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## **TECHNIQUES FOR PROJECT INITIATION**

### ***Part Two – Project Strategies***

#### **Developing the Project Strategy:**

Once the project manager has outlined the objectives and considered the constraints for the project, it's time to initiate the development of the project strategy. A project strategy is simply how the project objectives are going to be attained. If the term "strategy" hints at a more involved process than you might expect, that is intentional. It is not enough to choose a course of action to achieve project objectives. That course of action must be tested for its likelihood of success. The set of processes that have been developed, within the traditional discipline of "Strategic Planning", are equally applicable to the process of developing the strategy for a project. This is because we will treat the project as a business venture.

#### **Stakeholders**

First, it will be advisable for the project manager to identify all of the project stakeholders. Who are the people who will have an impact on project success, either positive or negative? Or, stated differently, who are the people who can make or break the project? For starters, don't forget the owners of the enterprise. They probably have the most to gain or lose from this project. The project manager and the owners will have to evaluate whether the objectives of this project are consistent with the general mission of the enterprise. Will attainment of the project objectives enhance and be in harmony with the primary purpose of the business? Will implementation of the project represent an improved utilization of the business' financial, human, and physical resources? Will the successful completion of the project improve the position of the company in its overall business objectives?

There are two very important reasons for obtaining "yes" answers to these questions. The first is to check for a proper fit with the other business of the company. The lack of such a fit will often place the company's resources in disarray, exacting a toll on both the new project and the other company business. The second is that, without this required fit, the project manager is unlikely to obtain the required support of his superiors. Without sponsorship in high places, a project will eventually fail for lack of support in critical situations.

This evaluation will be the first of many instances where the project team will be required to determine whether to continue the project, to make significant adjustments to objectives and strategy, or to abandon it.

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At every stage of a project, the team must consider and evaluate the worth of the project. This includes consideration of project termination as an option. It is during the project initiation phase, that assumptions are first tested and validated. On occasion, things are learned about constraints, costs, risks, and such that could affect the perceived worth of the project, or put the project at odds with the overall mission or operational objectives of the firm. It is best to deal with these observations honestly and promptly, rather than to hope that they will go away. The potential damage will increase with the delay to face the truth.

Other stakeholders would include the project sponsor, key project participants, company clients and prospective clients, regulatory agencies, suppliers and subcontractors, users of the project product; essentially anyone who can have an impact on the success of the project, or who might be involved in the determination of the project success.

As I was writing this article, I came across a defining example of why stakeholder identification is so important and why stakeholder involvement is critical to project success. The project involves the construction of a new Amtrak train station. The primary stakeholders, such as the prime contractor, the architect, the regional transportation authority, Amtrak, and all funding agencies were working well together. Their roles were clear and they had an explicit definition of what they were to gain from success of the project. Yet, a key stakeholder was left out of the equation. The local railroad owned the tracks that went through the station, and ran freight over these tracks. The project required work on and around these tracks. Because the railroad had no defined benefit from the project, they were not brought into the planning and management process and were not considered part of the project team. This was an innocent oversight. But the damage was done. The railroad did not recognize the necessity to cooperate and their disinterest in its success had a deleterious effect on project progress.

In conducting a proactive and wide-band stakeholder analysis, the team would identify this peripheral but critical stakeholder and develop strategies to include this stakeholder in the success formula.

## **Opportunities, Threats & Issues**

In the traditional business strategic planning process, the next function is to attempt to identify significant opportunities, threats and issues. This same process should be applied to a project. Any project involves risk. An early evaluation of potential threats will help the project team to prepare to deal with these and to minimize their impact. Any project involves opportunity. While the key opportunities are usually part of the original project purpose and justification, an evaluation of potential secondary opportunities may uncover additional benefits to the company and the project participants. An attempt to identify all issues that may impact on the project, to list them, and to discuss them with the project

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stakeholders, should promote knowledge of and sensitivity to the issues and prevent them from having a severe negative impact on the project.

## **Involving the Project Team**

The strategic planning process, as well as the project planning process, is not a one-person process. At this time, the project team must be identified and assembled. While it certainly is possible that the strategy that develops may impact upon the makeup of the project team, some of the key players should be involved in generating the data for the strategy development and analysis, and in developing the project strategy. At a later point in the process, a strategy and project plan will have to be adopted. It is most important that the project team understands the strategy and supports it. The more that people participate in the development of a plan, the more likely they are to support it. This buying into the strategy is a key to success of the project.

Of all of the phases of the project initiation process, it is the act of dealing with strategies, stakeholders, and the organization, that will have these greatest impact on project success. Ideally, many of these issues will have been addressed while the project was first being considered or proposed. Once the project has been officially authorized or awarded, it may be too late to do much about some of these issues. Unfortunately, projects often come into being without full consideration of these issues. Regardless of the level of attention given to this area in the pre-project stages, the sage project manager will repeat the process at the initiation of the project.

In Part Three of this series of articles on Project Initiation Techniques we will expand on some of the strategic and organizational concerns that should be addressed.

## **Article Series Segments**

- Part One: Getting Started
- *Part Two: Project Strategies*
- Part Three: Stakeholders & Organizations
- Part Four: Project Frameworks
- Part Five: Project Milestone Schedules

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He has implemented or enhanced the project management capabilities of numerous firms, often combined with the selection or implementation of computerized project management tools. Mr. Levine is considered the leading consultant to the project management software industry and is recognized as the leading expert in tools for project management.

He has been an Adjunct Professor of Project Management at Rensselaer Polytechnic Institute and Boston University. And has conducted numerous project management public seminars for ASCE, AMA, IBM, and PMI.

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