

Mastering Projects Series
What Makes Projects Succeed?

Gloom and Doom

Previous articles in this series focused on a gloomy topic – project failure. *Recovering Troubled Projects* looked at survival skills for rescuing a floundering project. *How to Kill a Schedule* described how even the most dedicated project teams can inadvertently cause their projects to miss schedules. Now let's look at the positive side - factors that help projects succeed.

How Often Do Projects Succeed?

In 1994, the Standish Group released a study of project failure rates that caused shock waves around the world. It quantified what many had privately feared – far more projects failed than people admitted. Only 16% of surveyed IT projects were completely successful, defined as on time and budget, with full functionality and features.

The Standish group has repeated the study every year since 1994, creating a useful look at trends in project success. The good news is that project success is improving in several important categories. The table below compares several key statistics.¹

Metric	1994	2003	Trend
Number of projects in survey	8,380	13,522	
Fully successful projects	16%	34%	better
Projects cancelled before completion	31%	15%	better
“Challenged” projects	53%	51%	similar
Average size of schedule overrun	222%	82%	better
Average size of cost overrun	189%	43%	better
Average size of reduced scope	61%	52%	worse

The Difference

What factors distinguish the few fully successful projects from the majority that are “challenged” or cancelled? J. Davidson Frame, author of *The New Project Management*, shares some insights on where to look for these factors. He says, “... projects seldom fail because a PERT / CPM system crashes. However, they frequently fail for non-technical reasons such as lack of commitment on the part of staff, political gaffes, and the inability to communicate ideas effectively ... [E]xcessive concern with tools diverts attention from other important matters, such as managing and satisfying customer needs and wants, motivating employees, and acquiring political skills.”²

Therefore, project success requires more than mastering the technical aspects of project management. Being able to define a critical path and plot variances are important, but not enough.

Eric Verzuh takes us further. In *Fast Forward MBA in Project Management*, he observes five characteristics that successful projects share, no matter what industry.³ Combining observations from both Frame and Verzuh, we can

come up with this list of success factors:

1. CUSTOMER INVOLVEMENT

It's easy to recite the phrase, "The customer comes first!" But deeply involving the customer takes persistence, hard work, and time in order to learn what they really need and then deliver it.

2. AGREEMENT ON THE GOALS OF THE PROJECT

Duh! Isn't this obvious? Not so fast! Many projects get far into execution without clear agreement on what their end deliverable should be. They've headed down the road to failure almost before they've begun.

3. FREQUENT PROGRESS CHECKS AND COURSE CORRECTIONS

Take a tip from sailors, who must constantly navigate shifting winds and changing conditions to arrive safely at their home port. Lives depend on always knowing where the ship is and where it is supposed to be. Similarly, projects won't stay on course without frequent measurements of progress versus plan, coupled with a nimble ability to adjust course for unexpected conditions.

4. A PLAN THAT SHOWS OVERALL PATH AND RESPONSIBILITIES

The project plan is the roadmap for how to get the project done. Would you embark on any other perilous journey without a map? Enough said.

5. CONSTANT AND EFFECTIVE COMMUNICATION TO EVERYONE

Many project managers tell me that effective communication is both the most important and most difficult success factor on their projects. It is challenging to reach stakeholders who are deafened by the workplace din of too many projects and too much work.

6. CONTROLLED SCOPE

Many projects die of bloat, killed by uncontrolled growth in their scope. First, prepare for inevitable change by getting an early baseline agreement on goals (success factor #2). Then, when change hits, make explicit decisions about how to modify scope, fully understanding the tradeoffs with schedule and cost.

7. MANAGEMENT SUPPORT

Managers have the power to knock down roadblocks and keep an organization focused on making the project successful. Most project managers depend on indirect influence, so management is an indispensable ally.

Each of these seven success factors seems almost painfully obvious. Yet, precious few projects would get an A+ grade on all of these factors, and thousands of projects that are in progress right now are failing most or all of them. While the factors may be obvious, they are far from easy. Achieving them on a project will take every ounce of your persistence, but if you focus on them you will be well on your way to joining the distinguished minority of completely successful projects.

About the Author

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¹ *The CHAOS Report*, 1994 edition and 2003 update, www.standish.com. Overrun and deficiency numbers are expressed as percentages of original estimates. “Challenged” projects were not cancelled, but missed their original schedule, cost or feature objectives.

² J. Davidson Frame, *The New Project Management*, 2nd edition, 2002, p 6-7

³ Eric Verzuh, *The Fast Forward MBA in Project Management*, second edition, 2005, p. 7 – 9