

TRACKING PROJECT RESULTS Blindfolded Lookouts & Icebergs



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Summary: Poor status reporting leads to executives and project managers being surprised by problems when it's too late to solve them. But the problem doesn't come from what happens in the status meeting, it's a completely predictable result of poor planning.

Like lookouts on the Titanic, project managers and executives are supposed to be iceberg spotters. But far too often they blindfold themselves and notice the iceberg when it chills the tips of their noses. By then it's too late to avoid damage with a simple course correction. So why do so many lookouts blindfold themselves?

It's woven from people's fear of reporting bad news and unrealistic optimism plus vague "data" like:

- ❑ "We've used 60 percent of the budget"
- ❑ "This project is in 'green light' status"
- ❑ "Half the duration is gone!"
- ❑ "There are a few rough spots but we can still hit that completion date"
- ❑ "Look at the Gantt chart, we've completed 735 of the 4006 tasks"
- ❑ "Everyone is really committed to the project."

What do they know after receiving status data like this? Nothing. Worse, they are doomed to finding out about problems when it's too late to take corrective action. The first hint of the iceberg is that chill on the tip of their noses.

Please Tie the Blindfold Tightly

Project managers and executives blindfold themselves during the process of conceiving and planning projects. In planning, they focus only on due dates and the features, bells and whistles of the project, ignoring the opportunity to define a measureable scope and measureable deliverables which they use to set the project's course. A key ingredient of the project blindfold is the absence of clear and unambiguous strategic checkpoints in the project. Each checkpoint should be an objectively measurable business achievement for which an individual is accountable. Without those achievements they are left to track the completion of some "to do" list of activities which they hope will yield something of value. Starting work without quantified deliverables is faster and requires very little thinking; but then they might as well have their luggage delivered straight to a lifeboat rather than to their cabin.

With no strategic targets to decompose into team assignments, the PM builds a monstrously long “to do” list. The idea is that this list will give precise tracking and very tight control of the project. It makes a resounding thump when placed on the project executive’s desk. “To do” list project plans have hundreds or thousands of micro-activities and deliverables, none of which clearly measures the completion of a business-relevant outcome. These monster plans are then “approved” although no one ever has the time to actually read all this minutiae. They do, however, provide a firm foundation for micro-managing and draining away all sense of the project team members’ accountability and job satisfaction.

Next, work begins and the PM quickly discovers that the project plan takes hours to update. In another revelation, they find that they could not accurately predict each of the micro-tasks that each team member would complete and so there are a gazillion changes. Within a week the massive project plan is completely irrelevant for determining if they have problems, where they are and how to solve them.

Status Report in the Fog

Finally each week, or whenever the project executive has a question, the PM must conduct a mind-numbing status meeting. In this meeting, the PM tries to find out if anything bad happened last week. Usually it did because the monstrous project plan did not tell any of the team members what results were expected of them. So they were left with the choices of guessing what’s expected, running to the PM twice daily to ask, or participating in weekly discussions of “What’s this project really about?” Usually this question is answered three or four weeks before the due date when we finally decide what we can do in the time that’s left.

In sum, everyone on the project is wearing blindfolds. The project team members are trying to guess what’s expected of them without actually coming out and saying so. No one actually knows how the project is doing and anyone who even hints that things may be ever so slightly off track is made to “walk the plank.” We hear much angry shouting of the project due date at louder and louder volume. This is the project equivalent of the Titanic band playing on as the ocean liner slips under the waves.

Taking off the Blindfold

In a good status report, the project manager would report things like:

“Status on achievement #47 which is – “With the new history screen our service reps can answer 85 percent of customer inquiries without referring a question to another department.” As of Friday, we should have been 25 percent complete with the planned 500 hours of work but we were 20 percent complete with the work, which I now estimate at 570 hours.” Without corrective action, we will finish 9 days late and that will cause three successor tasks to start late and postpone the project completion 7 days. I’m also forecasting that we’ll finish \$7,000 over budget.”

This status report has several good features. First, it quantitatively compares “where we are as of today” to “where we should be as of today.” Second, we are reporting status on an objectively measurable business achievement. We’re not going to need a meeting or long debate to decide whether or not we have reached the 85% target. Third, our progress assessment is based on the hours of work completed as of last Friday and estimates of the hours of work remaining as of

that day. Fourth, the executive is receiving data on 3 quantified dimensions of status (the level of achievement, the duration and the budget), not just the due date.

These elements set up the second half of the status report, which is usually missing. This second half is where the PM lays out data regarding what we can do about the problem. Having three quantified dimensions for each assignment lets the PM develop quantified alternatives for executive decision-making. These alternatives might continue the status report as follows:

“We have three options for recovery. First, we can hire an outside trainer to conduct several training courses. This option would allow us to recapture the 9 days of duration overrun but will increase the budget overrun of \$7000 to \$10,000.

Second, we have a customer service supervisor who is familiar with the new screen and could conduct the training classes. This option would allow us to recoup the 9 days of duration and it'll actually reduce the budget overrun by \$2000 because of the supervisor's lower hourly rate. The drawback to this option is that the supervisor is not a professional trainer and we run the risk of jeopardizing the 85 percent goal because of reduced quality in the training class.

Third, we can shorten the training classes from eight hours to six hours. This will allow us to recoup both the duration overrun and the budget overrun. The downside is it is unlikely we will achieve the 85 percent call handling goal. A 70 percent level of achievement is more realistic with the shorter training.”

The alternatives the PM has proposed involve trade-offs between the level of achievement, duration and budget. The project executive can make a decision from the options because we have seen this iceberg coming from a long way off and can plot our evasive action.

Never Putting the Blindfold on in the First Place

How should the PM and project executive build a plan that lets them track the project and solve problems? First, they build a high-level strategic framework for the project. They must do the tough strategic thinking about the measurable business result the client or user wants to achieve. Then they build a network of high-level achievements (each of which is also objectively measurable), plotting the course for getting to the project's Measure of Success (MOS™). They must fight to keep their thinking on the level of measured business results not activities. They will also lay out the cross-functional or cross organizational authorities need for these achievements.

Then the PM builds a small project plan, usually 1/10th the size of the old “to do” list. It lists the individual assignments (in the form of measurable achievements) that we want to manage in the project. The plan is a tool for managing assignments in the project, not a procedure for doing them. Step-by step procedures should go in system development or SOP manuals. Project plans reference the SOP standards but don't reprint them.

With this small plan, each team member will know what end result is expected before they start work. As importantly, by using measured achievements the PM and executive can measure progress against unambiguous and measurable checkpoints.

Third, with a small project plan PMs can base the schedule on work estimates rather than just completion dates. Having a plan based on work estimates provides the data for status reporting, problem identification and solution options.

Summary

The foundation for effective status reporting is laid during the planning of a project where we conceive unambiguous checkpoints for measuring progress. This process is the heart of the methodology we teach in our [individual online courses](#) and [in-person group seminars](#)