INITIATING IT PROJECTS
Setting the course for success early on

Need for action

Projects are part and parcel of everyday business in IT – their failure however is also commonplace. Estimates assume that at least a third of all IT projects fail to meet their original goals, take longer or become considerably more expensive than planned. A substantial number is stopped tacitly without achieving a final result. Sadly, projects "in full", "on time" and "in budget" are still the exception to the rule.

Speaking openly with the employees involved indicates that a certain pattern is common to nearly all companies. Almost every IT unit has examples of disastrous project failures accompanied by the project cost soaring out of control in the double-digit million area with multiple attempts and the total duration of the project spanning several years.

And this happens despite the abundance of literature and range of training programs as well as methods and tools for the "right" project management – in other words, there is no lack of good suggestions and approaches.

You can, of course, have your staff certified in project management: e.g. from Certified Associate through Project Management Professional to Program Management Professional … and additionally apply a range of project management methodical innovations such as the agile, SCRUM-based approach. The latter are currently en vogue, but have not been able to sustainably prove their predominance over traditional approaches to date.

The reasons why projects fail are certainly complex. However, often the fundament for failure has already been laid when the project is started – that is the phase in which projects can be decisively shaped.

Guidelines for a successful project start

The consequent and determined observation of the following guidelines during the starting phase will help to successfully circumvent this pitfall:

1. Clear the business case

   A project should not be allowed to start without precise knowledge of the business rationale behind it. In this context, the project benefit cannot always be fully expressed in EURO, but it should be quantifiable.

   The principle of "Exact numbers are better than estimates – estimates are better than nothing – nothing is unacceptable" applies here. Furthermore, influencing factors and their effects on the project benefit have to be understood and assessed (up and downsides). The client has to sign off on the business case, the underlying baseline and the assumptions; the project team has to understand and be committed to it.

2. Specify the functional project goals in detail

A clear definition of the project goals and associated results is closely related to the business case. These must be formulated in the client's language at all costs in the starting phase. Project goals are developed and understood iteratively – a close and partner-like cooperation between client and IT is necessary to this end. What will not be covered by the scope of the project also has to be explicitly clarified – in this way, grey areas regarding the interpretation of expected performance and services can be avoided.

And last but not least, a frequently made mistake should be avoided: formulating process-oriented as opposed to results-oriented.

3. Focus on the essential

Too often, the aims of IT projects are too high. And yet the risk of failure increases disproportionally with the size of the project.

"Waste" has to be sustainably removed from project goals and content. The principle of diminishing marginal utility also applies to projects. The following questions should be asked for every expected performance or service as early as the starting phase "What does it contribute to the project benefit?" and "What will happen if it is not realized?" Consistently concentrating on the essentials in this manner avoids not only information overload but also serves to limit the project term.

4. Establish professional requirements management

"Moving Targets" are a nightmare for any project – they harbor the potential to permanently demotivate the team and shake the very foundations of a project. Unfortunately though, they are and remain reality – clients adjust their expectations, the technical and legal environment of a project changes. Project teams have to learn to master these dynamics.

Only with professional requirements and benefits management from the very first day of the project can the project management be sure that changing expectations are fully recorded, systematically analyzed and their impact understood. This creates transparency and protects both the client and the project team from unpleasant surprises.

5. Establish all of the necessary organizational elements

Insufficiently defined project structures are regrettably common features – the sources of errors are manifold, thus here just a few practical tips:

- Projects always have a decision-making body composed of suitable, high-ranking members.
- Conceptual projects should be supported by an advisory board composed of externals, in order to overcome the "not invented here" syndrome and include viewpoints that broaden the horizon.
- A project office is an absolute must for implementation projects, as it serves as a centre for bundling and thereby reinforcing project planning, controlling and communication.

- Quite often, IT projects are interpreted as being purely technical, the necessary change management is deemed unimportant and not depicted organizationally.
- The regions and countries affected by international projects must be adequately involved. Failing this, the subsequent acceptance is permanently at risk and / or there is considerable friction during implementation.
- Compromises can be made in manning many project roles – but there is one exception: the Project Manager! Emphasis must be placed on the necessary skills and availability here.

6. The fight for resources

In times of cost cutting programs and rationalization measures, the human resource is also a rare good in IT. It is not uncommon that employees have first to carry out their routine tasks and are thus only partly available for a project in parallel. They sometimes even have to work on several projects at the same time.

The fight for sufficient and exclusive availability of key personnel in particular should thus take place early on and consistently as well as be a concerted action on the part of the Project Manager, Project Client and, where applicable, Project Sponsor. Fighting pays off as does remaining firm when it comes to critical resource allocation.

If, in the subsequent course of the project, team members are then not made available as agreed even after being requested, do not shy away from the option of escalation up through line management – the dangers along the wayside of a project are manifold and require the full availability of resources and their concentration.

7. Synchronize working together carefully

Meticulous scheduling forms part of the starting phase of a project, giving rise to a Work Breakdown Structure (WBS) and a time schedule for the WBS work packages – so far so good and common practice. In many cases however, not enough attention is paid to the logical interdependencies between the phases or work packages. Driven by constant time pressure, unrealistic end dates and milestones are the result.

How can this be avoided? In addition to the overall project planning, each sub-team on the project has first to specify the input they require from others (sub-teams, third parties) both in terms of content and timelines. This "expectation" should be communicated to the other sub-teams as a deliverable in their planning. From this, a consistent project plan that synchronizes the working together of all involved considerably better according to the "march separately and attack together" motto emerges through an iterative process.

8. Understand the interests of the stakeholders

Projects imply change – change arouses diffuse fears among other things and with that resistance. It is crucial to understand these fears, to anticipate them and to deal with them adequately.

The first "obligation" of the Project Manager is thus to perform a stakeholder analysis in the starting phase of the project. This can take anything from a couple of hours to several days depending on the complexity of the project. Based on this, the objectives, benefits and drawbacks of a project – both for the company and the individual - have to be communicated clearly, openly and in a timely manner. Only what has been clearly named and understood by everyone has a chance of being successfully implemented.

And here is another piece of advice from a wealth of practical project experience: nothing works as effectively and as quickly as the internal company "grapevine" – from a project point of view, it is worth using this mechanism pointedly for your own communication purposes.

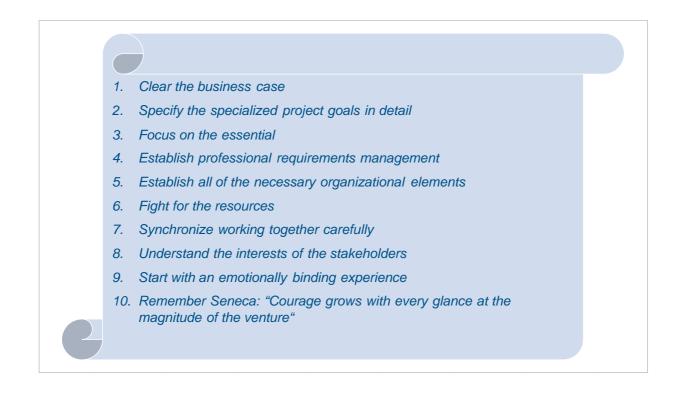## 9. Start with an emotionally binding experience

That first impressions are last impressions also applies to projects. The main aim of the project kick-off must be to leave a good impression of the project with all those involved. This will unleash potential in the project team that will make a major contribution to the success of the project.

As casual a framework as possible and a relaxed atmosphere create the necessary basis. The agenda for the event must reflect topics and actions that emphasize team-building as the focus of the event – creativity and the willingness to adopt unexpected approaches are what is needed here. Specific technical questions and decisions on the other hand are of secondary importance at the kick-off meeting.

10. Remember Seneca: "Courage grows with every glance at the magnitude of the venture"

Even the best planning, even observing all of the addressed guidelines is no guarantee for the success of a project. Commitment and motivation on the part of the employees on the project have a significant impact – but precisely these can only be planned to a limited extent.

The top-priority task for the project management is thus to create the emotional space in which employees gladly perform their duties courageously and confidently. On the management side, this requires basic trust in the abilities and motivation of the employees. Only in this combination can you successfully manage your project as a team and deliver "in full", "on time" and "in budget".

1. *Clear the business case*
2. *Specify the specialized project goals in detail*
3. *Focus on the essential*
4. *Establish professional requirements management*
5. *Establish all of the necessary organizational elements*
6. *Fight for the resources*
7. *Synchronize working together carefully*
8. *Understand the interests of the stakeholders*
9. *Start with an emotionally binding experience*
10. *Remember Seneca: "Courage grows with every glance at the magnitude of the venture"*

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