



Executive Summary
Avoiding Project Failure and the Importance
of the Skilled Project Manager

“In most situations, the superior project manager is the single most important influence impacting successful project goal achievements”

Tonet F.L. 2002. The Superior Project Manager. Global Competency Standards and Best Practice.

Does this sound familiar?

- Studies by the Standish Group, Gartner, Carnegie Mellon University, and the Project Management Institute among others point out the same reality, project fail very often.
- The landmark Chaos Report (1995) by the Standish Group found a staggering 31.1% of projects will be cancelled before completion and 52.7% of completed projects cost over 189% of their original estimates.

Have all projects in your organisation been a complete success? You probably have not had an opportunity to take a step back to assess the underlying reasons for failure. We have, and the top 8 most common reasons are:

- 1) Inadequately trained and/or inexperienced PMs
- 2) Failure to set and manage expectations
- 3) Poor leadership at any and all levels
- 4) Failure to adequately identify, document and track requirements
- 5) Poor plans and planning processes
- 6) Poor effort estimation
- 7) Inadequate or misused methods
- 8) Inadequate communications, progress tracking and reporting

The no. 1 reason for project failure is inadequately trained Project Managers

The implication is that project failure is often controllable and avoidable and that the Project Manager has a great deal of responsibility and accountability. They need the authority to do their job properly and will have the most significant impact on the outcome of a project.

The Project Manager needs to be able to do many things but in order to be successful, the Project Manager must be armed with the appropriate formal tools and techniques of project management AND be able to apply these techniques correctly.

As with any professional discipline, targeted training to enhance existing skills and develop new skills brings significant benefit. Investing in Project Managers usually brings a significant Return on Investment – any performance improvement can lead to dramatic benefits due to the Project Managers influence on project outcome.

Don't just take our word for it

The Office of Government Commerce conducted their own research specifically looking at large scale public sector projects and the reasons for their failure. "Lack of skills and proven approach to project management and risk management" featured as part of their top 4.

Recognise the importance of good project management skills

A common mistake is to assume that a good line manager must have the skills to run projects well. Line management requires a different skill set to project management. Over 60% of projects are run by individuals with no previous project management experience who then never run a project again. A good portion of these projects probably fail and these new Project Managers never build on their mistakes and early experience.

Clear return on investment

Review a list of failed projects for the last year. Could some of that overspend, under-delivery, delay been reduced by arming your project managers with more skills and tools. Could risks have been better managed? Could recovery plans been developed and implemented earlier? Could resources have been better controlled and scheduled? Could client expectations been tamed?

Use the Success Checklist overleaf to make an initial assessment of current project management strengths and weaknesses. Customised training based on your projects & ways of working, designed to focus on areas for improvement, rather than generic public programmes provides the highest return on investment and satisfaction ratings from attendees, with lower costs than many public course offerings.

The Business Case for Investing in Training – An Example

A trained Project Manager completes a 1 year project on time as opposed to a line manager taking a more ad-hoc approach who completes 3 weeks late. The project has a total cost of £450k, primarily to pay for the project team. The line manager incurs £26k more costs than a good Project Manager. Forgetting the costs of late delivery (might incur penalties, lower profit, lower revenue) just the cost of running a project for 3 additional weeks (5.7% delay) results in an overspend of £26k. Training the line manager in all aspects of project management would cost a small fraction, maybe 5%, of that overspend.

The organisation decides to train 8 managers. A public course offered places at £650 per attendee, costing a total of £5,200. Wellington were able to provide a customised course covering the exact training requirement for less. The customised course used the clients own projects for exercises, built on their existing internal processes, and provided a Microsoft Excel based Toolkit with a complete range of standard logs, forms and templates for the PMs to use. This course took 2 days to develop and provided the client with joint copyright ownership of all the material, forms, tools and templates. The Wellington solution gave significant added value to the client and cost less than public courses.

Success Checklist

This Success Checklist provides a quick method of deducing contributing factors and drivers towards project success and failure*. Review each question, making a balanced and dispassionate assessment.

Tick the appropriate answer; was the responsibility achieved fully? If not, it will have contributed to some extent to project failings or would have been a key driver for failure. Perform the same assessment for all projects that did not deliver 100%. Does a common thread or trend emerge? Training targeted around these areas will lower the probability of failure or poor performance.

Criteria for Project Manager Success	Yes - Achieved	Contributed to Failings	No - Failure Driver
Understand the key measures of success and failure and drive the project to success – was the team focused on delivering success?			
Did the PM take responsibility to ensure the project met business case / strategic requirements? Was the Business Case reviewed through the project lifecycle to ensure the project was still valid?			
Was the project clearly defined in terms of scope and quality?			
Was the scope broken down into manageable deliverables with each deliverable being clearly defined?			
Was the project started correctly, with clear communication of objectives, owners and responsibilities?			
Was the project correctly staffed with appropriately skilled resources?			
Were tasks, man-hours and costs accurately estimated?			
Were actual man-hours and costs measured through the project by deliverable?			
Was a progress and reporting cycle established to ensure work was tracked appropriately?			
Were suitable risk, issue and change management processes established with clear escalation routes where appropriate?			
Were change requests (variations) assessed for impact on time, cost and quality before being approved?			
Were delays, overruns or resource shortages identified in a timely manner and active recover plans implemented to eliminate milestone slippage where possible?			
Did the team work with a common focus and spirit. Were conflicts resolved and consensus achieved in a timely manner?			
Were stakeholders and their expectations actively managed?			
Was there a smooth handover on project completion?			

* This Checklist is not a replacement for formal and thorough lessons learned and/or after action review which one would expect at project close.

About the Executive Summary Series

This series of publications from Wellingtone Project Management is aimed at the busy senior manager who requires key facts and recommendations without searching pages of text. We get straight to the issue based on facts & research so you can take action. The Wellingtone White Paper series provides more in-depth analysis.

About Wellingtone Project Management

Established over twelve years and preferred supplier to many organisations Wellingtone is a specialist Project Management Recruitment, Training and Consulting company based in Windsor, Berkshire with offices in Dublin.

Many clients recognise the benefits of our customised project management training. Designed to meet the exact training needs of each client and supported by a full range of exercises, tools, templates and forms, our training delivers immediate benefit to attendees. Clients enjoy the joint copyright ownership and cost savings over public courses.

A recognised industry leader we sponsor research at the Centre for Project Management at Leeds Metropolitan University, regularly contribute editorial to Project Manager Today magazine and present at all leading industry tradeshows, APM and PMI Chapter events.

Our accreditations include Corporate Member of the Association for Project Management, awarded Member of the Recruitment and Employment Confederation and official Microsoft Partner.

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