

# GUIDE TO SUCCESSFUL PROJECT MANAGEMENT

## 12 WAYS TO MAKE YOUR PROGRAM DELIVER ON TIME, ON TARGET, AND ON BUDGET

Managing a program or project is tough business. Programs continue to grow larger and more complex every year—and the probability of failure increases accordingly. The media is always trumpeting these failures, often at the expense of the project manager.

First things first—what is the difference between program management and project management? These terms are often incorrectly used interchangeably. Though similar, there is a distinction that was clarified by the Project Management Institute in their Project Management Body of Knowledge (PMBOK) industry guide. Broadly, a program consists of the total resources required to deliver and satisfy stated goals. Program usually infers an ongoing activity. A project is a temporary endeavor to create a unique product or service. It is a subset of a program; programs are made up of projects. Each program should be managed in accordance with the best business practices for cost, schedule, and goals.

Whether managing a large program or a single project, the program manager is responsible for its success. You ensure success by managing risks, which include those in the areas of schedule, cost, communication,

change control, and many more. To deliver a project on time, on budget, and meet expectations, you have to integrate customer expectations with resources—people, tools, and budgets.

So what makes a program successful? Adopting the following 12 steps will help ensure that your projects run smoothly. Though these steps are basic elements of program management, few project managers consistently apply them to projects.

### 1. GAUGE PROGRAM COMPLEXITY

Many projects start without full stakeholder understanding of their complexity and size. As the project progresses, the true scope emerges. However, it's often too late to adjust resources,

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# White Paper

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budget, and delivery date. A true understanding of a project's complexity will enable the development of well-designed and detailed management plans. These plans require that each project task and discrete work elements be fully evaluated and documented.

## **2. FACILITATE INTERNAL COMMUNICATION**

As organizations implement their program plans, they often fail to communicate them effectively. Communication is paramount to program success. Everyone associated with a project needs to fully understand the project goal, their individual roles, and how their actions affect the project. Most major projects fall outside an organization's core business, so the project manager may not have access to critical information that will affect the project. Without this information, the project manager is working in a vacuum and the project will fail. To overcome this typical organizational issue, the project manager must constantly communicate project goals and status to senior management and involved business managers. While the project manager may not have the authority to control the actions of others, information will allow him to proactively manage external influences. Full and fluid communication will mitigate "unforeseen" issues caused by uninformed individuals.

## **3. INTEGRATE KEY ELEMENTS**

Successful program management is no longer limited to managing a schedule. Program managers need to integrate key elements of the pro-

gram to deliver it on time and on budget with available resources. Cost control, configuration management, and resource allocation are inextricably intertwined in every program. For example, a delayed schedule means cost overruns, or a seemingly simple requirement change can negatively impact schedule and budget. By integrating these elements, program managers can understand how changes in one area can impact another and manage the program accordingly.

## **4. INSTILL MEASURABLE CONTROLS**

Although many believe that a completed program is the chief measure of success, this is not necessarily true. There are several ways to determine program success. Throughout the program life cycle, there need to be milestones with metrics to measure the outcome. Every program has a final, desired outcome and metrics quantify these crucial parameters in a meaningful manner. Examples of meaningful metrics include delivering a product to market faster by cutting weeks off the process or a product with fewer operational defects. Metrics enable objective evaluation of program success with bottom-line measures instead of subjective interpretations.

## **5. UNDERSTAND REQUIREMENTS**

Requirements creep is one of the leading causes of program failure. To control this, program managers need to thoroughly understand the program's desired outcome, available resources, and required delivery timeframe.

Baselining requirements at the start of the program is critical to success. Once the statement of work (SOW) has been developed, the program manager is responsible for managing the program accordingly. The program manager needs to carefully review the addition of requirements or changes that affect the original SOW. As a program moves away from the original SOW, it is difficult to deliver against the original requirements, making the measurement of success impossible.

## **6. EFFECTIVE IMPLEMENTATION STRATEGY**

A program can have many resources and still not be successful if the resources are not integrated into an implementation plan. Developing an effective implementation strategy is key to program success. Unfortunately, many organizations invest time and resources to develop a sophisticated plan only to put the plan on a shelf.

## **7. COMPREHENSIVE PROGRAM EVALUATION**

Many organizations rely on software tools to manage their programs. This is a strategic flaw. Tools can be used to help track a program, not run it. Software reports can provide valuable insight into the collection of data, development of meaningful metrics and monitor the implementation strategy. Program managers need to monitor their programs from a holistic point of view including data reports, communication with key players, and earned value management.

## **8. ALIGN CUSTOMER & CONTRACTOR EXPECTATIONS**

Not only should the program manager and end customer agree to deliverables, but also agree to overall program goals. As a team, they should share a single vision for success.

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The program manager be aligned with customer expectations. If this does not occur, the customer will most likely be dissatisfied with some or all parts of the program. This defeats the program manager's most basic goal—customer satisfaction.

#### **9. DEVELOP A “WIN-WIN” ATTITUDE**

A win-win attitude occurs when the program manager and end customer cooperate to achieve the stated program goal. A “lose-lose” situation develops when a customer who takes little interest in program progress outsources it to a contractor who then approaches it as a repeatable revenue stream. Customer reliance on a contractor to deliver while providing little oversight can cause the program to self-destruct. A “win-win” attitude will minimize conflicting interests and focus efforts on the program.

#### **10. FORMALIZED PROGRAM MANAGEMENT DISCIPLINE**

Many organizations do not have the expertise in-house to effectively manage large, complex programs. For an organization to deliver successful programs, the discipline of program management must be instilled. A deep organizational knowledge of program management and implementation will facilitate the progression of large, complex programs. Effective program management skills are learned. These skills can be developed internally by instituting an intensive program management education program or by contracting with an external firm to provide mentoring resources.

#### **11. LEADERSHIP COMMITMENT & SPONSORSHIP**

Senior management must make program success a broadly communicated priority throughout the organization. Most organiza-

tions respond when leadership emphatically communicates its commitment to issues. For programs to be successful, individuals at all levels of the organization need to remain sensitive to the needs and priorities of the program. The program manager must have a charismatic approach to laud program benefits and be able to motivate and inspire those working on the project and those affected by its results. Otherwise, the program goals and successes will not be known across the organization and its true value will be questioned.

#### **12. APPROACH PROJECTS AS A START-UP BUSINESS**

Any new project is a large undertaking. Budgets need to be carved out, resources assigned, control systems established, management determined, and goals aligned with enterprise strategy. For these reasons, projects should be viewed in the context of a start-up business. Typically, a project is viewed in the context of an existing project. As a result, resources and budgets are spuriously linked to the detriment of multiple projects. For example, a firm installing a new enterprise resource planning (ERP) system may decide that it needs to upgrade the existing financial system. These are two independent projects; however, they are related to each other. Each needs its own resources to be successful. Without independent resources, the program may fail.

#### **CONCLUSION**

Implementing these twelve fundamental steps is crucial to delivering a successful program on time, on target, and on budget. Although they appear obvious, many organizations resist implementing them. Though all twelve steps should be adopted to experience and deliver successful programs, it only takes one major misstep for a program to fail.

What do you need to do to ensure that your programs are successful? First, carefully evaluate the existing status of your program. Has every one of these twelve steps been implemented? Second, review how the twelve steps have been integrated into the program. Are there areas where the program could benefit by improving a step? Finally, continue to evaluate your program according to pre-established metrics. If you notice a delay or budget issues, verify that one of these steps to success has not been compromised.

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#### **A CASE STUDY: TURNING FAILURE INTO SUCCESS**

The State of Michigan Department of Transportation (MDOT) is responsible for a state highway system that includes over 9,500 miles of roadway. In recent years, its priorities have shifted from new highway construction and expansion to preservation, repair, and maintenance.

According to Jim Hicks, MDOT/ P/PMS engineer, the problems were complex and multifaceted. He said, “Smaller, easier projects were getting done, but larger, higher-profile projects were too

often late and over budget. By failing to deliver what was promised we were losing credibility with customers and at risk of losing funding.”

The decision was made to develop and implement a program/project management system (P/PMS) as a tool to enable managers to plan, schedule, monitor, and control long- and short-term programs, projects, and resources within the highway program. The new P/PMS also had to have sufficient capacity to handle data volumes for at least 2,000 active projects.

With the new P/PMS, communications have become more open between work units and upper management, improving overall performance in meeting project schedules. MDOT foresees significant cost savings because less time is spent on project management. A reduction of as little as one-half hour spent on project management for each project per month would result in a savings of 5,000 hours a year or about \$250,000. Actual time and dollar savings will most likely be considerably more.

The P/PMS is also changing how the MDOT does its work and accomplishes its goals—and the best is yet to come. According to Hicks, “As time goes on, the P/PMS will play a major role in balancing all the factors that help us complete jobs—large and small—in the most effective, time-sensitive, and cost-effective way possible.”

### **A CASE STUDY: SOPHISTICATED PROGRAM MANAGEMENT KEEPS SYSTEM DEVELOPMENT ON TRACK**

The U.S. Army was tasked with digitizing the battlefield systems in the mid 1990s, migrating from an analog to digital system. This move involved an intensive fast-track “spiral” software development effort as the traditional development cycles proved to be too slow. The new spi-

ral development process allowed new software versions to be designed, tested, refined, and deployed to the field fast, providing improved warfighting capabilities to the soldier. The move to battlefield digitization included the upgrade of the complex Army Command, Control, and Communications (C3) hardware and software programs. These warfighting systems, or rather a system of systems, needed to deliver C3 battlefield operation capabilities including maneuver, intelligence, battle command, air defense, fire support, and communications.

The Program Executive Office for C3S (PEO C3S) was charged with digitization of the US Army while supporting multiple DOD programs requiring interaction with multiple contractors. The Army’s First Digitized Division required the integration of multiple schedules. The effort demanded precise program management for the 38 separate implementation plans and documents that defined not only the separate program requirements and schedules, but also how they came together to form a consolidated system of systems. Thomas Kerrigan, logistics management specialist, noted, “This required sophisticated program management expertise to ensure that the separate components of the packages were ready for deployment in tandem.” The primary challenge for the PEO was system and scheduling integration.

The scope of the project required a disciplined program management process. Program goals mandated that warfighters have access to a wide variety of collaborative planning tools, including video conferencing, white boarding, and Internet access. Kerrigan continued, “We know that program management could provide snapshots ... leading up to the deployment, showing events across the functional areas and

across software development and fieldings to illustrate progress. We recognized that this was absolutely critical to our success.”

The first step in the digital conversion project was to examine the current processes and determine if and how they could be improved. In addition to recognizing the need for a formalized program management discipline, the PEO C3S team integrated key program elements, aligned and refined customer and contractor expectations, and established communication channels. The program achieved its goal—the First Digitized Division of the U.S. Army.

### **A CASE STUDY: FORMALIZED PROGRAM MANAGEMENT DISCIPLINE IMPROVES EFFICIENCY**

Verizon Federal needed to implement a large government agency multi-telephone system. Recognizing that this was a large task, the Verizon team realized it needed to utilize a process-based, integrated product organization with a strong emphasis on program management discipline.

The team implemented a formalized program management office to track and measure the status of all projects associated with the multi-telephone system deployment program. The organization developed 50 new processes that contributed to program success. The resulting process improvements enabled Verizon to develop repeatable processes while improving customer service. Key elements of success included the adoption of measurable goals, sound implementation strategy, and constant program evaluation.

#### Headquarters

11 Canal Center Plaza  
Alexandria, VA 22314  
t: 800.663.7138  
f: 703.684.5189

#### New York

65 Broadway  
Suite 906  
New York, NY 10006  
212.509.6260

#### Ottawa

180 Elgin Street, Suite 900  
Ottawa, Ontario  
Canada K2P-2K3  
613.236.3773

#### Detroit

26555 Evergreen Road  
Suite 1290  
Southfield, MI 48076  
248.359.7807

#### Toronto

8th Floor  
2425 Matheson Blvd E.  
Mississauga, Ontario  
Canada L4W 5K4  
905.361.2803

#### Los Angeles

Sales Office  
112 Third Street  
Seal Beach, CA 90740  
562.594.8739

#### Dayton

1360 Technology Court  
Suite 200  
Beavercreek, OH 45430-2200  
937.426.8081

#### Warner Robins, GA

402 Corporate Pointe  
Warner Robins, GA 31088  
478.329.0009

#### Montgomery, AL

Two East Building  
400 Eastern Bypass  
Suite 200B  
Montgomery, AL 36117  
334.271.4654

[www.robbinsgioia.com](http://www.robbinsgioia.com)

[info@robbinsgioia.com](mailto:info@robbinsgioia.com)

800.663.7138

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