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The Value of Time in Project Management in a Hybrid World

It's not enough to go as fast as you can; you have to be able to control that speed. But how do you do that?

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Speed is increasingly becoming the most important factor in project execution for a modern business. Of course, it has always been important to deliver projects as quickly as possible—that's why schedules were developed and managed to. But historically those schedules were usually rather arbitrary. Today, things are very different. Customers expect more functionality more quickly than ever before, and they are unwilling to tolerate delays or missed commitments. Among internal initiatives, delays in leveraging opportunities or resolving difficulties are having material impacts on bottom-line performance that can be the difference between success and failure. In virtually every industry, today's leading-edge solutions are headed for obsolescence in less time than ever before, driving demand for continued and accelerating innovation that simply cannot tolerate delays.

Organizations have recognized the importance of minimizing time to delivery, seeking to leverage opportunities and solve challenges in as little time as possible, but in doing so they have frequently forgotten one critical aspect. They aren't actively managing those time horizons—they are simply careening headlong toward the end goal. That can introduce significant problems, and that's what we want to look at in this white paper.

Ultimate Speed vs. Predictable Speed

There's an old adage "more haste, less speed," meaning if you try to rush too much, cutting corners in the search for more velocity, you will end up slowing yourself down. That may or may not be true, but what certainly is true is that you will have less ability to control your speed. For example, if you try to save time by cutting back on planning, you may end up delivering a solution more quickly than if you had taken some time to plan—but you may also end up delivering that solution more slowly, and it may be the wrong solution. You won't know until you execute the work and either encounter issues that could have been prevented by good planning or sail through the work with no problems at all.

The problem is that this approach is a gamble—you don't know whether it will work or not until you try, and in the vast majority of situations, that's not a gamble worth taking. While speed is an increasingly important consideration in project delivery, it is still more important to deliver consistent, predictable speed than to trade the possibility of faster delivery for less certainty. In other words, a six-month delivery date that can be met consistently is better than, say, a five- to nine-month delivery window with no ability to better predict the exact date until the work is well underway. Of course, speed cannot be completely sacrificed for consistency. Once an organization has established an ability to deliver on a regular cadence, there will be pressure to increase that cadence, but not at the expense of inconsistency.

In order to deliver that predictable speed, the element of time must be closely managed, and that requires a number of different elements:

- Effective planning at the portfolio level to ensure projects are scheduled appropriately
- Effective planning at the project level to ensure schedules are realistic
- Aggressive management during project execution to ensure schedule commitments can be met

Let's look at each of those in turn.

Effective Portfolio Planning

Portfolio management is the discipline of delivering the goals and objectives of the organization through the successful execution of the right projects to achieve expected business results. The specific goals that need to be achieved are established as part of the strategic planning process of the organization and are generally set on an annual basis. In order to achieve those goals, project proposals and business cases are developed and reviewed with a focus on both the cost of the project and the amount and timing of the expected benefit. Getting this process right, and in particular ensuring business cases are as accurate as they can reasonably be at the planning stage, is critical. Project selection and scheduling is based on the estimates in those business cases for both the execution phase (cost, effort and time) and the benefit phase (amount, duration and timing).

In addition to the costs and benefits, scheduling must also consider time sensitivity. Some projects are more sensitive to when they are executed than others—generally speaking, new product development initiatives need to deliver as early as possible, because the potential benefits will erode over time. This is the result of a combination of factors: competitors gain relative position, alternatives are found, technology advancements move expectations beyond the solution in development. In contrast, an initiative to automate a process is likely to have similar benefits regardless of when it delivers, and while the sooner it is implemented the better from a cost reduction standpoint, a delay does not undermine the net benefits to be achieved.

The overall portfolio schedule must therefore consider all of the following factors:

- Project delivery costs. This will determine the capacity to deliver the project within a given time frame based on all of the work underway at that time (other projects, operational work, etc.).
- Specialist project skills. This impacts the ability to schedule work based on the need for expertise that is constrained within the organization or that requires external recruitment, training, etc.
- Project benefits and timing. This serves to prioritize projects within the portfolio based on their ability to contribute to goals and objectives.
- Benefit alignment. The scheduling of an individual project must consider the other projects that are already contributing to the project's goal (for example, if a number of higher-priority projects are already contributing to revenue growth, a project may be delayed).
- Strategic alignment. Projects that are expected to be transformational over a longer period may be scheduled sooner based on their strategic importance regardless of immediate benefits.
- Schedule sensitivity. Projects that are more time sensitive and/or have a smaller window of time to deliver effectively are given higher priority.

That's a lot of variables to be managed, and this isn't just a one-time exercise during initial project selection. The relative priority and urgency of all projects should be revisited continuously throughout the execution period. The evolving operating environment and shifting priorities will require ongoing re-analysis of these factors to ensure projects in flight are appropriate for the current goals and objectives and that the highest-priority initiatives in the portfolio backlog are the next to begin.

From a timing standpoint, the focus should be on continuously ensuring that the most relevant benefits to business success are delivered as quickly as possible without jeopardizing those benefits. At the same time, care must be taken to ensure that projects in the backlog, waiting for resources to become available, are not seeing an erosion in their ability to contribute because of the delay in execution. This ongoing and complex reassessment will also be impacted by our next element: project-level planning.

Effective Project-Level Planning

When projects are initially chosen for inclusion in the portfolio, those decisions use high-level planning estimates. For costs and timing, they are usually based on broad generalizations of the work involved, with a degree of contingency allowed for. For benefits, they are often little more than educated guesses. That's not a problem, because it is the only way to be able to make decisions in a timely manner—the work and time needed to conduct more detailed planning prior to project selection cannot be justified. However, more detailed planning must occur as soon as possible to validate or correct the decisions around inclusion of an initiative in the portfolio and the sequencing and scheduling of that project. That planning must also address not just the dollar and effort amounts of the costs and the size of the benefit; it must also ensure anticipated timing is accurate. Scheduling and the time gap between cost and benefit are just as significant in an organization's success.

When the project is approved for execution, it is effectively given a delivery window, a narrow period of time in which it is expected to be completed and handed off to the business area that will leverage it. Project execution cost and effort estimates that reduce the likelihood of being able to deliver within that window must be identified as early as possible. This optimizes the ability to implement one or both of the following corrections:

- Adjustments to other project elements to restore delivery to within the window—reduced features, increased resources, a different vendor, etc. This must be based on the ability to restore the delivery to the expected schedule without impacting the ability of the solution to deliver the benefits that are expected.
- Adjustments to the delivery window to better align with the estimated completion date. This approach will be taken if the other project elements—the work to be carried out and the money and people available to do the work—cannot be adjusted sufficiently to allow the project to deliver within the window. It is far better to acknowledge that up front and move the window than to struggle and fail during project delivery.

In many cases, a combination of these factors will be needed—adjustments to what is delivered and the people involved in that work, but also a shifting delivery window. Whenever these adjustments are made, there needs to be a revalidation that the project is still appropriate—that it is still capable of making the contribution to business performance that is expected. There must also be a willingness to adjust the sequencing of projects based on this assessment; it may be better to delay a project further, even if that further reduces the benefit that can be achieved, if it allows another project to deliver earlier and protect a potentially larger contribution to goals. The need for effective project-level planning is not just an exercise for individual project teams; those plans must be consolidated and reviewed at the portfolio level to ensure that the overall sequencing and scheduling is optimized.

This level of forecasting and planning must exist in all project types: agile, waterfall and hybrid. While the approaches to execution are different, there is no reason why there cannot be predictable planning of delivery for all types. There is a perception that agile initiatives are not planned, but that's not the case. Some agile projects can actually be planned from a delivery standpoint with much greater confidence than traditional projects—the work can be considered complete after a set number of sprints (as long as there is sufficient functionality for the product to be viable).

Aggressive Management During Project Execution

Planning ahead of project initiation can only go so far. Once work is underway, the reality of events will inevitably cause shifting of when work can be completed and what can be delivered within the anticipated time window. To maintain the ability to deliver solutions in predictable time windows, there must be aggressive management of in progress schedules, and again, that management must be across the entire portfolio, not just on individual projects.

Once a commitment has been made to a project delivery window and the work is underway, the opportunity to change that window is limited. We talked earlier in this paper about the importance of a predictable and consistent delivery cadence. When an organization commits to deliver a specific solution by a stated date, it is setting expectations for that to occur. Frequently, those are not just internal expectations, but also external—communications to clients that a new release is coming, marketing campaigns to build anticipation, etc.

Delays caused by execution problems will undermine confidence in not just the current solution, but also in the organization's ability to consistently meet its commitments, and that must be avoided. Therefore, during the execution period virtually all projects involving customer delivery must treat the schedule as the most important factor. Execution must focus on protecting schedules and protecting the reputation for delivery, even if that means compromising the features and budget for the project.

This has a limiting effect on the ability to optimally manage the portfolio—a subset of the projects is restricted in terms of the available corrective actions available to them. There must, therefore, be greater flexibility in those projects that are less time sensitive, creating the freedom to protect schedules and deliver to committed dates. To make that work, portfolio management must respond quickly and decisively if there is any evidence of schedules being at risk for time-sensitive initiatives, and that requires collaboration at all levels:

- Project managers for time-critical projects must manage time to a very granular level, trying to prevent any delay whatsoever and communicating any issues as soon as they are identified.
- Project managers of less-time-critical initiatives must be ready to support other projects by taking on additional work, freeing up resources or otherwise assisting with the protection of schedules. It should be noted that these projects are no less important, they are simply less time sensitive. They must still deliver results, but they can do so across a larger time window.
- Portfolio managers must create an environment of collaboration across all projects to allow for adjustments to happen with minimal delay and disruption. This must combine an understanding of related initiatives to ensure effective solutions are identified and a shared commitment to portfolio success to ensure those solutions are implemented.
- Resource owners must be willing to adjust and adapt to shifting needs on time-critical portfolio initiatives, even if that means sacrificing less-time-sensitive work (operations, support and project).
- Benefits owners must be able to communicate their options for compromise and ability to be flexible in the solutions they accept. In order to preserve the time element, they need to be able to identify the least disruptive adjustments in a timely manner to allow for the best achievable solution.

The portfolio manager must drive this work, but it cannot succeed without engagement from all the stakeholders. Most critically, the portfolio manager must ensure the organization learns from the need to make such adjustments. Difficulties in execution are an inevitable part of projects, but learning from experience and avoiding repeats of the same mistakes will result in a much more reliable delivery schedule in the future.

Conclusion

Much of the evolution in project delivery in recent years has been an attempt to deliver better solutions more quickly. Agile and hybrid delivery methods are primarily focused on improved customer satisfaction through products and services that better meet customer needs, but there is no denying that faster delivery is a key part of that as well. Business agility at a strategic level is a response to a more rapidly evolving operating environment and the need to ensure the organization is always able to achieve current business benefits.

This has led to an increased focus on speed as a characteristic of success, but that focus has sometimes been at the cost of other factors. Customers will not be satisfied with speed alone; they expect the same level of quality, functionality and usability they have always demanded, but now they expect it at a reliably faster pace. That can only happen consistently when organizations build speed into every element of how they deliver solutions, engineering the entire process for consistently shorter time-to-market windows.

About the Author

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