

Project Close-Out and Termination

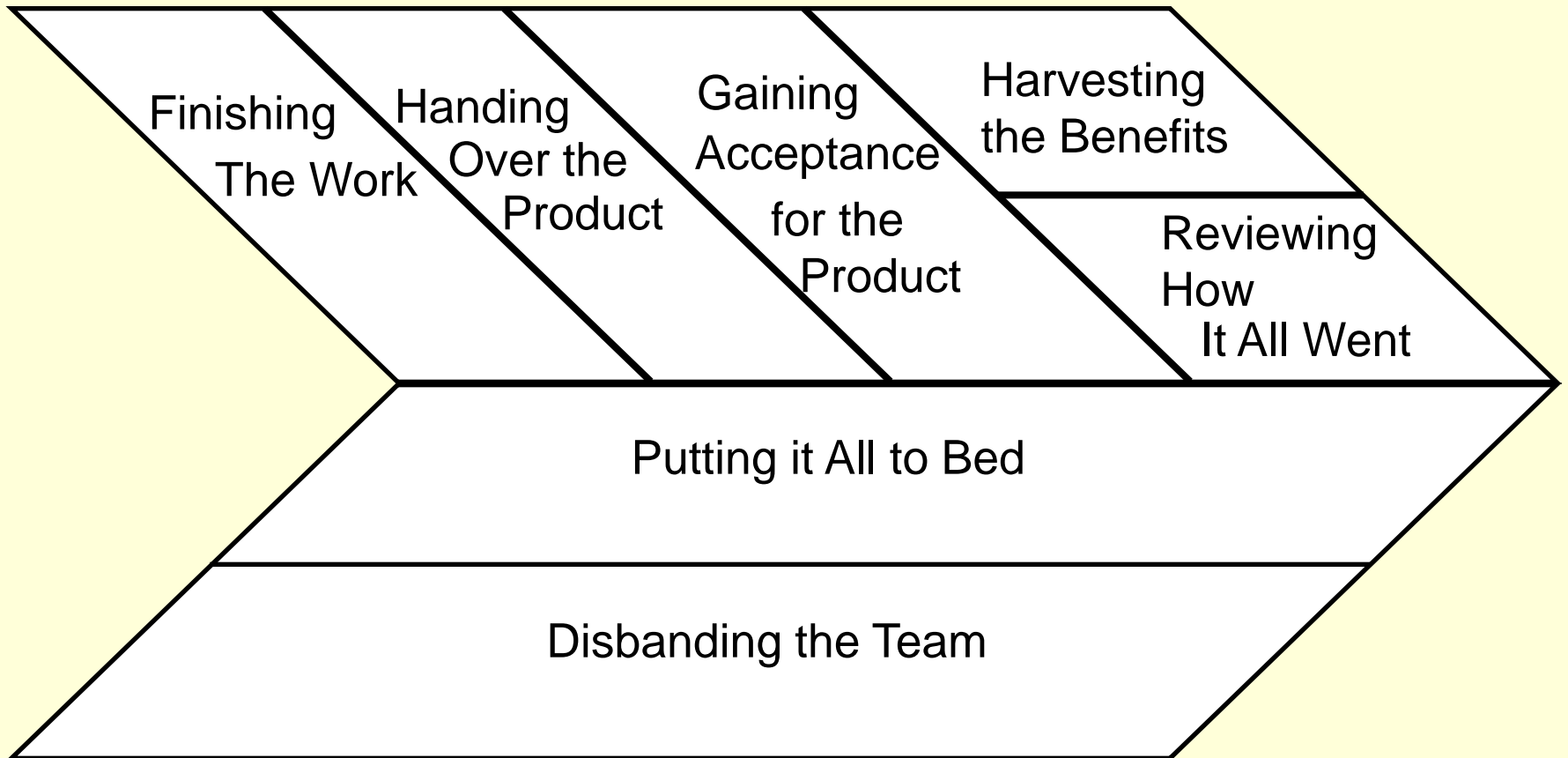
Chapter 14

Project Termination

All activities consistent with closing out the project

- ❖ Extinction
- ❖ Addition
- ❖ Integration
- ❖ Starvation

Elements of Project Closeout Management



Lessons Learned Meetings

Meeting Guidelines

- ✓ Establish clear rules of **behavior**
- ✓ Describe **objectively** what occurred
- ✓ Fix the **problem**, not the blame

Common Errors

- Misidentifying **systematic errors**
- **Misinterpreting lessons** based on events
- Failure to **pass along** conclusions

Closeout Paperwork

- Documentation
- Legal
- Cost
- Personnel

Why are Closeouts Difficult?

- ✓ Project sign off can be a de-motivator
- ✓ Constraints cause shortcuts on back-end
- ✓ Low priority activities
- ✓ Lessons learned analysis seen as bookkeeping
- ✓ Unique view of projects

Dynamic Project Factors

1. Static
2. Task-team
3. Sponsorship
4. Economics
5. Environment
6. User

Early Warning Signs of Project Failure

- Lack of viable **commercial objectives**
- Lack of sufficient **authority** to make decisions
- New product developed for **stable market**
- **Low priority** assigned to the project by management

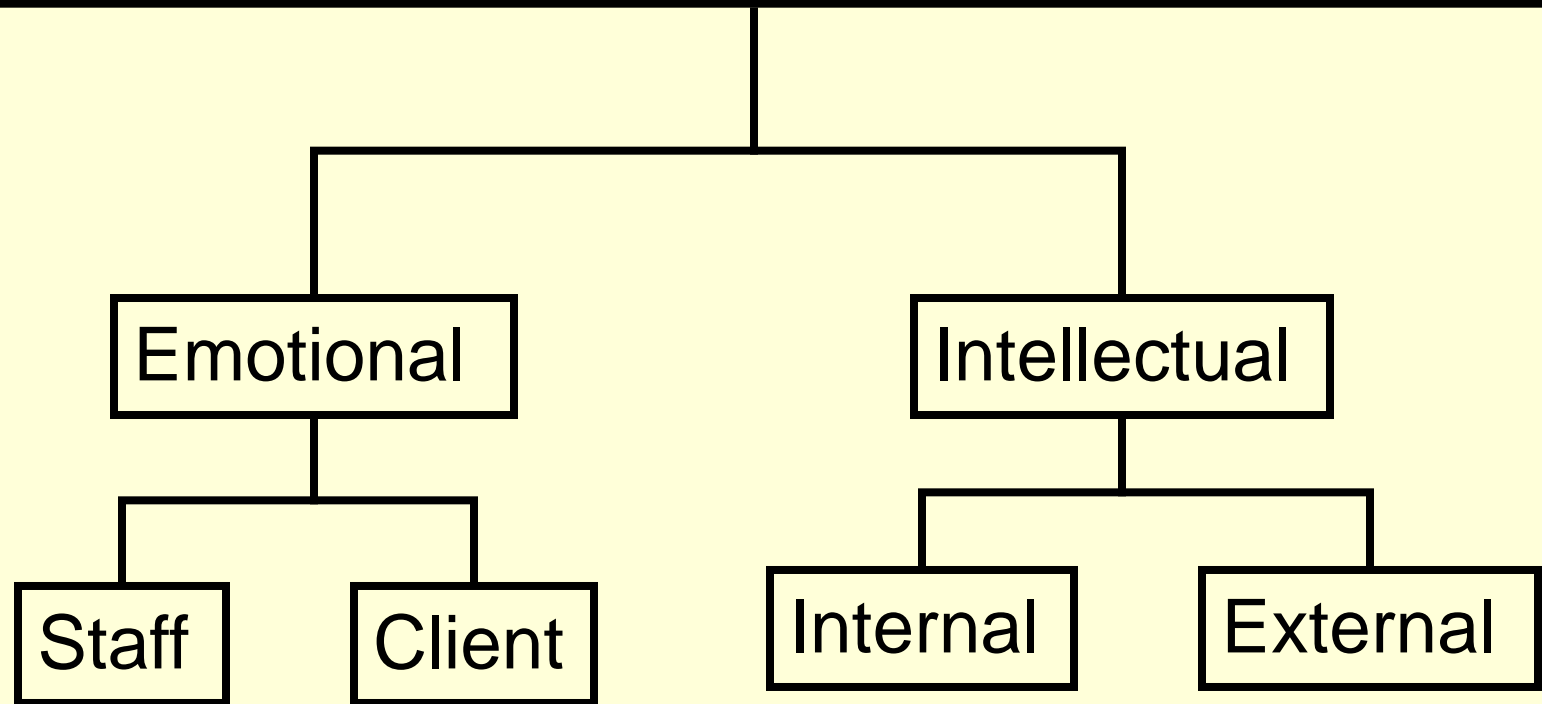
Early Termination Decision Rules

- Costs exceed business benefits
- Failure to meet strategic fit criteria
- Deadlines are continually missed
- Technology evolves beyond the project's scope

The Top 10 Signs of IT Project Failure

10. Best practices and lessons learned are ignored
9. Project lacks people with appropriate skills
8. Sponsorship is lost
7. Users are resistant
6. Deadlines are unrealistic
5. Business needs change
4. Chosen technology changes
3. Project changes are poorly managed
2. Scope is ill-defined
1. Project managers don't understand users' needs

Project Termination Issues



Claims & Disputes

Two types of claims

- Ex-gratia claims
- Default by the project company

Resolved by

- Arbitration
 - Binding
 - Non-binding
- Standard litigation

Protecting Against Claims

- o Consider claims as part of the **project plan**
- o **Verify stakeholders** know their risks
- o Keep **good records** throughout the life cycle
- o Keep **clear details** of change orders
- o **Archive all correspondence**

Final Report Elements

- Project performance*
- Administrative performance*
- Organizational structure*
- Team performance*
- Project management techniques*
- Benefits to the organization and customer*