

In the Belly of the Beast - Why Projects Succeed

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This column's focus on trends and opportunities underscores that, as an industry, we are facing a wide array of opportunities and challenges.

During my twenty plus years in the belly of America's healthcare system, I've learned what it takes to execute on an opportunity. From building a new business unit to enterprise-wide large system and process change, I have seen firsthand the impact projects have on organizations.

The difference I am seeing today is volume and velocity. Our industry has kicked into overdrive. So before launching into the next game changer, let's get grounded in what it takes to successfully execute on one of these opportunities.

Roger Kastner, one of Slalom Consulting's leaders in Project Management, writes a blog series and teaches a course entitled "Why Projects Succeed" based on years of experience leading major projects and working with leaders across a wide variety of industries, including healthcare.

Darryl Price: Roger, why do some projects succeed? Are there consistent success factors?

Roger Kastner: Every project is different, but time and time again, I find Executive Sponsorship, Project Leadership and Organizational Change Management are the top three success factors. With those three highly functioning together, the likelihood of success increases dramatically.

DP: Roger, we've all heard these

words before. It's obvious these are not just words to you. What do they mean and why is Executive Sponsorship at the top of your list?

RK: Sure, they appear to be pretty simple, but common sense is not common practice. I advocate that leaders create and make visible a list of success factors tailored to their projects and environment, and start with these three which I've found to be the most important.

Strategically, Executive Sponsorship is at the top because it drives all project actions, decisions and outcomes. Sponsors articulate the vision, define clear objectives, and establish a culture of accountability. Their vision inspires and connects people to the work. Their objectives inform the decisions and define progress. And a culture of accountability enables a higher level of execution.

Tactically, Sponsors actively engage stakeholders, stay on top of project progress and challenges, and remove barriers that threaten success.

DP: How do you contrast that with

“Project Leadership”?

RK: Project Leadership is project management on steroids. It sets, manages and delivers on expectations by focusing on the project’s return on investment. Organizations only invest resources in a project based on the expectation of a certain return, right?

Project Leadership ensures that these expectations are appropriately set through clear requirements gathering and risk management, tightly managed through proactive issue management and thorough change control, and accurately delivered by ensuring expectations are met and approved by sponsors. Lastly, Project Leadership fosters the behaviors that drive the culture of accountability that the Sponsor creates.

DP: OK, so I now know where I’m going, how success will be measured, and I have resources to manage the project’s challenges. Explain Organizational Change Management (OCM) and why is it so important to project success?

RK: OCM focuses on aligning people with the vision and engaging them in the solution in order to embrace adoption. Without adoption, a project cannot successfully achieve its objectives. Regardless of how well the project’s scope, sched-

ule, or budget is delivered, without the users adopting the solution, the project fails.

OCM engages stakeholders throughout the project lifecycle, involving them not only in the roll-out but also in the design and build phases, creating advocates for the change along the way.

Finally, OCM identifies where resistance in the organization exists and provides strategies to help users through the transition.

DP: How can these three success factors support healthcare transformation?

RK: Large, transformative healthcare projects have very similar success factors as their smaller counterparts. Managing expectations of scope, schedule, and budget are a challenge regardless if you are building a fence, a 787, or a new claims system. Though every environment will have some variances, the top three factors should undoubtedly remain the same.

DP: Any last bit of advice of the leaders of Healthcare transformation initiatives?

RK: Yeah, eat your Wheaties. A 2009 Standish Group study illustrated that only 32% of IT projects

are successful as measured against their original scope, schedule, and budget. Not great numbers. Developing and using a highly visible and actionable checklist of project success factors, starting with the three I’ve outlined here, plus hard work can propel your project towards that 32% success category.

As you wrap up 2011 and prepare for a successful 2012, have a safe, healthy holidays. Thanks for all your work, you make it better.

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Roger Kastner’s “Why Projects Succeed” is available by going to <http://blog.slalom.com> and click on Roger’s blog series. Roger can be reached at rogerk@Slalom.com.

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