Top 10 Obstacles to Project Success of 2010

Global Survey Results

Detection, Cause, Mitigation

PRESENTED BY:
Lou Gasco
MüTō Performance Corp.
Lou.Gasco@MuToCorp.com
917-834-2402

Use of this presentation

Use of the Presentation	• Intended for use by Project Management, Program Management, or Senior I.T. Leadership who are interested in understand the nature of the most common project obstacles.
Long form of the Presentation	• Typically takes two hours to complete with Q&A and audience participation. All 10 Obstacles are reviewed in some detail. We conclude with Mitigation.
Short form of the Presentation	• Typically takes one hour to complete with Q&A and audience participation. The audience is surveyed and their obstacles of interest are discussed at length. On average three obstacles are discussed. We conclude with Mitigation.
© 2008,2009,2010, 2011 All Rights Reserved by MüTō Performance Corp.	• The content on this presentation is protected by copyright law. Any duplication of any part of this presentation requires the explicit authorization of MüTō Performance Corporation.
Value of the Presentation	• The audience comes away the understanding that they are not alone in facing these project obstacles and that the resolution to these obstacles lies within their capacity as Project Professionals.
If you would like to schedule a speaking engagement or would just like to know more contact;	• Lou Gasco • Lou.Gasco@MuToCorp.Com • 917-834-2402

data sources

the 2010 MüTō Performance Corp. survey

- Rank the Top 10 Obstacles to Project Success.
- Provide demographic information on industry, project type, and region.

answers from over 1,700+ project, program managers, and team leads globally

- 22 Industries
- 26 Countries
- 47 types of projects

this presentation

we'll review comparative data between 2009 & 2010

- From region to region
- For each obstacle

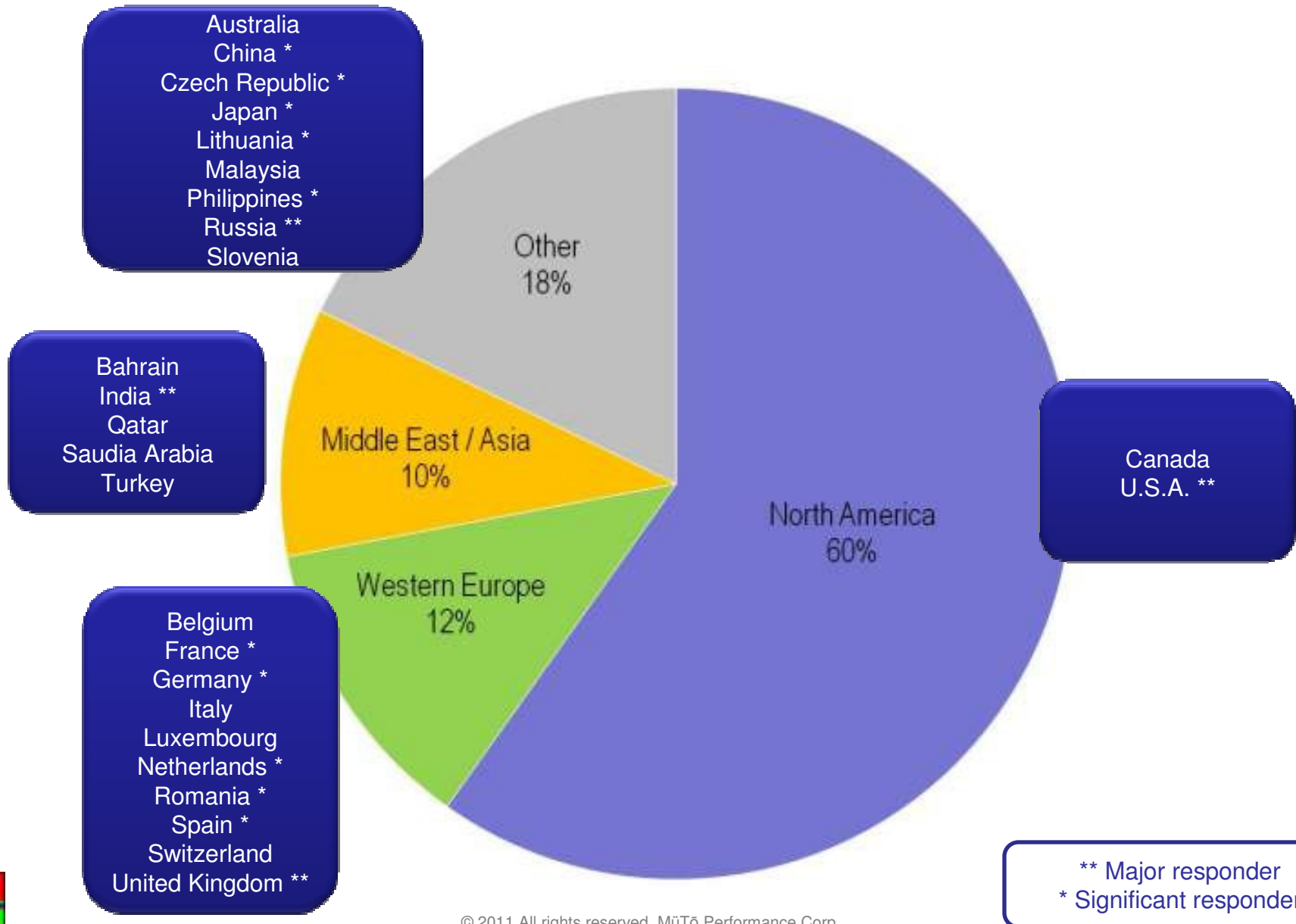## we'll review the "Top Ten" obstacles of interest to you

- a quick poll to rank our obstacles for discussion
- explore the group's top three obstacles
  - their detection
  - their impact on projects
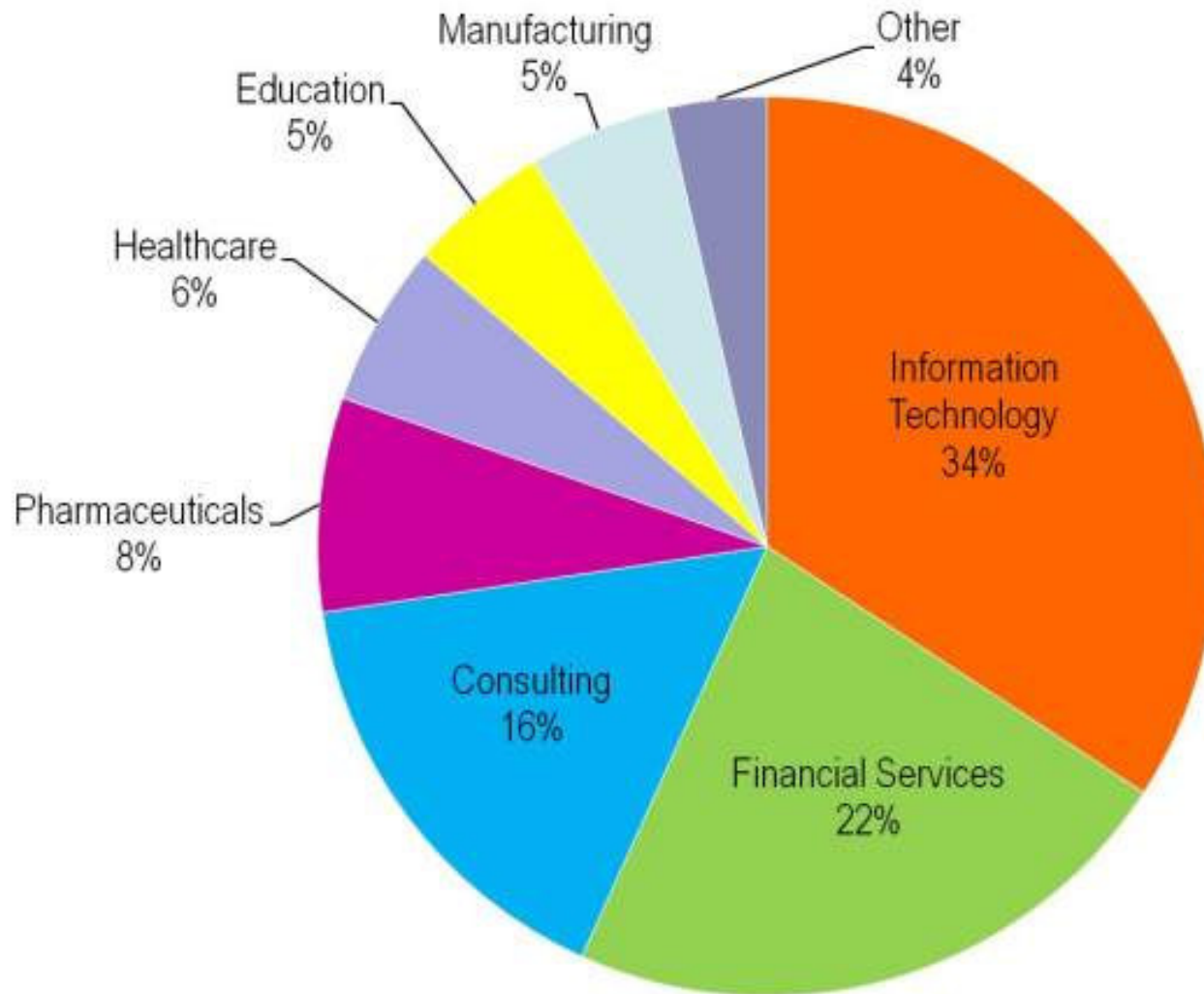 - their most common causes
  - their mitigation

ground rules

- we will be "P.C." about it
- we won't rely on the *Dilbert Principle*
- *we WILL focus on reality*

demographics – by region

Australia
China *
Czech Republic *
Japan *
Lithuania *
Malaysia
Philippines *
Russia **
Slovenia

Bahrain
India **
Qatar
Saudia Arabia
Turkey

Belgium
France *
Germany *
Italy
Luxembourg
Netherlands *
Romania *
Spain *
Switzerland
United Kingdom **

Canada
U.S.A. **

Other
18%

Middle East / Asia
10%

Western Europe
12%

North America
60%

** Major responder
* Significant responder

demographics – by industry

Manufacturing 5%

Other 4%

Education 5%

Healthcare 6%

Pharmaceuticals 8%

Consulting 16%

Information Technology 34%
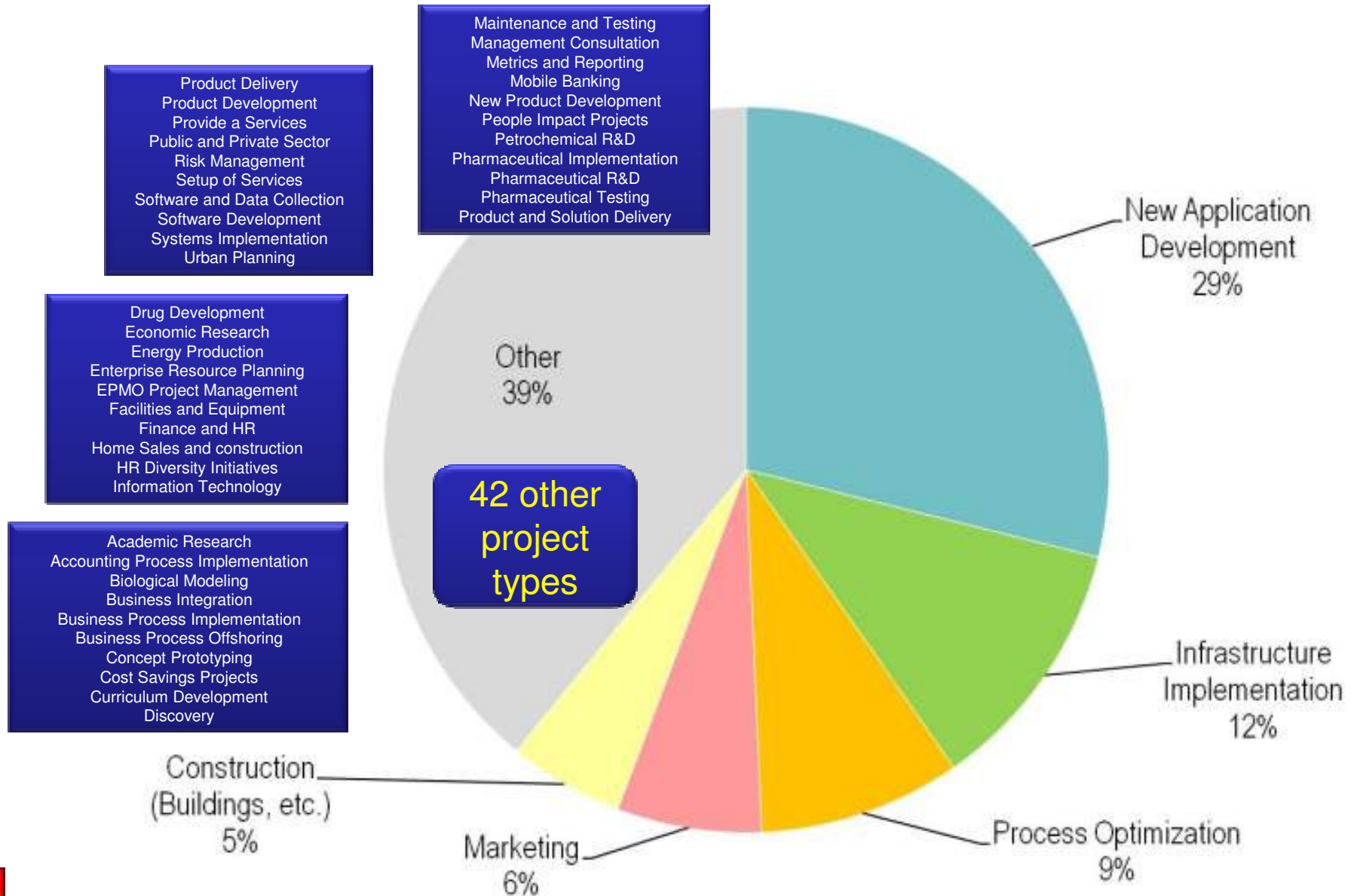
Financial Services 22%
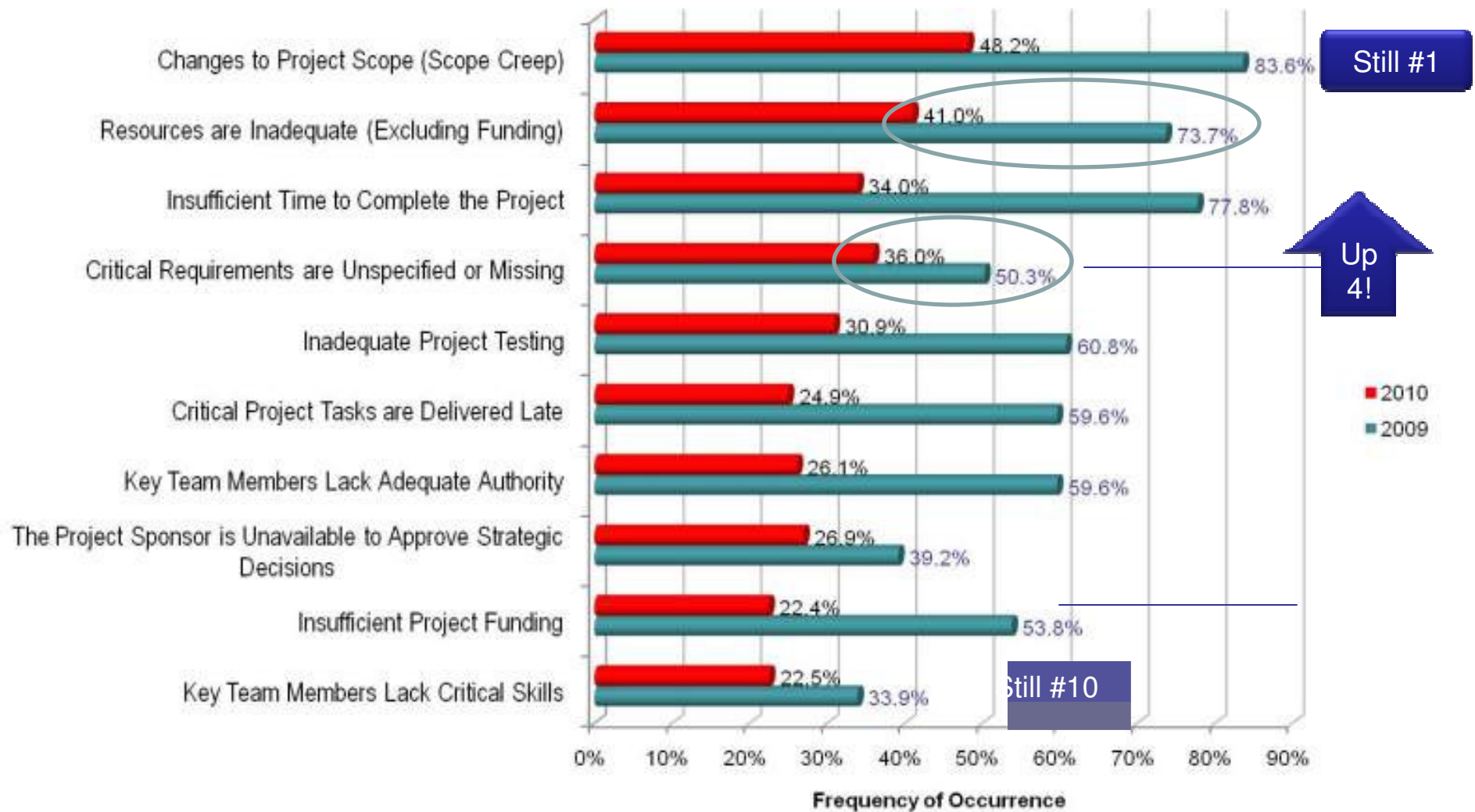
OTHER INDUSTRIES RESPONDING

Aerospace
Biotechnology
Communication
Energy
Government (Public Sector)
Hospitality
Media
Philanthropy
Public Relations
Real Estate
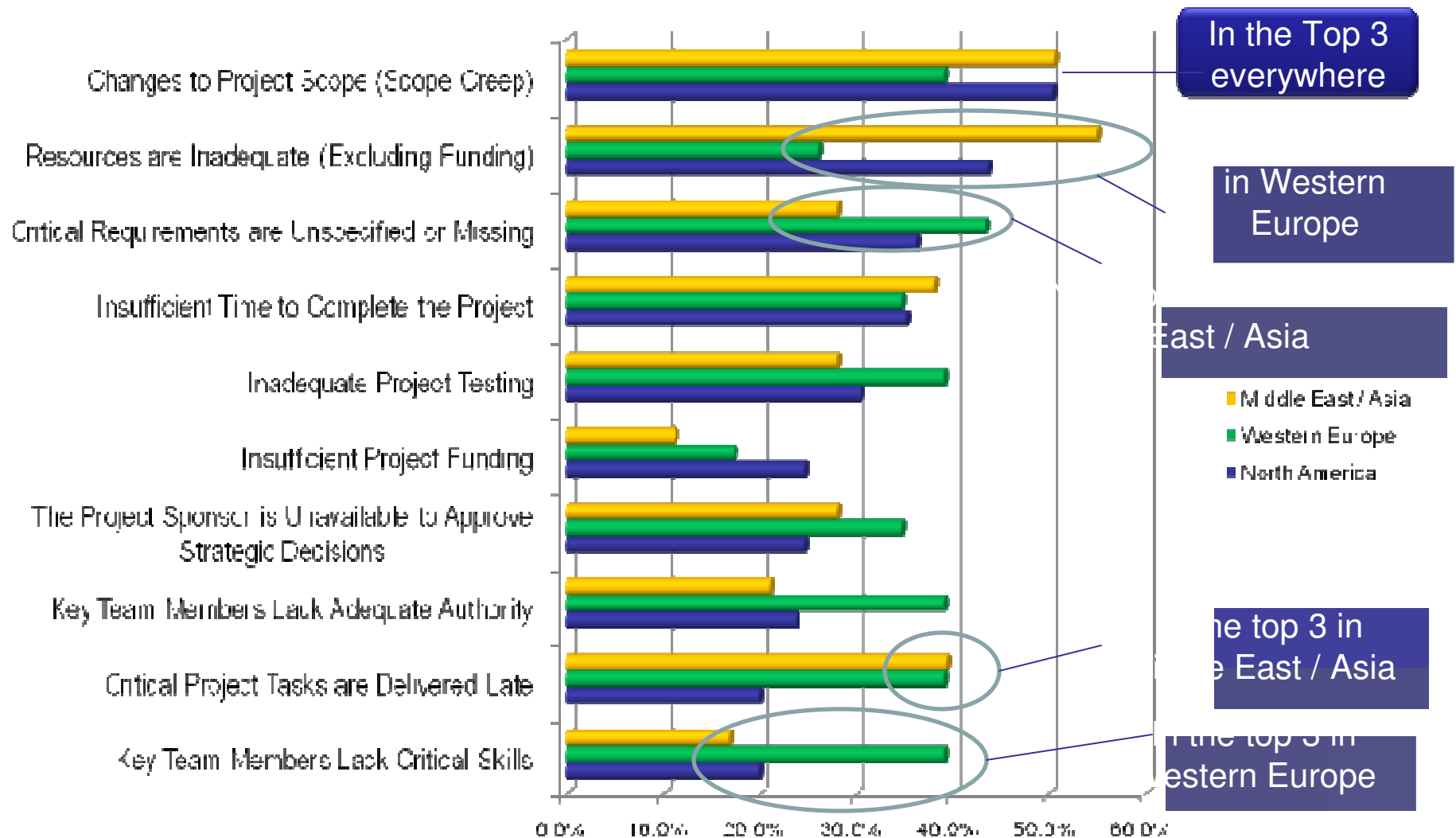Shipbuilding
Staffing
Telecom
Travel

demographics – by project type

Product Delivery
Product Development
Provide a Services
Public and Private Sector
Risk Management
Setup of Services
Software and Data Collection
Software Development
Systems Implementation
Urban Planning

Maintenance and Testing
Management Consultation
Metrics and Reporting
Mobile Banking
New Product Development
People Impact Projects
Petrochemical R&D
Pharmaceutical Implementation
Pharmaceutical R&D
Pharmaceutical Testing
Product and Solution Delivery

Drug Development
Economic Research
Energy Production
Enterprise Resource Planning
EPMO Project Management
Facilities and Equipment
Finance and HR
Home Sales and construction
HR Diversity Initiatives
Information Technology

Academic Research
Accounting Process Implementation
Biological Modeling
Business Integration
Business Process Implementation
Business Process Offshoring
Concept Prototyping
Cost Savings Projects
Curriculum Development
Discovery

42 other project types

Other
39%

New Application
Development
29%

Infrastructure
Implementation
12%

Process Optimization
9%

Marketing
6%

Construction
(Buildings, etc.)
5%

2010 Results (Overall)

Bar chart titled "Frequency of Occurrence" comparing 2010 (red) and 2009 (teal) results.

Category	2010	2009
Changes to Project Scope (Scope Creep)	48.2%	83.6%
Resources are Inadequate (Excluding Funding)	41.0%	73.7%
Insufficient Time to Complete the Project	34.0%	77.8%
Critical Requirements are Unspecified or Missing	36.0%	50.3%
Inadequate Project Testing	30.9%	60.8%
Critical Project Tasks are Delivered Late	24.9%	59.6%
Key Team Members Lack Adequate Authority	26.1%	59.6%
The Project Sponsor is Unavailable to Approve Strategic Decisions	26.9%	39.2%
Insufficient Project Funding	22.4%	53.8%
Key Team Members Lack Critical Skills	22.5%	33.9%

Annotations: Still #1; Up 4!; Still #10

regional comparison

In the Top 3 everywhere

in Western Europe

East / Asia

- Middle East / Asia
- Western Europe
- North America

he top 3 in e East / Asia

the top 3 in estern Europe

Categories (top to bottom):
- Changes to Project Scope (Scope Creep)
- Resources are Inadequate (Excluding Funding)
- Critical Requirements are Unspecified or Missing
- Insufficient Time to Complete the Project
- Inadequate Project Testing
- Insufficient Project Funding
- The Project Sponsor is Unavailable to Approve Strategic Decisions
- Key Team Members Lack Adequate Authority
- Critical Project Tasks are Delivered Late
- Key Team Members Lack Critical Skills

Axis: 0.0% 10.0% 20.0% 30.0% 40.0% 50.0% 60.0%

The Top 10 Obstacles to Project Success

Definition, Detection, and Mitigation

#1. Changes to Project Scope (Scope Creep)

Explanation	The project scope as designed has been changed.
Detection	❑ "We have a change control." ❑ "Say…while we are doing that…why don't we do this other thing too?"
Potential Mitigation	❑ Establish clear communication of the project's requirements and goals with the project team. ❑ *plan b:* that incorporates a scope change 'vetting session' prior to change management. ❑ Know the factors that may impact the scope of your project.

"Since we have the patient open, why don't we also remove the appendix, he's not using it, is he?"
a surgeon who is no longer practicing.

#2. Resources are Inadequate (Excluding Funding)

Explanation	There are not enough resources to complete the project as desired.
Detection	❑ The sponsor says "We all have to do more with less." ❑ The plan by design, requires everyone to work overtime, all the time, until completion.
Potential Mitigation	❑ Establish clear communication of funding requirements, risks created, and their mitigation to sponsors. ❑ *plan b:* create a plan that approves task level resource commitments with sponsors.

**"If everybody stayed in the office,
worked around the clock, took no breaks, and stopped
everything else, we could finish the job by this Tuesday."**
*A Project Manager to his sponsor when
asked to do more with less.*

#3. Insufficient Time to Complete the Project

Explanation	The date for delivery of the project's solution makes it difficult to deliver on time.
Detection	❑ Date for delivery is set and the project is funded before any research/analysis work is completed. ❑ Team members are saying "We don't have enough time to deliver."
Potential Mitigation	❑ Open up communications with sponsors. ❑ Commit the team to effective analysis. ❑ Befriend change management.

"The deadline for this project is Tuesday, January 11th, because we started on November 1st, and that makes it all one's."
a sponsor to the project team

#4. Critical Requirements are Unspecified or Missing

Explanation	The project has a 'goal', but no finalized requirements.
Detection	❑ The beneficiary says "The supplier should know what is needed." ❑ or "Look, we wrote down what we need, what more do you want?"
Potential Mitigation	❑ Establish clear accountability of roles and responsibilities with beneficiaries. ❑ *plan b:* create a plan that includes a process for managing newly found requirements.

**"If you are not going to be constructive
we'll just have to replace you."**
*a sponsor to a project manager, when the manager
asked "What is the goal of this project?"*

#5. Inadequate Project Testing

Explanation	The testing (Q&A) process is either nonexistent, or reduced beyond any planned duration.
Detection	❑ Testing time is being shortened in order to make room for more development. ❑ There are excessive amounts of problems in production.
Potential Mitigation	❑ Commitment to testing time from sponsors and beneficiaries. ❑ Clear communication of the necessity of testing. ❑ Correct time consuming issues before they affect testing time.

"We just saved 22% of the budget by cutting out QA, entirely. After all, we could test Monday morning in production!"
a project Manager to his Sponsor with a rationale for a cost saving measure on a new product Implementation.

#6. Critical Project Tasks are Delivered Late

Explanation	Suppliers are late in the delivery of their tasks.
Detection	❑ Suppliers are saying "Yes, we're on time, everything's fine." with no validation. ❑ A request for new information about the design is received in the midst of construction.
Potential Mitigation	❑ Commitment to supplier delivery, roles, and responsibilities. ❑ Clear communication of delivery dates, times. ❑ Correct all supplier issues, before they affect timelines.

**"No problem, I'm sure
we can have it for you by when you want it,
give or take a few things, in or about a week, maybe."**
a supplier, guaranteeing delivery to the Project Manager

#7. Key Team Members Lack Adequate Authority

Explanation	The authority of key team members is insufficient to carry out their responsibility on the project.
Detection	❑ Key Team Members are doing tasks intended for others; *(ie: The PM is taking minutes while someone else manages the project meetings.)* ❑ Teammates constantly require approvals from their management to deliver on their responsibilities.
Potential Mitigation	❑ Open up communications through to supplier/beneficiary management. ❑ Commit team (and their management) to Roles, and Responsibilities

**"You are only authorized
to complete the project, for anything else,
you have to get written approval, but I'm not sure from who."**
*Clear instructions on the modus operandi from
the sponsor to the project manager*

#8. Project Sponsor is Unavailable to Approve Strategic Decisions

Explanation	The sponsor cannot be reached.
Detection	❑ Critical decisions on the project are delayed, because the sponsor can't be found. ❑ Sponsor says, "You go ahead and approve it, I'll back it when the time comes."
Potential Mitigation	❑ Establish clear accountability of roles and responsibilities w/ sponsors. ❑ *plan b:* create a plan that includes processes for working within an environment where the sponsor may become unavailable.

"I never actually gave you permission to go ahead with that change."
The sponsor to the project manager, when told that a change caused the project to be delayed.

#9. Insufficient Project Funding

Explanation	Not enough funding to complete the project as desired.
Detection	❑ The sponsor says "We all have to do more with less." ❑ No one is following up on the project's budget/cost analysis.
Potential Mitigation	❑ Establish clear communication of funding requirements, risks created, and their mitigation with the sponsors. ❑ *plan b:* create a plan that includes processes that support acceptance of task level expenditures in case funds become available.

**"Don't worry about the
budget, we have no budget,
just do the project, we'll figure it out after."**
*A sponsor's response when the project manager
asked what the budget was.*

#10. Key Team Members Lack Critical Skills

Explanation	The team is unable to support the project due to a partial or complete lack of critical skill sets.
Detection	❑ Code is completely redone from scratch. ❑ Delivery dates are constantly moved as "new information" becomes available. ❑ Teammates say, "I don't know how to do this."
Potential Mitigation	❑ Open up communications; determine true skill sets at the start. ❑ Use accountability exercises to discover lack of skill set ❑ Get teammates the resources to learn as necessary.

"The project delivery is delayed because, no-one on the team knows the development framework. We need to go to training."
a project management team on a financial system overhaul, telling their CIO why the project delivery milestone dates are slipping.

Mitigation

Project Life-Cycle Processes

- Have them in place.
- Make sure they are understood.
- Make sure they are accepted.
- Make sure they are followed.

Supporting Systems

- Automate the processes.
- Make sure they are LESS onerous, and do not add complexity.

● People

Develop Communication

- Do everything possible to communicate clearly.
- Do nothing that blocks or confuses communication.

Who are you attempting to communicate with, and how do they perceive you?

Develop Motivation

- ☺ ← **Happy**, productive team-mate
  - Keep them happy (ask them how.)
- ☹ ← **Sad**, upset team-mate
  - Get them happy (understand what's making them sad.)
- ☺ ← **Apathetic**, uncaring team-mate
  - Get them talking (get to know them.)

What's your team's temperature?

Enforce Accountability

- Have a plan "B", for every agreement.

Have you enforced accountability?

One final thought…

Success is not by chance.