

# Project Management

# 10 signs that your project is about to be cut

February 20th, 2008 Justin James

It is an unfortunate reality in the IT industry: A large number of projects are cancelled before they are complete. This would not be a problem if the IT industry were like many other industries, where the labor pool is made up almost exclusively of permanent employees. But the IT industry is filled with temporary employees, contractors, consultants, and even permanent employees hired specifically for a particular project. So when a project is cancelled, workers lose their jobs. Knowing the signs of an impending cancellation can help these workers land on their feet. Here are some signs to watch out for.

# #1: Project sponsors and stakeholders disappear

One of the surest signs of the imminent demise of a project is the disappearance of project sponsors and stakeholders. This vanishing act can be a cause or a symptom of the collapse. On the cause side, when the sponsors and stakeholders move on to other things or other companies, their projects wither on the vine. On the symptom side, people's careers are linked to their projects. When a project is sick, some people put distance between themselves and the project, and sometimes they are forcibly removed. If the people who were behind the project suddenly are no longer around, one way or the other, watch out.

# #2: Changes in management are rolled out

Major changes in management always carry some risk to existing projects. After all, the new head honcho may not see the upside of a project like the previous boss did. Be wary when management changes, especially if it was a sudden and/or involuntary change. When a manager is removed, all of his or her decisions are open for re-evaluation, and that means that your project's neck is already on the block. Be especially wary if the new leadership is from outside the organization; that can signal that an "axe man" has just been put in charge.

#### **#3: Money woes abound**

When a company or organization is financially struggling, projects that are not showing immediate ROI are in particular danger. Even long-term investments that are projected to deliver a big payoff can be cut. Management all too often believes that IT projects can be put on hold indefinitely until the budgetary constraints are relaxed. IT pros know that things do not work this way - but good luck explaining that to an executive tasked with a general cost reduction. The worse the budget crunch, the more risk there is that your project may be cut, regardless of how good it is.

# #4: Your project is a "black hole"

Some projects seem to be black holes: Money, people, and other resources are sucked in, and nothing ever comes out. These projects are typical Dilbert scenarios, complete with constantly changing requirements, scope creep, moving targets, and so on. After a certain point, the phrase "throwing good money after bad" starts getting used in executive meetings when your project is under discussion. When you're over budget or past deadline by more than "just a bit," it is a roll of the dice whether the higher-ups will be willing to put more money and other resources into the project, or whether they'll just throw in the towel.

#### **#5:** Management keeps discussing project cancellation

Some projects walk the razor's edge between cancellation and continuation on a regular basis. It's a normal and natural part of the project management process to have a few go/no-go points in the plan or to have milestones that must be met for the project to be allowed to continue. What is not healthy is when the topic of project cancellation comes up outside of those planned points, especially when it happens repeatedly. This may seem obvious, but too many workers seem to be completely oblivious to the dangers of this situation. When there are enough reasons to discuss project cancellation that it comes up frequently, it will get cancelled unless something major changes.

# #6: Your project becomes a tool of office politics

Does everyone hate your boss? If so, your project is in their sights. Even good projects are used as weapons in vicious political battles. Your leader's opponents argue for the cancellation of the project to diminish the prestige or resources of your boss or to cause embarrassment. It's a shame that executives behave like this sometimes, but it's a fact of life. When your boss is being stabbed in the back and his or her decisions are constantly being questioned, your project may be vulnerable, regardless of its merits.

#### #7: Poor leadership casts a shadow on the project

Of course, sometimes your boss' detractors are right, and your manager really is making a mess of things. If you make fun of your project leaders behind their backs, beware; someone else with a lot more pull is probably sniping at them too. The manager who is obviously inept to the staff is eventually going to be exposed, and when that happens, your project will be at risk, even if it's going well.

# #8: The project is successful, but the product fails

Every now and then, there is a project that is completely successful: The product shipped on time and within budget, all of the goals were met, and so on. And then the product itself completely tanks for one reason or another. Maybe it's priced too high, or possibly a new competitor came onto the market out of left field with a better product. Your market may have experienced an unforeseeable and severe shift in direction right around the time your product rolled out. For whatever reason, your project was successful by every measure of project success. But the product that resulted is a total failure. You may be given very little time to do something to make the product successful - and if that doesn't happen, they'll be closing up shop.

# **#9: Your project has low visibility**

In every company, some employees come in every day for eight hours, and no one seems to know what they do, why they are there, or even what their names are. And when the layoffs come around, those employees are the first to go. Some projects are like this too. For whatever reason, they simply lack publicity or even recognition. Sometimes, this is on purpose; the company is doing something super-secret and wants to keep chatter to a minimum. But most of the time, it is an indicator that your project either is not producing anything useful, or your project leaders are not doing a good job evangelizing your work. Regardless, projects with low visibility are at risk of cancellation. Eventually, someone is going to ask why resources are being spent on it. And if no one can explain the purpose of the project, it will be decided that the project is not needed.

#### #10: It truly is a bad project

Once in a while, management actually gets it right and cancels a bad project. Black holes (see #4) are not always bad projects; they may have simply been scoped incorrectly at the beginning, or maybe some bad decisions were made. Nevertheless, some projects truly deserve to be cancelled. For example, if there is already an established competitor on the market with a better product than you're planning or that it sells for less than your product will sell for, your project deserves to be cut. Or maybe you keep missing milestones or are way over budget, and the milestones and budget were reasonable. It may simply become clear that the end product will never be successful in the marketplace. If it's obvious to everyone on the project that it is a bad project, it will become obvious to the "Powers that Be" as well.

No one likes to think about their project getting cancelled. But it is a reality we all have to face at one time or another. The ability to foresee the likely cancellation of your project is an important skill for keeping your career healthy. An optimistic attitude about your work is always welcome at the office and is part of being happy, but you may need to balance it with a regular dose of objective consideration so you can decide whether it's time to move on before someone else yanks the rug out from underneath you.

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