


Projectification in a Chinese Firm

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About the speakers

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Today's topics

- ◆ Why it's a new hot topic in China?
- ◆ What's it?
- ◆ How did it work in a Chinese firm?



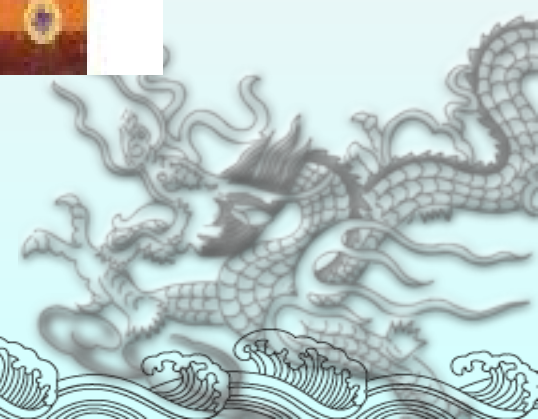
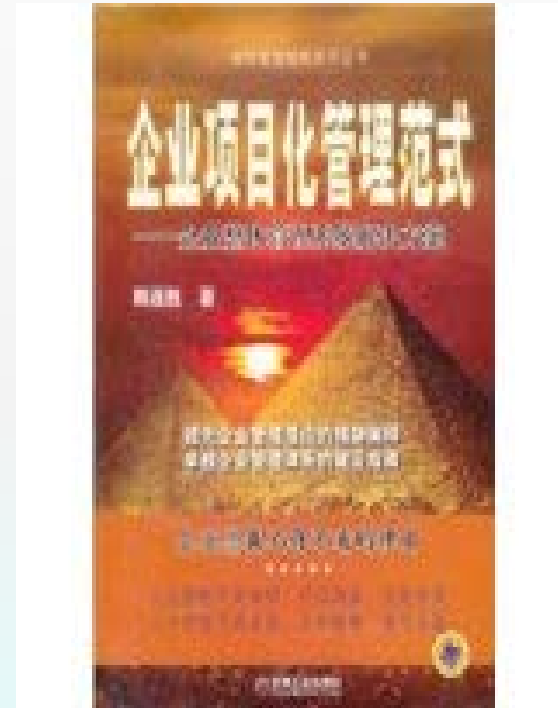
Projectification in TASLY



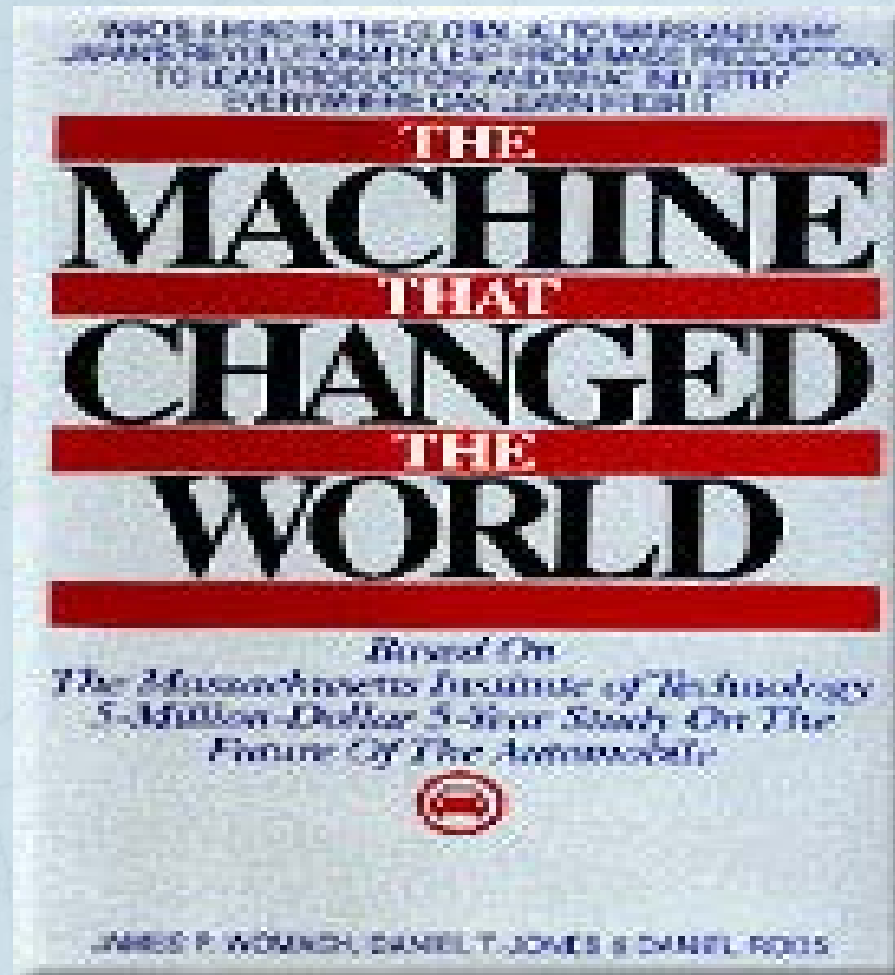
2006, winner of Silver of IPMA International
Project management Award



Two best-selling books



The Toyota Way



Projectification: Literature review

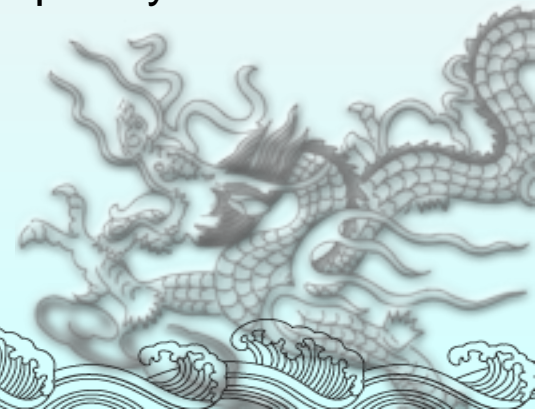
- ◆ In China: about 50 papers
- ◆ Most of them are non-academic ones
- ◆ International: about 10 papers by key words



An old topic?

Since the mid-1960s it has often been claimed that the societies are becoming increasingly projecticized – organized in terms of time-limited sequences of (inter)action

- **Packendorff, J. (2002) The temporary society and its enemies: Projects from an individual perspective**
- Beyond Project Management: New Perspectives on the Temporary-Permanent Dilemma.
- Ed. by K. Sahlin-Andersson & A. Söderholm
- Malmö, Liber, pp 39-58



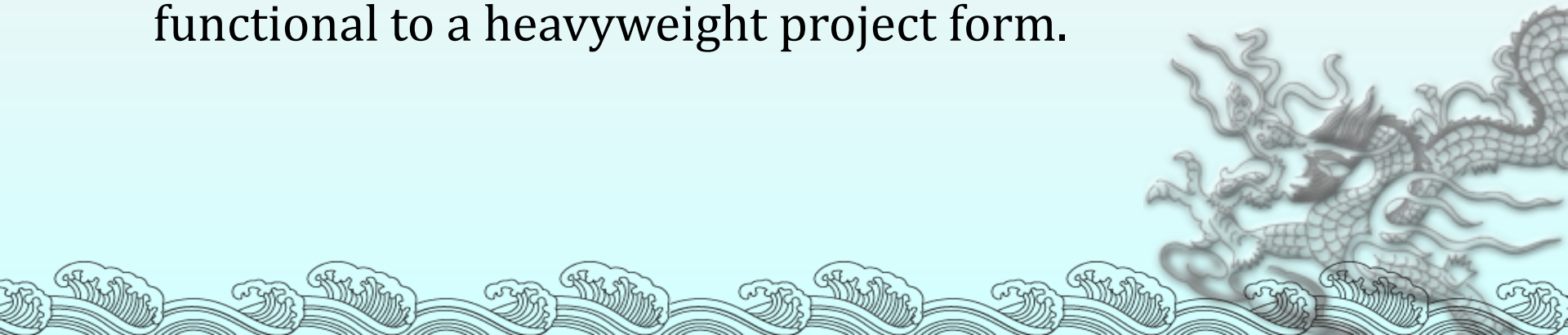
Seminal paper

- ◆ 1995, Christophe Midler
- ◆ Projectification of the Firm: the Renault Case
- ◆ Scandinavian Journal of Management, 11(4):363-75, 1995



The definition of Projectification

- ◆ By Midler
- ◆ A process which took place in a series of changes in the structures for **organizing new product development** at Renault for a 30-year period as they moved from a functional to a heavyweight project form.



Projectification

Function-based organization

Projectification



Project-based, led, oriented, projectized organization



How to make this transition process
managed or controlled?

Is there any answer in any early body of
knowledge of PM in mainstream works?

PMI/IPMA?



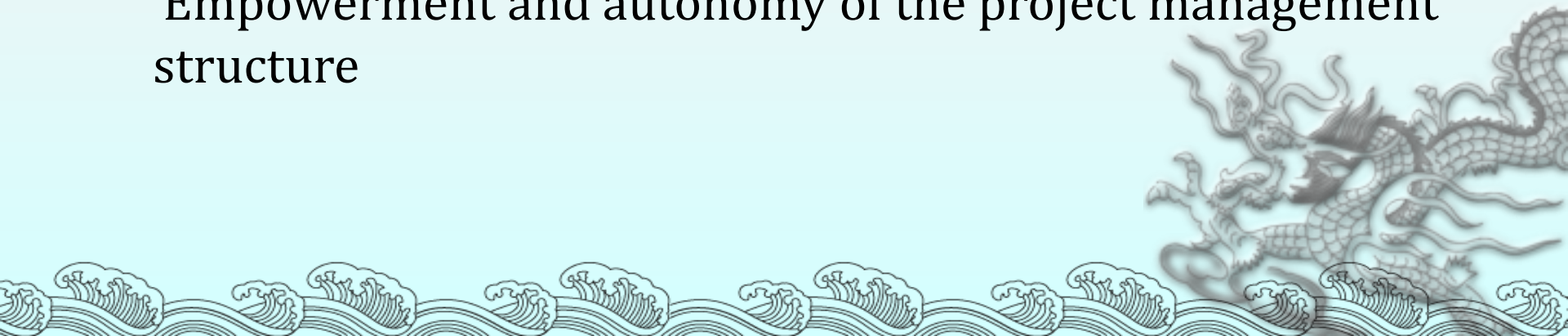
The theory of temporary organization

- ◆ PM is a problem of organization
- ◆ Embedability of so many temporary project teams into permanent functional departments
- ◆
- ◆ legitimacy of these teams?



Organizational Changes in Renault!

- ◆ **First stage: in 1960's**
Functional and informal project coordination
- ◆ **Second stage: from 1970 to 1988**
centralized project coordination
- ◆ **Third stage: in 1989**
Empowerment and autonomy of the project management structure



Projectification—causing extensive organizational changes

- ◆ Concentration from functional depart., process to projects
- ◆ High level project directors
- ◆ Empowerment
- ◆ From the application of process to a more entrepreneur and adaptive approach
- ◆ Governance structure



Drivers of such changes

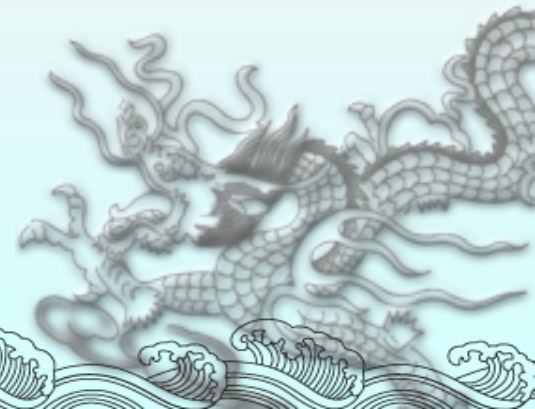
- ◆ Car industry: traditional manufacturing industry
- ◆ Benchmarking: TPS-Toyota production system
- ◆ Functional structure, pull system, efficient, eliminate waste...



Drivers of such changes

NPD—new product development

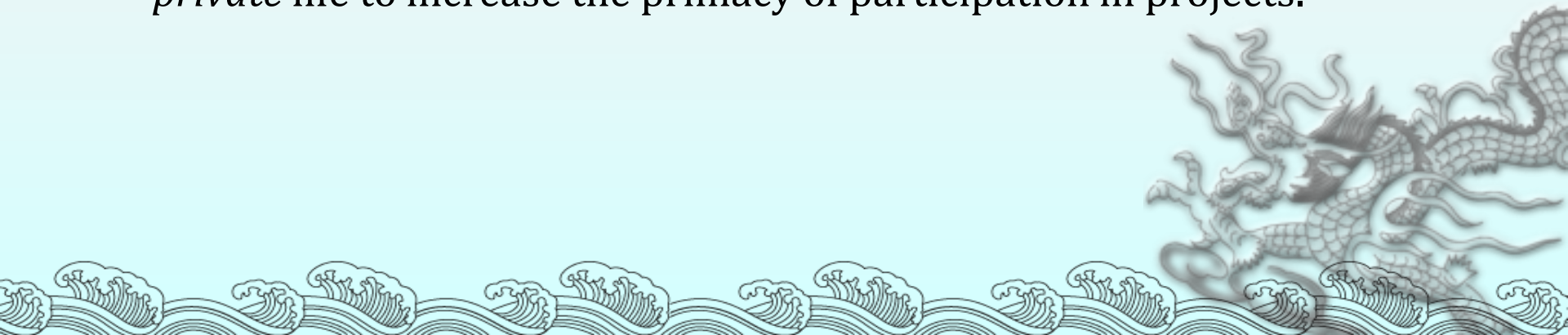
- ◆ Quick response
- ◆ Flexibility and Customization
- ◆ Team-working networking
- ◆ Flat structure
- ◆ Quality control
- ◆ Learning: from one project to another one



Expended Projectification

The levels of projectification

- ◆ ***Societal projectification*** is a change in governance structures to increase the primacy of the processes of projects in whole society;
- ◆ ***Organisational projectification*** is a change in organisational and governance structures to increase the primacy of the processes of projects within a central organisation and its supply networks;
- ◆ ***Personal projectification*** is a change in person's work relations and/or private life to increase the primacy of participation in projects.



Your future success

- ◆ Comes from smooth running of functional and routine process/works
- ◆ Comes from doing more and more cross-functional project teams
- ◆ Which is getting more and more critical?



The possible trend

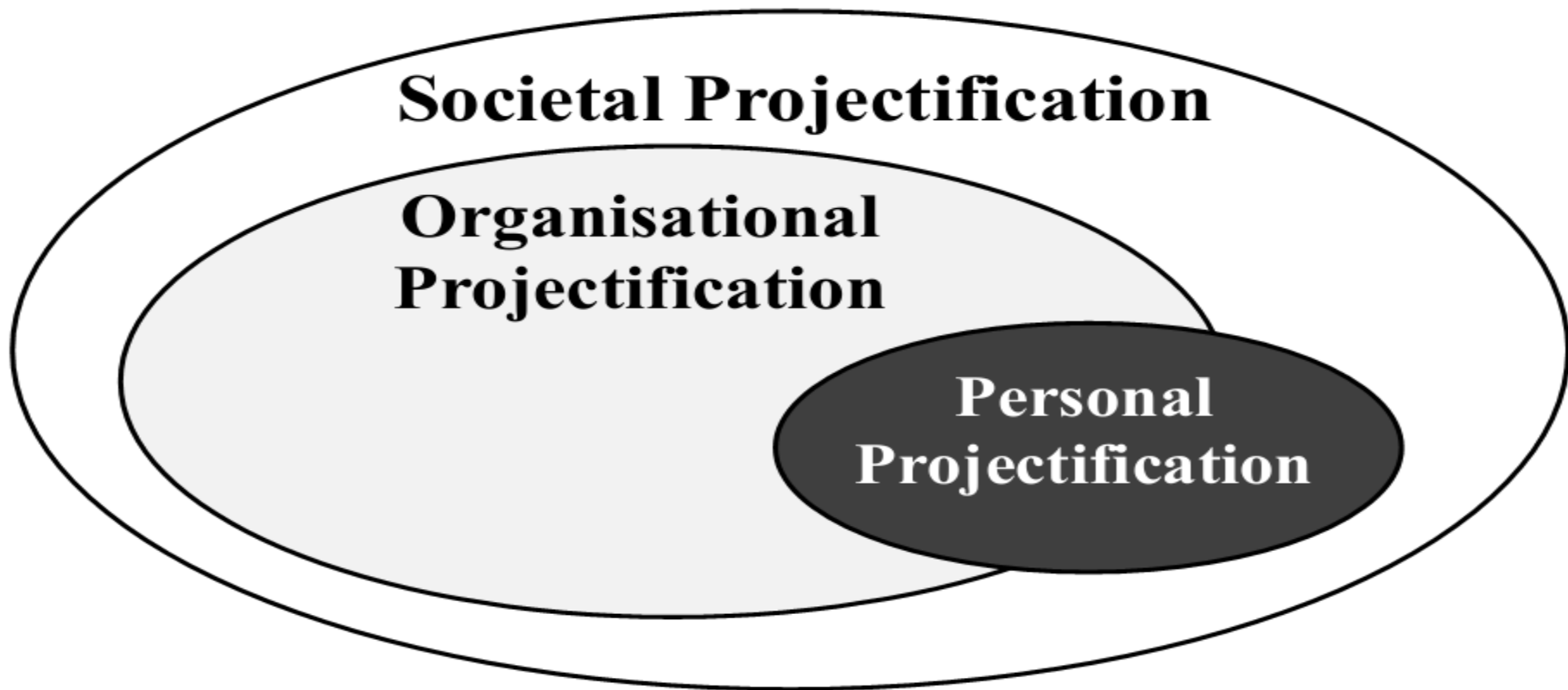
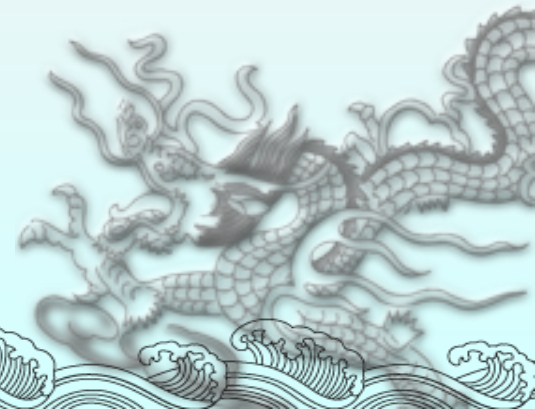


Figure 1. The levels of projectification.



How did it start in TASLY

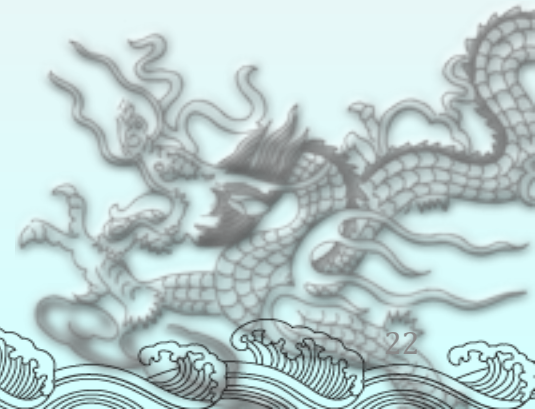
- ◆ NPD—faster, faster and faster
- ◆ Normally 5 years or even more
- ◆ General manager's promise: 2-3 years
- ◆ **The boss: NO! just 1 year**
- ◆ **Result : 8 months—it's so damn good!**



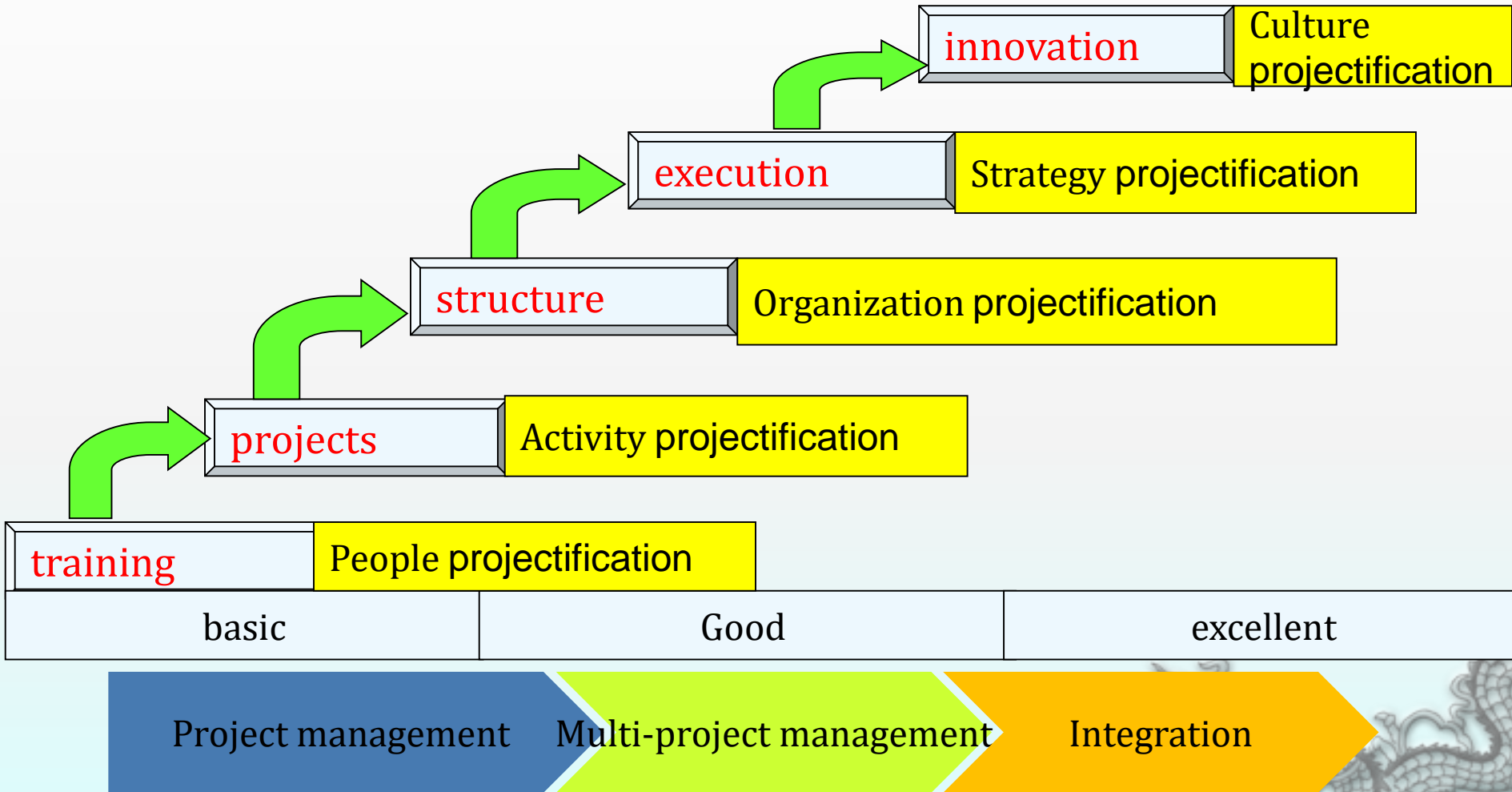
The TASLY way of projectification-1

It's a series of projectification of

1. **People**
2. **Task or activities**
3. **Organization**
4. **Strategy**
5. **Culture**



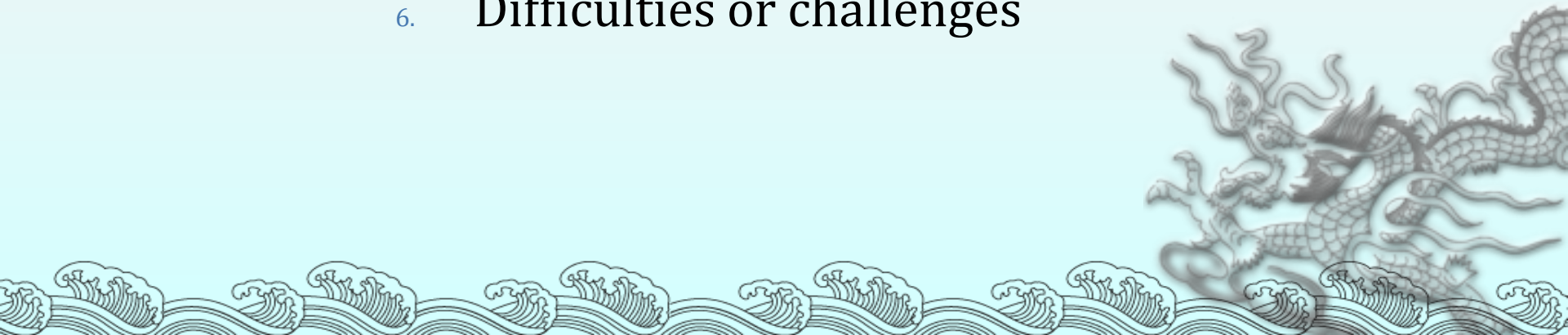
The roadmap of TASLY's projectification



The TASLY way of projectification-2

To do the projectification

1. Target
2. Organization
3. Path
4. Regular pattern
5. Result
6. Difficulties or challenges



Target1-3 key issues

- ◆ Bottleneck
- ◆ Project professionals
- ◆ Teamwork spirits



Target2

- ◆ A new type of organization
- ◆ A new type of team
- ◆ A new type of performance and review
- ◆ A new type of business model



Organization

- ◆ PMO-PMC
- ◆ General manager's office
- ◆ High authority
- ◆ Planning and direct supervision
- ◆ Reward and punishment



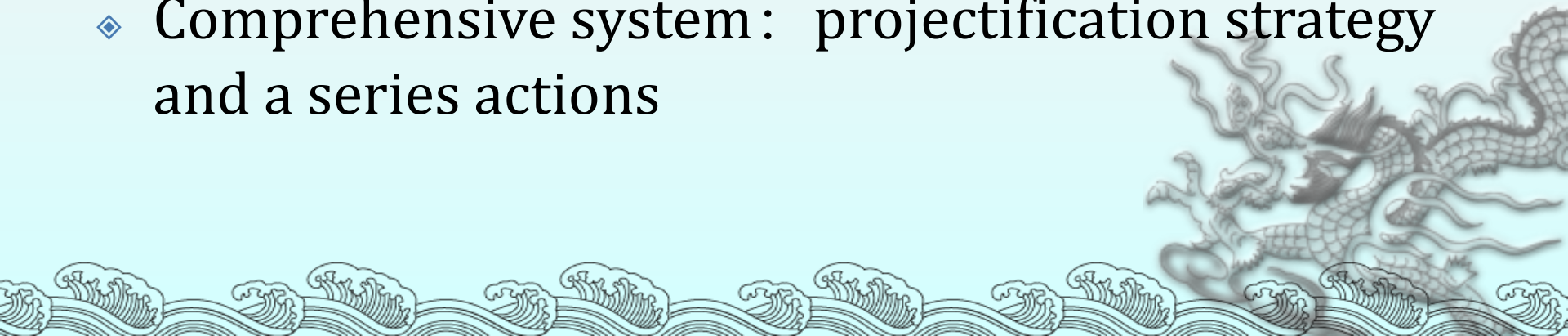
Path-change step by step

- ◆ People
- ◆ Task and activities
- ◆ Organizational structure
- ◆ Performance review
- ◆ Strategy execution
- ◆ Firm culture



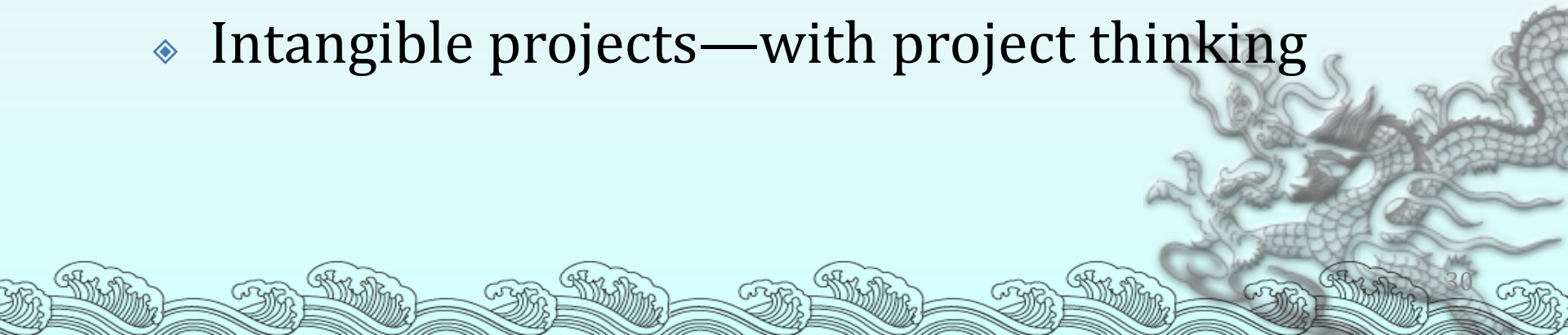
Path-change step by step

- ◆ Horizontal(time) : feasibility study , planning, do, assessment
- ◆ Vertical : change people in thought, knowledge and ability, operation
- ◆ Comprehensive system: projectification strategy and a series actions



Regular pattern when doing projectification

- ◆ Be afraid of doing projects-don't know
- ◆ Be crazy to do project-with curiosity and motivation
- ◆ Be cautious of doing projects-high failure rate
- ◆ Intangible projects—with project thinking



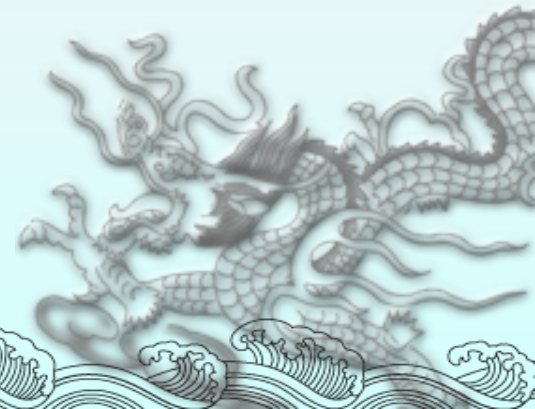
Results and performance

1. Faster speed
2. Better motivation-for knowledge workers
3. More effective control
4. More effective objective management and execution
5. More innovative, collaborative, and challenge-facing culture
6. More integrated and systematic management model



Difficulties or challenges

1. Role change—role ambiguity, role conflict ...
2. Activity change—project way
3. Skill change—project manager
4. Planning and documentation change—schedule report
5. Team change—cross function
6. Core structure change—inertia?
7. Control change—more constraints
8. Performance change—functional and project
9. Culture change—tolerance of failure
10. Organization change




Solutions

1. Start with a small step
2. Step by step
3. Short-term effect
4. Tolerance of failure
5. Standardize PM
6. Resource allocation
7. Inertia estimate
8. Role and task conflict
9. Communications
10. Clear and proper target
11. A good mentor
12. Support of high level



THE FUTURE



Steve Jobs
(1955 - 2011)

有人在怀疑事情的发生
There are those who wonder what happened,
有人在任凭事情发生
those who let things happen,
而我们要促使积极的事情发生!!!
And those who make things happen.

The end. Thanks.

Q & A

