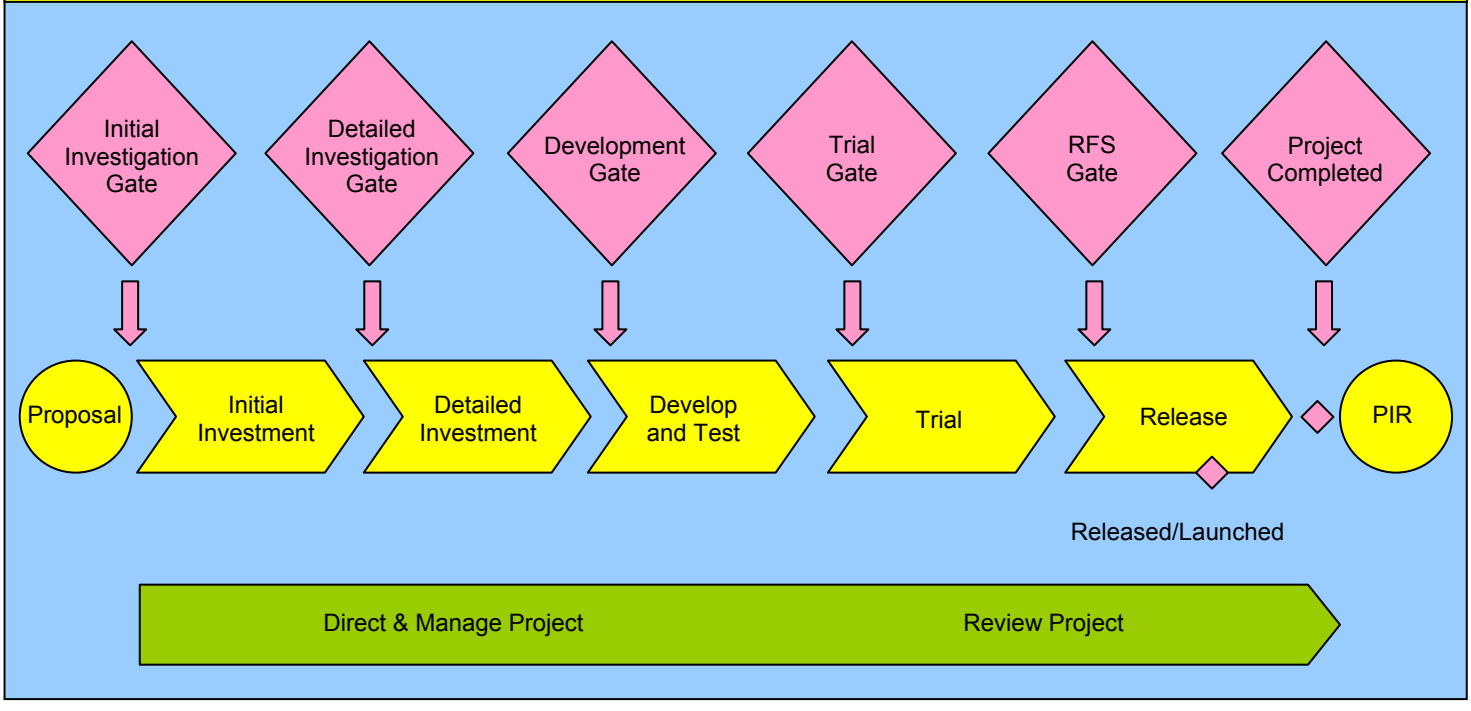
The *interactive* Project Workout

Part One – Challenges to be Faced

Part Two – A Walk Through a Project



Part Three – Dealing with Many Projects

Part Four – Making Project Work for You

About the Author

Robert Buttrick has worked in one of the world's most turbulent industrial sectors, communications, where he was accountable for creating and running a project-based framework for managing change within Cable and Wireless, enabling it to plan for, and develop, new systems, products, ser vices, and capabilities to meet the ever growing needs of its customers. Prior to this he was a member of the management team which was accountable for managing the company's UK residential sector, acting as coach to sponsors and project managers, enabling them to succeed in a wide range of business projects.

Before joining Cable and Wireless in 1993, Robert was with PA Consulting Group, a management and technology consultancy. There, he specialized in business-led project management, advising clients such as Lloyds TSB Bank, National Rivers Authority, Property Services Agency, Avon Industrial Polymers, National Westminster Bank, and RHM.

His early career was as a civil engineer. After graduating from the University of Liverpool with a first class honors degree, he joined Gibb Ltd, who provide consulting, design, and management services for infrastructure projects worldwide. He has lived and worked in countries as diverse as Kenya, Mauritius, Yemen, Senegal, and Sudan on the evaluation, design and supervision of a number of marine and water resource projects. He has also worked with the World Bank in Washington DC on investment appraisals for major development projects. Following this, he became Gibb's manager for marketing strategy and analysis.

Robert is a Master of Business Administration (Henley Management College), a Member of the Char tered Institute of Marketing, and a Member of the Institution of Civil Engineers.

His main pastime is watercolor painting. His one, unknown, claim to fame is that he once stopped a column of Russian tanks dead in its tracks.

Robert can be contacted via his website, projectworkout.com.

Part One: Challenges To Be Faced

Here I set out the challenges many organizations are facing in driving through the changes they need to make in pursuit of their strategic objectives.

How to use Part One

Part One of the book is for you to read and learn from. When first reading it, you should forget about your own situation and the problems in your company. Open your mind to what others are saying and doing. If you find yourself saying ‘ . . . but we don’t do it like that, we are different!,’ pull yourself back – LISTEN. You are different. So is everyone else. Other people’s experience may give you a clue to dealing with issues confronting you.

The project workouts in Part One are designed to help you think about ‘projects’ in your company, and to prompt action or discussion on the parts you feel will benefit you.

Also included here is a list of benchmark questions to help you to focus on your company’s project management and processes.

Challenges to be Faced

1.1 Self-diagnosis

2.1 Review of the ten lessons

2.2 What happens to project managers in your organization when the project is finished?

3.1 Tailor your own framework

3.2 Your current business projects

4.1 Roles and accountabilities

SELF-DIAGNOSIS

This Workout is best done with a group of executives, directors, or managers.

1. Use the following questions as prompts to help you establish the areas of competence you may need to address.

- ❑ Can you establish a clear link between your current strategy and business plan and all the initiatives you have underway?
- ❑ Is it always clear what you should be doing and why?
- ❑ Do you find middle management passes on communications and instructions accurately?
- ❑ Do you find it easy to get decisions made?
- ❑ Do you have any documented criteria against which decisions on whether or not to undertake initiatives are tested?
- ❑ If so, do they apply to all your initiatives?
- ❑ Is there a disciplined way of managing initiatives across your company?
- ❑ Is there always enough time to do those things which must be done?
- ❑ Do your managers and employees commit themselves to and meet the targets set for them?

Do you really KNOW:

- ❑ What your resources are working on?
- ❑ When you will have spare resources to start new initiatives?
- ❑ Who is managing each initiative?
- ❑ Who wants the benefits each initiative should create?
- ❑ The sum total of the costs and benefits from all your initiatives?
- ❑ Who makes the decisions on each initiative?
- ❑ Who makes the decisions when initiatives are competing for resource?

2. Build a cause and effect diagram similar to Figure 1.1 for your company. Start with 'Projects fail, are terminated, late, or never started' written on a Post-it Note at the bottom of a flip chart. Ask yourself why this happens. Write each possible reason on a Post-It Note and place these on the flip chart. Again, for each Post-It Note, ask the reason why, writing these on more Post-It Notes. Eventually, if you are honest, you will discover a core reason(s), picking up many symptoms on the way.

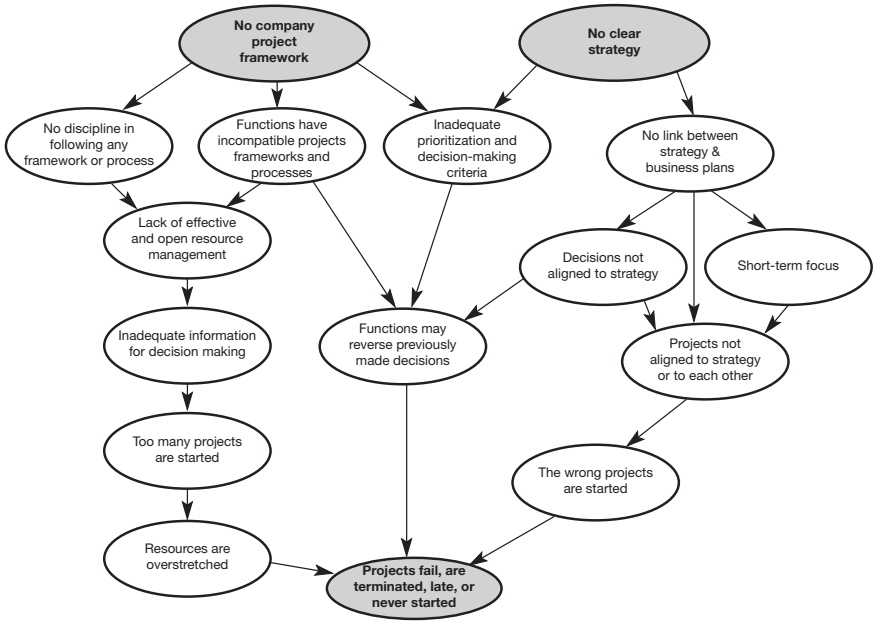


Figure 1.1 Problem analysis

A cause and effect analysis of the reasons for the failure of business change projects shows two fundamental reasons: (i) a lack of clear strategy, (ii) a lack of a rational way of managing the required changes.

REVIEW OF THE TEN LESSONS

1. As a management team for the business, review the ten lessons given in Chapter 2 of the book and ask yourself how well you apply them in your organization at present. Agree a mark out of 10 and mark the relevant column with an "X."
   - 10 = we currently apply this lesson fully across our company and can demonstrate this with ease.
   - 0 = this is not applied at all.
2. Ask the project managers of, say, five of your projects to answer the same questions. Plot their answers with "P."
3. Ask the line managers of a number of your functions to answer the same questions. Plot their answers with "L."
4. Discuss, as a management team, the responses. Compare the answers you receive from the different stakeholder groups. Are there differences? If so, why do you think this is? Which lessons are not being applied? Why not?
5. What do you propose to do about this?

	POOR										EXCELLENT
Lesson	0	1	2	3	4	5	6	7	8	9	10
1 Make sure your projects are driven by benefits which support your strategy.											
2 Use the same, simple, and well defined framework, with a staged approach, for all projects in all circumstances.											
3 Address and revalidate the marketing, commercial, operational, and technical viability of the project throughout its life.											
4 Incorporate stakeholders into the project to understand their current and future needs.											
5 Build excellence in project management techniques and controls across the company.											
6 Break down functional boundaries by using cross-functional teams.											
7 Use dedicated resources for each category of development and prioritize within each category.											
8 Place high emphasis on the early stages of development.											
9 Build the business case into the company's forward plan as soon as the project has been formally approved.											
10 Close the project formally to build a bridge to the future, to learn any lessons, and to ensure a clean handover.											

WHAT HAPPENS TO PROJECT MANAGERS IN YOUR ORGANIZATION WHEN THE PROJECT IS FINISHED?

(a) They are kept on the payroll and assigned to a manager for "pay and rations" until a new project or suitable alternative work is found.

(b) They are put on a redeployment list and then made redundant if no suitable opening is found for them within x months.

(c) They leave the company straightaway if no suitable opening is found for them.

(d) They leave the company.

(e) I don't have this problem as they are all contracted in when needed.

If you answered (b) to (d) you are probably very functionally driven and projects tend to be difficult to undertake.

If you answered (e) you may be in a very fortunate position to be able to source such key people OR you are in the same situation as (b) to (d).

If you answered (a) you are probably in a good position to reap the rewards of project working or are already doing so!

Debate with your colleagues: what motivates your staff to work on projects?

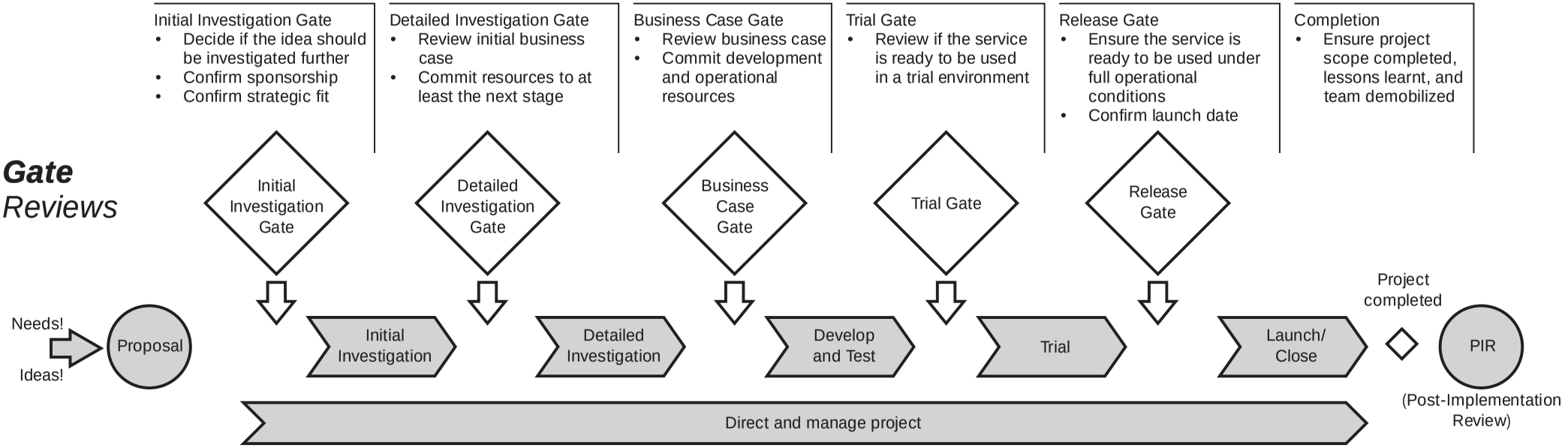
If you answered (b) to (d), do you really expect to have your best people volunteering to work on projects?

TAILOR YOUR OWN FRAMEWORK

Consider the above list of different types of project. Do you recognize any from your own organization? Can you add to the list? If so, reproduce Figure 3.7 with modified activities, deliverables, and gate review criteria. You'll find a blank template for this on the CD-ROM.

	Initial Investigation Stage	Detailed Investigation Stage	Develop and Test Stage	Trial Stage	Release Stage
Product Development	Concept	Alternatives and feasibility	Develop and test	Market validation	Launch
Product withdrawal	Initial investigation	Detailed investigation	Develop and test	Pilot withdrawal	Close operations
Information systems	Analysis	Logical and outline physical design	Detailed design, build and test	Pilot	Cutover
Bid or tender	Receive request and evaluate	Prepare detailed tender	Develop, build, internal test	Commissioning trials	Handover
Construction	Inception study	Feasibility study, tender design	Detailed design and construction	Commissioning trials	Handover
Publishing	Proposal	Prepare manuscript	Edit, typeset	Final proof	Launch
IT	Requirements review	Analysis and design	Build	Beta test	Cutover

Gate *Reviews*



Major activities

• Identify opportunity • Assess fit with strategy and other product portfolios • Identify stakeholders	• Evaluate, in outline, operational, technical and commercial viability • Assess impact on organization • Check any legal, regulatory, or patent issues • Identify options • Undertake initial investment appraisal • Plan the next stage of the project	• Define technical and operational requirements • Assess possible solutions • Designs solutions in outline • Obtain quotes from suppliers • Undertake feasibility review • Define the chosen solution • Do investment appraisal • Re-check legal, regulatory, and patent issues • Plan remainder of project	• Develop the solutions • Manage quality of deliverables • Develop training and train users • Finalize supplier arrangements • Obtain legal, patent, and regulatory permissions • Test solutions • Prepare for trial • Check and refine plans for remainder of project	• Conduct trials in operational environment and refine solution	• Launch/release capability/service • Carry out remaining training • Handover solutions for on-going management • Carry out closure review	• Assess the effectiveness of project in meeting the business objectives • Check that operational aspects are working effectively

Deliverables

• Proposal	• Initial business case	• Output definition • Feasibility report • Test plan • Business case	• Test results • Trial plan • Ready for trial review report	• Trial results • Ready for service review report	• Project closure report	• Post- Implementation Review (PIR) Report

YOUR CURRENT BUSINESS PROJECTS

List the business projects you are undertaking at present in your organization. Based on the simple descriptions given in Chapter 3, state which stage of the project life cycle each project is at.

ROLES AND ACCOUNTABILITIES

This workout is best done with the project team, but may be done by the project manager or sponsor as an exercise in isolation.

1. Take any one of your key projects from Project Workout 3.2, and identify who (both individuals and teams) is involved in it. List them, one per Post-It Note. Place these on a flip chart.

2. Against each name, write in your own words what that person's needs or accountabilities are regarding the project.

3. On the left hand side of a separate flip chart, list the roles described in Chapter 4.

4. Match, as best you can, the names from step 2 to the key project roles described above.

5. For those names listed against "team member," divide them into "core team member" and "extended team member."

6. If you cannot allocate a person to one of the defined roles, put him/her in a separate cluster called "stakeholders."

Look at the role descriptions described in the chapter again. Do the individuals have the knowledge, skills, and competences to perform the roles?

You should have only one name against project sponsor and one against project manager. If not, your roles and accountabilities are likely to be confused. Further, it is not good practice if the sponsor and manager is the same person.

Project sponsor

☐Can this person articulate the benefits the project will provide?

Project board

☐As a group, does it have all the facets of the project covered?

☐ Have its members ever met as a group?

☐Could they all describe the project and its current status consistently?

Core team members

☐Do the core team members cover the required work scope between them?

☐ Do they ever meet with the project manager as a group?

☐Could they all describe the project and its current status consistently?

Extended team members

☐Do the extended team members know who they are accountable to on the project and what they have to deliver?

☐Could they all describe the project and its current status consistently?

Stakeholders

☐Your list of stakeholders may be extensive. They will be at all levels in the business, in diverse departments, they may be suppliers, they may be shareholders, the bank or even … customers! Keep this list for use in Project Workout 19.5.

ACTION

1. Review the roles and accountabilities on all key projects in your organization.

2. Build on the project list from Project Workout 3.2 and add the names of the project sponsor, project manager and project board.

3. Ask each project manager and project sponsor to agree a list of stakeholders.

4. Ask each project manager to list the team members and their role on the project.

The benchmark questions

Section 1 – General Questions

A Company profile and context

B Process

C Project management

D Management information

Section 2 – Questions Specific to the Life Cycle

1 Drivers for change

2 Strategic alignment

3 Planning (feasibility)

4 Implementation (develop and build)

5 Market readiness – test and validate

6 Launch/release

7 Monitor

8 Assessment and feedback

Section 3 – Concluding Questions

Section 1 – General questions

A. Company profile and context

A.1 From an organizational perspective, how does your company approach the development of products or capabilities?

A.2 How many developments has your company completed over the last three years?

A.3 Typically, how many developments are in progress at any one time?

A.4 How many of your company's developments relate to:

- new products or capabilities,
- enhancements to existing products,
- fixing problems with existing products?

A.5 What percentage of revenue comes from new products?

A.6 Typically, what proportion of your company's products are withdrawn each year?

B. Process

B.1 What, in outline, are your company's development processes?

B.2 For how long has your company been using these processes? Are you currently intending to change your processes?

B.3 Does anyone have accountability for maintaining the processes and/or seeing they are used?

B.4 How did your company implement your current processes?

B.5 What did your company find were the significant barriers to the adoption and use of the processes?

B.6 What is your approach to managing the individual developments passing through the processes?

B.7 What tools do you use to manage the process:

- for individual developments,
- for the full portfolio of developments?

B.8 How do you integrate the development activity into your company's long term planning and budgeting process?

B.9 Do you have a "fast track" process? If so, how does it work?

C. Project management

C.1 Where, if at all, does your company apply project management to the development process?

C.2 Does your company have a recognized project management methodology? If so, how do you ensure it is used?

C.3 Is there a single person accountable for each project?

C.4 What is the typical skill base of the people leading your development work?

C.5 How do you motivate the project manager and team?

C.6 How do you ensure that individuals' accountabilities are explicit, accepted, and acted upon?

C.7 How do you manage development projects across department, team, and project boundaries?

C.8 How do you manage external suppliers or contributors to the development?

D. Management information

D.1 What management measures does your company have in place and use during the development?

D.2 What management measures does your company have in place for use after the development is complete?

D.3 What management systems does your company use for the above measures?

D.4 How do you know your development process is working?

Section 2 – Questions specific to the life cycle

1. Drivers for change

1.1 How do you *know* there is a need for a new product, an enhancement to an existing product, a problem needs fixing, or a product needs withdrawing?
1.2 What inputs are there for 1.1 above and who is involved?
1.3 What is your company's view on involving the customer in identifying drivers and needs for change? How do you do this?

2. Strategic alignment

2.1 How does your company screen out those developments which are not key to your business?
2.2 What is your process for deciding priorities?
2.3 How does your company deal with changes in strategy or business priorities with respect to ongoing development work?

3. Planning (feasibility)

3.1 What emphasis do you place on feasibility studies and investigating alternative solutions?
3.2 What does your typical plan for a product development comprise?
3.3 What does your typical plan look like?
3.4 How does your company match the demand for resource from your developments with the supply of resource you have in your company?
3.5 Do you plan for the whole life of a product or just for its development?
3.6 How do you decide what work you do internally and which you pass to suppliers/third parties?
3.7 How do you know what has been specified is really what the customer needs?

4. Implementation (develop and build)

4.1 What information must you have in place before you approve/start significant development work?
4.2 Who is accountable for reviewing and/or making the decision?
4.3 How is the review and decision process managed?

4.4 Who are the key players during implementation? How do they interact?
4.5 Do you have a process to stop a development once it has started?

5. Market readiness (test and validate)

5.1 At what points during the development process do you test the outputs or validate the fact that your development is viable?
5.2 What form(s) does such testing take?
5.3 To what extent do you involve the end user (customer/client) in any testing and validation work?
5.4 How do you incorporate the results of your testing into the final development?
5.5 How do you know your tests are adequate?

6. Launch/release

6.1 What must you have in place before you can declare your development as ready for service or decide to launch?
6.2 Does your company have any specific processes for the above?
6.3 Do you explicitly check the commercial viability before you proceed to launch the service?

7. Monitor service

7.1 Who (if anyone) is accountable for monitoring the performance of your product or service after it has been launched?
7.2 What are you monitoring? What measures or performance indicators?
7.3 For how long is such monitoring continued? How frequently?
7.4 Typically, how long are your company's developments in service?
7.5 Do you have specific criteria (stated in advance) defining when the development should be taken out of service?

8. Assessment and feedback

8.1 What assessment and feedback processes and channels do you build into your developments? When?
8.2 If you have a feedback process, who do you hold accountable for it?
8.3 How is such feedback built into future products or product enhancements?

Section 3 – Concluding questions

X.1 What would you say are the major factors that have contributed to the success of your developments?

X.2 What do you consider are the major obstacles for implementing and controlling the overall process?

X.3 From your experience, what key messages or advice would you give to us?

Part Two:

A Walk Through a Project

> *"How narrow is the line which separates an adventure from an ordeal."*
>
> HAROLD NICHOLSON

Here I explain the management framework for a single project, taking it from being an idea through the various life cycle stages until benefits start being delivered to your business:

- **Make sure that your projects are driven by benefits which support your strategy.**
- **Manage your projects within a staged framework.**
- **Place high emphasis on the early stages.**
- **Treat gates as "entry" points to stages, not "exit" points.**
- **Address and revalidate the business aspects of the project throughout its life.**

How to use Part Two

This section comprises a skeleton project management framework. In these chapters, I explain what happens during each stage of a project and who is accountable. You can use these directly or adopt and adapt them to meet the particular needs and language you have in your company. Each chapter describes a set of "project documents" for that stage. Each chapter concludes with a project workout in order to review any projects you currently have: choose the workout which matches most closely the life cycle stage of your project.

Stage Summaries

Proposal

The proposal describes *what* you want to do and *why*. You should document it formally and have it reviewed by potential stakeholders prior to a Go/No go decision for starting an initial investigation. This gate prior to the initial investigation is the first decision point when resources are committed to working on an idea and is the point at which the potential project is first formally recognized. The gate is unique in that this is the only one in the project life cycle which does not require you to have a plan for how you undertake the work which follows.

It is important for you to document the proposal as:

- It acts as the brief for the initial investigation stage.
- If you can't be bothered to write it down, why should you expect anyone to work on it?
- The mere fact of writing the proposal down serves to clarify thinking and ensure clear communication of your intentions.

Deliverable	*Prepared by*	*Reviewed by*	*Approved by*
Proposal	Originator	Functions or business units likely to be impacted by or to benefit from the proposal	Sponsor

Initial investigation stage

The goal of the Initial Investigation Stage is for you to examine the proposal, as quickly as possible, (say, within one to six weeks), and to evaluate it against the existing business plans of the company. You need to determine if what is intended is likely to be viable in financial, operational, technical, and customer terms.

You will need to:

- make a preliminary assessment of the business opportunity, benefits, possible solutions, costs, technology needs, and the likely impact on the operational platforms and groups, infrastructure, and capabilities.
- check for overlap, synergy, or conflict with other projects in progress or capabilities in use.
- scope and plan the work content for the remaining stages of the project.

Deliverable	*Prepared by*	*Review by*	*Approved, prior to gate, by*
Initial Business Case	Project manager	Impacted or benefitting functions and business units	Project sponsor
Project Plan	Project manager	Impacted or benefitting functions and business units	Project sponsor

Detailed investigation stage

During the Detailed Investigation Stage you will identify and define the optimum solution and commercial proposition.

You will need to:

- Evaluate possible options and identify a preferred solution.
- Ensure the preferred solution will meet the defined needs.
- Define process, technical, and operational requirements where appropriate.
- Test/research the concept with the target users and/or customers.
- Check any legal issues.
- Evaluate possible suppliers and partners.

The next gate, for which this stage prepares you, is critical as it is the last point at which you can stop the project before substantial financial commitments are made.

Deliverable	*Prepared by*	*Review by*	*Approved, prior to gate, by*
Output definition	Project manager	Team members	Project sponsor
Feasibility Report	Project manager	Team members	Project sponsor
Business Case	Project manager	Team members and key functional managers	Project sponsor
Project Plan	Project manager	as above	Project sponsor
Test Plan	Project manager	as above	Proposed owners of deliverable

Develop and test stage

The develop and test stage is when you spend the bulk of the costs relating to the project. It comprises the outstanding design and development of the chosen solution and its supporting systems, manuals, business processes, and training. It concludes with a full test in a controlled environment. If this stage is of long duration (more than four months), it is essential that key review points are built into the plan to ensure its ongoing viability is assessed. It is also wise to have additional review points just prior to letting any major contracts relating to the project.

During this stage you will need to make a decision to start the trial stage. This decision can be taken prior to completion of the full work scope for the stage, as only activities required for the trial need be completed.

Deliverable	*Prepared by*	*Review by*	*Approval, prior to gate, by*
Test results	Project manager	Team members	Project sponsor
Ready for trial review	Project manager	Team members	Project sponsor
The project plan	Project manager	Team members	Project sponsor

Note: the above are minimum review roles and deliverables only. Each project should define its full set prior to the start of the stage.

Trial stage

During this stage, your partially proven solution is checked in the operational environment with live users and/or customers. The purpose is to validate:

- that the solution is acceptable to the users and customers;
- that all the capabilities work in a live environment, including all the business processes and supporting infrastructure.

In this respect the solution must be acceptable to the users, functionally correct, and highly likely to meet the organization's business objectives.

Deliverable	*Prepared by*	*Review by*	*Approved, prior to gate, by*
Trial results	Project manager	Team members	Project sponsor
RFS review report	Project manager	Team members	Project sponsor
The project plan	Project manager	Team members	Project sponsor

Note: the above are minimum review roles and deliverables only. Each project should define its full set prior to the start of the stage.

Release stage

This is the stage when "the rubber hits the road" and you unleash your creation on the world and start to reap the benefits your project was set up to create. It involves:

- the releasing of the validated solution into its operational environment;
- the start of all operational support;
- the handover of the solution from the project manager to the functions and business units for ongoing operation and assurance.

In addition, work is carried out post release to ensure the environments left by the project are "clean."

It finishes with a project closure review, at which the project is formally shut down. The review takes the form of a "lessons learned" session. What worked well on the project? What didn't? Were all the controls effective and useful? What would we use again? What would we do differently next time?

Deliverable	*Review by*	*Approval, prior to gate, by*
Project closure report	Involved key team members development process owner	Project sponsor

Note: the above are minimum review roles and deliverables only. Each project should define its full set prior to the start of the stage.

Post-implementation review

You should carry out a post-implementation review after sufficient time has elapsed for the benefits of the project to be assessable. The review cannot cover every aspect but it should establish whether:

- the predicted benefits were delivered;
- the most effective operational processes were designed;
- the solution really met the business needs.

As the project sponsor is the one who wants the benefits and for whom the project is undertaken, it is in the project sponsor's interests to initiate the review. This review should result in action plans for improvement where necessary and hence help in the achievement of the benefits. For major projects this review may be carried out by an "audit" function, but in all cases it is better (although not essential) if it is conducted by someone independent from the project team. To be effective, the review must not be used as a "witch hunt." If you use it in this way, you'll never have the truth presented to you again!

Deliverable	Review by	Approved by
Post-implementation review report	Independent reviewers or internal audit	Project sponsor

Note: Minimum review and approval criteria – the Terms of Reference should define all those who need to be involved.

A Walk Through a Project

The goal of the initial investigation stage is for you to examine the proposal, as quickly as possible (say, within one to six weeks), and to evaluate it against the existing business plans of the company to determine if what is intended is likely to be viable in financial, operational, technical, and customer terms.

You will need to:

- Make a preliminary assessment of the business opportunity, benefits, costs, technology needs, and the likely impact on the operational platforms and groups, infrastructure, and capabilities.
- Check for overlap, synergy, or conflict with other projects in progress or capabilities in use.
- Scope and plan the work content for the remaining stages of the project.

Deliverable	*Prepared by*	*Review by*	*Approved, prior to gate, by*
Output definition	Project manager	Team members	Project sponsor
Detailed investigation report	Project manager	Team members	Project sponsor
Business case	Project manager	Team members and key functional managers	Project sponsor
Project plan	Project manager	as above	Project sponsor

Note: the above are minimum review roles and deliverables only. Each project should define its full set prior to the start of the stage.

CHECKLIST FOR STARTING THE INITIAL INVESTIGATION STAGE

Business need and strategic fit

- ☐ Is it clear which business unit(s) or function(s) the proposal supports; does it fit the strategy?
- ☐ Is the opportunity attractive (size, share, cost saving, contribution, etc.) relative to alternative proposals?
- ☐ Is the proposal likely to be acceptable to the customers and users?
- ☐ Do any competitors have capabilities similar to this? If so, will this proposal provide us with any competitive advantage?

Health check!

- ☐ Has a project "health check" been done and been found acceptable (see Workout 26.1)?

Accountabilities

- ☐ Has a project sponsor been identified for at least the Initial Investigation Stage?
- ☐ Has a project manager been identified for the Initial Investigation Stage?
- ☐ Can resources be committed to do the initial investigation?

Operational and technical

- ☐ Is the organization likely to be able to develop or acquire the required capabilities to support this proposal, if they don't yet exist?
- ☐ Is it technically feasible with current technology?
- ☐ Has the organization operational capability to support it? If not, can it acquire this?

Health check scores

P	R	O	J	E	C	T	Total
☐	☐	☐	☐	☐	☐	☐	☐

Risk

☐ Low ☐ Medium ☐ High ☐ Impossible

Issues

Risk

Executive action

CHECKLIST FOR STARTING THE DETAILED INVESTIGATION STAGE

Business need and strategic fit

☐ Is it clear which business unit(s) or function(s) strategy and plan the project supports; does it fit the strategy?

☐ Is the business opportunity attractive?

☐ Are the risks acceptable?

Deliverables

☐ Is the Initial Business Case and investment appraisal acceptable?

☐ Is there a detailed schedule, resource, and cost plan for the Detailed Investigation Stage?

☐ Is there an outline schedule, resource, and cost plan for the full project?

☐ Have all the relevant business units and functions been involved in creating and reviewing the deliverables?

Health check!

Has a project "health check" been done and been found acceptable (see Workout 26.1)?

Accountabilities

☐ Has a project sponsor been identified for the project?

☐ Has a project manager been identified for the project?

☐ Do you have the resources to undertake the Detailed Investigation Stage?

Operational and technical

☐ On current knowledge, is it technically feasible with current technology or is there a possible technical development path to provide the capability or service?

☐ Does the organization currently have the operational capability to support it? If not is it likely this can be put in place within the current/proposed process architecture?

Health check scores

P	R	O	J	E	C	T	Total
☐	☐	☐	☐	☐	☐	☐	☐

Risk

☐ Low ☐ Medium ☐ High ☐ Impossible

Issues

Risk

Executive action

CHECKLIST FOR STARTING THE DEVELOP AND TEST STAGE

Business need and strategic fit

- ☐ Is it clear which business unit(s) or function(s) strategy and plan the project supports; does it still fit the strategy?
- ☐ Have the development concepts (e.g. marketing) been researched and tested on target segments and the need reaffirmed?
- ☐ Is the business case acceptable and compelling?
- ☐ Have the key sensitivities and scenarios for the recommended option been checked and confirmed as acceptable?
- ☐ Is the Business Case ready to be built into the overall business plan?

Project plan

- ☐ Are the project plans full and complete?
- ☐ Is there a detailed schedule, resource, and cost plan for the develop and test stage?
- ☐ Is there an outline schedule, resource, and cost plan for the full project?
- ☐ Are there sufficient review points in the plan (see Ch. 26)?
- ☐ Has the project been designed to eliminate known high risks (see Ch. 23)?

Accountabilities

- ☐ Are there resources to undertake the Develop and Test Stage?
- ☐ Have formal commitments been made by the relevant line managers?

Operational and technical

- ☐ Is it technically feasible with current technology?
- ☐ Does the organization have the operational capability to support it?

Deliverables

- ☐ Is the output definition complete?
- ☐ Is it clear how the output will be tested?

Health check!

Has a project health check been done and been found acceptable (see Workout 26.1)?

Health check scores

P	R	O	J	E	C	T	Total
☐	☐	☐	☐	☐	☐	☐	☐

Risk

☐ Low ☐ Medium ☐ High ☐ Impossible

Issues

Risk

Executive action

CHECKLIST FOR STARTING THE TRIAL STAGE

Business need and strategic fit

- ☐ Is the project still a good business proposition?
- ☐ Is the project still correctly reflected in the overall business plan?
- ☐ Have all high risks been eliminated?

Project plan

- ☐ Is the project plan up to date, full, and complete?
- ☐ Is there a detailed schedule, resource, and cost plan for the Trial Stage?
- ☐ Is there an outline plan for the remainder of the project?
- ☐ Do we have sufficient resources to undertake the trial?

Health check!

- ☐ Has a project "health check" been done and been found acceptable (see Workout 26.1)?

For the trial

- ☐ Have the tests been finished and the results accepted?
- ☐ Has the trial plan been prepared?
- ☐ Have checklists been prepared for the customers and users?
- ☐ Have customers/users been dentified and trial agreements drafted?
- ☐ Have the business processes been finalized?
- ☐ Are all relevant functions and units ready for the trial?
- ☐ Is the communications material ready?
- ☐ Are results monitoring systems in place?
- ☐ Have the trial acceptance criteria been agreed?

Health check scores

P	R	O	J	E	C	T	Total
☐	☐	☐	☐	☐	☐	☐	☐

Risk

☐ Low ☐ Medium ☐ High ☐ Impossible

Issues

Risk

Executive action

CHECKLIST FOR STARTING THE RELEASE STAGE

Business need and strategic fit

☐ Is the project still a good business proposition?

☐ Have all high and medium risks been eliminated from the project?

Ready for service

☐ Are you absolutely sure, beyond reasonable doubt, that it will work? (Your reputation is at stake!)

☐ Have process designs across the organization (and to third parties if needed) been accepted and is all training completed?

☐ Are benefits/results monitoring systems in place?

☐ Have the costs and benefits been reforecast against the business plan?

Project plan

☐ Is the project plan updated, full, and complete?

☐ Is there a detailed schedule, resource, and cost plan for the release stage?

☐ Do we have the resources to undertake the release stage?

Health check!

☐ Has a project "health check" been done and been found acceptable (see Workout 26.1)?

Health check scores

P	R	O	J	E	C	T	Total
☐	☐	☐	☐	☐	☐	☐	☐

Risk

☐ Low ☐ Medium ☐ High ☐ Impossible

Issues

Risk

Executive action

CHECKLIST AT PROJECT CLOSURE

Business need and strategic fit

☐ Has the business forecast been updated to take into account the benefits arising from the project?

☐ Has someone agreed to be accountable for monitoring the benefits?

☐ Have review points and metrics for measuring the benefits been defined?

☐ Has the project account been closed so that no more costs can be incurred?

Risks and issues

☐ Have all issues been resolved?

☐ Has ownership of each outstanding risk and issue been accepted by a NAMED person in the line or in another project?

Post-Implementation Review (PIR)

☐ Have the timing, accountabilities, and terms of reference for the PIR been agreed?

Team/stakeholders

☐ Have all who need to know about the closure of the project been informed?

☐ Have team appraisals relating to the project been completed?

☐ Have those who deserve special thanks been acknowledged?

Lessons learned

☐ Have all lessons learned been recorded and communicated to the relevant process and documentation owners?

Handed over risks, issues and actions

Lessons learned

Executive action

CHECKLIST AT POST-IMPLEMENTATION REVIEW

Business need

☐ Are the benefits being delivered as expected?

Operational aspects

☐ Are all aspects of the solution working as envisaged?

Action

☐ Has a corrective action plan been put in place to address any shortfall in expected benefits?

☐ Has a corrective action plan been put in place to address any shortfall in operational aspects?

☐ Have all lessons learned been recorded and communicated to the relevant stakeholders?

QUESTIONING YOUR PROGRAMS

1 Choose any program in your company and identify the component projects.

2 Split each project into the five project stages, one stage per Post-It Note, using a different color for each project.

3 Prepare a large sheet of paper or a white board, indicating a timescale on the horizontal axis sufficient to include the entire program timescale. Draw a vertical "time now" line.

4 Place each project onto the board, with each stage aligned to the appropriate date. Can you actually do this? If not, question how you really know what is going on and how you can direct the program with any degree of confidence or knowledge.

5 Identify any interdependencies and mark them with a down arrow from the delivering project to the receiving project. Check for multiple two-way dependencies – this could indicate poor project scoping. Remember, interdependencies are potential weak points which can be forgotten or where accountability is abdicated.

6 Look for any very long stages – can you shorten these? Be very wary of any prolonged investigative stages.

7 Look for when benefits start to flow – can you redesign the program to achieve any benefits earlier than this?

8 Look at where your key review and decision points are (they should map onto your gates) – have you sufficient of these to ensure control? Be very wary if it has all been authorized in one lump.

Project documents

"Writing comes more easily if you have something to say."
SHALEM ASCH

Suggested lists of contents are given for the following project documents:

- Proposal
- Business case (initial and full)
- Feasibility report
- Test plan
- Ready for trial review report
- Test results
- Trial plan
- Trial results
- Ready for service review report
- Project closure report
- Post Implementation review report

PROPOSAL

1 Background
2 Business objectives
3 Scope and interdependencies
4 Benefits
5 Output definition
6 Risks
7 Indicative timescale and costs

BUSINESS CASE

(and Initial Business Case)

1 Finance
- 1.1 Financial analysis
- 1.2 Financial commentary

2 Project definition
- 2.1 Background
- 2.2 Business objectives
- 2.3 Benefits
- 2.4 Output definition
- 2.5 Scope, impacts, and interdependencies
- 2.6 Deliverables
- 2.7 Timescale
- 2.8 Risks and opportunities
- 2.9 Prerequisites, assumptions, and constraints
- 2.10 Project approach
- 2.11 Analysis of options

3 Project organization
- 3.1 Review and approval points
- 3.2 Change control
- 3.3 Progress reporting
- 3.4 Project team and stakeholders

Appendices
- **A** Business commitment
- **B** Schedule plan
- **C** Resource plan
- **D** Financial plan
- **E** Terms of reference for detailed investigation (Initial business case only)
- **F** Financial sensitivity (business case only)

Note: the same table of contents is used for both the Initial Business Case and Full Business Case.

FEASIBILITY REPORT

Executive Summary

1 Background

2 Conclusions and recommendations

3 Prerequisites, assumptions, and constraints

4 Options considered

5 Output definition

6 Benefits

Appendices

A detailed analysis of options

TEST PLAN

1 Business objectives
2 Output definition
3 Purpose and approach
4 Customer and user involvement
5 Test prerequisites, assumptions, and constraints
6 The test list
7 Planned timescale, accountabilities, and resources

Appendices
A List of reviewers
B Relevant information

READY FOR TRIAL REVIEW REPORT

1 Business objectives
2 Recommendation
3 Comparison with plan
4 Outstanding issues/activities

Appendices
A List of reviewers
B High-level checklist for the trial gate
C Detailed checklist

TEST RESULTS

1 Business objectives
2 Output definition
3 Purpose and approach
4 Conclusions
5 Influencing factors
6 The test record
7 Actual time, accountabilities, and resources
8 Issues raised

Appendices
A List of reviewers
B Relevant information

TRIAL PLAN

1 Business objectives
2 Output definition
3 Purpose and approach
4 Customer and user involvement
5 Trial prerequisites, assumptions, and constraints
6 The trial list
7 Planned timescale, accountabilities, and resources

Appendices
A List of reviewers
B Relevant information

TRIAL RESULTS

1 Business objectives
2 Output definition
3 Purpose and approach
4 Customer and user involvement
5 Conclusions
6 Influencing factors
7 The trial record
8 Actual timescale, accountabilities, and resources
9 Issues raised

Appendices
A List of reviewers
B Relevant information

READY FOR SERVICE REVIEW REPORT

1 Business objectives
2 Recommendation
3 Comparison with plan
4 Outstanding issues/activities

Appendices
A List of reviewers
B High-level checklist for the trial gate
C Detailed checklist
D Executive summary from the business case

PROJECT CLOSURE REPORT

List of Recipients

1 Business objectives
2 Closure statement
3 Benefits measurement
4 Outstanding issues and deliverables
5 Project efficiency
6 Lessons learned
7 Acknowledgments

Appendices

Terms of reference for Post Implementation Review (PIR)

POST-IMPLEMENTATION REVIEW REPORT

1. Business objectives
2. Benefits
3. Project effectiveness
4. Lessons learned

Part Three:

Dealing with Many Projects

"The certainties of one age are the problems of the next."
R H TAWNEY, 1926

In Part Two we looked at the framework for managing a single project, taking it from being an idea, through various life cycle stages until benefits are being delivered to your business. We also examined how the staged process could be used as a management framework for any type of project you might choose and/or bundles of related projects (programs).

In Part Three I explain how you can keep track of all the projects and programs which together make up the set of initiatives aimed at changing your business to suit its future strategic direction. The different ways in which companies control the full portfolio of projects they are undertaking are as diverse and numerous as the companies themselves. It is here that the aspects of culture, structure, and systems come to the fore to influence what you actually do. There is no one "right" way, but there are many "wrong" ways!

- **Balance the risks across your project portfolio.**
- **Build the business case into your business plan as soon as the project has been approved.**
- **Make *informed* decisions on which projects you allow to continue.**
- **Prioritize *benefits*, not projects.**
- **Ensure that you have the freedom to change by having "white space" resources.**
- **Keep a list of the projects you are undertaking.**

How to use Part Three

Read Part Three, and complete the project workouts, with an open mind. Understand the principles. Note what needs to be taken into account. Consider how you can deal with these in your company with the particular constraints you have. Do not be too quick to discard the approaches given. Adapt them to meet your needs, within the constraints you have, but stick to the basic principles.

Dealing with Many Projects

14.1 Starting to build your Business Program

14.2 Chunks of change

14.3 The project process environment

15.1 Decision-making bodies

16.1 What's your 'white space'?

17.1 Discussion: reorganization

17.2 Fighting your way through the office fog

17.3 Your own systems

STARTING TO BUILD YOUR BUSINESS PROGRAMS

1 Take the list of projects from Project Workout 3.2.

2 Write each one on a Post-It Note.

3 Start placing them on a wall or large white board in approximate chronological order.

4 Group together in bands across the board those which you believe are targeted at fulfilling the same primary business objective.

5 Identify any interdependencies between projects (i.e. where one project relies on the deliverable(s) from another in order to meet its objective). Draw an arrow from the project creating the deliverable to the one requiring the deliverable.

6 You may have a very complex picture by now! Try to simplify it. Projects with arrows going both ways between them are probably the same project even if you've defined them as separate. To test this, ask yourself if either one of the projects on its own produces any benefit to the business. If both projects are needed to deliver the benefit, they are the same project. Look for clusters of linked projects which have no arrows between them and other clusters. They may be your business programs. Look for projects which don't have significant benefits: mark them for possible termination.

7 Look at the complexity of the interdependencies. The more complex and interwoven, the more risky the portfolio becomes. Think of ways of rescoping projects to create a set of programs and projects which are relatively independent and deliver benefits early. Rescoping entails moving the accountability for producing a deliverable from one project to another.

CHUNKS OF CHANGE

Look at any one of your longer running projects, say over a six-month duration. Critically review it to decide if you could have implemented it in smaller pieces. What was the minimum that was needed to be done?

Look at projects you are starting off now. Can these be divided into more digestible pieces?

Forecasting cycles

How often do you do your business forecasting? Annually? Quarterly? Monthly? If you do it only annually, consider how you can have confidence in the forecasts. Do you really know so much about the future that you could forecast a year in advance? Is your company really in such a slow moving competitive environment?

Note: Forecasting is predicting what your management accounts and information systems will tell you in the future. Setting a target is not forecasting.

THE PROJECT PROCESS ENVIRONMENT

The list of factors needed to control a project portfolio is long. In this workout you should assess your current "health" and use that as a prompt for discussion to help you decide which you need to concentrate on first.

Take each in turn and, with respect to projects and change initiatives in your company:

1 Assess, without any in-depth analysis, the effectiveness of each competence – 0 = no capability, 5 = excellent in your organization.

2 Discuss the implications on your organization of any lack of competence in each area and note them down.

Do not expect to be excellent in every area.

3 If you are basically satisfied with your assessment, consider whether the competencies you have actually work together as whole.

Competence	*Score*	*Implications*
Strategic alignment		
Decision making		
Resource management		
Business planning		
Release management		
Fund management		

DECISION-MAKING BODIES

This workout is for you investigate who contributes to and makes decisions regarding your business projects and when.

1 Identify all the individuals or groups in your company that contribute to and make decisions regarding your company's projects. List them on the left of a flip chart or white board.

2 Show what decisions these each make, e.g., I have shown the decision-making bodies proposed in this chapter.

3 Consider and discuss:

- Are all three questions represented in your company?
- Are the accountabilities all covered?
- Has each individual or body the authority to make the decisions?
- Is sufficient information available to those involved?
- Is question 2 considered "cross-functionally"? If not, consider what effect this has on projects which require resources from a number of different functions.

4 Finally, decide who is accountable. Remember, accountability cannot be shared.

Individual or group	*Question 1: Soundness of individual project*	*Question 2: Priority versus other projects*	*Question 3: Funding*	*Remit*
Project sponsor	X			Ensure project is viable
Business program	X	X in own portfolio		Ensure business program is viable
Project review group		X		Ensure company portfolio is viable and resources are available
Investment review group			X	Ensure investment criteria are met

ACCOUNTABILITIES

The accountabilities of the group are:

- to prioritize projects;
- to plan, at macrolevel, resources for projects;
- to plan, prior to launch, the required resources for on-going operation post-launch;
- to ensure that the project portfolio can be delivered within existing funding allocations by ensuring the company business plan reflects the project portfolio;
- to ensure each project is locked in ad committed to by those required to develop it and operate the resutls post-release;
- to identify and provide recommendations on which development projects should proceed beyond the Detailed Investigation Gate;
- to identify options for resolution of issues involving resources and escalate to the board for resolution if appropriate;
- to manage the introduction of simple and emergency projects into the project portfolio between quarterly reviews;
- to ensure that functions have planned in “white space” resources to undertake initial investigations;
- to communicate/publish the current status of the project portfolio;
- to act as the change control point for the project portfolio.

THE KEY QUESTIONS

1. Is there a real need for this project and, in its own right, is it viable?
2. What is its priority relative to other competing projects?
3. Do I have the funding to undertake the project?

WHAT'S YOUR "WHITE SPACE?"

This workout is for you to use as a discussion point or to identify the capacity your company has available to change itself. Assume that any projects to change your current way of working need to be managed and staffed from within your current head count. Try to construct a picture, like the one in Figure 16.1. As a start, look 12 months ahead only.

Hints
Break up the problem by function if this helps.

Use the list of projects you derived from Workout 3.2 – number each project.

Try to cluster similar groups of people together and build the picture in the following order:

1. total head count (a);

2. people (either grouped or as individuals) running the current operations (processes) (b);

3. people (either grouped or as individuals) working on projects which are currently in progress (c).

Your percentage of white space is (a – (b + c)) / a%

Consider how fast your business and competitive environment is moving and in this context discuss the following points:

1. Will the amount of white space you have allow you to develop enough new products and sufficiently improve your operational and management systems and processes to maintain or enhance your position in the market?

2. How far into the future does white space become available? If you had a requirement NOW, how long would you have to wait before you could start working on it without displacing any of your current projects or activities?

3. Is there hidden capacity in your business? How do you know?

4. Do you have any people who can be deployed quickly onto new projects and who probably do not know what they will be doing next week (i.e. resources for initial investigations)?

5. Have you ever started off a set of change projects or initiatives which people say they are keen on but which fail to deliver because insufficient time is made available for them? If so, what does this tell you?

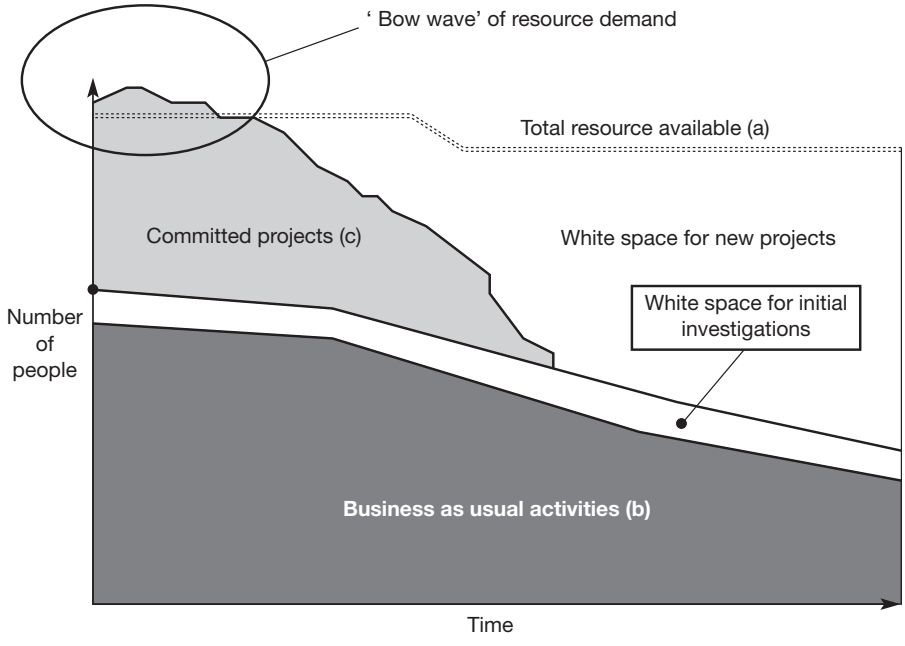


Figure 16.1 White space
White space is the gap between the resources you have (a) and those already committed (b + c). In the very short term this should be small. It will grow as you look further into the future. Notice the short-term bow wave which results from optimistic demands to the immediate needs.

DISCUSSION: REORGANIZATION

If you dismantle the functional structure of your company, in whole or in part, would you be able to maintain full management control and reporting during the change period?

FIGHTING YOUR WAY THROUGH THE OFFICE FOG

This workout should be undertaken with the design authority and other key advocates of project and program management. It should be carried out after you have established the key roles and accountabilities for your program management framework. If these are not yet completed, use the roles and accountabilities provided in this book, but do remember to check back later to see if they are still valid for your organization. If some support offices already exist, include the managers of them in your workout and determine where they sit with respect to the new roles and accountabilities. You should allow up to a day for this, not including the write-up and agreement after the workshop is completed.

1 Using a paper-covered wall, construct a table which includes the roles and accountabilities in your framework. (There is a model to get you started on the CD-ROM: suppoff1.doc and suppoff2.doc)

2 Put a tick against each accountability/activity for which you believe support would be beneficial.

3 Against each accountability requiring support, decide what the support may comprise. Use three levels of support (high, medium, and low), describe on a Post-It Note what that means in practical terms. Place the notes on the wall chart. Select which level of support you feel should be provided by marking the relevant Post-It note with a different colored note (you may change your mind later). In writing these, consider the style and mandate you want the offices to have. Use active verbs to describe the service, being as specific as possible, e.g. assist; advise; guide; review; recommend; provide; own; enforce; decide; instruct. Be specific about who owns, develops, or uses a process/method.

4 Name any existing support offices in the right-hand columns. For each existing support office, write on a Post-It Note what service it provides against the relevant accountabilities. If it provides a service for an unlisted accountability, add it to the bottom of the chart.

5 Based on the support requirements and the existing provision (if any), decide on an initial guess for different support offices. Name these in the right-hand columns.

6 Transfer the “desired support service” Post-It from step 3 to the column for the support office which you think is best placed to provide the service.

7 Take a break! Clear your head.

8. As a group, run through the accountabilities of each office. Look for opportunities to consolidate services into fewer support offices.

9. For each office decide its primary location, being the best location from which to provide the service. Some offices may be "virtual," with staff residing in different locations.

10. Briefly outline the type of infrastructure the offices will need to operate. For example, shared intranets, document management systems, and project support tools are usually essential for modern program management.

11. For each office define the type of people required to staff it. Purely administrative activities need lower-qualified staff than activities requiring specialist knowledge and skills.

12. Based on your knowledge of the volume of projects and work involved, take a view on the numbers of people required. Decide if they all need to be full-time staff or if some roles (e.g. coaching) can be supplied by practicing managers on a peer to peer basis.

You now have a detailed set of accountabilities for your offices, together with an outline of staffing, location, and infrastructure needs. This is sufficient to include in a project plan for implementing your office structures.

YOUR OWN SYSTEMS

1. Make an enlarged copy of Figure 17.5. Mark it up with highlighter pens, indicating the elements you currently have in place (shade in yellow) and those parts which you already plan to put in place (shade in another colour).

2. Are the elements you have shaded designed to be compatible with each other?

3. On a flip chart:

   - list elements which are missing;
   - list the data which would be contained within these elements;
   - list the information are you lacking as a result.

4. Consider, based on what you have in place, what actions you could take to fill any gaps you have identified in the systems environment supporting your projects framework.

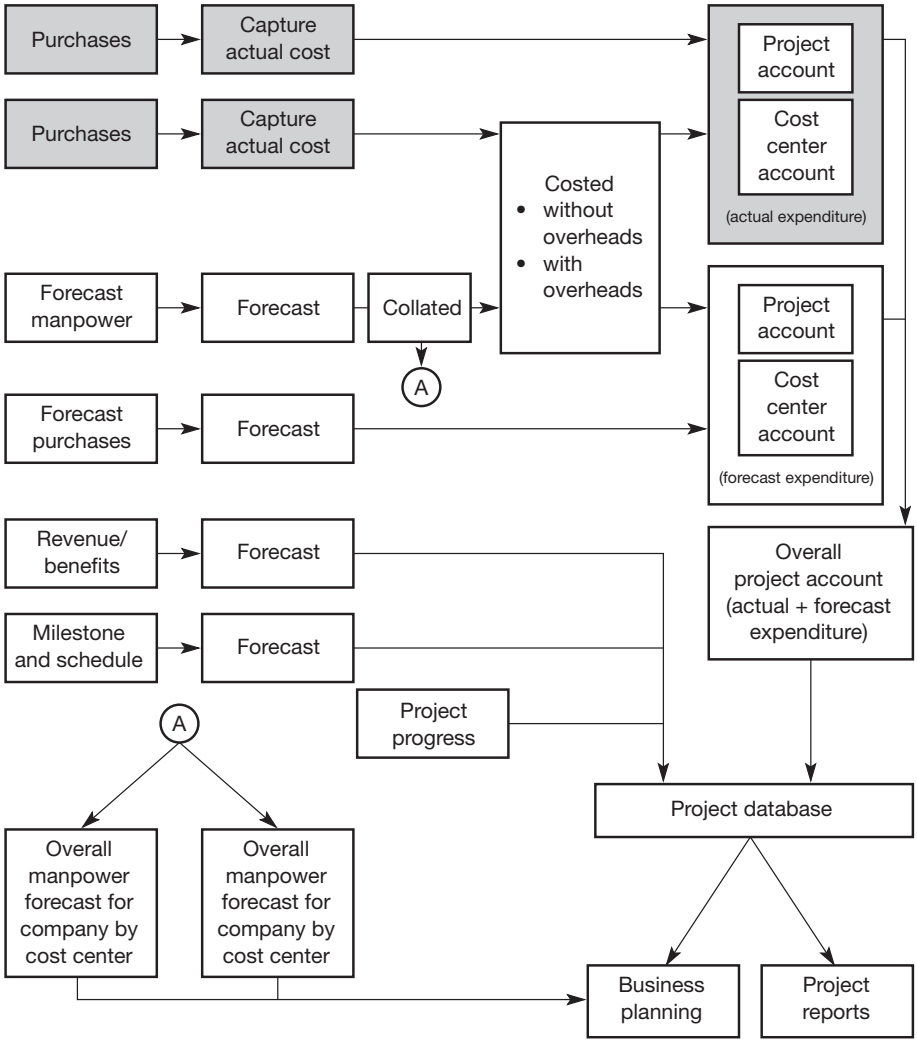


Figure 17.5 The complete system
The links between resources, costs, benefits, and other project systems. The outputs include both project reporting and the necessary inputs required for business planning.

Part Four:

Making the Project Work for You

> *"People love chopping wood. In this activity one immediately sees results."*
>
> ALBERT EINSTEIN

In Part Two, I explained the management framework for a single project, taking it from being an idea through the various life cycle stages until benefits are being delivered to your business.

In Part Three, I showed how you could manage a number of projects, which together make up the portfolio of initiatives which are changing your business to suit its future strategic direction.

In Part Four, I return to the single project and explain the tools and techniques you can apply to ensure that projects are kept under control and are likely to deliver the promised benefits.

Figure 18.1 shows the full project control environment, starting with "setup" and ending in "closure." Between these are the techniques for monitoring progress and handling risks, issues, opportunities, and reviews. At the heart is the project control cycle.

These factors apply throughout the life of the project, regardless of which stage you are currently working within:

- **Encourage team work and commitment.**
- **Practice single point accountability.**
- **Break down functional barriers by using a cross-functional team.**
- **Manage your stakeholders' expectations.**
- **Build excellence in project management techniques and controls across your company.**
- **Ensure success by planning for it.**
- **Monitor and control against the agreed plan.**
- **Manage changes to the plan actively.**
- **Close the project formally.**

How to use Part Four

The sections in Part Four are written as working guides for you either to apply directly or to adapt to include in your own control framework. Many of the chapters include workouts to help you apply the guides in practice.

Part Four is broken down into distinct sections: Setting up the Project, Controlling the Project, and Closing the Project.

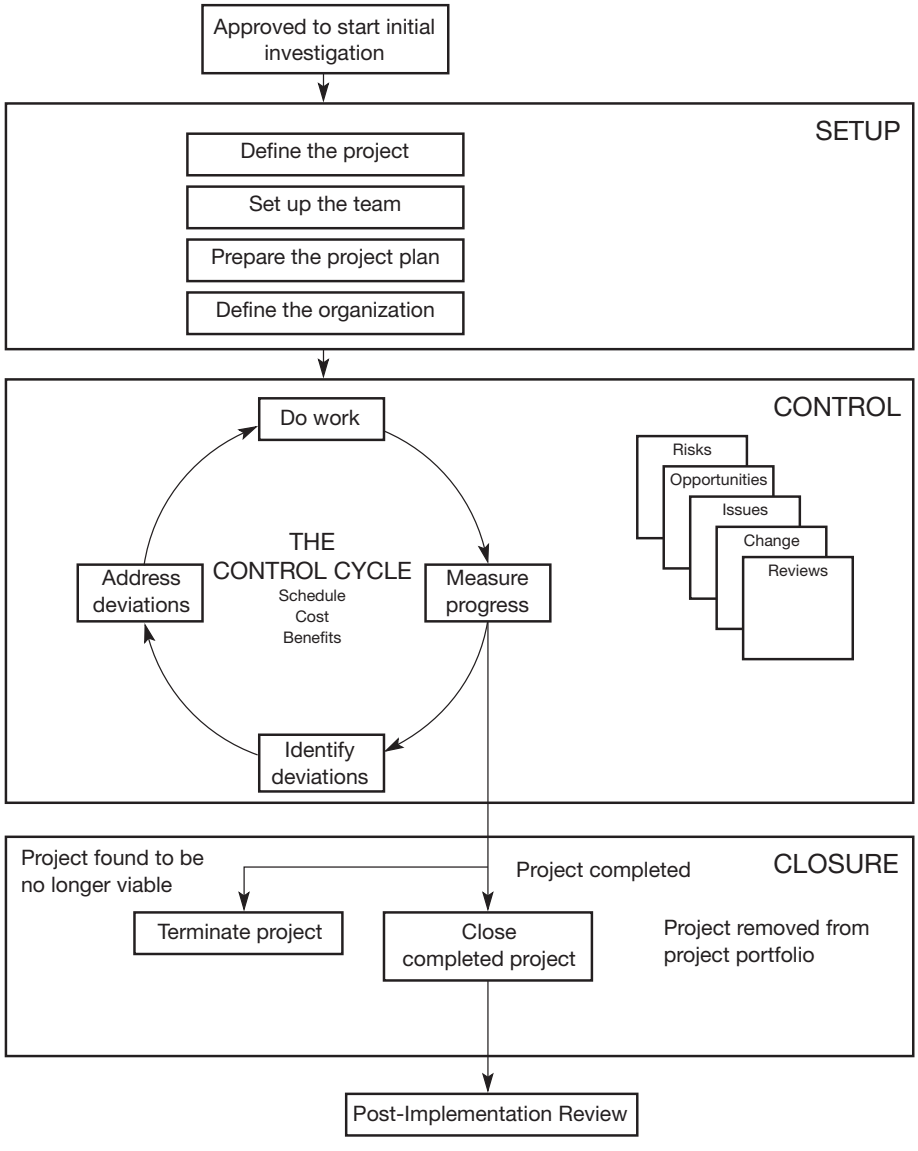


Figure 18.1 The full project control environment
The project control environment can be represented in three sections, starting with "setup" and ending in "closure." Between these are the tools and techniques for monitoring and controlling the project. These controls apply throughout the life of the project.

MAKING THE PROJECT WORK FOR YOU

Setting up the Project

THE FIRST TEAM MEETING

This is best done in a relaxed atmosphere without any tables acting as barriers between people. The "board room" arrangement is not recommended. Team meetings are best in rooms with space to move around and wall room for flip charts. Confined rooms confine thinking.

The first time team members gather is very important and can set the tone for the rest of the project. Some individuals may know each other (and you) well. Others may know no one. Some may have worked together before on other projects. Even if some have not met before, they may have preconceived ideas of others on the team based on gossip and rumor from other colleagues. It is you, as project manager, who must bond this disparate group into a committed team. One way of doing this is to:

- bring the group members to respect each other;
- create a set of team rules!

Respect each other

1 Ask all present to introduce themselves and say a little about their interests outside work. Ask them to tell the others something about themselves that none of the others knows.

2 Ask each person to say what his/her commitments are to the project, why he/she would like to see it succeed, and what that person will do to help success become a reality.

3 When the individual has finished, each of other team members should build on what that individual has said about him/herself by saying what skills and competencies they know or feel the person has which they respect. Keep to positive and strong points only.

On receiving this acknowledgment, the individual should not be embarrassed. "Thank you" is all he or she needs to say.

4 Steps 1 to 3 should be gone through for every person in the group.

This may sound contrived, but it does work if treated seriously. It can remove or dispel rumor. It brings people onto a personal footing.

Team values

Creating a set of "rules" that the team agrees to live by and uphold is also a powerful way of bonding:

1. Brainstorm a set of values or rules for the team to live by. Put these on a flip chart.

2. The team should then select those which it wants to live by.

3. Display the values prominently in the team's workroom and at every team meeting.

During the brainstorm, individuals will often shout out things that annoy them. For example, if someone really gets heated if meetings start late, he may want the rule/value "All meetings start on time." The brainstorm list, therefore, becomes a set of potential "hot buttons" which can turn each person from a likeable, rational soul into an angry unreasonable one. It's good to know what these are at the start! Some of the most powerful values can also appear very shallow. One senior team had "chocolate" as a value. At every meeting someone was accountable for bringing one or two bars of chocolate. It became a symbol of "looking after each other" and something to joke about to lighten the tension when business issues were weighing heavily and the team could not agree a way forward.

DEFINING A PROJECT

Take any new project that you are associated with. With the project sponsor, project manager and key team members, create, on flip charts in a workshop environment, the project definition part of the business case document. Base it on the template given in the section above.

Ensure you answer every section fully – it all counts.

Note where there are gaps in the answers, and be honest. You will fool no one but yourself in the long term.

Work with the team to fill the gaps identified in this workout:

- If you don't know *why* you are doing the project, consider terminating it.
- If you don't know *what* you are delivering, regard your costs and timescales as unstable and your risk high.
- If you don't know *when* it will be done, carry out more investigations until you do know.
- If you don't know *how* you will approach the project, regard risk as high and investigate further.

PROJECT DEFINITION CHECKLIST

Use this checklist to review any projects currently in progress.

Criteria

☐ Has a project definition been written, reviewed by the stakeholders, and approved by the project sponsor?

☐ Do the scope and objectives of the project meet the needs of the business?

☐ Have the benefits been fully assessed and quantified wherever possible?

☐ Do the benefits match the needs?

☐ Have all the risks been identified and categorized?

☐ Has a comprehensive and satisfactory work breakdown been developed?

☐ Does the work breakdown reflect the deliverables to be produced?

☐ Are all key logical relationships between projects and activities clear?

☐ Has the plan been developed to minimize or offset the risks?

The only way a project can be delivered is by its deliverables. For each deliverable check:

☐ Are the project deliverables relevant and are they feasible both to produce and implement?

☐ Have quality criteria been established?

☐ Is it clear who is accountable for preparing each deliverable?

☐ Is it clear who will review the deliverable prior to signing off acceptance of each deliverable?

☐ Is it clear who will sign off each deliverable?

☐ Has sufficient time been allowed for reviewing/amending each deliverable?

PROJECT ORGANIZATION CHECKLIST

Use this checklist to audit any projects currently in progress.

Criteria

☐ Have progress reporting formats been set up?

☐ Have progress reporting lines been set up?

☐ Has a system for capturing and managing risks and opportunities been set up?

☐ Has a system for capturing and managing issues been set up?

☐ Has a system for recording and approving changes been set up?

STAKEHOLDER INFLUENCE MAPPING

To be done in project team mode.

1 Brainstorm who your stakeholders are. Write each on a Post-It Note and stick them onto a white board or flip chart. Stakeholders may be individuals or groups.

2 Cluster the stakeholders into groups based on similar need or impact from the project. Rationalize the stakeholder list if possible, but don't worry if you can't.

3 Define the role of each stakeholder (Figure 19.4). Stakeholder roles are defined as:

- **Decision maker** – this stakeholder is required to make a decision regarding the project.
- **Influencer** – this stakeholder has influence over the project and/or over the decision makers.
- **Player** – this stakeholder is required to play a part in the project, perhaps providing resources, facilities, or review time.
- **Consent** – the consent of this stakeholder is required if the project is to be a success (e.g., computer system users, customers).

Take each stakeholder in turn and, using one flip chart per stakeholder, answer the following questions:

- What is this person or group's stake in the project?
  - Are they needed to resource it?
  - Are they directly affected by it?
  - Are they indirectly affected by it?
  - Are they unaffected, but still have the power to influence it should they choose to do so?
- What is their role?
- Have they a positive, neutral, or negative towards the project?

4 Write "ME" in a bubble in the center of a white board. Write those stakeholders you have direct access to around "ME" and join them to "ME" with a line. Use a single line for a weak link and a double line for a strong link. Use + or –, or 0, to indicate if they are positive, negative, or neutral to the project. Use ? if you don't know. This map indicates the stakeholders you have direct access to.

5 Write the remainder of the stakeholders in boxes around the edges of the white board. Using + , – , 0, to indicate if they are positive, negative, or neutral to the project. Use ? if you don't know.

6 Write on the white board the names of others you have access to but who also have access to one or more of your stakeholders.

You now have a "stakeholder influence diagram." You can use this to decide how best to enroll a particular stakeholder. You may do it yourself or it may be more effective to have others do it on your behalf.

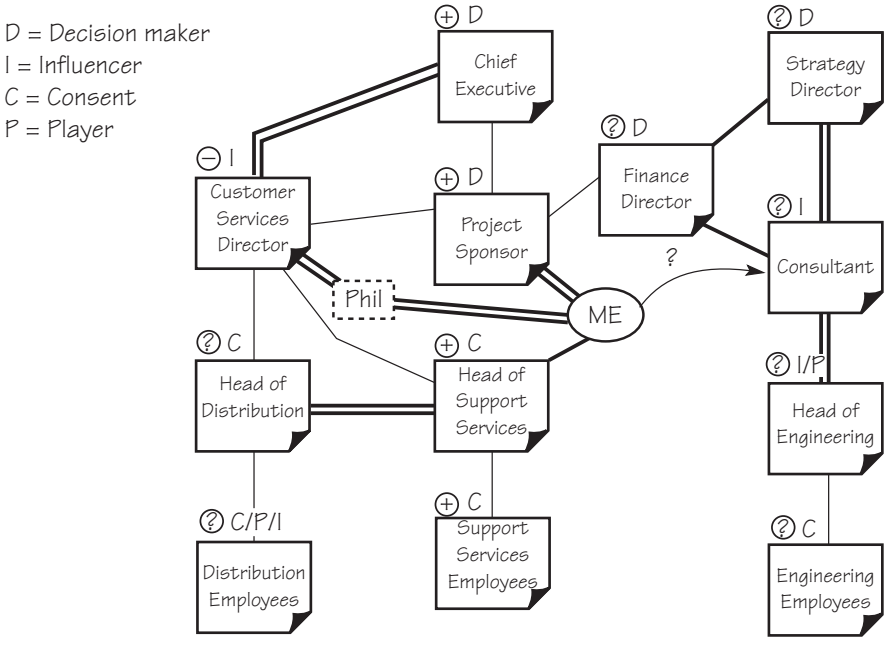


Figure 19.4 A typical stakeholder influence map

STAKEHOLDER COMMUNICATION PLANNING AND TRACKING

Work with your project team using the output from Workout 19.5.

Planning

1. On a flip chart, brainstorm the following for each stakeholder:
   - the messages you need them to receive;
   - possible methods/media or people you could use to communicate with them;
   - frequency of communication.

   Consider, if you were them, what you would want to know and when? Aim to see things from their perspective. If possible, ask them!
2. On a large sheet of paper or a white board, list each stakeholder along the top.
3. Decide who should receive the standard regular progress report. Put an asterisk over the relevant stakeholder to indicate this.
4. Brainstorm the possible communications which you may wish to send out to the stakeholders. Write each on a Post-It Note. Place these on the chart on the left-hand side, in chronological order.
5. On smaller Post-It Notes, add a tick to show which stakeholder(s) is "hit" with each particular communication.
6. Review how frequently each stakeholder will receive a message. Is it too often? Is it not frequently enough? Rearrange the Post-It Notes until you create a plan that the team is comfortable with (Figure 19.5).
7. Transfer the key communications to your schedule plan and "fix" the plan onto your white board by rewriting directly onto it rather than onto Post-It Notes.

Do not be concerned that you cannot see very far into the future. The objective is to make sure you consider who you need to communicate with, when, and how.

Tracking

Using the same white board output, simply write the communication made and the date on the left hand side, ticking the relevant stakeholder columns.

You will thus build a listing from which you will easily see who you have missed. You can then work both from your formal plan and add extra communications when you see these as desirable. Also you will be confident that they look rational and consecutive to the recipients.

	Date	Sponsor	Chief executive	Strategy director	Finance director	Heads of units
Start-up brief	1/3/97	✓	✓	✓		
Team brief	12/3/97	✓				
Memo A	14/3/97		✓	✓	✓	✓
Memo B	21/4/97		✓	✓		
Presentation	4/4/97	✓				✓

Figure 19.5 Stakeholder communications
An example of a chart to keep track of communications to key stakeholders.

Controlling the Project

WHY ARE YOU DOING THIS PROJECT NOW?

Write your list of projects from Workout 3.2 on a flip chart. Against each write:

- why you are undertaking the project;
- why it is being done now, rather than later.

Link your answers back to your business plan or business strategy. For internal projects, consider whether you have the right portfolio. For external projects (i.e. those for customers/clients), test whether that work is targetted at a chosen market segment.

LINKING OBJECTIVES AND NEEDS TO DELIVERABLES

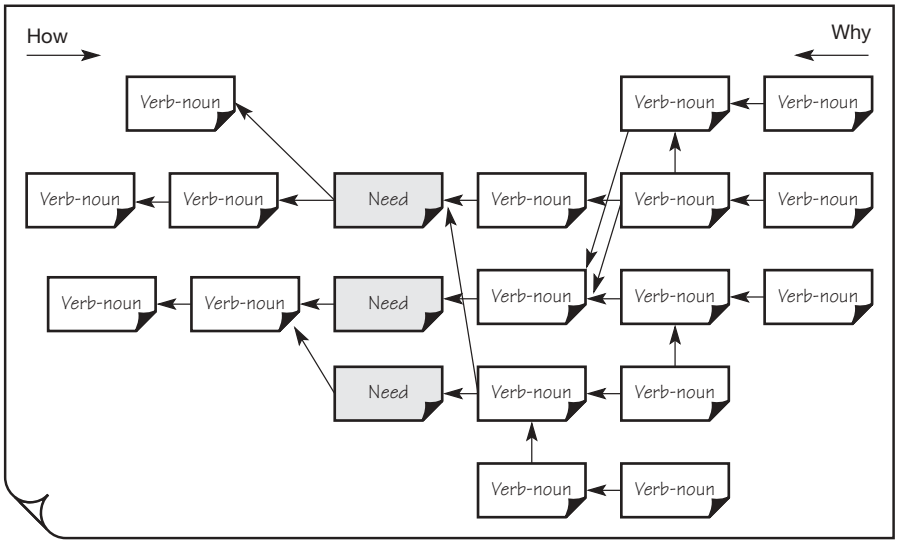
This workout is best done early in the project with the Project Sponsor, project manager, and a selection of key stakeholders comprising of those likely to benefit and those who will produce the deliverables. You will need a large paper-covered wall and a supply of Post-It Notes. At the top left write the word "How," with an arrow pointing right. At the top right, write the word "Why," with an arrow pointing left.

1 Write the need/opportunity to be filled on a Post-It Note. Place it toward the left of the wall. If there is more than one need, record each of these on separate notes.

2 Test these initial needs statements by asking "Why do this?" against each. Write your answer on a Post-It and place it to the left of the original note, linking it with an arrow.

3 Continue this until you are satisfied with the resultant core needs. They should match your overall organization's business objectives.

4 Go back to your original Post-Its and then for each one ask the question "How do we do this?" Write your answer on a note, place it to the right and link it with an arrow. Keep doing this until you have derived a set of "create deliverable" notes, which are sufficient to define the scope of the project.



Notes

- Describe each note using an “active verb + noun” combination. Ensure the verbs are as direct and descriptive as possible, describing an “effect” (e.g. “provide” is not a good word, be more precise). Ultimately the nouns on the right of the chart will be the deliverables.

- Take time to resolve any disagreements over descriptions and placing of notes. These discussions are critical in reaching a common understanding.

- This technique can be used, as above, for overall needs analysis but can also be used on discrete parts of the project as part of detailed design for specific deliverables.

- variant of the approach is to put the “noun” in the Post-It Note box and the “active verb” on the arrow.

STARTING THE PLAN OFF

Introducing Post-It Note Planning from the future!

I said earlier that planning is too important to delegate to junior team members. "But," argue many people, "I do not know how to use these sophisticated planning packages we have on our PCs," or "I haven't any planning software on my PC," or even "I haven't got a PC!"

Such excuses do not make sense. Projects have been with us for centuries and cer tainly since well before computers became commonplace. All you need to start planning is:

- your brain;
- your team;
- a set of Post-It Notes;
- flip chart markers;
- a very big wall covered in paper or a large white board to which onto which to stick your Post-It Notes.

You should do this exercise as quickly as possible. In the early stages of a project it is more important to start getting the feel of the task ahead of you than to worry about "correctness" and detail.

Take the output from Project Workout 19.1 and with the same team in workshop format, using flip charts, white boards and Post-It Notes:

1 Display the flip charts from the previous workout on the walls so that the team can see the project objectives, description, and deliverables.

2 Take your set of Post-It Notes and write the name of each deliverable down, one per sticker. Write a "D" in the top left hand corner to denote deliverables. Put them on the left of the board.

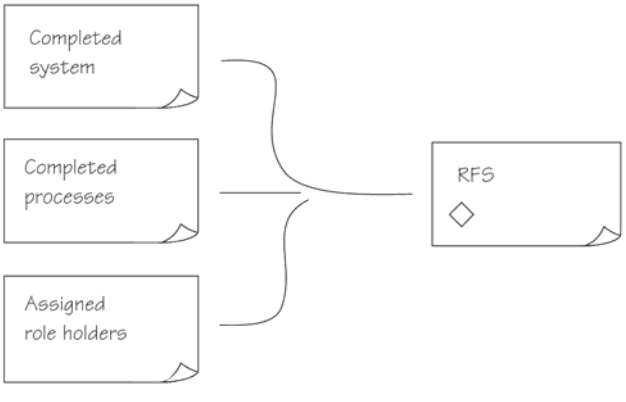
3 On other Post-It Notes write:

- Development Gate.
- Trial Gate.
- Ready for Service (RFS) Gate.
- Release.
- Complete.

Draw a diamond on the top left hand corner to denote key milestones. Put them on the left of the board.

4 Take the "Complete" note and put in at the far right of the board. Then add the "Release" note and the "RFS" note thus:

5 Pointing at the RFS note ask the question: "What must I have done before I have RFS?" If the answer is some of the deliverables, add them to the board to the left of RFS, with an arrow leading to the RFS note. For example:



6 Take each deliverable in turn and ask the same question as 5: "What must I have done before I have xyz deliverable?" This will be either:

- more deliverables from the left of the board;
- new deliverables not previously identified;
- activities you need to do which you want to capture.

If you “invent” an activity, label it with “A” in the top left. Add Post-It Notes to the board to the left of xyz deliverable with an arrow leading to it.

7 Continue as per step 6, on the activities, milestones and deliverables until you have used up all the deliverables from the left hand side and you are satisfied that you have identified the starting point for the project. Don’t be worried if you do not know what order some deliverables are put in or do not know the sequence of activities in all areas. If you did know this, your project would be relatively simple. Make a note of the “problem areas” as they are issues which must be planned into your work schedule as problems to investigate and solve. Once you have finished, stand back and look at the pattern. Relocate some stickers to simplify if necessary.

8 Look at the plan again and make broad estimates of how long each activity will take. Don’t worry if you are wrong. Note down those for which you have very little confidence in your estimate on your list of “problems to solve later.”

9 You should notice several tranches of notes, each of which leads to a key deliverable. There may, for example, be work and deliverables relating to a computer system, a publicity event, the installation of a new item of plant. These are clues to your work breakdown structure (WBS), the key packages of work within each life stage of your project. Where possible choose your WBS with as few interdependencies between work packages as possible.

Relocate some of the Post-It Notes to simplify the appearance if necessary. Rationalize any long sequences if it does not seem that showing them adds value to the overall plan. (Remember this is a summary plan only.)

10 Consider alternative ways of approaching the project, perhaps by brainstorming or discussion. Start again using an alternative approach.

11 You should have created one or two summar y plans. You will have discussed differing options, identified areas of uncertainty or ignorance, and have started coming to a common understanding. You should also have been able to add some flesh to the bones of your project definition.

This may be sufficient at this stage or you may need more sessions. Assuming you have made as much progress as you can, the work packages should be allocated to key team members to start working on as part of the initial investigation.

PROJECT FINANCES

1 Take the list of projects that your business is currently undertaking or, alternatively, the output from Project Workout 3.2.

2 Choose any five projects which are in the Develop and Test Stage or beyond.

3 Ask each of the following people questions (a) to (e):

- the finance manager;
- project sponsor;
- project manager.

(a) For both time costs and purchases, provide, for the project as a whole, as at the close of the last month's accounting period:

- costs spent to date;
- costs spent this financial year;
- estimated cost at completion;
- agreed budget, when the project was authorized.

(b) Answer question (a) for the current work stage.

(c) How are "time costs" calculated?

(d) Where were these data obtained from?

(e) State how easy or how difficult the information was to obtain.

4 Consider the replies. How long did it take for them to be compiled? Do they give the same information? What parts are missing? Were the same sources for the data used? If there is great consistency, fine. If not, look behind the replies. For example, if it takes a long while to compile the information or some is missing, can you reasonably expect your Project Managers to work within their budgets? Is it acceptable to make them "fly blind" without adequate instruments?

IDENTIFYING RISKS – 1

"If a man begin with certainties, he shall end in doubt; but if he will be content to begin with doubts, he shall end in certainties."

FRANCIS BACON, 1561–1626

This workout should be done with the project team.

1. Use brainstorming or other creative methods to generate as many possible risks as you can. You should include anything that anyone wishes to raise. By involving the team you will start to develop an idea of where their concerns lie and what confidence they have in other team members or departments. In addition, group members will hear one another's concerns and this also helps to form the team. Do not let anyone criticize or comment on any risk raised at this stage – just capture thoughts. Hint: look at any assumptions made and at any constraints (as listed in the project definition).
2. Write each risk on a Post-It Note as it is called out; ask for clarification if the risk is not understood but otherwise do not allow comments.
3. Put each Post-It Note on a board where all can see them. Carry on generating risks until the team have no more to offer.
4. By inspection, cluster the risks into similar groups. This may be around technologies, people, legal, employee relations, funding, etc. Choose any clusters that "fit" the situation.
5. Rationalize the risks, combining some, clarifying others; number each risk sequentially.
6. Evaluate each risk using the risk log and plot all medium and high risks onto a flip chart.
7. Take time for the team to review the output so far. Are there any themes noticeable in the risks or in the way they are clustered. Are there any particular aspects of the project which appear to be problematic?
8. Begin with the high risks: start generating possible ways of dealing with them. Allow all options to be raised. Do not evaluate, just capture the possible risk management actions for later evaluation.
9. Evaluate and agree which risk-management options should be followed and who is accountable for managing each particular risk.

Task – strive to eliminate any high risks.

- Avoid those risks you can, by using a different approach to the project for example.
- Build investigative work into your plan to drive out risks which result from having insufficient information.
- Capture your risks in a log (similar to Figure 23.3).

Risk Log

Ref No	Description of Risk	Date Raised	Probability of occurrence	Severity	Risk Category	Risk Management:	
						Action	by
1	Seigathon may launch a new product at the same target market.	2/3/97	Unlikely	3	Medium	Monitor Seigathon market activity.	G Smith
2	The product launch relies on Project X being delivered. There is a risk that this will be delayed.	13/4/97	Unlikely	2	Medium	Monitor Project X progress.	F Kent
3	The contractor for the project is unable to deliver on time due to lack of resources and other commercial commitments.	20/6/97	Very Likely	2	Medium	Build relationship with contractor Find alternative supplier. Build contingency time into schedule	G Smith
4	The warehouse management system release will be delayed beyond the planned start of testing.	29/6/97	Certain	2	High	Provide paper based system and procedures during initial testing. (see issue log)	J Arnold
5	The credit control system release will be delayed beyond the planned start of testing.	29/6/97	Very likely	2	High	Build 3 months contingency into the schedule	F Kent

Figure 23.3 A typical risk log

A risk log is used to record the risk, the date it was recognized, its category, and risk management action (with accountability).

IDENTIFYING RISKS – 2

This workout should be done with the project team.

1 Take the output from Project Workout 20.2 (the Post-It Notes network diagram) and display it on a wall.

2 Start at the first Post-It Note and ask:

- What can go wrong with this?
- How likely is that to happen?
- What effect will that have on the timescale?

3 Use the risk matrix to evaluate the risk category. Using a different colored Post-It Note, mark up the risk and its category adjacent to the relevant part of the network.

4 Repeat this until every Post-It Note in the network has been evaluated.

5 Take time for the team to review the output so far. Are there any themes or noticeable streams of the project which appear to be problematic?

6 Begin with the high risks: start generating possible ways of dealing with them. Allow all options to be raised. Do not evaluate, just capture the possible risk management actions for later evaluation.

9 Evaluate and agree which risk-management options should be followed and who is accountable for managing each particular risk.

Task – strive to eliminate any high risks.

- Look for alternative way of approaching the work which avoids sequences of risks, creates contingency time, or brings risky elements forward.
- Replan the project around these risks putting your contingency (safety) where it counts.
- Capture your risks in a risk log (similar to Figure 23.3).

OPPORTUNITY – 1

"Probable impossibilities are to be preferred to improbable possibilities."
ARISTOTLE, 384–322 BC

This workout should be done with the project team. Perhaps do this after the risk workout (Project Workout 23.1) to put a more positive light on the project.

Follow the instructions for Workout 23.1, but instead of concentrating on risks, look for opportunities.

Task – build all major opportunities into the base plan.

- Set yourself up to exploit opportunities by designing the project strategy and approach accordingly without compromising your risk-management strategy!
- Build into your plan investigative work to convert medium opportunities into major ones.
- Capture your opportunities in a log (similar to Figure 23.3).

OPPORTUNITY – 2

This workout should be done with the project team. Follow the instructions for Workout 23.2, but instead of concentrating on risks, look for opportunities.

Task – strive to exploit major opportunities.

- Look for alternative sequencing of the work which allows you exploit opportunities, should they arise, without compromising your risk-management strategy!
- Replan the project around these opportunities.
- Capture your opportunities in an log (similar to Figure 23.3).

RESOLVING ISSUES – FROM BREAKDOWN TO BREAKTHROUGH

The following process, if used in full, is a very effective and powerful driver for resolving issues. Followed rigorously it will enable you to "breakthrough" an issue which is blocking your project or program. The toughest part is to declare that you do in fact have a problem. Doing this puts you in a position of responsibility which will enable you to proceed. Be careful however; the natural tendency will be for you to dwell on what's wrong: what's wrong with you, or with the project, or with "them." Steps 3 to 8 should be done with those who have a stake in the issue in a facilitated, workshop setting, recording the input from the group on flip charts. Do all the steps and do them in the right order. Do not jump ahead.

1 Declare that you have an issue!
Tell everyone who could possibly have an impact on resolving the issue, particularly those you do not want to know about it. Don't hide the issue. Merely putting it on your issues log is not enough. Actively tell people!

2 Stop the action
Call everything around the issue to a halt. Don't react. Don't try to fix it. Relax.

3 What, precisely is the issue?
Exactly what did or didn't happen? When? Distinguish between facts and rumors. Then describe the issue in one sentence. This is the sentence you should write in the issues log.

4 What commitments are being thwarted?
Which of your commitments is being thwarted, stopped, or hindered by the issue? Remind yourself of the reasons for the project in the first place and the drivers for action.

5 What would a breakthrough make possible?
What would the resolution of the issue, under these circumstances, look like? What would it make possible? Are you really committed to resolving this and furthering these possibilities? If so, continue.

6 What's missing? What's present and in the way?
Take stock of the entire project. What's the situation now (stick to facts!)? What's missing, that if present, would allow the action to move forward quickly and effectively? What's present and standing in the way of progress?

7 What possible actions could you take to further your commitments?
Leave the facts of the current situation and what is missing in the background. Stand in the future, a breakthrough having been accomplished, and create an array of possible actions. Look outside your paradigm. Think laterally.

8 What actions will you take?
Next, narrow down the possibilities to those with the greatest opportunity and leverage. Not necessarily the safest and most predictable! Then choose a direction and get back into action. Make requests of people and agree the actions needed. Hold them to account on those actions.

DO YOU MANAGE CHANGE ON YOUR PROJECTS?

1 Take any one of your longer running projects which is in the Develop and Test Stage or beyond. From the documentation which authorized the project extract the following data:

- the total budgeted cost;
- the baseline completion date (or other identifiable milestone);
- the scope;
- the expected benefits.

2 From the most recent project progress report extract the following data:

- total forecast cost;
- forecast completion date (or other identifiable milestone);
- the current scope;
- the current expected benefits.

3 Compare your answers from 1 and 2. If there are differences, are they due to time slippage or cost overruns? Or are they due to a deliberate decision to change one of the four key control aspects of a project? If the latter, how do you know?

PROJECT HEALTH CHECK

To launch an interactive version of the Project Health Check in Microsoft Excel 95 format, please click HERE.

Otherwise, please continue reading for the on screen/printed version.

PROJECT HEALTH CHECK

This tool is a useful analytical device to assess the current "health" of a project. It looks at the full project environment and using a set of key questions results in an assessment of the overall risk associated with the project. As such it fulfills two roles:

- as a checklist;
- as a tool to indicate where a project manager's efforts should be directed.

It is recommended that the "health check" is carried out as a part of every project review and at least quarterly.

Instructions

1 Answer each set of the following questions with a grading –4 to +4:

–4	=	strongly disagree or don't know
–2	=	disagree
0	=	neutral
+2	=	agree
+4	=	strongly agree.

2 Enter the total score from each section in the summary section.

3 Add the scores together.

4 Use the key to assess the overall health of your project and hence the risk associated with it.

Project plan	☐	P score
Resources	☐	R score
Ownership	☐	O score
Justifiable case	☐	J score
Expertise	☐	E score
Clear specification	☐	C score
Top level support	☐	T score
Total score	☐	

Key: degree of risk

☐ +14 to +7 = low ☐ + 7 to 0 = medium

☐ 0 to –7 = high ☐ –7 to –14 = impossible

(Adapted with the kind permission of the Strategic Management Group, based on the Project Implementation Profile by Jeffrey K Pinto and Dennis P Slavin.)

PROJECT PLAN

There is a detailed plan (including critical path/chain schedule, milestones manpower, etc.) for at least the current stage of the project and an outline plan to the end. ☐

There is a detailed cost plan for at least the current stage of the project and a summary cost plan to the end. ☐

Key personal accountabilities (who, when) are specified in the project plan. ☐

We know which activities contain float for time and which resources can be used in other areas for emergencies. ☐

There are contingency plans in case the project is off schedule or off budget or if benefits are forecast to decline. ☐

Total ☐

P score = total/10 ☐

RESOURCES

There is sufficient manpower to complete the project. ☐

The appropriate technology is available throughout the project life cycle. ☐

The technology to be used to support the project works and is fully supported. ☐

Specific project tasks are well managed. ☐

Project team personnel understand their role. ☐

Total ☐

R score = total/10 ☐

OWNERSHIP

The stakeholders were given the opportunity to make an input early in the project. ☐

The stakeholders accept ownership of project actions. ☐

Measures of success have been agreed with the stakeholders.

Stakeholders understand the limitations of the project (what the project is not supposed to do). ☐

Stakeholders understand which of their requirements are included in the project. ☐

Total ☐

O score = total/10 ☐

JUSTIFIABLE CASE

The project has been fully costed and budgets agreed with the project sponsor. ☐

Estimates of the financial and commercial benefits of the project have been made. ☐

The project promises benefit to the company and a clear return on investment. ☐

Conditions of satisfaction have been defined and measurement processes put in place. ☐

Adequate funding is available for the duration of the project. ☐

Total ☐

J score = total/10 ☐

EXPERTISE

All members of the project team possess the appropriate levels of expertise. ☐

Stakeholders and users understand the project and are capable of using its deliverables. ☐

Personnel on the project team understand how their performance will be evaluated. ☐

Project role descriptions for team members have been written and understood. ☐

Adequate training (and time for training) has been built into the project schedule. ☐

Total ☐

E score = total/10 ☐

CLEAR SPECIFICATION

The objectives of the project are clear to all stakeholders. ☐

The goals of the project are in line with corporate goals and corporate standards. ☐

I am enthusiastic about the chances of success for this project. ☐

There is adequate documentation of the requirements and the measures of success. ☐

An adequate presentation of the project aims and objectives has been given to stakeholders. ☐

Total ☐

C score = total/10 ☐

TOP LEVEL SUPPORT

Top management shares responsibility with the project team for ensuring the project's success.	☐
Management is responsive to requests for additional resources, if the need arises.	☐
Terms of reference, authority levels, and accountabilities have been agreed.	☐
There is confidence that management can be called upon to help when necessary.	☐
The project sponsor is fully committed to the project's success.	☐
Total	☐
T score = total/10	☐

Closing the Project

27.1 Closure checklist

CLOSURE CHECKLIST

1 Deliverables

- ☐ Have all project deliverables been approved and handed over to on-going "owners?"
- ☐ Has accountability for outstanding deliverables been agreed?

2 Issues

- ☐ Have all issues been resolved?
- ☐ Has ownership of each outstanding issue been accepted by a named person in the line or in another project ?

3 Business forecast

- ☐ Have the functions and business units updated their plans to take into account the operational resources, costs and benefits relating to the project?
- ☐ Has the business forecast been updated or will it be?
- ☐ Has a person accepted accountability for monitoring the benefits?
- ☐ Have review points for measuring the benefits been defined?

4 Post-Implementation Review (PIR)

- ☐ Has a decision been made to have a PIR?
- ☐ Have the timing and terms of reference for the PIR been agreed?
- ☐ Has it been agreed who is accountable for ensuring the PIR takes place?

5 Team and stakeholders

- ☐ Have all who need to know about the closure of the project been informed?
- ☐ Have all team members been reassigned to other activities?
- ☐ Have project team appraisals relating to the project been completed?
- ☐ Have those who deserve special acknowledgment been acknowledged?

6 Project documentation

- ☐ Has all documentation pertaining to this project been filed, archived, and referenced?

7 Facilities

- ☐ Have all project facilities (desks, computers, office space, etc.) been released?
- ☐ Have all facilities reserved for the project outputs or contracts raised been canceled?

8 Project accounting and other systems

- ☐ Has the project account been closed such that no further expenditure can be attributed to the project?
- ☐ Have other corporate or functional project tracking systems and registers been updated?

Project Management Templates

The following files are included on the CD and can be used providing you have the installed application necessary to view them:

Microsoft Word 6/95 files:

- Risk Log – risklog1.doc
- Issue Log – issuelg1.doc
- Change Log – chngelg1.doc
- Change Request Form – chngerq1.doc
- Review/Approval Record – revrcrd1.doc
- Stakeholder Log – stkehld1.doc
- Blank Project Framework Diagram – frmwork.ppt
- Support Office Design Tools: Part 1 – suppoff1.doc
  Part 2 – suppoff2.doc

Microsoft Excel files:

- Project Health Check – hlth_chk.xls

Microsoft Project 98/2000 files:

- Project schedule – proj98.mpp or proj2002.mpp

Project Workouts – complete list

Frequently Asked Questions

How do I start off a project?

Any project should be driven by your business needs and hence result from a the company's business plan or a Business Program within that plan. The need or idea should be written up as a Proposal that describes the need (why you want a project) in sufficient detail to enable a choice to be made as to whether a similar idea exists and, if not, whether to initiate a project

See Chapter 5.

What is a Business Program?

A Business Program is a portfolio of tightly aligned but loosely coupled projects and programs. It represents a slice of the business plan, which is aimed at implementing a part of your overall strategy. A Business Program is led by a Business Program Sponsor, managed by a Business Program Manager and comprises a number of constituent programs and projects. It has a defined cash flow it can spend each year on initiating and undertaking projects and programs. For small organizations, a Business Program *is* the company. It differs from a program. In *The Project Workout*, a program is defined as a tightly aligned and tightly coupled set of projects. In other words what can be thought of as a “large project” (often referred to as a goal directed program).

See Chapter 13 for programs.
See Chapter 14 for Business Programs.

I’ve heard that this type of framework is just for capital projects – is that true?

The process and tool kit in the book are applicable to any project, regardless of whether it is funded from capital or revenue/operational expenditure. Book keeping has little to do with it! Cash flow has everything to do with it!

See Chapter 22.

How does this book match the UK's PRINCE2 method?

The principles contained in the Project Workout match the principles given in the UK's PRINCE2 method and predate many of them! There are however differences in terminology. I have made such changes to help clarify aspects which can cause difficulties. For example, I use the word "deliverable" rather than "product" as I know that many product development project people kept confusing the deliverables with the ultimate output from their projects. In addition, I do not insist on a Project Board, but prefer to name a Project Sponsor who possesses total accountability. If he or she believes a Project Board would add value, he or she can create one. PRINCE2 does allow such changes.

How does this book compare with the US's PMI approach?

The principles in *The Project Workout* match the principles and aims given in PMI's Body of Knowledge. *The Project Workout* does however simplify many of the processes by taking a different approach to documenting the processes. Project management approaches are converging across the world. It is therefore no real surprise that there are no major differences. Anyone reading *The Project Workout* against a background of PMI should have little difficulty in making the connections. The difference is that The Project Workout is simpler in design and hence is a better introduction for those new to project management (be they directors, managers etc.).

Naturally there are differences in terminology and there is not always a direct mapping between processes. However, once one has a basic understanding of projects, the similarities become more obvious.

There are, however, some interesting differences which show that *The Project Workout* reflects how things are moving.

1. The Preface to the 1996 edition of PMI says that they had to add a ninth knowledge area of Project Integration. In *The Project Workout*, there is no need for such a "knowledge area". This is because the whole approach is already integrated. For example in Change Management, I say it applies to schedule, costs, quality/scope and benefits. In PMI these elements were distributed around the various processes and hence the need for "integration" to bring them together.

2. Both PMI and *The Project Workout* advocate a staged project lifecycle. (In PMI stage = phase) But in Section 2.1.1, PMI talks of the end of the stages being review points prior to starting the next stage, i.e. a stage should be *finished* before the next one starts. In practice this is a rule that is often broken! In *The Project Workout* I say that a "Gate" is the start point for a stage and is not necessarily the end point of a stage. Hence, the next stage can start as soon as it is ready to start (i.e. the gate criteria have been met) even if every aspect of the preceding stage has not been completed. In this way you can overlap stages without increasing risk and without breaking any rules!

3. Following on from the above, PMI says it is a matter of opinion whether the project lifecycle contains the investigative (feasibility) stages. As a matter of principle I say it should. One failing in enterprise-wide project management now is that the link from "Need" to "Plan" to "Do" to "Benefit" is broken by not having a lifecycle which goes from cradle to grave. Project

Management is not just about implementation or build although this is a traditionalist view which, thankfully, is disappearing.

4. PMI misses out two controlling processes that I see as essential: Issues Management and Benefits Management. The former is needed to deal with the things that have gone wrong *now* and the latter is to keep a focus on *why* we are doing the project.

5. Business led. I put a greater emphasis than PMI on "why we are doing a project". I therefore draw the business environment and project environment together. PMI stays more general and often (not always!) assumes benefit is a matter outside the project environment.

What timescales can I expect?

How long is a piece of string? A new product development can go from “Initial Investigation Gate” to “Ready for Service” in 7 weeks, but everything very much depends on what actual or perceived priority the project has. An Initial Investigation should take between 4 and 8 weeks, 12 at the most. A Feasibility and Definition Stage may vary in duration from 4 to 16 weeks.

I’m in a hurry, can I bypass the Initial Business Case?

No. You should never miss out the Initial Business Case. But, if your project is simple, the Initial Business Case will be all you will need as you should have been able to meet the full Business Case gate criteria in the 4 to 12 weeks of the Initial Investigation Stage. Do not confuse “being in a hurry” with doing it right. There is little point in skipping feasibility and definition only to have very much more expensive delays during implementation. I know of a number of projects which have tried this route, only to founder as they have lost direction and/or have no resources committed (either to the project or downstream operation).

See Chapter 12, Small Stuff.

How much detail should I put into the investigative stages?

The staged approach to managing projects is primarily driven by risk. The earlier stages have greater number of unknowns than the later stages. By the time you reach the Business Case Gate you should be very confident that your business objectives can be met through this project. It therefore follows that anything you do in the investigative stages should be aimed at driving out risk. If something doesn't help decrease risk and it can be done later, then do it later. *See Chapter 3.*

There is no Project Sponsor. As a Project Manager, what should I do?

If there is no Project Sponsor, you should consider terminating the project. If no-one wants the benefits, what's the point of you working on it? If, on undertaking the Closure Review, you find someone *does* actually need it, you will be on you way to having the project properly sponsored.

See Chapter 27 for termination.

When does a project require reauthorization by the Project Review Group?

There are four conditions covering changes:

- Forecast overspend
- Significant change to timescales
- Benefits are forecast to reduce
- Significant change in scope.

The Project Review Group is there to commit resources. Projects cannot continually slip, grow or change scope on projects without having those resources recommitted and the viability of the case reviewed.

See Chapter 15 for Project Review Group.
See Chapter 25 on Change.

Isn’t this all a bit heavy for simple projects?

Regardless of the size and complexity of a project, the headline factors to consider are the same. It is just there is less to write about a simple project. Be brief and concise in writing your Business Case.

See Chapter 12, Small Stuff.

Why does the process not have a Project Definition Document?

The Business Case *is* both an investment appraisal and a project definition. In this way a single document can be used where, in many companies, two are needed. If your Business Case document is getting large (say > 30 pages) you should be considering using the appendices or even supporting documents to supplement it

See Chapters 3 and 15.

I’ve lost my project resources. What should I do?

In the first instance ask the line manager of the “missing resource” why it has been withdrawn. If you have no success, escalate this to the Project Sponsor and finally to the Project Review Group (or the equivalent in your company). The Project Review Group is the body within the company through which cross functional resource commitments are made. No function should unilaterally withdraw its commitment without reference to the Project Review Group.

See Chapter 15, Project Review Group.

See Chapter 16, Resources.

How do I close a project?

Closure happens in two circumstances:

- When a project is completed
- When a project is terminated.

See Chapters 26 and 27.

What is a Post Implementation Review?

This is the review which takes places 3 to 6 months after the project has been completed to assess whether the business objectives are being met and whether the outputs are working as expected. It assesses the *effectiveness* of the project.

See Chapters 26 and 11.