As Information Technology continues to evolve and mature as an integrated discipline, it is vital that the Project, Program, and Portfolio practices move beyond a simple model of ‘what and when’ to deliver business functionality to encompass the skills and techniques necessary to understand ‘how’ to deliver within the context of the organization’s strategy and culture.

The purpose of this presentation is to identify the various strategies, cultures, structures and how you can adapt your behaviour to optimize the results of your initiatives within these parameters.
The goal for this presentation is that you will be able to:

1. Identify a corporate strategy, culture and structure early in a project lifecycle.
2. Adapt your behaviour to a given corporate culture.
3. Discover where you fit into the organizational structure.
4. Plan your Project communication accordingly.
5. Align your Projects, Programs and Portfolios to the organization’s strategy.
6. Determine your role in rewarding the appropriate behavior within your team.
STRATEGY:
The means that the organization will utilize in order to achieve it’s core objectives.

CULTURE:
‘How we do things around here’ in order to achieve the corporate strategy.

STRUCTURE:
How we organize ourselves in order to support the culture and strategy.
STRATEGY

- Strategy is the compass used for making decisions
- It creates a framework for the culture and determines the appropriate skills for leadership.
- There are two ‘Fundamental Strategies’ which result in one or more ‘Value Disciplines’:

**STRATEGY: Product / Service Differentiation**
- Product Leadership
  - Differentiate through superior design and engineering yielding higher performance
  - Demand higher price

**STRATEGY: Cost Leadership**
- Cost Leadership
  - Operational Excellence
    - Superior execution as measured by productivity
  - Lower price

**STRATEGY: Customer Intimacy**
- Customer Intimacy
  - Differentiate through superior matching of customer expectation with offer fulfillment
  - Demand higher price

**STRATEGY: Disruptive Innovation**
- Disruptive Innovation
  - Think outside the box. Create new paradigms, new standards
  - Demand higher price

Source: Geoffrey Moore / Michael Porter
Culture is the "way we do things around here".

- The philosophy, values, behaviors, etc., that together constitute the unique style and policies of a company.
- It is a belief system which guides how we make decisions, solve problems, and motivate people.
- Broadly speaking, there are four types of Corporate Cultures:

- **COLLABORATION**
  - Egalitarianism
  - Diversity
  - Involvement
  - Harmony
  - Human Interaction
  - Spontaneity
  - Incrementalism

- **CONTROL**
  - Objectivity
  - Order
  - Stability
  - Standardization
  - Utility
  - Discipline
  - Predictability

- **CULTIVATION**
  - Growth and Development
  - Shoot for the stars
  - Meaningfulness
  - Fulfillment
  - Subjectivity
  - Creative involvement

- **COMPETENCE**
  - Professionalism
  - Meritocracy
  - Pursuit of Excellence
  - Continuous Improvement
  - Craftsmanship
  - Efficiency

Source: William E. Schneider (The Reengineering alternative)
In a sense, culture IS the organization.

It provides consistency, order and structure, and sets patterns for relationships.

It determines conditions for internal effectiveness and drives effective performance.

Each of the respective corporate cultures affect the organization in very different ways:

<table>
<thead>
<tr>
<th>CULTURE (Competence)</th>
<th>CULTURE (Control)</th>
<th>CULTURE (Collaboration)</th>
<th>CULTURE (Cultivation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cherishes</td>
<td>Achievement</td>
<td>Order / Security</td>
<td>Affiliation</td>
</tr>
<tr>
<td>Celebrates</td>
<td>Top Performers</td>
<td>Making the Plan</td>
<td>Teamwork</td>
</tr>
<tr>
<td>Prioritizes</td>
<td>The Work</td>
<td>The System</td>
<td>The People</td>
</tr>
<tr>
<td>Leads By</td>
<td>Expertise</td>
<td>Authority</td>
<td>Process</td>
</tr>
<tr>
<td>Organizes As</td>
<td>Work Projects</td>
<td>Hierarchy</td>
<td>Persistent Teams</td>
</tr>
<tr>
<td>Recruits For</td>
<td>Competitiveness</td>
<td>Loyalty</td>
<td>Trustworthiness</td>
</tr>
</tbody>
</table>

Source: Geoffrey Moore (Living on the fault line)
### Culture and Strategy

- **“Culture eats strategy for breakfast.”** (Peter Drucker)
- The most important thing that leaders can do is to create a culture that supports the strategy (Edgar Schein)
- If you understand what the business is about, you are likely to understand the culture.

<table>
<thead>
<tr>
<th>STRATEGY (Operational Excellence)</th>
<th>STRATEGY (Customer Intimacy)</th>
<th>STRATEGY (Product Leadership)</th>
<th>STRATEGY (Disruptive Innovation)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Focus</td>
<td>Process Efficiency</td>
<td>Customer Experience</td>
<td>Offer Quality</td>
</tr>
<tr>
<td>Orientation to Time</td>
<td>Internal (Rhythm)</td>
<td>Customer Response Time</td>
<td>Competitive Response Time</td>
</tr>
<tr>
<td>Key Metric</td>
<td>Number of Misses</td>
<td>Customer Re-purchase</td>
<td>Time to Adoption</td>
</tr>
<tr>
<td>Culture Fit</td>
<td>Control Culture</td>
<td>Collaboration Culture</td>
<td>Competence Culture</td>
</tr>
<tr>
<td>Organizational Leadership From:</td>
<td>Operations / Finance</td>
<td>Marketing / Customer Service</td>
<td>Research / Development</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Sales / Engineering</td>
<td></td>
</tr>
</tbody>
</table>

Source: Geoffrey Moore (Living on the fault line)
Structure is all the people, positions, procedures, processes that comprise the organization. It supports the organization’s culture/strategy and is not simply an organizational chart. It defines how all the pieces, parts and processes work together (or don’t in some cases). If an organization changes its strategy, it must change its structure to support the new strategy. When it doesn’t, the structure snaps the organization back to its old strategy. It is important to recognize that there are official and unofficial structures within an organization. Changing strategy means changing what everyone in the organization does.

- School of thought (1):
  - Just put the right people in place and the right things will get done

- School of thought (2):
  - Continually improve performance through training and a culture of accountability

The majority of high performance organizations combine attention to process and individual development.
Description:
- The organization is divided into segments based on separate functions within the organization.

Advantages:
- Allows the organization to enhance the efficiencies of these functional groups.
- Functional structures are successful in large organizations that produces high volumes of products at low costs.
- Lower costs can be achieved due to the efficiencies within functional groups.

Disadvantages:
- Communication between functional groups may not be effective.
- Organizations may find it difficult to achieve their objectives.
Description:
- These types of organizations divide functional areas into divisions.
- Each division is equipped with its own resources in order to function independently.
- There can be many criteria to define the divisional structures.

Advantages:
- Divisions can be defined based on the geographical basis, products / services basis, or any other measurement.

Disadvantages:
- Does not lend itself well to cross pollination of methodologies.
- Can lead to non co-located duplication of effort.
- Can result in ‘culture clash’ within the organization.
STRATEGY, CULTURE, STRUCTURE
No Magic Bullet
PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.

STRUCTURE (MATRIX)

Description:
- The organization positions the employees based on the function and the product.
- In this type of an organization, the company uses teams to complete tasks. The teams are formed based on the functions they belong to.

Advantages:
- A matrix structure gives the best of both worlds based on functional and divisional structures.

Disadvantages:
- If you want to slow down your enterprise, all you have to do is introduce a matrix organization.
- Having a matrix, you are not doing the customer a favor because decision processes are slowed.
- The last thing a company needs is an organization mainly driven by a pre-occupation with itself.
STRUCTURE (TYPES OF MATRIX STRUCTURES)

- **WEAK MATRIX:**
  - The project manager is usually a part-time or contract role.

- **BALANCED MATRIX:**
  - The project manager is a full-time role with more authority.
  - Project decisions and budget responsibilities are shared between the functional manager and the project manager.

- **STRONG MATRIX:**
  - The project manager has more authority over the project than the functional manager.
**STRATEGY, CULTURE, STRUCTURE – HOW THEY RELATE**

**STRONG MATRIX STRUCTURE**

**COLLABORATION CULTURE**
- Egalitarianism
- Diversity
- Involvement
- Harmony
- Human Interaction
- Spontaneity
- Incrementalism

**CULTIVATION CULTURE**
- Growth and Development
- Shoot for the stars
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**COMPETENCE CULTURE**
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- Continuous Improvement
- Craftsmanship
- Efficiency

**CONTROL CULTURE**
- Objectivity
- Order
- Stability
- Standardization
- Utility
- Discipline
- Predictability

**SIMPLE / ORGANIC STRUCTURE**

**WEAK MATRIX STRUCTURE**

Source: William E. Schneider (The Reengineering Alternative)
STRATEGY, CULTURE, STRUCTURE – WHY ORGANIZATIONS FAIL

1. Lack of team Involvement (Not engaged = Not embraced)
2. Culture not aligned to the Strategy (EG: NASA shuttle accidents)
3. Structure not aligned to the Culture and Strategy
4. Organizational / Individual resistance to change (EG: US automobile industry and Deming)
5. Inability to identify / respond to disruptors (EG: Kodak and digital photography technology)
6. Measuring the strategy with outcome metrics only (Achievements are identified too late)
7. Individuals not aware of how to support strategy
8. The plan is vague or poorly communicated
9. Goals are not clear, compelling to the team
10. Too many goals, which may possibly conflict
11. Failure to get external opinions on Strategy (Believing in one’s own press)
12. Inappropriate planning for leverage or liquidity (Cash is King and Queen)
13. Cultural implications of strategy are overlooked
14. The correct metrics aren’t chosen or tracked
15. Ineffective executive support for culture / strategy
Let’s check our goals...Are you able to:

1. Identify a corporate strategy, culture and structure early in a project lifecycle.
2. Adapt your behaviour to a given corporate culture.
3. Discover where you fit into the organizational structure.
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THANK YOU!