Can Technology Solve the Project Execution Problem?
by Curt Finch, CEO, and April Boland, Resource Manager, Journyx, Inc.

Project management technology has been around for years now, so the problem of project execution must be basically solved, right? Wrong. The Standish Group has found that 68% of technology projects failed in 2009[i]. Does this mean that project management solutions are just a waste of time?

The truth is that project management technology is only as good as the processes that support it. The only way to improve project execution rates is to look at the root causes of project failure and implement the necessary changes that will allow the technology to work. Here are a few of the top ways to accomplish this in your organization.

Problem #1 – Ignorance of True Per-Project Cost

We all know that people hate to track their time for a variety of reasons. Most find it to be a tedious exercise and believe that it takes time away from more important work. Others might feel suspicious that management wants to keep an eye on them. One of the biggest reasons is often that employees simply do not know what the time data will be used for or why they are tracking it in the first place, so why bother? This is a problem because time data can provide cost insight that you cannot obtain any other way.

If you do not know how much time your team members are spending on various projects, you do not really know how much the projects cost. A project that is a large resource drain can be much more expensive than the numbers in the budget indicate. Not only that, but when the boss tells you to cut 10% somewhere, how will you know where to cut if you do not know where your profit lies? Having employees track their time by project – and more specifically, by task – gives you the knowledge necessary to make the right decisions.

In this case, it is not enough to have a time tracking software solution. You must also obtain widespread employee adoption, because the system is only as good as the data entered into it. Usually this can be achieved with an explanation of how the data will benefit the organization or some kind of rewards system. It is also essential to integrate this data with project status and cost reports for analysis purposes.

Problem #2 – Poor Resource Management

Most automated systems fail because they try to get people to track time only for payroll, DCAA compliance, billing or project accounting. This forces managers to use a variety of systems, resulting in employees tracking their time in multiple places and not being too happy about it. Not to mention the fact that these disconnected islands of data are not very useful for analysis or planning.

If, however, you have all of the time, project and billing data in the same system, you can understand who is over- and under-allocated, who is behind on their work, and who is available to work on your project next month - all important issues for a project manager to know.

Not only that, but a technology solution that incorporates resource schedules and allows you to conduct "what-if analysis" before assigning work provides project managers with a huge advantage. They will be able to see the impact of their projects before scheduling them, allowing them to avoid unnecessary risk and only implement plans that are feasible. For example, if a project manager puts a potential project plan into the system and finds that with the current timeline, resources will be too constrained, he or she can adjust it accordingly before actually scheduling the work.

Problem #3 – No Estimate Feedback Loop

Whenever you ask someone how far along they are on a project task, the answer is always the same: 90%. Rather, the right question to ask is, "How many actual hours of work remain to complete this task?" Once you have this data, it should go back into your project plan. The more you reinforce estimates with actual data, the better your estimation will be for future projects.

We recently spoke with a project manager at a well-known beverage corporation who told me that though his company had purchased a large PPM solution, people were still entering their time in multiple systems. This leaves them unable to feed actuals from different departments and groups back into the central project plan for up-to-date status and improved estimation. After spending so much time and money on a PPM solution, they are not getting any of the promised benefits. This is just another example of how technology will not magically fix project issues without the right processes in place to support it.

Problem #4 – Communication and Collaboration Issues

Microsoft SharePoint sales have been exploding lately, and the simple reason for this is that managing multiple people and projects across departments, companies and even time zones is extremely difficult. Everyone has their own PM methodology, technology system, culture and habits, and you, the project manager, have to accommodate for all of it. SharePoint and other tools like it can be extremely helpful, but ultimately, communication can still fail across the board. This is a human problem, not a technology problem, and the project manager must address it as such.

Problem #5 – Balancing Quality, Schedule and Cost

Have you ever heard the question, "Do you want it good, fast or cheap?" You might add value delivery to this equation as well. For example, if a wedding cake shows up seven hours late, it is worthless. At every step of the way, project managers have to ensure that they are still going to be able to deliver something useful in the end.

These days, the world is moving so fast that you have to constantly check to see if you are still on target for delivering value, even if quality, schedule and cost constraints are met. Technology cannot do this for you; it is a subtle, complicated process that requires market research and an understanding of your customers, for starters.

The Power of Project Management Technology

Project management technology is at the most advanced that it has ever been, providing all kinds of functionality and benefits to the project manager. Yet it takes a bit more than a software solution to solve the project execution problem - it takes a quality project manager who can implement the correct processes and manage people effectively. The right project management solution can be a powerful tool, but only in the hands of someone qualified to wield it.

About the Authors

Curt Finch is the CEO of Journyx (*http://pr.journyx.com*), a provider of web-based time tracking, project accounting and resource management software designed to guide customers to per-person, per-project profitability. An avid speaker and author, Finch recently published All Your Money Won't Another Minute Buy: Valuing Time as a Business Resource (*http://www.timetrackingbook.com*). He is also a blogger for Inc. (*http://www.inc.com/tech-blog*), and you can follow him on Twitter (*http://www.twitter.com/clf99*).

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[i] http://www1.standishgroup.com/newsroom/chaos_2009.php