

STAY AHEAD OF THE CURVE

To understand how the current political and economic uncertainty has altered the client/supplier relationship, Esther Harris canvasses opinion from five leading suppliers on the challenges that lie ahead.

THE ECONOMIC and political arena is in a state of flux, posing unique challenges for suppliers of programme and project management (PPM) services.

Just as the UK public and private sectors attempt to get on their feet following the blow dealt by the global economic meltdown, there are fresh challenges afoot with the wind of political change delivering a new government and the first coalition for 70 years.

To manage this uncertainty, clients and organisations have been forced to re-evaluate their approach to programme and project management, leaving suppliers to second-guess where the demand will come from and how the next 12 months will pan out.



Leaders taking a more strategic view of projects

Ivan Lloyd, CPS: "During the last 12 months, more clients than ever have welcomed portfolio analysis so they can make more considered decisions about what they are going to do going forward. Before the recession, the benefits of portfolio management often fell on deaf ears – people find it easier to focus on 'what is important now', rather than the bigger picture. However, in the current climate there is no room for projects that aren't on strategy or set to deliver. This shift can only be positive. Clients are now clearer about what they want and which programmes and projects are going to deliver it."



A demand for swift delivery and results

Dave Machin, The Berkeley Partnership:

"Post recession, cost reduction is still the big issue, and leaders are under pressure to make efficiencies. As a result, there are plenty of short-term projects getting the green light if they can prove they offer a 'quick win' that is aligned with strategic goals. If you are a small, nimble supplier who is expert in your particular area and can deliver swiftly, there is work to be had."



Firm emphasis on skills transfer

Dave Machin, The Berkeley Partnership:

"When consultants introduce new ways of working, clients are now saying – 'teach us to do this ourselves'. Not only does it help them prove the value of the engagement, it is also a simple case of economics – if the client knows how to do something, next time they can implement it themselves, rather than hiring a consultant. Our clients in hi-tech, manufacturing and financial services have all emphasised the importance of skills transfer recently when commissioning work."

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■ Esther Harris is a freelance writer and PR who has worked in the professional services industry for 12 years.



WHAT DOES THE NEW ERA MEAN FOR PPM SUPPLIERS?



Proven value from all engagements essential

Dave Machin, The Berkeley Partnership:

"Clients still need expert help in critical areas but have to get absolute best value for money. They are shifting away from hiring large teams and are instead hiring one or two experienced practitioners to work closely with their senior team. This means less work for big consulting teams at the moment, but it has driven up the demand for strategic, 'heavy hitting' consultants."



Malcolm Lea, Planview:

"Clients are also looking for value from their technology. When sourcing a new solution, customers are more focussed on the short, medium and long-term value they can realise, rather than the 'nuts and bolts' of

features and functionality. We see this as a positive thing: the better customers understand the value we can add across the piece, the stronger our relationship."



Required: brave consultants up for big change

Crispin Morton, Moorhouse Consulting:

"Government clients know big change is heading their way after 6 May, and the economic challenge means that in some cases radical transformation of entire departments might be required. Defence, Health and the Home Office are among those already preparing for possible overhaul. Cost reduction will inevitably be a primary focus, but how do you do it effectively without putting millions out of work or damaging service levels to an unacceptable level? This is not going to be about simply doing the same things a bit

Consultants must maintain their relationships – change is inevitable but will take pace according to the different sectors/industries and how they are hit by a new government, legislation or political fallout PPM services may need repackaging – following the recession, many clients are looking for something 'new' from their consultants. Smart suppliers will stay true to their core areas of expertise, whilst finding a new twist to entice buyers. Good things – leaders will need lots of help implementing change. Plus, stakeholders taking a more strategic view of their activities and getting more closely involved in the crunch issues from a high level – can only mean tighter projects and better delivery.



Stakeholders getting closer to gritty PPM issues

Malcolm Lea, Planview:

"In their quest to realise value and manage any new investment, senior sponsors are more involved in PPM than ever and are really driving initiatives through to realisation. Before the recession, our clients would typically be directors and managers, but now we are talking direct to the C-Suite."



Paul Bamforth, Asta:

"Directors at Board level, who have previously not been interested in hearing about or tackling PPM crunch issues, are changing their attitudes. New PPM technology available will ultimately help them achieve more with less, which is a message close to their hearts right now. People have stopped working in silos so much and are open to conversation about what is working, what isn't, and how we can help make it better."



Creative ways to fund projects

Dave Machin, The Berkeley Partnership:

"The recession has highlighted many areas for improvement and leaders are keen to act. As confidence returns, smart clients will push through more radical change and commission consultants to help deliver large-scale projects and programmes.

However, they will undoubtedly remain cautious, and will look for creative ways to share the risk associated with their work – and the reward.

It's worth thinking now about which approaches might work for your own clients – to stay ahead of the curve."