Notes on Project Success

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(..and failure!)

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Learning Objectives for this Chapter

Having completed this note you will be able to:

- Discuss some additional views on the criteria and factors for project success

Introduction

In a previous lesson we discussed three factors that constrain projects: Cost, Time and Quality. For a project manager these also represent broad project objectives that determine successful completion. This is the classic "Magic Triangle" or "Iron Triangle " of project management and it is the project manager's role to maintain the balance of these (often competing) objectives.

We also learned however that there are other criteria, which could be taken into account when considering whether a project has been successful. For example - the project may have stated (or implicit) objectives to:

▶ Minimise impact on the environment

▶ Comply with relevant legislation

▶ Maintain the health and well being of the project participants

▶ Ensure that personal development needs of the project team are met

In these notes we will expand our examination of project success and also look at some of the factors necessary for this success.

First lets get some terminology straight:

▶ **Success Criteria** refers to a group of principles or standards used to determine or judge project success

▶ **Critical Success Factors** refer more specifically to conditions, events, and circumstances that contribute to project results.

▶ **Key Performance Indicator (KPI)**: a quantifiable measure of performance that can be used to gauge improvements. In the project world there are 2 types of KPIs which could be considered:

    ▶ **Project Management KPIS** – Measures of the performance of the project itself

    ▶ **Project Benefit KPI's** – Measures of the success in delivering the required benefit or beneficial change

The table below (by Lavagnon Ika) represents how views of project success have progressed as project management has matured as a discipline:

Research Focus	Period 1 1960s–1980s	Period 2 1980s–2000s	Period 3 21st Century
Success criteria	"Iron triangle" (time, cost, quality)	Iron triangle Client satisfaction Benefits to organization (org) End-user's satisfaction Benefits to stakeholders Benefits to project personnel	Iron triangle Strategic objective of client organizations and business success End-user's satisfaction Benefits to stakeholders Benefits to project personnel and symbolic and rhetoric evaluations of success and failure
Success factors	Anecdotic lists	CSF lists and frameworks	More inclusive CSF frameworks and symbolic and rhetoric success factors
Emphasis	Project management success	Project/product success	Project/product, portfolio, and program success and narratives of success and failure

Lets use an example to illustrate:

You have been tasked with managing a project to identify a new headquarters building in the suburbs of Dublin for your company and to move all staff in your company from its current headquarters building in the city to the new location. The new building is expected to reduce fixed costs for your company and increase staff efficiency and morale. The move is to take place over a single weekend in January 2015 in order not to disrupt business.

You are to receive a substantial bonus at the end of the year if the project is successful but you realise that different stakeholders may have different perception of that success. You talk with a number of the key stakeholders in the project. As a result you now understand that the project will be considered successful if the criteria listed below are met. In order to be able to demonstrate quantifiable proof of success you also list some measures (KPI's) that could be used to verify that success.

PROJECT MANAGEMENT SUCCESS (Project Manager is responsible)				
SUCCESS AREA	SUCCESS CRITERIA	KEY PERFORMANCE INDICATOR	KPI TARGET	HOW VERIFIED (& PERSON RESPONSIBLE)
Scope	All people and facilities are moved successfully	KPI 1: Critical item checklist	100% of checklist items done by handover time	Signed off by Facilities Manager, HR Manager and Project Sponsor (Project Manager)
Time	The move is completed on time	KPI 2: Completion handover milestone	23:00 Sunday **18**/1/2015 or 23:00 Sunday **25**/1/2015 (if contingency weekend has to be used)	Move Completion Report signed off by agreed time.
Budget	Relocation Budget not exceeded	KPI 3: Project External Cost KPI 4: Project Internal Resources	External project spend not to exceed baseline by >5% Internal Man-days effort not to exceed baseline by > 10%	Closure Report (Budget Section) signed off by Steering Group
Quality	Everything is working satisfactorily on Monday morning	KPI 5: Facilities test case pass rate KPI 6 : Number of outstanding Critical issues	99% of test cases passed by signoff time Zero Critical Issues remaining at signoff time.	Test report signed off by Facilities Manager, IT Manager and Staff Representative Manager
People	Customers are not inconvenienced by the move itself	KPI 7: No. of customer complaints related to the move	Zero	Customer service complaints log for two weeks after move
People	Staff are not inconvenienced by the move itself	KPI 8: Staff Satisfaction Rating with the move	>80%	Online staff survey taken 24 hours after move

PROJECT BENEFIT SUCCESS (Project Sponsor is responsible)				
SUCCESS AREA	SUCCESS CRITERIA	KEY PERFORMANCE INDICATOR	KPI TARGET	HOW VERIFIED
People	Staff Morale	KPI 9: Staff Morale & Engagement Rating	Staff satisfaction rating increased by >20%	Independent Staff Survey taken 3 months before move and again 9 months after
Efficiency & effectiveness	Reduced Energy costs	KPI 10: Total annual energy Costs	Reduce by 25%	Benefit Realisation Report signed off by Facilities Manager
Efficiency & effectiveness	Reduced Facilities Costs	KPI 11: Fixed facilities cost per employee	Reduce by 15%	Benefit Realisation Report signed off by Facilities Manager

You also get an opportunity to meet with the CEO to review this list. She points out that for this project to be successful in the eyes of the Board and the Shareholders there are other criteria to take into account:

1. It should clearly demonstrate that it is aligned with the overall strategy of the company and will help that strategy

AND

2. The project should not do anything that would jeopardise the reputation of the company and the respect it has within the industry and the community.

Success Factors

The reality is that projects are not universally successful. So- what does the project manager and the organization need to do to achieve success and ensure that all the targeted KPI's are actually achieved? Some studies indicate that up to 60% of projects do not meet all of their success criteria. Are there particular conditions, events, and circumstances that contribute to good project results?

There is no single reason why Projects fail - however success factors can be grouped in 3 broad areas - a number of the key success factors are listed below–but opinions vary on the relative importance of each of these factors.

The People	The Process	The Organisation
• Strong Leadership from the Project Manager/Single point of ownership • Experience of the Project manager, Team & Stakeholders • Support & Engagement from the Sponsor/Single point of Sponsorship • Fit for purpose communications paths and methods • Project Team motivation and understanding of their role and the objectives of the project • Project team skills match the project objective • Recognition of the central role of people in the success of project delivery	• A consistent approach to project management across the organisation • Level of analysis & planning matches the complexity of the project. • Agreement of the Success criteria in advance • Sound Planning & estimating techniques and skills used • Proactive Risk Planning & monitoring • Strong control of Changes (and of consequent replanning)	• Timelines determined by needs of the Project (rather than needs of Management) • Project is aligned with the strategy of the organization • Delegation of strong authority to Project Manger • Project approach is supported in the organization • Presence of a Project support organization e.g. PMO/Project office • Familiarity with the project objective, solution and approach by all involved • Buy-in /agreement from stakeholders at each stage of the project

References & Resources

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