

After the Team- building

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Tips on Maximizing Your Change Efforts

Strategic Project Design; One Step at a Time

Second in a Series on Project Management

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After the Teambuilding

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Managing a large project can be an exciting, career-enhancing event. But it can also be a confusing, discouraging and messy business. There is a team involved, usually not big enough; a budget involved, also not big enough; and a plethora of things that have to get done. You have to deal with differing skill sets, differing time schedules, differing motivations and the vast difference between the time it "ought" to take to accomplish a task and the time it really takes. Effective project design can add cohesiveness and direction to this otherwise unwieldy undertaking. But project design itself can be fraught with problems.

Strategic Project Design is not generally taught in project management classes and focuses on different things. It emphasizes the results to be produced rather than the methods of achieving those results. It focuses on the purpose, the vision and the deliverables of a project, not the activities, processes and means. Dealing with activities is important, but in this approach activity planning comes after the framework is put in place.

Training Yourself

This newsletter will explain the structure of each piece of the Strategic Design process and how to implement it. Of course, no one will become a master of managing projects by reading this newsletter, but it is a solid starting place for understanding the process. Mastery will come from repeatedly applying the principles discussed here to the designing of real-world projects.

- Even though the design elements are presented here in a linear fashion, this is not necessarily a linear process. All sorts of tangentially related things will pop

into people's heads during the design session, and a certain amount of discipline is required to keep it from getting confusing. It is useful to keep a flip chart handy as a "parking lot" for ideas. They can thus be put aside without being dismissed or forgotten.

- Communicate, communicate, communicate. If you have questions about the project—what makes it important, what resources are available, anything that seems against the direction of the company, anything that seems to provide little value for the effort—ask your boss or your boss's boss, anyone you need to ask to get clarity. Clarity is one of the most powerful tools you can have.

The Future

As Charles Smith asserts in *The Merlin Factor*¹, "what you choose for your future is more important than what you know about your past or present capabilities." "The Merlin Factor" is named for the magician of King Arthur's court who was said to have been "born at the wrong end of time [...and who lived] backward from in front." Merlin's actions were thus informed by a future that other people could not see.

Smith writes that "[l]eaders who use the Merlin Factor, identifying themselves with

¹Smith, Charles, E., "The Merlin Factor: Leadership and Strategic Intent," *Business Strategy Review*, Volume 5 Issue 1, Spring 1994, Oxford University Press, Oxford, England

a particular visionary future, likewise act on behalf of that future in the circumstances of the present." It is this reverse temporality—starting with a future (vision and objective) and working back to the present—that is at the root of the Strategic Design process described here.

Strategic Design

Strategic Project Design has four key components.

Vision—The overall context for the project; the answer to the question, "Why are we doing this?" or "what makes this worth doing?"

Objective—A broad statement of the end result; the answer to the question, "What are we doing?"

Conditions of Satisfaction—Specific, measurable conditions which must be met in order for the project to have been completed successfully. The answer to the question, "How will we know the project is a success?"

Milestones—Specific, measurable results which must be achieved along the way to each Condition of Satisfaction. The answer to the question, "What interim results must we achieve, by when, to realize the Conditions of Satisfaction?"

Vision

Vision is the answer to the question, "Why are we doing this?" or "What makes this worth doing?" The vision connects the project to something bigger or more important than the project itself.

Example: A project to redesign the billing practices in a British telecommunications company initially looked to the staff of the billing department like a directive from above. "We have to do this because the boss told us to," the team said. From their perspective, the solution to the company's billing problems was sim-

ply to add staff to the billing department.

Early in the project design session, however, the following facts came to light.

- Customers were only getting one correct bill out of twelve.
- One-third of their staff was devoted to fixing billing problems.
- The processes had been developed ten years ago, when the company was young.
- They had experienced phenomenal growth in the three years prior to this meeting; so rapid that all the systems were taxed to the limit.

By virtue of articulating clearly the current state of affairs in the billing operation, the billing staff realized that just adding headcount would have resulted in a continued waste of people's time fixing problems caused by antiquated systems.

This allowed them to see the legitimacy and urgency of the project. Their vision became *To Set the Company Up for a Successful Second Decade*. The effect of this vision on the billing staff was dramatic. For the first time, they saw themselves as the key to the company's future. Their project to redesign billing systems became compelling and exciting.

Any large and long-term project requires such a vision. If you don't see a compelling reason for doing your project, then you should ask a lot of probing questions until you are convinced that the project is important.

A vision can provide you an environment within which to operate, a small bubble of the future in which your project can be realized and on behalf of which you can take action.

An articulated vision can operate as a haven for you. It can be a place to which you can return; something you can remember that will straighten you

out and get you back in action. After the billing department's project design session, the staff went back to work in their old environment with all the same old problems to deal with. But they went armed with their vision so that when they lost sight of the reason for the project, they could bring it back into view.

Objective

The objective is a short, straight-forward statement of the intent of the project. Let's return to the billing example. The vision of the project was inspiring to the staff but it wasn't useful for telling other people what they were doing. The objective they came up with was, "*Rebuild the entire billing system so the same resources can be three times as effective.*"

This is short and concise and tells the whole story in a nutshell. It gives the listener the general idea, and provides a basis from which to ask more questions. Most people will refer to the project in terms of the objective. The billing project was referred to as the "*Rebuilding Billing*" project.

Conditions of Satisfaction

Conditions of Satisfaction (COS) are specific, measurable results that describe the successful end point of a project—a snapshot of the necessary conditions at that moment. In other words, if the conditions are achieved, the project will have succeeded, and if not, it will have failed.

It is important that *all* essential elements are considered. This includes deliverables that are easy to describe or measure and those that are less tangible. One project I worked with had a condition that there would be no "skeletons in their closet." This was further defined as "following each and every company policy and ethical practice." The project participants knew that they could probably

achieve the result if they overspent or cheated in some way, and they were not willing to do that.

Other examples of actual Conditions of Satisfaction are:

- Achieved a 72% good or excellent rating on the customer satisfaction index in the Spring 1995 survey.
- The Manufacturing Cost Of Goods Sold (COGS) is \$.26 for the third quarter.
- The monthly finance reports are delivered by the 8th of the month.
- Only one item number is used to refer to any given product no matter where it is in the manufacturing cycle.

You are creating a future here. Not just any future, but the one in which your project is a success and on behalf of which you will be acting.

Imagine yourself on the day of the projects completion. You have succeeded. How do you know? Keep asking that question until there is nothing missing. Periodically, read the list of conditions (you should end up with 4-7 of them) out loud and then ask "Have we (state the objective) or is something missing?" This exercise will clear heads, quiet arguments and crystallize the end point of the project.

Warren's rule: To spot the expert, pick the one who predicts the job will take the longest and cost the most.
Murphy's Law Book—A. Bloch, 1980

You have to be careful about scope creep here. These are *minimal* Conditions of Satisfaction. Only include what *must* happen for the project to be successful.

How? vs. What?

The entire framework of a project design is based on "What?" questions. "What?" questions focus com-

pletely on results, not on process or methodology. "How?" questions focus on process, method or means. Creating the objective, conditions and milestones is almost exclusively results oriented. You are defining the results, the end points, the deliverables.

There is a time to ask "How?"

Each part of the project design must be measurable, but it is not always evident what measure to use. For example, if you have a customer satisfaction-related Condition of Satisfaction, it is not enough to say "We will have 100% customer satisfaction." You must further clarify how you will know. Does the company have a customer survey it uses every year? Are you going to phone a sample number of customers and survey them? Are you going to count complaint calls? Numbers of abandoned calls? In the guise of a *how* question, you are further defining *what* you will measure.

Allow these conversations until you have clarified the measurement issue and then STOP!

Another reason for briefly engaging in "how?" questions is to allow people to satisfy themselves that a result is achievable.

Aside from these exceptions, "How?" questions should be held until after the milestones are complete and the team members accountable for the milestones are discussing their strategies and plans.

Milestones

Milestones are often confused with Conditions of Satisfaction. Milestones are specific interim results that must be produced by a particular time in order to produce a Condition of Satisfaction.

Milestones differ from Conditions in that milestones are stepping stones to the Condition. A rule of thumb: if a

result must be completed prior to some other task, it is a milestone and not a Condition of Satisfaction.

Milestones create a framework for the achievement of the project. At this point, you have a clear idea about the end of your project, but no sense of the smaller steps to get from here to there (or, in the "Merlin" way of thinking of it, from there to here). Milestones make the project clear in scope, make it more tangible, and reveal most of the resources you need. Also, they can reveal breakdowns you may encounter beyond those that are immediately obvious.

To create milestones: Create milestones for each Condition of Satisfaction separately. Start with each end result and work backwards asking the question, "What must happen *before* that can happen?"

You will not be able to do this in a completely linear fashion, because that is not how people think, but starting with the end result will yield a more linear thought process than starting at the beginning.

The discussion to determine milestones can be a brainstorming session of sorts. It happens in streams of consciousness which sprout other streams of consciousness. It is a give and take conversation in which the connection between the future and the present becomes real. It should be allowed to flow freely.

The discussion is not without discipline, though. The tendency will be to discuss the details of each milestone. Keep the conversation focused on the results to be produced.

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After most of the milestones have been listed, make sure they are in

order and put dates on them. Some of the milestones will fall into natural groupings. Efficiencies will reveal themselves, as will resource needs and leveraging opportunities. And, perhaps most importantly, it will become clear who must be involved, either for their decision-making capability or for their expertise.

Often, during the process of defining the milestone time-lines, you will find that one of the Conditions of Satisfaction you had defined is actually a milestone of another one. In other words, you must complete one before you can start work on the other.

For example: At a recent project design for an IS project, "new servers installed" and "new software installed and tested" were both defined as Conditions of Satisfaction. As the team established milestones for installing the software, they realized that the servers had to be installed before they could install the software. Therefore, installing the servers was a milestone for installing the software, not a Condition of Satisfaction.

If we hadn't done the milestone process, the dependency would have been discovered when the folks accountable for installing the software went to work on their piece of the project.

Sample Milestones: If you had a project of increasing employee satisfaction by a minimum of 20% by the next survey on X date, one Condition might be, "an 80% participation rate in the survey."

The milestones might be as follows (each needs a completion date):

- Get a count of employees at each site.
- Designate a site sponsor for each survey site.
- Have a meeting of site sponsors to determine a plan of approach.
- Create and implement a plan to communicate with the employees.
- Provide training for the site sponsors in introducing the survey.

- Have the site sponsors contact the site managers to create partnership and get buy-in.
- Create convenient methods of filling out and turning in the surveys which maintain confidentiality.
- Conduct the survey.
- Collect the surveys.

This is neither the "right" set of milestones, nor the only way they might be ordered. But you can see the logic of the flow of events.

The best way to create milestones is in a meeting of the entire project team. If this isn't practical, the next best approach is to assign the creation of milestones to the groups of people or individuals who will be responsible for achieving the various conditions. The least desirable approach is for just one person—the project manager or any one person on the project team—to create the milestones.

And then...

Once you have finished the milestones, it is time to assign accountabilities, create groups or committees, get alignment on dates from groups, establish a communication protocol, and design a way to work out breakdowns or issues that arise during the project. Each person or group accountable for a Condition of Satisfaction will design their own strategies and plans for achieving their milestones.

In some companies, there are other elements that must be produced before a project can be considered fully designed. These may include the budget, the impact on the company, or linear responsibility charts. These are much easier to create if you have first completed the process described above.

This approach has been used effectively in both large and small companies, for huge, strategic projects as well as small departmental ones. Practice it, use it, and it will serve you well. ♦

In a nutshell:

Vision – The projects high-level purpose. It is not always measurable but it is always inspiring.

Objective – A short statement of the intent of the project or what you are out to accomplish. There might be some overlap with the Conditions of Satisfaction.

Conditions of Satisfaction (COS) – The set of specific, measurable results that describe the successful end-point of a project—a snapshot of the exact minimal conditions in that moment. In other words, if these conditions are achieved, the project is a success, and if not, it has failed.

e.g., With the objective: "to be the most successful widget maker in the world," a Condition of Satisfaction might be, "to have \$8 billion in sales next year in widgets." Ask the question, "If I sell \$7.9 billion, will I have failed?" If the answer is "yes" then you have a COS. If "no," then keep looking until you find the minimum amount needed to declare the project a success.

Milestone – A milestone is a result that must have been reached along the way to achieve a COS. Milestones are created from the end result, walking back to the present from each COS and are only the key points along the way. Each COS has two or more milestones.

A milestone might be the *result* of a process or activity but it is not the process itself. If your objective is "to have \$8 billion in widget sales next year," a milestone might be "to have \$4 billion in sales by the 2nd quarter." It would not be a milestone to "review sales on a daily basis." That would be a process in the service of increased sales, but not a milestone. ♦

Final Note

The final document resulting from the Strategic Project Design process is for use by the team working on the project. If others must review or sign-off on it, revisit the Conditions of Satisfaction to insure they are meaningful to the reviewer. You might need to re-write any internally focused conditions or at least distinguish them from the externally oriented ones. But work from the one you like best. Ultimately, it must empower you and the team!