Maximizing Project Success in the Era of Innovation

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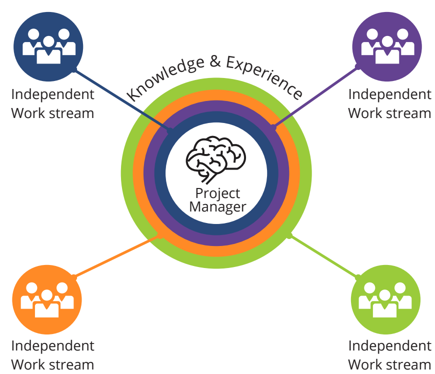
Today's globalized economy requires companies to commit in a whole new way to innovation. Digital solutions continue to merge with all aspects of manufacturing and sales, and the connectivity of nearly everything is causing an unprecedented and powerful disruption to what we used to think of "business as usual." To remain competitive, enterprises must act fast—even changing business models if they have to. Known for its mail-order business not long ago, Netflix quickly became a streaming provider to avoid the fate of Blockbuster and keep up with Amazon. And, for the first time ever, AT&T and Tesla have begun to unveil connected vehicles at technology events rather than at well-known vehicle shows.

To stay in front of market trends, company leaders are increasingly forced to take risks that may appear to be cannibalizing their own revenue. It's clear that the way to keep up with consumer demands involves digital technologies—and the digital environment presents many fresh opportunities—but new ideas demand testing, and it can be risky to staff up or go to the trouble of creating a budget to test a proof of concept with every new idea. Leaders must pursue innovative collaboration without disrupting ongoing operations, which means doing more with limited resources.

Effective Project Management Facilitates Special Projects



Most often today, the C-suite assigns a consortium of leaders within a company to develop and launch a new idea without establishing an official business unit or assigning a staff, a project manager or a methodology. Companies assemble makeshift teams using resources from different business units, each with its own maturity level and communication tools. Teams often lack an identified process for working together, and these ad hoc projects often have great difficulty getting off the ground.

This ISG white paper explores how the pragmatic and solution-based approach of a technical Project Manager (PM) can greatly enhance the odds of success for a proof of concept in the digital era.

CHALLENGES FOR PROJECT MANAGEMENT

For the purposes of this white paper, a special project is defined as a proof of concept, a first-time or industry-first project spearheaded by senior executives and assigned to multiple business units with no prior experience working together. These teams are often referred to as Integrated Product Teams (IPTs).

The teams tasked with working together bring to the table multiple budgets, methodologies and tools (any device or software used to carry out the process or function of that business unit). And the separate business units or companies involved often possess different process maturity, which adds further challenge and complexity to the collaboration. Individual teams may be organized within the units, each with its own project management methodology and an existing PM to run the respective programs independently. Teams may or may not be prepared to work with other companies that use a different organizational structure and tools.

When a special project lacks an IPT, a skilled PM can create one without added overhead. A PM assigned to a special project must work with the managers in those business units to audit the current landscape and help program sponsors identify critical operational gaps, define the appropriate work streams and provide key integration support without disruption of current operations.

KEYS TO SUCCESS

Project Sponsor

Identifying and establishing a strong relationship with the project sponsor is key to the success of the project. A project sponsor is the person who advocates for a particular special project and provides ultimate decision-making. This person should have authority over the entire collaboration team, manage resistance and serve as the point of contact for escalations.

Once the project sponsor and PM are in place, they must collaborate with the leads of the IPT's individual business units to:

1. Effectively identify all relevant work streams for the project;
2. Assign roles and responsibilities to the project team using a matrix for planning based on four tenets: responsible, accountable, consulted, informed (RACI);
3. Establish a comprehensive integrated project charter;
4. Maintain an integration milestone timeline;
5. Exercise performance planning and monitoring.

PM Duties

To minimize cost and disruption and maximize progress during a special project, a PM must select and leverage—and when necessary, rework—the processes and tools favored by the business units to support the project. Tools are anything the team is using to manage it's work, including templates (such as an Excel macro of a RACI matrix), off-the-shelf solutions (such as SharePoint workspaces and workflows) and project management software (such as Microsoft's project timeline). It's important to interview the project lead from each business unit to identify the tools in use and the processes in place to support those tools. A tool audit must be done quickly and efficiently.

The PM overseeing a special project must, therefore, have a working knowledge of key industry tools and best practices and must be equipped to assess and administer project software as needed.

Naturally, because a special project depends on integrating multiple teams, a PM is likely to encounter several different tools. The PM overseeing a special project must, therefore, have a working knowledge of key industry tools and best practices and must be equipped to assess and administer project software as needed.

Common enterprise bug-tracking tools used in technology projects include JIRA, TFS, Bugzilla and Mantis. These share functional similarities but provide different benefits depending on the needs of the project. An IPT for a special project requires good reports and a solid metadata strategy for enabling up-to-the-minute dashboards. Metadata may need to be quickly overhauled for use on another special project. The wrong tools for the project can create bottlenecks and hamper progress. This is especially problematic when the project is on a tight timeline.

For instance, JIRA tracks issues exceptionally well but does not excel at document management. If a special project needs document management, a PM might recommend pairing a team's existing JIRA solution with SharePoint for the purposes of project integration. This can create a clean, plug-and-play solution far superior to simply buying a third tool, even if that third tool can execute both tasks. Leveraging tools that teams are already familiar with and have on hand can save time and money by circumventing the need for IT resources to purchase and support a new tool. Familiar tools, even when they are used in new ways, will see a much higher rate of adoption. The PM must audit tool usage for each work stream to determine the most efficient and effective customizations for the project.

The PM of an especially innovative special project must assume a larger strategic role so that the team meets expectations for quality, scope, time and cost and that the end result meets business objectives. Whereas a business unit might have previously ordered pre-existing solutions for its needs, the speed of technological advancement now forces sales and PMs to collaborate with customers and project sponsors to co-create operational solutions. Co-creation requires working knowledge of an organization's current challenges and industry as well as the tools it may use. A PM with specific industry experience and partner relationships can assemble a lean solution that does not disrupt existing processes.

Work Streams

The Business Dictionary defines work stream as “the progressive completion of tasks completed by different groups within a company that are required to finish a single project.” A work stream may be a function or an existing business unit within the company or a new group created for the special project. Each work stream typically has a leader that has been assigned by a business unit and given the authority to speak for the specialized work of that unit.

A PM with experience in multiple sectors and projects will consult the sponsor and leads to identify all of the parties involved as well as others that might be impacted by the project in some way.

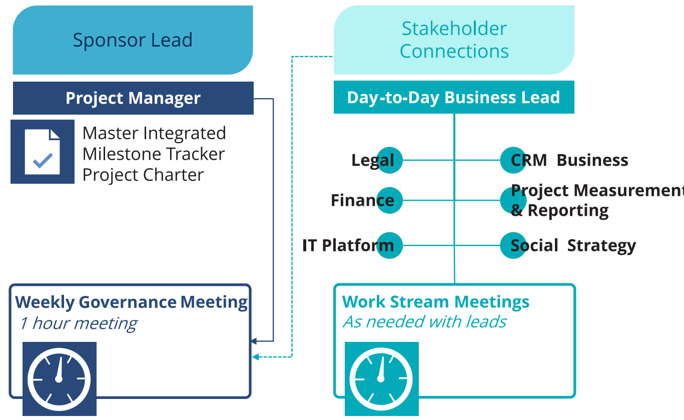
The PM must work with the project sponsor to identify the stakeholders, including work stream leads, that are critical to the project’s success. Focusing on the wrong players or underestimating how teams will impact each other will hinder progress. These leads understand the stakeholders specific to their teams, but they may lack the perspective to consider all the relevant stakeholders. A PM with experience in multiple sectors and projects will consult the sponsor and leads to identify all of the parties involved as well as others that might be impacted by the project in some way.

In new product development, for example, a PM will want to regularly contact representatives in the legal department to make them aware of particular milestones before progress proceeds too far down a risky path. By identifying legal as a stakeholder up front, the project can be built on sound legal footing; legal can monitor progress and help maintain team alignment – a far better circumstance than reverse-engineering the legality of a project in its final stages.

Finance is another business unit that may have a vested interest in a special project. In proof-of-concept initiatives, Finance may have early involvement to confirm return on investment (ROI) but then be forgotten once project teams have established their work. If work streams and relevant stakeholders aren’t identified early on, small details can become large issues that precipitate expensive revamps at a project’s conclusion. An attentive PM ensures the presence of all critical players and inclusion of the appropriate work streams so the necessary leads are aware of each critical project milestone. A single lead or contact for each work stream with authority to identify and create the critical tasks needed for the accomplishment of their particular component will help a project reach its outcomes much more quickly.

After establishing the right leads, the PM works with them to conduct a comprehensive audit of the current methods and tools so the team can choose the most appropriate ones for their purposes. From there, each work stream lead collaborates with the PM to plan and define how to interface with the other work streams. The PM must understand the resources’ burdens, scheduling meetings and communications accordingly. The special project should only track items that impact the goals of the project.

PM Support model



An effective structure helps the team focus on those details essential to the success of the overall project and not waste time on items that are not critical. The graphic above illustrates one support model. Note the work streams in the diagram may represent business units in one or several different companies, each with its own way of working, tools and maturity levels.

RACI Planning

As mentioned earlier, the RACI matrix is a tool that helps define roles and responsibilities within the project teams. RACI is an acroynm that stands for the following:

- Responsible: Who is completing the task?
- Accountable: Who is making decisions and taking actions on the task(s)?
- Consulted: Who is asked for input about decisions and tasks?
- Informed: Who is updated on decisions and actions during the project?

PMI.org and other project sites have examples of how to best apply RACI principles. For a special project, the RACI tool can be used to facilitate team integration and clarify how teams overlap in the context of a particular initiative.

There is no one-size-fits-all approach to establishing a RACI chart and using it as a management structure. The PM must help the team identify the gaps that require an integrated RACI without reinventing or disrupting the workflow of each work stream. For instance, rather than list the legal contact for every work stream, the PM could simply identify the legal work stream lead for the special project, along with the milestones at which that person must be responsible, accountable, consulted and informed. If the RACI lists too many legal contacts or more than one person for a specific role, the team may experience a lack of clarity about who should be engaged at critical decision points, a problem that can negatively impact the project's agility and response time. While it is the responsibility for each work stream to make sure its legal processes are being met, it is legal's responsibility to own the tasks that arise as a result of the requirements or goals of the special project.

Project Charter

A sound project charter confirms the purpose, accountabilities and methodology of the project. It provides a standing reference and creates coherence of intent, which is critical in an environment with no pre-existing framework for operation. The charter allows the PM to bring the work streams together, without creating additional labor and without attempting to rework current modes of operation. Each section of the charter should take into account existing business processes and look for opportunities to leverage these processes for the special project. For instance, there may be a regular legal check point each month that can be built into the communication plan rather than creating a new meeting or review with legal.

Several project charter templates are available; the key to creating an effective project charter is to include the basic components for working in an integrated environment. At a minimum, the charter should account for the scope of the project and how the team will operate, including the management of communication, issues, risks, change, tools, key interrelated milestones and progress measuring. The project charter should cover the elements that ensure operational success but not those that reach into other areas of existing operation.

Below is an example of a table of contents for a special project charter, including the minimum required elements.

Table of Content

1.0 PROGRAM INTRODUCTION
- 1.1 Mission Statement
- 1.2 Program Goals
- 1.3 Alignment with Business Strategy
- 1.4 Kick Off Deck

2.0 PROGRAM OBJECTIVE
- 2.1 Solution

3.0 SCOPE

4.0 WORK STREAMS AND RESPONSIBILITY
- 4.1 Work Streams
- 4.2 Responsibility

5.0 COMMUNICATION PLAN

6.0 ASSUMPTION/DEPENDENCY/CONSTRAINT/EXCLUSIONS

7.0 MEASUREMENT OF SUCCESS

8.0 STAKEHOLDER ACCEPTANCE

The PM must collaborate and partner with each work stream lead to create the charter.

The PM must collaborate and partner with each work stream lead to create the charter. This ensures ownership and accountability between each work stream lead and the project team as a whole. The team must carefully and comprehensively state all the goals of each work stream lest hidden agendas manifest down the road, causing re-work, additional cost or lower quality. The PM should help the team analyze the goals of the special project, make sure they align with the requirements of the C-suite and that they are measurable and attainable.

Special projects typically have a high level of visibility, so it's important to track progress to the agreed-upon goals defined in the charter. Oftentimes, project teams find themselves working hard but not able to communicate or quantify their success or the need for more support in specific areas. C-Suite-friendly dashboards and monthly performance reviews with the project sponsor will provide ongoing progress assurance that the project is on track and meeting the expectations.

Integrated Milestone Timeline and Report View

In an integrated special project with several concurrent workstreams, the timeline should focus only on the dependencies that impact the progress of the project. It should not contain separate project plans for each sub project or work steam. This keeps team members focused on the project itself when they review the charter and helps to keep them from straying into other projects or work streams that may be happening in parallel.

The project timeline must be in a easily digestible format (preferably on one page) for distribution. The milestone report below is one such example. While there are many ways to report on progress, the report should show the work streams' interrelated activities and dependencies.

Milestone Report

Late Milestone		Milestone Up Next		Completed Milestone	
Past Due		Due This Month		100% Completed	
Name	Finish	Name	Finish	Name	Finish
Task Description	mm/dd/yyyy	Task Description	mm/dd/yyyy	Task Description	mm/dd/yyyy
Task Description	mm/dd/yyyy	Task Description	mm/dd/yyyy	Task Description	mm/dd/yyyy
Task Description	mm/dd/yyyy	Task Description	mm/dd/yyyy	Task Description	mm/dd/yyyy
Task Description	mm/dd/yyyy	Task Description	mm/dd/yyyy		
		Task Description	mm/dd/yyyy		
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		Task Description	mm/dd/yyyy		

Performance

The PM should work in partnership with the worksteam leads to make sure the project goals are specific, measurable, agreed-upon, realistic and time-based (SMART). Without proper performance goals and evaluation, there may be no way to measure an innovation's success. In these cases, a special project may squander time and resources, upend previously-functional processes and, worst of all, sink an otherwise-sound concept.

CONCLUSION

In the era of digital disruption, first-time proof-of-concept projects can be essential in helping an enterprise meet consumer demand and be the first to market with new products and services. A professional PM who has the technical skill and business acumen to partner and co-solution with the project teams can help launch new initiatives quickly and increase the odds of their success.

Adhering to project management best practices will mean that the concept either fails or succeeds on its own merit – not on the failure or success of the project itself. When projects are managed correctly, companies can test new ideas quickly and efficiently without disrupting their current processes, bulking up staff and/or investing in a range of new tools.

If the concept proves successful, a company can leverage new processes or increase the offerings of each work stream or capability of the special project by adding resources or responsibilities to existing roles—or even by creating an additional work stream and a new organization around the new capability. This type of agility meets the demand of the current climate by allowing companies to remain lean while testing new digital opportunities.

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