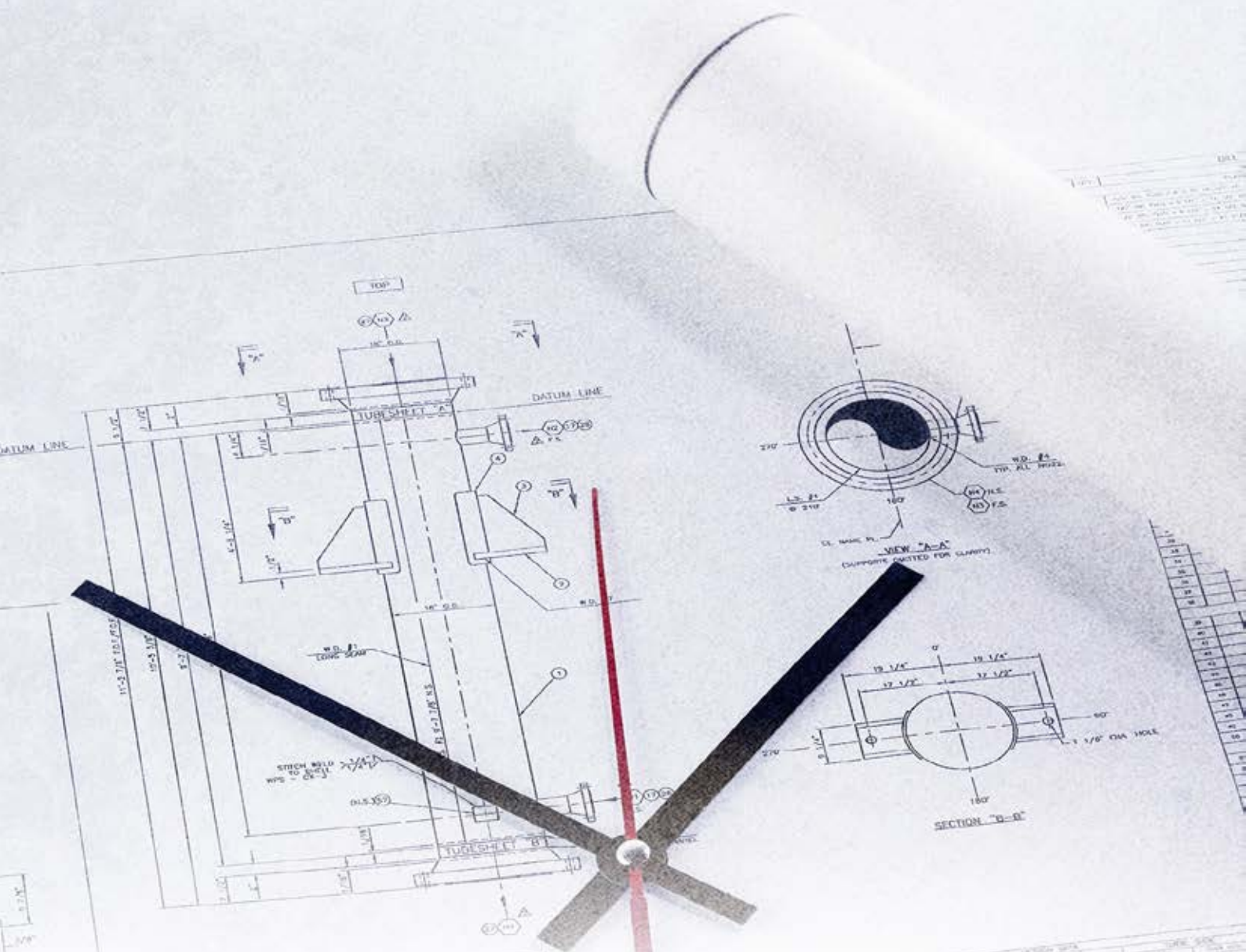


PROJECTS In Less Time

3 Secrets to Reducing Project Lead Time, On Time

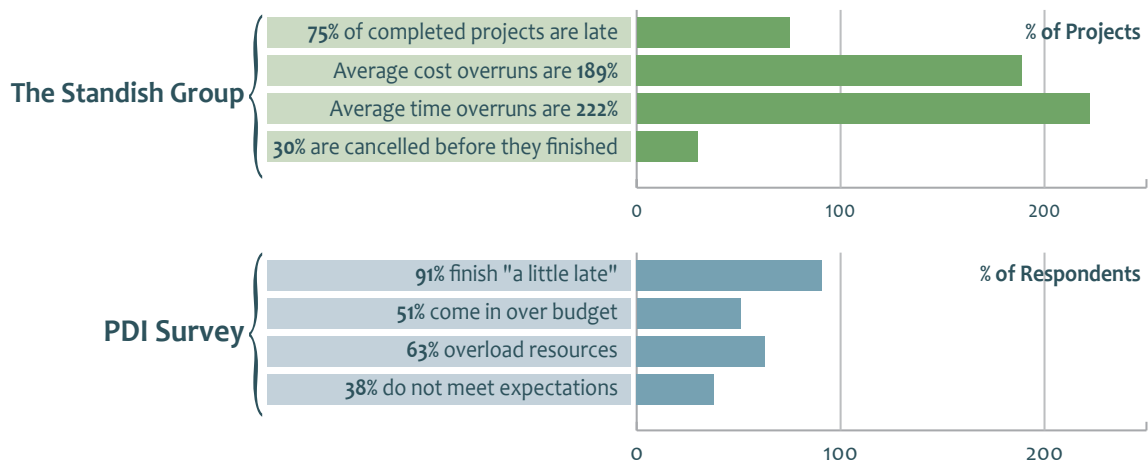


MARK WOEPPEL

1.0 BACKGROUND

WE HAVE A PROBLEM.

TO PUT IT BLUNTLY, BIG COMPANIES HAVE DIFFICULTY DELIVERING BIG PROJECTS.



"A staggering **39%** of project with budgets over **US \$10 million** failed."

The Standish Group, one of the largest and most prolific publishers of research on project management performance, concluded in their CHAOS report that 75% of all the projects completed late, and that a staggering 39% of all projects with budgets over US\$10m had failed completely. These figures were independently confirmed by a similar Product Development Institute survey, which found 91% of respondents reporting that the projects they commissioned had failed to meet the required due date.

Findings like these, broadly applicable across the whole spectrum of enterprise, are corroborated in the complaints made by customers against their suppliers: late deliveries; excessive changes and rework; priority and resource battles impacting on delivery times; unsatisfactory budgetary performance; or delivery compromises - on-time and over-budget, on-budget and over-time, or worse of all (which is not uncommon), over-budget and over-time.

Unsurprisingly, the experiences of the project teams on the receiving end of this criticism tend to be similarly bad. If you have worked on a project at any time over the last few years, it's likely that you have found the experience to be frustrating and unrewarding.

We believe that all of these problems stem from a common set of causes. In this eBook, I will examine these causes and show how simple, proven strategies can reduce project lead times, improve resource productivity, and reduce project costs.

I'll also look at how you can implement these strategies in your project or portfolio of projects - starting today.

By utilizing the basic principles of Critical Chain Project Management (CCPM), you can make participation in your projects an enriching experience for all involved.

2.0

THE PROBLEMS AND THEIR SOLUTIONS

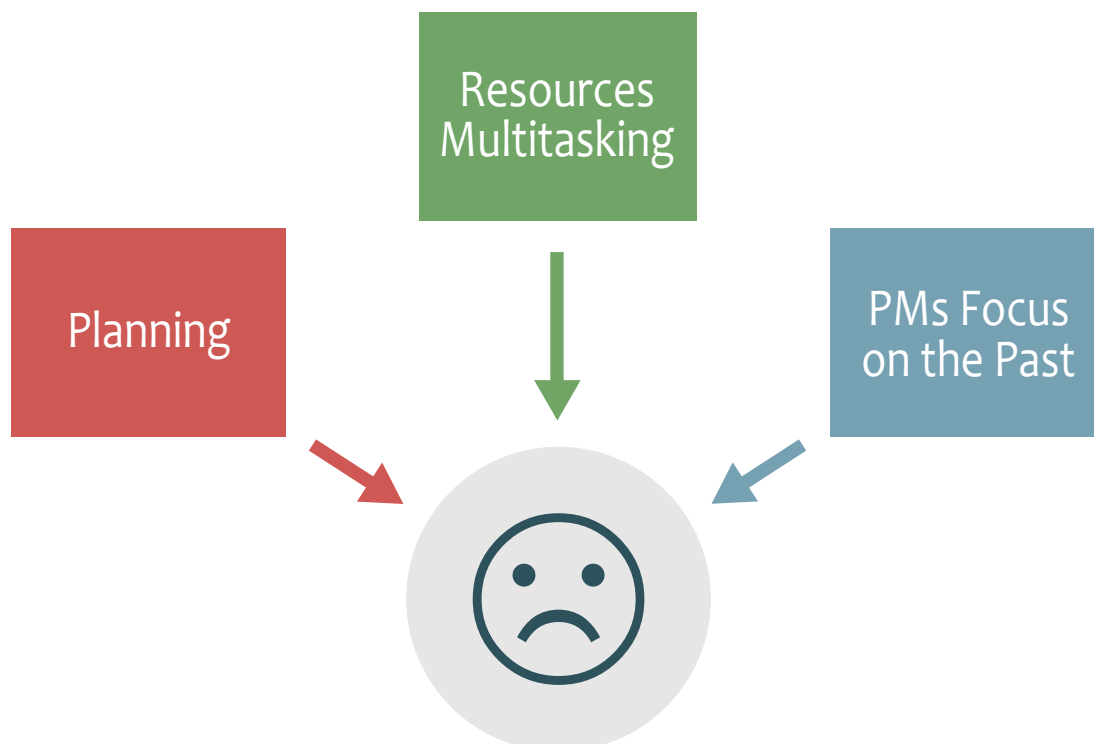
2.1 The view from inside

The early symptoms of failing project management processes are instantly recognizable: stop-start work practices, proliferating meetings, dealing with one crisis after another, and chronic resource shortages. If these problems are not addressed at the root cause, conditions will deteriorate until the pleasure of worthwhile effort is replaced by frustration at the inability to bring tasks to completion, or depression at having to deliver compromised or low-quality work. If these poor working conditions are sustained over a longer period, the corporate culture may undergo a shift towards 'management by intuition' as the best

negotiators, those most able to "work the system" and divert resources to their own projects, move up the hierarchy. In this culture, managers that continually address problems (many of which they unknowingly create) are seen as the most effective employees as opposed to those that are successful at executing a well thought out plan.

The indicators of business health, in this regard, can be grouped into three areas: planning, resource multitasking, and the project management function itself. Let's look at each in turn.

WHY DOES PROJECT PERFORMANCE SUFFER?



2.1.1 Planning

Planning is always the first consideration when attempting to analyze poor project performance. Many companies have planning processes which are simply immature. Some of the largest organizations persist in planning multimillion dollar projects with no more than an Excel Spreadsheet as their guide. Others may have elaborate planning processes which still fail to take into account the conditions of production within their organization.

2.1.2 Multitasking

The second consideration is multitasking by the project resources. The most important project resource is the project team itself.

Unfortunately many project teams are the victims of management cultures which attempt to show immediate progress on each 'green-lighted' project by commencing assignments before the resources needed for completion are in place. The result is confusion and disorientation as staff are repeatedly reassigned to new projects, and working hours are wasted as projects grind to a halt while they wait for other resources to be freed up.

The two main effects of multi-tasking are completion delay and loss of capacity (productivity). When a person switches back and forth between tasks, the task switched from waits, delaying its completion. When the person switches back to the waiting task, there is a startup delay to reacquaint themselves with what they were doing before; in other words, a task setup time. If there has been new information on the task during the delay, some rework and, thus, some additional delays can occur.

2.1.3 Project Manager's Focus on the Past

The third consideration is the project manager's focus. In order to cope with chronic resource shortages, many project managers shift their attention away from the project as a whole and towards the specific tasks which comprise them. This shift towards emphasizing the tasks moves the focus of the team to report on task completions - a backward-looking orientation. This has two implications. One, the teams lose their focus on project completion and shift instead into story-telling about why tasks take too long. This creates a 'blame culture' in which they waste time defending past actions and decisions to their managers and to other teams. Secondly, while the team is focused on checking off the boxes on task completions, they lose sight of the task relationships that tasks drive project completion. So while they get a lot of "work" done, the projects do not move faster.

2.2 The solutions

In order to repair a dysfunctional project management system and get a business back on the road, it is necessary to address each of the three problem areas. At Pinnacle Strategies, we use strategies founded on the principles of Critical Chain Project Management:

- i. Build good plans
- ii. Limit work in process (WIP)
- iii. Focus team work on project completion

We call these The Three Secrets of Project Management.

The next three sections will consider each of these secrets, along with a more extensive analysis of the issue(s) they are designed to fix.



3.0

THE FIRST SECRET: BUILDING GOOD PLANS

"IN PREPARING FOR BATTLE I HAVE ALWAYS FOUND THAT PLANS ARE USELESS,
BUT PLANNING IS INDISPENSABLE."

Dwight Eisenhower

Eisenhower recognized a basic truth, which continues to elude many project managers: planning is not separate from execution. In fact, as soon as a project is approved, it is in execution.

A plan can be a formidable tool for building consensus and teamwork. It highlights the early action requirements which must be in place before a project can commence; it identifies ongoing resource needs and it provides a context for discussion of underlying assumptions about budget and timing. These can then be tested and validated and - most importantly - this effort provides a baseline for action. Everyone signs up to the plan.



But in practice, many project plans go direct from Microsoft Project onto a hard drive, never to be seen again. If they must be used, they are seen as a rigid set of efforts that need to be strictly followed to ensure success. If your plan is to take its proper place as the central organizing element of your project, you need to study how to plan - and how NOT to plan.

3.1 How NOT to Plan #1: Use 'Safe' task completion estimates

LA FORGE: Yeah, well, I told the Captain I'd have this analysis done in an hour.

SCOTTY: How long will it really take?

LA FORGE: An hour!

SCOTTY: Oh, you didn't tell him how long it would *really* take, did ya?

LA FORGE: Well, of course I did.

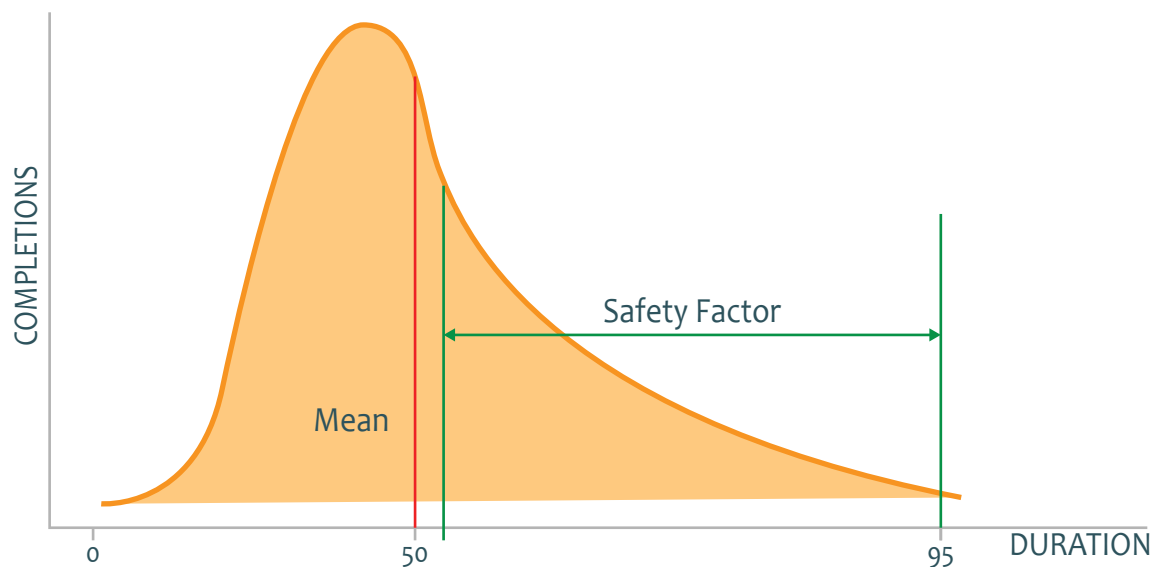
SCOTTY: Oh, laddie. You've got a lot to learn if you want people to think of you as a miracle worker.

"Star Trek: The Next Generation: Relics" (1992)
<http://youtu.be/ufkh1cKG8Dw>

Scotty displays an instantly recognizable trait. We all believe that, if we allow ourselves more time, we will be able to deliver more reliably. But if the staff members responsible for every task within a project are allowed to overstate their completion times, completion will take far longer than it needs to. Managers therefore need to be able to distinguish 'safety time' from the time needed to actually do the work.

In fact, project managers hear estimated completions all the time, and most have learned to take them with a “pinch of salt”. They are, after all, estimates rather than firm commitments, and estimates can be based on a wide range of probabilities.

As the graph shows, 100% reliability is achievable only with a massive margin for error and delay. For practical purposes, it is usually better to go with an estimate based on lower reliability that gets results faster.



GREEN LIGHT ESTIMATING

We encourage what we term 'green light' estimating. Imagine you drove to work today and every light was green and there was nobody else on the road. How long would it take you? The situation may seem unrealistic, but the ideal of CCPM is to produce working conditions in which your project gets the green light at every junction along the critical chain.

3.2 How NOT to plan #2: Use multitasking to cope with resource contention

Resource contention arises when an organization takes on a project workload exceeding its resource capacity or improperly uses its limited resources. (The personnel aspects of this issue are covered in 5.1.1, below.) Many project managers make the mistake of planning around resource contention by having their resources multitask, forcing their teams to switch their efforts repeatedly and at short notice between several different projects. This practice is wasteful and highly inefficient.

One of the reasons that project managers continually require their resources to multitask is that they continue to use planning systems which ignore the realities of resource contention. Our experience has been that few project managers are able to make proper allowance for resource contention in their planning processes, with an inevitable negative impact on project scheduling.

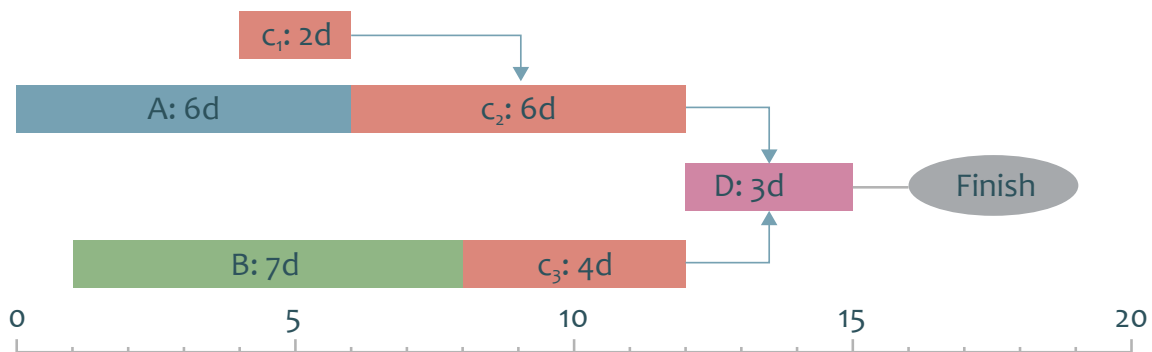
3.3 Building a better plan with CCPM

In this section, we'll discuss how to build a better plan by applying CCPM techniques. This involves four distinct stages:

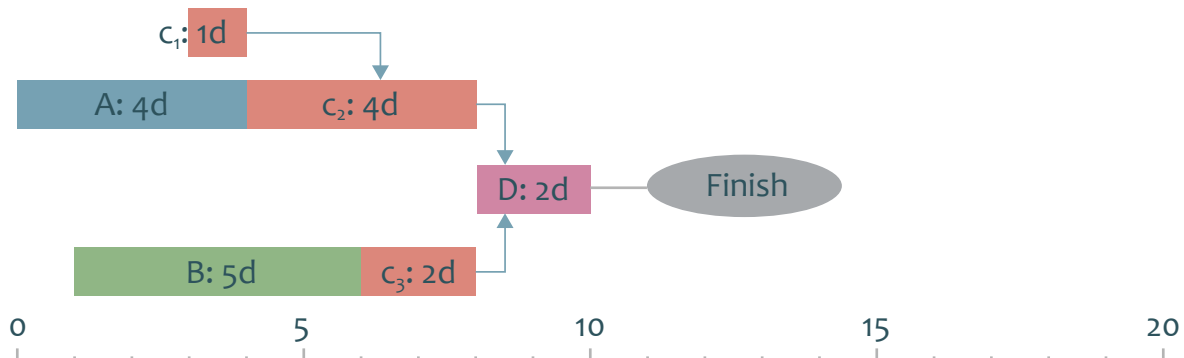
- i. Make aggressive estimates of task duration
- ii. Identify the critical chain
- iii. Buffer the project completion
- iv. Add feeding buffers

i. Make aggressive estimates of task duration
 Aggressive estimates are like the 'green light' estimates introduced above. They are estimates of task duration minus a portion of the safety margin which seasoned project workers add automatically. Typically we would set these estimates at P50, meaning that they would have a 50% probability of completing on time.

ESTIMATED PROJECT DURATION BEFORE GREEN LIGHT TASK ESTIMATES



PROJECT DURATION WITH GREEN LIGHT TASK ESTIMATES

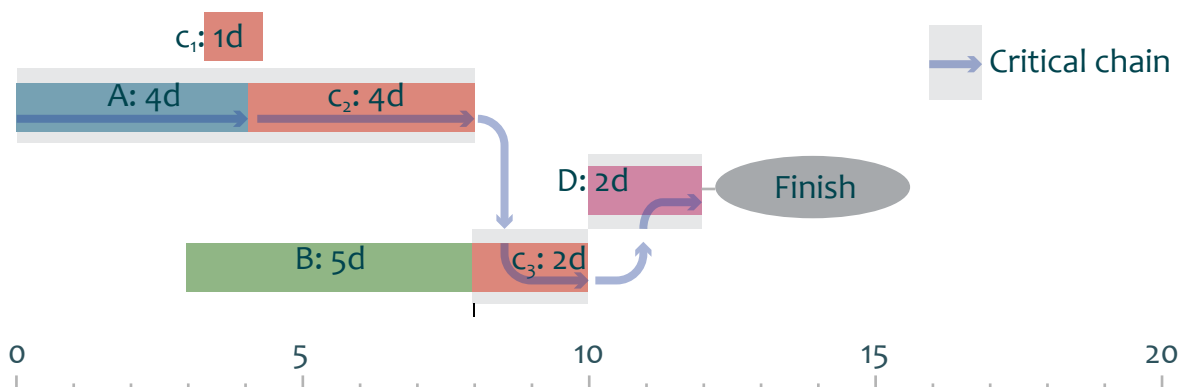


Projects in less time • 3.0 The first secret: Building good plans

ii. Identify the critical chain

Most people will be familiar with the concept of critical path analysis, the process of estimating the duration of a project by totaling the durations of all those portions of its constituent tasks which cannot be carried out at the same time. The critical chain is an enhancement of the critical path. It identifies the duration of the longest

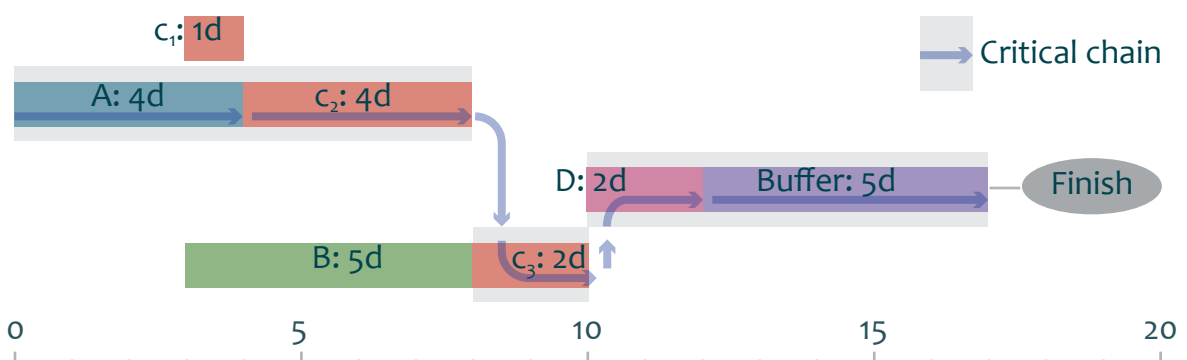
sequence of dependent tasks including the resolved resource contentions in this sequence. In almost all cases, the critical chain will be longer than the critical path. It provides a much more robust basis for planning because it forces the project team to come to terms with the reality of limited resource availability.



iii. Buffer the project completion

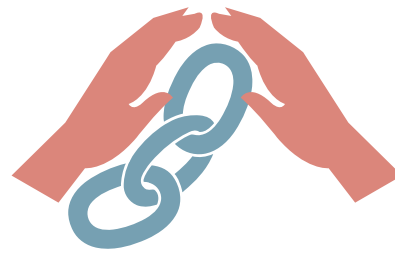
Since the task duration estimates are based on a 50% probability of on-time completion, there is a chance (50%) that some tasks will not finish on time. By buffering, we protect the project against the variability that occurs when the tasks don't meet the duration estimate. 'Buffering' is the assignment of this safety margin to an estimated project completion time. A typical project buffer

has a duration of half that of the project's critical chain. Since the buffer is applied to the critical chain as a whole, rather than to individual tasks within it, it allows for flexible responses on the part of the entire project team should things start to go wrong. The project manager, not the individual resources, own and manage the buffer benefiting the entire project not just individual efforts.

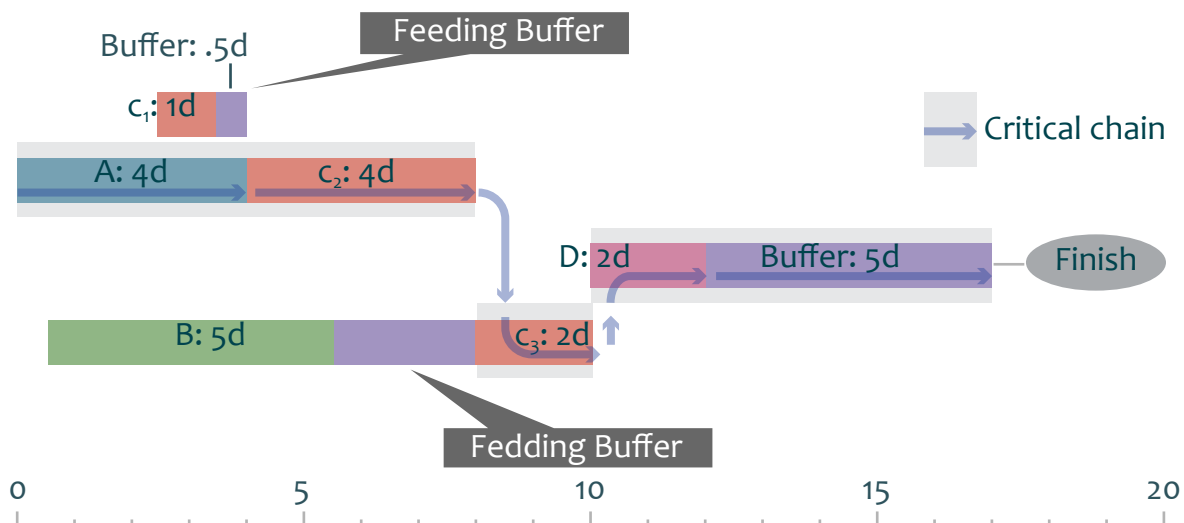


iv. Add feeding buffers

Buffers are also applied to the project's feeding chains. Once again, the buffer has a duration of half the completion time of the underlying process. In addition to protecting the critical chain of tasks, this again focuses the team on collaborative successes instead of the individual success.



The feeding buffers protect the main flow of work along the critical chain.



3.4 CCPM Planning Principles

That last point about feeding buffers leads us neatly to the issue of 'real world' CCPM. Obviously, any project has to be completed in the context of a real business, so the principles underlying CCPM planning need to be understood by all participants. They are:

3.4.1 A plan is like a forecast

We recognize that the plan is just a forecast, and as such, will never be an exact prediction of how the project will proceed in execution. We expect to make corrections, and to rework the schedule to allow for omissions and for the elimination of unnecessary tasks. We expect to respond to unanticipated issues.

3.4.2 Tasks estimates should be aggressive, but possible

50% probability of on-time completion is good enough. It will motivate the right behaviors and, when coupled with the project and feeding buffers, it produces an achievable project due date.

Relationships must be guided by technical requirements, not personal preference.

The plan focusses on project deliverables. The technical requirements which drive it might relate to the organization's working process, or to some external factor like customer approval. They don't include considerations like 'Jody and Sue like to work together,' or 'This is where Jim, our star programmer, is available'. Such issues can be resolved elsewhere later.

4.0

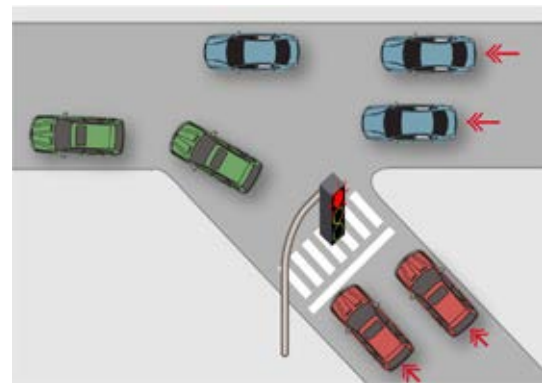
THE SECOND SECRET: LIMIT WIP

The second secret is to limit Work In Progress (WIP). This ought to be trivial, but failure to establish an effective mechanism to limit WIP remains a major cause of delays and even failures for many projects.

4.1 Why we need to limit WIP

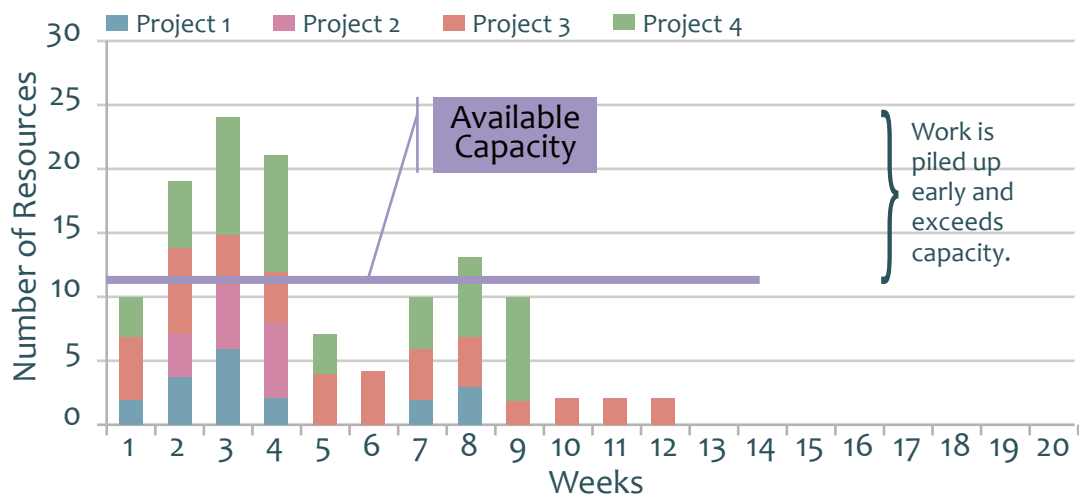
Most project managers assume that an early finish requires an early start (or to finish on time, get started as soon as possible). As a result, project teams tend to get pushed to start the work as soon as they receive the green light, regardless of resource availability and timeline.

In practice, however, this assumption never works out. Starting early results in overloading resources, confusion about work priorities, and hence an inefficient working environment. (Anyone can verify the latter from personal experience. If you have ten things on your desk,



which do you work on?) This constant overload results in frustration and even resignation. In the long term, overloading will result in increased staff turnover as personnel 'burn out' in the struggle to stay on top of complex and ever-changing workloads.

This overloading of the system is the primary driver of the most inefficient practice in project management; the project review meetings. What are these meetings, but little more than "resorting" of the work in the system?



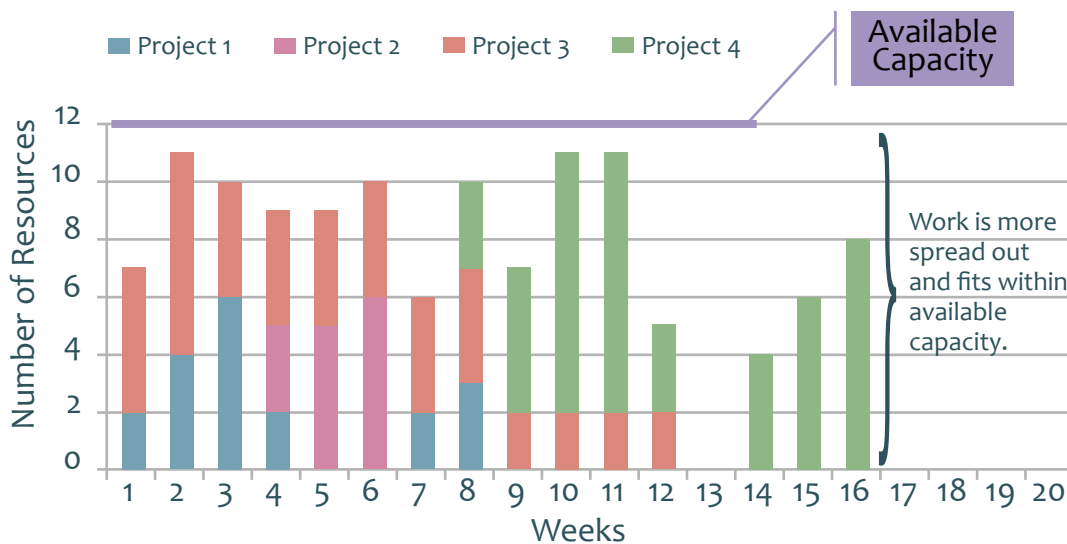
4.2 CCRs as a basis for limiting WIP

Clearly, limiting WIP is the right approach if you want to avoid these kinds of problems. But on what basis should WIP be limited?

The approach which we take at Pinnacle Strategies derives from the Theory of Constraints (ToC). The Capacity Constraining Resource (CCR) is the resource that establishes the rate at which work can flow through the system. (The constraint might be described as that thing which, if you had more of, would allow you to do more of everything.) Most businesses are always dealing with a small number of CCRs, usually just one

or two. If you can identify the constraint(s), then you can make a fair assessment of your project system's throughput capability.

From the perspective of the project manager, the constraint provides an excellent practical basis for limiting WIP. The smart manager monitors the constraint and releases projects into the system only when the constraint is able to accept them. The result of controlling WIP to the rate the system can absorb it is both a reduction in WIP and a smooth workflow. The project management process shifts from firefighting and emergency



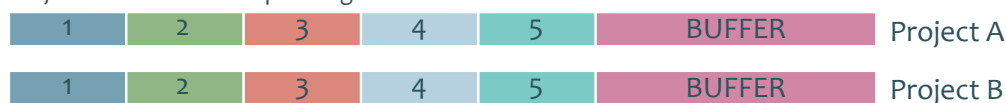
prioritization towards a regular, steady flow, and the organization joins the long list reporting improved completion times and reductions in resource contention, along with corresponding improvements in productivity.

As a caveat, one should never overlook the promised completion dates of the projects within

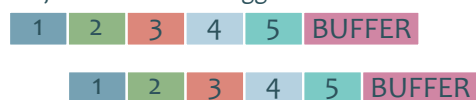
the system. The management of release of work and forecast of project completions based on resource availability provides managers with a concrete basis for resource allocation. This is contrasted with the most common method of project completion, promising; launching a project into the system with a wish, then pushing the execution system to deliver the impossible.

Staggering Projects Accelerate Completion and Reduce Resource Contention

Project duration without planning



Project duration with aggressive estimates and resolving resource availability



5.0

THE THIRD SECRET: TEAMWORK AROUND PROJECT COMPLETION

CCPM provides simple and effective mechanisms for project teamwork and collaboration. While teambuilding and project management are more complex matters than limiting WIP, there is no doubt that these techniques can produce significant improvements in resource loading and throughput. Many practitioners of CCPM would state that the quality of work life for the project team has dramatically improved.

5.1 CCPM in teambuilding

Building a team to implement your plans is the most rewarding part of a project manager's work, but it's also the most difficult. This section discusses what we at Pinnacle call the 'Pit Crew' mentality, which is the ideal mindset for a CCPM team member. It begins by looking at three of the most important 'real world' personnel issues facing project managers.

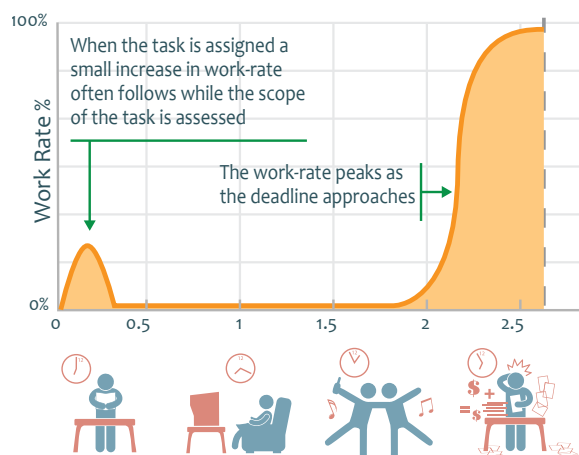
5.1.1 Real world #1: Human nature

The first challenge facing the CCPM project manager is presented by human nature. Stated bluntly: people tend to waste the safety margins that they build into their task estimates. There are a number of ways for them to do this. The basic mechanisms we've identified at Pinnacle Strategies are Student Syndrome, Parkinson's Law and multitasking.

Student syndrome

...is the simplest. A person in the grip of student syndrome will wait until the last possible minute before starting a task, and then discover that the job is much bigger than expected. Student

syndrome is clearly a rookie error, but it's also surprisingly common, especially in workplaces where priorities aren't clearly flagged.



Parkinson's law

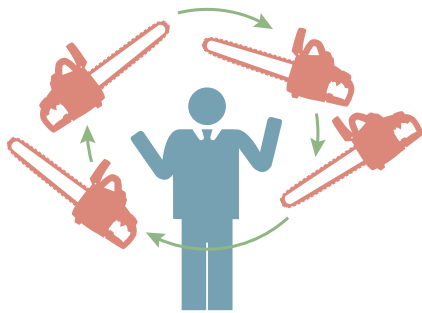
...is the downfall of more sophisticated types. It was first presented in a 1955 'Economist' article by C. Northcote Parkinson, and it states:

"WORK EXPANDS SO AS TO FILL THE TIME AVAILABLE FOR ITS COMPLETION."

In other words, if a person allows excess time for a project, they will tend to use it. So, if I give an inflated completion time for my task, I'm going to use up all that additional time in pointless attempts at making the deliverable better. Parkinson's Law is particularly applicable among software and design engineers.

Multitasking

...the third, of our unholy trinity, is also the most pernicious. We introduced the topic in 3.2, above, in the guise of 'resource contention', where we saw its large-scale implications for entire businesses. In this section, we'll look at its micro-scale implications for individual workers.



Let's consider the example of a project worker who has been assigned three tasks, each of ten days' duration. If he deals with his workload by alternating between those three tasks, a 15 day review will find no tasks done. Indeed, the first task - the one that was supposed to take ten days - will actually take 20. The second task, which will also take 20 days, will be completed five days late. Only the third task will be completed on time.

We saw previously that multitasking is inefficient. On a subjective level, multitasking causes people to burn out, or makes them feel sluggish and ineffective. The CCPM project methodology employed during project execution eliminates the practice nearly entirely.

5.1.2 Real world #2: Letting go of agendas

Project teams are often devoted to their individual agendas.

That's a polite way of putting it. Many project teams, especially those that have suffered through many of the conventional project management practices, are primarily focused on protecting their jobs. Most commonly, this behavior shows up as backward-looking, defensive accounts of work completed. Teams may devote hours of meeting time to justifying bad decisions, or defending over-optimistic task estimates.

The project manager has little chance of challenging a team which has 'dug in' in this fashion. The only alternative is to offer them a different way of doing things and hope that they will respond. That approach is the subject of the next section.



5.2 Building the CCPM team

At Pinnacle Strategies, we advise project managers to work towards building what we call the 'pit crew' mentality. The term is borrowed from grand prix racing. When a race car pulls into the pit, the pit crew doesn't stand around and argue about how badly the driver is performing. Instead, they work to get the car back on the track. In the same way, the focus of a project team should always be on keeping the project moving, not on apportioning blame or protesting innocence.

Another sporting metaphor is provided by the relay race. Imagine the tasks which constitute your project as the stages in a relay. When the resource responsible for stage #3 takes up the baton, they don't concern themselves with the performance of the stage #2 resource. Instead, they're looking to hand off the baton to the stage #4 crew as soon as they can, so that the project team can complete the race as fast as possible.

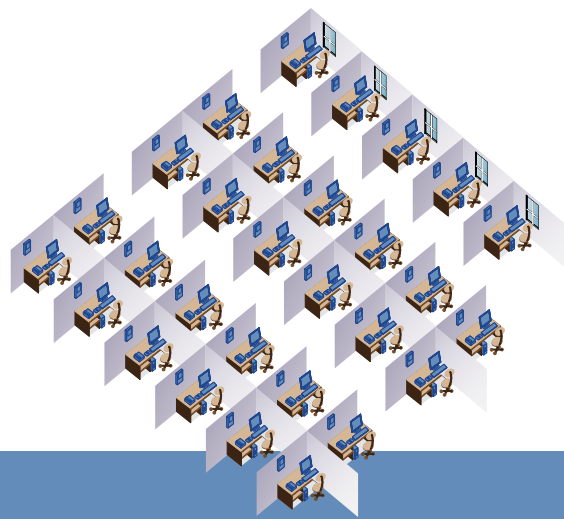
One great way to shift the focus of a team towards project completion and away from inflated task estimates is to eliminate any penalty for missing task estimates. If a resource underestimates his completion time and it appears that he will complete his task late,

resources assigned to later tasks can help in getting the project back on track. If the resource delivers five days late, the rest of the team must rally round to offer encouragement. ("How can we help you to hit your target next time?") Issue resolution and task completions become a collaborative team effort, rather than assigning blame. Given that kind of support, most people will let go of their natural defensiveness and shift to thinking about ways they can better contribute to project completion.

Another technique is to institute 'one day response'. If someone on the team asks for help, they should be able to expect an effective response within 24 hours. This is an opportunity to lead by example. If you make sure you respond to queries within one day, your team will start to do the same.

Teambuilding is a subtle process, and some managers spend a lifetime learning its intricacies. This short document provides scope only for a

couple of hints on the subject, but there can be no doubt that working in a CCPM environment is for most people a positive experience. Conversations are all about the future. The elimination of multitasking means that they can focus completely on the work in front of them. Improved throughput brings satisfaction, a productive feeling to the workspace, and, best of all, the elimination of 'blame culture' means that team members start to trust each other more.



THE CUBICLE FARM

One of Pinnacle's very first implementations was in an engineering company. It was a big, prestigious organization, and the engineers carried out their work in a standard-issue cubicle farm. And, when we arrived, it wasn't a happy farm.

Business consultants learn to read atmosphere, and the atmosphere in this particular workplace was terrible. The noise level was extremely high. There were phones going off all the time, and harassed-looking people were dashing up and down the walkways, their arms full of blueprints and documents. If you looked in the cubicles, you'd often see these little huddles of engineers gathered around monitors, pointing at the screen with pens and talking through gritted teeth. Or you'd see a cubicle that had been made over into a meeting room, with five or ten guys squeezed around a stacking table, all holding coffee in styrofoam cups, while two or three managers shouted at each other.

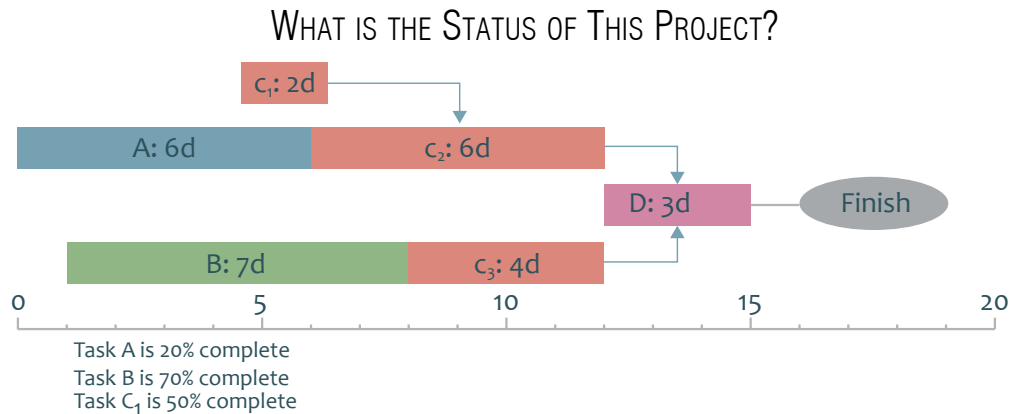
After we'd rolled out the implementation, the difference when you walked in was astonishing. The noise level had dropped about 80%. You didn't hear a phone, and you couldn't see any activity at all - unless you looked in one of the cubes. Then you'd see someone completely focused on their CAD-CAM program or checking blueprints in dead silence.

The engineers were doing actual engineering.

Later I did some face-to-face interviews with the cubicle workers, and they all told me the same story. Stress levels were way down. They were much happier, and more work was being accomplished.

5.3 Choosing appropriate metrics to drive project completion

The project manager's focus during execution results in a single question that dominates the team's agenda: **"When will the project be complete?"**



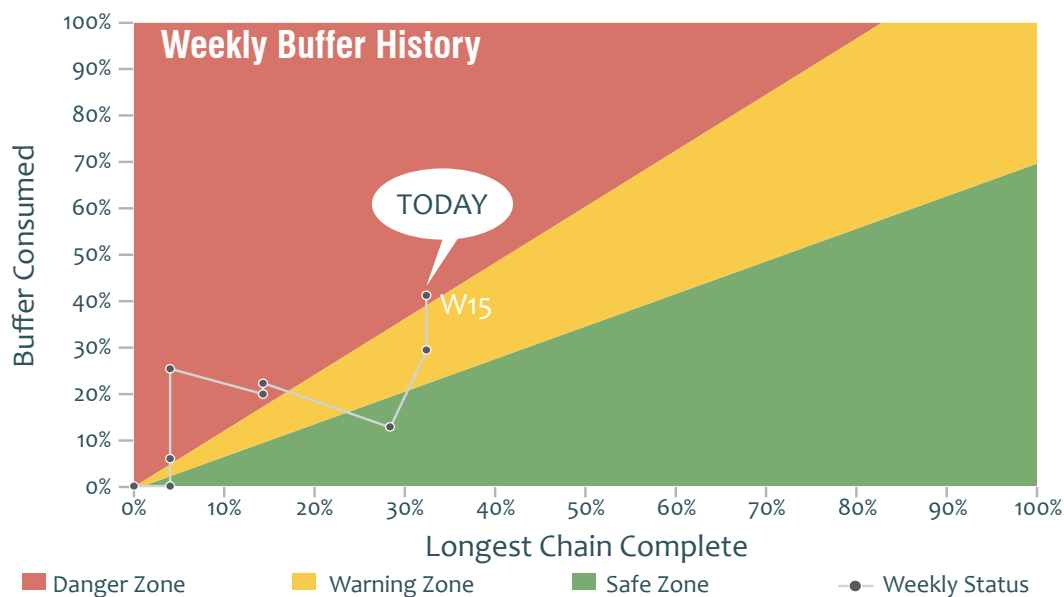
To illustrate the difficulty of answering this question precisely, study the gantt chart above. There are two possible answers to the question. Based on the information presented, the project could be 25% percent or 8% percent complete.

As the example shows, that question can be hard to answer - at least, in the terms of conventional project management metrics. Fortunately, CCPM has its own distinctive metric, the Buffer Burn Ratio (BBR), which provides a clear and unambiguous measure of project schedule status¹.

The BBR is a quick and effective measure for answering the question of when the project will be completed. However, rather than provide an explicit date, it provides a measure of probability

of completing on time. Those tasks that are causing an increase of the probability to finish late are given a higher priority. This schedule risk indicator drives all task priorities, and can be used by management and staff at all levels without requiring sophisticated statistical analysis.

The BBR is a quick and effective measure for identifying work priorities, and can be used by management and staff at all levels without requiring sophisticated statistical analysis.



¹ The answer to the question is 8%, as the critical path of A, C₂, & D indicate a project duration of 15 days. Only task A is on the critical path; it is 20% completed (1.2 days). 1.2 days divided by 15 days is 0.08, or 8% completed.

6.0

ESTABLISHING CCPM IN YOUR BUSINESS

SECTIONS 3, 4 AND 5 INTRODUCED PINNACLE'S THREE SECRETS OF PROJECT MANAGEMENT. THESE LOOKED AT CRITICAL CHAIN PROJECT MANAGEMENT FROM THE PERSPECTIVE OF THE PROJECT MANAGER AND THE PROJECT TEAM. IN THIS SECTION, WE'LL LOOK AT CCPM FROM THE PERSPECTIVE OF AN ENTIRE ORGANIZATION. IN PARTICULAR, WE'LL CONSIDER SOME OF THE ISSUES THAT CAN ARISE IN GETTING YOUR BUSINESS TO 'BUY IN' TO CCPM - AND HOW YOU CAN BEGIN TO IMPLEMENT CCPM EVEN BEFORE YOU'VE GOT BUY-IN.

6.1 Objections to CCPM

When you're trying to institute a new project management system, you are bound to come up against objections. This section lists some of the most familiar ones.

"It isn't appropriate for our corporate culture."

Many people cling to an existing company ethos, even if it's outdated and ineffective. Our experience has been that, if the need is big enough (especially if the pain is great enough) the desire will be great enough, culture will not be an obstacle. If a company needs the change, it will make the change.

"It will take away people's jobs."

As we've seen, CCPM will bring productivity improvements. A common concern is that this will lead to a reduction in personnel, but our experience has been the opposite. Extra capacity means more projects. No one gets fired, and throughput and profitability increases.

People may find themselves working on projects they'd never have expected to get involved in, but they normally enjoy the experience.

"It's too difficult."

From a technical standpoint, CCPM is simple to understand and to implement. Getting buy-in on process change may be difficult, but that will be true of any new work practices or process change. CCPM has the advantage of proven effectiveness across a wide spectrum of project types.

"You need a massive spend on software"

Our experience has been that CCPM and its principles can be applied using very basic or even no software tools. Some of the project management suites allow you to buy the critical chain module as a standalone for US\$500. A bigger spend may be desirable depending on the results the organizations requires, but it's not absolutely necessary.

6.2 Eight steps to implementation

Assuming that you've committed to transforming your project management practices, here are the eight steps that you will need to complete a successful implementation.

One Management consensus on the business need

For a full-scale implementation, management buy-in is essential (but see 6.3, below). Generally speaking, the attention of senior management will be captured quickly by declining productivity and customer satisfaction...

Two Buy-in on improvement potential

..but a positive story is more likely to gain their long-term support. Fortunately, CCPM has been shown to consistently deliver greater than 40% reduction in lead times and to double project output and productivity.

Three Set ambitious targets

To capture the imagination of team, aim high. CCPM has been demonstrated to double the productivity and out. If you aim high, you'll achieve high.

Four Design the solution

Think through every aspect of CCPM, from senior management down to intern levels. How can you ensure that the new system has positive effects at all levels?

Five Create the project portfolio plan

Focus on the management mechanisms for all the projects first. Engage the decision makers and rethink your entire project workflow on CCPM principles...

Six Task management processes

...then move on to the micro-scale nuts and bolts that manage the day-to-day activities of the resources that accomplish the work of the project.

Seven Establish supporting processes

Look to the non-project business processes. Create alignment with the supporting organizations. For example, is the supply chain in line with the new thinking you've created?

Eight What can I do now?

Successful rollout? Great, but think about ways to make it even better. (Don't give up while you're ahead.)

6.3 Guerilla CCPM

So, what if you can't sell CCPM to your senior management? This is not an excuse for waiting. Successful project execution is the result of multiple elements; many can be implemented today.

Reduce WIP

Reduce the number of projects you're working on. Identify the five lowest priority projects, take them out of the system (stop work for a time), and reallocate the resources to the highest priority projects. You'll see an immediate improvement in performance on the remaining projects, at no extra cost. (There may be some debate about the order of priority, but that's healthy.) The projects you have chosen will complete faster and then you can add the highest priority of the remaining projects back in.

Reduce Multitasking

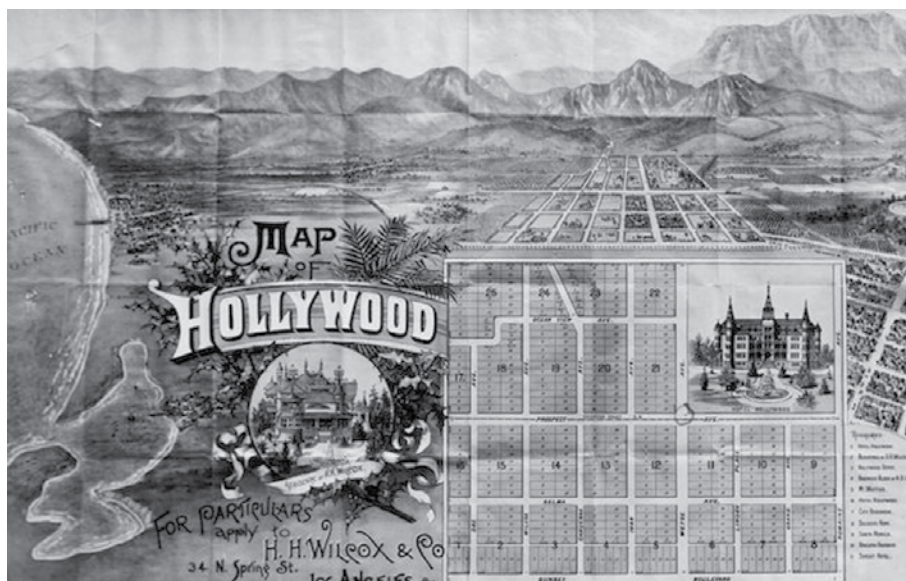
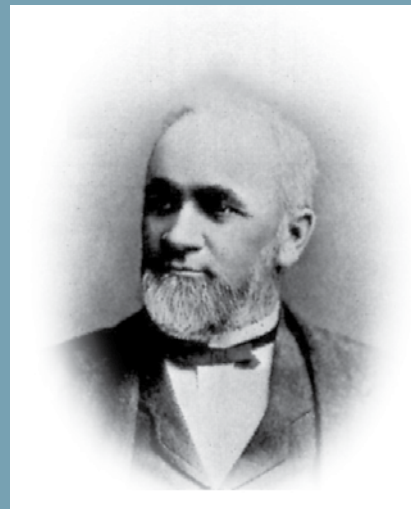
Limiting the work will go a long way to reducing multitasking, but the next step is implement a "clean start" rule. Don't start ANY task unless it can be taken to completion. To implement properly may require some focused attention, but the rewards are well worth it. A successful implementation of this principle means no more stop and start on project tasks producing a significant improvement in productivity and completion speed. In addition, task rework is reduced, as tasks are not started until all information is available, eliminating rework from "new information".

Focus on the CCR

As we pointed out earlier, the rate of project completion is the result of only one or two resource constraints. They're not hard to find. Concentrate your process improvement on these resources; offload the non-essential work, focus on clean start, and manage the workload priorities. This results an immediate increase in project output.

THE STORY OF HORACE WILCOX

Horace Wilcox was a project manager. He started a project with his wife, Daeida, in 1887. Horace and Daeida were supporters of the temperance movement and they owned a big area of farmland. Their project was to create a city which would be a model of morality, law and order. Horace parceled up some of his land and began development, selling off homes to incomers. For a while, it looked like the project would actually work; there were no guns and the people left their doors unlocked at night. The new city had no jail or police department; it didn't need them. But somewhere along the way, the project went astray. Today, that city that the Wilcoxes founded, that bastion of morality, temperance, law and order, is known to all of us as... Hollywood.



Drawing of the first map of Hollywood, issued by real estate agent H.H. Wilcox in 1887. Image via Los Angeles Public Library Photo Collection.

6.4 ...so, what are you managing?

In this brief document, we've introduced the principles of CCPM, and shown how implementing them will improve your organization's productivity.

But the story of Horace Wilcox throws up some important questions. What are we building? Is it consistent with what we initially set out to build? There's no shortage of planning and projects in the world - the phrase 'strategic planning' has to be one of the most overused in commerce - but, all too often, those projects fail to deliver the desired results.

By applying the strategies from this document, you can make your projects more effective, and you can build a better environment for yourselves, for your organization, and for the other people who work within it.

We have a methodology that has been proven to bring success. We should accept nothing less.

Critical Chain Project Management

Pinnacle Strategies

<http://pinnacle-strategies.com>



Critical Chain Project Management (CCPM) is a part of our overall approach to improving project management processes. We call that approach **ViewPoint**.

ViewPoint is a project and portfolio management methodology that simplifies managing projects, enabling project teams to rapidly improve project performance.

ViewPoint is not simply an improvement to good project management; it's a shift towards a formalized execution methodology. It addresses the root causes of poor project management performance and produces rapid improvements to the performance of your project management system. Output increases, productivity rises, rework declines, and the people are happier.

To learn more, contact us for a briefing and we can explore how we can help you deliver more projects reliably, right now.

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