Defining Project Success – Part 3
Is program structuring the answer to project success?

This paper is the third of a four-part series in which an attempt has been made to capture the collective wisdom of the leading participants in an extended LinkedIn discussion over the first six months of 2014. The actual original texts have been edited for grammar and spelling to make for easier reading on line. The observations quoted are the opinions and property of the contributors as noted.
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Editor's Note:

As in Parts 1 and 2, the following extracts are intended to capture the most valuable ideas about identifying project success as expressed in the discussion that took place on LinkedIn between February 17 and May 9, 2014. As in the previous parts, we have chosen only those whom we feel have made a significant contribution. Because we have summarized contributor comments over an extended period, the conversational thread is not always exactly chronological.

In this part of the discussion, contributors' thoughts turned to the organizational environment that typically gives birth to a project. Could that affect the success of the outcome and, if so, how?

Introduction

Matthew Weaver, PMP, CSM, ITIL[1] started off the LinkedIn conversation with the question:
"How do you define project success?"
Matthew then followed his own question with this observation:

While I realize this is a recurring topic,[2] I note this morning as I work through the PMBOK[3] 5th edition, that they have added a new section "Project Success" (page 35) that clarifies rather succinctly the definition of project success and the project manager's role in it:
> "Success of the project should be measured in terms of completing the project within the constraints of scope, time, cost, quality, resources, and risks as approved between the project managers [sic] and senior management."

Later, the PMBOK authors write:
> "Project success should be referred to the last baselines approved by the authorized stakeholders."

Nowhere is the project manager responsible for whether the project is a good idea or not, wanted or not, etc. In fact, according to PMBOK page 32, it is the responsibility of the project's *sponsor* to promote the project, not the project manager.

Max Wideman's[4] thoughts for further discussion

Ladies and gentle folks, for me this discussion is a marvelous reflection of how far we have come from the old days of simple "on time, on budget". And the distinction between the results of the *project* and the results of the *product* and all that this implies. However we do still have another step to go. And that is that there are (at least) three organizational "levels" to consider, each with their own perspectives of success.

Roughly, I see these as:
1. (The lowest level) The project manager's responsibility, delivery of the product – on time, within

budget, to requirements, etc. (Project level)

2. (The next level up) The project sponsor's responsibility, acceptance and deployment of the product – testing, proving, and transfer of care custody and control of the product. (Possibly at a PMO level).

3. (The top level) The corporate executive's responsibility, deployment of the product, it's effective and efficient utilization to produce the originally intended benefits – essentially the proper integrated management of the whole operation, as in corporate management or business success. (I would describe this as the "project portfolio" level.)

Each of these three levels will have a different perspective on "project success" as will be evident from the descriptions given. Bottom line, let each party at each level be responsible for their particular share in the game and let's not muddy the waters by trying to hand off responsibilities to those where it does not belong.

Larry Moore[5] questions the particular project boundaries

@Max: Excellent comment, as usual. Pointing out the 3 different organizational levels is very instructive and very much to the point. However (with all due respect), my take on these 3 levels is a bit different.

- Your first perspective is for the completion of the project and the delivery of the product of the project.
- Your second perspective is regarding the deployment and acceptance of the product and "transfer of care custody and control of the product," (all of which occur after the project is completed).
- Your third perspective is regarding the "effective and efficient utilization to produce the originally intended benefits." (Again, occurring well after the project is completed).

From my perspective, having dealt with all of this for decades, I believe that these three "perspectives" should really be defined as THREE SEPARATE PROJECTS, not three parts of the same project. It's all about how our projects are defined. A properly defined project must have a clear and specific completion point with which all involved parties agree. To withhold the determination of project success or failure until some undefined or poorly defined point well after the project is completed is certainly not best practice.

If the project is defined as completing the DELIVERY of a product according to requirements, on schedule, and within budgeted costs, when this is accomplished, the project is OVER and it is successful. If the project is defined to include further transitions, deployment, achieving x benefits, etc. then that is another issue. Whether a project eventually provides all of its expected benefits is a very different judgment from whether the project was or was not managed successfully. Failure to recognize this causes all kinds of problems.

@Max Wideman – I appreciate your last comment, and for many projects I completely agree with you. However, I strongly believe that, in certain cases what might be seen as a single project really should be separated into more than one project. Here's an example from my own experiences with implementing new IT application systems.

Let's say that Company A needs a new, integrated Human Resources and Payroll Management system. This requires:

1. Building a Request for Proposals,

2. Delivering it to multiple pre-selected vendors,
3. Getting and analyzing their proposals,
4. Evaluating each of the systems and vendors,
5. Selecting the best fit system & vendor for Company A's needs,
6. Developing, negotiating, and agreeing to a contract for the system and the vendor's implementation services.
7. Delivering and installing the new software system,
8. Setting up, customizing, testing, the new system,
9. Training people on the use of the new system,
10. Etc., etc.

In my opinion, this should NOT be defined as a single project (been there, done that and encountered all of the consequent problems). My main reason for this is, "How can I design and build an accurate and complete project plan for the implementation of a new system if I do not yet know which system is to be implemented? If all of the above activities are lumped into a single project, this will inevitably require the re-planning of the implementation part of the project, thereby wasting a lot of time and effort. If this is split into two projects, one for the evaluation, selection, and acquisition of the software and services, and one for the implementation activities, we don't have this problem.

Once the product to be implemented is known, the detailed planning for the implementation activities can be done correctly, and a great deal of time and effort will be saved. Also, should there be issues with the whole program, this allows the blame and/or correction efforts to be assigned to the correct part of the program. This also helps to assure that we will not try (and perhaps fail) to implement the wrong system.

For this HRIS/Payroll example, it can be handled as a single project with major phases, or as a major project with sub-projects, or as two or more separate projects. Any of these approaches would be proper. The worst approach would be to manage it as a single, continuous project without any major phases or sub-projects.

Mainly for accountability reasons, I favor the multiple project approach. I have been stuck with implementation projects where the wrong product or vendor has been chosen by executive management (usually without a proper evaluation, selection and acquisition plan). Then my implementation and deployment project was blamed for not providing all of the expected benefits (because the product was not a good fit for the organization in the first place).

This all brings up a very interesting issue: What are the skills and characteristics needed by a project manager to change management or executive people's minds to adopt a better methodology or approach to managing programs and/or projects? In other words, what does a project manager need in order to be an effective agent in determining proper approaches to projects, programs, etc.? I already know from experience that a large amount of courage is required to do this.

Max Wideman intervenes with other suggestions

@Larry: Your remarks are right on. Indeed, the HRIS/Payroll example could be conceived as three separate projects, but I rather think that this could be unwise, because they are really different management levels of the same structure, but then, no longer parts of the one original project.

However, I am sure someone will come in with saying that a project could be defined as encompassing all three levels. An example: design, build and run a "project/product" through its life span right up to its disposal. This example could be in mining where the raw material is known to have a limited life, and the project starts with securing the required investment, building a management team, etc., etc. through to final environmental restoration. But for purposes of teaching and training it is much better to keep it simple, and to basic elements on which more sophisticated management assemblies can be built.

By the way, while I have used a "physical" example here, software can be envisioned in the same way.

@Larry: In the project example you outlined (i.e. "Let's say that Company A needs a new, integrated Human Resources and Payroll Management system"), senior management may insist on the "One Project" title. They may do this for corporate accountability or financial reasons. Then a better way is to establish an appropriate number of sequential "Major Phases", each with a Go/No-Go gate before moving on.

That is in effect a series of sub-projects that achieves the same purpose as you have outlined. Of course an even better approach is to establish the whole exercise as a "Program". But if the organization is not familiar with Program Management (as many aren't) then that approach is a non-starter.

Larry Moore points to how a project is defined

Whether a project is considered to be successful or a failure depends ultimately on how the project is defined. The definition of the project should include the definition of project success. If this is not included in the project definition, there is bound to be confusion and/or differences of opinions regarding the project's success or failure.

For all of my projects, the Project Charter includes a section called "Project Success Factors and Measures." This section includes a description of the critical factors that determine the success or failure of the project and the measures used to determine them. Once this description is accepted and agreed to by the project stakeholders, including the Project Sponsor, determining the success or failure of a project is simple and straightforward. If, upon completion of the project, all of the critical success factors have been met, the project is successful; there is no quibbling about this and the matter is settled. Whatever happens after this has no bearing on the project's success or failure.

Of course, after the project is completed, there might be issues with the PRODUCT of the project. It doesn't matter whether there are issues with the PRODUCT or not; if the entire project's documented success factors have been met by the project, it is by definition successful.
I fully understand that once a project is completed successfully, there still may be problems resulting from the project. However, it is not advisable to allow those problems to redefine a project from successful to failure after it is completed because of those problems.

From the project manager 's perspective, allowing the success-or-failure determination to happen well after the project has been completed is a very bad idea. Failure to include explicit success factors in the project charter and/or plan is also a bad idea. Basing the determination of success or failure of a project solely on the satisfaction of all stakeholders is also a very bad idea. In my experience, almost all IT projects lead to someone being dissatisfied or unhappy in some way. The big mistake is allowing projects to be defined and/or redefined without including specific and measurable success factors that are agreed upon throughout the project.

Of course, the product/results of a successful project might not meet every one of the organization's goals and objectives for the product, but that does not mean the project itself was a failure. Failure to meet all objectives happens frequently with IT projects and products; that doesn't mean that the project failed. If the follow-on success of the PRODUCT of a project is critical, include that in the scope of the project or have a separate follow-on project to provide for this.

Vince McGevna[6] extends the organizational picture

In product development, where I have the bulk of my experience, there are project managers, product managers, and program managers. The project managers are responsible for the individual projects - e.g. the delivery of the animals to the island.[7] Success of that project is measured by on-time delivery of all of the animals. The program manager is responsible for the bigger picture, which might include the animal delivery, the creation of an appropriate habitat and other projects to set up the needed infrastructure. The product manager is responsible for success in the marketplace. Each is aware of the needs and responsibilities of the others and they work together to assure overall success.

As a project manager, my projects have run the gamut of working very closely with the end customers/users to having little or nothing to do with them. It all depended on the products and the organizational structure. However, my work was always done at the end of the project and that was what I was evaluated against. Of course, I might then manage another project to enhance what I just delivered, but this was all laid out in the product roadmap. However, if the end product of a project is of poor quality, the project manager might get involved with the customer problems to straighten them out.

@Larry: You do bring up an interesting issue. My experience in product development is that too many outside of project management have preconceived notions that are wrong. Unfortunately, it is extremely difficult to get them to understand or admit that they are wrong. It's akin to believing the earth is the center of the universe in the middle ages!

For example, organizations could collect a gold mine of data to improve estimating and prediction, but for various reasons they don't think it is that valuable:
- In one organization I collected estimates and actuals from other PMs and showed that if we could just categorize projects as small, medium or large, this could significantly improve our estimates. It was rejected on the grounds that we were on the "bleeding edge" of technology and every project was unique.
- In another organization I looked at time records to estimate the ratio of QA engineers to developers, something we needed for early estimating. This was ignored.
- And I've showed, using actual data, that when about 25% done with a project we could give a reasonable prediction of the end date. Again I was shot down on the basis that the projects were unique and the causes for the slips were also unique to each project and hence unpredictable.

Brian Phillips'[8] introduces a project portfolio perspective

@Max: Thanks for bringing clarity to the discussion.

The UK models we work with bring 4 perspectives to the organizational construct:
1. Projects: Doing the Project Right (& reward the project manager accordingly)
2. Programs: Doing the Right Projects (alignment of outcomes to strategic intent)

3. Portfolio: Consistently Doing the Right Projects & Doing them Right (to ensure the right mix of projects and initiatives to achieve outcomes and benefits of value to the business)
4. PMO: Supporting project, program and portfolio levels with common tools and techniques, common language, delivery support, dashboard reporting and decision enabling support.

No one wants to de-value the work of the project manager in terms of "Project Success", but "success" is not viewed in the same light in the organizational context. Hence, Max's reference to the three levels is critical to the discussion.

Project management has moved on from the basics of Time-Cost-Quality-Scope. This remains very important, but for project delivery only – not for organizational change success. We are running the discussion from two perspectives.

Project success should ultimately re reviewed in organizational value for money: Did we realize the benefits from the initiative? Are they aligned with strategic intent?

Mounir Ajam[9] on project managers vs. owners. Cliona O'Hanrahan[10] points to product management responsibility

Mounir Ajam

@Larry: Project owners do not pursue projects for the sake of the "project" (meaning the limited view of delivering a product). Project owners pursue projects to gain benefits – and deliver on the objective behind launching the project. In other words, their views are long term and strategic in nature. However, the period post delivery of the product is operation and not another project – but it is linked to the "business objective".

To close, there are two distinct views of projects – one that is limited to the project manager's perspective of delivering the product (which is also a common view for service providers); and there is the project owner view that is not limited to just delivering a product, but also to its exploitation.

Cliona O'Hanrahan

This is such a great post and really great remarks coming through. Reading through the feedback what I am seeing I believe is that where a project is rolled out for a major corporation (e.g. banking) there is a lot of process and red tape to take into consideration. I believe that using a Prince2 approach will help, as each phase of the agreed project has to be approved before moving onto the next phase. This ensures that the benefits for the project are still on track. I also enjoy tailoring Prince2 to allow for bringing in a PMBOK method to manage suppliers and contractors.

@Larry, I hear you! The Production environment in the majors is a tricky one indeed, and they will not accept the handover of any project until you have verified all of their check boxes. Nevertheless, I don't think I would run separate projects. I might phase them out and ensure that each phase had business approval before moving onto the next phase to ensure that the costs, scope and schedule is still on track. Corporates are sticky when it comes to costs/financials that move away from their roadmap budget. But for any training to be performed to use the new system this should be planned within the project and performed before moving the system to live and there are really great ways to do this digitally

@David: I agree with you on this and yes there is a difference between successful project management and how the deployed product is managed post go live. However if all of the requirements were done correctly at the beginning of the project and roles and responsibilities clearly defined then I believe it will help. As a project manager, once you hand over the product to business or product management it does become their responsibility to kick their marketing and business model into action, as agreed during the concept phase of the project.

In the big corporations, this is where it does become the responsibility of product management. In digital work, the online or community manager takes over the running and management of the website in conjunction with the appointed production supplier or team. And for the management of suppliers once the contracts are in place I like to involve them in the project from requirements through to handover. I have found doing this that the suppliers become part of the overall product life span and want the product to become a success.

David Hatch[11] "I'm here to help you make it work!"

I think we are confusing project success with successful project management.

It is an unfortunate reality that a project manager can do everything right and yet the project can still be considered a failure. It is also true that a project manager can completely lose the plot, yet the client can still consider the project a success.

When I left ICL in 1994 I had a very simple business plan based upon what I had been doing internally for the ICL Group. My role there was to provide the business with skilled management support to deliver business change effectively. One of those skills was project management, but ultimately the success of my role was in helping the business achieve its goals.

The project was the delivery of those goals, and it wasn't my project. I was merely employed to manage aspects of it. As I often said to the project owners and stakeholders at the time 'I'm just here to help you make it work', and that's what I still tell my clients today. The success or failure of the project is for them to judge, not me. All I can do is make sure I do my bit successfully.

I also have to be mindful that whether I am judged to have done my bit successfully, is usually heavily influenced by whether my clients achieved what they hoped to achieve with my help. It is immensely frustrating to have to deal with a supplier who does not understand this connection between their clients success and their reputation, and I've come across a few in my career.

@Larry, I agree that ideally the structure of the delivery team should reflect the challenges of the delivery. I divided my last programme into eight projects each of which was charged with the delivery of one aspect of the overall programme. That is: contract negotiation, system replacement, process review, staff re-training, data migration, document migration, service re-structure and management information. There were five project managers involved, as some managed more than one project.

However, I was fortunate as the client was willing to trust my judgment on the best framework for delivery. I have had others that insist that their entire requirement can be handled by a single project, and an agent recently approached me with a client requirement for a nationwide programme to be managed by a single programme manager with no direct reports, and no authority over any of an unspecified number of local projects.

As you say, we don't always get to make the choices. I've known projects to be late and over budget, and still considered a success. Indeed in some instances I've known project boards trade timescales and cost in order to ensure the delivery of a quality product that meets their requirements. I've also known projects delivered on time and budget that have been rejected by their customers, and had to go in and rework the products to salvage the project.

@Larry, whilst I agree entirely with logic of your statement, and every Project/programme should certainly have measureable success criteria defined during its initiation. The fact remains that if the project ends and the customer isn't happy, you still have a problem.

In Part 4 we will sum up what we have learned.

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[1] For more information about Matthew Weaver and his work, visit his web site at www.ProjectWeavers.com. You can reach him by Email at Info@ProjectWeavers.com, or call toll free (855) 871-9246 (USA)

[2] In fact if you do a Google search for "Project Success" you are likely to get over five million responses and if you search with "Defining Project Success" you could get around eleven million responses. These figures suggest that either the subject has been worn to death or there is a lot of room for differences of opinion and hence that the answer to the question is far from precise.

[3] PMBOK® stands for the Project Management Institute's A Guide to the Project Management Body of Knowledge (PMBOK® Guide) Now in its 5th edition, Pennsylvania, 2013.

[4] Max Wideman: Project Management Consultant

[5] Larry Moore: Project Management Professional

[6] Vince McGevna: Project/Program Manager; Author: Schedule Centered Planning: An Incremental Approach for Plan Driven Projects

[7] See David Willcox's project analogy described in Part 2.

[8] Brian Phillips: Portfolio, Program, Project and Benefits Management Consultant

[9] Mounir Ajam: PM Author | Entrepreneur | CAM2P™ Developer | Speaker | Consultant

[10] Cliona O'Hanrahan: MPM Prince2 and PMBOK Project Manager specializing in project delivery for Telecoms, Banking and Digital enterprises

[11] David Hatch: Experienced Programme/Project Manager