Half Double conference April 2018

# Key takeaways

Project Half Double – A proven concept



#### **Project Half Double** - A proven concept

Sutcome of The Half Double Project

Potential imptor

Too early to

Alect Outcomes 2 projects accelerated with

6-12 months

Fail fast, learn f

Close collaboration through co-

High allocation

171

Clear visualisati activities

Performar

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Half Double Methodology

44 2. 2

10 Finding five: Multi-faceted evaluation is part of the learning process

Project Half Double has established a comprehensive multi-faceted evaluation framework to provide sound empirical evidence of using the

JECT

Leading projects to

impact in half the

time with double

the impact

AALF

DOUBLE

#### Mega projects related to Half Double

PROJECT

HALF DOUBLE

Crossrail



#### **3 years ago in June 2015**



# PROJECT HALF DOUBLE KICK OFF

#### Half Double events from 2016 to 2018



+20

# Methodology 3 core elements

Research

3 universities INDUSTRIENS FOND FREMMER DANSK KONKURRENCEEVNE The Danish Industry Foundation

**13,8** mDKK

14 projects

People

**Pilots** 

1500+ practitioners



## Niels Ahrengot

Managing Partner in Implement Consulting Group Project owner of Project Half Double

PhD, Technical University of Denmark (1988),

He is senior adviser for a wide range of global companies on strategic transformation. His fields of expertise include Operational Strategy, Lean, Project and Programme Management, Agility and Project Organisations.

PROJECT HALF DOUBLE

Niels is the author of several management books and concepts, including Half Double, Kill Complexity, Fit for Fight and Power in Projects and Portfolios.

### THE PROJECT **SOCIETY**



#### WORLD PROJECT GDP: 48 TRILLION DOLLARS











Reducing poverty Hindering climate<br/>changeCreating a radically more<br/>innovative and digital<br/>business world

# IT'S ALL **PROJECTS!**





#### OF ALL PROJECTS TODAY **ARE CHARACTERISED AS SUCCESSFUL**

The Standish Group, 1994-2015



# WE NEED ANOTHER APPROACH!

# WE KNOW WHAT TO DO!



## IT'S ALL ABOUT AN EXTREME FOCUS ON THREE CORE ELEMENTS

Impact

Flow

Leadership





What does your organization need to work on, in order to **work smarter** in your project factory?



"Flow focus in order to ..." "Leadership focus in order to ..."

# You can download all the menti results on www.menti.com

Go to www.menti.com and use the code 22 93 85





### Associate Professor, Per Svejvig

PROJECT HALF DOUBLE

Associate Professor at the Department of Management, Aarhus University. His research interests are primarily in the area of Project Management and Project Studies, Rethinking Project Management.

He has among others published in International Journal of Project Management, Journal of Information Technology, Scandinavian Journal of Information Systems, Journal of Information Technology Case and Application Research, International Journal of Enterprise Information Systems, International Journal of Business Information Systems, International and Journal of Services Technology and Management and.

He holds a PhD in Enterprise Systems from Aarhus University.

He has more than 25 years of business experience as a manager, project manager and consultant.

He is a Certified Senior Project Manager (IPMA level B) and has practical experience with business and IT projects.

### Half Double overview results

COMPANY	PROJECT TYPE	IMPACT FROM HALF DOUBLE METHODOLOGY	FULFILLING PROJECT SUCCESS CRITERIAS	FULFILLING PROJECT SUCCESS CRITERIAS
	Product Development			<ul> <li>Fulfilled</li> <li>Partly fulfilled</li> </ul>
SIEMENS	Product Development			Not fulfilled
Lantmännen	Market & Product Development			IMPACT FROM HALF DOUBLE
Coloplast	Supply Chain Project			METHODOLOGY High impact
novo nordisk	IT Project			Medium impact
GN	E-commerce Project			
<b>VELUX</b> <sup>®</sup>	Organizational Change			
FoodService Danmark	Supply Chain Project			
SAS	Supply Chain Project			





## Two evaluation criteria's

- > Impact from Half Double Methodology
  - > High Impact: Scores higher than comparable reference projects
  - > Medium Impact: Scores higher than at least one reference project
  - > Low Impact: No significant difference between pilot project and reference projects
- > Fulfilling Success Criteria's
  - > Not fulfilled: 0%-33%
  - > Partly fulfilled 33%-67%
  - > Fulfilled 67%-100%







# Impact and success criterias of the Pilot Projects









# Based on a comprehensive longitudinal research process

- Started in Summer 2015, we have three years research data from nine organizations (and more are in process)
- More than 36 projects are detailed mapped (one pilot project and three reference projects in each of the nine organization)
- > Typical 4-6 interviews, workshops and review meetings in each organization
- Comprehensive documentation with three reports published about Project
   Half Double projects and an internal report for each organization
- Mixed methods data analysis using quantitative and qualitative data analysis such 'Qualitative Comparative Analysis' (QCA)







## **Generalization and limitations**

- Generalization: Our results is based on nine pilot projects each compared with three similar reference projects – it is possible to use analytical generalization to generalize to other settings
- Limitations: Our research cannot give causal explanations, but only come up with indications and tendencies (A can lead to B, not that A will lead to B)
- Explanations (indications) are a combination of practices used in the pilot project and the context outside the pilot project
- > Please refer to reports about Project Half Double to get more details about the research process and limitations







### **Finding one**: Half Double Methodology Works!

- Half Double Methodology has been tested in nine organizations and it works in 7 out of 9 organizations
- > The overall conclusion is that Half Double Methodology can lead to higher impact from the pilot projects compared to similar reference projects in the same organization.







**Finding one**: The Pilot Projects are successful with respect to success criteria

- > Eight out of nine pilot projects (86%) has fulfilled its project success criteria's either fully or partly
- We consider the results to be promising with eight out of nine projects fulfilling its project success criteria's, which appear to be a high score compared to general results



 Even the project not fulfilling the success criteria should not be seen as a failure as it is part of any product development process to have many opportunities in the pipeline and to select some projects to continue







# **Finding two**: Sweet spots are where the project type and size matches the methodology









# **Finding three**: Powerful practices make a difference

HD PRINCIPLE	HD PRACTICE	CHANGE IN PM PRACTICE
Flow	Short and fat projects	
Impact	Impact case	
Impact	Impact solution	
Impact	Pulse check	
Leadership	Steering committee supports through development and sparring	

#### > This is compared to practices used in reference projects







## What do other studies say?

- We find that, for effective project governance, the availability of relevant and realistic information for making authorization decisions in the business case (e.g. target benefits) is the strongest predictor of project success overall.
- The second strongest predictor is the application of disciplined governance arrangements throughout the project life cycle.
- Additionally, the existence of the project owner role as the single point of accountability in the organization is a strong predictor of project success.
- For benefit management, the strongest predictor of project success is the process of continuous review and realignment of actual project outcomes with target outcomes.
- > The second strongest predictor is ensuring that project outputs are integrated into the regular business







# **Finding four**: Simplicity is a keyword for the Half Double Methodology

- There is a growing tendency that best practices and de facto standards are increasing in size and scope (see table)
- It is easy to get lost and not being able to see the see the forest for the trees
- Half Double Methodology is a minimalistic methodology consisting of the Half Double Concept and the Half Double Book on less than 100 pages

Source	Pages
Project Management Body of Knowledge (PMBOK) sixth edition with agile practice guide	978 pages
AXELOS Managing Successful Projects with PRINCE2 (2017 edition)	405 Pages
Individual Competence Baseline (ICB) for project, programme and portfolio management	416 Pages
Half Double Methodology	Less than 50 Pages

> However, the trade-off is that the project core teams, project managers and project owners need to be highly skilled as reflective practitioners.







# **Finding five**: Multi-faceted evaluation is part of the learning process

 Project Half Double has established a comprehensive multi-faceted evaluation framework to provide sound empirical evidence of using the Half Double Methodology









### Learning an often overlooked factor

The many learning points from each pilot project show that the Project Half Double has left its clear footprint







## Summary of high level findings

- > Finding one: Applying the Half Double Methodology works
- > Finding two: Sweet spots are where the project type and size match the methodology
- > Finding three: Powerful practices make a difference
- > Finding four: Simplicity is a keyword for the Half Double Methodology
- > Finding five: Multi-faceted evaluation is part of the learning process





# Director, Merete Færgemand

Director of Incubation Applied R&T in Novozymes

PhD in Applied Biotechnology

20 years experience in innovation and leadership within the biotechnology industry. Broad experience with product innovation for the food ingredient and biotech sector and the author of several patents and publications in that space.

Cross-cultural experience from working in India and Switzerland, before recently returning to Denmark.

Passionate about leading people – and highly successful in creating impact across commercial and technical organizations.

Member of the Advisory Board for Certificate in Entrepreneurial Leadership – CEL<sup>™</sup> at DTU Business. Former Chair of the IDA Food Science network.

# With 70 years of expansion we've grown in size and complexity

2018: ~700 products sold in 140 countries



novozymes

**1941:** First enzyme sold

**Enzyme production** 

initiated in the cellar of

**Novo Therapeutics** 

#### **Drawing Parallels to Biology**

In nature, <u>microorganisms survives</u> by extending antennas, to <u>explore</u> for nutrition. Once spores find nutrition, it <u>expands</u> by secreting enzymes to digest nutrition

It leads to an exponential growth phase where it can expand four-fold in a day

Novozymes has learned to harness the capabilities of the biological world for creating sustainable business

We, like nature, need to explore new ways to expand our impact





# Novozymes' Learnings from Project Half Double









#### Our key success criteria in a Half Double project



novozymes

#### **Benefits of Half Double**

#### **Project Ownership**

- Accountability
- Performance management
- Active project coaching

#### Planning

- Visual planning tools
- Clear goal setting
- Unambiguous roles & responsibilities

### Project Organisation

- Co-location and co-creation
- Focused and coordinated activities fostering better collaboration
- High allocation (>50%)



#### Increased Energy, Drive & Speed



#### Challenges


## Challenges – keeping the pace



## **Challenges – Picking the right team**



### Challenges – across functions and geography



## **Challenges – running several tracks**



# Challenges – planning instead of playing



#### **Great Outcomes of The Half Double Project**

Two projects accelerated with 6-12 months

Fail fast, learn fast

Too early to establish hard impact \$\$



#### **Great Outcomes of The Half Double Project**

Close collaboration through co-location

High allocation

Clear visualisation of goals, activities and roles



#### **Great Outcomes of The Half Double Project**

Performance transparency

Active project coaching

Accessible leadership



### **Outcome of The Half Double Project**

#### **Project Outcomes**

2 projects accelerated with 6-12 months

"Fail fast, learn fast"

Close collaboration through colocation

#### High allocation

Clear visualisation of goals, activities and roles

Performance transparency

Active project coaching

#### **Potential improvements**

Too early to conclude on commercial impact

Missing link to co-creation

Sprinting all the time

High intensity

A lot of **planning** 

Difficult to have **ownership** across multiple projects





# **Professor Andrew Davies**

Professor of the Management of Projects at The Bartlett Faculty of the Built Environment, University College London

30 years teaching and collaborative research with industry on innovation in projects and project-based firms at leading universities (Sussex University, Imperial College and University College London)

> Author of articles in leading journals such as MIT Sloan Management Review, California Management Review, Research Policy, and several books including my recent one titled Projects: A Very Short Introduction, Oxford University Press

Member of Project Management Journal and International Journal of Project Management editorial boards. Founder member of The Future of Project Management, a collaboration between Arup, UCL and the Association of Project Managers

# Challenges of delivering London's mega projects

- Ultra-large "megaprojects"
- Complex "system of systems"
- Uncertain
- Construction in busy urban context
- Transformational "too big to fail"
- Poor performance 9 out of 10 megaprojects globally are over budget

# UK projects: late and over budget again and again!



Channel Tunnel



Scottish Parliament Building



Wembley Football Stadium



Jubilee Line

## The traditional delivery model was broken

- Fixed-price contract
- Select lowest price bid
- Transfer risk to contractor
- Arms-length client-contractor relationship
- Adversarial
- Avoid innovation
  - "When it comes to innovative ideas...on major projects the natural state of mind is to control risk by using the tried and tested"
  - Andy Mitchell (Crossrail Programme Director, 2012)

# Changing the rules of the game

- Heathrow "T5 Agreement"
  - New cost-reimbursable flexible contract
  - Collaborative integrate project teams
  - Actively manage risk and uncertainty



Making T5 Within budget.

- Exploit opportunities to innovate when the project is underway
- Learning transferred to London 2012, Crossrail and other projects

# The new project delivery model



#### **Traditional contracting**

#### **T5 Agreement**

- Client transfers risk
- Arms length relationship
- Adversarial
- Fixed-price contract

- Client bears the risk
- Collaborative
- Partnership
- Cost-reimbursable contract

# Changing the rules of the game

- Crossrail
- World's 1<sup>st</sup> innovation programme for an infrastructure project
- "sent a powerful message that it was OK to generate new ideas, something that is not always typical of major construction projects"
- Andrew Wolstenholme, Crossrail CEO (2011-2018)



#### 🛅 🎽 🖪 🖂 🖨 🕁

A major project in London figures out how to get new ideas flowing.

**C rossrail is Europe's largest infrastructure project.** The £14.8 billion rail line will link four major London economic centers: Canary Wharf, the financial district, the West End, and Heathrow Airport. It will be integrated with other transport services and increase central London's rail capacity by 10 percent. Scheduled to open in late 2018, Crossrail is running on time and on budget. In short, it is on track to success. One reason for that is Innovate 18, our program to identify and implement new ideas.

## **Research findings**

- Simple rules
- Help people make better decisions, when information is limited, without losing sight of the overall strategy
- "Close to the facts on the ground, individuals can draw on their judgement and creativity to manage risks and seize unexpected opportunities"

LICH KEENE. BLOOMBERG TV

"THE NERD BOOK OF THE SUMMER."

HOW TO THRIVE

DONALD SULL | KATHLEEN M. EISENHARDT

## Rules for innovation in large, complex projects\*



• \*'Five Rules for Managing Large, Complex Projects', *MIT Sloan Management Review*, Fall 2017, Andrew Davies, Mark Dodgson, David M. Gann, and Samuel C. MacAulay

## Rule 1: innovation in large, complex projects

#### Purpose

- Learn externally
- Learn internally
- Evaluate risk and uncertainty

Rule 1: "Assess what's worked before"

#### **Practices**

- Case studies and site visits
- Recruit relevant expertise

# Rule 2: Innovation in large, complex projects



- Adaptive organization
- Flexible process
- Deal with unexpected events and rapidly changing conditions

Rule 2: Organise for the unforeseen

#### **Practices**

- Flexible contracts
- Share risks and rewards
- Collaborative project teams

# Rule 3: Innovation in large, complex projects



## Rule 4: Innovation in large, complex projects



#### Purpose

- Decompose project into component packages of risk and uncertainty
- Identify right approach to deal with them

#### **Practices**

- Suite of contracts tailored to risk and uncertainty
- Change to address emergent problems and opportunities

# Rule 5: Innovation in large, complex projects



- Establish a structure and process drive innovation
- Transform ideas into solutions that improve project performance

Rule 5: "Harness innovation from start to finish"

#### **Practices**

- Use innovation to achieve project goals
- Digital platform to develop, capture and share novel ideas
- Safe place to experiment with new ideas

## Implications for your projects



- Large, complex projects are becoming more innovative
- The risk is being shared by clients with partners in collaborative project teams



# Mega projects related to Half Double









PROJECT HALF DOUBLE

#### **Mega projects related to Half Double**





#### We share the same mindset:

- Collaboration as key
- Innovation as an integrated part
- Change of delivery model = avoid fixed price contracts
- Local translation to project
  uniqueness
- Simple rules for complex human systems

PROJECT HALF DOUBLE

#### **5 rules for innovation related to Half Double**



# The methodology is online @ projecthalfdouble.dk

PROJECT HALF DOUBLE



PROJECT HALF DOUBLE

#### The book is here

Projects in Half the Time, Double the Impact





Diffusion of the methodology to the national and global level is next step!

#### PROJECT HALF DOUBLE

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# You can download all the menti results on www.menti.com

Go to www.menti.com and use the code 22 93 85

# How would you describe this conference?



Mentimeter