



Realised

Maximising the value of the Project Health Check

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Projects continue to fail

- Projects continue to be delivered late, over budget, incomplete, requirements omitted, delivered but never used and worse, benefits never realised.
- Progress monitoring, reports, metrics and dashboards only provide a snapshot, they may inform stakeholders a milestone has been missed or budget exceeded, but they do not highlight whether that is sign of a systemic problem.
- This level of reporting can also reinforce a notion a project is in control, facilitating a tendency by project managers and sponsors to assume everything is OK.



Mitigating the Risk

The Project Health Check can mitigate these risks and provide real value, but only when:

1. The right check is completed at the right time;
2. Processes & procedures are well defined;
3. Those completing the review have the necessary skills, knowledge and approach;
4. There's an action plan to put things right after the review



What is a Project Health Check

- The Project Health Check is an independent assessment of how well a project or programme is performing in accordance with its objectives
- Analysing not only the performance of the project but also its conformance to the Charter or PID and adherence to organisational standards.
- It should be a reflective learning exercise providing a deeper analysis of the status of a project or programme in order to identify what is going well and what areas need improvement.
- It checks back on the history of the project and looks forward at upcoming activities.



What is a Project Health Check... cont'd

- It's often difficult for those closely involved to take an objective view
- Obvious problems go undetected or ignored because the project team has faith that if they keep with the plan the benefits will materialise.
- The Project Health Check should be completed by an independent resource:
 - External to the project
 - External to the programme office; and,
 - Optionally, external to the organisation



1. The right time complete a Project Health Check

Two occasions when you may be required to complete a Project Health Check:

- i. **Planned Health Checks** as part of a standard project review process, often at a predefined governance gate or stage
- ii. **Ad hoc Health Checks** when the project is showing signs it may be in trouble to identify what needs to be fixed to quickly bring it back on track



Planned Health Check

- Planned checks are in place to ensure all the steps are complete in the current stage before governance permission is given to move to the next stage.
- Unfortunately, they are often tick the box exercises with missing or incomplete tasks excused as not important, fudged as complete in another process or quickly thrown together without substance or due care.
- To add real value pre-planned Project Health Checks must:
 - Be completed by resource which are trained to complete the process consistently and accurately
 - Include at least one reviewer independent of the project and programme office
 - Have defined scope, effort and budget, to complete each Project Health Check, included in the Project Charter



Ad hoc Health Checks

- When the project is showing signs it may be in trouble to identify what needs to be fixed to quickly bring it back on track.
- The project contingency plan should include effort and budget to complete ad hoc Project Health Checks
- Note:
 1. *Project Health Checks are not designed for use after a project fails, they are not "the ambulance at the bottom of the cliff", however a Project Health Check may be used in conjunction with a project review for a failed project.*
 2. *The cost of correcting an issue is many times the cost of preventing it. The longer you leave it the greater the cost.*



2. Well defined processes and procedures

- The Project Health Check must have well defined and documented processes & procedures.
- The process must have the buy-in of the programme office and the commitment of all involved to deliver & follow-up on the Project Health Check
- The process must include a well-documented procedure to select the most appropriate independent assessors, free from internal politics of the project and programme office, who can provide a balanced view.
- The assessor will need to be sufficiently trained to follow the structured approach while taking the organisation's unique nature and project management methodologies into account.



A good Project Health Check

A good Project Health Check will encompass:

- A well-documented, easily available and precise knowledge of the project methodology used in the Company
- A review process which enables a common interpretation, understanding of the substance of the Project Health Check questions
- A process which enables the identification of common problems and solutions to be applied to future projects and programs.

The terminology is as neutral as possible so it can be adapted ad hoc to certain projects and situations.



3. Skills, knowledge and approach

Skills and Knowledge:

- The application of the Project Health Check is not always a focus of the typical project management training courses, Prince2, PMI, etc.
- It is critical therefore to develop training, classroom or on-line, for your organisation's Project Health Check.
- The initial and ongoing training effort is reduced if your processes and procedures are well documented and available on-line (company intranet).

Approach

Rapid

- Peer review or interview to quickly understand a highlighted project issue
- Based on a few key questions around risk, team, commercials, requirements, sponsor, management and scope
- Should complete in 30 minutes

Minor

- For low risk profile and small projects
- 20 to 40 key questions, dependent on the project stage
- Up to an hour for the initial review
- Group round table review may include an independent moderator
- May include key project resource, stakeholders and sponsor representative

Comprehensive

- For high risk profile and large projects
- 100 to 150 questions
- 2 x 3 – 4 hours
- Moderation is mandatory
- Review scope and objectives defined and signed off by the sponsor & key stakeholders
- Will include key stakeholders and sponsor at some stage of the review process



The Action Plan

- The Project Health Check doesn't end at the review, the review will include options and recommendations for improving and moving forward with the project.
- The agreed actions will be prioritised with timescale for implementing changes and owners identified for completing each action.
- There's always risk involved with change and changing the way the projects is managed is no different:
 - An important step is to identify risks resulting from implementing new ways of working. For example, improving change management by implementing a new process will require training and they may be resistant to doing things in a new way.
 - The review risks plan will include mitigations to support improvement efforts.



Warning Signs a Project Health Check may be required

- The following matrix is an example of projects at risk warning signs with examples common for many organisation and a suggested level of review.
- Organisations must develop their own warnings matrix.
- Warning signs and actions may be easily available in the Lessons Learn Log.



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	Example Warning sign	Rapid	Minor	Comprehensive
1. Project Control Finances	Continued breach of budget	✓		
	Next month or next years expected costs to be incurred 'burn rate' anticipated to exceed budget		✓	
2. Compliance	Project is not following best practice / project methodology	✓		
	Lack of sponsor or sponsor commitment		✓	
3. The Business Case / Requirements	Business Case not complete or signed-off by project sponsor	✓		
	Project sponsor or stakeholder dissatisfaction around planned deliverables	✓		
	Changes in scope or requirements impacting deliverables		✓	
	Project will not deliver the benefits (ROI) defined in the Business Case			✓
4. Risks & Issues	Risk and issues plan not up to date, not signed-off, without mitigation	✓		
	Significant high-likelihood risk may impact the project		✓	
	Project delayed, budget or quality at risk due to recurring issues		✓	✓
5. People	Poor functioning project team	✓		
	Continuing resource constraints continually impacting project deliverables		✓	
	Disintegrating relationships among the various project stakeholders		✓	
6. Stakeholder Engagement	Solution does not meet organisation road map		✓	
	Unable to complete a Project Steering / Governance Meeting		✓	✓
	Project deliverables / benefits do not meet stakeholder expectations			✓



Engaging an independent External Moderator

- While many project managers may view periodic Project Health Checks as an unnecessary distraction, assessments conducted by an outside expert add both value to the project implementation and added protection against the high cost of failure.
- An independent and experienced third party will recognise the subtle issues and intervene to build consensus amongst project team members developing a collaborative approach to complete the Project Health Check.
- The cost of project delays and peace of mind that the project is on the right track easily out way the incremental costs incurred for an additional resource to periodically support your Project Health Check.



About the Author

- Bruce Swain started his project management with IBM in the United States in the late 90s.
- Over the last 25 years he's has worked with both global and SME companies in most continents.
- Now home residing in Auckland he has project management experience and qualifications in PMI, Prince2, Agile and variations in between.



Appendix

1. Benefits of a Health Check

2. **Areas of Concern** - A Project Health Check template is not provided as the focus and questions to ask will change for each organisation, project and ad hoc review. A sample list of items to select from is provided for your Project Health Check. The list is not extensive and there are many more available, including multiple documents via Google.

Benefits of a Project Health Check

For the Project Manager

1. The project manager receives immediate feedback about improvements in the key areas of the project and proposals to optimise the project deliverables;
2. Provides opportunities to engage and arrange support activities with stakeholders and sponsors;
3. Receives neutral feedback and exchanges of expertise from peers and external project experts.

For the Organisation

1. Plans executed to increase project quality;
2. Immediate options to mitigate risk of failure;
3. Planning and forecasting benchmarked and optimised to the project management methodology & organisational requirements;
4. Increased confidence and project reliability;
5. Short term findings about the quality of the project management methodology improvement opportunities for action at a programme or organisational level



Areas of Concern - 1

- Strategy: The project is in line with the organisational strategy and IT roadmap
- Scope: initial definition, variation, adjustment of the plan. Clearly understood by the customer / sponsor
- Success Factors: Critical success factors identified and agreed with the customer / sponsor
- Business Case: A strong business case has been developed and approved
- Cost: tracking processes, reconciliation, projections and variations.
- Time: schedule suitability, currency, reflection of scope, use of milestones, tracking, and action plans. Project timescales accurate, realistic and achievable.
- Quality: existence of quality plan, quality review actions, testing, resourcing.



Areas of Concern - 2

- Resources: sufficiency, appropriateness, time allocation, co-operation, team management, efficiency, team morale.
- Stakeholders: Level of stakeholder engagement
- Communication: existence of communications plan, stakeholder identification and engagement, issues arising, expectation management and monitoring.
- Procurement: use of external resources, contract negotiation and management.
- Risks: existence of risk plan, stakeholder involvement, mitigation strategy effectiveness, review process, issues log, resolution, mitigations identified and escalation processes.
- Contingency Planning: existence of contingency plan, contingency testing, robustness of contingencies.



Areas of Concern - 3

- Benefits: review of projected benefits, changes in relevance, measurement of benefits, delivery ownership.
- Change Management: Completion of a Change Management Plan, engagement strategy
- Business Process: impact on business processes, implementation, planning and testing.
- Training: existence of training plan, time to produce materials, trainer availability, staff availability, pilot and review.
- Implementation: existence of a detailed implementation / project plans, milestones, launch support, authorisation, delivery criteria, testing.
- Governance: existence of management review checkpoints, meeting standards, Steering Group, progress through 'gates', tools, skills and process adequacy, compliance monitoring, company methodology.



Areas of Concern - 4

- Roles and Responsibilities: definition, accuracy, team support, executive support, responsibilities not covered in definition, team members understands their role and are committed to the cause
- Documentation: availability, organisation, easy location, version control, construction, meeting agendas and minutes, signatures, glossary, decision register.
- Requirements: documentation, tracking of changes, documentation of changes and approval.
- Deliverables: A clear set of project deliverables has been identified.
- Confidence: Confident the project has every chance of success