Project Management: Execution, Control and Closure

Part II of the Project Management Series

By c. myers corporation

Managing projects is challenging even under the best of circumstances. With resources and budgets tighter than in recent memory, credit unions are far from the best of circumstances—and the challenges continue to add up.

Introduction

Most credit unions have multiple projects going on at any given time, they don't have a formal process for managing projects and they have no choice but to assign projects to functional managers that have little, if any, project management experience and training. This is not a recipe for success.

> **If you don't have the time to do it right,**
>
> **when will you have the time to do it over?**
>
> **—John Wooden**

Implementing a formal project management process with appropriate training can effectively leverage limited resources to get projects done on time and within budget. This is a recipe for success.

Project Lifecycle

Initiation	Planning	Execution	Control	Closure
Vision creation Affirm target market, value proposition & competitive advantage Decide strategic initiatives, Bold Steps and qualitative and quantitative measures of success for the enterprise	Create scope of the project Define & sequence activities Estimate resources & duration of activities Create budget plan Create communication plan	Direct & manage project execution Acquire, develop & manage project team Manage stakeholder expectations Product/service development Implementation (prep through installation)	Quality control Acceptance testing/audits Change control process Prevent scope "creep" Stay on time & in budget Stakeholder approval of milestones	Post-implementation review, refinement & audits Document lessons learned Contract closeout

This c. notes is Part II of the Project Management Series and focuses on the final three, highly critical phases of project management. See Part I for more information on the Planning phase: http://www.cmyers.com/cnotes/projectplanning.pdf.

The first phase, Initiation, is part of a well-rounded strategic planning process and will be addressed in a future c. notes.

Execution

This is the actual management of a plan that was created in the Planning phase. Many credit unions struggle with Execution for a variety of reasons. Often, executives make a critical mistake by assuming that Execution is simply an action item, therefore it is merely delegated. This perception and practice is a key element of failure during the Execution phase.

Execution is much more than an action item; it is a disciplined system that should be included in every organization's strategy and culture. While commonly defined as *performing the actual work that was identified in the planning process*, the definition also implies the critical and challenging components of communication and constant juggling of priorities and resources.

Key elements to successful Execution include:

- Selecting, mentoring and training the project team
- Clear and timely communication with stakeholders on progress and hurdles, which maintains the stakeholder passion and buy-in that supported the project in the first place
- Maintaining and regularly updating any project management application that was populated in the Planning phase
- Adjusting and scheduling the necessary resources and tasks
- Modifying priorities to meet deadlines

Control

The Execution and Control phases work in conjunction with each other. Control involves the comparison of the actual performance with the planned performance and taking the necessary corrective action to achieve the desired outcome.

Many projects fail due to lack of Control. A project manager is at risk of losing Control when a stakeholder wants to change a deliverable that was decided during the Initiation phase. It is not unusual for a stakeholder to claim, *I didn't know that was what we were deciding*.

Also, a domino effect can happen when one project manager doesn't Control their project, resulting in a mismanagement and waste of finite resources and schedules. This can make it much more difficult for other project managers to maintain Control of their projects.

Practices that can be implemented to prevent loss of Control of this nature include:

- Securing clear agreement from stakeholders that they understand what they are deciding
- Establishing risk identification and control processes
- Implementing a structured change control process; in other words, what process will the credit union use to determine if proposed changes to the scope of the project should be applied? Keep in mind that most changes will impact the project's schedule and cost
- Securing clear agreement from stakeholders that they will adhere to the agreed upon change control process
- Proactively holding all project managers accountable for timely communication of the progress of their projects and, if necessary, the steps they are taking to regain control
- Developing quality control guidelines

Closure

Closure is the last phase in the Project Lifecycle. The initiation of the Closure phase begins upon the completion of all project objectives and the acceptance of the end product by key stakeholders.

Closure includes the following tasks:

- Closure of contracts and other financial issues
- Collection, completion and archiving of all project documents
- Documenting the issues faced in the project and how they were resolved. This is a great tool that should be used in the Initiation phase of other, similar projects
- Document lessons learned and conduct a session with the project team, as well as other stakeholders, with the objective of improving efficiency by reviewing the "dos" and "don'ts"
- Release of the project team

Organizations, including credit unions, often don't put enough emphasis on the importance of closing out projects diligently. Well managed Closure promotes future efficiencies by reducing reliance on "tribal knowledge," as successes and lessons learned are appropriately documented. Such documentation will help future project managers execute with greater efficiency and lower costs as they can easily leverage the lessons learned of previous, well-closed projects.

Think of the efficiencies that can be created in the future when successes and lessons learned are documented after:

- Constructing or remodeling a branch
- Completing a merger
- Implementing a software application from a vendor that may have other applications you may purchase in the future
- Launching and marketing a new product that excelled—or faltered
- Preparing for an examination or audit
- Developing a unique, valuable and complex spreadsheet or other tool

Summary

In the end, most projects are directly or indirectly focused on enhancing the member's experience with the credit union. A finely-tuned project management process is the best path to successfully completing projects effectively and efficiently. Like any other process, the more it is used, the more efficient and knowledgeable the credit union will become. The result is increased capacity to accomplish more with the same or fewer resources and increasing potential for enhanced member experience, loyalty and ROA.

If you would like to discuss specific issues that relate to your credit union's project management process, feel free to contact us at: **800-238-7475**.

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About c. myers

Since the volatile 1980s, c. myers' principals have been providing sound decision information to executives in the financial services industry.

For the last 18 years, hundreds of credit unions, including 25% of those over $100 million in assets and 50% over $1 billion, have found value in our proven and practical approach to addressing emerging and complex business issues.