Delivering Successful Projects, Tom Moriarty, MDR Consulting

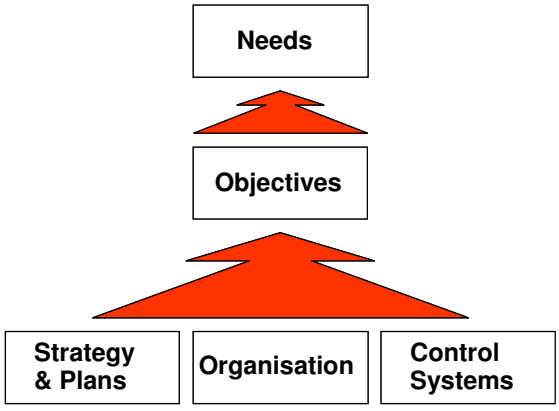
This paper outlines the critical requirements of success in managing projects of all types from the definition of a business need to the delivery of business benefits. They provide the framework for a training programme on this theme delivered within major change projects or separately.

1. Project Management Fundamentals

Before starting it is worth considering what we mean by the term project - basically it can be defined as:

> "a group of activities carried out to achieve objectives which are defined to meet a business need."

This is illustrated in the diagram below.



The types of project will vary and can include diverse areas such as business recovery projects, mergers and acquisitions, capex investments, outsourcing or systems improvement. It's worth remembering that without a business need there should not be a project and that projects are only successful when they deliver objectives defined in the context of this business need. The business need may change during the project and if so the objectives must reflect this.

Project management can be defined as the:

> ”Planning, organising, directing and controlling resources for a specific period to meet a specific set of one-time objectives"

The basic message is that all projects can be managed but project management has to be forward looking and pro-active - focusing on the present and relying on natural

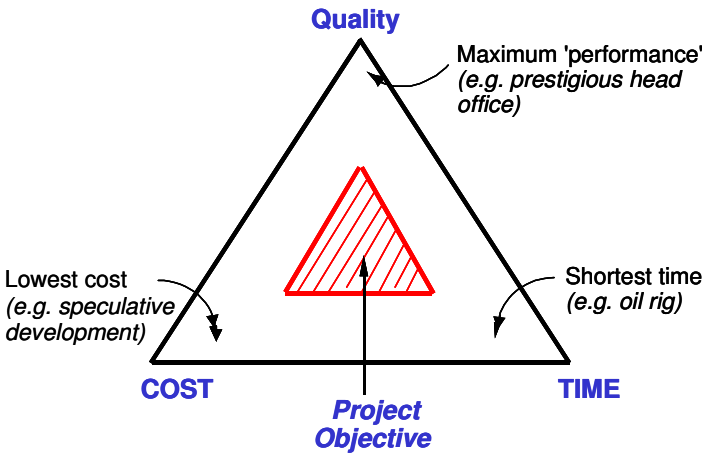
momentum brings no benefit. The emphasis of the successful project manager is quite different from that of most line managers. For projects:

- There are few precedents which is why experience, and learning from other projects, is so important
- There are time and cost constraints with major deliverables
- There is a focus on delivery
- The emphasis has to be on 'right first time' as there are few opportunities for fine-tuning and adjustment
- Team building is of great importance as there is less opportunity for routine staff development.

. Fundamental to success in project management is that projects have in place:

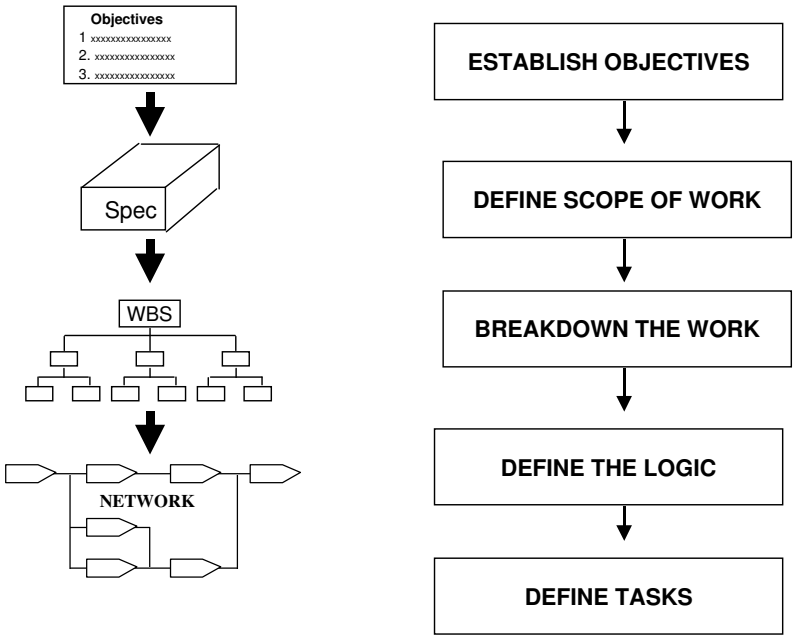
- *Business **Needs** understood*
- *Clearly defined and agreed **Objectives***
- *Agreed **Strategy** & Plans*
- *Effective Project **Organisation***
- *Suitable **Control** & Reporting **System***
- ***Risk** Assessment & Contingency Plans*

Project objectives must strike a balance between cost, time and quality parameters of which one or other will be critical in particular cases, eg missing a market launch date by a week may be much more serious than a 5% cost overun.



2. Implementation Planning

The planning phase of projects is described below. Here the high level objectives are developed into detailed tasks with responsibilities allocated in each case.



The **objectives** must be clearly stated to ensure that effort is focused on the essential tasks. The **workscope** must be clearly defined and inclusions and exclusions made explicit, taking account of interfaces with other areas.

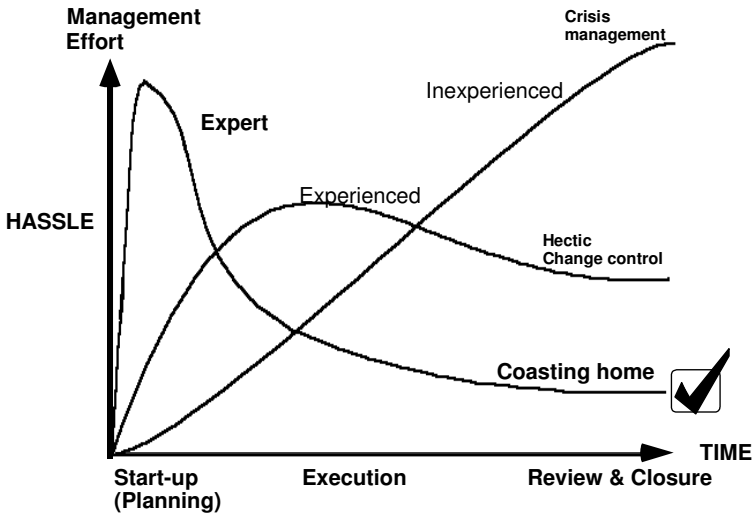
The **work breakdown structure** is the list of tasks necessary to deliver a successful outcome. All tasks must be listed, including the less obvious ones and will vary from project to project. A brainstorm-type session will help to ensure that all the tasks necessary for success are included.

The next step is to **define the logic** by sequencing the tasks in a timescale depending upon precedence and any externally imposed deadlines.

Each individual **task** within the plan will have a clearly stated workscope with a responsibility allocated and timescale, cost, etc targets agreed.

Overall **timescale and cost estimates** are derived from the task estimates with a contingency provision depending upon the robustness of the estimates. Simple bar chart plans will usually suffice and only on complex projects will a network diagram be necessary.

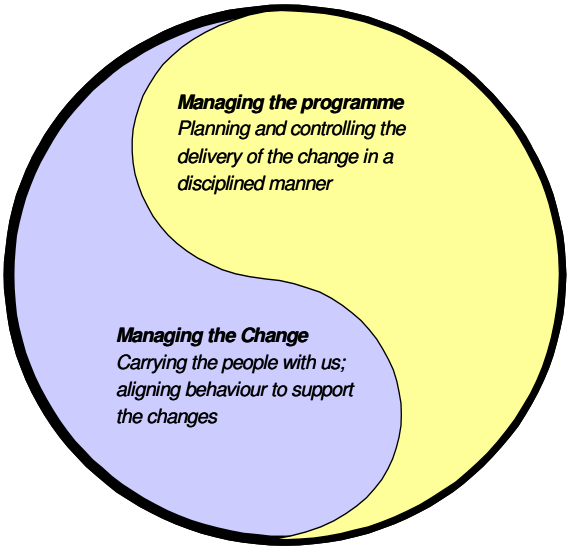
The basic message is that good advance planning pays dividends as illustrated below. The experienced project manager seeks to raise the difficult issues during the project definition phase, prior to authorisation. There will still be issues to resolve during design but they will be reducing and the task of estimating contingency will be that much easier and more reliable.



"Plan the Work - Work the Plan"

3. Project Organisation

More projects fail due to people problems than to lack of plans, control systems or management techniques. As illustrated below, good project management thus requires a combination of disciplined planning and control, as well as sensitivity to people issues.

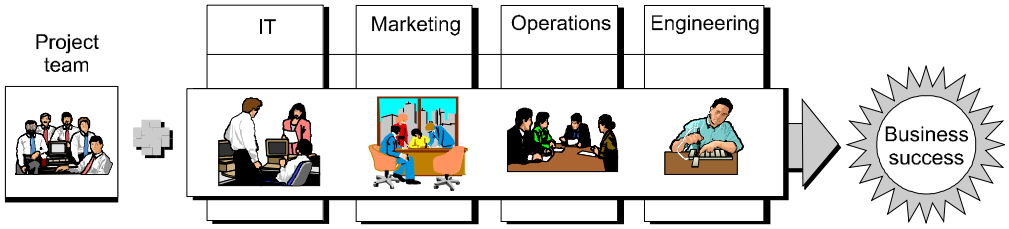


The emphasis used to be on management techniques, mainly those concerned with planning, scheduling, change control and cost control. The requirement has now broadened considerably to include the softer behavioural aspects such as how project teams interact with the organisation. The need for emphasis in one direction or the other will vary throughout the project.

A successful project organisation can be seen as having eight features:

- Clearly defined project objectives
- A clear organisational structure with a balance between responsibility and authority at all points
- Adequate skilled resources
- Single point responsibility for each project task and each aspect of management (ie names, not departments)
- A coherent and productive team
- Clear lines of communication
- Effective meetings
- Competent leadership

A project team is not just those working to the project manager; it involves all those involved in the project's success including suppliers, external specialists and the wider organisational team. It is the project manager's responsibility to integrate efficiently all this effort into achieving the common aim.



Success comes from the project team integrating all parties, taking advantage of all available skills and building commitment. The project team will almost certainly need to change through the life of the project with changed responsibilities and differing resources. The team structure requires 'designing' for each stage as it is rare that the ideal candidates are available when wanted, or that the same characteristics are required at every stage.

Good resource planning allows sufficient notice to get the right people available at the right time. Team structures must balance the strengths and weaknesses up and down the line as well as for peers within groups. It is helpful to balance technical task expertise with process expertise, ie those people who know how the end product functions with those who know how projects 'work'. A key factor within the team is the definition of single-point responsibilities with clear authorities and accountabilities.

Typical roles are set out below.

*The **Steering Group*** ensures that:

- The project best serves the interests of the organisation
- Major issues in project progress are resolved
- The policy interactions are well managed
- The right resources are made available.

*The **Project Sponsor*** promotes the project as the buyer on behalf of the business and ensures delivery of the benefit.

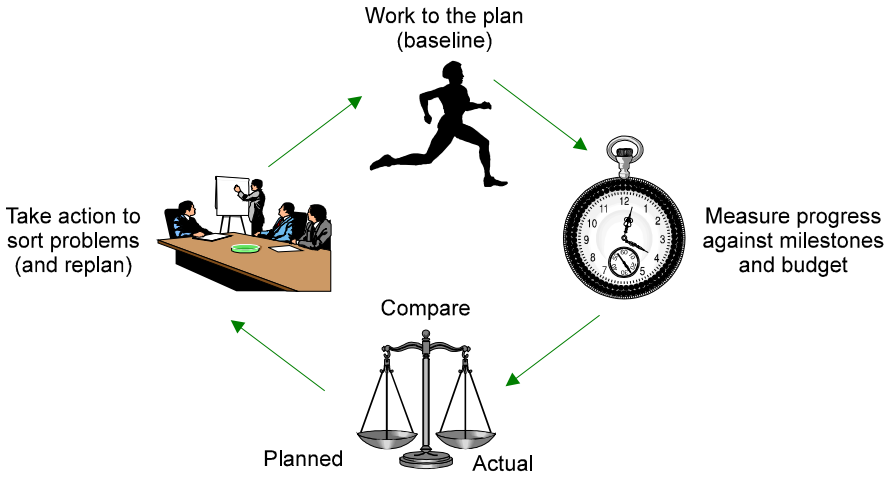
Stakeholders represent those with a vested interest in the project's outcome.

*The **Project Manager*** runs the project on a day-to-day basis.

4. Project Control

The Project Control Cycle illustrated summarises how projects should be controlled in implementation.

PROJECT CONTROL CYCLE



Control can be effected only by means of a feedback loop where achievement is measured against the plan and corrective action taken as appropriate.

The key points are:

- Plans must be realistic and comprehensive. Provision for contingency and rework must be clear
- Progress measurement must give the true position. Numeric assessments are helpful to overcome blind optimism and the '90% complete' syndrome, where managers continually profess that they're 'nearly there' without re-estimating the time and resource it will take for actual completion of the work
- Comparisons must take account of future effort so that redeployment of resource can be considered

Forward **projections** will be made against timescale, costs and benefit targets, and actions agreed to prevent slippage. The reviews must be based upon factual data with the key issues identified for discussion and action.

Changes which impact on the project objectives should be agreed with the Steering Group, in advance where possible with significant changes documented and communicated to all who need to know.

Regular **reports** must be made on projects at an appropriate frequency and presented to the Steering Group.

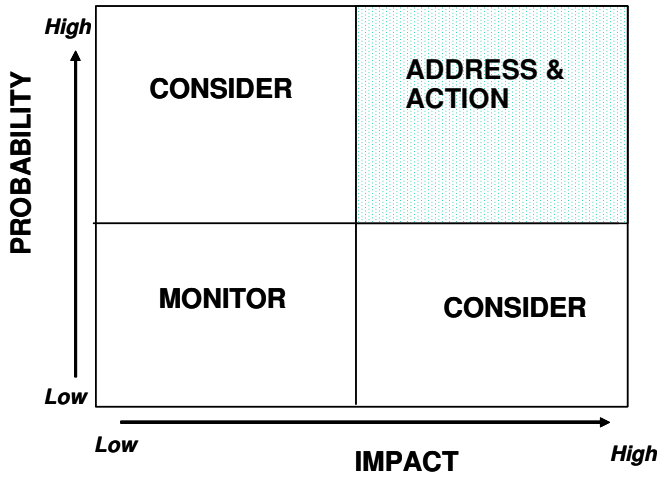
Project meetings should be an example of best practice in running meetings with an agenda circulated in advance, and effective chairmanship and control of time. Brief Action Notes will be issued from each meeting with **actions followed up** at subsequent meetings to ensure completion.

Project **communications** (reports, presentations, meeting action notes, etc) must be accurate, brief and concise. The purpose will be clearly stated and the outputs tailored to suit the purpose and the audience.

5. Risk Management

Risk is uncertainty. Generally project risks are assessed by considering two factors - **impact and likelihood** - the chances of something happening and the consequences if it does happen. The objective must be to eliminate high impact / high probability risks from projects and to move risks generally towards the low / low category.

A good project manager aims to manage the uncertainty that occurs on the project and minimise the impact upon project performance. To this end a good project manager needs to continually review where the weaknesses and risks are within their projects.



The risk of a project failing can be mitigated by adopting a structured risk management technique early on to identify, realistically assess and actively manage the various sources of risk. Whilst risks cannot be eliminated entirely, they can be actively managed. Use of a simple risk management technique can significantly reduce the likelihood that something will cause serious problems on a project.

Tom Moriarty, Principal of MDR Consulting, has extensive experience in project management in Ireland and overseas, and helps leading Irish organisations deliver business transformation projects. These notes support the delivery of a two-day training programme – Delivering Successful Projects – targeted towards business projects and delivered by him 40 + times for the IMI and clients across all sectors.

MDR Consulting is a Registered Consulting Practice of IMCA and specialises in performance improvement and project management consultancy. Tom Moriarty can be contacted at tommoriarty@mdrcl.com or 086 2423778.