



where
would
you
rather
BE?

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**Winning ways: Superior execution of strategic
business/technology projects**

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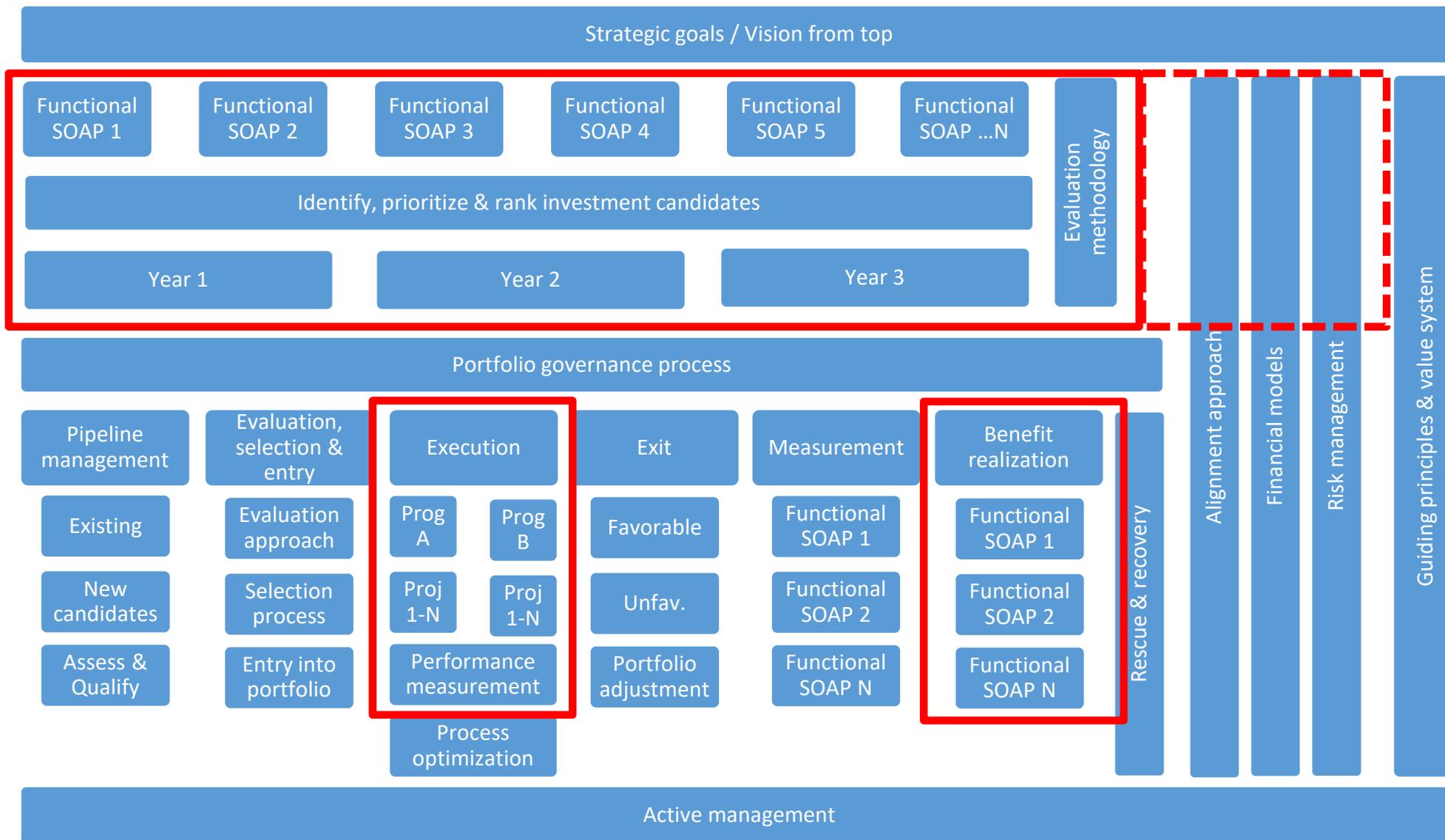
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- Innovation in linking business strategy and project delivery
- Industry trends in project delivery and execution
- The anatomy of a successful project
- Exemplars vs underperformers: let's get better by learning from others

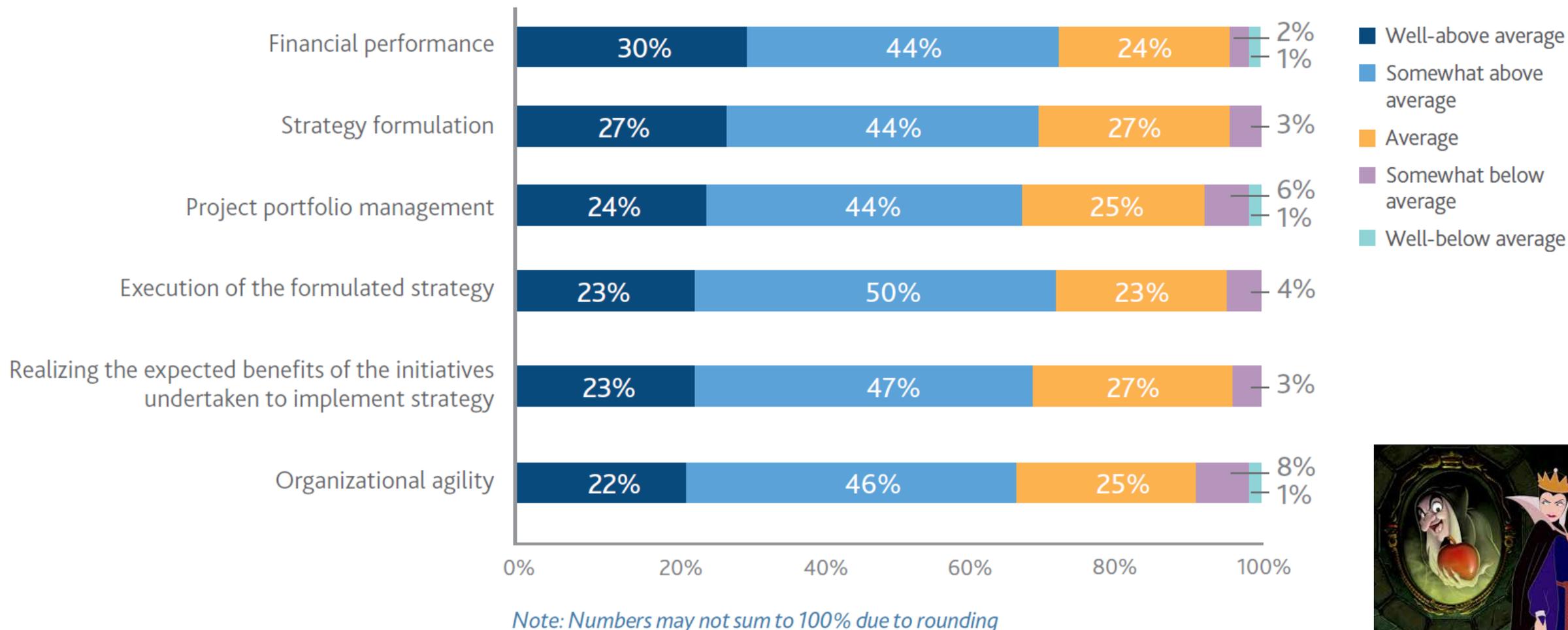
The strategic context for project delivery



- For the first time in five years, more projects are meeting original goals and business intent and being completed within budget
- Organizations are wasting an average of \$97 million for every \$1 billion invested, due to poor project performance—that's a 20 percent decline from just one year ago
- The definition of success is evolving: traditional measures of scope, time, quality and cost are no longer sufficient – we must now include benefit realization
- Only about one in three organizations (31%) reports high benefits realization maturity
- Exemplar companies are bridging the gap between high-level strategic vision and implementation with a project management office (PMO)...or similar capabilities

- The use of “Agile” methodologies and techniques by exemplar companies continues to rise in the sometimes/often/always categories
- The C-suite continues to focus (grapple) on how to effectively bridge strategy formulation and execution. **Hint:** projects are the execution arm of strategy
- In addition to creation and execution of strategy, 75% of executives surveyed intend to focus heavily (high prioritization, resource allocation and budget) on operational efficiency over the next three years

How companies rated themselves against peers & competitors



Source: Ibid

Bottom line: Be very cognizant of “illusory superiority”. Ref: Acta Psychologica (93%)

There are very real winners and losers, no participation trophies given here!

	CHAMPIONS	UNDER-PERFORMERS
Average percentage of projects completed on time	88%	24%
Average percentage of projects completed within budget	90%	25%
Average percentage of projects that meet original goals/business intent	92%	33%
Average percentage of projects experiencing scope creep	28%	68%
Average percentage of projects deemed failures	6%	24%
Average percentage of budget lost when a project fails	14%	46%

Source: Ibid

Bottom line: There are distinct differences between exemplar companies and underperformers...they are non-trivial

○ Project lifecycle phases

- Pre-launch
- Launch
- Requirements
- Design
- Construct/Integrate
- Test
- Train
- Deploy/Implement
- Operate/Maintain
- Close-out

○ Phase processes or process groups

- Initiate
- Planning
- Executing
- Controlling
- Closing

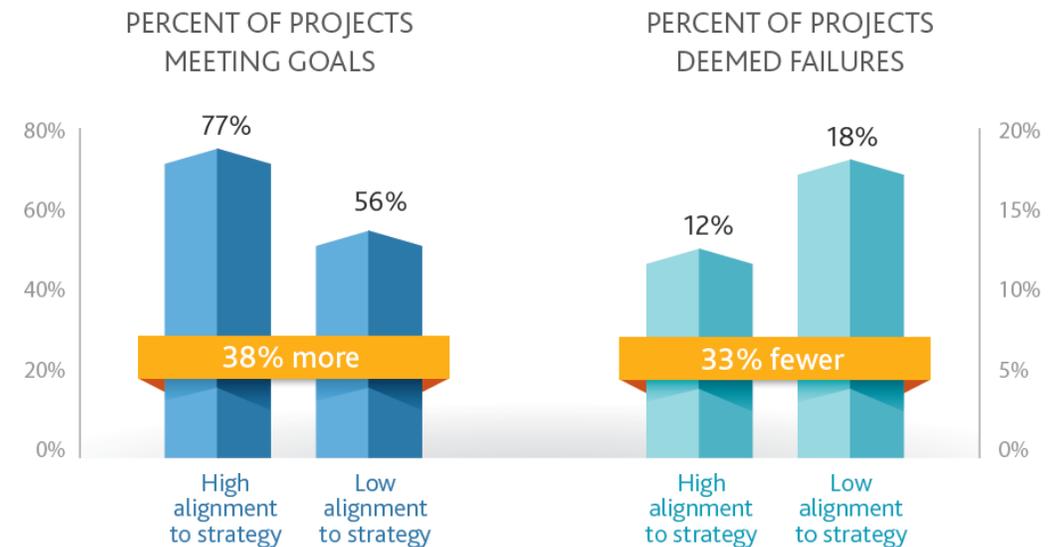
○ These occur within each lifecycle phase

- Actively engaged executive sponsors continue to be a top driver of whether projects meet their original goals and business intent;
 - Governance does not have to be big, bulky and slow...only implement what makes sense, at a scale which makes sense.
 - Don't just check the box, only implement components if they are valuable. If you are unclear about this answer, ask for help!
 - Understand details of how a highly effective Steering model should operate...then implement it!
 - The Executive Sponsor role is a critical one...do not underestimate its importance. There are many smart people who get this wrong.

Bottom line: Executives need to understand how to be highly effective in this role. Success criteria are likely different than what they are used to and/or what you have used to be successful in the past

Winning way #2 – Formally align strategy and selection

- When business strategy and project selection are highly aligned, in a formal way;
 - The percentage of projects meeting original goals increases by 38%
 - The probability of failure decreases by 33%
- Employee engagement will typically increase
- Make the targets, progress and results highly visible



Source: Ibid

- Exemplar companies focus on using agile approaches to projects—55 percent versus 24 percent of underperformers
- Q: In your estimation, what percentage of the projects completed within your organization in the past 12 months has used the following types of approaches?
- Fail faster, recover more quickly
- Provides risk reduction for the right project types
- Agile cannot be an excuse for “jungle rules”
- It must be done prudently



Note: Numbers may not sum to 100% due to rounding

Source: Ibid

- A primary cause of failure was a lack of clearly defined objectives and milestones to measure progress
- This suggests a lack of discipline when implementing strategy
- Accurate requirements definition
 - Definition of a defect: missing or inaccurate requirement
 - Cost of defect detection and correction is typically 1:36 – 1:50
- Schedule: understand the discipline of scheduling, not just the tool
- As an executive sponsor, steering member or leader, it is your obligation to know what questions to ask and how to perform a “sniff test”. Stop the meeting if you have to.

- Benefits realization management is a powerful way to align projects, programs, and portfolios to an organization's overarching
 - The probability of failure decreases by 33% as benefit realization increases
 - 31% of the organizations reported a high level of benefits realization maturity – guess who
- Steal a page from the Six Sigma playbook and incorporate business optimization practices
- Use S.M.A.R.T. techniques when defining and approving benefit targets
 - Specific, Measurable, Achievable, Relevant and Timebound

Source: Ibid

Bottom line: Success cannot be declared when the project is over...it occurs when the business benefits are realized within expected parameters

- Use of gate reviews
- Spend your time identifying and correcting defects early in the PMLC
- Be a “heat seeker” when it comes to scope creep – make it painful
- Do not play musical chairs when setting strategic direction and/or prioritizing projects...constant re-shuffling is problematic
- Invest in good PM talent – you get what you pay for
- Set the project team up for success from Day 1: Pre-launch
- Implement a disciplined change control process...it pays for itself many times over
- Invest in estimating capabilities
- Make sure you are solving the correct problem
- Earned Value Management – start small and add weight on the bar as you get stronger

- Most of you are in unique positions to analyze, act and lead
- Asking for help (before it's too late) is not an act of weakness nor does it constitute failure
- Challenge yourself: are you a 93% driver? Be honest, objective and turn-up your self-awareness dial
- Focus on the basics first and get them right! You do not need to have a high degree of sophistication to be extremely effective
- Keep things simple, practical and results oriented

Final thought...the Gazelle & the Lion

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Thank you for your time

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