



## How to alter the course of your project's history

*by Bill Smillie  
Partner*



---

## Contents

---

- 2   *The Executive Level***
- 2   *The Seven Keys to Success™***
- 5   *A Boardroom Agenda***

### **The Executive Level**

More than ever, in this e-business world, project success is directly tied to effective involvement of business executives. The number one reason for project failures—according to Gartner Group, The Project Management Institute, and many other observers of project management performance—is due to issues surrounding executive commitment and sponsorship. We must recognize that projects—and project management—are now the stuff of boardroom agendas, and we must be good at working those agendas.

And that is why I say: If you want to alter the course of your project's history, you must communicate at the executive level. When you succeed in this, your executive sponsors will gain insights, make decisions, and take actions. And your project needs these actions to be successful.

How then can we communicate better at the boardroom level? How can we use that communication to get decisions and actions that will guide our projects toward a successful outcome? We at IBM Business Consulting Services are using a language, a technique, for this history-altering communication that is proving to be highly effective on our projects. It was developed as a result of the merger of Price Waterhouse and Coopers & Lybrand project management experiences. We compared notes and found that this framework embodied the lessons learned by both organizations, across a very wide range of project size, type, and geographic territory. We call it *The Seven Keys To Success™*.

### **The Seven Keys to Success™**

Before I go on to explain the Seven Keys, I want you to recall some of your own experiences. Visualize the best project you were ever on. Hold that thought. Now think about the worst “death march” you were ever on. Now keep them both in mind as you contemplate the following dimensions of project health that make up *The Seven Keys To Success*.

First dimension of health—stakeholders are committed. Early in my career, I was Project Manager on two very different projects, which happened to occur back-to-back. One included a CIO who actively worked to see the project fail. And he succeeded, and it failed. The other, and the best project I ever managed, was for a client who really made it happen—took responsibility, made tough decisions, took political heat, and truly owned the result. I completely “failed” in one, and was a resounding “success” in the other, all in the space of about



a year. Did I change tactics or become a different person? No, in fact my “best” project happened immediately prior to my “worst” project. That was my first lesson that we as project managers aren’t the only ones responsible for project outcomes, good or bad.

Second dimension—business benefits are realized. Many projects lose their way in terms of business benefits and never get back on track. I’ve seen too many projects that never had a sound business case in the first place, and should have been saved from a premature death by never having been born. Yes, you can even use this framework to judge the health of projects you’re only *thinking* about doing.

Work and schedule are predicted. This is the traditional dimension of health. Otherwise known as “On time and on budget.” Now, anyone can tell you when this one is in serious trouble. And by then, of course, it’s often too late to recover. The trickier challenge is to know early in the project if it is likely to do well or not. Here, process and discipline are everything. Why? Because the project team that has the mechanisms for planning and tracking can see the need for a course correction early on. With this type of discipline, there will not be many surprises. (There may be unhappy news, but it won’t come as a big surprise to anyone.)

Scope is realistic and managed. Get this one right, and “Work And Schedule Are Predicted” is a lot easier. Get it wrong, and both tend to suffer. I remember one project that got way out of control—from an initial budget of under \$20 million to actuals of over \$80 million. The company was a power utility, which prided itself on having a gentle and mannered culture. The project was a new customer information system, a very complex undertaking. Successful scope management would have required a project manager “as mean as a junk yard dog.” Instead, the company named one of its own “gentlemen” to the job. The result was a project scope that was way out of control, because people hated to say “No.” My advice is to learn how to be a mean junkyard dog when necessary—and in the nicest possible way, of course.

Team is high performing. This one is often overlooked, and yet can make a huge difference. It’s not just about talent and experience, although these are obviously important. Morale, trust, physical environment, reward and recognition—these are some of the factors that determine sickness or health.



---

### Highlights

---

***The real secret to its usefulness is that these seven keys are framed as actionable results, and remember that that's what we're after when we communicate with our project sponsors. Actions that will alter the course of history.***

I have also learned, first hand, how powerful it can be to have a truly diverse team—diverse in style, in nationality, in gender, in life experience. And I also have learned how hard it can be to bring such a team together, how easy it is to convince yourself to take shortcuts in these efforts, how tiresome it can be to continually display the leadership that binds them together. Don't let that get to you. Fight for diversity and fight for the time and resources to build trust and communications among your team. I guarantee your project performance will benefit.

Risks are mitigated. The press has focused recently on a few high profile implementations that have gone badly for the companies involved. Orders not processed, inventory not managed, market share lost. The ultimate costs to the business and the shareholders have been huge. Many of these cases involved the “big bang” style of implementation—the quickest way, but the riskiest way. Here is the reality check for these circumstances: “Don’t gamble unless you’re prepared to lose.” These companies gambled, and found out they weren’t prepared to lose.

Delivery organization benefits are realized. Finally, behind every project, there is a delivery organization that puts it on the line for project management performance. And I’m not just talking about financial issues. Delivery organizations, whether they are hired consultants or internal IT groups, are trying to enhance reputation, harvest lessons learned, and develop staff with each project. If these aims are kept in sight and continually furthered, the final dimension of project health will be served. If these aims cannot be met, then all parties cannot deem the project a complete success.

That is the framework for project health we call The Seven Keys To Success. On its own, however, it is not sufficient to improve our game at executive level communications. The real secret to its usefulness is that these seven keys are framed as actionable results, and remember that that's what we're after when we communicate with our project sponsors. Actions that will alter the course of history.



## Highlights

**Use The Seven Keys To Success as a built-in agenda for your regular monthly Steering Committee meetings. Get those health issues on the table, and get the commitment to take the necessary actions.**

## A Boardroom Agenda

What they need to know. What they need to decide.			
Stakeholders Committed	R	Concern	Recommended Action
Business Benefits Realized	G		
Work and Schedule Predictable	Y	Concern	Recommended Action
Team High Performing	Y	Concern	Recommended Action
Scope Realistic and Managed	G		
Risks Mitigated	Y	Concern	Recommended Action
Delivery Organization Benefits Realized	R	Concern	Recommended Action

Here's how it works. Project health, for each key, is described as green, yellow, or red. Green means, "stay the course—no corrective action required." Yellow means, "warning—corrective action required in the near term." Red means, "urgent—corrective action required immediately." In other words, yellow and red status reports come with a built-in agenda for taking action. I've always been taught that when you're preparing for an executive level meeting, ask yourself, "What do I want them to know? What do I want them to decide?" This is exactly what The Seven Keys To Success framework provides as your boardroom level communication technique.

Now, let's revisit your own projects. Think first about your worst project—how many keys went red? How early? Did the underlying conditions get corrected? I'm guessing that multiple keys went red, did so early in the project, and never recovered. Next, your best project—were the Seven Keys always green? I bet they weren't, but I also bet they didn't stay red for too long. Successful projects are never in perfect health at all times. But successful projects *always* address their health issues promptly and effectively.

Remember, we are not alone in our management responsibilities—our project sponsors must share the load. And we must learn to do a *great* job of making that happen. *Use The Seven Keys To Success* as a built-in agenda for your regular monthly Steering Committee meetings. Get those health issues on the table, and get the commitment to take the necessary actions.



© Copyright IBM Corporation 2002

IBM Global Services  
Route 100  
Somers, NY 10589  
U.S.A.

Produced in the United States of America  
10-02  
All Rights Reserved

IBM, the IBM logo, and The Seven Keys to Success are registered trademarks of International Business Machines Corporation in the United States, other countries, or both.

Other company, product and service names may be trademarks or service marks of others.

References in this publication to IBM products and services do not imply that IBM intends to make them available in all countries in which IBM operates.