer to a "health check of the organisation as a critical component of the project planning process".

Once the environment and the levels of readiness are understood the project team may face a dilemma where the project solution that has been initiated, may not be the correct solution to address the organisational challenges (Staw & Ross, 2005). For example, the client may have initiated a structure change project but the environmental and readiness analysis indicate that the key challenge to be addressed in the organisation is not the structure but high levels of vacancies and low staff morale.

In the public sector in particular, project budgets and the appointment and contracting of consulting firms are often completed during the project initiation phase based on broad tender specifications and high level consultant proposals. Seeing as these administrative and legal procedures have often been concluded before the detailed orientation process takes place, the decision to radically change the course of a project or even cancel the project due to the real organisational requirements discovered in the orientation process, becomes more complex for both the consultancy and the client, particularly the project sponsor who initiated the project and would have gone through a process of justifying the project in order to obtain budget approval for the project (Staw & Ross, 2005).

Although the orientation process may not always provide an expected outcome, a thorough understanding of the client environment and levels of readiness will support the development of relevant and realistic project solution design and scheduling (Schaffer, 2002) and as such the planning process should therefore not assume a pre-determined outcome and course of action (Appelbaum,2004).

2.5.2 Clarifying and agreeing relevant and realistic project outcomes

As discussed under section 2.2.2.c, Czerniawska (2006) highlights that there are a number of explicit and implicit promises made by consultants and assumed by clients during the client-consultant relationship.

The project planning phase of the project is the best phase within which to clarify and manage both consultant and client expectations as all further project work as well as the consultant-client relationship will be impacted by the assumptions made at the commencement of the project (McCray, Purvis, & McCray, 2002).

The process of clarifying and agreeing relevant and realistic project outcomes consists of defining a clear project vision and outcomes, extensive stakeholder consultation in the definition of the vision and outcomes and balancing client and consultant requirements in the definition of outcomes. Furthermore is it essential to ensure that both client and consultant fully understand the possibility of not achieving planned project outcomes i.e. the project risks.

2.5.2.a *Defining a clear project vision and outcomes*

In their research on project management practice White & Fortune (2002) found that the establishment of clear goals and objectives was rated as the most important critical project success factor.

Nogeste & Walker (2005) propose that there is an increased likelihood of stakeholder satisfaction being achieved, once a clear vision, consisting of project objectives, outcomes and benefits, is agreed and communicated to and understood by all stakeholders.

This process becomes even more important in the planning of organisational change projects in the public sector where outcomes are often intangible and clients, who may not be that business literate, request solutions that they've either read or heard about but do not fully understand.

In their study of change projects in the Australian public sector, Nogeste & Walker (2005) found that project stakeholders assumed that their inexplicit needs would somehow be incorporated into formal specifications without articulating these intangible project outcomes. Where the project did not deliver in terms of these needs, the project was deemed to be unsuccessful by these stakeholders.

It is therefore critical that the project planning process includes a clear definition of the project vision and outcomes. The definitions should be specific and measurable so as to enable the objective evaluation of the success of the project and return on the client's investment.

Nogeste & Walker (2005) propose that the project planning process includes a process of stakeholder identification, defining tangible project outputs; identifying, prioritising and describing intangible project outcomes; as well as cross-referencing high priority intangible project outcomes to tangible project outputs.

In the process of agreeing project outcomes with the client, it is however important to note that the client may also require some level of education in terms of what is and is not practically possible in terms of either the project outcomes and deliverables or the timelines for the completion of those deliverables. Due to the potential lack of client experience in implementing complex organisational change projects, it is the consultancy's responsibility to make sure that it educates the client in terms of project constraints and does not commit to deliverables or deadlines that it knows it cannot meet and will just aim to renegotiate later (White & Fortune, 2002).

2.5.2.b *Extensive stakeholder consultation in the definition of the project vision and outcomes*

Bourne & Walker (2005), argue that legitimate stakeholders need to be identified and engaged with and their power and influence mapped so that their potential impact on the project can be better understood and be incorporated into the planning process.

Due to their knowledge of the organisation, stakeholders can also provide invaluable input in the design of project and risk management plans that are relevant and realistic in terms of the environment (Bourne & Walker, 2005).

Furthermore, White & Fortune (2002) identified support from senior managers and end users as being rated the second and fifth most important critical project success factor by project managers. Giving all key stakeholder groupings the opportunity to participate in the planning process is the first step in obtaining participation and commitment from those stakeholder groupings.

2.5.2.c *Balancing client and consultant requirements in the definition of outcomes*

It is important to note that the process of agreeing relevant and realistic project outcomes involves a process of negotiation. Although the consultancy and the client are embarking on a partnership which should lead to benefits for both parties, it should not be forgotten that the consultancy also enters the project with the objective of profiting from the project and may revert to the use of predefined solutions that require minimum resources thus resulting in maximum project profit.

On the other hand, the client will also aim to optimise value for money spent and obtain maximum benefit, levels of expertise and capacity from the consulting firm as well as to widen the project scope as far as possible. To ensure that the interest of one party is not served to the detriment of the other party or to that of the project, a healthy dose of client and supplier management is required during the project planning process (Scott Sutterfield *et al*, 2006).

To ensure that this is achieved, Appelbaum (2004) argues that the client must ultimately control the engagement through the use of clearly specified outcomes that meet client driven requirements.

2.5.2.d *Defining the possibility of not achieving project outcomes i.e. project risk*

Zwikael & Globerson (2002) highlight that all project stakeholders should not only receive communication on and agree project outcomes but that stakeholders are also made aware of where and how the potential of not achieving project outcomes exists i.e. understand the full extent of project risk.

The public sector is characterized by procurement based on price as a dominant factor, hierarchical structures, bureaucratic cultures, limited business understanding and skills and processes that require extensive stakeholder consultation due to the often political nature of relationships

The very nature of implementing organisational change projects in the public sector thus means that projects face the potential risk of unrealistic client expectations, unrealistic budgets, archaic systems, complex and time consuming decision-making, political influence on decision-making, extensive change management requirements and limited skills in terms of client members assigned to the project team as well as the end users impacted by the organisational change initiatives which are most likely very different from existing bureaucratic operational processes (Hutton, 1996).

The risk identification and planning process thus becomes even more critical in ensuring project success.

2.5.3 Formulation of relevant and realistic project plans

The process of agreeing the project vision and outcomes based on adequate levels of stakeholder consultation, the balancing of and agreement on both client and consultancy requirements and the identification and understanding of project risks will inform the formulation of relevant and realistic project plans that incorporate relevant and realistic solutions and schedules.

2.5.3.a *Relevant and realistic solution design*

The dynamic of the consulting process is such that consultancies have built their business by positioning the industry as a knowledge industry that is able to provide highly sophisticated solutions which are packaged by means of the liberal use of consulting terminology (Fincham, 1999).

This means that consultancies, by default, tend to design and implement solutions that are often sophisticated but complex and require extensive maintenance. The question is however if these solutions are always the correct solutions for the unique client problem and the level of client sophistication.

There is no use in building a high performance car for a client that can only ride a bicycle. The final product may be state of the art and of high quality but the client is left with a product that cannot be used.

Due to their knowledge of the organisation, stakeholders can provide invaluable input in the design of a project solution and risk management plan that is relevant and realistic in terms of the environment (Bourne & Walker, 2005).

2.5.3.b *Relevant and realistic scheduling*

A thorough understanding of the client environment and levels of readiness will support the development of realistic project solution design as well as scheduling (Schaffer, 2002). Realistic project solution design and scheduling ensure that projects are deployed at a pace that the client is able to manage.

Project plans and outcomes will furthermore need to be broken down into smaller achievable milestones as opposed to one big solution that is only achieved at the end of the project, thus providing the client with the motivation of having achieved smaller successes on the way (Schaffer, 2002).

Organisational change projects often require a lot of time from staff as the change processes involved in the project require extensive education of and communication with staff. Operational constraints such as cyclical changes in business volumes as well as key periods of organisational focus such as budgeting or performance review processes need to be factored into the project plan. Other than cyclical pressure on the organisation's capacity, there will most likely be more than one project being implemented in the organisation and those project timelines and impact as far as stakeholder availability and capacity need to also be taken into account (Fincham, 1999).

Organisational capability and the skills and maturity levels of staff are another important factor to consider in the formulation of the project plan. For example, introducing a Balanced Scorecard in an environment that is totally unfamiliar with the concept requires the allocation of sufficient time in the project to the process of orientation, communication and change management even before the process of education on the actual workings of the tool can begin.

It is the consultancy's responsibility to make sure that it educates the client in terms of project constraints and does not commit to deliverables or deadlines that it knows it cannot meet and will just aim to renegotiate later (Fincham, 1999).

2.5.4 Establishment of an optimal project team

Turner and Cochrane (1993) classify project team members and stakeholders in terms of three levels of the project team:

- the primary group who are closely involved in the project's design and execution. The project sponsor, key stakeholders including project steering committee members and resource managers (those people assigning their staff to the project) as well as operational staff assigned to the project are included in this grouping;
- a secondary group that interacts directly with the primary group in support of their work; and

- a tertiary group who comprise various stakeholders are the users of the final project product/service and who will have certain expectations in terms of the criteria for project success.

The primary group essentially makes up the core project team. Project execution and as well as critical project planning decisions will be owned by members of this project team and, as such, it is imperative that members of this team have the required experience, organisational insight, thorough understanding of the project solution as well as commitment to the project (Turner 1999 as cited in Svetlana, 1999).

The discussion on the establishment of an optimal project team thus refers to the primary group.

The establishment of an optimal project team includes a process where team roles are clearly defined, potential collaboration with anti-sponsor representatives and the project sponsor process is managed.

2.5.4.a *Clear definition of project team roles*

In terms of the broader project team relationship, Schaffer (2002) argues that the majority of clients and consultant relationships do not achieve full collaboration as consultants are typically focused on solution design leaving the challenges and practicalities of sustainable implementation up to the client.

Schaffer proposes that the consulting relationship can be improved by focusing on creating a true partnership rather than just a division of roles and responsibilities.

The clear definition and allocation of roles in the project team is a critical first step in the building of a working relationship and the creation of a partnership between the client and the consultancy. The clear definition and allocation of roles is however still an aspect that is not always adequately managed in the project planning process (McLarty and Robinson, 1998 as cited in Appelbaum, 2004).

Furthermore it is also imperative that particularly the client members of the project team understand the time commitment required in their participation as members of the project team. Due to their knowledge of the organisation and its processes it is often high performing staff members in critical roles that are allocated to the project team. This is to the advantage of the project team as it should allow for easy access to information and facilitate the process of informed decision making. The challenge is however that these high performing staff members are more often than not working at full capacity even before the project commences and are thus not available to the project team to the extent that they should be (Burke, 2001).

As far as the implementation of organisational change projects in the South African public sector environment goes, public sector organisations who have skills shortages often view the allocation of their staff as project team members as an opportunity for them to grow their skills base through collaborating with and learning from experienced consultants. They thus request a certain level of skills transfer to their staff members participating on the project team (TAU, 2007).

The premise behind the skills transfer request is sound as effective skills transfer increases the chances of sustaining the project solution post project close out. However, the allocation of client staff members to the project team is there to address a very real capacity and capability requirement and as such it is important that the allocation of project team members addresses the skills transfer as well as the need for resources that can assist in the immediate project workload (Shaffer, 2002).

2.5.4.b *Potential collaboration with anti-sponsor representatives*

Turner (1999) as cited in Svetlana (1999) highlights that it is important that project team members are fully committed to the project and the trend is thus to select client project team members that are either positive about the project or at least open to the possibility of the positive contribution that the project can make to the organisation.

Most projects however face the challenge of having to deal with anti-sponsors that seem to pro-actively set out to ensure the failure of the project.

There could be a range of reasons for the anti-sponsor stance against the project but their views are often based on a lack of or incorrect information as well as a feeling of exclusion or threat to their power base. Anti-sponsors however sometimes have valid reasons for their concerns about the project and they are mainly highlighting real project risks that other members in the organisation choose to ignore.

A useful approach is thus to include representatives from the anti-sponsor camps in the project team. Anti-sponsor behaviour is mostly covert whereas participation in a project team environment facilitates a process where the anti-sponsors are encouraged to share their concerns overtly, thus providing an opportunity to address those concerns by either clarifying misunderstandings around the project and/or incorporating potentially useful suggestions around project risk into the planning process (Staw & Ross, 2005).

2.5.4.c *The management of the project sponsor role*

As the custodian of the project, the project sponsor is one of the most important roles in the primary project group and the influence, decisions and actions of the sponsor have a significant impact on project success. The allocation of the correct sponsor to the project is thus critical as argued by Scott-Sutterfield *et al* (2006:32) who propose that "the sponsor must have the management span, appropriate knowledge, and organisational authority to harmonize the discordant voices".

In an ideal world, the consultancy will inform the process of appointing the project sponsor but the reality of organisational change projects in the public sector is that consultancies will mostly find that the sponsor has already been allocated to the project by the time that they have been appointed

The two most important aspects to consider in managing the role of the project sponsor are the clarification of what the role requires and understanding the power base of the sponsor (Melymuka, 2004 cited in Kloppenborg, Tesch, Manolis & Heitkamp 2006).

Clients who have had limited experience in implementing consultant led organisational change projects may not fully understand the critical role of the project sponsor. The allocated project sponsor often insists on being involved in operational project issues and routine project decision making processes without being available to participate in the processes to the extent that they should be. This leads to unnecessary delays in project progress as they are simply not available to sign off on decisions when required.

Practicalities such as reporting lines and availability in terms of regular updates and status review discussions need to be clarified. In large scale projects the allocation of client work stream owners who represent and report back to the sponsor but are able to make certain operational project decisions without referral to the sponsor is an ideal way of managing the operational decision making process (Melymuka, 2004 as cited in Kloppenborg et al, 2006).

In terms of the sponsor's power base it is important that the consultancy fully understands the nature and strength of this power base as well as potential threats to the power base (Bourne & Walker, 2006).

All stakeholders involved in or impacted by the project will have an agenda according to which they will operate. On the one hand that agenda may be uncomplicated in that it is fully aligned to achieving organisational objectives and project success. On the other hand, that agenda may be about internal competition and building and maintaining power bases by being seen as successfully completing tasks in the organisation (Staw & Ross, 2005).

It is thus very possible that the sponsor may be using the project as a means of obtaining exposure in the organisation and as a tool to help their next move up in the career ladder of the organisation.

As indicated under the discussion in section 2.5.1, the orientation stage of the project may identify gaps in the initial business case for the approval of the project. This business case was most likely developed and promoted by the project sponsor so the process of highlighting potential changes in the requirements and design of the project must be handled sensitively (Staw & Ross, 2005).

Other than the implementation stage of the project the sponsor may also continue exerting pressure on the project design and implementation process throughout the project and expect the consultancy to tow the line as far as certain suggestions and outcomes of project analysis work is concerned. Here the consultancy will have to balance its relationship with not only the sponsor but also with what is best for the broader organisation's success (Staw & Ross, 2005).

In terms of a scenario where a project sponsor does not hold much power or influence in the organisation, the project decision making process will inevitably become cumbersome and time consuming as project decisions will have to be referred, may be delayed or unnecessarily blocked.

The challenge could either be that proposals are being declined purely because of the messenger, in this case the sponsor, or it may be that the sponsor is battling to present complex concepts in a clear and convincing manner (Lovell (1993) as cited in Bourne & Walker, 2006).

In this case the consultancy needs to follow a creative approach including conducting formal presentations at decision making sessions in partnership with or on behalf of the sponsor or incorporating extensive orientation and consultation sessions with decision makers before formal review and decision making meetings.

The consultancy will thus effectively be lobbying for decisions on the sponsors behalf and, seeing as a weak sponsor cannot achieve this, aim to take charge of the process of building and managing relationships with other key stakeholders in the organisation with the purpose of building credibility for the project as well as the consultancy (Boddy & Buchanan, 1999 as cited in Bourne & Walker, 2006).

2.6 Summary of the literature review

The literature review commenced with an overview of project planning as a critical component of the project management process. The complexities of consultant led and organisational change projects were then explored.

The literature review continued to elaborate on unique challenges in implementing consultant led organisational change projects in the public sector environment.

In terms of identifying ways of improving project planning, it was found that the improvement opportunities have more to do with ensuring the disciplined implementation of fundamental project management principles, processes and methodologies than it has to do with incorporating innovative and new ideas or approaches in the planning phase. The project planning tools are known and available but it seems that the pressure to move on to the implementation phase is so great that the planning phase and its critical processes such as understanding the current environment, defining exact project outcomes, realistically scheduling project work and establishing an optimal project team are given minimal time and attention.

Based on a review of the available literature, ways of improving the planning of organisational change projects in the public sector are about the disciplined implementation of project management principles, processes and methodologies, particularly focusing on the following four main areas namely; a) Obtain an understanding of the client's unique environment; b) clarifying and agreeing relevant and realistic project outcomes; c) formulation of relevant and realistic project plans and d) the establishment of an optimal project team.

3 CHAPTER 3: THE RESEARCH QUESTION

The purpose of this study is to identify and explore ways of improving the planning of consultant led organisational change projects in the public sector.

In order to provide the researcher with a degree of investigative flexibility one broad exploratory research question will be tabled:

How can the planning of consultant led organisational change projects in the South African public sector be improved?

On conclusion of the literature review, four main areas of improvement were identified. Thus, although all improvement opportunities are to be included in the research, the first part of the research questionnaire is structured to focus on the four main areas of improvement identified during the literature review, namely a) obtaining an understanding of the client's unique environment; b) clarifying and agreeing relevant and realistic project outcomes; c) formulating relevant and realistic project plans and c) the establishment of an optimal project team.

Once improvement opportunities in these main areas have been explored, the questionnaire concludes with a question aimed at identifying any other potential improvement areas that may not fall into the four areas.

4 CHAPTER 4: RESEARCH METHODOLOGY

4.1 Introduction

The research approach followed was mainly qualitative.

Data gathering took place by means of semi-structured interviews that gathered qualitative data but also included a quantitative component where the key areas of improvement were ranked by respondents in terms of their perception of the top three most important improvement areas identified.

The qualitative data was analysed by means of content analysis. The quantitative ranking was analysed by means of a count of the number of times an improvement area was noted by a respondent as being one of the top three most important improvement areas.

4.2 Qualitative Research Paradigm

Leedy and Ormrod (2001) propose that the choice of research approach should be informed by the purpose of the research, the nature of the research process as well as the manner in which findings are to be communicated.

Qualitative research aims to provide insight into complex phenomena through obtaining descriptions of the phenomena from research participants. (Leedy & Ormrod, 2001).

In terms of understanding best practice project planning methodologies and tools, an extensive body of knowledge exists and is encapsulated in widely recognized and easily available frameworks such as PMBOK and Prince2.

Research in terms of the implementation of these planning methodologies and ways of improving these in the planning of consultant led organisational change projects in the South African public sector environment is however limited and as such the problem required exploration. The nature of exploration required was also not about repeating standard methodologies such as PMBOK and Prince2 but understanding the complexities and subtleties of the planning process in the public sector environment and means of improving the process, hence the choice of qualitative research as the research approach.

Semi – structured in depth interviews were used as a means of data collection.

Pirow (1990), proposes that the use of semi-structured in depth interviews as a means of data collection allows the researcher flexibility required from the evolving nature of the problem as well as the opportunity to understand the subtleties of respondents' responses through the ability to observe non verbal behaviour. O'Sullivan, Rice & Saunders (1994) propose that it further provides the opportunity to cover a range of topics and that where there is misunderstanding, clarification can be obtained immediately.

The use of semi-structured in depth interviews does however also hold some disadvantages such as data provided by the participant being influenced by their own perspective, the dependency on the participant's ability to be articulate and perceptive and the researcher's presence that may bias responses (Creswell, 1994).

In addition, there is the potential of data that can be misinterpreted by the researcher (O'Sullivan, Rice & Saunders, 1994).

The researcher aimed to mitigate the above challenges by:

- not intentionally leading the participant
- continuously confirming the participant's intended meaning of their response; and
- avoiding colloquialisms or ambiguous words and terminology that could be misinterpreted by the participant

4.3 Population and sample

The population in this research is considered to be all management consulting and public sector representatives that have extensively participated in the planning process of South African public sector projects.

These management consulting and public sector representatives would have participated in public sector projects where they have concluded the planning as well as the implementation and close out phases of a number of significantly sized projects, thus being able to provide a perspective on how the planning process hindered or enabled the achievement of successful project completion.

The population would furthermore also refer specifically to management consulting and public sector representatives that have been significantly exposed to not only the strategic elements but also the detail of the planning process. They would have to be senior enough to have been exposed to the strategic decision making processes but would have had to been part of the core project team dealing with the details of the project planning process. It is only through being exposed to this level of detail of the process that they would be able to provide meaningful and practical input in terms of ways of improving the planning process.

In terms of the management consulting environments these representatives would typically be the project or programme manager assigned to the project. The project manager would be a senior resource dealing with both the project strategic issues as well as the detailed project planning and implementation components. Management consulting representatives such as account managers or consulting partners do not form part of the sample as they would typically be focused on the high level strategic relationship issues and would be less involved in the detail of the planning and implementation process.

In terms of the public sector environment these representatives would typically be the project sponsor assigned to the project. The project sponsor would be a senior resource dealing with both the project strategic issues as well as the detailed project planning and implementation components. Public sector representatives such as the

CEO and executive committees do not form part of the sample as they would be focused on the high level strategic decision making issues in the project and would be less involved in the detail of the planning and implementation process.

4.4 Sampling methodology

A purposive sampling design methodology was followed as the researcher purposively selected respondents that had the required experience to answer the research questions (Cresswell, 1994). The objective was also to select experts who are representative of the population as they could be expected to provide normal perceptions and perspectives (Leedy & Ormrod, 2001).

The respondents chosen were viewed, by virtue of their experience in the public sector project environment, as subject matter experts on planning and implementing consulting projects thus enabling them to identify a complete list of factors.

The sample was selected by identifying five significant (in terms of cost, time and scale of impact) public sector projects. The five projects included projects ranging in their level of success with regard to planning and implementation. Two more successful, two less successful and one project with average performance was selected.

Once these were identified, the consulting project manager and public sector sponsor who managed the planning and implementation of the project were identified as potential participants in the sample. The level of seniority and experience of project manager and sponsor were then reviewed to validate if their experience was adequate to allow their participation as subject matter experts in the sample.

In addition, the level of experience of project managers was assessed to ensure that project managers that have also had significant exposure to the private sector form part of the sample as these project managers should be able to contribute some of their learning from the private sector environment to the public sector challenges.

For three of the identified projects, both the consulting project managers and project sponsors were available for interviews. However, due to the challenges around the availability of the project sponsors of the remaining two projects, only the consulting project managers could be interviewed. One of the projects represented by only a project manager view was less successful and the other more successful.

An additional project, that could be described as less successful, as well as meeting the same criteria as the originally selected five projects, was added to the list and an interview with the sponsor of the project was obtained.

A total of five interviews with consulting project managers and four interviews with project sponsors were thus conducted in total.

4.5 Data collection

4.5.1 Semi-structured in depth interviews

The purpose of this study is to identify and explore ways of improving the planning of consultant led organisational change projects in the public sector and as such semi – structured in depth interviews were used as a means of data collection .

On conclusion of the literature review, four main areas of improvement were identified. Thus, although all improvement opportunities are to be included in the research, the first part of the research questionnaire was structured to focus on the four main areas of improvement identified during the literature review, namely a) obtaining an understanding of the client's unique environment; b) clarifying and agreeing relevant and realistic project outcomes; c) formulating relevant and realistic project plans and c) the establishment of an optimal project team.

Once improvement opportunities in these main areas have been explored, the questionnaire concluded with a question aimed at identifying any other potential improvement areas that may not fall into the four areas.

4.5.2 Completion of the interviews

The researcher invited the nominated respondents to participate in the study by contacting them telephonically to provide them the purpose of the study, subjects to be covered and the research process.

Respondents were guaranteed that their responses would be confidential and remain anonymous.

The in-depth semi-structured interviews took place at locations that were most convenient for the respondent.

Extensive notes were taken during the interviews. The interviews were also audio taped and the tape recordings were reviewed after the interviews to add to the interview notes.

An Interview Protocol was followed for each interview. Refer to Appendix 1 for a copy of the Interview Protocol.

The Interview Protocol included (a) a heading, (b) instructions to the interviewer (opening statements), (c) the key research question to ask, (d) probes to follow key questions, (e) transition messages for the interviewer, (f) space for recoding the interviewer's comments, and (g) space in which the researcher could record reflective notes.

4.6 Data analysis

The research data was analysed through a process of content analysis of the interview notes, which were a combination of the notes taken during the initial interview as well as the additions made on review of the audio recording.

Content analysis is the process of systematically examining the contents of a body of material so as to identify patterns or themes (Leedy & Ormrod, 2001).

The data was analysed and any patterns or trends that emerged were grouped together. The groups were interpreted and reported on where after the results were connected to the original research propositions.

Some of the results confirmed the existing theory as informed by the literature review. Some additional factors to those identified in the theory were also identified. These were incorporated into the results and discussion of the results.

The data analysis process followed the steps of Creswell's data analysis spiral as described in Leedy & Ormrod (2001: 161):

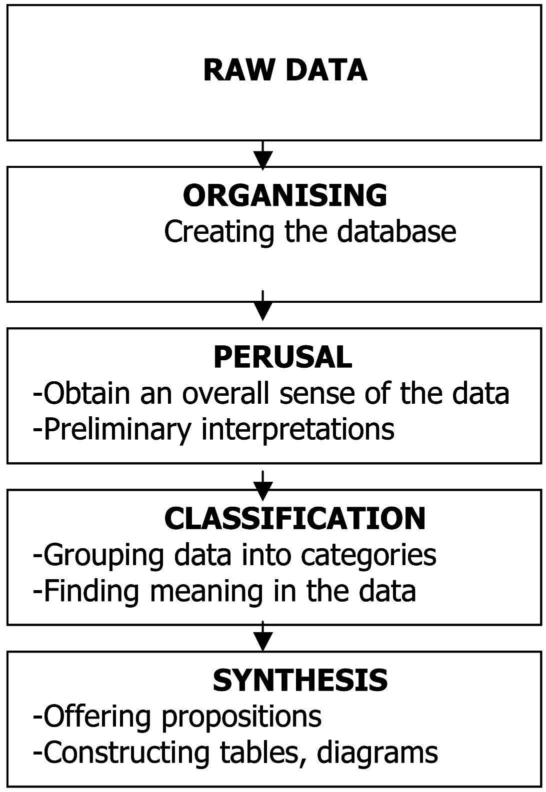
1. The data is organized into a computed database, breaking it down into sentences of units.

2. The data is reviewed several times to obtain both a bigger picture view as well as identifying potential categories of interpretation.

3. General categories, themes or groupings as well as potential sub themes are noted. This should indicate patterns of meaning.

4. Data is then integrated and summarised and categories are organized to relate back to propositions.

Figure 5: Data analysis spiral



Source: Adapted from Creswell (1998)

4.7 Validity and Reliability

4.7.1 Validity

Internal validity of the research refers to "the extent to which its design and the data that it yields allow the researcher to draw accurate conclusions about cause-and-effect and other relationships within the data" (Leedy & Ormrod, 2001: 103).

Leedy & Ormrod (2001), highlight that the researcher's biases and values will influence the interpretation of data in a qualitative research process. Hence the researcher will seek various perspectives, both project managers from consulting firms as well as the client project sponsor view.

External validity refers to “the extent to which the results apply to situations beyond the study itself” (Leedy & Ormrod, 2001: 105). The sample used in this study is purposive and small in number which would indicate that it would be difficult to generalise the views and opinions of these subjects across the whole population.

However, the level of experience of the participants in the study and the range of both public and private sector projects that they have collectively been exposed to should significantly mitigate the potential risk of their input and the resulting findings only being applicable to a limited number of projects.

4.7.2 Reliability

The researcher aimed to improve the chance of replication operating in a systematic manner in all components of the research including the interview and data analysis processes.

Also, the researched found that there was a certain level of convergence of the responses from the participants which should support the reliability of the study.

5 CHAPTER 5: RESEARCH FINDINGS

5.1 Introduction

The objective of this study, as formulated in Chapter 1, was to establish ways of improving the planning of consultant led organisational change projects in the South African public sector.

An initial literature review aimed at gaining an understanding of the context and critical success factors and improvement focus areas relevant to the planning of consultant led organisational change projects in the public sector was undertaken and documented in Chapter 2.

As discussed in Chapter 3, a qualitative research approach incorporating semi-structured interviews with both consultant and client representatives who had extensive experience in the planning of consultant led organisational change projects in the public sector, was conducted in order to answer the research problem: “How can the planning of consultant led organisational change projects in the South African public sector be improved?”

5.2 Findings

The research validated the literature review findings indicating that improving the planning of organisational change projects in the public sector does not require radical new approaches in project management, but rather the disciplined implementation of basic project management principles, processes and methodologies, particularly focusing on the following four areas namely;

a) Obtaining an understanding of the client's unique environment;

b) clarifying and agreeing relevant and realistic project outcomes;

c) formulation of relevant and realistic project plans;

d) the establishment of an optimal project team and support structures for the team.

The research also identified two additional areas to focus on in the planning process:

e) planning for sustainability and

f) the establishment of project governance frameworks.

The research findings are discussed in terms of the initial four areas as indentified during the literature review as well as the two additional areas identified during the research process.

Priority areas as identified by the respondents are also reviewed.

5.2.1 Obtain an understanding of the client's unique environment

All respondents agreed with the literature finding that obtaining an understanding of the client's unique environment is a critical component of the planning process that can generally be improved on.

Ways to improve the process are as follows:

5.2.1.a *Do not assume that any prior project justification/business case is sound*

In theory, the contracting of a consultancy will not take place without the completion of a feasibility study that will inform a business case on which the project scope and budget approval process will be based. Consultancies may even find themselves in a fortunate position where they collaborate with the client on the creation of the business case and feasibility study for the project and the writing of the Request for Proposal (RFP) which informs the tender process.

However, respondents indicated that the reality reflects that in terms of public sector projects, the process of developing a business case is often not a rigorous or formal process and that the feasibility study initially conducted to justify the project is often not rigorous or comprehensive enough and is biased to reflect only certain stakeholders' priorities.

Projects are often also initiated based on a sponsor's exposure to certain business models or trends that may have been successfully implemented in other environments. Sponsors may see the implementation of such models as a "road to fame" and initiate the implementation of a solution that may not at all be fit for the sponsor's unique organisational requirements. The business case or feasibility study for the project will thus be biased towards the implementation of the specific model.

Thus, even if some form of a justification or feasibility study for the project is in place, this has to be thoroughly validated.

5.2.1.b *Allocate adequate time to the process of understanding the client's unique environment*

Respondents identified two main challenges experienced in allocating enough priority and time to the process of obtaining an understanding of the environment. These were the time that the process takes as well as the cost of the process which is often not costed as part of the project solution design and implementation.

In terms of the time consuming nature of the process, project managers representing consultancies indicated that clients mostly contract a project and project timeframes based on internal performance targets that they have to meet and report back to their "superiors" on.

The project delivery time frames in particular are thus often very limited and as such the pressure is on the project team to commence with implementation as soon as possible. Time spent on implementing a rigorous process of understanding the environment is thus often seen as a waste of implementation time and clients choose to then opt for the "quick and easy" option of getting the sponsor to provide all contextual information.

Project sponsors agreed with the above. One project sponsor illustrated the dilemma by indicating that by the time a contract has been awarded through the laborious tender process, the project sponsor may have lost six months of project implementation time. The pressure to commence with implementation is thus great.

It is however not only the clients that are putting pressure on consultancies to cut down on orientation time. Consultancies tend to assume that due to their prior experience in public sector projects they understand key public sector environmental challenges and do thus allocate minimum time to the process of understanding the unique environment.

Due to time and cost constraints, consultancies may be tempted to implement a "quick and dirty" analysis process which is mainly reliant on a documentation review and information supplied directly by the sponsor without interaction with a wide range of other stakeholders. This route should ideally not be followed as the reliance on documentation and only the sponsor's perspective results in a limited perspective and a lack of an understanding of the "nuances" of the organisation.

In terms of challenges around the costing of the orientation process, some of the larger consultancies offer this component of the project as a value add that they do not charge for. Their argument is that the cost of the orientation process is recouped by enabling more efficient planning and implementation at later stages of the project.

5.2.1.c *Making the effort to understand the unique client environment is a critical step in building a trust relationship with the client*

Although clients are keen to commence project implementation as soon as possible, the process of not making enough time to understand the environment does not create a good impression with the client.

Project sponsors indicated that they were particularly sensitive to consultancies entering their environment with preconceived ideas and assumptions around the nature of the environmental challenges.

Sponsors further indicated that in the selection of a consultancy they would give preference to a consultancy with both public and private sector best practice implementation experience but do find that a number of these consultancies tend to enter the consulting agreement with a "look down" approach which commences with the consultancy's approach to a less than rigorous process of understanding the client's environment. The "we already know what you're about as we've seen and done this before" approach sets a "patronizing tone" to the engagement that hinders the building of trust in the consulting relationship.

5.2.1.d *Do not only focus on what needs to change, also focus on what needs to be kept*

Respondents indicated that in terms of organisational change projects, the solution requested by the client tends to require radical, as opposed to incremental changes, from what currently exists in the organisation.

The tendency is thus often to "throw the baby out with the bathwater" and as such look at changing all aspects of the organisation.

Achieving this level of change in a short period of time is in most cases not feasible as the organisation requires some form of stability to continue with. The recommendation is thus to ensure that the process of understanding and analysing the client's environment incorporates a focus on identifying elements in the organisation that do work and need to be maintained going forward in the change process.

In terms of identifying areas that should and should not change in the environment it is also important to note that the public sector is governed by policies and procedures that meet regulatory and legislative requirements. Changing these within project time frames is thus not always feasible.

5.2.1.e *Use more than just structured readiness tools*

In terms of the use of pre-defined readiness tools such as questionnaires and checklists, consulting project managers indicated that clients sometimes find these tools limiting and argue that the mere use of these tools as a diagnostic of the environment will already commence the process of "putting us in a box" for which a predefined solution exists.

Readiness assessment tools and processes suggested by respondents included the use of one-on-one interviews with senior executives as well as focus groups with staff groupings. The semi-structured nature of these processes enable open discussion and the identification of key issues that may not be identified during a more structured process. The interactive nature of the process also provides a more personal touch and contributes to a sense of valuing stakeholder input which in turn will support the process of obtaining buy in from stakeholders.

5.2.1.f *The readiness assessment findings may not be what the client wants to hear*

Where the readiness assessment findings do not corroborate the original assumptions on which the project establishment request was based, the client may not be satisfied with the findings. Particularly if the findings indicate that the originally intended project solution motivated for by the sponsor needs to be re scoped.

The general consensus from project managers was that these discussions need to be handled sensitively but that if the consultancy wants to protect its reputation of relevant solution design and successful solution implementation, the design of a solution that addresses the real issues identified during the readiness assessment should become a non negotiable.

Project sponsors also indicated that although the abovementioned scenario was not ideal, they would rather prefer having the difficult discussions and potential confrontations upfront than to realize on post implementation that the project design was not as relevant.

5.2.2 Clarify and agree relevant and realistic project outcomes

All respondents agreed with the literature finding that clarifying and agreeing relevant and realistic project outcomes is a critical component of the planning process that can generally be improved on.

Ways to improve the process are as follows:

5.2.2.a *Define a clear project vision and outcomes*

As indicated in section 4.2.1 projects are often commissioned when a project sponsor wants to implement the latest business trends that “sound good” without the client fully understanding what the solution entails or how it meets the organisation’s needs.

Respondents indicated that this situation is often exacerbated by the sales process where sales teams representing consultancies tend to reference industry terminology (“consulting speak”) and models that may look impressive and stir the client’s imagination but do not delve into the practicalities and constraints of implementation.

Project sponsors highlighted that the tender process also causes further complications as it is a time consuming and cumbersome process and it is not unknown for a sponsor to find that a project is awarded six months or even a year after the original need was identified and business case submitted. The organisation would have encountered a number changes in the interim which could mean that the needs to be addressed by the project may very well have changed.

Defining a clear vision and outcomes for the project is thus a means of validating that all parties are on the same page. Project managers in particular highlighted that the process of clarifying project outcomes in the project charter with a definition of not only what the project will deliver but also what it *won't* deliver is a useful means of confirming possible assumptions made by the client in terms of project outcome and scope.

Furthermore, a well articulated vision and objectives become the “sanity check” for the project as challenges that require later changes in the project implementation approach can be decided on within the framework of the original vision and objectives i.e. “will the project still achieve the organisational change that it originally set out to achieve?”

5.2.2.b *Incorporate extensive stakeholder consultation in the definition of the project vision and outcomes*

Respondents agreed that the process of defining the project vision and outcomes should include various stakeholders and should be a collaborative process between the client and consultancy that entails the co-crafting of the project solution and outcomes.

The involvement of stakeholders in the design of the project solution not only educates stakeholders in terms of what the project can and cannot deliver but is an important first step in showing that stakeholder input is valued, thus commencing the process of building relationships and buy in to the project with stakeholders.

The process of actively involving stakeholders in the project planning phase is however not always that simple as the reality of the public sector environment is that performance in the environment is driven by performance management processes and objectives. It is therefore important for the project team to “understand where the project fits into bigger picture” and what the project touch points with existing performance objectives are. If the project does not speak back to individual stakeholders' performance objectives it means that the project “won't make them look good” and stakeholders will not be willing to spend time or energy on the project.

In terms of the extent of stakeholder consultation, both project managers and sponsors were adamant that although key stakeholder views need to be represented in the outcome definition process, it is not always possible to meet the needs of all stakeholder groupings. In fact, by trying to satisfy all parties “the original intent of the solution becomes diluted”. The project sponsor role becomes particularly important in prioritising stakeholder input.

Initial stakeholder consultation processes should thus be clear on the nature of the interaction and manage expectations around the extent to which all stakeholder input will be included in the final project outcomes.

Project managers indicated that getting the project sponsor and client project team members to actively participate in the stakeholder consultation process empowers the sponsor and the team to hear stakeholder views “straight from the horse’s mouth” and should assist them in potentially validating their own perceptions of what the organisation needs the project to deliver on.

5.2.2.c *Aim to balance client and consultant requirements in the definition of outcomes*

Project sponsors indicated that the use of best practice models to inform approaches and methodologies provided them with a sense of comfort as to the consultancy’s levels of expertise and ability to manage complexity. These models were seen as a good basis from which to commence the project approach and plan.

The overall sense was however that in terms of adapting these models to unique client requirements, consultancies were not open and flexible enough. Project sponsors indicated that existing models should be tabled as options with an additional option being the opportunity to go “back to the drawing board” if so required by the unique organisational needs.

In terms of the consulting relationship, project sponsors indicated that due to project plans informing payment schedules, consultancies often defaulted into managing the project based on project plan milestones and deliverables that could be “ticked off as complete" as opposed to truly being in touch with the outcomes of each of the project milestones and how this supported the original vision and intent of the project.

The relationship thus tends to become "mechanistic" and "transactional" as opposed to relationship and client need based.

Another concern raised by project sponsors was particularly the smaller consultancies in particular that tended to commence the project process by deploying a "top notch team". However, as the project implementation process commenced, key senior team members were moved onto projects with other clients as the consultancy's senior skills base was limited. Sponsors cited experiences where they were not consulted with in this process, where replacement team members were mostly not at the same skills levels and that only once the sponsor raised it as a major issue, additional resources were deployed or the original resource was returned to the project team.

In terms of the use of smaller consultancies, sponsors also highlighted that due to BEE requirements, they would increasingly be using more than one consultancy on a project. In cases where they had implemented this model in the past, they inevitably found that the different approaches of the two or more consulting firms as well as professional rivalry between the firms created conflict that, in their view, could have been more professionally managed. The message from sponsors was that the use of more than one consultancy in project implementation is a reality of public sector consulting and that the consulting houses should be prepared to collaborate in these partnerships in a professional manner.

From a consulting perspective, project managers indicated that issues around scope creep where their most difficult challenge to manage in terms of balancing client and business requirements.

All project managers agreed that there is no specific rule in terms of dealing with client requests that arise as the project evolves. It seems to be a matter of experience, the nature of the relationship and potential for future business that guides project managers in balancing which requests will be actioned as free value add activities versus out of scope and thus additionally billable activities.

Project managers did however indicate that even if the relationship and potential for future business warranted the addition of out of scope deliverables, this had to be done with an analysis of the impact on the capacity of the current project team. Even though these deliverables were not going to be charged for they may require additional resources. Project managers from larger consultancies seemed to have more scope to assign additional resources to complete additional deliverables, even if they were not going to be billed. Smaller consultancies tend to simply assign the additional deliverables to the same team which often creates the dilemma of the current project team battling to maintain focus on delivering the originally scoped and billable deliverables according to time and quality requirements.

5.2.2.d *Clearly define the possibilities of not achieving project outcomes i.e. project risk, upfront*

Consulting project managers indicated that the mapping and discussion of project risks during the planning stage can be "tricky as you need to inspire confidence in your processes at this early stage of the relationship".

The identification of risks during the planning process also links back to the importance of understanding the client's unique environment as the nature and extent of risks in the environment cannot be understood without an analysis and understanding of the environment.

It is interesting to note that some of the greatest potential risks to public sector organisational change projects, identified by both project sponsors and project managers, was the risk of lack of leadership buy in and commitment to the project as well as challenges in terms of the leadership maturity levels required to implement and sustain the project. Particularly as far as leadership maturity levels are concerned, the dilemma is that although this is one of the greatest potential risks to an organisational change project, it is also one of the most difficult risks for an outside consultancy to identify in the planning stage of the project.

Having the risk conversation upfront was deemed important by both project managers and sponsors as the risk identification process, and particularly the process of developing mitigating action plans, forces all parties to be realistic about the complexity of the project as well as pro-active in terms of implementing mitigating actions.

Project managers indicated that the risk discussion needs to be based on a certain amount of client education and that “joining the dots in terms of the repercussions of actions or lack thereof, particularly where these require client input” is important.

In terms of the consequences of not successfully managing project risk, one of the project sponsors argued passionately for the concept of shared risk in project implementation. He proposed that both parties need to share the risk of lack of delivery and suggested a model where 50% of the project fee is based on completion of specific deliverables but that the remaining 50% is dependent on the realisation of the impact of the deliverable as per pre-defined and agreed measures.

Some project managers also indicated that where the consultancy pushed to negotiate some form of upfront payment on a project, clients tend to push back by insisting that the upfront payment is counterbalanced with performance clauses that need to be fulfilled on completion of the project.

In terms of a risk analysis and mitigation plan, sponsors indicated that they “don’t like surprises”. Sponsors would rather know about potential bad news in advance so that they can manage other stakeholder expectations in the organisation upfront.

5.2.3 Formulate relevant and realistic project plans

All respondents agreed with the literature finding that formulating relevant and realistic project plans is a critical component of the planning process that can generally be improved on.

Ways to improve the process are as follows:

5.2.3.a *Do not plan too far ahead*

Both project sponsors and project managers suggested that longer term projects should be planned in a manner that reflects the bigger picture but does not plan too many implementation details too far in advance.

The design and implementation approaches for organisational change projects often requires flexibility and a willingness to respond to what the environment requires at a specific point in time. One of the project sponsors referred to the need for the consultancy to “be alive to the impact that your change work is having in the organisation and respond to what’s relevant at the time”.

Interestingly enough industry practice tends to lean toward developing project plans which are very comprehensive and plan for the finest detail as it seems to be part of the professional presentation of the consulting service to the client. Other than the fact that these detailed project plans are often difficult for clients to understand and work with, the reality of implementation however means that these plans inevitably change due to the way that change projects impact the environment and the environment responds to the change.

Feedback from sponsors and project managers alike is thus that the process of showcasing very detailed project plans is often a waste of time and, as is perceived by the client, is once again based on the consultancy’s assumptions that all solution rollouts are the same.

5.2.3.b *Ensure that your solution is relevant and realistic*

Respondents again highlighted how the process of developing relevant and realistically implementable solutions is dependent on the consultancy’s ability to obtain an understanding of the client’s unique environment.

Once again, sponsors indicated that they require flexibility and responsiveness from the consultancy not only during the planning process but also during project implementation.

One of the project managers provided an interesting perspective stating that the consultancy should continuously be reflecting on its role by asking itself "are we merely implementing a solution or tool or bringing about change?" Bringing about change is thus much more complex and requires a well thought through approach that will be workable in the client's unique environment.

Key challenges raised by project managers in ensuring solution design that will bring about meaningful change in the organisation were organisational maturity levels and clients insisting on best practice solutions that "sounded great but were too sophisticated for their environment".

Once again it became apparent that the gap between the expectations created by the consulting sales team and the ability of the delivery team to realise the promises made provides a challenge in this regard.

5.2.3.c *Ensure that scheduling is relevant and realistic*

The respondents indicated that project schedules tend to be overoptimistic and aim to achieve the maximum number of deliverables in minimum time frames.

The pressure to deliver projects within quick turnaround times comes from both clients and consultancies.

As indicated by one of the project sponsors interviewed, once a project goes out to tender and is awarded after the completion of the time consuming tender process, the project sponsor is most likely in a state of "fright or panic" as they experience organisational pressure to deliver the results required from the project. Furthermore, due to a lack of experience in the implementation of organisational change projects, clients are often totally unrealistic about the time frames required to effect the change they require.

In terms of ways of improving the realistic scheduling of projects, project managers suggested that consultancies make the effort to understand what's driving client driven deadlines. Once this is understood there may be an opportunity to package deliverables into manageable pieces by prioritising deliverables and breaking the project up into phases or focusing on full implementation in only one or two pilot sites as opposed to the whole organisation. This approach ensures that the client is able to show results within a certain timeframe but that the scope is not such that the likelihood of achieving the planned result is at risk.

These discussions have to be held during the planning stage of the project. As one project manager warned, "the upfront planning stage is your *only* opportunity to change key deliverables and timelines". Getting clients to visit reference sites where they can talk to other clients about the full implementation implications of projects was suggested as a useful way of educating clients on what can and can't be done in limited time frames.

On the other hand consultancies also tend to push for short delivery turnaround times as their cash flow requirements drive shorter delivery and thus billing cycles. Project managers indicated that they did experience internal organisational pressure to shorten delivery times, particularly if the initially planned project close out falls just after their financial year end. The pressure would then be for the project team to shorten the delivery time so that the complete project can be billed within the financial year.

Project managers warned that moving project close out time frames earlier means any contingency time that was originally built into the project no longer exists and that operational constraints in the organisation such as staff availability over month ends, budgeting cycles or holiday periods seem to be overlooked. To mitigate the risk of not completing on time, the consultancy then typically either puts more resources on the project or expects current project resources to put in extra hours.

In most cases, project managers found that this was not the solution to the problem as even though the consultancy is able to complete deliverables and outputs at a rapid pace, the process of organisational change requires client participation. Challenges around client availability for workshops and review and sign off of outcomes thus become insurmountable.

The end result is that deliverables cannot be completed and as such the projected billing for these deliverables cannot be signed off by the client. The consultancy may then choose to motivate that billing still remains due as delays were due to the client but this is a "dangerous game to play" as "clients can feel bullied as they realize they were pushed into an unrealistic project plan driven by consulting billing cycles".

5.2.4 Establish an optimal project team and create support structures for the team

All respondents agreed with the literature finding that establishing and optimal project team is a critical component of the planning process that can generally be improved on. In addition, the establishment of support structures for the team was also found to be a critical part of the process.

Ways to improve the process are as follows:

5.2.4.a *Provide a clear definition of project team roles*

Project sponsors indicated that the process of clarifying the exact nature of the project team roles, particularly the roles of client members of the team is important. In addition consultancies need to be very clear on the amount of time they expect client team members to spend on the project as team members are often assigned without realising the full extent of time required and then inevitably have to withdraw from the project at a later stage due to lack of availability.

5.2.4.b *Rather establish a smaller team with more senior members*

In terms of the consulting team members, sponsors indicated that they prefer the deployment of a smaller team made up of senior resources as opposed to a larger team consisting of mainly junior resources. The view was that senior resources can work more effectively and that seeing as the consultancy is effectively selling expertise to the client, the level of resources deployed on the project should reflect a certain level of expertise.

As discussed under section 4.2.2.c the issue of smaller consultancies commencing the project with a more senior team but then redeploying these team members to other projects and replacing them with more junior resources is a process that clients are very uncomfortable with.

From a consulting perspective, project managers also indicated that project team members assigned by the client are often not at a level where they can constructively participate in the project. Where this is the case, advice from project managers is to either realize that the client team members will effectively not be providing any capacity and to add capacity on the consulting team side or if this is not an option, address the issue upfront with the client as it is very difficult to make changes down the line.

5.2.4.c *Be prepared for anti consulting perceptions*

In terms of the interaction with the project team as well as other stakeholders in the organisation, the consultancy must be prepared to deal with negative perceptions.

Consultancies are often viewed by the greater organisation as outsiders that understand very little about the organisation and are overpaid to do a job that the client's staff could do themselves. Consultancies depend on subject matter experts within the organisation to provide them with information and context and these subject matter experts may very well not understand why someone else is being paid to obtain information that they already have.

This aspect firstly talks back to the concept of deploying senior rather than junior resources on the project. As one project manager noted, "all it takes is one client representative meeting with a junior resource that cannot answer their questions and our reputation as experts is thrown out the window".

Furthermore the process of "on boarding" the client project team members is critical. Project managers should not assume that, seeing as the sponsor buys into the project, the assigned project team will also do so. The "on boarding" process should include elements such as reviewing the original rationale for the project, the thinking behind the approach to the project, what the project team members will contribute to and "get out of the project" as well as position the partnership nature of the relationship. The best way of "on boarding" the team is to, as far as is practically possible, include the team in the planning of the project.

This relationship will need to be maintained throughout the project and as such it's important that project successes are celebrated as project team and not consulting successes.

5.2.4.d *Ensure that skills transfer takes place in a practical manner*

Project managers indicated that assigning project stream leader roles to client representatives and getting these stream leads to provide project stream feedback at project team meetings was a useful way of not only cementing ownership with client team members but ensuring that client team members actively participated in the project in a manner that allowed for their skills to grow.

This would be the ideal scenario though as the reality reflected on by project managers and sponsors alike indicated that client project team members either did not have the competence to take on this role or were not keen to take on the additional responsibility seeing as "the consulting team was being paid to do this".

With this as a constraint, respondents suggested two main approaches to skills transfer to the client project team.

The first approach suggested was a "buddying system" where client team members are assigned to specific consulting team members they have to partner with. These team members effectively "follow the consulting team member around" and learn by observing the meetings and workshops that the consulting team member facilitates.

A disadvantage of the "buddying" approach is that it requires the client team members to commit a large amount of time to the project. The second, less time consuming suggested approach, is to schedule specific skills transfer interventions at key points in the project. These sessions take the form of one to two hour long sessions which have a particular learning area as a theme and are facilitated by members from the consulting team sharing information and experience.

5.2.4.e *Plan to support the internal consulting team*

Just as the client project team members require an "on boarding" process, the consulting project team members do as well.

Project managers indicated that it is particularly important to ensure that the consulting team members understand the background to and initial rationale of the project. It's important that the team is very clear on not only what the project will achieve but why it aims to do so. Additional contextual information such as the political environment and a review of anti-sponsor arguments and power bases must also be part of the on boarding process.

Other than the "on boarding" process, the project plan must also incorporate elements such as team celebrations, knowledge sharing and project review sessions.

5.2.4.f *Consider potential collaboration with anti-sponsor representatives*

All respondents indicated that collaborating with anti-sponsor representatives is a useful means of addressing anti-sponsor issues directly and educating anti-sponsors as to the broader context and purpose of the project.

Respondents differed in terms of the extent of anti-sponsor collaboration and indicated that the level of collaboration should be informed by the anti-sponsor power base and ability to become a real risk to the project.

Focusing on all anti-sponsors may be a time consuming process that effectively wastes project time and effort that could have been directed into completing project deliverables.

As one project sponsor indicated, “we wasted too much time and energy to try and get buy in from people that were never planning to give it to us anyway”. This project sponsor found that going ahead with the project, completing project deliverables and thus showing project success was the only way to finally convince certain ant sponsor camps.

Prioritising the anti-sponsors to be focused on as well as being clear upfront as to what extent “their concerns will be entertained before they start negatively impacting the original intent of the project” is thus important.

In addition, it’s important to note that stakeholder perceptions on a project do not remain static. All stakeholders and their views on the project should thus continuously be monitored.

5.2.4.g *Manage and nurture the project sponsor relationship*

All respondents concurred that the project sponsor relationship is the most important, “make or break” relationship in the project team.

As far as improving the management of this relationship consulting project managers suggested that both the account manager and project manager should allocate adequate time to the process of building a relationship with the sponsor.

In public sector projects in particular, there is often a strong coaching element to the project sponsor relationship. This means that the project sponsor needs to be educated and exposed to business concepts and ideas and be given feedback on their approach in implementing the project. This coaching relationship needs to be established on a basis of trust which may take time.

This trust relationship becomes particularly important as project discussions with the sponsor will not be focusing so much on project successes or deliverables that are on track but on project challenges and risks that need to be mitigated.

In the case of project sponsors who have not established an adequate powerbase in the organisation it is important to understand why the sponsor lacks credibility. If it is their level of knowledge or ability to convey an argument convincingly it is advisable for the project manager to support the sponsor by lobbying by means of individual meetings with decision makers for the approval of key milestones before key executive meetings take place.

The project manager should gauge to what extent the project sponsor should be part of these meetings, but where these will be facilitated by the sponsor, it is important that the sponsor be coached before the session on what potential questions to expect and what “angles” to emphasize to different stakeholders.

The project manager should continuously be “checking for understanding” with the sponsor to make sure that the complex methodologies and models that the sponsor has to communicate are fully understood.

Where a project sponsor has a weak powerbase it is important for the consultancy to build other relationships within the organisation if it wants to obtain credibility.

Lack of sponsor availability was cited as a challenge often experienced by project managers. A suggestion to address this was the appointment of a strong client project manager who could act as an interface.

To address the challenge of delays in sign off processes potentially delaying the deployment of upcoming deliverables it was suggested that very specific sign off service level agreements detailing turnaround times and the assumption that if no feedback is received within the prescribed period, the deliverable is deemed to be signed off.

Sponsors indicated that they appreciated a partnership approach where the consultancy fully understood their requirements of the project and where the project fitted in not only with the organisation’s but also the sponsor’s big picture.

It is important for the consultancy to understand the sponsor’s “landscape” in terms of areas such as budgets, political and other pressures.

Sponsors furthermore indicated that they require upskilling and coaching to take place and were also looking towards the consultancy to make a contribution in positioning them in the organisation.

Sponsors differed in terms of the levels and frequency of communication required from the consultancy indicating that this would be dictated by the nature and complexity of the project. They again iterated that: “we don’t like surprises”. The sponsor needs to know if something is going to go wrong before it happens so that they can manage expectations or intervene and initiate corrective action.

An interesting comment from one of the project sponsors referred to the powerbase of the consulting relationship. The sponsor indicated that consultancies should aim to not be perceived as arrogant in the way that they manage the project; “remember, you don’t own the project”.

5.2.5 Additional areas

Two additional areas that were identified by the respondents as ways of improving the planning of consultant led organisational change projects were as follows:

- Plan for sustainability and;
- Establish project governance frameworks.

5.2.5.a *Plan for sustainability*

Respondents indicated that the biggest challenge experienced in organisational change projects in the public sector is the ability to maintain momentum and sustain implementation after the project has concluded.

Without sustainability all good work done during the project effectively amounts to nothing and both consultancy and project sponsor have nothing to show in terms of building their reputations.

Planning for sustainability is thus a key component that needs to be incorporated into the planning process.

The key suggestion for building sustainability is to ensure that the solution design and plan incorporates the development of a “critical mass” of people that will have the capability and capacity to take the project forward. Depending on the size of the organisation, this “critical mass” could be a group of 30 to a 100 people that can maintain project momentum.

Training and development and co-creation and collaborative implementation are the key tools to achieving this critical mass.

In addition, one project manager noted that failures in terms of sustainability had “more to do with client staff members not believing in themselves being able to sustain the solution than it did with their capabilities”. Building confidence in the organisation’s ability to manage the project independently going forward is thus important.

5.2.5.b *Establish project governance frameworks as part of the process*

The establishment of project governance frameworks is particularly important in public sector entities where projects could potentially be audited.

The project governance framework needs to provide clear lines of accountability, particularly in terms of decision making and sign off processes as well as required audit trails.

Steering committees responsible for the review of the quality of project deliverables and risk mitigation need to be established as part of this framework. The steering committee members should as far as possible be independent from the delivery component of the project to ensure an objective view on project progress and performance.

5.2.6 Priority Areas

In terms of the ranking of priority areas, respondents indicated that all the components were critical to the successful completion of the planning process and that the identification of three priority areas did not mean that the remaining areas were no longer important.

This was reflected in the results where the top three areas obtained one or two more "votes" than the other areas. There was thus no area that significantly stood out from the remaining areas as the key priority.

5.2.6.a *Consulting project managers' priority areas*

The top three improvement areas as identified by consulting project managers (five respondents) were:

a) Clear definition of project outcomes by both the client and the consultancy (three respondents indicated this as priority);

b) The establishment of an optimal project team and creating support structures for this team (two respondents indicated this as priority) and;

c) Obtaining and understanding of the client's unique environment (two respondents indicated this as priority).

5.2.6.b *Project Sponsor priority areas*

The top three improvement areas as identified by project sponsors (four respondents) were:

a) Balancing client and consultant objectives so as to ensure adequate levels of flexibility in the planning process (two respondents indicated this as priority);

b) Obtaining and understanding of the client's unique environment (two respondents indicated this as priority);

c) Establishing clear project outcomes by both the client and the consultancy, proper risk planning, realistic scheduling and establishing governance frameworks (each of these areas received one selection each from respondents).

5.2.6.c *Consolidated priority areas*

In terms of a consolidated view, the top three areas identified (nine respondents) were:

a) Clear definition of project outcomes by both the client and the consultancy (four respondents indicated this as priority);

b) Obtaining and understanding of the client's unique environment (four respondents indicated this as priority) and;

c) Balancing client and consultant objectives so as to ensure adequate levels of flexibility in the planning process (three respondents indicated this as priority).

5.2.6.d *Analysis of priority areas*

The consolidated priority areas are line with international trends.

It is however interesting to note that in terms of priority areas identified by project managers, South African project managers define the establishment of an optimal project team as a priority area. This most likely reflects the general skills shortage experienced in the industry and the country and the challenge that South African projects managers experience in obtaining results from a team where not all members may have sufficient levels of experience.

Furthermore, the level of importance that South African project sponsors attach to flexibility in the planning process as well as risk planning and the establishment of governance frameworks indicates that they may also be experiencing challenges in terms of the skills and experience required to plan complex projects.

6 CHAPTER 6: CONCLUSION AND RECOMMENDATIONS

The conclusion of the findings from the study are reported in this chapter.

A reflective analysis on the implications and recommendations for both public sector clients and management consultancies is presented.

Recommendations for further research are also made.

6.1 Conclusion

The key conclusions from the research are that improving the planning of organisational change projects in the public sector does not require the application of radical new approaches in project management, but rather the disciplined implementation of basic project management principles, processes and methodologies, particularly focusing on the following six main areas;

a) Obtaining an understanding of the client's unique environment;

b) clarifying and agreeing relevant and realistic project outcomes;

c) formulation of relevant and realistic project plans;

d) the establishment of an optimal project team and support structures for the team;

e) planning for sustainability; and

f) the establishment of project governance frameworks.

6.2 Implications and Recommendations

The implications of the findings and resulting recommendations are discussed from two perspectives:

- Implications and recommendations for consultants planning organisational change projects in the public sector;
- Implications and recommendations for public sector representatives employing consultants to lead organisational change projects.

6.2.1 Implications and recommendations for consultants planning organisational change projects in the public sector

Section 4.2 provides a view of the key improvement areas that require focus in order to improve the planning process.

From a consultant's perspective the key learnings amount to the development of a project solution and implementation plan that meets the client's requirements and can deliver on what it promises. This is the only way that the consultancy can maintain its reputation.

Czerniawska's promise pyramid (2006) as discussed in chapter 2 highlights the complexity of the different levels of consultant promises made and client expectations created. From the consultancy's perspective, the foundation of the project planning process is thus to understand the client's requirements and what exactly they want the project to achieve. This means that the consultancy needs to tap into the client's explicit as well as implicit expectations.

The challenge that many consultancies face is that the sales process and delivery process are often removed. A sales team that is keen to obtain business may make unrealistic promises to the client that will form the foundation for the client's expectations going forward. To ensure that the project solution design can deliver on the "promise" created, client education and expectation management thus become key components of the planning process.

Furthermore, although the use of tried and tested best practice methodologies to inform the project solution design process is part of the package of "expertise" that the client is buying, the consultancy needs to be very sure that the solution and deployment schedule they are putting forward will, taking into account the organisation's capacity and capability constraints, deliver on the required project outcomes.

6.2.2 Implications and recommendations for public sector representatives employing consultants to lead organisational change projects

Section 4.2 provides a view of the key improvement areas that require focus in order to improve the planning process.

From a client perspective the key learnings amount to the need for the pro-active management of the consulting relationship and deliverables by the client.

On the one hand the sponsor needs to fully utilise the consultancies' expertise by being open to new ideas and approaches. However, even though the consultancy may be leading the project planning and implementation process it is still critical that the client is kept informed and is comfortable with the process as well as the outcome of the process.

Project sponsors should commence the planning process with a clear view on what they want to achieve with the project. Where project deliverables and timeframes are based on unrealistic deadlines defined by the "powers that be", the potential prioritisation of deliverables or staggering of deliverables into phases has to be negotiated upfront in a manner that all parties concur that the project outcomes and timeframes are achievable. In these cases, the consultancy can assist the project sponsor in the review of the feasibility of these options.

Furthermore, although the consultancy is providing a specialised service and levels of knowledge, the client is inevitably paying a premium for these services and as such should ensure that the planning process is conducted in a manner that will realise that value. The use of tried and tested best practice methodologies is important, but the planning of a relevant, realistic and sustainable solution and implementation schedule based on the client's unique requirements is even more important.

Project sponsors need to be aware that once the project has been completed, the consultancy leaves the organisation and the success or failure of the project will reflect on the sponsor going forward. The project sponsor may even be expected to justify decisions made during the project if the project is audited on completion.

The establishment of and adherence to governance structures as well as making sure that all consulting advice is carefully weighed up including pushing back on potential “cut and paste” solutions is the client’s prerogative as well as requesting further analysis or site visits to learn from other implementations.

6.3 Recommendations for further research

The research has identified six key components of the planning process that need to be addressed in order to improve the project planning process. The assumption is thus that by addressing these components the probability of project success is increased.

Further research could be conducted to validate the key components of the planning process as predictors of success i.e. potentially explore a number of project case studies where the identified components were and weren’t in place. The implementation or absence of the key components can then be analysed to determine to what extent they determined project success or failure.

In terms of the relative importance of the six key components identified, the research did not highlight clear priority areas. Further quantitative studies incorporating a larger sample could provide further clarity in terms of the more important focus areas.

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APPENDIX 1

Interview Protocol

Improving project planning

Details of the respondent:

Name:

Title:

Organisation:

Contact Telephone numbers:

E-mail address:

Date:

Time:

Duration of interview:

Opening Statement to Respondent:

Thank you for agreeing to contribute to this research study. The interview will not last longer than an hour. Your contributions will be anonymous, neither your name nor company will be linked to statements or comments made.

The purpose of the study is to explore ways of improving the planning of consultant led organisational change projects in the South African public sector.

Research shows that the main areas of improvement are:

- allocating adequate priority to the process of orientation;

- clarifying and agreeing relevant and realistic project outcomes;
- developing relevant and realistic project schedules; and
- the establishment of an optimal project team.

In our discussion we will be discussing these improvement focus areas one by one.

Key Research Questions

Research question 1

The literature suggests that the planning of consultant led organisational change projects in the South African public sector can be improved by allocating adequate priority to the process of orientation.

In your experience of the allocation of priority to the process of orientation, WHAT would you improve and HOW?

Probes:

- And what about the timing and pace of planning – should more time be allocated to the planning process?

- And what about the planning process incorporating an orientation in terms of the project environment including the incorporation of a rigorous readiness assessment (if not yet conducted) to inform the planning process

- And what about ensuring non-attachment to pre-defined courses of action, particularly if these are proven by the readiness assessment not to be the most relevant to the client?

Research question 2

Another means of improving planning is deemed to be clarifying and agreeing relevant and realistic outcomes.

In your experience of the clarification and agreement of project outcomes, WHAT would you improve and HOW?

Probes:

- And what about establishing measurable outcomes?
- And what about incorporating extensive stakeholder identification and consultation processes in the definition of?
- And what about balancing client and consultant requirements?
- And what about risk management planning?

<u>Research question 3</u>

Another means of improving planning is deemed to be the development of relevant and realistic project plans.

In your experience of the development of relevant and realistic project schedules, WHAT would you improve and HOW?

Probes:

- And what about the development of relevant solutions that truly address client challenges?
- And what about scheduling that incorporates capacity and capability constraints?

<u>Research question 4</u>

Another means of improving planning is deemed to be the establishment of an optimal project team.

In your experience of the establishment of project teams, WHAT would you improve and HOW?

Probes:

- And what about the clear definition of client project team member roles and responsibilities as well as workload to ensure the correct allocation of client team members?
- And what about the option of including representatives from anti-sponsor camps into the project team?
- And what about the role of the sponsor?

Research question 5

Having covered what we have, do you believe there are any other improvement areas which we haven't mentioned?

Research question 6

Ranking; If we look at all the different ways of improving the planning of organisational change projects in the South African public sector (the key areas as per the research as well as your additional areas) and you had to name the top three things to improve, what would they be?

Closing statement to respondent

Thank you very much for your time and for contributing to the research. The information gleaned from our discussion has been very valuable.

Interviewer's comments

Reflective Notes