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Define Clearly your Project Objectives! Why is this Key Project Step so Often Skipped?

"Obstacles are those frightful things you see when you take your eyes off your goal" - Henry Ford

Project Value Delivery's experience is that project leaders are rarely clear on what are their actual project objectives, as seen from the stakeholders' perspective. And wide gaps of appreciation will often appear later between the performance of the project as measured by the project team, the project leader, the sponsor and other stakeholders. Being clear from the beginning on the project objectives and developing a shared understanding is a primordial step that is too often skipped.

What project objectives are we speaking about?

Project objectives are a set of statement that describe in a nutshell, what is the purpose of the project and what are the priority areas that will be considered when evaluating the performance of the project execution.

Scratching the surface of sweeping performance statements like "get the product out on time", "achieve margin over the as-bid margin", or even "make as much money as possible", project leaders will find a much finer granularity of expectations from their different stakeholders.

Staying only on the topic of money, what are the expectations in terms of cash flow? Acceptance of risk for possible additional revenue? Changes in the spending profile over time? Financial performance at reporting period end? How do all these expectations fit together? Are they consistent? Which ones are the most important, priority ones, and which ones can take a back seat? How do all the requirements fit into the 'cost, schedule, scope' triangle?

The project leader, at the onset of the project, should have a clear roadmap of what are the main objectives of the project, and what are less important issues.

This roadmap should be explained in 10-15 statements that define what exactly is being expected from the project.

It is not because the project is done to execute a very detailed contract, which is supposed to reflect the expectations of the client, that project objectives are not important: there are many other stakeholders, and even the client's expectations often need to be more precise.

The main objective: getting clarity by having the stakeholders agree on the main objectives of the project

One of the most common issues is that important stakeholders hold contradicting, or at least non consistent views, on what the project objectives are. Not clarifying these issues upfront will lead to severe headaches later. The process of discovering the actual project objectives is an excellent opportunity to get stakeholders to debate and discuss the respective important of certain constraints, thus leading to a much clearer picture for the project leader, as well as a better understanding of what can be done or not from the stakeholders.

This discussion will lead to some decisions taken about what are the main drivers to be followed by the project team, and the recognition that it is not possible to optimize some project execution parameters without impacting others.

The project leader has a key role to play in educating the relevant stakeholders about the fact that related constraints such as cost, schedule and scope require a clear direction for the project team.

Writing down the objectives at the beginning is a good way to manage shifting expectations from stakeholders

A great advantage of writing down the project objectives at the beginning of the project and having them agreed, or at least known by the stakeholders, is that it is a reference document against which any shift in priorities and expectations can be identified and managed. In particular for large, complex projects that span over several years, stakeholders may change, have new objectives themselves, or the organization could also have new strategic views.

Any change to the project objectives should be considered as a change to the project, as per the 'management of change' guidelines for project management, because it will impact significantly the project governance and possibly, the project execution plan (as some activities will become more prioritized). Before any agreement on such a change it needs to be carefully assessed and its consequences discussed with the relevant stakeholders so as to make sure they are aware of the full impact of such a shift in the project objectives.

What process needs to be followed to define clearly the project objectives?

Project Value Delivery recommends that the project team be mobilized before the project leader intends to define the project objectives in detail. One of the main stakeholders in the project is the team itself, and it needs to be able to contribute to the development of the project objectives, and to the subsequent discussions with relevant stakeholders. Following this process will create:

- Realistic objectives, as they will have been vetted by the specialists on the team that will be in charge of implementing them;

- A desirable sense of ownership on the project objectives by the team, based on a full participation to their creation;
- A good understanding of the stakeholders needs by having the entire project team participating to the discussions with the stakeholders.

Henceforth, project objectives can only be developed meaningfully once the project team is onboard, as part of the project planning for execution phase. They should not be developed earlier.

Project Value Delivery recommends the following guidelines for the project objectives development process:

- start with a stakeholder analysis with the project (core) team to identify all relevant stakeholders to the project and prioritize them in terms of impact to the project delivery (at this stage most project leaders realize that some stakeholders they had not considered at first are indeed primordial)
- initiate discussions with relevant stakeholders to identify which are their main issues / concerns, without necessarily having a draft set of objectives at that stage to avoid influencing them;
- draft a first set of project objectives;
- resolve any discrepancy between stakeholder's objectives if needed;
- once finalized, publicize the project objectives as a reference document inside the project team and outside to all relevant stakeholders.

The project objectives should then be reviewed periodically to check that objectives are being pursued, and what is the expected level of performance the project expects with regard to these objectives. As such, the project objectives status update should be part of the regular project reporting.

Why is the project objectives development process often skipped?

The project objectives development process is often skipped, or is limited to a confidential discussion between

the project leader and his boss, as part of periodic performance evaluation, for example.

There are multiple causes to this:

- developing the project objectives and having the necessary discussions with the stakeholders is a time consuming activity at a time where the project team is extremely busy (project execution startup);
- project objectives are often assimilated to the project leader's personal performance objectives and thus tend to be kept confidential.

These two reasons are flawed:

- developing the project objectives and getting a broad agreement on them is an investment which will repay later in much less hassle and political gaming with stakeholders; it can be part of the project leader's network building activities;
- project objectives are the objectives of the entire team working together, and it is not clear how the project leader could be accountable for performance objectives that he would not have shared with his team.

Aligning the project KPI's with the project objectives

Project Key Performance Indicators (KPIs) should then be defined and aligned with the project objectives. Project Value Delivery's experience is that standard KPIs are often defined and produced by the functions, without any reference to the particular project objectives. That's wrong; the project leadership needs a limited number of KPIs that are tailored to the actual project objectives.

Conclusion: develop project objectives for your project!

Developing clear, compelling project objectives is the best way to make sure you will meet them! Developing clear objectives should not be skipped. It is quite an investment, but it will bring large returns down the road. It will be a great occasion to discuss with your important stakeholders, get reasonable expectations from them, and have a clear direction towards which to execute the project. Why skip such an important step towards success?



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