

# Project Management Success Factors

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



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NIH Project Management Community  
Bethesda, MD

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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

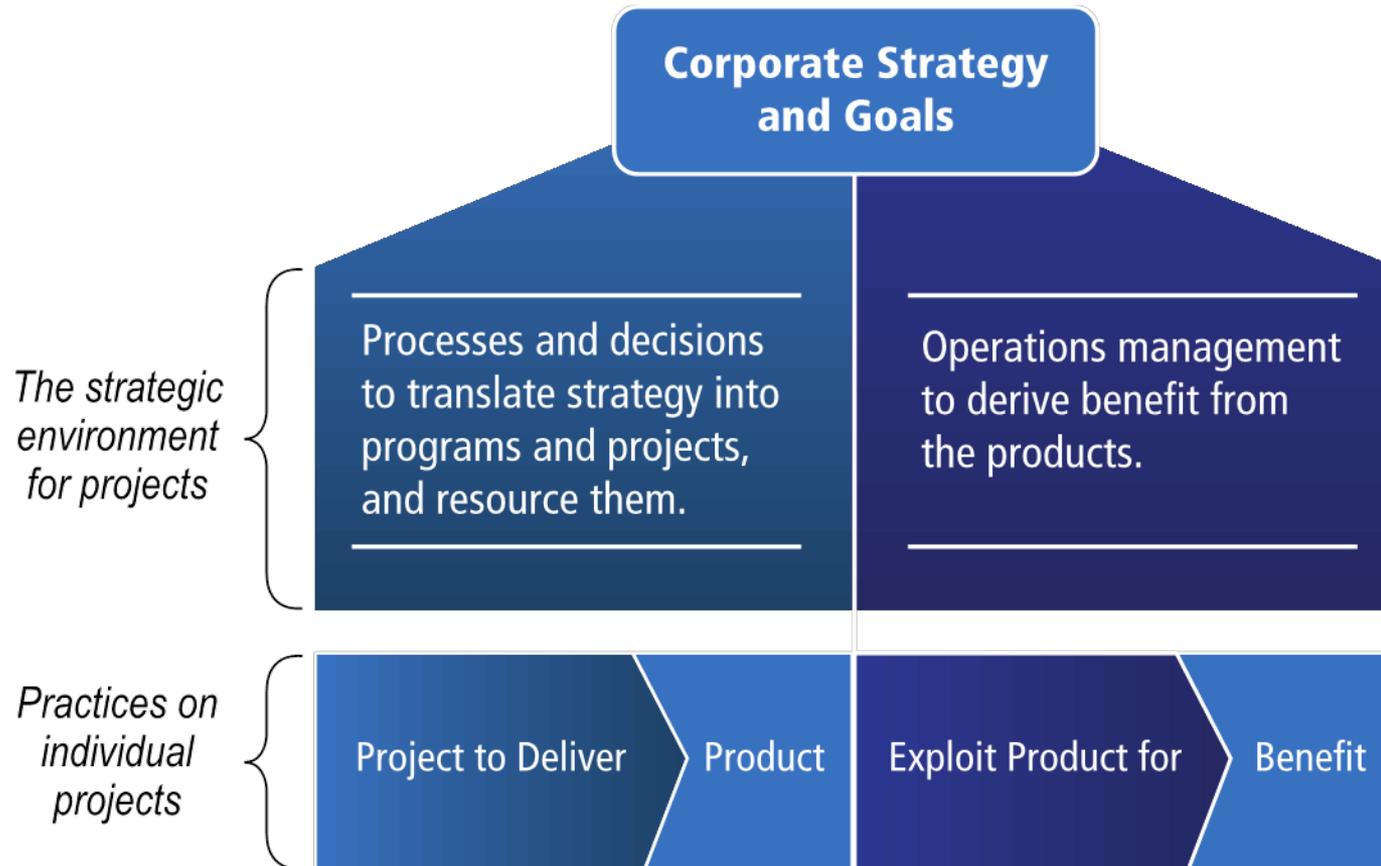
# Agenda

- 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)
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# Projects in Organizations



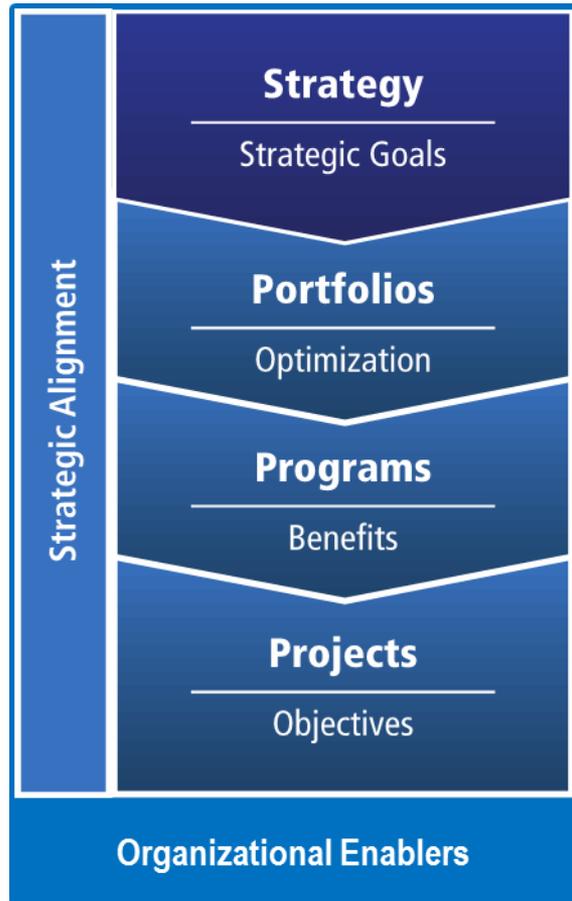
Source: Human Systems International

# Operations vs. Projects

	Projects & Programs	Business Operations
<i>Organization</i>	<b>Temporary</b> Purpose = Delivery	<b>Permanent</b> Purpose = Survival
<i>Challenge</i>	<b>Innovation</b> Realizing Envisioned Future State	<b>Adaptation</b> Improving Known Current State

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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*Requirements*

*Processes*

*People*



**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

Pinto and Kharbandra. 1995. Lessons for an Accidental Profession. Business Horizons. Indiana University Kelly School of Business

# Requirements

1. Understand the context of project management
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# Process

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# People

1. Understand the context of project management
2. *Recognize project team conflict as progress*
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**If we have known these for 20+ years, why is it a challenge to successfully manage projects?**

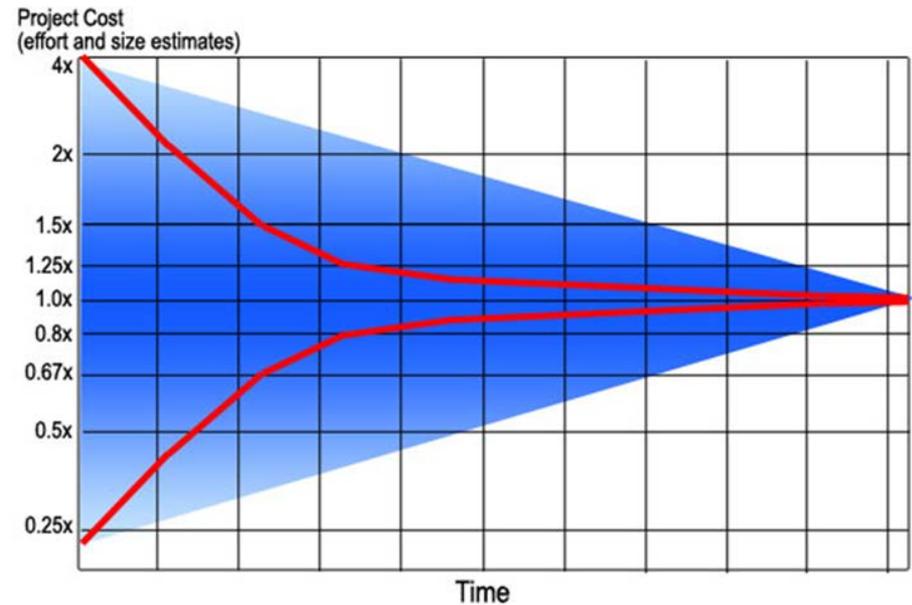
# The Challenges



- **UNCERTAINTY**
- **CUSTOMER**
- **PSYCHOLOGICAL**
- **POLITICAL**
- **MANAGEMENT**

# Uncertainty

- Nature of projects
- Imperfect knowledge
- Unpredictable events



*Cone of Uncertainty*

Source: ops.fhwa.dot.gov

## Timing of Estimates and Accuracy

ROM: +/- 50%

Budget Estimate: -10 to +25%

Definitive Estimate: - 5 to +10%

# Customer – *Technical*



How the customer explained it



How the project leader understood it



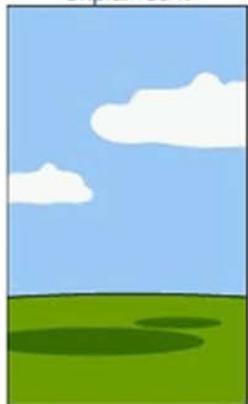
How the engineer designed it



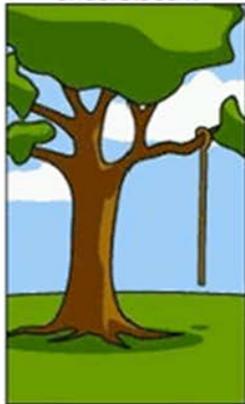
How the programmer wrote it



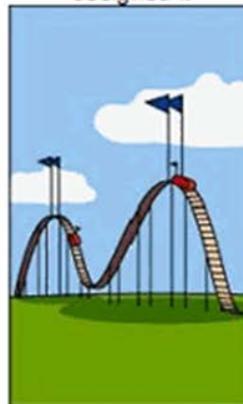
How the sales executive described it



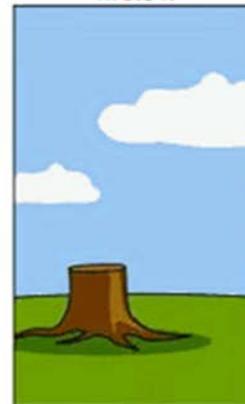
How the project was documented



What operations installed



How the customer was billed

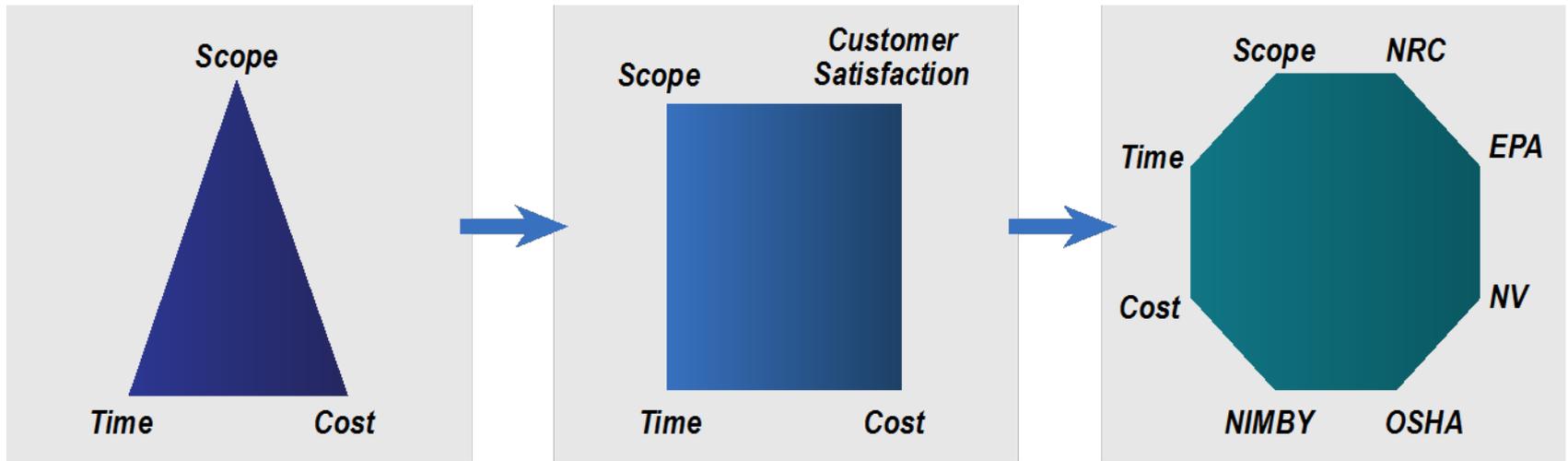


How the helpdesk supported it



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

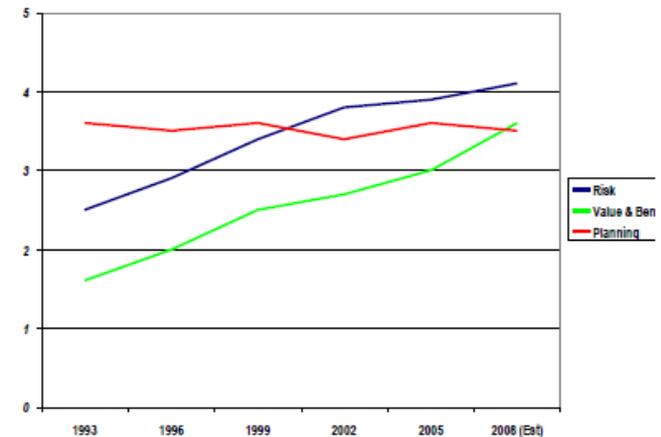
- Number and nature of interactions
  - Human
  - Technical
  - Organizational
  - Social
  - Economic
- Inherent uncertainty
- Amount of information to be synthesized



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

# 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



*Planning has not improved in 15 years*

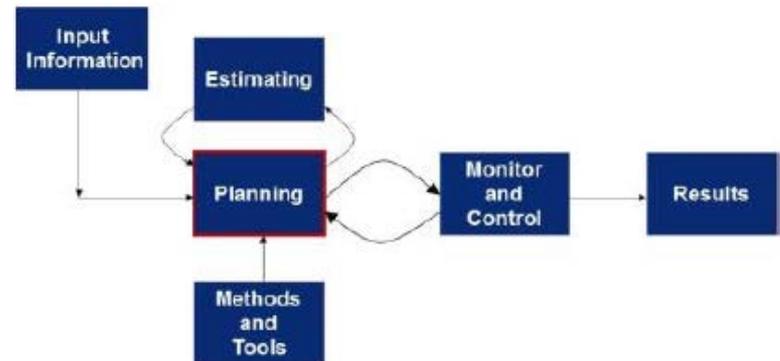
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# So how can we get better at managing projects?

# 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



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

# 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

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

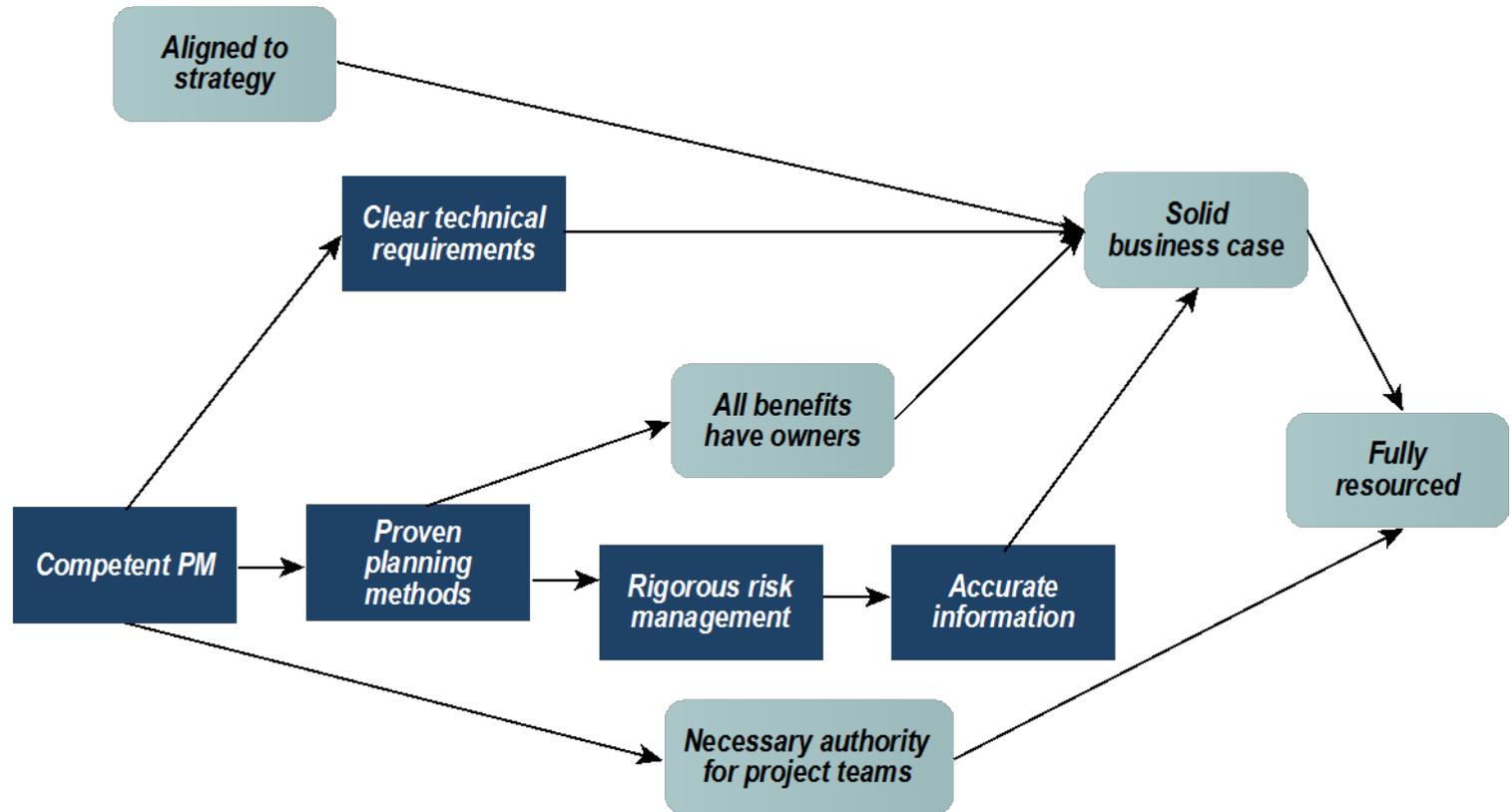
# Knowing what matters....

	Drives	Is driven by	Balance		
Competent project manager	7	0	7	Drivers	Project
Proven planning methods	5	2	3		Project
Clarity about technical performance	4	1	3		Project
Benefits owners	4	2	2		Sponsor
Alignment of project to strategy	3	1	2		Sponsor
Accurate information	6	5	1	Amplifiers	Project
Solid business case	7	7	0		Sponsor
Effective teamwork	3	3	0		Project
Necessary authority	2	2	0		Project
Capacity to resource whole portfolio	2	4	-2	Driven	Organization
Fully resourced project	2	6	-4		Sponsor
Strategic options considered	1	6	-5		Sponsor
Risk management	2	9	-7		Project

- 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]

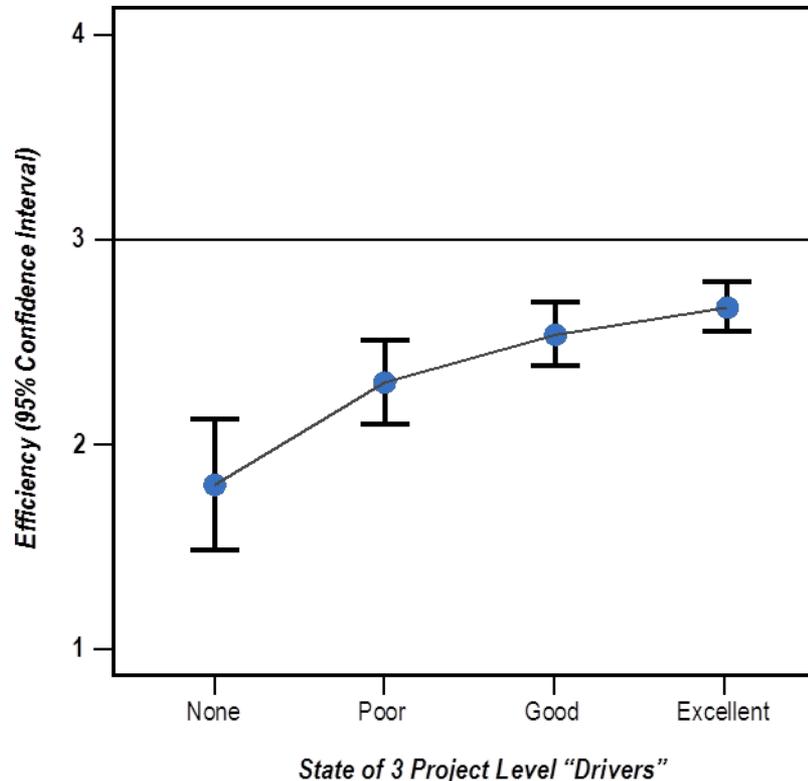
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# ...and where to start on improvement...



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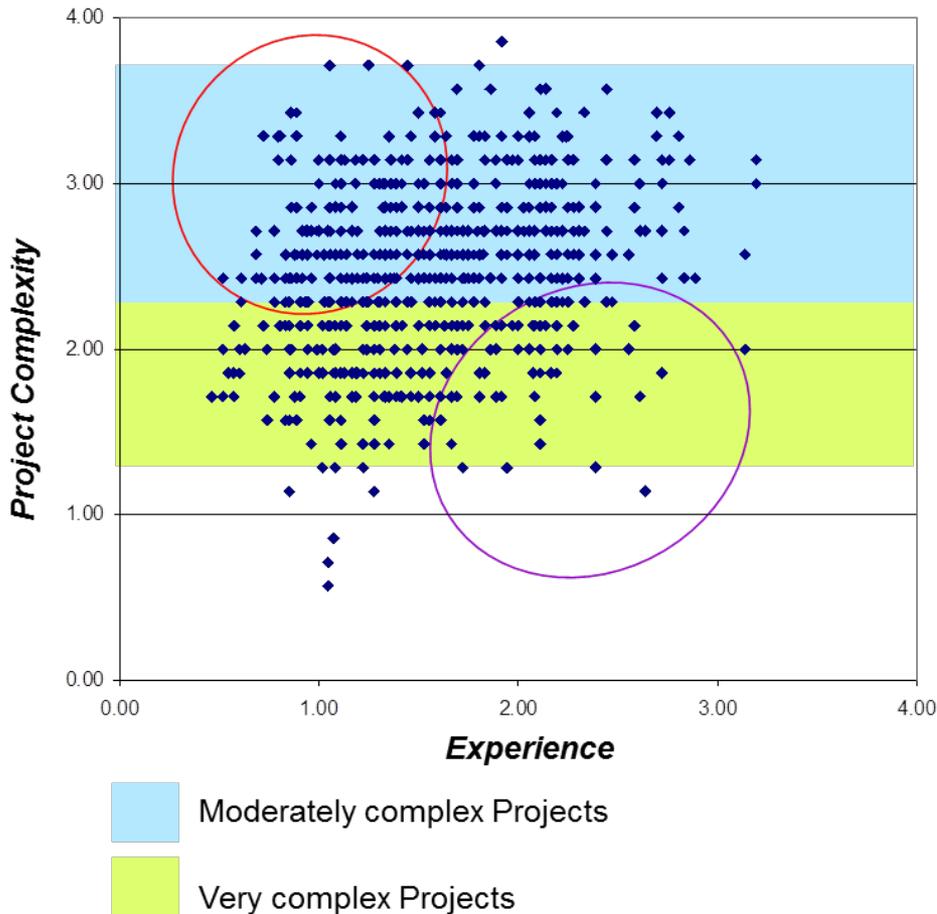
## ...delivers dramatic improvements in efficiency.



- 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

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

# 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

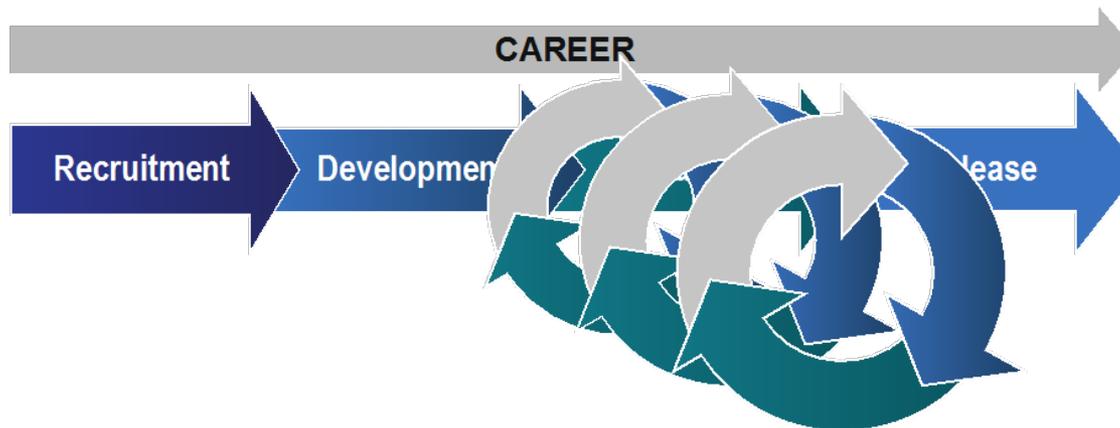
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# Developing Careers

## *Classically-managed Organization*



## *Project-oriented Organization*



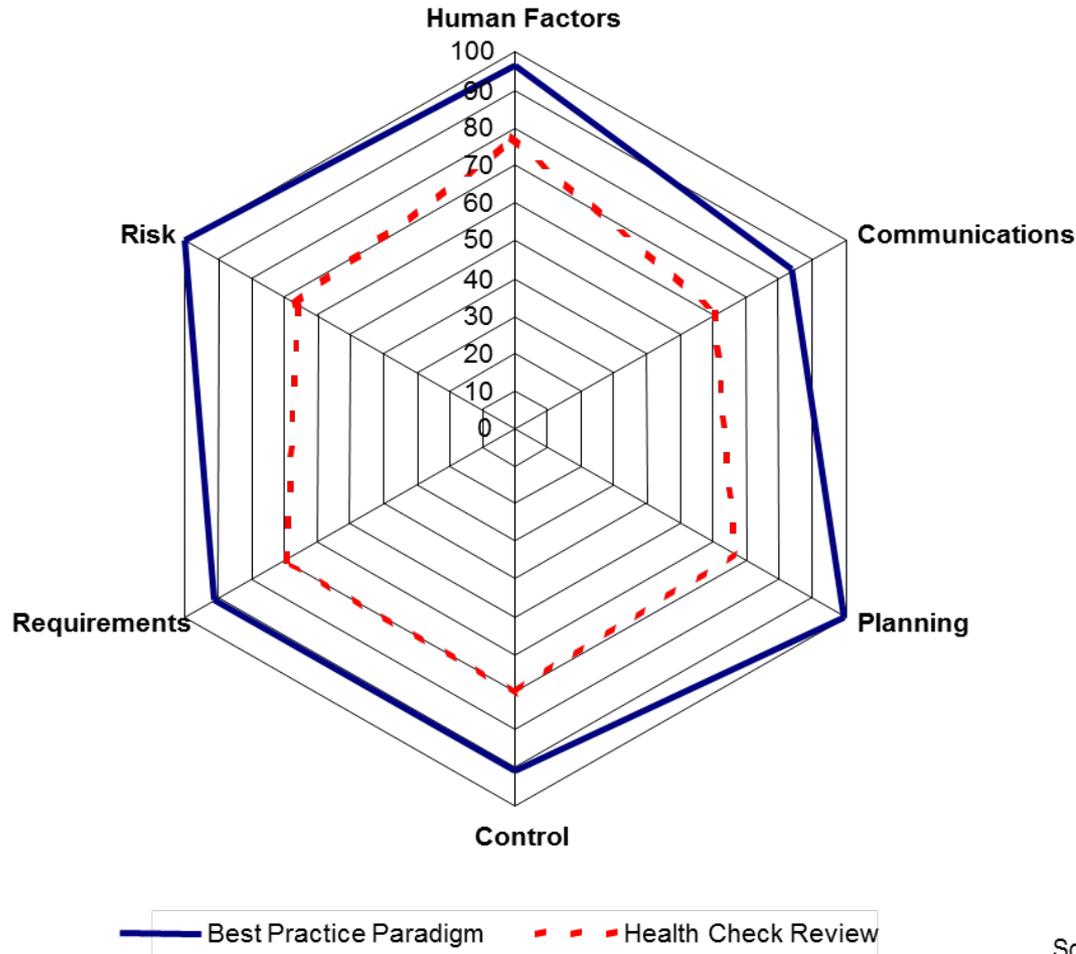
Source: Huemann, Turner and Keegan, (2004), *The Role of Human Resource Management in Project-oriented Organizations*

# 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

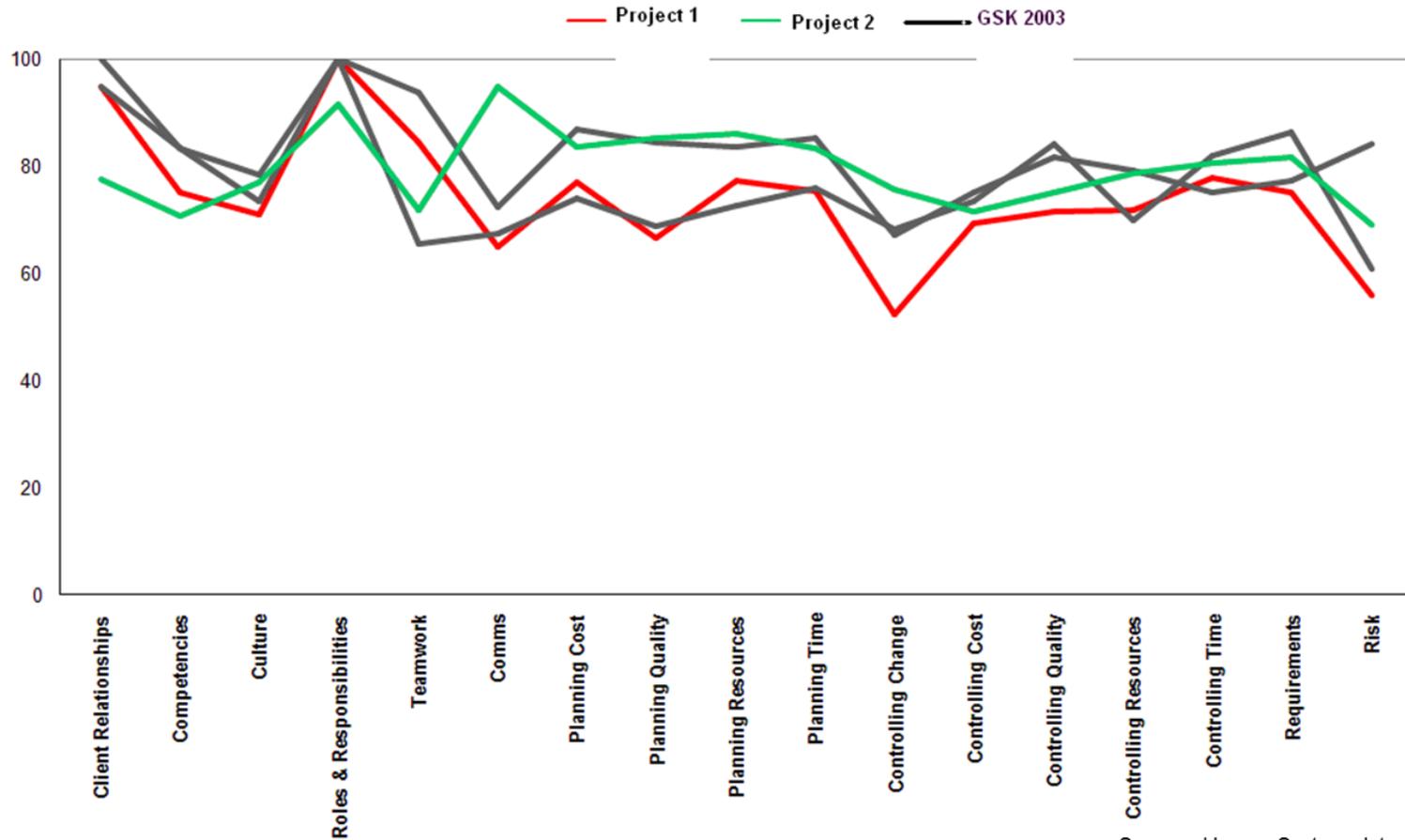
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# Assessing Project Management Capability



Source: Human Systems International

# Variation by Project



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

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



## Questions / Comments?

# Presentation Objectives



Identify project management success factors



Discuss the challenges in successfully managing projects



Provide suggestions for improving project management capabilities



**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

	Live Classroom		Online	
	Instructor-Led	Synchronous	Asynchronous	
		Instructor-Led	Instructor-Facilitated	Self-Study
Public Open Enrollment Courses	✓	✓	✓	✓
Group Onsite	✓	✓	✓	✓

### VALUE-ADD PROGRAMS

- Certificate Programs
- CPEs, PDUs
- Boot Camps

## OUTCOME & APPLICATION SUPPORT

### INDIVIDUAL PERFORMANCE SERVICES

- Coaching
- Job Aids
- Facilitation
- Mentoring
- Individual Development Plan Support

### CONSULTING

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

### REINFORCEMENT TOOLS

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

## END-TO-END TRAINING PROGRAM MANAGEMENT

# A Framework for Agency Workforce Improvement





# Thank You!

**Scott Patton**  
*Executive Consultant*

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