

Can You Afford Not To?

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When it comes to business there are just a few inescapable truths. One such truth is found in the nature of work done by any organization. In any organization, no matter what the business, only two types of activities are done: projects or new initiatives and operations. Everything falls into one of those two categories. To succeed, an organization must do both very well, and both therefore need to have strong leadership, discipline and visibility at the most senior level of every organization. For each activity type there are many different ways to get work done. Unfortunately, not every methodology aligns with every organization or a particular effort. Looking at the new initiatives, half of the equation offers significant opportunities for performance gains in almost any organization.

Often the quickest and easiest organizational gains can be found by examining the methodology or methodologies used by an organization in the execution of projects. In over 76 percent of organizations a single methodology is used to provide the actionable framework of the project. The most common of these is a waterfall model where activities are done in a four or five phase sequence: analysis, design, development, testing, and deployment. This highly linear approach to project execution is the oldest and has its origins in the engineering world. Another common family of methodologies is called agile development. It is frequently found in the information technology world. Agile development makes extensive use of short iterations with significant stakeholder feedback to deliver project results. Each of these methodologies has its fans and detractors, and they represent only the two extremes of the methodology world. With only limited research one can quickly discover over 30 major methodologies. However, there is no such thing as a perfect methodology. Each methodology has advantages and disadvantages. Each has situations they handle well and situations where their use will spell disaster. Unfortunately, most organizations choose simplicity over common sense.

For many organizational leaders it makes more sense to select a single methodology for the execution of all initiatives rather than risk diversity. Yet, this choice ensures that one out of every three projects will fail before any work has begun. The desire for consistency in performance and reporting is only valuable if the performance is good and reporting is accurate. The first major test should be an open willingness to ask some simple questions:

1. Do you know how often your initiatives are late and/or over budget?
2. Do you know what your average schedule and/or cost over or under run is?
3. How often do you end up with fantastic technical solutions in search of a business problem?
4. Do you often find things are right on track until the last minute when suddenly they are not?
5. Do your people often complain about the amount of process or paperwork they must complete?

The answers to these questions are often indicative of a process or methodology problem. The easy answer is to keep doing things the same way, but that is the definition of insanity. There has to be a

better way, and fortunately there is. The better way begins with a few simple assumptions. So long as these assumptions hold true you can achieve dramatic improvements in short order.

1. Your initiatives are not clones where one initiative is largely identical to the next. If they are largely clones stop reading not, use a waterfall methodology and focus on operations management.
2. Your people are trainable and capable of making basic business decisions.
3. You sometimes face diverse customer needs and timelines.
4. It is impossible to know all the requirements at the beginning of the effort.
5. Change, sometimes even significant change, is a normal part of the process.

If these assumptions are true, then the process that follows will add great value.

The first step in the process is idea generation. This is the step where someone in the organization says it would be a good idea to do something. All that is needed here is a simple capture method for the idea. This can be as simple as a half sheet of paper or a simple single page web screen. Remember, no one really knows anything yet so keep it simple with not more than five or six questions.

Once the idea is in the system someone needs to prioritize it against all the other ideas in the cue. It is best if the senior leadership team prioritizes the initiative against the strategy. A common mistake is to not begin tracking until the idea reaches the execution stage. When this happens you have no idea how much time or money is being spent to plan your initiatives and that is dangerous.

The next step is to hold a kick-off meeting. Keep this simple as well. It should be about an hour and never longer than 90 minutes. All the major stakeholders should attend the meeting, and the sponsor should always start the meeting. However, the sponsor only needs to be there for the first 10 minutes. If the sponsor is not willing to be there don't do the project. At some point the project will run into trouble and if the sponsor won't give 10 minutes to start the initiative how much support can be counted on later? The major objective of this meeting is to determine what will be the best way to get the work done, and not find the technical solution. This means having the technical team at the kick-off is fine, but only if they can listen. Here are some questions that can help you select the best methodology once the kick-off is complete. Remember, it is as much about observing behaviors as it is capturing what people say.

1. How well understood are the project requirements by the business and project stakeholders?
2. Does the project require the use of new technology?
3. Does the project involve a high volume transaction system or process?
4. Will the project require the use of external consultants?
5. Will the project team have constant access to business stakeholders?
6. What is the experience level of the project team?
7. How large is the project team?

The less comfortable the team is with the project and the less well understood the requirements the more an iterative process is required. Implementing a multi-methodology process can be confusing, but if one out of three efforts are failing today because of misaligned methodologies can you really afford not to change?