LESSON 6

CLOSE THE PROJECT/PHASE

- Project/Phase Closure
- Benefits Realization
- Knowledge Transfer

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Learning Objectives

- Define the reasons and activities related to the closure of a phase or a project.

- Explain the benefits gained from a project or phase, and how they are managed, sustained, etc.

- Examine the reasons for knowledge transfers and how they relate to the closure of a phase or project.

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Project/Phase Closure

TOPIC A

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Why Projects or Phases Close
Fulfillment

Stakeholders accept deliverables based on **acceptance criteria** established at the beginning of the project in the **project management plan**

Acceptance criteria may be modified during a project life cycle

Use the **requirements traceability matrix** to ensure completion and approval of all requirements

At the end of an iteration, the team and stakeholders assess the product/service against their mutually agreed **definition of done (DoD)**

Final acceptance occurs prior to product release.

Acceptance criteria and ***definition of done (DoD)*** *express the same status of stakeholder satisfaction with the product. Teams may use the terms interchangeably.*

Why Projects or Phases Close
Premature or Forced Closure

Can anyone share an example of a forced project or phase closure?

- Requirements/needs change
  - Project/deliverable is no longer feasible
    - (Internal) Organization makes a change to the business case.
    - (External) A legal or regulatory change prohibits progress.
  - Project/deliverable is no longer desirable
- Impediment encountered
  - Financial support is not available to complete the requirements
  - Risks with significant consequences make successful completion impossible

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Close Project or Phase Activities

- Acceptance of deliverables or product by customer
- Transition of deliverables or product to customer
- Notify enterprise and organizational functions; update OPAs
- Prepare **final report**
- Conclude external obligations, including legal, regulatory, contractual — e.g., transfer of liability, closure of all accounts in financial system
- Archive project information
- Release resources (human, financial and physical assets)

These activities are part of the Close Project or Phase process and are typically included in the project management plan and in the WBS, under the project management function.

Transitions
(Handovers)

- Some organizations use a rollout or transition plan.
- *This is **not** a project management plan component.*

Deliverables are handed to the customer or owner. Transition/handover specifications for deliverables are in the **project management plan**.

A tailored solution that delivers value — most likely in an incremental way — to the organization.

Every iteration output is handed to the product owner.

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Transition / Handover Readiness

Ensure your customer is ready for change and success!

Readiness may require additional change management activities to **ensure adoption** and **overcome resistance.**

Especially critical if an existing product or service is being upgraded.

Assess the readiness of all parties:

End Users **The Business** **Project Team** **Support Staff**

Transition / Handover Activities

Effective transitions or handovers of deliverables or products enable end-user awareness, increasing the likelihood of successful adoption and, therefore, of **benefits realization**.

Transition requirements can include:

- Training on the new product or service
- Documentation for the product/deliverable
- Effective communication between the project team and the organization
- Post-implementation support (aka "hypercare")

Where are the transition requirements recorded in a predictive project?

Interactive / Activity

*Do you remember the difference between **explicit** and **tacit** knowledge?*

Discuss the importance of transferring both kinds of knowledge from the project team to the customer.

Give an example of how your team has done it in the past.

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Paying and Closing Contracts

DO

- Notify the appropriate entity (usually accounts payable) when work has been fulfilled and contracts can be paid

- Pay suppliers or vendors in accordance with contract terms

  Some payments may have been made during the project and the contract may have been closed

DON'T

- Delay payments until project or phase closure, unless specified in the contract

Finalizing Contracts

Archiving contracts means collecting, indexing and filing:

- Contract schedule
- Scope
- Quality
- Cost performance
- Contract change documentation
- Payment records and financial documents
- Inspection results
- "As-built" or "as-developed" documents, manuals, troubleshooting and technical documentation
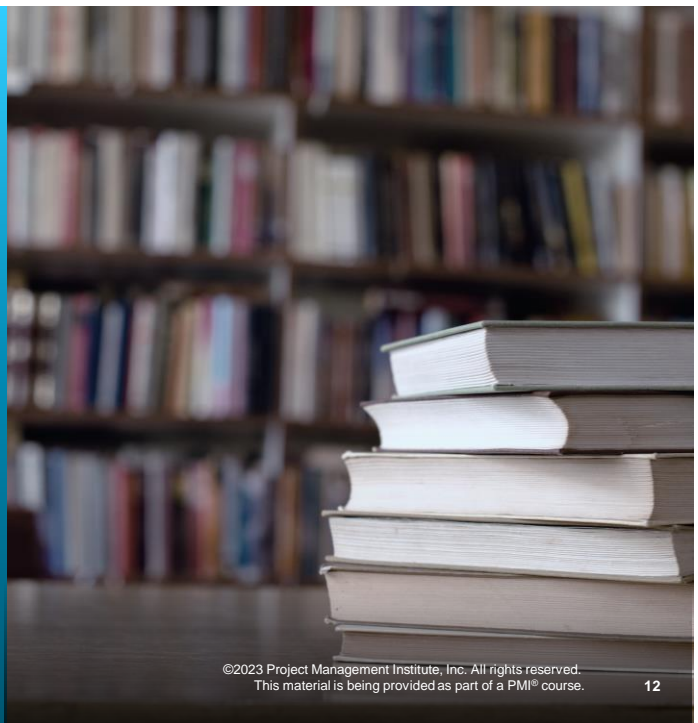
ECO Coverage

1.8 Negotiate project agreements

- Verify objective(s) of the project agreement is met (1.8.3)

2.17 Plan and manage project/phase closure or transitions

- Validate readiness for transition (e.g., operations team or next phase) (2.17.2)

- Conclude activities to close out project or phase (e.g., final lessons learned, retrospectives, procurement, financial, resources) (2.17.3)
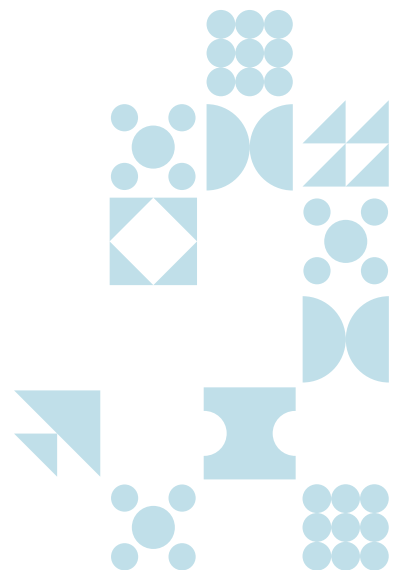
Benefits Realization

TOPIC B

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Early and Long-Term Benefits Realization

Some benefits are immediate while others could take a few months to years!

Benefits accrue at various stages depending on:

- Project life cycle used
- Nature of the project work
- Intended outcomes

Can you identify a type of project in which value is delivered very early?
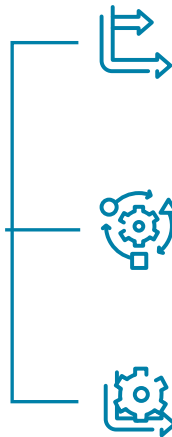
And a project in which value is delivered months or even years after transition?

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Benefits Transition and Sustainment
Responsibilities

- Handover/transition
- Review of the **benefits management plan**

Any improvement or modification to delivered benefits is a new project

Any improvements or modifications to delivered benefits are proposed as work for the next/future iteration and placed/reprioritized on the backlog

Organizations and teams tailor solutions for benefits realization and sustainment — e.g., post-implementation support (aka "**DevOps**" or "hypercare")

Benefits Transition and Sustainment

An Explanation

Project Team	Customer	Product Owner or Project Manager
Delivers benefits to customer organization	• Ensures continued generation of improvements and delivered benefits • Captures additional customer inputs	Works with customer to identify work required for desired improvements
Provides planned performance data	Compares actual performance to planned performance, including KPIs	Uses metrics chosen with team to measure performance
Works with business owner to suggest benefits realization metrics, including frequency and monitoring responsibilities	Implements benefits realization metrics at suitable intervals, tailored to needs	Collaborates with team to determine suitable metrics
Determines if any remaining risks might prevent benefit achievement	• Identifies risks, processes and tools needed to ensure continued benefits realization • Monitors risks affecting delivered benefits	Monitors risks on impediments log and collaborates with team about response
Provides technical information required to use the product or service	Updates technical information – e.g., FAQs	Collaborates with team to update technical information

Benefits Management Plan

A **business document** developed by the organization to define potential benefits from the project effort

- Is a major input to authorizing the project
- Examines the requested benefits and determines if both the tangible and intangible business value will be realized from the project
- Determines the time frame for short- and long-term benefits realization
- Identifies a benefits owner responsible for achieving the benefits, including:
    - Metrics or measurements to be used
    - Which individuals or groups measure results

In the plan, determine whether any remaining project risks might prevent benefit achievement.

When key stakeholders are identifying desired project benefits, let them suggest how the benefits should be measured.

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Benefits Owner

- Works with project manager/team lead during the project to ensure planned benefits are managed as they are delivered

- Assists in transitioning the requested benefits to the receiving organization

- Ensures that measurement metrics and methods are established and monitored

- Reports to management on the realized results (value) of the delivered benefits

A benefits owner may be a business analyst, sponsor or operations manager.

The product owner is responsible for making sure project work reaps benefits for the organization.

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Verify Benefits Realization

- Using the chosen metrics, the product owner reports on progress for each tangible benefit

- For intangible benefits, a subjective (qualitative) determination may be more useful

- Reporting should include:
  - For tangible benefits—progress toward being met
  - Any benefits at risk of not being realized as planned
  - Any resulting negative impact on strategic objectives
 - Potential ending of the project team's support

In a predictive project, once the transition is complete, who is responsible for verifying that benefits are realized?

ECO Coverage

3.2 Evaluate and deliver project benefits and value

- Document agreement on ownership for ongoing benefit realization (3.2.2)

- Verify measurement system is in place to track benefits (3.2.3)
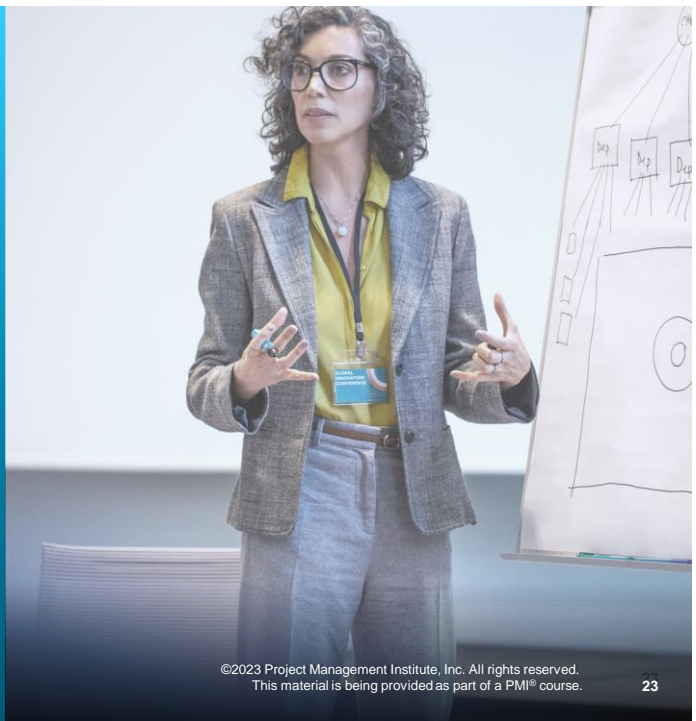
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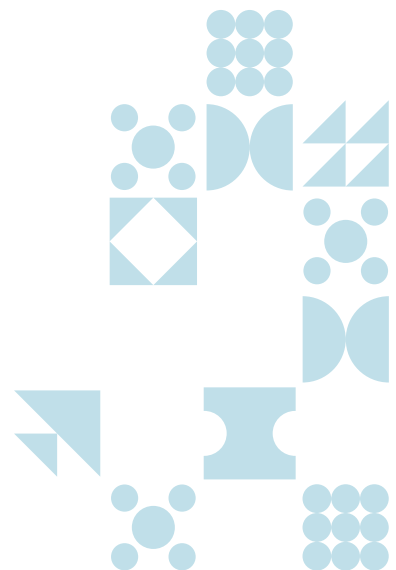
Knowledge Transfer

TOPIC C

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Knowledge Management During Closing

- **Conduct retrospectives** or final **lessons learned** meetings
- **Archive** all project information
- **Finalize lessons learned register**
- **Add** the lessons learned to the knowledge management/**lessons learned repository**
- **Transition** knowledge from project team to the customer

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Conduct Project Retrospective

- Internalize learning about the work product and process
- Capture key successes and challenges
- Consider qualitative (people's feelings) and quantitative (measurements) data
- Use data to find root causes, design countermeasures, and develop action plans for next time
- Praise, congratulate and motivate the team

An agile team might conduct a final retrospective, while a project manager holds a final "all-hands" meeting for the team in a predictive life cycle. These are similar ceremonies for closing a project or phase.

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Finalize Lessons Learned

Include the following topics from the project's lessons learned register in the final report:

- Scope changes
- Schedule impacts
- Risks and issues
- Stakeholder relationships
- Vendor relationships
- Artifacts
- Recommendations

Consolidating Lessons Learned

The following categories of lessons learned information are especially important at the end of a project:

- Scheduling
- Conflict management
- Sellers
- Customers
- Strategic
- Tactical

Transfer these into the **lessons learned repository.**
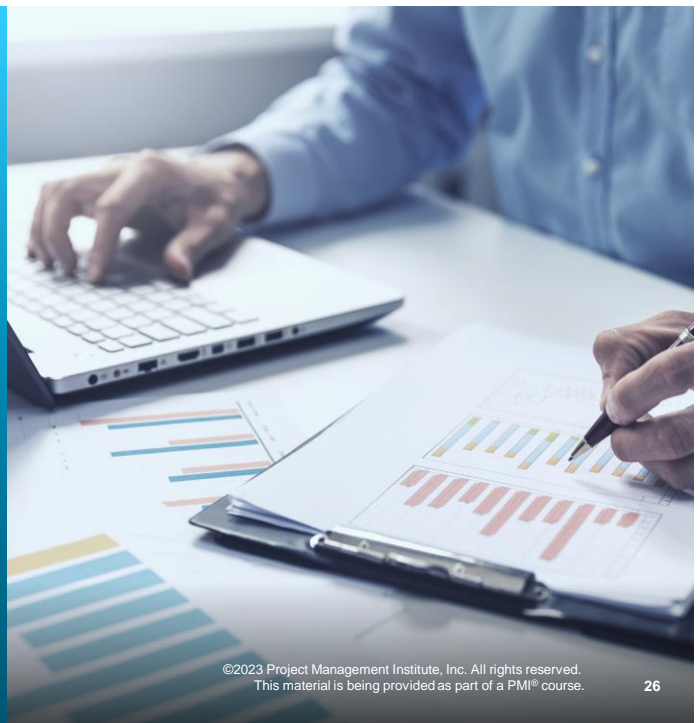
Final Report: Summary of project/phase performance result

Description	Describe activity undertaken, including deliverables or milestones
Scope objectives	Document scope evaluation criteria and give evidence of met completion criteria
Quality objectives	Describe evaluation criteria for project and product quality. Verify objectives are met, give actual milestone delivery dates and reasons for any variances
Cost objectives	Restate acceptable cost range, give actual costs and reasons for any variances
Validation information	Include required approvals for final product, service or result—e.g., user satisfaction survey results
Schedule objectives	Verify project objectives were completed on time; report on any variance and effects of the variance
Benefits realization	State how the final product, service or result achieved the business needs and expected benefits; if partial, give details of variance and fulfillment schedule
Risks or issues encountered	List risks and issues and state how they were addressed

ECO Coverage

2.16 Ensure knowledge transfer for project continuity

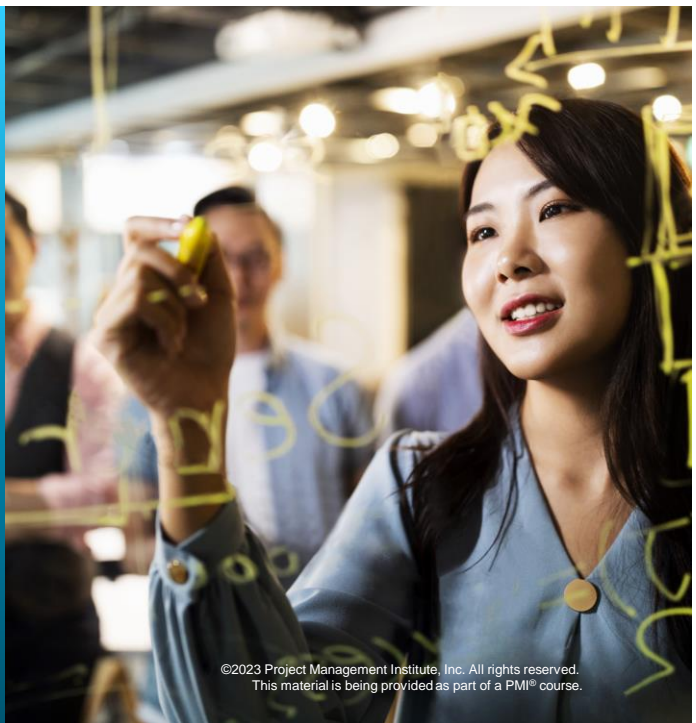- Confirm approach for knowledge transfers (2.16.3)

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End of Lesson 6

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