

# **Project Management Tip #1**

**Thanks to E. Goldratt for sharing his critical chain concept.**

Learn how to **cut 25%-50%** from project durations with **no increase in costs** or people!

**CONSTANTLY CHANGING PRIORITIES.** In every industry and from all levels of the organization, participants in our Critical Thinking and Project Management Workshops share a common set of complaints about projects including overwork, out-of-control projects and lack of clear priorities. People report being told on one hand that everything is a priority and on the other that a new project must be addressed now! What can be done to reduce the confusion and improve work productivity, satisfaction, and shrink the time it takes to do projects? Here is one powerful idea.

First, leadership needs to assign each project a priority ranking. And second, project resource managers must ensure that **the highest priority project always has all the resources needed to move forward**. In this way the top priority project will be completed as rapidly as possible, then the next priority project, and so forth. This disciplined approach will dramatically reduce average project durations. Priorities can still change but everyone will be on the same page with the new priority. The highest priority project always getting first full attention.

**A Simple Example:** You are responsible for assigning work crews to paint new houses. Tomorrow six custom house projects become available for your department to paint. You have six painters on staff. Each house requires six person-days of painting to complete. How should you distribute the work? Consider the following two options.

**ALL-AT-ONCE or NO PRIORITY approach:** Assign one person per house working all projects simultaneously. Six days will elapse to complete each house.

**ONE-BY-ONE or CLEAR PRIORITY approach:** Use all six people to paint one house at a time. This will result in one house being completed each day.

Which strategy is better? The All-At-Once approach requires six days per house. But, the One-By-One approach cuts average project duration significantly. See "Days To Finish" and "Days Saved" columns below for each project (house) using the CLEAR PRIORITY approach (aka One-By-One).

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Clear Priority Approach			
Project	Completed	Days To Finish	Days Saved
#1	1st day	1	5
#2	2nd day	2	4
#3	3rd day	3	3
#4	4th day	4	2
#5	5th day	5	1
#6	6th day	6	0

The One-By-One approach allows five of the houses to be done earlier than the All-At-Once approach allows. The average number of elapsed days, start to finish, for each house is just 3.5 days with the One-By-One approach vs. 6 days with the other approach. That's 42% sooner! Also, imagine that for some reason the work was interrupted on Day 4. The One-By-One way would have at least 3 houses completely finished, while the All-At-Once way would have 6 houses stuck mid-process, all of them incomplete.

## How might departments with limited resources apply these principles?

The two project approaches differed in the average time from start to completion. The one that reduced the average time-per-project put available resources to work on one project at a time. This is the "clear priority" approach. Similarly, when a department or resource unit has work to perform on multiple projects, the best way to speed projects on to the next department or resource unit is to focus on one project at a time. Avoid multitasking or needlessly working on multiple projects at the same time. The negative impact of multitasking includes stop-and-start inefficiencies and accumulates as project work moves from department to department. This delays the completion of all projects because the next unit must wait longer to begin their work. This in turn delays revenues or other benefits that completed projects would produce (e.g. customer satisfaction).

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## **Why do departments and resource units multitask?**

Multi-tasking is encouraged when departments are held accountable for showing progress on multiple projects over the same short time frame. Add to this the common practice of failing to identify the priority of projects (or making all projects high priority) and it is not surprising that multitasking is a primary culprit of projects coming in late and over budget. Part of the solution is to establish clear priorities so that each department or resource unit knows which project gets first and full attention. No department should ever be forced to wait while another department addresses lower priority work (unnecessarily).

## **Summary**

It seems to be human nature to act as if everything is a priority, to multi-task and to want to please every project sponsor. But, it is undeniable that focusing efforts on the highest priority project possible will result in minimum project durations overall. It is the completion of projects that allows the organization to gain benefits - more effective internal systems, better cash flow, and increased total revenue - not having a dozen or more projects "in process". Further time inefficiencies and quality issues accrue from breaking focus on one project to jump to another project with increased likelihood of errors, waste and rework.

If you have questions about project management, please [contact BPI](#). We would be happy to speak with you about how to improve performance. The [Critical Thinking for Leaders](#) methods help make sure the right projects are selected by leaders and the [Systematic Project Management](#) methods help teams implement projects quickly and to specifications.