

Improving Project Success Rates Through Standardization

Any object thrown in the air will always return to the ground due a physical principle (gravity). There is no such principle in projects, because there is no law that says that any group of individuals will successfully work as a team. To the contrary, there is overwhelming evidence to assert that many or most groups of individuals will not naturally work as a team. There are some recent very high profile cases of team failures, which were reported within days of each other.

In his interview to Rolling Stone Magazine, General McChrystal, the former top commander of the US forces in Afghanistan described him and "*..his aides speaking critically of nearly every member of the president's national security team*". This provided the reason for General McChrystal's retirement (1). There was also the spectacle of the France National Soccer Team, former 1998 World Champions, which "*self-destructed*" itself during the 2010 Soccer World Cup in South Africa, to the point that TV showed members of the French team pushing each other with animosity and refusing to practice prior to a match (2) (3).

The individuals in both teams represented the most prepared, some of the most seasoned, and the cream of the US military and French soccer teams, and they both failed. What could then be expected of teams with less elite, less prepared, and less seasoned team members, just like you, me, and our peers?

Overwhelming evidence has proven dozens of times that in all industries, in all countries, in all areas, most projects fail and are abandoned before completion, or are executed late or over budget (4) (5) (6) (7). For example, for any given year in this decade, for US IT projects, give or take some percentage points, roughly only 25% of projects are done one time and on budget and meeting the stakeholders specifications, roughly 25% of project have to be abandoned before completion, and roughly 50% of the projects are executed late or over budget. That is only a 25% project success rate.

Just in the IT area, the cost of those project failures was estimated at \$150 and at \$140 billion per year in the US and Europe, respectively (15). Recently the White House indicated that it was reviewing troubled projects with a value of \$30 billion because the projects "*..are either over budget, haven't worked as expected or both*" (16). The pharma industry has its share of troubled projects. Most pharma professionals know of late, overbudget, or failed projects.

A lot of work has been done by academics, practitioners, and project management associations to increase the success rate of projects. Some of the proven practices to better execute projects include standardization and here is a brief summary of them.

1. Develop your Organizational Project Management Maturity. The ability of your organization to execute projects can be measured with maturity models. It was proven that the higher the organizational project management maturity of an organization, the more projects that are executed on time, under budget, and meeting the stakeholders expectations (8) (9). Unfortunately, experience of the author managing projects for clients and teaching graduate level project management to many big, medium, and

small pharmaceutical organizations in the last six years, shows that, given the regulated and conservative nature of the pharmaceutical industry, it has not yet embraced the development of project management maturity models.

At the most, the IT areas of some big pharma organizations were in the initial stages of developing the project management maturities of their organizations. Similar efforts were not seen in other areas of those organizations, or in small or medium pharma.

As a benchmark, in the US Defense Industry, which shared a similar history of project failures with all other industries, but with a longer track record, suppliers to the US Department of Defense must prove that they have project management capabilities of at least 3 (on a 1 to 5 scale, with 5 the highest) to be able to bid for major contracts (10).

2. Train and Certify Individuals of your Organization in Project Management.

Several US based (PMI) and international (IPMA, PMAJ, APM, AIPM) project management organizations developed project management bodies of knowledge that guide practitioners and team members on how to execute projects. In the US it has become common practices for many organizations to advertise the PMP certification as a requirement for many project management jobs. Although the author is no aware of studies linking the use the one of the bodies of knowledge and certified project managers with project success, logic and common sense tells us that it is far more better for organizations to adopt such practices than to ignore them, as bodies of knowledge provide roadmaps (however, imperfect (11) (12) (13)), to management projects and organizations and practitioner do not have to reinvent the wheel in every project.

In the absence of will or funds or time to implement a project management maturity or to adopt a body of knowledge, organizations can then chose to implement project management standards, templates, and software, project management governance structures, project management offices, adjusting human resource policies/formal project management authorities, competence development, and incentive systems (14).

Conclusion

Although most projects in all industries in all countries fail and are executed late and over budget, standardization of project management practices through the adoption of maturity models and project management bodies or knowledge have been proven to increase project execution performance. If those cannot be adopted, then other less involving standardization practices are available to improve the project performance of your organization.

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