

What Mismanaging Small Projects Will Cost You by Curt Finch, CEO of Journyx

Okay, so maybe you have the large projects nailed in Microsoft Project, but what about the smaller ones that, in reality, make up the bulk of your portfolio? Are you just "winging" those, using status emails and Excel spreadsheets to manage them? If so, you could be making a great mistake.

Small projects, while often overlooked, are still crucial to a company's success. Since they might not involve large sums of money, many companies do not worry as much about them, but all of these small projects can add up to some major costs if managed improperly.

Best Practices

Top project managers know the best practices for their large projects, but what many do not realize is that these techniques can be applied to smaller projects as well. An article recently published in ProjectSmart affirms this: "Applying the best practices to even a small project can be done without creating too much paperwork or overhead. The best practices are the things which countless project managers have done on thousands of projects and are deemed to be the 'best practice' because they tend to help you to achieve the best results. Don't think that because you're managing a small project that you can ditch these best practices because if you do, you will regret it later when your project gets in a mess."

Here are a few of the key best practices to keep in mind for your small projects as well as the large ones.

#1 - Tracking actuals

All projects, regardless of size, are executed in order to bring in a positive return on investment, and since project cost today is mainly derived from the cost of labor, tracking time to projects is absolutely essential for measuring ROI. How can an organization know what its true return is without understanding its true costs?

This data is not only crucial in understanding costs, but also in monitoring project status. Keeping tabs on the actual completed work hours at all times allows project managers to identify and address problems early on. For example, if 10% of the project work has been completed but 30% of the allocated budget has been spent, there is a serious problem. Project managers who track employee actuals will find this out early enough to actually do something about it, while those who do not will simply find themselves over budget in the end. The project might be a small one with a small budget, but cost overruns can add up fast and really hurt the organization. Besides, in times like these, can anyone afford to be so careless with their budgets, large or small?

#2 - Understanding resource allocation

When you assign project tasks and deadlines to employees, how do you know if they have the time to get it done or not? Are you sure that they won't be on vacation, working on a different project, or spending the month in meetings? Project managers must know who is available to do the work before they assign tasks to people (or, better yet, before they decide to take on a project at all). Simply assigning tasks to team members without regard for their current and future allocation, including upcoming vacation time, is unwise. If the person you need on your project is completely booked with non-project work or plans to backpack across Europe all summer, you need to know. Your goal might be to complete the project on time, but it will never happen unless the resources are, in fact, available when you need them to be.

Not only should resources be available to do the work, but they should be the right resources. In other words, different projects require different types of employees. If a programmer is needed for a project, the project manager must have the ability to search for one who is available for the specific time frame.

Managers can also use this data to identify staffing gaps. If there is only one programmer who is consistently overbooked, it is time to hire additional programmers. Yet without insight into resource allocation, management might not know that this programmer is working too hard until he or she burns out and quits.

As I mentioned earlier, status emails and Excel spreadsheets are simply not sophisticated enough to handle project management, even on a small scale. For one thing, these tools lack the centrality and flexibility that a project and resource management system can provide. Let's say a department manager assigns an employee to a new project, cutting his available time in half. Unless this is properly documented and communicated to the entire project team, how will the project manager know to revise his or her timelines? How will the other team members know that their tasks, contingent upon this employees' work, cannot start until 6 weeks later?

Resource allocation changes all the time, and project managers need a solution for keeping this information up-to-date and accessible at all times. Not only should everyone on a project team know what is going on, but changes and adjustments like these should also roll up to the general project plan.

#3 - Managing work requests

Do you, as a project manager, schedule projects that your resources will not be able to finish on time? Another important best practice to apply to smaller projects is to give team members a voice. It might be tempting to just create project plans and demand that team members get it done, but that is a pretty unrealistic expectation that will set you up for project failure. It will also lead to low morale among your employees. A better way is to get input from team members on how long it will take them to complete certain tasks. A developer who has performed hundreds or thousands of similar tasks will be able to tell you right away how long it will take him/her to write that new piece of code while you, as a project manager, might have no clue.

It is also important to let team members communicate with you while the project is in progress. Small issues or holdups become big very quickly when unheeded. For this reason, project managers who implement project and resource management solutions should ensure that their team members will have the ability to request more time for their tasks when necessary.

Successful Projects of All Sizes

When project managers enforce time tracking, have visibility into resource allocation and give team members a voice, everybody wins. Applying best practices to your entire project portfolio is one of the best ways to drive success every time.

About the Author:

Curt Finch is the CEO of Journyx (<http://pr.journyx.com>), a provider of Web-based software located in Austin, Texas, that tracks time and project accounting solutions to guide customers to per-person, per-project profitability.

Journyx has thousands of customers worldwide and is the first and only company to establish Per Person/Per Project Profitability (P5), a proprietary process that enables customers to gather and analyze information to discover profit opportunities.

In 1997, Curt created the world's first Internet-based timesheet application - the foundation for the current Journyx product offering. Curt is an avid speaker and author, and recently published "*All Your Money Won't Another Minute Buy: Valuing Time as a Business Resource.*" Curt authors a project management blog at www.project-management-blog.com, and you can follow him on Twitter at <http://www.twitter.com/clf99>.

