

Project Health Check – Speed, Facts and Impact

Rolf Tschaeppler and Christoph Emmenegger, Partner of november ag, Switzerland [1]

E-Mail: rolf.tschaeppler@november.ch and christoph.emmenegger@november.ch

Abstract of a presentation, held at the PMI Summit in Munich, 2014.

1 Introduction

Project Health Checks (called Health Check in this article) are an important part in our Project Manager's and consultant's world. We have applied them many times and consequently developed the concept further.

In our experience Health Checks are a powerful instrument to gather and mirror project-, stakeholder-, and organizational information to involved individuals. This allows on one hand to assess and crosscheck preconditions and constraints for the project work and – on the other hand, getting a first hand impression how individuals, groups and the whole organization behave when exposed to tough questions. And, speed is the best response to address urgency what usually triggers a Health Check.

In the following chapters we present our Health Check approach, discuss it and provide an example of a challenging Health Check we performed recently.

2 Why a Health Check?

Why do you go to the doctor and perform a personal Health Check? We see 3 reasons:

1. Your wife told you that you should do it
2. Your doctor advised you to do so to set a kind of a "baseline" for further treatment
3. You thought it would be good to have clarity from an outside specialist about your health status and to come into a position to pro-actively manage your health

These 3 above motivations are also valid reasons for project Health Checks:

1. Your boss has a strange feeling about the status / progress of your project and initiates a Health Check for the project you are responsible for
2. The newly hired Project Manager wants more clarity about the status and risks he will inherit when taking over the PM responsibility
3. As a Project Manager you do not trust the reports you regularly receive. This encourages you to perform a Health Check of your project in question

At the end for all situations it is the same:

- As a Project Manager consider a Health Check rather as a help than a threat – someone invests to get a fair view
- As the one who triggers the Health Check, be open to hear results that you might not even expect, e.g. you might be a cause for project issues
- The less the person who performs the Health Check knows about the project and its context the better

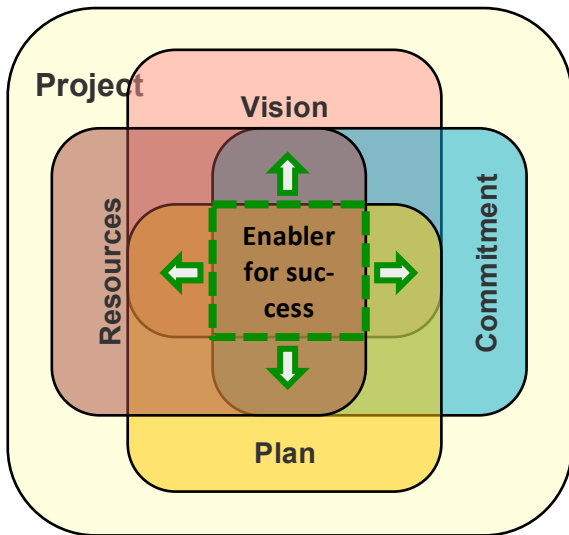
3 Criteria for a successful Health Check

The criteria we see for a comprehensive Health Check are as follows:

Criteria	How to address
Objective, fact based	Cross check between different information sources; Neutral assessor
Provide information which is relevant for forecast of project success / failure	Use accepted models, as a basis Adapt framework to particular challenges
Result should be accepted by the sponsor / organization	Continued communication, acceptance but not agreement is required Indicate level of consensus within stakeholders
Must have impact	Preparation: Agreed scope, right sponsor, accepted results (see above)
Should demand as few resources as possible	Identify the right people; Use admin support
Finding should be quickly available; speed is key	Choose time box approach
The results should be as accurate as possible	Clear communication. Needs balance between resource demand and result accuracy
Results should be communicable	Report on different layers, e.g. dashboard, set priorities
Solution oriented	Develop recommendations

Table1: Criteria for a successful Health Check

4 Our Health Check Approach



Picture 1: Dimensions of the Health Check

We have identified the 4 dimensions Vision, Commitment, Resources and Plan as the most important factors for project health and project success. Assessment criteria for each dimension are:

- Strength and Achievements
- Weaknesses and Issues

For more complex change projects or programs we additionally perform a “Change Readiness Assessment” [2] to comprehensively measure the individual’s and organization’s readiness for the envisaged change.

The major questions, which are behind the 4 dimensions, are described in more detail below.

4.1 Vision

- Is there a common understanding of purpose and content of the project?
- If an IT project is assessed, how well is it aligned with business?
- How are priorities set and how are they managed in the light of different requirements and expectations?

4.2 Commitment

- Who is committed to complete the project and who is not? Are there any patterns?
- Are there communalities in terms of commitment when looking at different organizational units or geographic regions?
- To what extent is the organization ready for the planned change?

4.3 Plan

- Are key milestones on program / project level accurately defined and managed?
- Are key dependencies identified and accurately managed?
- What are identified immediate actions to remediate the current situation?

4.4 Resources

- How are project financials managed and how realistic does the budget look like?
- What are the available and allocated people capacity and know-how?
- Are the required capabilities available?

4.5 Level of Consensus

A key factor for project success is that the various stakeholders involved or affected by a project have a common view, i.e. a high level of consensus, on crucial project dimensions, e.g. why are we doing the project, where are the opportunities and risks, where are the organization’s strengths and weaknesses related to the project, etc.



Picture 2: Measure of consensus

To measure the level of consensus it is imperative to apply structured interviews and questionnaires that allow substantiating the assessment.

For performing a quick “temperature check” with a selection of stakeholders the component map “Project Health Check” with the App “hitmapp” [3] can be used. This allows quick independent assessments of the major health check dimensions and automatic consolidation with the back-end.

4.6 Change Readiness Assessment

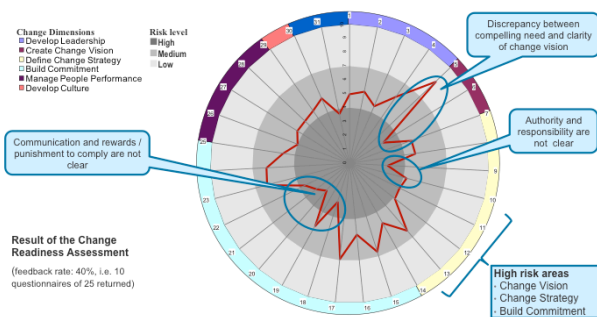
The Change Readiness Assessment [2] is organized as follows:

- A set of 31 standardized questions in the dimensions leadership, change vision, change strategy, commitment, people performance, culture and organization

- A spider diagram that allows for a good overview visualizes the findings.
- Absolute values as well as high discrepancies between dimensions help assessing the organization's readiness for the planned change
- Additionally, deviations between individuals or stakeholder groups indicate communications or objectives conflicts

- Guide and manage structured interviews / questionnaires
- General Observations in the organization
- Participation in various management meetings, e.g. project team meeting, steering committee, etc.
- Change Readiness Assessment (questionnaires)

It is important that gathered information is interpreted, questioned and verified as part of the analysis process. This helps to set priorities and discover potential information gaps in due time.



Picture 3: Result of a Change Readiness Assessment

5.3 Evaluation, Conclusion

We normally go through a 3-step evaluation process:

1. Produce a first evaluation report with a first version of a dashboard with the 4 dimensions and review it november internally.
2. Reconsolidate the evaluation report and present it to selected major stakeholders. Seek for their feedback and test our findings against the client's view. This does not mean that we just adapt the report according client's wishes.
3. Produce final version and present it to the customer's organization as agreed.

5 How do we perform the Health Check

5.1 Preparation

A thorough preparation of the Health Check is imperative to allow for a realistic assessment as well as for the understanding and the acceptance of the results. Before the detailed analysis is started, clarity on the following points needs to be achieved with the sponsor:

- Why is the Health Check initiated and what are the main drivers for it
- What is in scope and what not – are there any taboos
- In which form will the results be presented. How confidential are the results, how – if at all – will it be communicated to a wider audience
- What is the overall approach, will there be intermediate reports and what is the time frame for the Health Check
- Who are the key stakeholders and how is their availability for the Health Check ensured
- How will the assessors gain access to the various documentation and repositories of the project
- What administrative support is provided to help an external assessor to perform quickly in the context

5.2 Analysis

During the Analysis phase classical activities are carried out such as

- Document study
- Discussions and interviews

Dimension	Criteria	Strengths	Weaknesses	Status
Vision	Common understanding of content	General consensus on need and opportunities available	Missing clarity on scope and strategy to change	🚫
	Business Alignment	Consensus that that Program has global scope	Buy-in of regions in what shall be global and what regional missing	
	Priorities	Top urgencies on solutions agreed	Missing consensus on priority concerning solutions vs. people/organization	
Commitment	People	Priority for senior management	"What's in for me" not clear for all stakeholders, rewards and "punishment" system not addressed, some tensions between key players	🚫
	HQ / regions	Program is key topic on CIT and LMT	Program is perceived being a HQ initiative. Solution regarded by many parties being a "SAP shop"	
	Change readiness	Understanding that some change is required	Change vision and strategy, commitment towards change	
Plan	Key dependencies	Road map available	Road map is outdated and not aligned with current business needs	🚫
	Key milestones on program level	None	Program master plan with clear deliverables is not available	
	Roles and responsibilities	STC with all key stakeholders established	Roles and responsibilities are blurred	
Resources	Finance / budget	Estimated budget & FTE needs and funding principles agreed	Gaps in CAPEX / OPEX view, missing clarity on overall funding principle, i.e. "money box"?	🚫
	Capacity and know how	First dedicated staff defined	Staffing so far limited to IT, staff required not yet available; PM and Change implementation know how not sufficient.	
	Capabilities	Experience with global initiatives available	Infrastructure for global projects not appropriately geared up	

Picture 4: Example Health Check Dashboard

6 Example of a Program Health Check

6.1 Situation

A global IT solution strategy definition and implementation did not progress for several years. The business customer has asked us to drive the program forward and indicated that the IT organization does not appear being appropriately fit to cope with the challenge

6.2 Client's expectation and our Approach

The client expected from us to get the implementation rolling during the next 12 months by fully managing the program.

Whilst we took full accountability for the program management from day 1 we also insisted that we perform a Health Check during the first 6 weeks to get a better

understanding of the situation and the underlying root causes of the difficult situation. We have included stakeholders from IT, business and finance from the head office as well as from the regions worldwide. A change readiness assessment has been performed in addition. We have agreed with the customer that full transparency of the strengths and weaknesses will be openly communicated with all stakeholders.

6.3 Result

The Health Check quickly showed the following key issues

- Blurred vision of what the business function expects from the IT solution strategy. There was a very low level of consensus between head quarter and the regional heads on why the initiative was launched and what the key objectives were
- Lack of leadership and poor personal commitment throughout the organization regarding the IT solution strategy due to conflicting targets of day to day business and long-term objectives
- Poor project management skills and experience on the IT side led to poor expectation management and hence to the (wrong) perception that the problem is linked with the IT organization only
- Lack of prioritization – too many projects in parallel – stressed the entire organization beyond its change capability

6.4 Recommendations

We advised the customer

- to write off all work performed during the last years and to start with the overall IT solution strategy on square one.
- to align the overall scope and expectations with the limited resources and change capacity of the organization and hence to focus on a phased approach
- to perform an overall master-planning workshop with the key stakeholders from all business functions, IT and finance (head quarter and regions). The workshop must be facilitated by a neutral external person

6.5 Impact on Project / Organization

The customer agreed to our recommendation, however, the “writing off” of what has been done during the last years was rather difficult to accept for a number of team members.

Once we have achieved clarity of the why and what of the IT solution strategy, the program quickly started to move allowing us to handover the entire program management to a newly hired internal manager after 12 months.

6.6 Success factors for this Health Check

Success factors for generating impact were

- Clear message from our side that we insist on performing a Health Check at the beginning of our mandate
- Agreed time box approach with clear priorities which allowed a quick delivery of the findings
- Fact based results and the agreement that we will communicate the finding openly with all stakeholders involved, led to a dynamic that fostered the understanding for radical changes

7 Conclusion

With our Project Health Check covering the 4 dimensions Vision, Commitment, Plan and Resources and the way we prepare and perform the Health Check we cover all relevant criteria, especially “speed”, “fact-based” and “having impact”, for a successful Health Check as described in Chapter 3.

Not to forget two important aspects:

- To successfully run a Health Check and generate impact it also requires experienced and skilled people who perform the Health Check. E.g. it requires social competences, good listening skills, good self-esteem and the ability to question own judgements.
- There are settings / combinations where a Health Check is not helpful or nor indicated. Be it because the Health Check should just be an alibi exercise or it is highly unlikely that uncomfortable messages will be appreciated. In such cases it is important to address these concerns and rather to refuse the mandate than wasting the customer’s resources and risking your reputation.

8 Bibliography

- [1] <http://www.november.ch/en>
- [2] <http://www.november.ch/en/download/change-readiness-assessment>
- [3] <http://www.hitmapp.com>