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Solving the Project Execution Problem: Technology Alone
Won't Do It!

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As project management technology grows in popularity, we can all assume that the problem of executing projects successfully must be solved, right? Wrong. The Standish Group has found that 68% of technology projects still failed in 2009¹. Does this mean that project management solutions are just a waste of time? According to a recent list of Top 10 Project Management Trends, companies are purchasing project management solutions more now than ever before. “The implementation of new PPM solutions [in 2010] will soar. Program and project managers, under pressure from senior management to demonstrate project portfolio performance and its impact on the enterprise, will make the pitch for - and win - resources to implement project portfolio management solutions.”²

Project management technology is quite powerful and can definitely help companies achieve better results, but it is only as good as the processes and people that support it. Looking at the root causes of project failure and implementing the necessary changes that will enable the technology to work is the only way to achieve successful project execution.

#1: Ignorance of Project Cost

Nobody likes to track their time, but if you do not know how much time your team members are spending on various projects, you do not really know how much the projects cost. Not only that, but if you are asked by senior management to make cuts, how will you know where to do so, not knowing where your profit lies? Having team members track their time by project (and specifically by task) gives you the knowledge necessary to make the right decisions.

In this case, step one is getting the software, but step two – getting your employees to use it – is also key. The system is only as good as the data entered into it, so you will have to find a way to motivate your team and obtain widespread buy-in. Some managers do this by explaining how the data will help the company in general or them in particular. Think of it this way: if your employees know that by tracking their time, they are minimizing the risk that you will incorrectly estimate their tasks (e.g. scheduling them for 10 hours when the task will really take 20), they will gladly help. Some managers also create a rewards system as a way to motivate

1 http://www1.standishgroup.com/newsroom/chaos_2009.php

2 <http://www.projecttimes.com/articles/top-10-project-management-trends-for-2010.html>

their employees to track their time.

#2: Ignorance of Resource Allocation

Integrating time tracking data with resource schedules helps you to understand who is over- and under-allocated, who is behind on their work, and who is available to work on your project next month. Can you really afford to make scheduling decisions *without* this information? Some project management solutions will even allow you to perform a “what-if analysis” before assigning work to resources so that you can see the potential impact of assignments beforehand. Project managers can consequently avoid unnecessary risk and take the guesswork out of planning.

#3: Limited View of Project Status

Status updates based on percent complete cannot provide insight into how much longer certain tasks will take or whether or not the project will be late. This is why a project management system where employees track time against tasks is necessary. It not only shows project managers, at a glance, how many actual hours of work remain, but it also updates project plans automatically. This improves project estimation for the future by verifying the accuracy of previous estimates.

We recently spoke with a project manager at a large, well-known beverage corporation. He told us that despite the fact that his company had recently purchased a robust PPM solution, employees were still entering their time in multiple systems. This leaves them unable to feed actuals from different groups back into the central project plan for up-to-date status reports. They are not receiving any of the promised benefits despite making a hefty investment of both time and money. This is just another example of how technology will not magically fix project issues without the right processes in place to support it.

#4: Communication Roadblocks

In his blog, “IT Project Failures,” Michael Kringsman writes that “poor communication and mismatched expectations lie at the root of many failures.”³ How can it be that so many projects fail over so simple a thing as communication? The answer is, because communication is *not* simple, especially when an organization is large and departments are siloed off from one another, living in their own project worlds.

In today's world, the project manager often has to manage multiple people and projects across not only different departments, but also different countries and time zones. He/she has to account for each team member's own distinct methodology, technology system, work style and culture. Though collaboration tools like Microsoft SharePoint can help, communication is ultimately a human problem. Joseph Phillips, author of five books on project management,

3 <http://blogs.zdnet.com/projectfailures/?p=5981>

writes, “Communication takes up 90% of a project manager's time. [...] You, the project manager, must be at the center of communications; you have to be the communications hub.”⁴ Project management solutions are only helpful when they are used to enhance the right combination of interpersonal skills and management methods.

#5: Shifting Priorities

Most project managers are familiar with the triple constraint: scope, quality and time frame. One of these factors will always have to be flexible enough to accommodate the others. You might add value delivery to the list as well. For example, a wedding cake that is delivered a day late is worthless. For this reason, project managers have to ensure that they are still going to be able to deliver something useful in the end. These days, the world moves so fast that you have to constantly check to see if you are still on target for delivering value, even if quality, schedule and cost constraints are met. Technology alone cannot do this for you. It is a subtle, complicated process that requires market research and an understanding of your customer base.

Hand in Hand

Technology for project managers is at the most advanced that it has ever been, providing impressive functionality and benefits that can help companies to achieve their top goals. Yet it takes a bit more than technology to eliminate project failure - it takes a quality project manager who can implement the correct processes and manage people effectively. The right software solution is a powerful tool when it goes hand in hand with effective processes and strong leadership.

4 <http://www.projectsmart.co.uk/real-world-project-management-communications.html>

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Curt Finch is the CEO of Journyx (<http://pr.journyx.com>), a provider of Web-based software located in Austin, Texas, that tracks time and project accounting solutions to guide customers to per-person, per-project profitability. Journyx has thousands of customers worldwide and is the first and only company to establish Per Person/Per Project Profitability (P5), a proprietary process that enables customers to gather and analyze information to discover profit opportunities. In 1997, Curt created the world's first Internet-based timesheet application - the foundation for the current Journyx product offering. An avid speaker and author, Finch recently published *All Your Money Won't Another Minute Buy: Valuing Time as a Business Resource* (<http://www.timetrackingbook.com>). He is also a blogger for Inc. (<http://www.inc.com/tech-blog>), and you can follow him on Twitter (<http://www.twitter.com/clf99>).

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