

Jeff Oltmann on Mastering Projects

How to Connect Projects to Strategic Objectives

Can't Connect the Dots

Connecting the dots is surprisingly hard, especially the strategy and execution dots. Let me explain ...

For years I have been teaching clients and students to start their projects using a technique called “chartering.” Chartering gets key stakeholders aligned on the high level *why* and *what* - why the project is important to invest in and what specific things it should deliver. This is hard – many projects founder because it is not done well.

I thought chartering was a pretty good way to establish the all-important link between business or mission objectives and how the project was going to support those objectives. But despite the prompting built into the chartering technique, project teams consistently found it difficult to establish that causal link, increasing the chances that a project's strategic impact would fall short.

Causal Hierarchy

This came to a head about a year ago when I asked my MBA in Healthcare Management Class to complete an exercise on the Logical Framework Approach (LFA). LFA was developed in the late 1960's to help USAID increase the effectiveness of the projects in its global multi-billion dollar foreign aid program. It requires a project team to derive project deliverables from strategic objectives in a structured way – a causal hierarchy.

Even though my students were top-notch mid-career professionals, the

majority struggled with this, so I worked with them to develop an explanation and example. Our causal hierarchy, shown below, has three levels. The if-then tests at the end are especially useful.

Level 1: Strategic Goal

The level 1 section describes the “big picture” strategic intent, mission objective, or business objective that this project will help achieve, along with relevant measures of success and where the data for the measures will come from.

Strategic Goal Example (Level 1)

Improve the volume and satisfaction of outpatients visiting the orthopedics clinic.

Success Measures: Within 3 months of implementing improvements:

1. Patient volume through the clinic increases by 5%.
2. Satisfaction scores of patients visiting the clinic increase by 20%.

Verification (sources of data):

1. Volume reports from EHR system.
2. Results from satisfaction survey that is administered at the end of each patient visit.

Assumptions

1. Volume and satisfaction are driven at least partly by the effectiveness of the check-in and way-finding processes.

Level 2: Purpose of Project

This section builds on level 1, describing

the specific focus of the project that will enable it to contribute to achieving the organization's strategic goals described

Purpose Example (Level 2)

Improve patient check in and way-finding to increase preparedness and decrease lost time.

Success Measures:

1. All patients are prepared for their appointments. No clinician time is spent on things that could have been taken care of before or at check-in.
2. No patients get lost or frustrated on the way to their appointments.

Verification (sources of data):

1. Daily debrief of medical technicians to count how many patients were not prepared.
2. Patient scores on way-finding questions on end-of-visit survey.

Assumptions

1. Enough patients will complete the end-of-visit survey so that we have statistically valid data.
2. The medical technicians will accurately remember how many unprepared patients they saw and will log the number at the end of the day.
3. We have an accurate baseline for improvement using prior survey data.

at level 1. The purpose listed here is the primary reason for the existence of the project. (This project may be just a contributor to the strategic goals – other projects not listed here may be needed to fully achieve them). The purpose listed here should clearly flow down from the goals, and be at a greater level of specificity. Success measurements for the purpose are clearly defined, along with data sources.

Level 3: Deliverables

This section lists the major, specific and tangible outputs (deliverables) that the project will create to accomplish the purpose described in the level 2 section. The deliverables are tangible, specific, measurable and clear. They cover much of what would be needed to achieve the stated purpose. Clear and specific success measures are stated for each deliverable, preferably with an indication of target timeline.

Deliverables Example (Level 3)

1. Paper design of a new way-finding and check-in process. Measures:
 - a. The new process provides patients a single, accurate, consistent, and direct way to check in to clinic.
 - b. New process ensures all sources of direction data (Epic/mychart, reminder calls, and scheduling interactions) are consistent.
 Target completion: 3 months from project approval date.
2. A completed pilot of the new process. Measure: A pilot of the new process runs and gathers data for 3 months. Target date: Data vs. baseline on patient satisfaction and preparedness is collected and analyzed within 4 months of starting the pilot.
3. An analysis report on the effectiveness of the new process with recommendations for next steps. Measure and target date: Report presented to steering team within 8 months of the approval of this project.

Assumptions: project is approved before October 15.

Test Your Causal Hierarchy

The three levels of a well-written causal hierarchy move from more general and strategic to specific and tactical as you go from top to bottom. The hierarchy clearly explains what specific project deliverables are needed to provide a certain strategic contribution and why. This is very valuable when you are defining a project and getting buy-in. You can test whether your causal hierarchy does that by reading it from the bottom up as series of if-then statements. It should read something like this:

1. If the project delivers or produces <the specific things listed at level 3>, then it will achieve <the purposes listed at level 2>.
2. If the project achieves that purpose, then it will have contributed to <the important goals listed at level 1> that the organization has.

Call to Action

The example shows how a causal hierarchy helps you move from very general objectives (improve patient satisfaction) to specific and measurable project deliverables (design, pilot,

and evaluate a way-finding process). It can be challenging, because it forces you to think through specific and measurable cause and effect relationships that explicitly show how your project will deliver results with strategic impact.

Example Test of the Causal Hierarchy

- If we design and implement a new check-in process (level 3 deliverables), then patient preparedness will increase and lost time will decrease (level 2 purpose).
- If patient preparedness increases and lost time decreases then volume and satisfaction levels of outpatients visiting the orthopedics clinic will improve (level 1 goal).

A causal hierarchy does not replace the chartering process. It is a useful complement, ensuring that the *why* and *what* sections of the charter document are well thought out. I recently tried it when working with a client to charter a major consulting project. I'm pleased with the clarity and alignment that resulted.

About the Author

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