COMPETITIVENESS:
A Project Management Challenge

C ompetitiveness... whoops, there’s that “C” word again. Try as we may, it is difficult to avoid one of the most prevalent topics of business and professional discussions. It was even a major theme of the Clinton-Gore presidential campaign. Admittedly, being competitive is a much sought and worthy objective. But what does “being competitive” really mean? Setting all rhetoric aside, the business of business is making and selling products and services that customers either want or need to buy. Competitiveness then is simply being better at making and selling than anybody else!

Unfortunately, too many executives have failed to hear this subtle message. They have yet to learn that the battle for competitiveness cannot be won solely by manipulation of financial numbers, acquisition of non-related businesses or development of strategic alliances. Nor is it to be found in a company’s cleverness of advertising or grandness of scale. True business competitiveness is determined by the marketplace. Ultimately, it is the marketplace that ascribes the level of a company’s competitiveness. In this contest, the company with the best product development capability wins.

If we continue this argument to its logical conclusion, the focus of every business should be to develop products and services that provide the greatest amount of customer satisfaction. Imagine if this were the case. Given their natural resources, technological creativity, entrepreneurial spirit and infrastructure, American manufacturers should be the best product developers in the world.

Editor’s Note: This article is drawn from the author’s book, Competitive Product Development (Business One Irwin/Quality Press, 1993).
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Unfortunately, they are not. Most are finding it more difficult to rival their international competitors. The question is, “Why?” Is it because, according to Peter Drucker, too many executives believe being good at product development is “grubby detail work”? Would we rather attempt to “deal our way to success”? In this regard, Drucker (as quoted by Harari [1]) offers an interesting perspective:

_Dealmaking beats working. Dealmaking is exciting and fun, and working is grubby. Running anything is primarily an enormous amount of grubby detail work with very little excitement, so dealmaking is kind of romantic, sexy._

I will not attempt to second-guess the intentions of management. Nor do I believe executives are unwilling to roll up their sleeves and tackle the “grubby work” required to return their businesses to a more competitive track. To the contrary, many have been hard at work developing competitive strategies, expending critical resources and operationalizing new tools and methodologies. Yet for all this effort, more leaders of smokestack products, electronics, semiconductors, automotive and computer industries are finding themselves less, rather than more, competitive. Success has escaped them, not for their want of trying, but for their inability to operationalize competitive products and initiatives effectively.

Abroad range of domestic and international studies highlight distressing findings that the U.S.’s _ability to compete within the emerging international and global markets has seriously deteriorated._ Of particular importance is that:

- New product development and cost management are continuing trouble areas for U.S. manufacturers. Studies suggest their productivity gains are less than half those of major competitors.
- While most manufacturing executives _know_ about the approaches necessary to compete into the 21st century, few are able to _operationalize_ them effectively.
- There are no “quick fixes” for today’s competitive issues. There are no “silver bullet” or “turn key” methodologies on the horizon. Competitive improvements can only be found through a renewed understanding of the basics of business . . . product development.
- New international challenges from the European Community, Pacific Rim and South America will significantly increase competitive pressures in the future. **Tough as it may seem, competition will never be easier than it is today!**
- **Effective product development is no longer an option.** New international initiatives such as ISO 9000, are mandating that manufacturers conform to verifiable product development standards before their products or services can be sold to international markets.

To achieve true competitiveness, businesses must increasingly entice potential customers with more high-quality, price-competitive products than their competitors. More so, they must introduce these new products **before** their competition. Meeting these aggressive objectives requires the presence of three critical success factors: operationalizing the principles of product development; an efficient product development process; and an effective multi-project management capability.

Why should the presence of an effective multi-project management capability be such a critical success factor? Experience has proven that an effective project management capability is fundamental to the tactical management and
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color of a complex project. Unfortunately, the average business has more than 46 projects concurrently in work. As a result, operationalization of an effective multi-project management discipline is a must if an insightful business team is to integrate the strategy and tactics necessary to visualize and lead their business to a more competitive new product development paradigm.

The resulting and immediate challenge for project management practitioners is to find ways to transition past successes of tactical project management into the boardroom to support today’s multiple strategic business issues and initiatives. Admittedly, this task is much easier said than done. Sadly, many organizations have become so inculcated in their sub-optimized points of view, they lack the cohesiveness of vision and purpose necessary to find their way forward. Fortunately, these debilitating tendencies can be overcome more by introducing an enlightened point of view than by an expensive technological solution. The source of this new perspective is the creation of an integrated vision of heretofore multiple individual projects.

Successfully accomplishing such a feat requires that practitioners seek and adopt several new premises. First, they must think as business leaders, as managers of projects (multiple) rather than project (singular) managers. As such, their new role must be to seek and address a wider array of business needs that more fully support today’s business, process and product initiatives. In addition to PERT and CPM, practitioners must understand the business interrelationships of today’s initiatives such as Total Quality Management, Reengineering, Empowered Teams and Simultaneous Engineering, to name a few. Only by creatively stepping outside their traditional project management roles, tools and methodology will insightful project managers be perceived as the facilitators and integrators of business knowledge and business practice.

Second, there is an unfulfilled need to truly understand and overcome the dynamics involved in managing and controlling multiple and simultaneous projects. Like the evolving information systems scenario, project management practitioners must focus more on promoting the benefits a project management discipline can achieve rather than the intricacies of the technologies involved. This brings us to a moment of truth. While many can make the simple complex—few can make the complex simple. The competitive need is too great and too imminent to recounted among the many. Instead, true business integrators must become the few who continually broaden their awareness of ways to simplify the complexities of managing and controlling multi-projects.

Unquestionably, today’s global competitive challenges provide several very pertinent reasons why today’s business leaders and project management practitioners should more closely examine ways to foster a greater business partnership. Operationalization of an effective multi-project management capability can be a pragmatic guide toward revitalizing, integrating and empowering the processes of product development. Operationalization of an effective multi-project management capability can enable the development and introduction of new products faster, more reliably and at less cost than competitors. Achieving this objective is the business of business. It is the basis of competitiveness. It is our challenge.

REFERENCE