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Rules for Project Success

(Don't Ignore Your Common Sense!!!)

It's that time of year, where everyone comes up with lists. They may be New Year's resolutions. Or perhaps the 10 best movies of the year, or ten worst political jokes … whatever. In the project management world, we might reach out to name the ten most impressive projects, or project successes. I will yield to the obligation to join the masses, with my list of Ten Rules for Project Success. These are based on close to forty years of observing and participating in failures and successes in project management.

It would seem that most of these rules need not even be mentioned. They are more a set of "common sense" things, rather than profound scientific observations. Yet, even with this list before me, I tend to ignore some of these very basic tenets from time to time, with predictable deleterious results. There is a saying: "those that fail to learn from past mistakes are condemned to re-live them". Perhaps my punishment should be to right these rules on the blackboard 100 times. Well, how about posting them on the web instead?

With my apologies to Mr. Letterman, I will list these in ascending numerical order, although there is no greater weight assigned by position.

Rule Set #1 - Standards & Guidelines

I am reminded of the adage: "I don't know where I'm going, but I'm making good time". Under pressure to get the job underway, we often set out on the wrong path, with neither a plan nor a set of guidance criteria. If the project team is to pull together toward a common goal under common guidelines, the goals and guidelines must be published and communicated.

- Never take anything for granted
- Objectives and standards must be established for everything
- For everything, there is a set of expectations and a set of guidelines for meeting those expectations.

Rule Set #2 - Strategic Planning

We should treat every project as if it were a business. In this respect, we should apply all aspects of generally accepted strategic planning practices. This would include the identification of stakeholders and a stakeholder analysis. It would also include identification of objectives and constraints, as well as opportunities, threats and issues. This should lead to the development of a set of strategies to meet the project objectives, while supporting the definition of success as perceived by each of the project stakeholders.

- Objectives are achieved only if they are identified

- Objectives are achieved because there is a strategy in place to do so
- For every set of objectives, there is a set of associated constraints.

Rule Set #3 - Value Analysis & Reality Checks

Here's a situation that comes up again and again, each time with disastrous results. The person proposing the project fails to disclose the worst-case scenario. Perhaps for fear that the project will be disapproved if the true risk be told, or perhaps the sponsor refuses to believe that the downside can happen on this job. Whatever the reason, we fail to recognize the full range of outcomes, exposing the firm to potential major losses and embarrassment.

When we read the reports of failed and abandoned projects, we can assume that many of these failures are the result of the unwillingness to deal with reality. The downside sometimes does occur. Technical problems and time delays easily turn a positive cash flow to a cash drain and we often miss the window of opportunity. The result is a canceled job, after much of the money has been spent, and the firm's resources diverted from other opportunities.

- For every business case, there is a most likely, a potential upside, and a potential downside
- It is suicidal to assume that the downside cannot happen
- It is appropriate to assume that Murphy is working on your project.

Rule Set #4 - Stakeholder Analysis

Stakeholders are everywhere. There are more than you think. Stakeholders play a pivotal role in project success. We must go beyond the traditional view of project success: "accomplish all schedule, budget & technical objectives, as planned". I prefer a wider view of project success: "accomplishing the goals of everyone who has a stake in the project".

Who is a Stakeholder? People who will have an impact on project success. Project Champions, Project Participants (incl. Suppliers & Clients), Ancillary Groups, Regulatory Agencies, the Public

What do we need to know about project stakeholders? We need to find out who they are. We need to find out what they want, how can they impact success, and how can they be satisfied.

Whether your project has been successful will depend, at least in part, on the perceptions of the stakeholders of what was actually accomplished.

Rule Set #5 - Alternative Strategies - Technical Risk Analysis

Each of these rule sets are complete topics, for which I could prepare entire articles, or even entire books. So, as presented here, these topics can serve only as a punch list -- a reminder of areas that must be addressed if a project is to be successful.

Heading the list in importance, yet usually way down the list in getting attention, is the subject of Risk Avoidance and Management. We might breakdown risk into four areas: schedule, cost, technical, and scope.

Looking at technical risk, we must avoid complacency in assuming that all technical objectives will be met just because they are in the plan. We must continually ask: "what-if" and be prepared with backup plans in the case that the original plan goes awry.

The time to develop backup plans is at the beginning, rather than when the problem occurs. In that way, we can also determine when the decision time (to change course) has arrived. Think of your project as a series of closing doors. At the beginning, we have a wide band of possibilities. As we move further along in the project, doors of opportunities keep on closing, reducing the choices that we have to meet our technical objectives.

The risk adverse manager has identified the probability and impact of technical risks and has programmed a series of decision points into the schedule -- to review the technical progress and change course if necessary.

- Ask "What-if"
- Prepare Backup Plans
- Identify and Schedule Decision Points
- Recognize project as series of closing doors.

Rule Set #6 - Schedule Risk

In the area of schedule risk, we need to consider contingency time. In the typical plan, contingency is already factored into each of the task durations. While task contingency is very important, we often blur the task duration, by adding a (non-scientific, variable) safety factor. We would be better served if we addressed time contingency separately, either by using multiple estimates, or collecting schedule contingency at the end of a path. There are several emerging concepts for "shared contingency", including Critical Chain Project Management (CCPM) and Plan Contingency Allowance (PCA).

Regardless of the approach used, it is essential that schedule contingency be incorporated into the plan. Otherwise, you will be committing yourself to a completion date that has 50% or less possibility of happening.

The need for contingency is dependent upon the sensitivity of the end date. The greater the penalty for missing the date, the greater the need for contingency. How much contingency is also dependent upon the risk within the individual tasks.

Schedule contingency must be managed (just like cost contingency). It is not there to be used at will to cover lack of diligence. It is available to be applied to identified risks, when problems arise.

- Identify items with schedule risk
- Quantify that risk
- Determine the amount of safety needed to protect the project from penalties
- Perform a Schedule Risk Analysis
- Incorporate a defined schedule contingency (preferably "shared") and manage that contingency.

Rule Set #7 - Organizing for Projects: Roles & Responsibilities

Forget about all of the other rules if you do not follow this one. Managing Projects is not "business as usual". There can be many varieties of organizations for projects ... But, there cannot be a vacuum. Structure and leadership are necessary to project success. The Project Office, in some form, provides a platform for that structure and leadership. It provides a foundation for standards and practices for project management.

As we organize for project management, here are a few other things to keep in mind:

- Everyone's role in contributing to project success must be defined (preferably in a position guide)
- Support for project management in not voluntary ... it is a "condition of employment"
- Even Project Teams must work within a structure, with defined practices, and good leadership.

Rule Set #8 - Project Leadership

In the last decade, there has been much attention given to ad-hoc teams, personal responsibility, and de-centralization. Some software has also been developed to support this emerging environment.

For the most part, it has not worked. There is an increasing return to project offices, project leaders, and centralized tools. Project Management is a specialized process requiring skill and discipline.

- Project success can only be achieved through project leadership
- Project leaders must be skilled in project management
- Project leaders must have people skills ... and use them
- Project leaders must be empowered to lead
- Certification in project management should be encouraged and rewarded.

Rule Set #9 - PM Functional Management

Continuing with the above theme:

- The PM Function must have a leader
- There should be one person in charge ... preferably with formal responsibility
- The leader need not be a full time assignment, but it must be a defined role
- The PM leader is responsible for effecting PM standards.

Rule Set #10 - Implementing Project Management

Finally, the entire process of implementing project management in the firm must be orderly and comprehensive. First, the overall process must be defined. Next, tools must be acquired to support the defined process. Then, all personnel involved in the PM process must be trained and indoctrinated. Implementation may be performed in phases, starting with a pilot implementation, then building a larger base while perfecting the process.

- The implementation of PM is a project, and should be managed like one.
- The implementation of PM should have a measurable plan.
- The implementation of PM should be audited (and therefore there must be an audit function).

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