MANTRAX
MANAGEMENT CONSULTING

7 REASONS WHY
TRANSFORMATION PROJECTS STRUGGLE TO DELIVER ON TIME

By Chinkal Patel & Devon Chen

AN INTRODUCTION

Business and digital transformations accelerate change and can have profound effects on an organization's success. These transformations vary widely, from the adoption of digital technologies, integrations of partnerships, restructuring, to profitability improvement initiatives, and typically require the engagement of companywide stakeholders to execute.

Meaningful transformations require diligent planning and proper execution to achieve their intended outcomes. Results can vary wildly based on the context and the strength of project execution. In small to midsize organizations, strategic initiatives can exhaust resources and run extensively past deadlines.

There are many reasons why small to medium sized companies often fail to deliver transformational projects successfully. Below are the top Seven Reasons we have consolidated from supporting 50+ projects. Our projects ranged from new product and process implementation, joint venture integration, digital transformations, profitability and analytics programs to reorganization.

#1

Mistaking Activity for Progress.

Often, the volume of activity, task updates, or meetings that provide progress reports are mistaken as results. Inaccurate representation of on-track project schedules or getting lost in tracking hundreds of tasks or subtasks are also common pitfalls.

The volume of activities, task updates, or meetings do not equate to meaningful progress on project execution. Often, without proper metrics or expectation vs. accountability setting, there is more noise than real intel from progress update activities. When done inappropriately, project updates can (and will) take away time and resources to actually complete the real work. Setting tangible metrics or indicators of project progress clears out the noise and provides meaningful tracking and understanding of health and progress in execution.
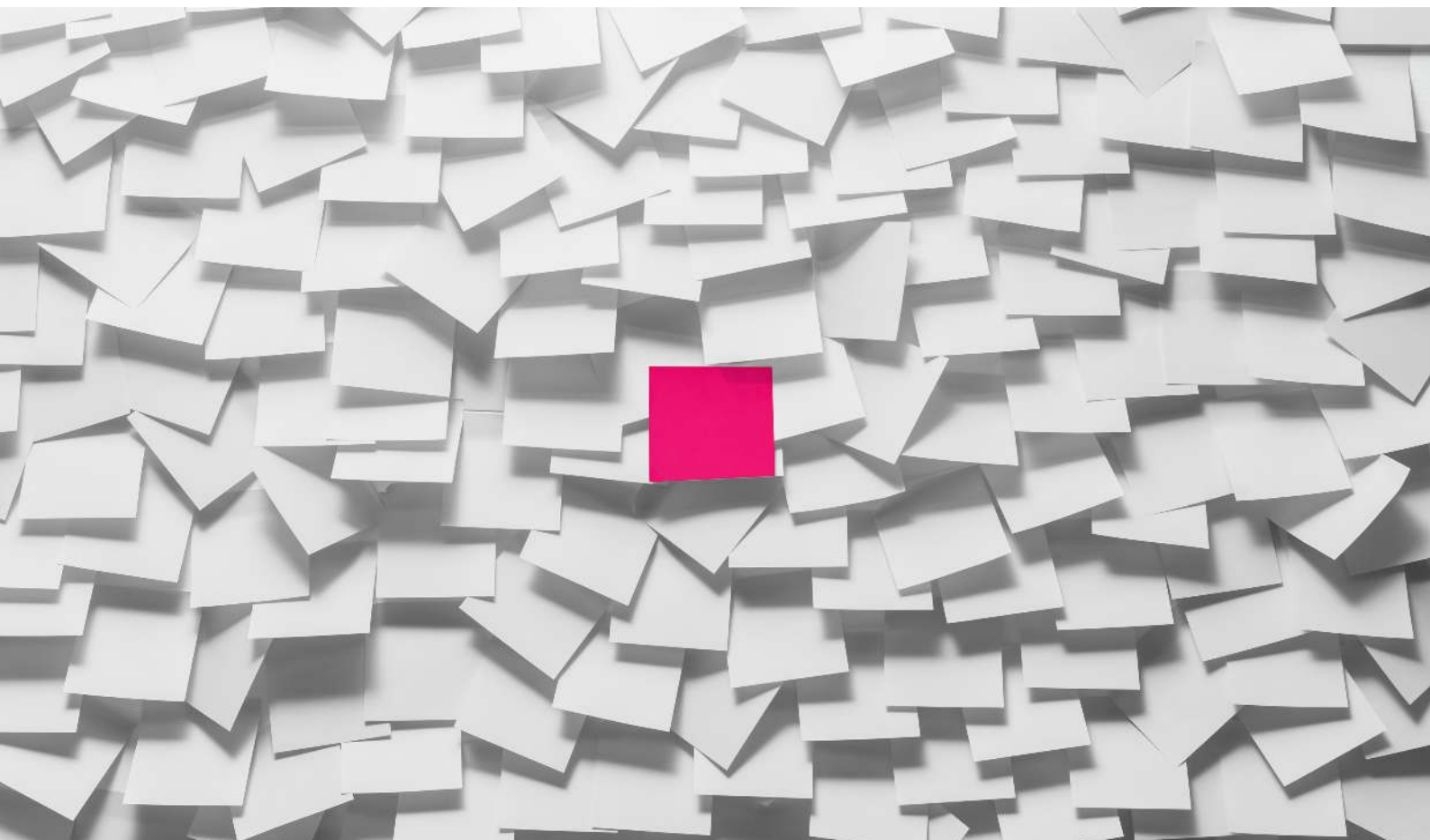
Misalignment of Incentives and Accountability.

Participation in strategic projects is typically added to an employee's daily operational tasks. When it comes to employee accountability, managers' expectations typically focus on day-to-day operational tasks such as managing costs, on time delivery of orders or achieving departmental KPIs.

To encourage leadership across the organization to prioritize support for company wide programs, include accountability of supporting company wide programs as a performance measure for functional department leaders. Active engagement of leadership at all levels is instrumental for on time delivery, and also helps manage project momentum, boost morale, align cross-functional teams and reduce risks.

#3

Leaders and Team Members Don't Voice Concerns On Time.

Too often in transformations, leaders, managers and team members provide deep and meaningful insights of resource capability issues, capacity hurdles, risks and challenges with timelines in "off-the-record" conversations, however, they will not constructively voice the concerns in meetings, or project surveys. This behavior may stem from poor prior experiences or gaps in performance coaching.

The challenge with not raising concerns is not boxed to team members. It is equally prevalent in leaders and managers that don't want to raise concerns. The reason may vary from complacency to fear of reflection on their own performance or their experience in prior projects.

At the start of each transformation, designing the project cadence and structure where resources feel empowered to raise red flags is vital for success. On the receiving side project leaders and subject matters experts should know how to assess and respond to the red flags. Is it a real gap that requires an action plan or a planned activity or noise? Typically the concerns are real gaps, planned activities or weakness in project communication cadence. The greater issues arise when team members are not empowered to speak up and in fear let days, weeks or months pass on without raising an issue.

#4

Cross-Functional Teams Are Uncoordinated or Misaligned.

Functional groups are typically optimized to deliver routine operational tasks efficiently. Each group has its style, pace, and ways of working. In a company-wide, cross-functional transformation, the functional groups have to work together based on agreed style, pace and methodology. This unified approach is important. When cross-functional teams are misaligned on the mission at hand or misunderstand their role in the overall transformation, then transformations can derail.

To ensure cross-functional alignment, set expectations, project cadence, including meeting expectations, reporting protocols and ownership upfront for the project team and all business resources involved.

One of the key success factors for bringing all functional groups together is to ensure the project leadership wears a neutral position to set a cadence that works for all functional groups. The neutral position of the project leaders is also important to ensure the leadership objectively navigate risks, assess capability, and promote coordination amongst cross-functional teams.

#5

Resource Capability Evaluation is Inaccurate.

Often project teams are put together with existing resources and those with capacity. It is a difficult task to appropriately resource a large transformative project. Internal resources have deep company knowledge that is critical, however, may lack process or industry best practices. External resources bring process and industry expertise and bandwidth, however, may need time to learn business specific details.

To build a successful team, ensure the overall capability is balanced and aligned with the skills required to complete the job. In particular, ensure the transformation leader is assessing the team's capabilities, including his/her own capabilities. Leaders need to be unbiased and be bold enough to assess their own capacity and capabilities challenges and be prepared to augment.

Capability assessment also requires ongoing and proactive planning. Internal resources and external vendors may run into capacity or skill set gaps, which require augmentation throughout the transformation. The ability to constructively and continuously assess capability and adjust as required is critical to the success of a transformative program.

#6

Transformations Lack Solution Architects.

New initiatives often start with high-level vision and a long list of unknowns. These unknown might be related to technology, process design, systems capability, resources, decision making or measures of success.

The program leaders need to be able to take the high level vision and turn it into a detailed project plan around these goals, and stress test the results through revision. Building and implementing a detailed plan requires upfront investment from leadership and resources who can clarify specific requirements.

The task of turning a complex or ambiguous task into a tactical implementation plan may require a skillset that might be outside the comfort zone of operations leaders who thrive at leading day-to-day commitments.

The success of a transformational is dependent on a strong upfront project strategy, and equally important, strong active solution design throughout the transformation. Any gaps in strategy or changes in base assumptions can be course corrected with active solution design throughout the transformation. Solution architects are required not only in program management, but in technology solutions, product designs and resource capacity optimization.

Solution architects refer to one or more resources that can keep the overall objective in mind and help steer the project in the right direction from start to finish.
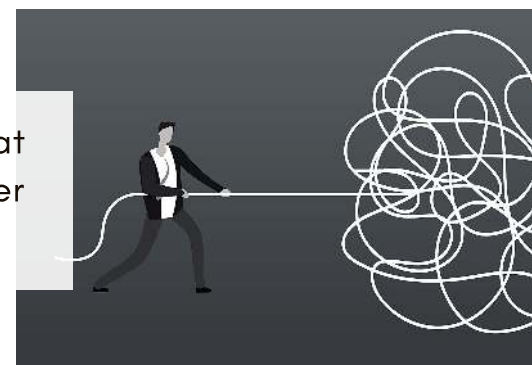
Business Buy-in and Stakeholder Commitment is Inconsistent.

There are always multiple high priority and competing programs active in organizations navigating through growth, change or improvement programs. As a result, it is to be expected that there will be buy-in challenges, resource management and opposing opinions. The challenge arises when there is inconsistency in buy-in or issues are not recognized and addressed through decision hierarchy, cadence or leadership engagement. Inconsistency or misalignment amongst leadership easily cascades down management levels and to project team members. The complexity of issues, decision webs and misaligned communications can create a web of issues in workstreams.

Expect large transformations to have hurdles and put a governance structure and decision cadence in place at the start of the project. Above all, ensure the leadership team is aligned on the common mission and any strong oppositions on the project are addressed upfront. Establish a Steering Committee to ensure the core group of decision makers and subject experts are available on timely intervals to deep dive into issues and help remove bottlenecks.

About the Authors

Chinkal Patel

Chinkal Patel is the lead project strategy and delivery enthusiast at Mantrax Solutions. She has over 15+ years of hands-on delivery experience and is an expert at facilitating cross-functional collaboration.

Devon Chen

Devon Chen is an advisor at Mantrax Solutions and has extensive transformation experience in delivering joint ventures and mergers projects.

Helping organizations embrace technology and deliver strategic objectives

Visit the website on: www.mantrax.io

2680 Matheson Blvd E Suite 102, Mississauga,
ON L4W 0A5, Canada