Project Governance

Project Governance Elements for Success

Introduction

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Project Governance Objectives

- Challenges facing managers and stakeholders

- An understanding of how to address those challenges

- Best governance practices to achieve success

Project Governance Key Concept

What is the goal of business?

The goal of any business is to make money.

Project Governance Key Concept

- **What is more important to business?**
  - **Money paid today?**
  - **Money paid at a later date?**

Project Governance
Why Projects Fail

Why Do Most Projects Fail

Cause	Percentage
Poor Communications	~28%
Insufficient Resource Planning	~18%
Unrealistic Schedules	~13%
Poor Project Requirements	~10%
Lack of Stakeholder Buy-In	~8%
Undefined Project Closure Criteria	~5%
Unrealistic Budgets	~4.5%
Insufficient/No Risk Planning	~4%
Lack of Change Control Process	~3.5%

Project Governance
Why Projects Fail

Stakeholder perspective

61% OF PROJECTS TAKE LONGER THAN EXPECTED

57% OF PROJECTS ARE NOT CONSIDERED A SUCCESS

43% OF PROJECTS EXCEED THE ESTABLISHED BUDGET

Governance

- Exercise of authority; control
- A method or system of government or management

Business (Corporate) Governance

- The system of rules, policies, controls, practices, & processes by which a company is managed and controlled
- Corporate governance essentially involves balancing the interests of a company's many stakeholders & *encompasses every sphere of management*
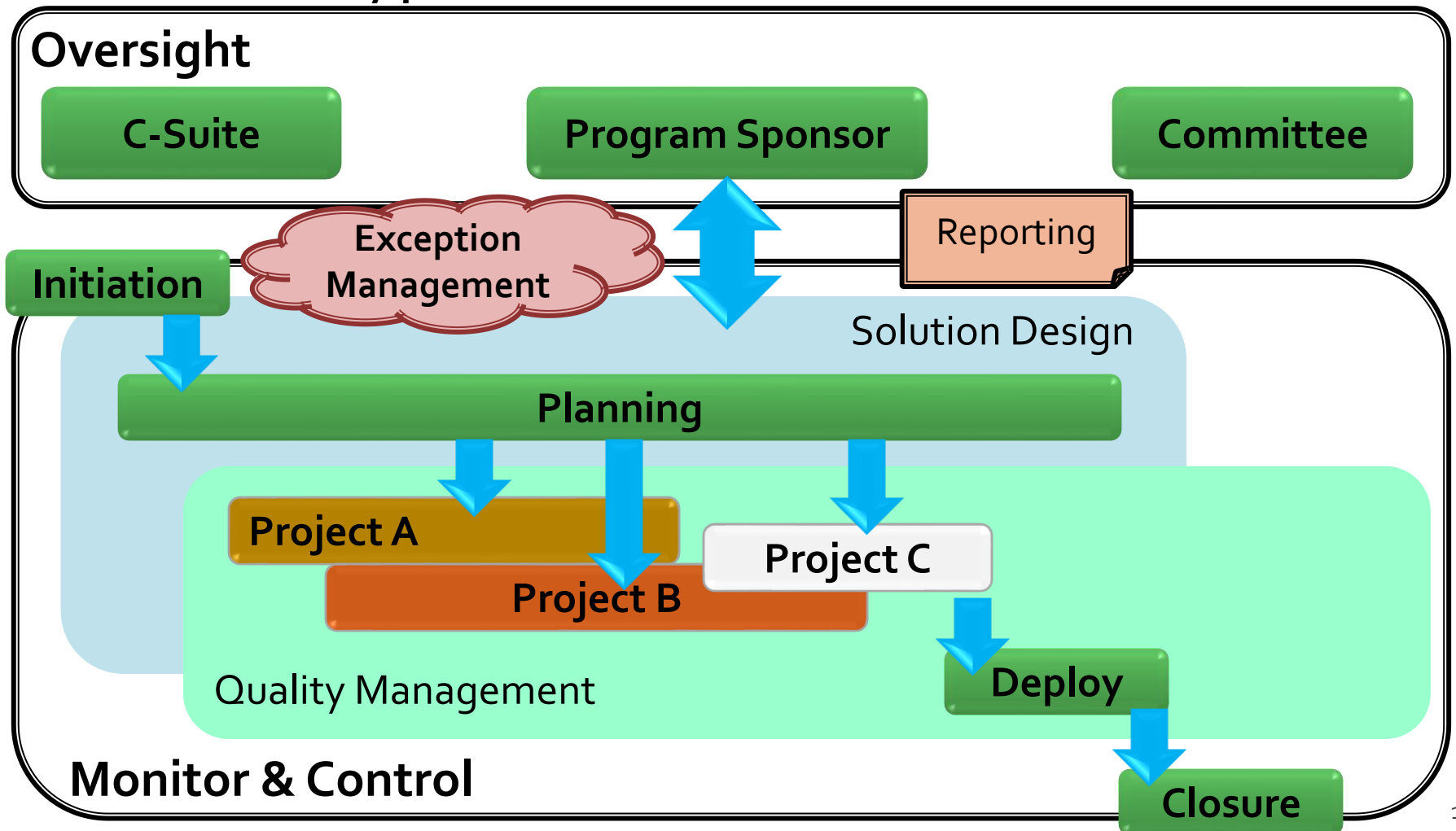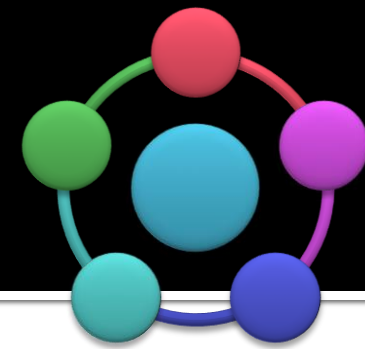
Project Governance

- Oversight function that is aligned with the organization's governance model and encompasses the project life cycle (*PMBOK® Guide)*
- It is the framework that controls the conception and execution of project(s)

Project Governance Challenges

Typical Governance Structure

Oversight

- C-Suite
- Program Sponsor
- Committee

Exception Management

Reporting

Initiation

Solution Design

Planning

Project A

Project B

Project C

Quality Management

Deploy

Closure

Monitor & Control

Project Governance Best Practices

1. Define the Governance Model

Determine the type and size of the governance model

- Scope
- Timeline
- Complexity
- One time project or Organizational Model

- Risk
- Stakeholders
- Organizational value

Project Governance Best Practices

2. Accountability & Responsibilities

- Who is accountable?

- Who is responsible?

- Can the scope or budget be changed?

Project Governance Best Practices

3. Stakeholder Engagement

- Identify ALL of the stakeholders
- Think outside the box
- Go beyond traditional boundaries
- What is the REAL goal of the project?

Project Governance Best Practices

4. Stakeholder Communication

- Communicate using the medium embraced by your stakeholders
- Tailor your message based upon your stakeholders' preferences

Project Governance Best Practices

5. Risk & Issue Management

- Identify
- Analyze
- Plan
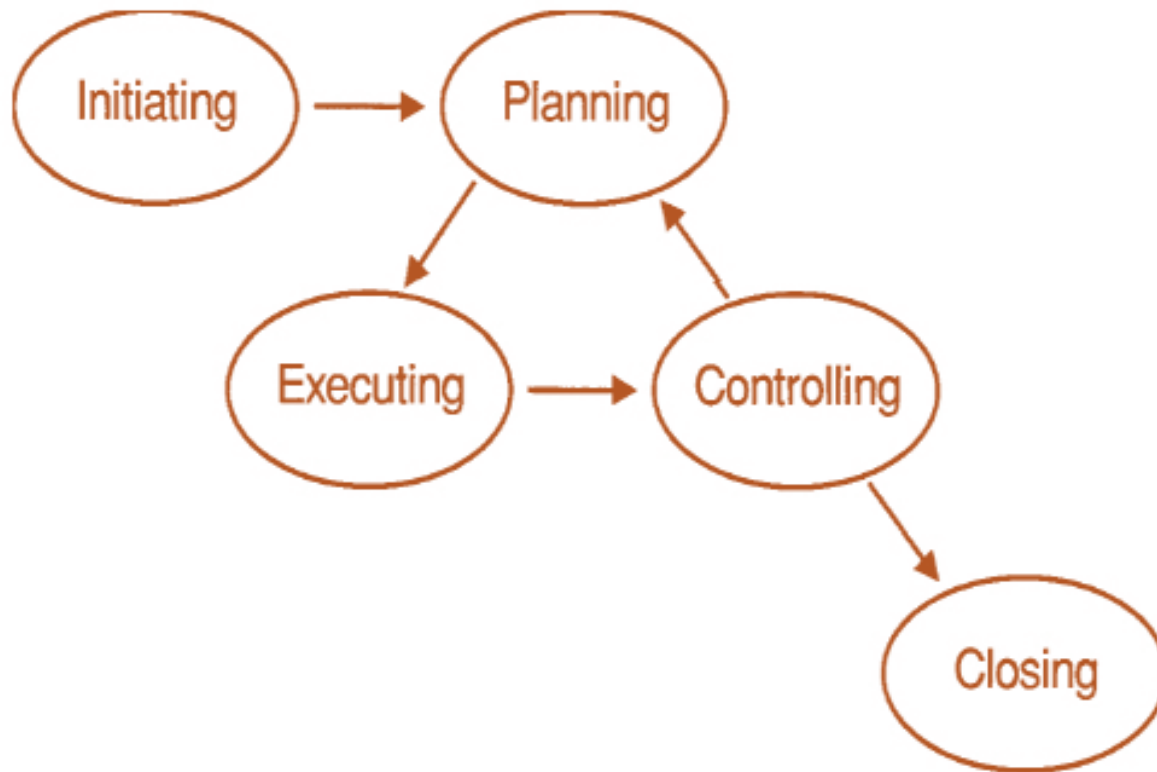- Execute
- Verify

Project Governance Best Practices

6. Assurance

- Meaningful metrics (not a one-size-fits-most approach)

- What metrics or other assurances do the stakeholders want to see?

Project Governance Best Practices

7. PM Control Process

Project Governance Best Practices

8. Feedback

- Actively seek

- Prioritize

- Focus on the expected value based on the views of your stakeholders

Project Governance
Closing Thoughts

- What is the goal of business?

- Project governance should support the different goals of your stakeholders

Project Governance

End of Presentation