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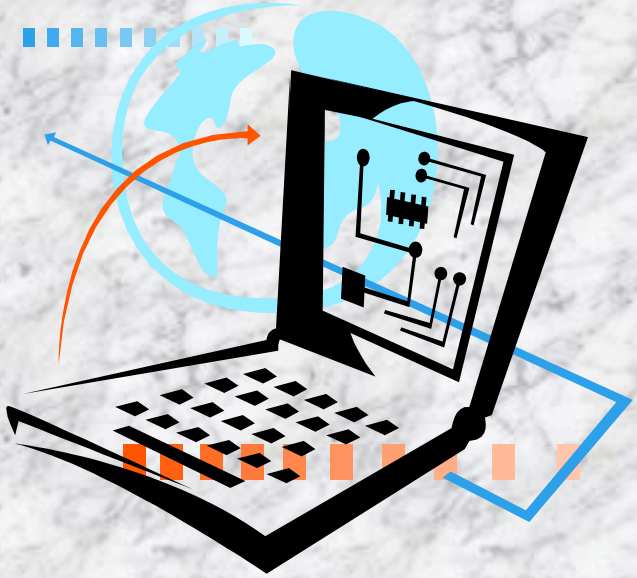
AlphaPM Project Health Check Workshop



PMI OVOC 2009 Weekday Seminar Series

Ottawa
8:30 am to 12:30 pm
Monday 15 June 2009

Tony Crawford, PMP

AlphaPM Inc.
www.alphaPM.com

Workshop Topics

- **Introduction**
- **Project Success Factors**
- **Project Health Checks/Project Audits**
- **Five Steps To A Successful Project**

1. **Identify the Project Goals**
2. **Analyze the Project Performance**
3. **Conduct the Project Health Check**
4. **Identify any Corrective Actions needed**
5. **Prepare and Implement an Action Plan**

- **Questions**

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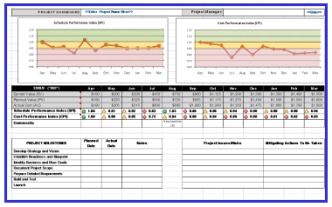
Project Health Check Workshop

Introduction

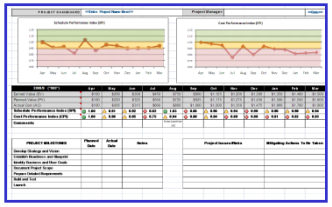
Workshop Materials

APM09 Presentation slides

Project Health Check Presentation Template



Project Dashboard
(Excel 2007)



Project Dashboard
(Excel 97-2003)

Project Health Check Tool
(Excel 2007)

Project Health Check Tool
(Excel 97-2003)

PM Toolkit

Project Management Deliverables On The Web

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Project Health Check Workshop Objectives

- Review and share project management success/failure factors and best practices
- Measure the performance of your project with AlphaPM's Project Dashboard tool
- Use AlphaPM's Project Health Check tool to assess the health of your project against fifty-five project best practices in seven key project management areas:
  - Business Case & Project Initiation
  - Planning
  - Execution and Control
  - Project Organization
  - Project Methodology
  - Project Performance
  - Risk Management

  .

- Determine whether your project can succeed or should be terminated
- Develop and present an action plan to address and resolve identified project management deficiencies, issues or risks.

POLL

How will you apply this Project Health Check Workshop?		
1	I am on a project now, and would like to use it for my current project.	
2	I would like to apply it retroactively to my past project(s).	
3	I would like to apply it to my next project.	

Project Health Check Workshop

Project Success Factors

IT Project Success Rates

The Standish Group have conducted ongoing research since 1994 on IT project success rates and factors.

		1994	1999	2001	2004
Projects **Successful**	The project is completed on-time and on-budget, with all features and functions as initially specified.	16	26	28	29
Projects **Challenged**	The project is completed and operational but over-budget, over the time estimate and offers fewer features and functions than originally specified.	53	46	49	53
Projects **Failed**	The project is cancelled at some point during the development cycle.	31	28	23	18

Why Projects Fail . . .

Reference: Common Causes of Project Failure – Office of Government Commerce (UK)

1. Lack of clear link between the project and the organization's key strategic priorities, including agreed measures of success.
2. Lack of clear senior management and Ministerial ownership and leadership.
3. Lack of effective engagement with stakeholders.
4. Lack of skills and proven approach to project management and risk management.
5. Too little attention to breaking development and implementation into manageable steps.
6. Evaluation of proposals driven by initial price rather than long-term value for money (especially securing delivery of business benefits).
7. Lack of understanding of and contact with the supply industry at senior levels in the organization.
8. Lack of effective project team integration between clients, the supplier team and the supply chain.

Source: http://www.ogc.gov.uk/documents/Project_Failure.pdf

Project Success Factors

Top 10 Success Factors in the Chaos Studies (2001, 2006)

#	Project Success Factors - 2001	Project Success Factors - 2006
1	Executive Support	User Involvement
2	User Involvement	Executive Management Support
3	Experienced Project Manager	Clear Business Objectives
4	Clear Business Objectives	Optimizing Scope
5	Minimized Scope	Agile Process
6	Standard Software Infrastructure	Project Manager Expertise
7	Firm Basic Requirements	Financial Management
8	Formal Methodology	Skilled Resources
9	Reliable Estimates	Formal Methodology
10	Other	Standard Tools and Infrastructure

How People Define Success – A Survey

Functionality

- 83% believe that meeting actual needs of stakeholders is more important than building the system to specification

Quality

- 82% believe that delivering high quality is more important than delivering on time and on budget

Money

- 70% believe that providing the best ROI is more important than delivering under budget

Schedule

- 58% believe that delivering when the system is ready to be shipped is more important than delivering on schedule

Source: Scott Ambler's December 2008 Software Development Project Success Survey
www.ambysoft.com/surveys/success2008.html

. . . .but, is this really a good measure of success ?

Project Success Is . . .

Delivering a product or service that

- meets all Client requirements
- is delivered on an approved Schedule
- is delivered within an approved Budget

with a completely satisfied Client, Project Team and Executive Management . . . and Project Manager.

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Project Health Check Workshop

Project Health Checks/ Project Audits

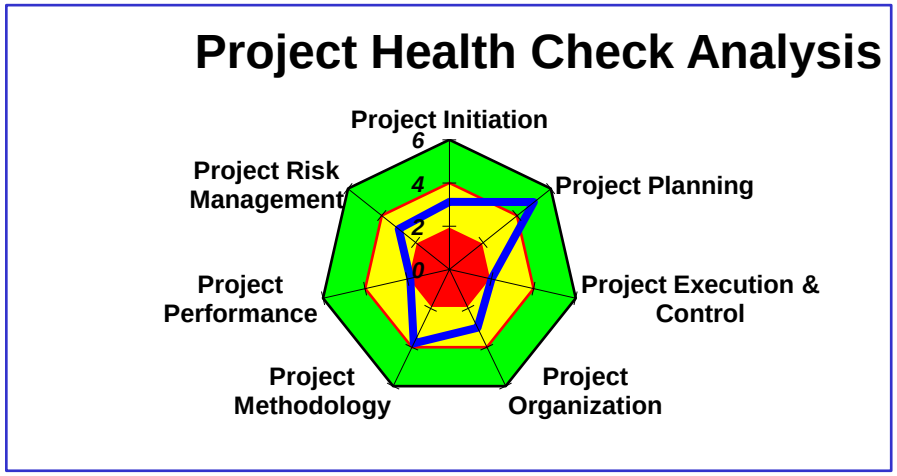
Project Health Checks/Project Audits

The AlphaPM Project Health Check Tool can be used:

- By Project Managers, to conduct a “Project Health Check” of their projects, and take corrective action, as needed
- By the PMO, to conduct a “Project Audit” of projects in trouble (e.g. Projects in the red zone on the Project Dashboard)

The project health is assessed by the Project Manager against 55 project management best practices in the following seven key project areas:

1. Project Initiation
2. Project Planning
3. Project Execution & Control
4. Project Organization
5. Project Methodology
6. Project Performance
7. Project Risk Management



- A Summary Chart is produced by the tool, indicating the project health (blue line) in each of the seven key areas
- Key risk areas for the project are those where the blue line is in the yellow and red zones

Review Project Health Check Tool

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Project Health Checks

Project Health Checks should be conducted by the Project Manager at the following points in the Project Life Cycle:

Project Initiation

The Project Manager conducts an Initial Heath Check analysis , completing the Project Initiation section of the Project Health Check tool.

A copy of the results are forwarded to the PMO and any yellow or red risk areas are discussed and addressed with the PMO, Client Sponsor and Executive Management as appropriate.

Project Planning

The Project Manager completes the Health Check Tool for all sections of the Project Health Check tool, before the Project Plan is complete and baselined, and documents the actions planned to address any yellow or red risk areas.

A copy of the results are forwarded to the PMO and any yellow or red risk areas are discussed and addressed with the PMO, Client Sponsor and Executive Management as appropriate.

At the end of subsequent project phases (optional) .

The Project Manager updates the Project Health Check analysis and documents the actions planned to address any yellow or red risk areas.

A copy of the results are forwarded to the PMO and any yellow or red risk areas are discussed and addressed with the PMO, Client Sponsor and Executive Management as appropriate.

Project Audits

A Project Audit is conducted by the PMO for any projects in trouble, as denoted in any one of the following ways:

- Red flagged by the Project Manager and/or Executive Management
- Project in the “red zone” on the Project Dashboard
  (Cost Performance Index and/or Schedule Performance Index less than 90%)

As part of this Project Audit, the Project Health Check Tool is formally completed by the Project Manager with the support of a Facilitator provided by the PMO. Depending on the issues identified, Client and Project Team interviews may also be conducted by the Facilitator.

A Summary Report is prepared by the Facilitator, with the support of the Project Manager, documenting the results of the Health Check Analysis and identifying the corrective actions needed to address the project issues and restore project performance to acceptable levels.

The PMO should facilitate any required ongoing PMO, Management or Executive support needed to ensure the success of the project.

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Project Health Check Workshop

Five Steps to a Successful Project

1. Identify the Project Goals
2. Measure the Project Performance
3. Conduct the Project Health Check
4. Identify any Corrective Actions needed
5. Prepare and Implement an Action Plan

Review Project Health Check Presentation Template

Step 1 - Identify the Project Goals

An Air Traffic Control Tower for Beds

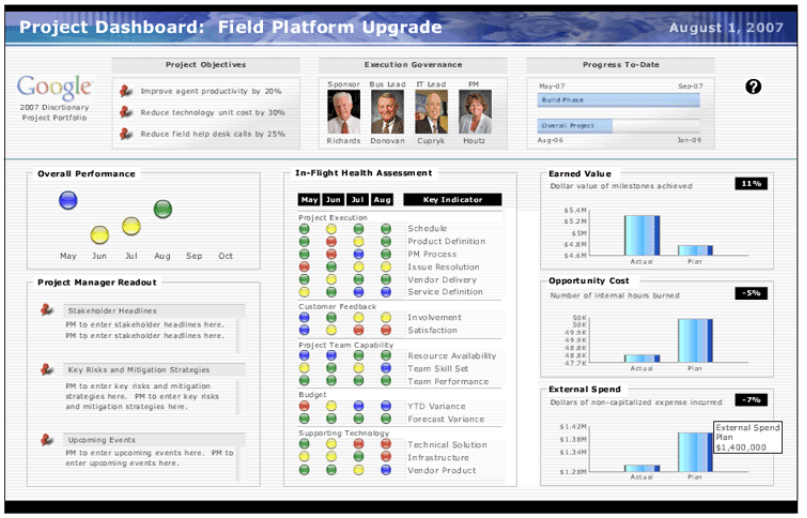
In many ways, the BMD is similar to an Air Traffic Control Tower. Like a real Air Traffic Control Tower, this application is real-time and mission critical. It must handle both scheduled and emergency events. The system assists with the clinical and business decision processes that occur when a patient needs to be assigned to a specific bed location. Collectively, this system provides organizations with an array of enabling technologies to:

- Schedule/Reserve/Request patient bed assignments
- Assign/Transfer patients from the emergency department and/or other clinical areas such as Intensive Care Units, Medical/Surgical Units, Operating Rooms, Post-Anesthesia Care Unit, etc.
- Reduce/Eliminate dependency on phone calls to communicate patient and bed requirements
- Reduce/Eliminate paper processes to manage varying census levels
- Apply Statistical Process Control (SPC) and "Six Sigma" methodologies to manage occupancy and patient diversion
- Provide administrators, managers and caregivers with accurate and on-demand reports and automatic alerts via pagers, e-mail, phone and intelligent software agents.

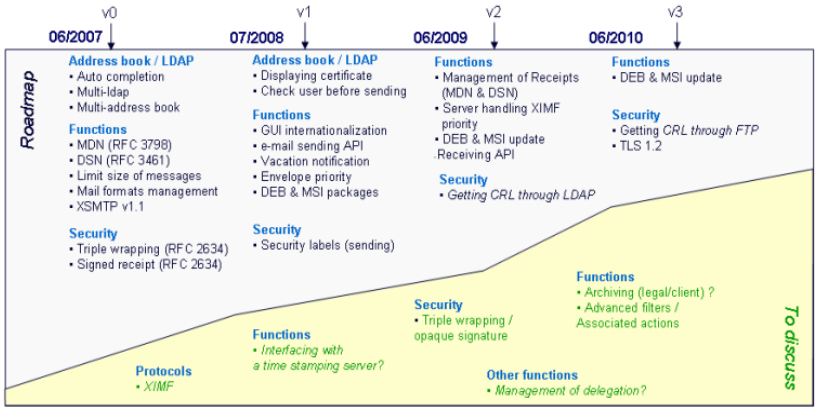
Table 1:

PROBLEM	SOLUTION
ADT systems are not designed to provide sufficient clinical information for appropriate patient placement.	BMD integrates all required information in real-time (i.e., monitor required, negative pressure room, etc.).
Lack of accurate bed availability information can result in lost admissions and excessive wait times.	BMD provides the information necessary to significantly improve the efficiency of patient placement & discharge.
Inefficient communication while "searching" for the appropriate bed for a patient.	BMD automates the notification process via dashboard, pager, e-mail etc.
23+ hour "observation" outpatients that occupy inpatient beds without payer authorization.	BMD has built-in 24 x 7 automated alerts via intelligent agents, pagers, etc.
Difficulty accessing meaningful historical, current and predictive data.	BMD provides data mining and decision support tools to create useful information from data.

Reference: Dashboards by Example
Link: http://www.enterprise-dashboard.com/2007/02/



Reference: Google 2007 Discretionary Project Portfolio



Reference: Milimail Project
Link: http://www.milimail.org/milimail/index.php/Roadmap

Change Program – Measures of Success

The Change Program will deliver the following outcomes and our success will be measured by KPIs in 5 categories

Reference: The Australian Taxation Office Change Program
Link (see Figure 6): http://epress.anu.edu.au/anzsog/imp/html/frames.php

Step 1 - Identify the Project Goals

Identify the Goals for your project (one or two slides)

Goals should be SMART

Ensure alignment with:

- Business Vision
- Strategic Plan
- Mission Statement
- Project Charter/Statement of Work
- Business Requirements

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Step 2

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Goals should be SMART

- **S**pecific
- **M**easurable
- **A**chievable
- **R**elevant
- **T**ime-based

President Kennedy addresses a Joint Session of Congress

"I believe that this nation should commit itself to achieving the goal, before this decade is out, of landing a man on the moon and returning him safely to the Earth."

President Kennedy
May 25, 1961

Neil Armstrong and Buzz Aldrin set up a US flag on the moon

Apollo 11 Timeline

- **Launch:** 9:32 a.m. EDT July 16, 1969
- **First moon landing**: 4:17 p.m. EDT July 20
- **First step on the moon:** 10:56 p.m. EDT July 20
- **Moon walk ends:** 1:26 a.m. EDT July 21
- **Lunar liftoff:** At about 1 p.m. EDT July 21
- **Splashdown:** 12:50 p.m. EDT July 24

Step 2 – Analyze the Project Performance

1. Use Earned Value Management measures to determine Cost and Schedule Performance

Terms and Formulas	Alternative Definition
Earned Value (EV)	Budgeted Cost of Work Performed (BCWP)
Actual Cost (AC)	Actual Cost of Work Performed (ACWP)
Planned Value (PV)	Budgeted Cost of Work Scheduled (BCWS)
Cost Performance Index (CPI) = EV/AC	Budgeted Cost of Work Performed (BCWP)/ Actual Cost of Work Performed (ACWP)
Schedule Performance Index (SPI) = EV/PV	Budgeted Cost of Work Performed (BCWP)/Budgeted Cost of Work Scheduled (BCWS)

Recommend the use of the Earned Schedule metric to measure Schedule Performance.
Reference: EarnedSchedule.com (Walt Lipke)

2. Report Progress of Key Project Milestones

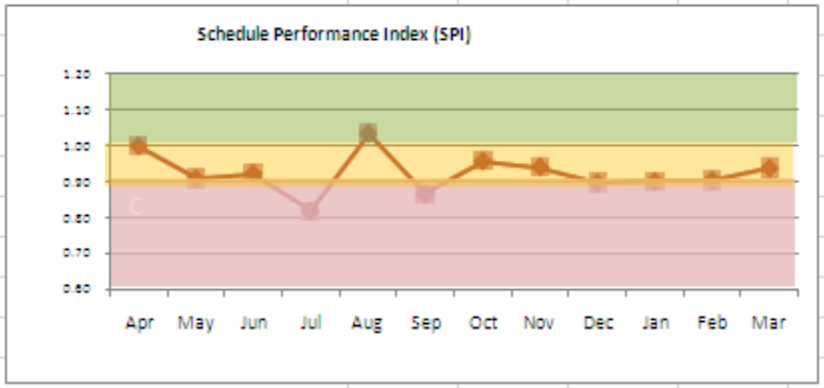
PROJECT MILESTONES	Planned Date	Actual Date	Notes
Develop Strategy and Vision			
Establish Readiness and Blueprint			
Identify Business and User Goals			
Document Project Scope			
Prepare Detailed Requirements			
Build and Test			
Launch			

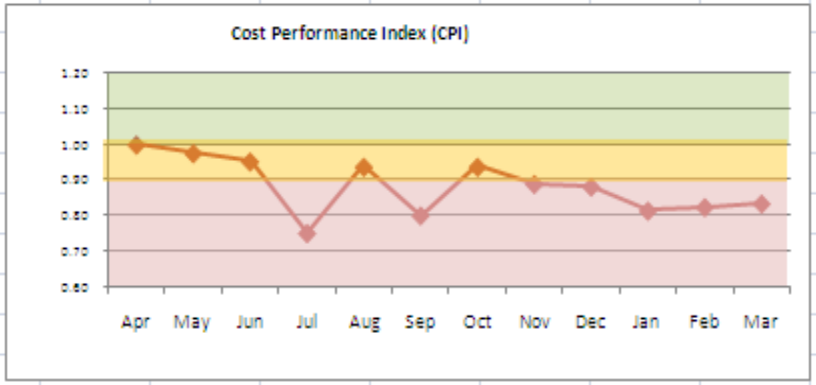
3. Highlight Key Project Risks and Mitigating Actions

Project Issues/Risks	Mitigating Actions To Be Taken

AlphaPM Project Dashboard tool

PROJECT PERFORMANCE REPORT	<< Project Name Here>>	Project Manager:		<<Date>>





2008/9 ("000")	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar
Earned Value (EV)	$100	$200	$300	$450	$750	$800	$1,125	$1,200	$1,300	$1,350	$1,400	$1,500
Planned Value (PV)	$100	$220	$325	$550	$725	$925	$1,175	$1,275	$1,450	$1,500	$1,550	$1,600
Actual Cost (AC)	$100	$205	$315	$600	$800	$1,000	$1,200	$1,350	$1,475	$1,660	$1,700	$1,800
Schedule Performance Index (SPI)	1.00	0.91	0.92	0.82	1.03	0.86	0.96	0.94	0.90	0.90	0.90	0.94
Cost Performance Index (CPI)	1.00	0.98	0.95	0.75	0.94	0.80	0.94	0.89	0.88	0.81	0.82	0.83
Comments					New baseline set							

PROJECT MILESTONES	Planned Date	Actual Date	Notes
Develop Strategy and Vision			
Establish Readiness and Blueprint			
Identify Business and User Goals			
Document Project Scope			
Prepare Detailed Requirements			
Build and Test			
Launch			

Project Issues/Risks	Mitigating Actions To Be Taken

Reference: Project Dashboard Tool

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Step 2 – Analyze The Project Performance

Analyze the Performance of your project (one or two slides)

- Review your Project Dashboard results
- Is your Project late or over budget by more than 10%
- What caused the delays to your activities (particularly those on the Critical Path)

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Step 2

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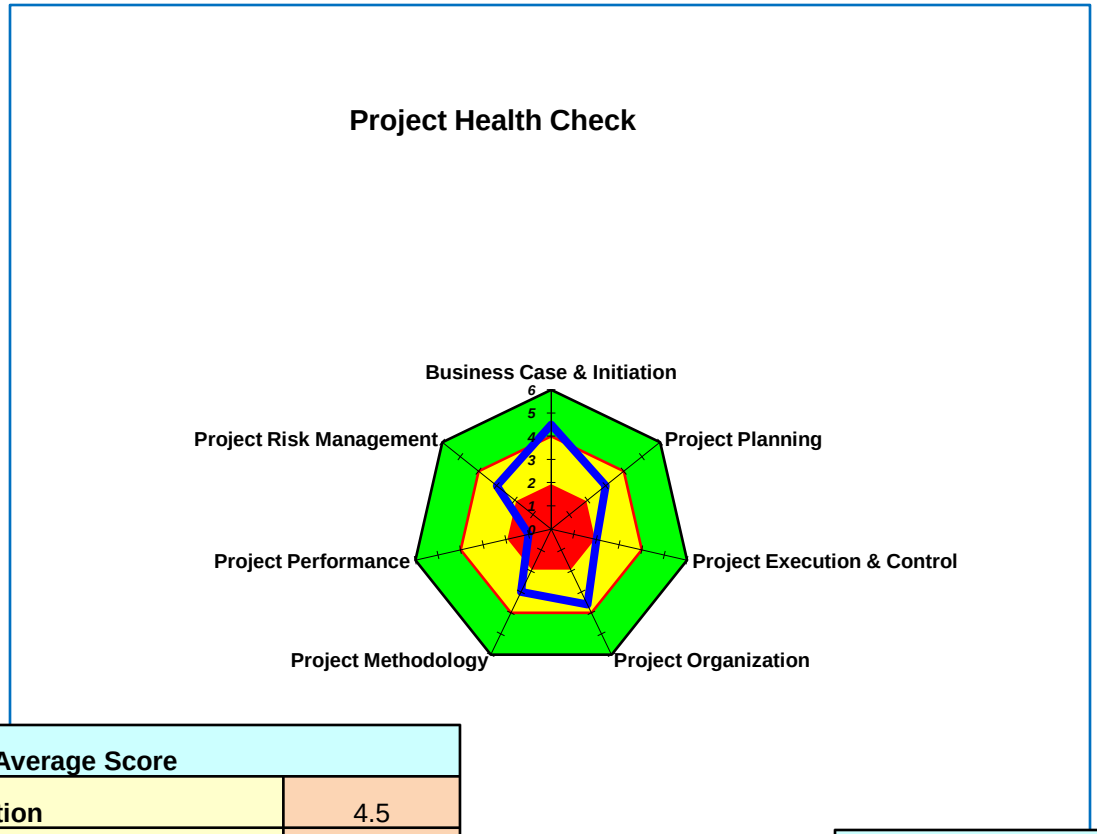
Step 3 - Conduct the Project Health Check



Average Score	
Business Case & Initiation	4.5
Project Planning	3.0
Project Execution & Control	2.0
Project Organization	3.6
Project Methodology	3.0
Project Performance	1.0
Project Risk Management	3.0

Health Check Risk Levels	
Low Risk	4 to 6
Medium Risk	2 to 4
High Risk	1 to 2
Impossible	0 to 1

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Project Health Check: Business Case & Initiation

A	Business Case & Initiation	
A1	The project is fully aligned with the Business Strategies and Goals of the Company	
A2	The project will provide significant benefits to the organisation and a strong return on investment	
A3	Project Requirements are fully and clearly documented and approved by the Project Sponsor	
A4	A Preliminary Project Budget is approved and sufficient for the full lifecycle of the project	
A5	Business measures of success have been identified and measurement processes established	
A6	A Project Charter has been produced and approved, authorizing the project	

SCORING RULES		SCORE	
Fully Agree	(Best Practice)	4 to 6	Avg: 5
Neutral	(Needs improvement)	2 to 4	Avg: 3
Fully Disagree	(Not addressed)	0 to 2	Avg: 1

Project Health Check: Project Planning

B	Project Planning	
B1	A Scope Statement has been produced and approved	
B2	A Work Breakdown Structure has been completed to cover all areas of the project	
B3	A Project Schedule has been produced and approved, detailing all project activities, activity dependencies, project critical path, resource requirements, and project deliverables	
B4	Details and assumptions for project costs and estimates are well documented	
B5	A detailed Project Budget has been produced and approved to cover all phases of the project	
B6	Contingency Funds have been allocated for the project.	
B7	Project Resource Requirements have been identified and approved	
B8	A Scope Management Plan has been produced (identifies Change Management processes)	
B9	A Quality Management Plan has been produced	
B10	A Staffing Management Plan has been produced	
B11	A Communications Management Plan has been produced	
B12	A Risk Management Plan has been produced	
B13	A Procurement Management Plan has been produced (if applicable)	

SCORING RULES		SCORE	
Fully Agree	(Best Practice)	4 to 6	Avg: 5
Neutral	(Needs improvement)	2 to 4	Avg: 3
Fully Disagree	(Not addressed)	0 to 2	Avg: 1

Project Health Check: Project Execution & Control

C	Project Execution & Control	
C1	The Project Schedule is reviewed and updated at least weekly	
C2	Project Costs are reviewed and compared to the Project Budget, at least monthly	
C3	Status Reports are prepared and issued weekly	
C4	Personnel resources are available on time to execute project activities	
C5	External resources are available on time, as needed	
C6	Changes are documented and controlled by the Change Management process	
C7	Project Issues are documented in an Issues Log, addressed and reviewed at least weekly	
C8	All Project Deliverables are formally reviewed and accepted by the appropriate parties	
C9	Project Performance is tracked and reported at least monthly using Earned Value techniques	
C10	Project Quality is controlled through the implementation of the Quality Management Plan	

SCORING RULES		SCORE	
Fully Agree	(Best Practice)	4 to 6	Avg: 5
Neutral	(Needs improvement)	2 to 4	Avg: 3
Fully Disagree	(Not addressed)	0 to 2	Avg: 1

Project Health Check: Project Organization

D	Project Organization	
D1	A project team organization structure is clearly documented and understood by all stakeholders	
D2	A facilitative Project Management Organization exists to support the project	
D3	All outside suppliers understand and are committed to the project goals and schedule	
D4	All members of the project team possess appropriate levels of expertise	
D5	The Project Sponsor is fully committed and available to support the project	
D6	Weekly status meetings are held with key project team members	
D7	Weekly status meetings are held with the Project Sponsor	
D8	Monthly meetings are held with the project Executive Steering Committee	
D9	A project kickoff meeting has been held for all key stakeholders at the start of the project	
D10	All new members of the project team receive an orientation to the project	

SCORING RULES		SCORE	
Fully Agree	**(Best Practice)**	**4 to 6**	**Avg: 5**
Neutral	**(Needs improvement)**	**2 to 4**	**Avg: 3**
Fully Disagree	**(Not addressed)**	**0 to 2**	**Avg: 1**

Project Health Check: Project Methodology

E	Project Methodology	
E1	A formal and documented Project Life Cycle methodology is followed by the project team	
E2	The Project Life Cycle methodology applies project management "best practices"	
E3	Templates are available for all key project management deliverables	
E4	Lessons Learned are documented and reviewed at each Phase end and at Project Completion	
E5	A Project Notebook/Extranet is used to maintain all project documentation	

SCORING RULES		SCORE	
Fully Agree	(Best Practice)	4 to 6	Avg: 5
Neutral	(Needs improvement)	2 to 4	Avg: 3
Fully Disagree	(Not addressed)	0 to 2	Avg: 1

Project Health Check: Project Performance

F	Project Performance	
F1	Earned Value Management measures are used to track and report project performance	
F2	The Project is on schedule (Schedule Performance Index >= 1.0)	
F3	The Project is within budget (Cost Performance Index >= 1.0)	
F4	The project is following company Project Life Cycle standards and processes	
F5	The Project Sponsor is satisfied with project and project team performance	
F6	Project Team morale is excellent	
F7	Project Communications are timely and meet the needs of all stakeholders	

SCORING RULES		SCORE	
Fully Agree	(Best Practice)	4 to 6	Avg: 5
Neutral	(Needs improvement)	2 to 4	Avg: 3
Fully Disagree	(Not addressed)	0 to 2	Avg: 1

Project Health Check: Risk Management

G	Risk Management	
G1	A Risk Management Plan has been produced	
G2	A Risk Register is maintained for all significant project risks, with appropriate actions, target dates and owners for each Risk	
G3	Project Risks are reviewed and updated regularly and at phase ends	
G4	Project Risks are actioned appropriately	

SCORING RULES		SCORE	
Fully Agree	**(Best Practice)**	**4 to 6**	**Avg: 5**
Neutral	**(Needs improvement)**	**2 to 4**	**Avg: 3**
Fully Disagree	**(Not addressed)**	**0 to 2**	**Avg: 1**

Project Health Check: Overall Project Analysis (Go/No-Go)

	Overall Project Analysis	
	Project Health Check Analysis	
A	Business Case and Project Initiation	
B	Planning	
C	Execution and Control	
D	Organization	
E	Methodology	
F	Performance	
G	Risk Management	
I	**Other Critical Project Success Factors**	
1	Project can be completed successfully	
2	Budget is available to meet any additional needs	
3	Schedule impact (if any) is acceptable to the Client	

SCORING RULES		SCORE	
Fully Agree	**(Best Practice)**	**4 to 6**	**Avg: 5**
Neutral	**(Needs improvement)**	**2 to 4**	**Avg: 3**
Fully Disagree	**(Not addressed)**	**0 to 2**	**Avg: 1**

Step 4 – Identify any Corrective Actions Needed

- **Summarize all items needing corrective action**
  - Key Items
  - Minor Items
- **Assess against**
  - Business Goals
  - Executive Support
  - Budget Availability
  - Resource Availability
  - Technical viability
  - Vendor viability

Step 5 – Prepare and Implement an Action Plan

- **Project Health Check Assessment**
  - Summary of Findings and Recommendations
- **Go/No-Go Recommendation**
  - If “No-Go”, give rationale
  - If “Go”, identify constraints (e.g. need for Schedule Extension, Budget Increase, Key Resources etc.)
- **Action Plan**
  - Revised Project Plan (what, who, when)
  - Revised Project Dashboard

========== **Presentation** ==========

- **Executive Approval**
  - Present to Executive Management
  - Obtain approval and budget (if needed) to proceed
- **Implement Revised Project Plan**

Presentation Template

ALPHAPM PROJECT MANAGEMENT WEBINAR PROGRAM

APM01	PM Lessons Learned From The Movies
APM02	How To Build A Better Project Plan
APM03	How To Keep Your Project On Schedule And Within Budget
APM04	Scope Management and Work Breakdown Structures Made Easy
APM05	Risk Management Made Easy
APM06	Earned Value Management Made Easy
APM07	Start Your Project On The Right Track With A Successful Kickoff Meeting
APM08	How To Build A Better Project Management Office
APM09	Project Health Check Workshop
APM10	GO-PSAC Project Success Factors (GOals, Processes, Skills, Attitude, Culture)

For an Overview of each Webinar: http://www.alphapm.com/WebinarProgramOverview.pdf

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