

PROJECT MANAGEMENT

NOT
WITHOUT
A PLAN**JAUME RIBERA**

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Successful project management calls for a clear idea of the objectives, a realistic assessment of the risks and a commitment from management to provide the resources necessary to see to project through to its conclusion.

PROJECT MANAGEMENT • RISK ASSESSMENT •
PLANNING • LINEAR AND ARTFUL APPROACH

Project success is very difficult to measure as success itself tends to be ill-defined, and usually the success of the project (the activities undertaken to create or modify a product or a process) is confused with the success of the created product or process in achieving their higher level objectives. Consider, for instance, an example taken from the recent U.S. elections. This was a project awarded by a party to a communications company aimed at launching an advertisement campaign to reach 20 million people in a given state and present them with a series of facts about a political candidate. We could claim that the project could be considered successful if the estimated number of people is reached and the message successfully delivered to them. However, the message may not convince the people to vote for the candidate, and she may lose the election. In this case, would she con-

sider the project successful or not? In any case, which project is she actually talking about, the one about winning the election, or the one about reaching the electors with the message?

Even most studies that focus on projects whose success is better defined, tend to conclude that on the basic three dimensions of project objectives (delivering according to the specifications, on time and within budget), they perform very poorly. And these statistics are based only on projects performed by companies for external customers, not including those internal projects that companies run as part of their strategy implementation. These are projects where there is a better understanding of the constraints faced within the company and can, therefore, feel more sympathetic to the problems faced by the project manager, yet deliver even poorer results.

But it need not be so. In the past few years we have been collecting information from many different executives and companies about the reasons for their lack of success in



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project management and, surprisingly, the ways to fail are concentrated on a few generic topics. This research has helped us in focusing the teachings in our courses, both at the MBA level as well as our short programs for executives and companies. In this article we will review a few of the main lessons learned from our research.

We can start at the project selection and definition stage. The seeds of the failure of many projects are already sown at this stage. Consider, for instance, the fact that trying to achieve success in a project when you do not really have a project may be the first generic mistake. We say that we do not have a project if the objectives are not clear, the timeframe is undefined or the responsibilities are vague. Another alternative possibility of failing from the beginning is to launch a project that has as many different objectives and definitions of what the deliverables are as project stakeholders. So, not having a clear objective, or having too many different conflicting objectives, is a common cause of future problems. Experienced project managers know that, here as well, an ounce of prevention, i.e., working to clarify and unify the project objectives at the initial stage is worth a pound of cure, i.e., having to fix the misunderstandings and adjust the wrong expectations later on.

MANAGEMENT INPUT

- Not taking into account the resources needed to execute the project, or the fact that these resources are already allocated to other projects or in their day-to-day process activities is a very common cause of future failure. Obviously, if the project does not receive the necessary attention from the top management, it will never receive the effort required just to take off.

Once the project is selected and defined, the planning stage is the next critical one. **Eisenhower** said that “in preparing for battle, plans are useless but planning is indispensable.” This is a stage where the project team should work as a team to discuss and clarify the project activities until all the team

members agree the plan is feasible and commit to it.

Traditional project management techniques assume that the project can be planned in detail before starting its execution. This is the view of the stage-gate approach, the standard proposed by the Project Management Institute (PMI), the biggest and most influential professional organization.

We can classify projects along two dimensions: whether we know what the project is intended to achieve or not, and whether we know how to achieve it. Only the “know-what” “know-how” projects are suitable for the cascading, linear, time-phased deployment approach. In this class, the project objective (the “what”) is given, and the activities known to achieve the goal (the “how”) are planned. The project manager’s main responsibility consists of ensuring that the resources to perform the activities are ready and deployed on time and that the results are accomplished according to the plan.

For more strategic projects, where at the project launch only a general vision and fuzzy objectives are given, the artful approach, with iterations, experimentation, hypothesis testing and even parallel redundant activities approach is much more suitable. In this context, project management is not only seen as a tool for implementing strategy but a tool to help define strategy, building strategy on the results of project experimentation.

In some recent studies performed by different researchers, it was found that the iterative and lean approaches to project management increase by approximately 40 percent the success rate of projects as compared with the traditional linear approach.

There are two more interesting aspects to take into account at the planning stage. The management of uncertainties and the need for planning integration checks in the project.

Projects are subject to technical, scientific, organizational and political uncertainties. We classify uncertainties as variations and risks. Variations are uncertainties in the project where the individual events

that cause them are not worth considering in detail and it is enough to estimate the variable bounds. For instance, when estimating the time required to travel from the office to the airport, we are satisfied to state that it is between 20 and 45 minutes, with no need to explain the many individual causes that generate this uncertainty. Variations in projects are managed by using buffers: time buffers (allowing some extra time in the project plans to compensate for the time uncertainty in some activities); budget buffers (to compensate for the cost variations in the project activities); feature buffers (clarifying which features in the project deliverables are absolutely necessary and which ones can be skipped if the project faces important problems) and resource buffers (ensuring that critical resources assigned to the project are not overloaded so that an extra effort can be obtained when necessary to recover from a project variation).

THE VALUE OF TIME PRESSURE

● When possible variations are not systematically analyzed in the project planning stage, it is either because the individual estimates used already include some invisible, arbitrary, unjustified and unmanageable buffers, or that the estimations are too optimistic.

Some project managers prefer to plan projects with little or no time buffers included. They claim that maintaining this time pressure helps the team focus on the project and not waste effort or time in unnecessary diversions. It must be stressed that this focus is only achieved if the project team members do not share too many concurrent projects, and there are some resource buffers available (this may mean working some extra hours for a few days if the project requires it).

Risks are associated with more important events that can be identified and the probability and impact estimated. Risks are usually dealt with by having a set of contingency plans in place. The most common mistake in dealing with risks

in projects is that of not considering them and therefore not having recovery actions ready to be deployed when necessary. Sessions on lessons learned at the completion of the project should be used to determine the risks the project has suffered that were not anticipated and ensure that these risks are not overlooked in the planning stage of future projects. Too often companies discover that the lessons learned in a project closely resemble the list of lessons learned [sic!] in previous projects.

Another way to facilitate the discovery of risk involves the design of the project in a way that includes frequent integration checks. When a project consists of several parallel sets of activities that create components that are eventually supposed to work together, it is a safe practice to include frequent checks of integration of prototypes developed by the different parallel streams of activities. The axiom “fail faster to succeed sooner,” attributed to David Keller, a founder of IDEO, is applicable here too. The project plan should incorporate probabilities for the project to fail sooner (discover unknown risks), rather than leaving these opportunities to chance.

In the execution stage, a common mistake is that when reality deviates from the plan, the project team drops the plan and starts improvising. A project should always have an agreed plan, even if this means having to redo the plan every time something of importance that was not considered during the initial planning stage is discovered. Finally, a common cause of project failure during the execution stage is “scope creep,” the tendency of projects to grow in scope and to end up being much larger than they were originally planned and resourced for. This is actually caused by a poor project definition, where the scope of the project should be clearly delimited and agreed by all stakeholders. A systematic change process requiring formal approval for significant project changes can facilitate keeping the scope under control.

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BE BASED ON AN
AGREED PLAN
EVEN THOUGH
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MORE INFORMATION:
Focus program “Convert Business Opportunities
into Manageable Projects” runs from June 12-14 in
Barcelona.
www.iesse.edu/MbP