



Knowledge for a better world

Why is project execution so demanding?

Presentation for Safran Forum 2024

14. nov. 2024

Jan Alexander Langlo, Associate professor, PhD, NTNU

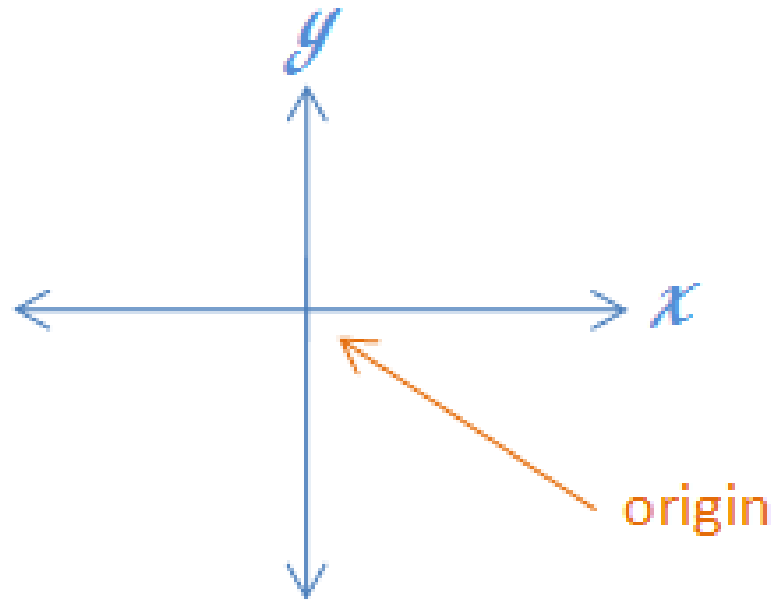




NTNU



Where is the origin of a project?



What is the purpose of a project?



Projects create value and benefits!

- The origin of a project is based on needs of one or more of the primary stakeholders
- The objective of the project is to satisfy these needs





Success

Failure

Project success

What does it take to make a project successful?

Project
success

VS

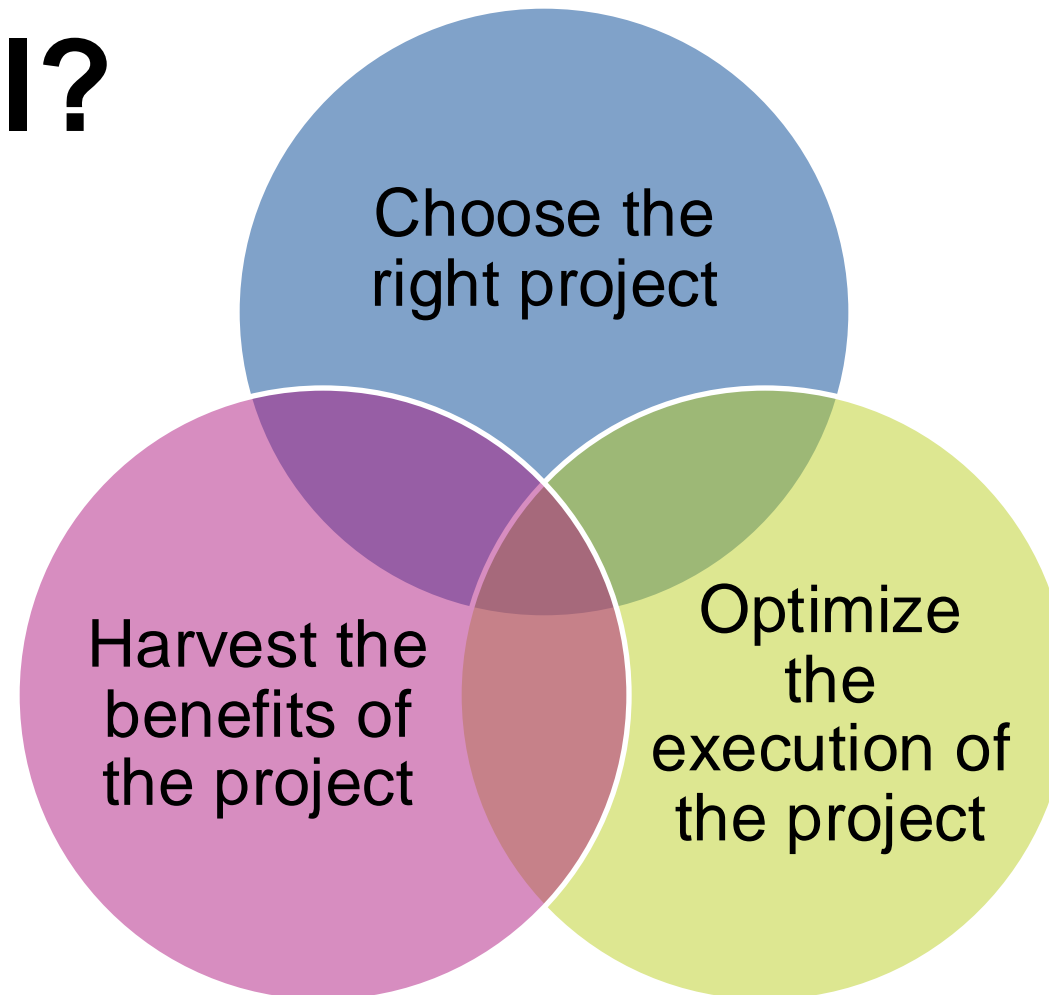
Project
management
success

Who is deciding whether a project is successful?

The project stakeholders



What does it take to make a project successful?





Who is the project owner?

- The Sponsor?
- The Commissioner?
- The Operator?
- The End user?
- The public?

Why is project execution so demanding?

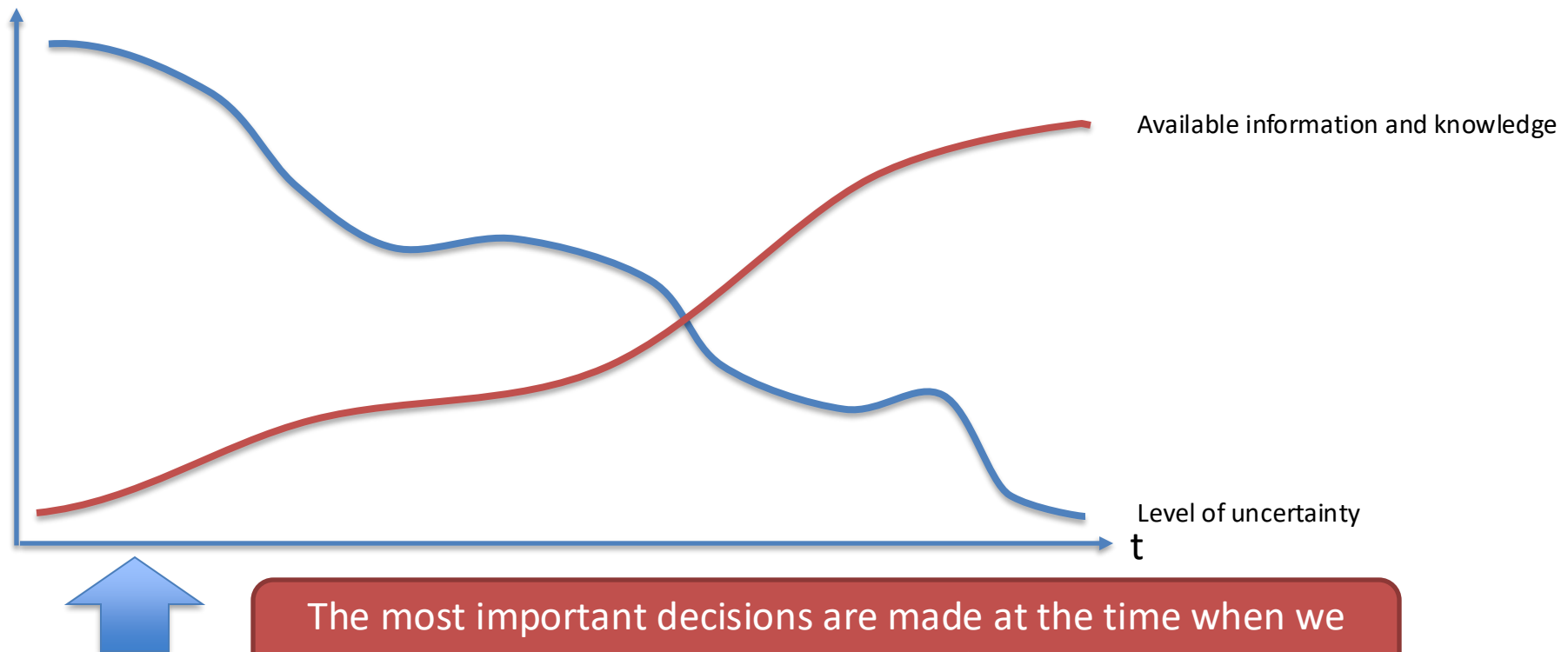
5 dilemmas
facing the project owner
and the project manager

Dilemma #1

The most important decisions
in a project are made
when we know the least!



«The greatest project paradox»



Dilemma #2

The needs are hard to describe in the initial phase of a project, and are very likely to change during the project life cycle



Stakeholder needs develops over time

- Lack of maturity, low understanding of the actual need and the potential of different concepts in an early project phase makes it hard to define and describe the project delivery precisely
- Increased understanding of the same elements over time, results in developments in stakeholder needs
- Subsequently, changes are introduced

Dilemma #3

We start
harvesting the benefits
too late!



Benefits management

- «Business not as normal!»
 - An organization normally has to prepare or make some changes in order to make good use of the project delivery
 - In many cases this effort is underestimated or forgotten
- Normally a delivery project should be closely connected to an organizational development effort
- Hence: the benefits are a result of a program, not a single project
 - The project owner is responsible, not the project manager!

Dilemma #4

Projects tend to focus more on threats than opportunities. This results in lost benefits.



Uncertainty in projects



Make the most
of the
opportunities

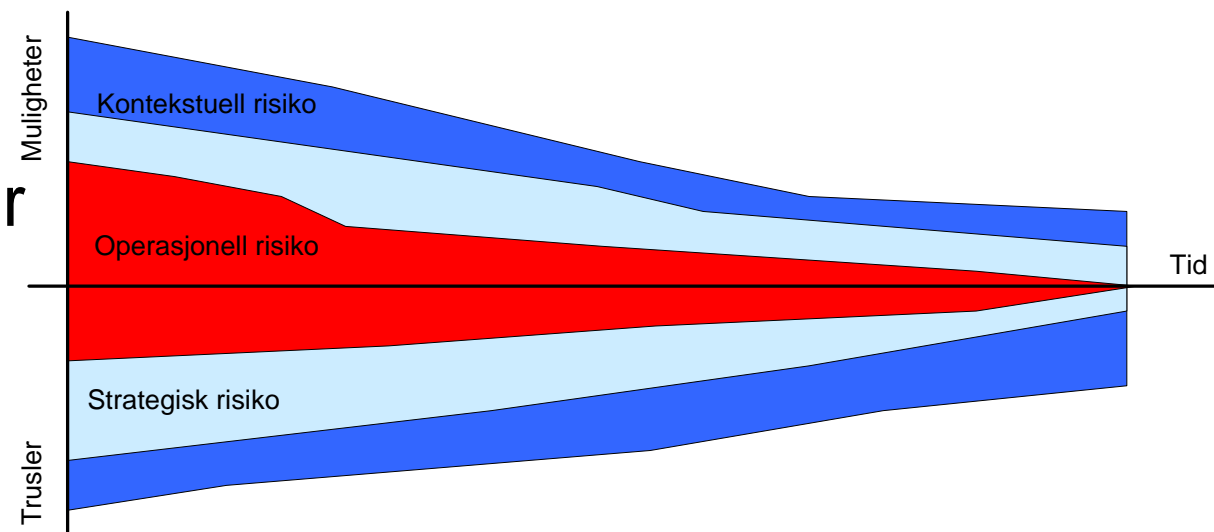


Reduce
negative
impact



Different types of risks

- Often perceived as threats
- Operational risks
 - Handled by the project manager
- Strategic risks
 - Handled by the project owner
- Contextual risks
 - External



Opportunities

- Will always be present and will appear throughout the project life-cycle
- They will increase the benefits of the project if you take them!
- They are available for a given period of time
- If you don't «grab 'em», you will «lose 'em»!
- You have to be prepared:
 - Close collaboration project manager <-> project owner
 - Uncertainty management
 - Flexibility

Example: New National Museum

246 opportunities identified
worth over 500 mill. NOK

State of the art design

Innovative solutions

Cutting edge technology

Demanding construction process

Complex logistics

Many stakeholders

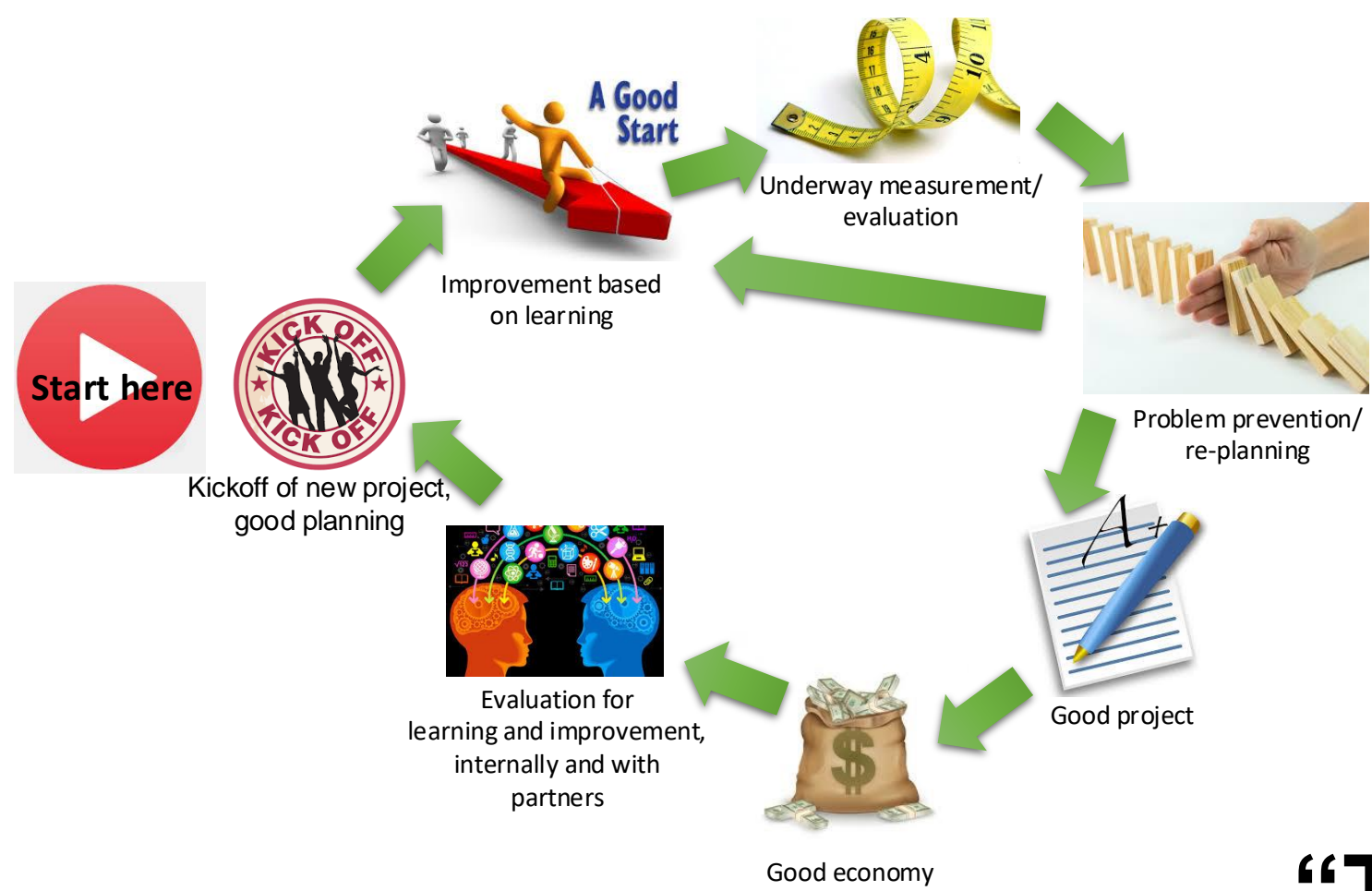
Dilemma #5

Reflection and learning in projects
are often neglected due to tight
schedules and important deadlines



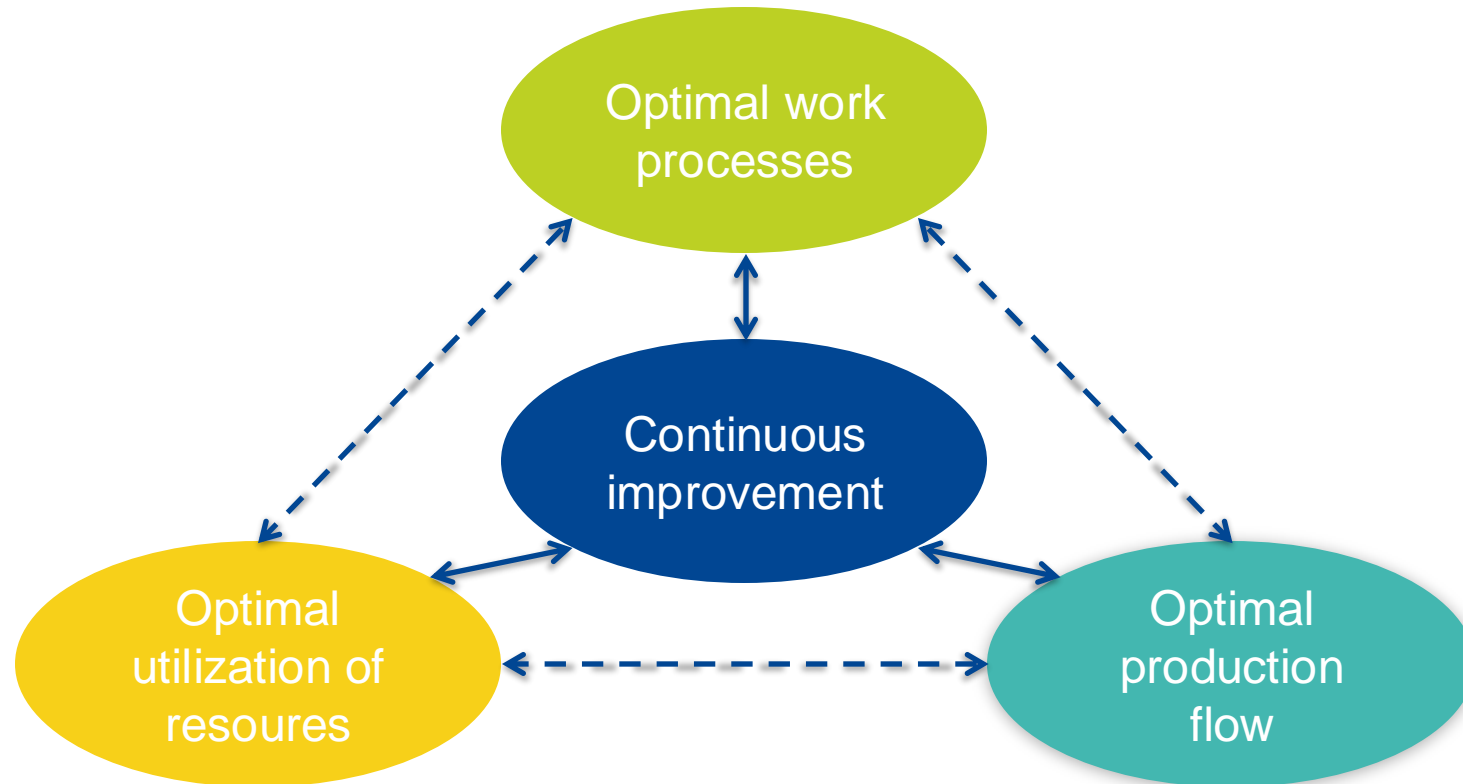


**“The VICIOUS
project circle”**



“The **VIRTUOUS** project circle”

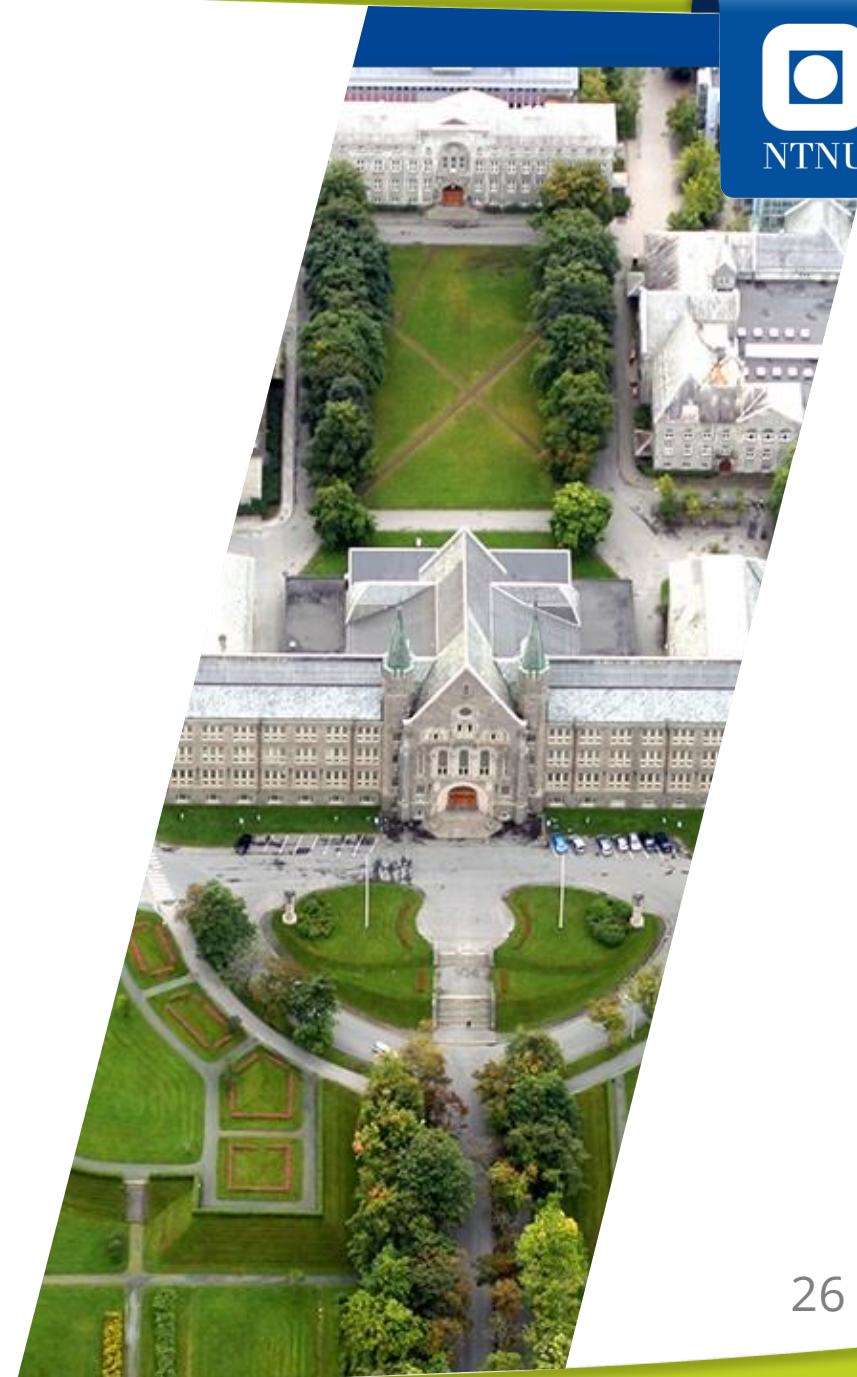
Continuous improvement



Summary



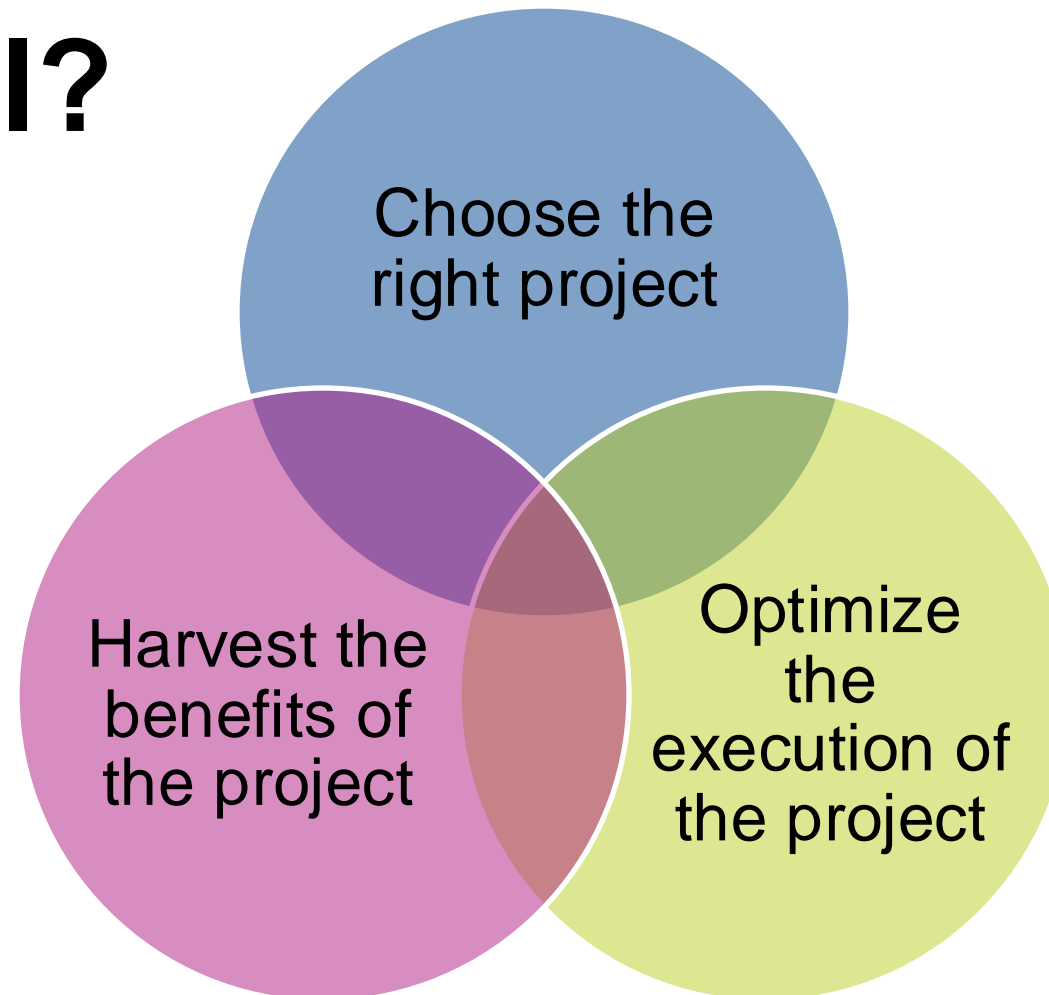
NTNU



The challenges are related to the characteristics of the project

- Time pressure
- Fluctuations in resource availability
- Many stakeholders try to influence the project
- Left unattended by the project owner

What does it take to make a project successful?



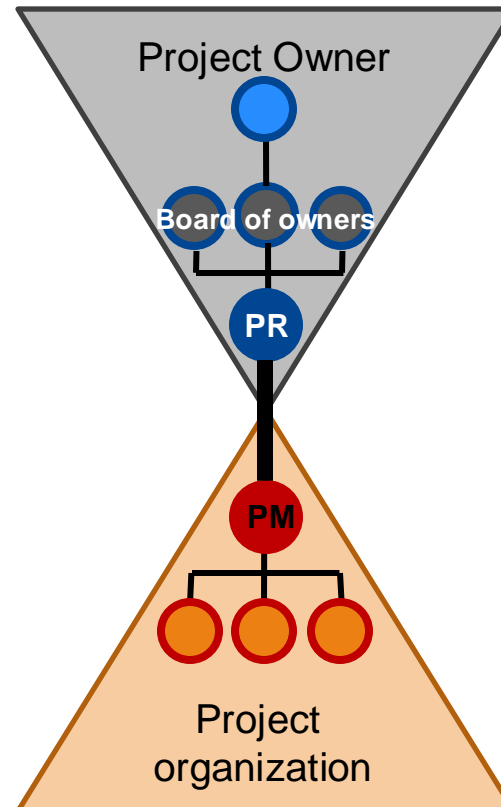
The critical organizational link

Project responsible (PR) (representing the owner(s))

- Align the project with the strategy
- Maintain business case
- Ensure overview and insight for the board
- Provide a good basis for decisions



- Clarify business case and strategy
- Ensure timely decisions
- Provide resources and financing
- Support the project manager (PM)



Project Manager (PM) (responsible for project execution)

- Support the project responsible (PR)
- Align the project with the strategy
- Ensure project delivery and goal achievement
- Provide a basis for decisions
- Maintain focus value creation and uncertainty



- Communicate and relay objectives and strategy
- Ensure realistic and sound plans
- Secure and coordinate resources
- Control activities and agreements
- Ensure ethical compliance

(Professor Ole Jonny Klakegg, NTNU)

Any questions?

