

Chapter 6 Project Closure

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Project Termination

- A [project](#) is a temporary endeavor, so it has a beginning and also an end.
- **Project termination** (or *close-out*) is the last stage of managing the project, and occurs after the implementation phase has ended.
- **During the last phase of the project life cycle, meaning the project closure, everything should be detailed in order to measure if the project went as planned and if the outcome is done as required by the customer.**
- Project closure activities ensure the recording project documents, archiving in organizational process assets, making final payments, releasing resources and completing the project.
- Every project teaches lessons to the organization whether it's a success or is a failure.
- So even after a project finishes, the documentation of this project is going to be helpful for completing the coming projects successfully.

8 Steps of Project Closure

(1/2)

1: Confirm work is done as per the requirements

- Once the project is closing, all deliverables of the project must have been completed and delivered to the customer. You should also take formal acceptance of the customer for the completed work.

2: Complete procurement closure

- Since the project is closing, you should complete any remaining payments that need to be made to the suppliers or partners. The procurement steps are also completed.

3: Gain formal acceptance

- Formal acceptance of the project and project deliverables are taken from the customer. Usually, the customer presents a written document, it can be an email or a signed off document, which states that the project has been completed and they accept the outputs of the project.

4: Complete final performance reporting

- The final performance of the project is calculated and recorded. These include cost performance, schedule performance, quality performance etc. For instance, whether the project has been completed under budget or if it could not be completed, how much did the project exceed the planned budget?

8 Steps of Project Closure

(2/2)

5: Index and archive records

- Collected documents are finalized. Final versions of the project management plans and all necessary documents about the project are archived in the company records.

6: Update lessons learned

- Lessons learned is collected and gathered from all stakeholders. Lessons learned documentation is stored in the organizational process assets of the company.

7: Hand-off completed product

- Once the project is completed, the product of the project is handed over for the use of the end customer. The handover may need a predetermined period of assistance or some documents describing how to use or how to operate with the product.

8: Release the resources

- After the project is completed successfully, all assignments of the project resources are closed, lessons learned inputs from the project resources are collected and then these resources are released respectively.

Reasons that can end up / terminate a project

1. Poor management skills.
2. Bad decisions being made which reflect on the skills of the PM.
3. Failure to deliver the overall result.
4. Inability to identify the risks before it's too late within a project.
5. Inadequate risk procedures and control measures implemented.
6. Insufficient resources, staff, fundings, support, professional advice etc...
7. Business politics and stakeholder disputes which have a major impact on the project's stability.
8. Skills shortages within the team, lack of communications, cooperation, time keeping, training and so forth.
9. Lack of commitment, motivation and dedication towards accomplishment because of unrealistic timeframes, targets and expectations.

Types of Project Termination

(1/2)

1. Termination by Extinction

- Termination by extinction occurs when the project is stopped due to its either successful or unsuccessful conclusion.
- In the successful case, the project has been transferred to its intended users and all final phase-out activities are conducted.
- The project's final budget is audited; team members receive new work assignments, and any material assets the project employed are dispersed or transferred according to company policies or contractual terms.

2. Termination by Addition

- Termination by addition concludes the project by institutionalizing it as a formal part of the parent organization.
- In effect, the project has been “promoted” to a formal, hierarchical status within the organization.
- The project has indeed been terminated, but its success has led to its addition to the organizational structure.

Types of Project Termination

(2/2)

3. Termination by Integration

- Termination by integration represents a common, but exceedingly complicated, method for dealing with successful projects.
- The project's resources, including the project team, are reintegrated within the organization's existing structure following the conclusion of the project.

4. Termination by Starvation

- Termination by starvation can happen for a number of reasons, such as political, a placated sponsor, or general budget cuts.

Project Leadership

- The success of any project is a team oriented, goal focused activity under the direction/guidance of a highly competent, ethical leader.
- Peter Drucker (2001) famously stated that “*management is about doing things right; leadership is about doing the right things.*”
- Dubrin (2016) defined leadership as the ability to inspire support and confidence among the people who are needed to achieve organizational goals.
- Leadership involves the 4 I's; intentions (goals of the project), influence (on other people, organization, society) impact (outcome of the project), and integrity (honest dealings in the project). These are the ideals that leaders should model.

Six Ethical Leadership Strategies

Exhibit Honesty: <ul style="list-style-type: none">• Speak and act in a truthful manner in all situations• Follow through with commitments• Build trust within the organization• Build trust in the community• Be clear in the direction of the project• Share important information	Demonstrate Fairness: <ul style="list-style-type: none">• Treat all people equally• Be objective in decision making• Do not show favoritism• Give credit for positive contributions• Value varied points of view	Model Respect: <ul style="list-style-type: none">• Respect the viewpoints of others• Empower others• Foster collaboration• Respect the property rights of others• Respect the privacy of information• Listen and respond in a tactful manner.• Act as a professional
Take Responsibility: <ul style="list-style-type: none">• Be accountable for decisions• Be accountable for human resources• Be accountable for financial resources• Make decisions that benefit all stakeholders• Follow the PMI Code of Ethics and Professional Conduct• Follow all laws and regulations• Take ownership of the process and the outcome	Exhibit Courage: <ul style="list-style-type: none">• Lead the ethical charge• Follow ideals• Take risks• Have passion• Encourage discussion• Deal with low performers	Display Kindness: <ul style="list-style-type: none">• Display compassion• Show appreciation• Be empathetic• Be considerate of other's feelings

Leadership Styles

Style	Coercive	Authoritative	Affiliative	Democratic	Pacesetting	Coaching
•The leader's modus operandi	•Demands immediate compliance	•Mobilizes people toward a vision	•Creates harmony and builds emotional bonds	•Forges consensus through participation	•Sets high standards for performance	•Develops people for the future
•The style in a phrase	•"Do what I tell you."	•"Come with me."	•"People come first."	•"What do you think"	•"Do as I do, now."	•"Try this."
•Underlying emotional intelligence competencies	•Drive to achieve, initiative, self-control	•Self confidence, empathy, change catalyst	•Empathy, building relationships, communication	•Collaboration, team-leadership, communication	•Conscientiousness, drive to achieve, initiative	•Developing others, empathy, self-awareness
•When the style works best	•In a crisis, to kick start a turnaround, or with problem employees	•When changes require a new vision, or when a clear direction is needed	•To heal rifts in a team or to motivate people during stressful circumstances	•To build buy-in or consensus or get input from valuable employees	•To get quick results from a highly motivated and competent team	•To help an employee improve performance or develop long-term strengths
•Overall impact on climate	•Negative	•Most strongly positive	•Positive	•Positives	•Negative	•Positive

Ethics in Projects

- Project management ethics is an essential ingredient while managing projects.
- According to the PMI (Project Management Institute), *“Ethics is about making the best possible decisions concerning people, resources and the environment. Ethical choices diminish risk, advance positive results, increase trust, determine long term success and build reputations. Leadership is absolutely dependent on ethical choices”*.
- “Ethics lead to trust, which leads to leadership, which in turn leads to project success.”
- In projects, ethics help in:
 1. Elevating the professional and future standards
 2. Enhancing the faith and trust bestowed by the people working on projects
 3. Creating impression on individual’s moral mindsets and behavior
 4. Promoting the fair decision making
 5. Improving business relationships at different levels
 6. Reducing the project risks
 7. Providing a greater chance of success
 8. Decreasing anxiety and stress, and eventually, increasing the turnover in projects.

PMI's Code of Ethics

- PMI members have determined that **honesty, responsibility, respect and fairness** are the values that drive ethical conduct for the project management profession.
- **Responsibility** is our duty to take ownership for the decisions we make or fail to make, the actions we take or fail to take, and the consequences that result.
- **Respect** is our duty to show a high regard for ourselves, others, and the resources entrusted to us. Resources entrusted to us may include people, money, reputation, the safety of others, and natural or environmental resources.
- **Fairness** is our duty to make decisions and act impartially and objectively. Our conduct must be free from competing self interest, prejudice, and favoritism.
- **Honesty** is our duty to understand the truth and act in a truthful manner both in our communications and in our conduct.

Multicultural Projects

- Any project where people bring different assumptions about working norms (either in product development or team behavior) is a **multicultural project**.
- Even when all project participants are from one country, the project manager (PM) may still have to deal with multiple cultures and those cultures' expectations and behaviors.
- Some of the team differences are strictly cultural, while others stem from varied management styles and strategies, but all these differences will eventually show up during the project.
- Some project managers try to manage those differences by mandating common practices and techniques across the project.
- Instead of trying to get everyone to work in lock step, it is useful to get people to agree to major milestones and what they mean and to use complementary practices to achieve project success.
- Complementary practices are those techniques and agreements that help each team get their jobs done. For example, one team might perform nightly builds and smoke tests. Another team might do weekly builds and full regression tests. These practices are complementary—they are not the same—but the practices work to achieve the same result: easy integration of multiple teams' work.

Problems of Multicultural Projects

- **Different definitions of milestone and handoffs.**

This leads project teams to misunderstand their commitments and handoffs to other groups. Sometimes the different definitions are due to a lack of understanding of the actual words.

- **Uneven project communications and reporting of project state.**

This frequently leads to lack of trust in other teams. If you don't know what other people are doing, you may not feel you can trust them. Especially when geography and culture separate teams, this lack of trust can be a huge obstacle to project success.

- **Uneven ability to use common tools, including the project's intranet.**

This leads to inability to share designs, source code, tests, and any other project information. When some members of the project team can't use the project resources, they may resent the people who can use the project resources. In addition, they may stop trying to share their work with the rest of the project team.

Benefits of Multicultural Projects

- **Access to a bigger market**

Cultural diversity can actually add to the business value of a company/project. We live in a large society where all companies are trying to sell their products in a global marketplace. Smart companies are increasingly discovering that a multicultural team could enable a company/brand to thrive in a global marketplace. One of the main reasons for this is that a diverse team could help you get access to a broader market.

- **Improved decision making**

Project managers who have worked with multicultural teams report that they experienced better decision making while working with people from diverse backgrounds. It is natural for people from similar backgrounds to mimic each other's thoughts and perspectives. This leads to a narrow vision and may restrict growth in a project. On the other hand, a variety of different opinions coming from people belonging to different cultures could help a manager take a slightly new and unconventional route and achieve goals more efficiently.

- **Managing a cross-cultural team adds to the expertise of the project manager**

When a project manager is given the task of managing a multicultural team, he/she is likely to spend some time researching on different cultures and interacting with managers who have previously handled similar projects. This is a huge learning experience for the project manager. Managers may even undergo specific training to boost their cultural awareness so that they can get maximum benefits out of working with a cross-cultural team. They will also learn about ways to reduce risks in such a project. This knowledge, training and experience will add to the portfolio of the project manager and make him a potential recruit for managing future large-scale projects.

Virtual Projects

- A virtual project is a collaborative effort towards a specific goal or accomplishment which is based on 'collective yet remote' performance.
- Virtual project management is the system by which virtual teams collaborate for a finite period of time towards a specific goal.
- Peterson & Stohr identify virtual teams (a.k.a. Geographically Dispersed Team) as a *“group of individuals who work across time, space and organizational boundaries with links strengthened by webs of communication technology. They have complementary skills and are committed to a common purpose, have interdependent performance goals, and share an approach to work for which they hold themselves mutually accountable.”*

Advantages & Disadvantages of Virtual Projects

Advantages

- Larger talent pool
- Cost-effective
- Help managers and employees grow

Disadvantages

- Time differences
- Miscommunications
- Disconnection to team

Project Budget Template

A project budget contains the financial details of your project, including the estimates of all the money you need to layout to lead a successful project, from resources to materials.

Project Budget Template															
Project Name: Alpha Omega			<div>PROJECTMANAGER</div>												
Department: Marketing															
Supervisor Name: Oliver Jones															
				Labor			Materials								BALANCE
			Planned	Actual Hours	\$/HR	UNITS	\$/UNITS	Travel	Equipment	Fixed	Misc.	BUDGETED	ACTUAL	UNDER/OVER	
WBS	Project Tasks	Assigned To:										\$ 700.00	\$1,590.00	\$ (890.00)	
1.0	Task	Dave Johnson	8.0	8.0	\$30.00	100.0	\$5.00			\$50.00		300.00	790.00	(490.00)	
2.0	Task	Sarah Goldman	8.0	8.0	\$15.00			30.0		\$100.00		300.00	250.00	50.00	
3.0	Task	Melissa Shaw				50.0	\$11.00					100.00	550.00	(450.00)	
3.1	SubTask											-	-	-	
3.2	SubTask											-	-	-	
3.3	SubTask											-	-	-	
3.4	SubTask											-	-	-	
4.0	Task											-	-	-	
5.0	Task											-	-	-	
SUBTOTAL					\$360.00		\$1,050.00	30.0		\$150.00	0.0	700.00	*****	(890.00)	

Gantt Chart Template

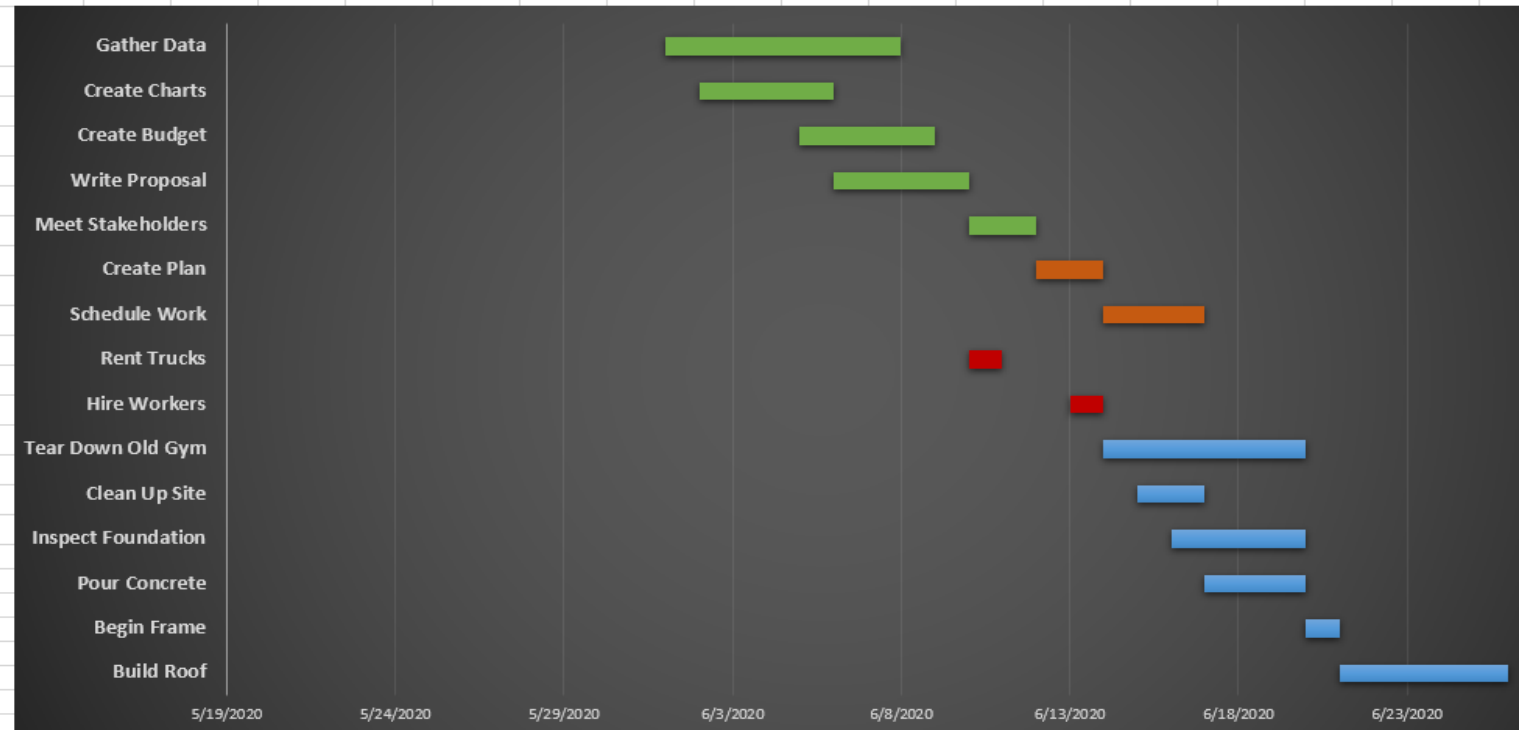
A Gantt chart is an essential tool for planning projects, as it clearly depicts project tasks, their deadlines and how they relate to one another.

Gantt Chart Template

Project Name: Creekwood Gymnasium

PROJECTMANAGER

Task Name	Start (Date)	End (Date)	Duration (Days)
Gather Data	6/1/2020	6/8/2020	7
Create Charts	6/2/2020	6/6/2020	4
Create Budget	6/5/2020	6/9/2020	4
Write Proposal	6/6/2020	6/10/2020	4
Meet Stakeholders	6/10/2020	6/12/2020	2
Create Plan	6/12/2020	6/14/2020	2
Schedule Work	6/14/2020	6/17/2020	3
Rent Trucks	6/10/2020	6/11/2020	1
Hire Workers	6/13/2020	6/14/2020	1
Tear Down Old Gym	6/14/2020	6/20/2020	6
Clean Up Site	6/15/2020	6/17/2020	2
Inspect Foundation	6/16/2020	6/20/2020	4
Pour Concrete	6/17/2020	6/20/2020	3
Begin Frame	6/20/2020	6/21/2020	1
Build Roof	6/21/2020	6/26/2020	5

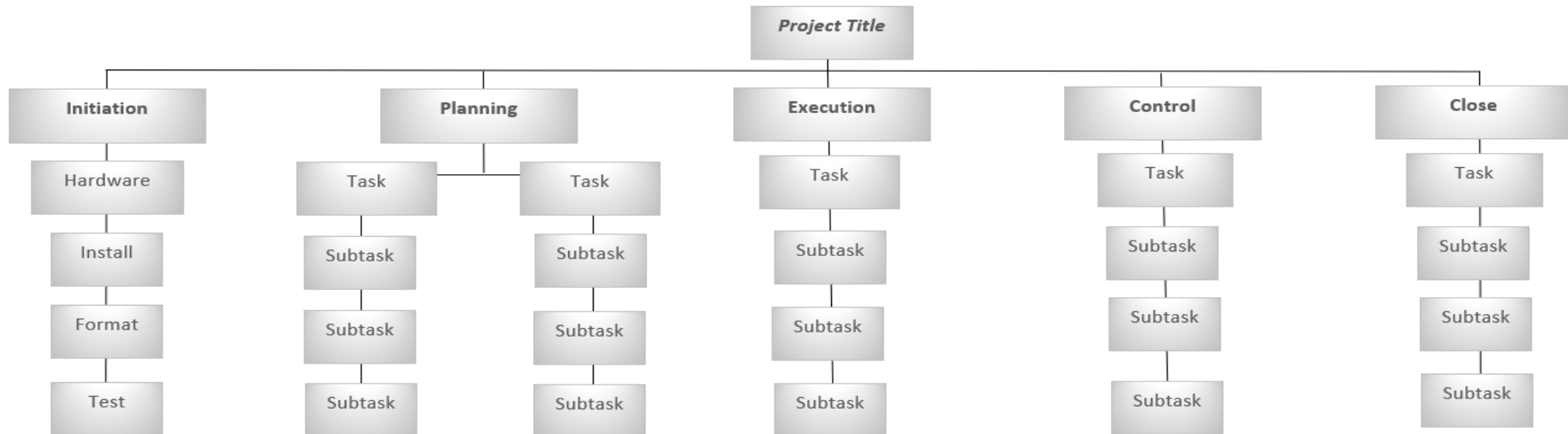


Work Breakdown Structure (WBS) Template

When planning a large project, it can help to break things down into smaller, more manageable pieces.

PROJECTMANAGER

WBS TREE Diagram



Risk Tracking Template

Risk Tracking Template

Date of last review:

ID	Description of Risk	Impact	Risk Reponse	Risk Level	Risk owner	Notes
1	Supplier delay	Pushes launch	Confirm delivery dates by Phase 2	High	Clarissa	
2	Factory availability	Cost overruns	Stakeholder trip to China	High	Dave, Rajesh & Nina	
3	Steering committee unavailable	Delay launch marketing	Define marketing plans in March	Low	Tyrell	
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Project Plan Template

PROJECTMANAGER

1 Planning Basis

1.1 Scope

The activities and tasks defined in the project plan must be undertaken within the scope of the project. For this reason, reiterate the scope of the project here as defined in the *Project Charter*.

1.2 Milestones

A *milestone* is "a major event in the project" and represents the completion of a set of activities. Examples of milestones include:

- Business Case approved
- Feasibility Study approved
- Project Charter approved
- Project Team appointed
- Project Office established.

List and describe the key project milestones within the following table:

Milestone	Description	Delivery Date
Business Case Approved.	The Business Case has been documented and was approved by the Project Sponsor.	xx/yy/zz