Why Good ITIL Implementations Go Bad

Presented by Mike Hoevenaars, ITIL Consultant.

Based upon white paper "Why good Projects go Bad" by Michael Addario and Lloyd Weber, Noveld Business Systems.

Key Learnings Attendees Will Be Walking Away With Today:

1. Understanding of the Rules of Engagement, which dominates the dynamics of a Project?
2. Understanding of Organizational layers, motivational drivers and communication gaps, which makes up the dynamics of an organization
3. What Problem could result as these two forces interact?
The Problem:

1. Goal Statement
2. Triple Constraints
3. Plans & Execution
Key Learning's

WHY GOOD PROJECTS GO BAD
PREVENTING PROJECT MANAGEMENT MELTDOWN

By Michael G. Addario and Lloyd S. Weber  Illustrations by Tom Curry

A software company successfully launched its first product in its market—a groundbreaking application. The company received awards, sales picked up, and a well-known entrepreneur invested fourteen million dollars in the venture. A year later and out of money, the company desperately sought a buyer or merger—unfortunately having rejected a $150-million buyout offer eight months earlier.

What happened? Sales of software release 1.0 dried up because new versions

THE PROJECT
VS. THE ORGANIZATION
An understanding of why projects fail can be gained by examining what appear to be two separate forces that contribute to failure: the dynamics of the project itself and the dynamics of the organization.

These forces represent two distinct states: the project, a temporary state, and the organization, a permanent state. If left unrecognized and unattended, interaction between these two forces can produce performance level of the product or service. Schedule is the time it takes to achieve the specified performance in the product or service.

Management elements are maximize, constrain, and accept. These elements specify how each of the effort elements is treated during the project. Maximize means that the effort element cannot be negotiated or adjusted. Failure to achieve the maximized effort element results in project failure. Constrain means the ef-
The Project: A Temporary Entity

1. Goal Statement
2. Triple Constraints
3. Plans & Execution

- Project Sponsor
- Project Manager
- Team Lead 1
- Team Lead 2

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The Organization: A Permanent Entity

**Executive Layer**
- Exec Team

**Operational Layer**
- Business Manager
  - Business Leads & Teams
- IT Manager
  - IT Leads & Teams

**Technical Layer**
Conflict

1. Goal Statement
2. Triple Constraints
3. Plans & Execution
Project Dynamics: Managing the Triple constraints
Triple Constraints

1. Goal Statement

3. Plans & Execution

Scope

Budget

Schedule
Triple Constraints

The Rules of Engagement

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<th>Maximize</th>
<th>Constrain</th>
<th>Accept</th>
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<td></td>
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</tr>
<tr>
<td>Performance</td>
<td>Cost</td>
<td>Schedule</td>
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X indicates the constraints on each of the three constraints: performance, cost, and schedule.
# Triple Constraints

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**The Rules of Engagement**

- Performance
- Cost
- Schedule
Linking Goals to the Triple Constraints

1. Goal Statement
2. Triple Constraints
3. Plans & Execution
Linking Goals to the Triple Constraints

Case Study: NASA

“I believe that this nation should commit itself, to achieving the goal, before this decade is out, of landing a man on the Moon and returning him safely to the Earth.”

May 25, 1961

John F. Kennedy

Cost: “…commit itself…” (implied)

Schedule: “…before this decade is out…”

Performance: “…returning him safely to the Earth.”
Linking Goals to the Triple Constraints

Performance
Cost
Schedule

Apollo 11

Maximize
Constrain
Accept

X
X
X
X

returning him safely to the Earth
commit itself
before this decade is out

NASA The Rules of Engagement

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Linking Goals to the Triple Constraints

Maximize

Constrain

Accept

Performance

Cost

Schedule

Challenger
January 28, 1986
on schedule
The Space Shuttle Program goal is to establish a national space transportation capability that will substantially reduce the cost of space operations and support a wide range of scientific, defense, and commercial uses.
Linking Goals to the Triple Constraints

The Rules of Engagement

Maximize
Constrain
Accept

Executive Layer
Operational Layer
Technical Layer

Schedule
Performance
Cost
Schedule

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Linking Goals to the Triple Constraints

On time delivery

Schedule: NASA
Cost: Operational Layer
Performance: HydraPak Inc.

Maximize: Performance
Constrain: Cost
Accept: Schedule

NASA
Operational Layer
HydraPak Inc.
MIR Inc.
Project
“Transition Transition”
CASE STUDY
Background:

MIR Inc. has been experiencing significant sales declines.

Declines in customer satisfaction, resulting from unexciting product implementations that included numerous Bugs and Delays!
Project “Transition Transition”:

Executive Mandate:

– We MUST ensure our next release of the RedCherry Phone WOWs our customers with a flawless deployment!
RedCherry Phone WOWs our customers with a flawless deployment!

We MUST ensure our next product release in Q4 2013.
Operational Influences on Triple Constraints

- **Process that our small teams can handle. Automation is key!**
- **shrinking budgets and a strain on our available resources!**
- **our next product release in Q4 2013**
Technical Influences on Triple Constraints

Maximize

Constrain

Accept

Performance

Cost

Schedule

Release Mgmt tool with links into CMDB and Inc. Mgmt system

Go to RFP to get best price. All key personnel assigned to this

PM’s Planning based on Understanding of Project Drivers:
Then the inevitable happens... Project CRISIS!

Major competitor announces launch of a new y-phone in September!

Executives decide to move up OUR product launch to August!

PM’s direction from Sponsor...
  - Move up project “Transition Transition” date to July 1 so we can use new process & tools for this launch.

WHAT HAPPEN’S NEXT???
PM’S Response

THE RULES OF ENGAGEMENT HAVE CHANGED!

- Reduce testing and shorten Product build to save time
- Add People, constraining costs
- Schedule now on Product Implementation’s Critical Path

Maximize: X
Constrain: ?
Accept: X

Performance:

Cost:

Schedule:
Putting it Together

Performance

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Putting it Together

Start Over!
Putting it Together

Revisiting the Goal Statement:
We MUST ensure our next release of the RedCherry Phone WOWs our customers with a flawless deployment!
Putting it Together

We MUST ensure our next release of the RedCherry Phone WOWs our customers with a flawless deployment!
Putting it Together

Kick-off Project
Establish Requirements
Acquire Software
Develop Customization
Test, Test, Test
Implement Software
Train
Build Product Release Plan
Implement Product
Close Project
Putting it Together

1. Goal Statement
2. Triple Constraints
3. Plans & Execution

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### Putting it Together

#### Opportunity Name: West Coast Operations

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#### Status Comments

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We’d Love To Hear From You!

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