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Project Management Basics: Increase the Success Rate of Your Projects
by Doris Orr

Here are some alarming statistics

- Over 70 percent of all projects are late and over budget.
- Twenty-five percent of all projects are abandoned and not completed, or significantly scoped down so they no longer resemble the initial project.
- Less that five percent of all projects are completed on time and on budget.

What is a project? Why is it so hard to have it completed, especially within the timeframe and the budget allotted? Does this seem like a mystery? Keep reading. ...

Definitions
The definition of a project (from Wikipedia, the free encyclopedia) is: "a finite endeavor—having specific start and completion dates—undertaken to create a unique product or service which brings about beneficial change or added value."

Notice that change is in the definition of a project; actually to keep things simple, "project management is change management." Change—by definition—means that we will no longer do things in the same manner that we used to; that hurts! I truly believe that we resist change long before we start embracing it!

Being a project manager involves being a change catalyst and working through the change psychology that people are faced as recipients of the new world.

One change management model, which was developed by Kurt Lewin in the mid 1900s, used a three-stage process called "unfreeze-change-refreeze." Unfreezing requires the conscious process of emotional detachment from the old way of doing things. The change stage (i.e., the project) is the period during which confusion and transition occur. For the project to bring about lasting added value, the new world needs to be frozen in the third and final stage called "refreeze." This is a very effective way to think of the change process.

Before a Project Starts
Answers to the following six basic—but so important—questions will help your

project be in the minority success group, i.e., those that are completed on time and on budget.

Questions: What? Why? How (and how much)? When? Who? Where?

The more clear and concise the responses are to each question, the better basis your solution (aka project) has of being successful. Let's look at these:

1. *What—Articulate the problem that needs to be solved*

- The response to this question needs to clearly verbalize the problem and, where possible, the solution, i.e., "We need to implement a pricing model for our new D&O insurance, as we are losing premium revenue because of the increased complexity which our manual calculations can no longer handle."
- "Answering the first "what" needs to be followed by "what" again. This time it describes the more granular understanding of scope; clearly express exactly what is included and also what is excluded.

2. *Why—Clarify the impetus/driver behind this solution as well as the owner*

- Usually the person who feels the most pain before the problem is solved is the right project owner/driver as they have the most to lose if it is not implemented. In this example the CUO (chief underwriting officer) or CEO may take ownership as they would be responsible for the following: "Our business will go bankrupt if we don't fix the systems issues around our pricing models."
- It is absolutely critical to have the pain point and the project driver/owner known and communicated to all involved, as change requires that extra push which can be given most effectively by the senior person feeling the most pain with the existing situation.
- The why often needs to be supported by a cost-benefit analysis, ROI calculation and/or payback period assessment. This will help ensure that the biggest pain points in an organization have a chance of being addressed and/or removed as the benefit is likely the largest for these existing problems.

3. *How (approach) and how much (money)*

- The approach to how a problem is solved is often dictated by the amount of funding available and/or the time available to fix it.
- The amount of money made available for the specific solution is often determined by how large the "pain point" is, subject to the organization's funding ability. Always factor in a contingency factor for the unknown to avoid unnecessary cost overruns.
- The amount of time and money often dictate the approach; i.e. a shoe-string budget may require a bicycle journey to the destination rather than hiring a jet plane.

4. *When—Deadlines need to be non-negotiable to be most effective*

- The best strategy is to set internal (aka self-imposed) non-negotiable deadlines if there is no external deadline that you need to achieve.
- If there is opportunity to delay the completion of the project, then