

***8 How to Assess a Project in Five Minutes
Version 2***

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Introduction

What's this Guide about?

This Guide shows you how to assess a project very quickly. You can use it in situations like the following:

- You are asked to take over a project that is already running.
- You are asked to assess a project.
- Somebody who reports to you is running a project – how do you know if the project is in good shape?
- A sub-contractor does a presentation of their project plan. How do you know whether it is a good plan or not?

How is the Guide structured?

Section 1 of the Guide describes the Probability of Success Indicator, the tool we will use for assessing the project.

Section 2 describes how to calculate a project's PSI.

Section 3 explains how to interpret PSI scores.

Section 4 gives an example of the use of the PSI to assess a project.

A Reference section at the end of the Guide gives you sources of further information.

1 The Project Probability of Success Indicator (PSI)

1.1 What is it?

The Probability of Success Indicator (PSI) is a measurement you can take at any point in a project's life and it tells you how likely or not the project is to succeed.

- If used at the beginning of a project, it becomes a practical approach / checklist to gauge the probability of success before a project begins. Thus, it can stop turkey projects from getting off the ground.
- At any time, it will tell you if a project is viable or not, and identify the warning signs that the project is destined to fail.

1.1 How is it measured?

The PSI is measured by rating the project against the following criteria:

Criterion	Available score
1. How well-defined or not is the goal	20
2. Is there a final, definitive detailed list of jobs where every job has been broken down to the 1-5 day level of detail?	20
3. Does the project have somebody who, day-to-day, shepherds all of the jobs forward?	10
4. Are there people to do all of the jobs identified in 2? Do those people have enough time availability to devote to the project?	10
5. Is there contingency in the plan?	5
6. Has an up-to-date risk analysis been done and are the jobs to reduce those risks part of the project plan?	5
7. How much does the project manager vary their management style with the circumstances, micro-managing where necessary and hands-off in other situations ?	10
8. Is the project tracked on a regular basis? Never = 0; Daily = 10	10
9. Is there weekly <i>meaningful</i> status reporting?	10
Total	100

2 How to calculate the PSI

1: This is a measure of how well-defined the goal is. The acid test here is that if you were to ask each stakeholder what the goal of the project is, and if each were to give you almost exactly the same reply, then the goal is well-defined. Otherwise it is not. You only get a 20 when the project is complete because only then do you know exactly what was achieved. A project which is at a very early stage and where the goal has yet to be nailed down, would score low. A project where the goal had been reasonably well clarified, but agreement is still needed from some of the stakeholders would get a medium / in-the-middle sort of score. Pick a number between 0 and 20.

2: This is a measure of how complete the list of jobs is. Zero is no list. You might get 2 or 3 for a high level Work Breakdown Structure. You only get 20 when the project completes because only then do you know exactly what the list of jobs was. Pick a number between 0 and 20. If the goal (Step 1) scores low, then this will score low, since – if you won't know what you're trying to do, how could you have a list of jobs to do it?

3: If the leader can be named and that person has adequate time available to run the project, then give 10, otherwise give 0.

4: If there aren't any / enough people to do the work, score this 0 or low. Also take into account that this step should be in the same proportion as Step 2 e.g. a 14/20 for Step 2 would give at most a 7/10 for Step 4.

5: Allocate the 10 in two 5's. The first 5 is for contingency. The more contingency, the higher the score out of 5.

6: The second 5 is for how well or badly the risk reducing activities have been identified and are being carried out. For a project with lots of level 6 and level 9 risks (i.e. a high-risk project) score low; for projects with few 9's and 6's (i.e. a low-risk project), score high.

7: Pick a number between 0 and 10 based on how well the project manager varies her management style with the circumstances.

8: Pick a number between 0 and 10 based on how well the project manager uses the plan to steer the project. If the plan was thrown away as soon as the project was given the green light, score 0.

9: Pick a number between 0 and 10 based upon the regularity and adequacy of status reports.

3 How to interpret PSI's

(1) If the goal isn't right, nothing will be right

If the goal isn't right, you miss one of the two opportunities to get a high score, but notice now, how it all unravels. If you don't know what you're trying to do, creating a list of jobs to do it is impossible. (So too, it's worth noting, is setting the expectations of the stakeholders. If you don't know what you're trying to do, how could you set them? What will happen then is that everyone will set his or her own expectations.) Thus the list is flawed resulting in missing the other opportunity to get a high score. If the list is flawed then trailbossing (3) it is impossible, as is assigning people to the jobs (4). Contingency (5) and risk analysis (6) will have no meaning. 7 and 8 both require the job list and so a flawed job list causes these to fall apart as well.

(2) 60 is an important threshold

A PSI should start off low and rise steadily over the life of the project. Initially projects may not score more than 60, and this can just mean that there is more work to be done in terms of scoping the project (1) and planning it (2 through 6). However, a project should quickly go above 60 and stay above it. (Notice that the latter isn't guaranteed, and a project can drop back again. This could happen, for example, if a major change to the scope of the project, went uncontrolled.)

(3) Low scores always point you at the priority problem areas.

Which is nice, I think you'll agree.

(4) You can do anything you like on a poorly planned project and it won't make the blindest bit of difference.

You may have heard of Brooks' Law [1] – 'Adding people to a late project makes it later.' I believe that the above statement - 'you can do anything you like ...' - can be viewed as a generalization of Brooks' Law. It basically says that if your project gets into difficulties, go back and look at the plan; don't just, for example, blindly ask everyone to work harder. The problem is in the plan, not in the execution of the plan.

4 Example of assessing a PSI

The following is based on a real project. Suppose you were faced with this problem: A project which is scheduled to take 17 months has been running for 11. There are about 250 people working on it. The project is very significant to the organisation and so a very senior person has been given the job of running it. There is lots of activity on the project. People are working long hours. Is the project in good shape or not?

Using your PSI checklist to guide you in your investigation you uncover the status given in column three of the following table (page 8). You then score the project as described in column four.

Criterion	Available score	Status	Actual score
1. How well-defined or not is the goal	20	Specifications for much of the project still don't exist even though the project is due to end in 6 months	Based on the proportion of specifications completed to those still not done, you score the project 14
2. Is there a final, definitive detailed list of jobs where every job has been broken down to the 1-5 day level of detail?	20	Some parts of the project have plans, some parts have no plans. The bits that haven't been specified have no plans	Since only 70% (14/20) of the project is defined, this is the most that this could score. A 70% would be possible if all of the bits of the project that were specified had plans. However, some don't. Score this 10
3. Does the project have somebody who, day-to-day, shepherds all of the jobs forward?	10	The very senior person still has all their other responsibilities, so they don't give anywhere near enough time to devote to a project of this magnitude. In addition, they see the day-to-day shepherding of the project as work that is really below them	This project doesn't have a leader. It has somebody with the title but nobody doing the job. Score 0
4. Are there people to do all of the jobs identified in 2? Do those people have enough time availability to devote to the project?	10	See 2	Since only 50% (10/20) of the jobs are identified, this could score no more than 50%. Give it 5
5. Is there contingency in the plan?	5	No.	Score 0
6. Has an up-to-date risk analysis been done and are the jobs to reduce those risks part of the project plan?	5	No	Score 0
7. How much does the project manager vary their management style with the circumstances, micro-managing where necessary and hands-off in other situations ?	10	See 3	Score 0
8. Is the project tracked on	10	See 3	Score 0

a regular basis? Never = 0; Daily = 10			
9. Is there weekly <i>meaningful</i> status reporting?	10	See 2, 3 and 8	Since there is no proper plan, status reporting has no meaning. Score 0
Total	100		29

Conclusion?

The project is two-thirds of the way through its planned life and yet its PSI is well below 60. The project is in disastrous shape and is going nowhere. It has no chance of succeeding in its current form and will seriously overshoot its budget and its deadline.

To rescue this project, the following need to be done in the order indicated:

1. Re-plan the project. (By including contingency in the plan and doing a risk analysis, scores 5 and 6 will both climb.)
2. Use the plan to reset the expectations of the stakeholders. (This will not be a pleasant exercise.)
3. Complete the specifications. This will cause the 14/20 score to climb.
4. With the goal specified it will be possible to finalise the detailed list of jobs (causing the 10/20 to climb)
5. Now people will be working on the right things and everything else should start falling into place.

References

- [1] Brooks, F.P. (1995), *The Mythical Man-Month*, Addison Wesley Longman.

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