Project Management Success Factors

If we know how to be successful, why is it so difficult?

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Welcome
Presentation Objectives

- Identify project management success factors
- Discuss the challenges in successfully managing projects
- Provide suggestions for improving project management capabilities
Agenda

- Success Factors
- Challenges
- What Matters
Scott Patton – An Introduction

- 25+ years of extensive experience in “project management”
  - Managed technical projects for nuclear weapons programs
  - Helped build project management capabilities in government agencies (Y2K, Clinger-Cohen, PMOs, COEs)
  - Worked with global companies to build organizational project management competencies through assessments and knowledge sharing
- Co-Founder of Georgetown University’s Project Management Certificate Program
- Certified by the Project Management Institute
  - Project Management Professional (PMP)
  - Risk Management Professional (RMP)
  - OPM3 Professional (2006–2013)
- Contact Information: spatton@managementconcepts.com
Projects in Organizations

Corporate Strategy and Goals

The strategic environment for projects

Processes and decisions to translate strategy into programs and projects, and resource them.

Operations management to derive benefit from the products.

Practices on individual projects

Project to Deliver → Product → Exploit Product for Benefit

Source: Human Systems International
Operations vs. Projects

<table>
<thead>
<tr>
<th>Projects &amp; Programs</th>
<th>Business Operations</th>
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</thead>
<tbody>
<tr>
<td><strong>Temporary</strong></td>
<td><strong>Permanent</strong></td>
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<tr>
<td>Purpose = Delivery</td>
<td>Purpose = Survival</td>
</tr>
<tr>
<td><strong>Innovation</strong></td>
<td><strong>Adaptation</strong></td>
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<tr>
<td>Realizing Envisioned Future State</td>
<td>Improving Known Current State</td>
</tr>
</tbody>
</table>

Source: Human Systems International
Organizational Project Management

- Enabling project management through processes, practices, and skills

- Related fields
  - Change management
  - Organizational development
  - Strategic management
  - Professional development
  - Workforce planning
Project management success factors are well documented.....
6 Success Factors

- Clear and achievable goals
- Clarity about technical requirements
- Effective planning and controls
- Realistic risk management
- Adequate resources
- Effective team

Requirements

Processes

People
Clear and Achievable Goals

- Originates in project business case
  - Links project to strategic objectives
  - Justification for project
- Understanding stakeholder expectations
- Feasibility of success
- Communicating what is success
Clarity About Technical Requirements

- Scope management
  - Product or service to be delivered
- Defining requirements before detailed specifications
  - Customer and system
  - Testable to verify clarity and feasibility
  - Traceable to assess impact of changes
- Managing customer relations
Effective Planning and Controls

- Establishment of a performance baseline
  - Triple constraint (time, cost, technical work)
  - Customer satisfaction

- Controlled approach to planning
  - Overviews entire project
  - Identifying potential critical path
  - Detailing plans for the short term (chunk the work)

- Performance measurement
  - Monitoring the accomplishment of project objectives throughout project life cycle
  - Earned value management
Realistic Risk Management

- Threat and opportunity identification and management
  - Proactive and anticipatory
  - Entire life cycle
  - Assumption testing
  - Root cause analysis

- Appropriate rigor for size and complexity of project
  - Simple focus
  - Tied to business objectives

- Incorporates stakeholder risk tolerances
Adequate Resources

- Starts with project manager
- Dependable organizational processes for allocation of resources
  - “Availability is not a competence”
  - Procurement
- Informal networks of relationships
Effective Team

- Leadership
  - Customer relationship management
  - Team development
  - Conflict management
- Communication
- Change management
6 Success Factors

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Haven’t we known these for some time?
Characteristics of Successful Projects

1. Understand the context of project management
2. Recognize project team conflict as progress
3. Understand who the stakeholders are and what they want
4. Accept and use the political nature of the organization
5. Lead from the front
6. Understand what “success” means
7. Build and maintain a cohesive team
8. Enthusiasm and despair are both infectious
9. One look forward is worth two looks back
10. Remember what you are trying to do
11. Use time carefully, or it will use you
12. Above all plan, plan, plan

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If we have known these for 20+ years, why is it a challenge to successfully manage projects?
The Challenges

- UNCERTAINTY
- CUSTOMER
- PSYCHOLOGICAL
- POLITICAL
- MANAGEMENT
Uncertainty

- Nature of projects
- Imperfect knowledge
- Unpredictable events

**Timing of Estimates and Accuracy**

ROM: +/- 50%

Budget Estimate: -10 to +25%

Definitive Estimate: -5 to +10%

*Cone of Uncertainty*

Source: ops.fhwa.dot.gov
Customer – *Technical*

- How the customer explained it
- How the project leader understood it
- How the engineer designed it
- How the programmer wrote it
- How the sales executive described it
- How the project was documented
- What operations installed
- How the customer was billed
- How the help desk supported it
- What the customer really needed
Customer – Constraints
Psychological

- Natural tendency of being overly optimistic – “Prospect Theory”
- People **underestimate** costs, completion times, and risks of planned actions
- People **overestimate** the benefits of the same actions
- Underestimation + overestimation = planning fallacy = optimism bias

- Predilection for risk – “Risk Creep”
  - Systematically categorize near-misses – events where “luck” intervenes – as successes
  - Overlook the role “luck” plays in good outcomes
  - Influenced by tolerances
Organizational

- Decision-making is a multi-actor process often with conflicting interests
- Expectations or ambition level will change
- Changes in priorities
- Influences by agendas
- Various levels of organizational support to project management
Management – Complexity

- Number and nature of interactions
  - Human
  - Technical
  - Organizational
  - Social
  - Economic

- Inherent uncertainty

- Amount of information to be synthesized

Management – *Planning*

- Lack of a systematic approach to planning and management
- Inappropriate use of tools and techniques
- Varying skill levels
- Managers do their own planning regardless of skill level
- Decisions are made based on these plans

*Cooke-Davies an Patton. 2008. Developing the Organizational Capacity to Deliver Complex Projects. PMI Global Congress North America.*
So how can we get better at managing projects?
Build Project Management on Solid Foundations

- Projects are delivered by people, not by processes, tools, or systems
  - Development of leadership skills – No longer “soft skills,” but “tough” skills
  - Development of a skilled community within the organization
- Good planning lies at the heart of project management

Capability to Plan…

- People
  - Skilled and experienced planners
  - Portfolio, program and project levels

- Process
  - Integrated capacity planning
  - Flexible resource acquisition

- Tools
  - Integrated capacity, resource & financial management
  - Supports “what if” analysis

- Context
  - Supportive & knowledgeable senior management

Cooke-Davies and Patton. 2008. Developing the Organizational Capacity to Deliver Complex Projects. PMI Global Congress North America
…AND Capability to Execute

- **People**
  - Project experience across organization
  - Skills for project working

- **Process**
  - Continual refinement of program & project processes
  - Feedback loops from project improvements to capacity planning

- **Tools**
  - Performance measurement and management embedded within processes

- **Context**
  - Continually resolved tension between capacity management and project management

Knowing what matters….

- The project manager possesses the necessary competence for the specific project, as can be demonstrated by evidence. [Competent Project Manager]
- The planning systems, processes and practices used to develop the project plan are rigorous and proven, and incorporate effective review processes. [Proven Planning Methods]
- The technical performance requirements from the product of the project have been specified clearly and unambiguously. [Clear Technical Performance]

...and where to start on improvement...

...delivers dramatic improvements in efficiency.

- Impact of basic three PM “drivers”
- The scores are for an average of the three project level “drivers”
- Improving these three alone can result in 50%+ improvement

Assessing Individuals

- Comparison of Experience (combination of company and project experience)
- Majority of projects are moderately complex and are being managed by candidates with a moderate level of experience
- Red circle highlights key concern, low experience managing extremely complex projects. Note: this may be partially explained by the fact that low experience may produce inaccuracy in the estimation of complexity
- Purple circle highlights high experience individuals assigned to very low complexity projects

Developing Careers

Classically-managed Organization

Recruitment → Development → Leadership → Release

Project-oriented Organization

Recruitment → Development → Release

Seven Stages of Career Development

- Understand nature of complexity and skills necessary
- Develop role profiles to match project types
- Establish career paths and framework
- Establish developmental processes
- Assess individuals periodically
- Assess and develop project teams
- Establish infrastructure to support the developmental process

Assessing Project Management Capability

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Variation by Project

![Graph showing variation by project with categories on the x-axis and values on the y-axis.](graph_image)

Source: Human Systems International
Project Academies

- Increasing trend
- Aligns development of organizational competence and capability with corporate strategy
- Strategically integrates potentially disparate activities
  - PM education (for more than PMs)
  - Professional communities
  - Learning from experience (e.g., coaching and mentoring)
  - Career ladders (e.g., assessments and personal development)
  - Project assessments (e.g., excellence and team performance)
- Words of caution
  - Requires organizational PM maturity
  - Should embed KPIs aligned with strategic drivers of value

Questions / Comments?
Presentation Objectives

- Identify project management success factors
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And now a word from our sponsor…
How We Can Help

ASSESSMENTS & PROGRAM PLANNING

EMPLOYEE ASSESSMENTS
- Competency Assessments
- Training Assessments
- Individual, Interpersonal and Team Assessments
- 360-Degree Assessments

ORGANIZATIONAL ASSESSMENTS
- Organizational Maturity Assessments
- Organizational Culture Assessments

PROGRAM PLANNING
- Program Assessments
- Program Evaluation

TRAINING & DEVELOPMENT

DOMAIN AREAS
- Federal Acquisition & Contracting
- Federal Grants & Assistance
- Federal Financial Management
- Leadership & Supervision
- Program & Project Management
- Analysis & Decision Making
- Management & Business Skills
- Customized, Mission-Specific Programs
- Federal Human Resources
- Systems Engineering

DELIVERY METHODS

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<th>Synchronous</th>
<th>Asynchronous</th>
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<td>Instructor-Facilitated</td>
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PUBLIC-OPEN ENROLLMENT COURSES
- Live Classroom
- Online

GROUP ONSITE
- Live Classroom
- Synchronous
- Asynchronous

VALUE-ADD PROGRAMS
- Certificate Programs
- CPEs, PDUs
- Boot Camps

OUTCOME & APPLICATION SUPPORT

INDIVIDUAL PERFORMANCE SERVICES
- Coaching
- Facilitation
- Individual Development
- Mentoring
- Plan Support

CONSULTING
- Training Evaluation Programs
- Staff Augmentation
- Program Management Office
- Federal Financial Advisory Services
- Change Management

REINFORCEMENT TOOLS
- Books
- Publications
- Subscriptions
- Online Communities
- Webinars
- Whitepapers
- Podcasts
- Training Manuals
- Software

END-TO-END TRAINING PROGRAM MANAGEMENT
A Framework for Agency Workforce Improvement

- **WHAT COMPETENCIES ARE NEEDED?**
  - What competencies does your workforce have?
  - What competencies do they need?
  - Do you have a workforce development plan?
  - How can employees learn more about their development needs?
  - What processes are effective or need improvement?

- **HOW CAN EMPLOYEES LEARN AND DEVELOP?**
  - Are they learning mission critical competencies?
  - Is learning cost-effective, convenient, and effective?
  - Does learning add value?

- **HOW CAN WE SUPPORT EMPLOYEES ON THE JOB?**
  - Are employees supported on the job?
  - Does your environment foster learning?
  - Is learning reinforced?
  - Did training have the desired impact?

**END-TO-END TRAINING PROGRAM MANAGEMENT**
Thank You!

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*Executive Consultant*

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