Why do project managers fail, and what can YOU do about it?

We wish you every success with your project(s), but if for some reason you are frustrated by continued project failure feel free to contact me so that we can explore how best to turn things around.

John Williams
CEO

# Project Management - the 3 elements for success

Introduction

Over the last two decades project management has arguably become the most important discipline in modern business, not least because of the importance of the success of projects on the future of an organisation. However, despite significant development of frameworks, methodologies, tools and training over that period, project failure rates have doggedly remained at somewhere around 70%. There are though, a small number of high performing organisations where this failure rate is usually below 10%. In this paper we explore what you can do to emulate the success of those high performing organisations for your projects.

Terminology

There is a great deal of misunderstanding of projects and the roles for leading them, so to ensure we start with a shared language, we offer a few definitions.

Project: a unique, transient endeavour undertaken to achieve planned objectives. Your project could be development, manufacture and distribution of a new product, a strategic initiative or business change, a system integration and/or deployment, or construction of a new house or office block.
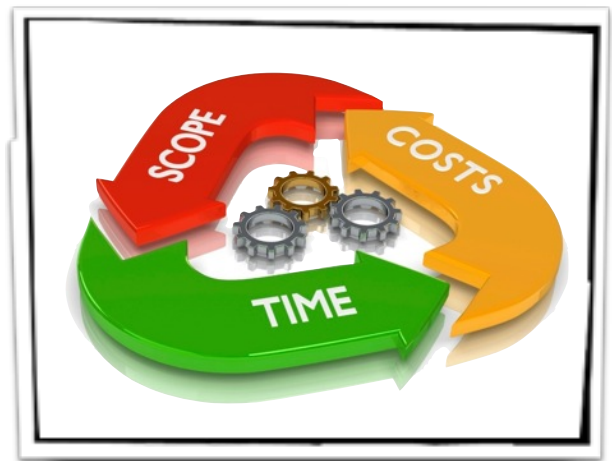
Projects usually create deliverables. Those deliverables are often combined with the deliverables of other projects and business as usual activities in *programmes*, to create capabilities for an organisation. That organisation will then use those capabilities to realise benefits.

Project Management: the application of process and competence by which projects are defined, planned, monitored, controlled and delivered.

Project Manager: someone given the unambiguous responsibility for managing a project so as to meet it's objectives.

Project Governance: the set of policies, regulations, functions, processes, procedures and responsibilities that define the establishment, management and control of projects, programmes or portfolios.

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Project Failure

Successive research over the last 15-20 years has consistently shown that somewhere around 70% of projects fail to meet their objectives, i.e. only 30% of projects succeed. Projects might over-run, exceed their budget, fail to produce the deliverables expected, or a combination thereof. The most commonly referenced research includes the Standish Chaos Reports, PMI's Pulse of the Profession, and numerous government studies.

The research highlights the damage (e.g. 17% of projects fail outright) and eye-watering direct costs of this failure (e.g. 13.5% of spend is unrecoverable). There are however also significant broader business costs. These primarily include squandered competitive advantage and lost efficiencies. All of this in a global environment of 'do less with more'.

Failure is typically shown to be caused by incomplete requirements, lack of stakeholder involvement, lack of resources, unrealistic expectations and a lack of executive support.

High Performing Organisations

We also see from the research some common factors for success from high performing organisations who are regularly achieving project success rates exceeding 90%. Those success factors typically include:

- Planning carefully, monitoring performance to the plan and reacting promptly to deviation,

- Effective and regular communication with all stakeholders,

- Learning lessons from projects, and embracing the use of this knowledge, and

- Use of proven techniques and competent individuals, ensuring senior management engagement and governance.

These high performing organisations tend to focus not just on the usual time, budget and scope objectives, but also on portfolio management, organisational agility and following the benefits realisation beyond project completion and into operational performance.

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The ProjExc Three Elements for Success

Through our work with organisations of all sizes and industries we have seen a continuing trend for a natural over-complication of project management best practice. In our experience, it is necessary to learn from the habits of high performing organisations, and only apply those elements of the project manager's toolkit which actually add value for a specific portfolio of projects. Taking this approach of making application relevant to the organisation and the environment of the project, we have seen consistent high performance in all industries and for all sizes of organisation. This common sense, stripped down, approach to project management we summaries as the Three Elements for Project Success.

Element 1: Process / Framework

There are many well known methodologies, frameworks, toolkits and processes for project management including APM, PMI, PRINCE2™, Agile, Scrum, CCPM, as well as many company specific frameworks. When taking a common-sense approach to simplification the 3 phases of project management can be summarised in 3 distinct phases:

1) the definition and planning phase,

2) the control and reporting phase (which runs in parallel with the project execution) and

3) the project closure and review phase.
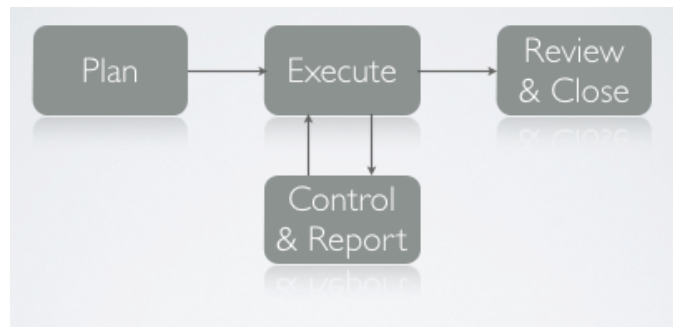
The complexity and depth of activity at each phase should be appropriate to the project itself as well as the maturity of project management in the organisation. Critical though, is that all projects should be managed consistently, albeit with scalability.

Element 2: Tools & Templates

There are many, many project management templates and tools available whether produced in Microsoft Office, or contained within project database tools. High performing project organisations focus on a core subset. They provide a clear and unambiguous project definition, a detailed & regularly updated project management plan, a concise weekly report and a reflective project completion report.

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At last count we had identified, assessed and compared over 250 project management software tools. They broadly fall into 4 categories which have more or less value depending on the project management maturity of the organisation. These categories are:

1) Personal Productivity

2) Collaboration

3) Project Portfolio Management, and

4) Specialist

Fundamentally important when selecting the right PM software is ensuring that it supports the use of the selected project management process, rather than forcing the use of a 'vanilla' process for the convenience of the software supplier.

Element 3: Competence

Project managers are rightly expected to have a broad range of skills. As well as a thorough appreciation for the project management process & tools to be used, and at their disposal, they also need a diverse and solid appreciation for the management of costs, scope, resources, information, communication, requirements, risks, issues, configuration, conflict, procurement, health & safety, quality, conflict and of course leadership. Furthermore we see that successful project managers are naturally resourceful, organised, are able to handle big picture and detail at the same time, have a sense of urgency, and possess an infectious enthusiasm for the project.

Although project managers are often visibly the busiest people in an organisation, they can often feel very isolated. The expectations and pressure on the individual can be considerable at times, and it is crucial for the success of the project that they have the an appropriate support network in place. This network will likely consist of a mix of direct resources (e.g. stakeholders, the project team, or a PMO) as well as a combination of indirect resources (e.g. colleagues, coaches, mentors, experts, fellow association members, and social media).

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Useful Resources

Associations/Organisations

APM

PMI

PRINCE2™

Organisational Consultancy

ProjExc   PM Consultants

Blogs & Social Media

ProjExc   Corporate Blog

PM Advisor   PM news, free resources, signposting & Answers Club.

PM Hut   PM Articles

How to Manage a Camel   from Arras People

Guerrilla Project Management   liberating project management tyranny

Herding Cats   increasing the probability of project success

PM Crunch   fresh perspectives

Twitter   #PMOT, @APMProjectMgt, @ProjExc,

Other Links

Standish Group   authors of the Chaos Report

PMI Pulse of the Profession   latest report on project success