The 13 Golden Rules of Successful Project Management

The Association for Project Management defines project management as ‘the way of managing change’. By definition, therefore, project-oriented companies operate in a continually fluctuating environment.

When under pressure to meet deadlines and fulfil clients’ expectations, such businesses can lose sight of what running a successful project entails. Discussions with IRIS Project Solutions customers have brought to light some ‘golden rules’ of successful project management.

Their priorities may not be yours, but we believe it is worth looking at how organisations in the same line of business operate. This whitepaper aims to share best practice on the activities that our customers regard as essential, outlining the steps that are never neglected, even in the face of demanding clients and busy workloads.

The points are not listed in order of priority; rather they correlate to the natural lifecycle of a project: planning, delivery, and post-completion.

What is project management?

“Project management is the way of managing change. It describes the activities that meet specific objectives and can be used to introduce or improve new or existing products and services.”

The Association for Project Management | www.apm.org.uk
5 golden rules for the planning stage

i. Make planning a way of life
... and be prepared to adjust the plan when events or external forces dictate.

Involving the delivery team in the early stages will ensure they understand why the project plan is as it is. From their experience and insight, they may be able to highlight any potential risks, dependencies and weaknesses.

Your project management software should be able to give you every support in planning, so that projects are set up in a thorough, consistent way, in compliance with your rules.

There is no need to reinvent the wheel with each project. You should be able to create multiple projects from a central point of reference with ease and flexibility, break down projects into tasks and assign resources to those tasks. Graphical and Gantt views of projects should be readily available through the software you use.

ii. Set a realistic budget
Setting a project budget for time and expenses and then keeping to it are fundamentals of a profitable business. Drawing on a database of information on previous projects of similar complexity will accelerate the setting up of new assignments, help you to accurately cost and agree a realistic budget, and ensure that terms and conditions are not overlooked.

IRIS Project Solutions clients caution against going in too low on price in order to win the business. It only takes a small rise in costs and your already narrow profit margins are shot to pieces.

iii. Resource appropriately and adequately
Whether you will be deploying your own or involving a third-party, you must ensure that you assign the appropriate people in terms of capacity, skills and experience. It is a challenge to strike the right balance between under-utilising scarce or expensive resources and over-committing them.

Consolidated resource plans from all projects will give you a true view of staff utilisation to identify those that have spare capacity. Utilising data logged to similar projects will improve your accuracy in planning the resources required, enable you to chart critical path task duration through resource assignments and ensure you have enough staff to fulfil your commitments.

Don’t forget to factor in days when people will be out of action due to holidays and training, as well as unforeseen absences due to sickness. Having a system that supports you in tasks such as calculating holiday entitlement and tracking additional absence requests on top of holidays will help you to audit staff absence requests and monitor resource availability.

If you have clear visibility of where resources are booked, you will be empowered to move more swiftly further down the line to reorganise and reallocate resources at short notice, should need arise.

iv. Set clear priorities
In today’s ‘leaner’ organisations, team members can be working on multiple projects concurrently. Make sure they know what the priorities should be. How can you protect them from distractions so that they can focus on those priorities?

What drives those priorities? Does the client with the loudest voice receive most attention? Is there an escalation procedure to resolve conflicting priorities?

v. Empower project managers with the right levels of authority
Anyone being held responsible for the outcome of a project must have the authority to execute it accordingly, including being able to acquire and coordinate the right resources, and make timely key decisions.

All project deliverables and activities must be visualised and communicated in detail. Make sure the team have a clear understanding of the finished deliverables, so that all effort is focused in the same direction and everyone really does understand exactly what is required.
7 golden rules for project delivery

**vi. Capture everything that affects your project profitability**

Keeping detailed, accurate records of time and costs (including expenses) against specific projects is vital to your profitability. If you fail to capture all associated costs, incurred by your own team and third-parties, you’ll either exceed the budget or fall short on covering your outgoings.

You should be able to analyse data at any time to explore the time and costs associated with a project and see how the actuals stack up against the original budget. Being able to quickly bring to light any discrepancies will help you to get a project back on track swiftly.

Non-chargeable activities, too, such as administration, training, holidays and sickness, need careful recording to ensure you can answer the fundamental project management question: “Where has all the time gone?”

**vii. Eliminate revenue leakage**

‘Mission creep’ can be insidious with long-standing clients. Often, the original basis of the relationship has not fully kept pace with rising costs. Your team may be unwilling to set new expectations and boundaries. No one wants to rock the boat.

You may need to hold a difficult conversation with the client. If you are armed with evidence of what you have delivered and the time spent, you will be in a stronger negotiating position.

This subject is covered in more detail in our white paper ‘Getting to grips with client (un)profitability’.

**viii. Constantly monitor, review and report**

Good project management demands fast access to relevant, timely and accurate information on all your projects. Your software should be able to collate real-time information automatically and present it in the formats that make most sense to your managers and clients.

Managers should spend their time using data not gathering it. You need to equip your decision-makers with instant access to meaningful information on your projects. They should be able to see a high-level overview on a project or your current project portfolio, perhaps through a user-defined dashboard. Once they’ve grasped the big picture, they can then drill down to the underlying detail.

**Typical key performance indicators include:**

- Measuring costs and time commitments against revenue
- Analysis of the full project lifecycle
- Cash flow and profit forecasts
- Analysis of information by parameters such as industry sector, project type, region...

But you should be able to report on the things that matter most to your business, so decide what’s important.
ix. Maintain focus
Project managers and teams can have multiple priorities. In fact, some days it seems everything is a priority! Project managers must ensure focus is kept on the deliverables and the timeline – those aspects of a project you highlighted in the preparation stage.
Projects have limited time, money, and other resources available, so must be kept moving.
Have regular meetings, reminders and status checks.

x. Get buy-in all along the way
Approval points, accompanied by formal sign-off by sponsors and other key stakeholders, should be identified as clear demarcation points in the evolution of a project and its deliverables.
There is no point waiting until the end of a project and then have weeks or months of work rejected. Make sure stages are signed off internally, and then by the client, as you go along.
Furthermore, project sponsors and stakeholders must be active participants, completing reviews of interim deliverables in a timely fashion, so that unnecessary delays and bottlenecks are not introduced within your own organisation.

xi. Clear communication is essential
Good communication, internally and with clients, partners and suppliers is vital to the smooth-running of a project. But avoid information overload. You need to be able to make just the right level of information accessible to the right people in the form of easily understood, meaningful reports, graphical dashboards and alerts.
Having a store of information that your team can share, with an accurate, up-to-date register of contacts, with their roles and responsibilities, will aid communication with external contacts. You should be able to link contacts to projects and vice versa to easily view, analyse and report on all historical and current projects by client or supplier.
Establish with the client upfront how often they would like a progress report so you can align with their requirements. Excessive updates could undermine their confidence in your ability to deliver. They may interpret it as your teams needing too much direction.
Nevertheless, you will want a process in place to ensure that any exceptions and issues are promptly addressed. You’ll also want to be sure that good news on a project is shared and acknowledged. As always, it’s a question of balance.

xii. Protect your cash flow
Timely, accurate invoicing is essential to your profitability but collating and formatting the information can consume many hours. Being able to rely on your project management software to streamline and automate the creation and delivery of invoices will save time, improve invoice accuracy (and hence remove the excuse for clients to further delay payment), and accelerate payments into your account.
At the same time, being able to report comprehensively on the status of invoices and payments will help you to nip bad debt in the bud, achieve greater control over your finances and protect your profit margins.
Your busy team should not have to remember when to prepare and send invoices. Your system should apply the rules you have established on whether to invoice by specific milestone date, on completion of stages, on receipt of timesheets… and ‘remember’ for them, making it one less thing for them to have to think about.
The 1 golden rule for after a project has closed

xiii. Hold an exit review

IRIS Project Solutions clients advise taking time to reflect after each project before rushing on to the next one, to consider what lessons can be learnt for the future.

But note this ‘post-mortem’ should not be used as an opportunity to point the finger and allocate blame for what went wrong. If you have been closely monitoring the project along the way and preventing costs and timescales coming adrift from the plan, this should not be necessary.

Rather, it should create a space to share the highs and lows of a project, and identify areas where your team could increase efficiency and improve delivery on future projects.

If this topic has proved of interest, you may wish to look also at our other whitepapers on running projects, such as ‘4½ Key Steps to Project Success’, ‘From profit killer to consultant burn out’ and ‘Running lean: How project-oriented organisations are creating more value with fewer resources’.

Visit our whitepaper library at www.irisprojectsolutions.com
About IRIS Project Solutions

IRIS Project Solutions has a range of professional services automation (PSA) and project management solutions designed to improve the performance and profitability of people and projects in consulting and professional services organisations.

Comprehensive and easy to use, they provide the essentials you need to manage your projects, resources, and timesheets & expenses in order to build a sustainable business.

With IRIS Project Solutions, you’ll be ideally positioned to maintain control of every aspect of your project-oriented business. Whether you run simple in-house projects with a handful of tasks or multi-layered, multi-disciplined projects including thousands of resources in disparate locations, IRIS Project Solutions will equip you with the tools you need to improve and simplify the way in which your projects are costed, planned, managed and billed.

To find out more about IRIS Project Solutions call 0844 815 5710 or visit www.irisprojectsolutions.com

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