Driving High-Impact IT Projects with Diminished Budgets

Carlos Alves
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Continuous improvement in any market is the life-blood of a successful organization – improving processes and increasing efficiencies are even more important if the economy is in recession.

Recent developments in financial markets have many organizations tightening their belts.

However, not too long ago, organizations were forecasting an increase in their IT budgets for next year. Last year, in June, the Society of Information management polled 300 IT executives about their plans for IT spending in 2009; and found that 44% were planning for bigger budgets and 43% were planning to increase staffing.

Fast forward a few months, after the failure of the financial markets all over the world and a new attitude has emerged, more than half of those polled executives have put nonessential projects on hold and about one-fourth have decided to freeze IT hiring and were re-evaluating their IT budgets.

Hibernation time?

There are many organizations that are getting ready for hibernation. They're already resigned themselves to crawl into a cave and wait things out.

Organizations may need to reevaluate the way they do business in today's market, but there's no reason to hide and let potential profits evaporate like snow in spring.

When profits are down and there is no money, you have to innovate to stay in business!!!

Project managers challenged by shrinking budgets can still drive high performance projects. Even in a down economy, there will be organizations that view the current economic situation as an opportunity, and find innovative ways to increase market share and expand profits.

Will your organization be one of them, and what can you do to make the most of any economy, especially in a market in decline?

Increasing productivity and Reducing Costs

Many managers are making the call for their employees to do more with less, but there is a fine line between increasing productivity, and expecting your people to work harder, work longer, and earn less." Doing more with less is a dangerous standard for CIOs to live by", because it almost guarantees that your CFO will ratchet it to 'do more with less and less'. And doing more with less will pave a sure road to a future infrastructure that does less with more.

Yet increasing productivity and reducing costs is critical in today's economy. How can organizations maximize their capabilities without doing irreparable damage to their resource infrastructure?

Here are 3 key ways that will help organizations maximize resources and increase profitability without crossing the line:

1. Make sure your organization has access to accurate information.
2. Focus on bottom-line activities
3. Make the organization's vision accessible to everyone

Accurate Information

Any company can keep people busy – focusing on the initiatives that best aligns with corporate strategic and financial goals allow organizations to cut through the clutter of project requests and zero-in on those that provide the most value to their organizations. Choosing the right projects to work on can make the difference between a successful organization and a losing one.

Poor decisions lead to bad investments, or an abundance of activity in one area at the expense of missing opportunities in another.

Access to accurate and up-to-date information allows executives to make intelligent and informed decisions. Having said that, executives need project management software that gives them visibility into project data that is updated instantaneously. Every time a project team member updates task status, i.e. wouldn't it be valuable to know a project is struggling before it's too late to do anything about it? Automatically calculated completion dates allow PMs to evaluate current projects with

timely data thus ensuring that current projects are providing real value and not sapping resources that could be better utilized elsewhere.

Dashboards are of no value if the information is out of date. Decision makers need to know that the actions taking place on the project floor right now are reflected in the information they are currently evaluating. Dependence on someone manually creating a report means that PMs are using out-of-date and inaccurate information to make critical decisions.
Projections, dashboards and reports that include accurate and up-to-date information, help managers to keep project on track and organizations to maximize their resources.

An effective project management solution needs to address the differing needs of everyone involved in the project management process. Project teams need a software tool that makes it easy for them to manage tasks and update status. Forcing teams on the project floor to jump through hoops guarantees that managers won't have the accurate information they need. Making it easy for individual team members to manage tasks and update status ensures that managers have up-to-date project information and allows employees to focus on the tasks that provide the most value, without getting bogged down in project management methodologies.

Focus on Bottom-Line Activities to Reduce Costs

Creating a more productive environment that focuses on bottom-line activities doesn't require an ax when a scalpel will do.
Small changes in productivity can have major impact on returns.
Example: the simple step of eliminating one unnecessary meeting a week can save companies thousands of euros each year. In fact, eliminating only one, hour-long, project status meeting every week could save companies around €1,200 a year per attending employee (calculation based on an average salary of €50,000 a year.) When everyone in an organization can make small changes to increase productivity, the total gain can be exponentially greater than the sum of the parts. The question then becomes, how do organizations realize these kinds of small, incremental, productivity improvements?

A centralized location for managing tasks, documents, communication and other project information fosters a culture of collaboration and team input into the project management process, which is critical for project

success. Those companies that nurture easy communication and interaction throughout the workforce find they are more efficient and able to build additional capacity without increasing resources.

A collaborative project, management software tool allows organizations to eliminate unnecessary status meetings because their project status is updated in real time, thus allowing individual project team members to do what they are really expected to do, i.e. get work done.

The most conductive time to consider whether or not a particular project meets with the organizational goals is before it's even started. An effective project management tool will allow organizations to do more than simply manage multiple projects. It will provide a means for establishing and evaluating projects with a pre-determined metric. This allows companies to appraise the potential value of any project, including current ones, against a standard to determine if they meet the goals, or if they should be abandoned to pursue more profitable initiatives.

Creating a formalized approval process also protects organizations from spending valuable resources on projects of marginal value. In a perfect world every project plan would be executed flawlessly and every organization would know well in advance of any potential projects that might affect a company's project portfolio. Unfortunately, most managers neither live in a perfect world nor have clairvoyance enough to anticipate every organizational need before it becomes an emergency. Business leaders need tools that allow them to evaluate the impact of an emergency project and make the appropriate adaptations to the project mix to accommodate it without negatively impacting efficiency or profitability.

Complete Project Visibility makes the Vision Accessible to Everyone

Access to dashboards and custom reports make it easy for managers to have visibility into every project. This kind of visibility makes it possible for project teams to have complete project accountability from start to

finish. The right project tool gives managers and project teams nowhere to hide.

An established and public method for evaluating projects based upon merit allows everyone in the organization to focus on efficiency and

profitability. Providing project teams with easy-to-use collaboration tools allows everyone involved in every project to contribute to making projects more efficient and maximizing resources.

Organizations that critically evaluate and learn from every project are better able to maximize their resources than those that don't. Project teams need to share knowledge at the beginning of every project and lessons learned should be captured when they occur, not later.

On a closing note, transferring knowledge from one project to another can offer enormous benefits. Companies are looking at their business-technology leaders not only to help them do more but also to do more of the right things – often with less: fewer people, less spending, less time and less margin for error.