



# Project Planning

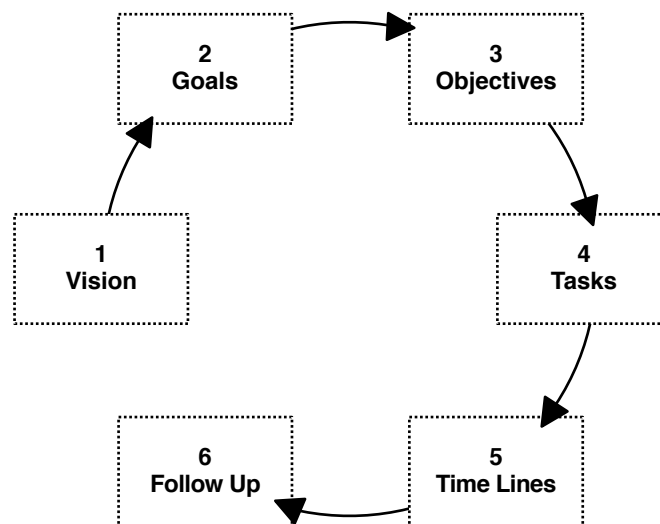
## Six Steps

The Planning Cycle brings together all aspects of planning into a coherent, unified process.

By planning within this structure, you will help to ensure that your plans are fully considered, well focused, resilient, practical and cost-effective. You will also ensure that you learn from any mistakes you make, and feed this back into future planning and Decision Making.

Planning can be fairly easy if you follow the six steps of:

Vision - Goals - Objectives - Tasks - Time Lines - Follow Up:



## Step 1 - Vision

### a. Analysis of opportunities

The first thing to do is to spot what needs to be done. You will crystallize this into a formal aim at the next stage in the process.

One approach to this is to examine your current position, and decide how you can improve it. There are a number of techniques that will help you to do this:

- **SWOT analysis** - This is a formal analysis of your strengths and weaknesses, and of the opportunities and threats that you face.
- **Risk Analysis** - This helps you to spot project risks, weaknesses in your organization or operation, and identify the risks to which you are exposed. From this you can plan to neutralize some risks.

- **Understanding pressures for change** - Alternatively, other people (clients, stakeholders) may be pressing you to change the way you do things. Pressures may arise from the changes in the economy, new legislation, competition, changes in people's attitudes, new technologies, or changes in government.

## b. Identifying the aim of your plan

Once you have completed a realistic analysis of the opportunities for change, the next step is to decide precisely what the aim of your plan is. Deciding and defining an aim sharpens the focus of your plan, and helps you to avoid wasting efforts on irrelevant side issues.

The aim is best expressed in a single sentence. This ensures that it is clear and sharp in your mind. If you have difficulty in formulating the aim of your plan, ask yourself:

- What do I want the future to be?
- What benefit do I want to give to my customers/stakeholders?
- What return do I seek?
- What standards am I aiming at?
- What values do I and my organization believe in?

You can present this aim as a "Vision Statement" or "Mission Statement". Vision statements express the benefit that an organization will provide to its customers/stakeholders. For example, the Vision Statement of Open Minds Global is: *"To empower young people to become agents of change within their own community through the development of their leadership skills"*.

Mission statements give concrete expression to the Vision Statement, explaining how it is to be achieved. For example, the mission statement of Open Minds Global is: *"To provide young women and young men - agents of change - with an effective and values-based Leadership Development Programme and to equip them with the necessary skills to take initiatives of social change."*

The mission of the organization is crucial in determining your vision. Your vision needs to coincide with the big picture. The term "vision" suggests a mental picture of what the future organization will look like. The concept also implies a later time horizon. This time horizon tends to be mid to long term in nature, focusing on as much as 2, 5, or even 10 years in the future for visions affecting the entire organization. However, leaders such as supervisors or line managers tend to have shorter time horizon visions, normally 6 months to a year.

The concept of a vision has become a popular term within academic, government, and corporate circles. This has spawned many different definitions of vision. But, the vision you want, should be a picture of where you want your department to be at a future date. For example, try to picture what your department would look like if it was perfect, or what the most efficient way to produce your product would look like, or perhaps if your budget was reduced by 10 percent, how you could still achieve the same quality product.

Vilfredo Pareto, a 19th century economist, theorized that most effects come from relatively few causes; that is, 80% of the effects come from 20% of the possible causes. For example, 20% of the inventory items in the supply chain of an organization accounts for 80% of the inventory value.

Some leaders fall into the time wasting trap of going after the 80% of items that only have a value of 20% of the total net worth. Your visions need to picture the 20% that will have the greatest impact on your organization. Although it is nice to have small victories every now and then by going that easy 80%, spend the majority of your time focusing on the few things that will have the greatest impact...that is what a good leader does.

Once you have your vision, it needs to be framed in general, unmeasurable terms and communicated to your team. Your team then develops the ends (objectives), ways (concepts), and means (resources) to achieve the vision..

## Step 2 – Purpose/Goals

The second step involves establishing goals, with the active participation of the team. Goals are also stated in unmeasurable terms, but they are more focused. For example, "The organisation must reduce transportation costs." This establishes the framework of your vision.

### Step 3 – Objectives/Results

Definable objectives provide a way of measuring the movement towards vision achievement. This is the real strategy of turning visions into reality. It is the crossover mechanism between your forecast of the future and the envisioned, desired future. Objectives are stated in precise, measurable terms such as "By the end of the next quarter, the shipping department will use one parcel service for shipping items under 100 pounds and one motor carrier for shipping items over a hundred pounds." The aim is to get general ownership by the entire team.

### Step 4 – Tasks/activities

The fourth step is to determine tasks of activities. Tasks are the means for accomplishing objectives. Tasks are concrete, measurable events that must occur. An example might be, "The transportation coordinator will obtain detailed shipping rates from at least 10 motor carriers."

#### a. Exploring options

By the stage, you should know where you are and what you want to do. The next thing to do is to work out how to do it.

The best is to spend a little time generating as many options as possible, even though it is tempting just to grasp the first idea that comes to mind. Use *Creativity Tools* to help you generate options. You may come up with less obvious but better solutions. Just as likely, you may improve your best ideas with parts of other ideas.

#### b. Selecting the best option

Once you have explored the options available to you, it is time to decide which one to use. If you have the time and resources available, then you might decide to evaluate all options, carrying out detailed planning, costing, risk assessment, etc. for each. Normally you will not have this luxury.

Two useful tools for selecting the best options are:

- **Grid Analysis** - It helps you to decide between different options where you need to consider a number of different factors.
- **Decision Tree**. It helps you to think through the likely outcomes for following different courses of action.

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### Step 5 – Time Lines/Detailed Planning

This step establishes a priority for the tasks. Since time is precious and many tasks must be accomplished before another can begin, establishing priorities helps your team to determine the order in which the tasks must be accomplished and by what date. For example, "The shipping rates will be obtained by May 9."

Detailed planning is the process of working out the most efficient and effective way of achieving the aim that you have defined. It is the process of determining who will do what, when, where, how and why, and at what cost.

When drawing up the plan, you can use various techniques such as:

- Gantt Charts
- Critical Path Analysis

While you are concentrating on the actions that need to be performed, ensure that you also think about the control mechanisms that you will need to monitor performance. These will include the activities such as reporting, quality assurance, cost control, etc. that are needed to spot and correct any deviations from the plan.

### Step 6 - Follow-up/ Evaluation of the plan and its impact

The final step is to follow up, measure, and check to see if the team is doing what is required. This kind of leader involvement validates that the stated priorities are worthy of action. For the leader it

demonstrates her commitment to see the matter through to a successful conclusion. Also, note that validating does not mean to micro-manage. Micro-management places no trust in others, whereas following-up determines if the things that need to get done are in fact getting done.

Once you have worked out the details of your plan, the next stage is to review it to decide whether it is worth implementing. Here you must be objective - however much work you have carried out to reach this stage, the plan may still not be worth implementing.

This is frustrating after the hard work of detailed planning. It is, however, much better to find this now than when you have invested time, resources and personal standing in the success of the plan. Evaluating the plan now gives you the opportunity to either investigate other options that might be more successful, or to accept that no plan is needed or should be carried out.

Depending on the circumstances, the following techniques can be helpful in evaluating a plan:

- **PMI (Plus/Minus/Interesting)** - This is a good, simple technique for 'weighing the pros and cons' of a decision. It involves listing the plus points in the plan in one column, the minus points in a second column, and the implications and points of uncertainty of the plan in a third column. Each point can be allocated a positive or a negative score.
- **Cost/Benefit Analysis** - This is useful for confirming that the plan makes financial sense. This involves adding up all the costs involved with the plan, and comparing them with the expected benefits.
- **Force Field Analysis** - Similar to PMI, Force Field Analysis helps you to get a good overall view of all the forces for and against your plan. This allows you to see where you can make adjustments that will make the plan more likely to succeed.
- **Cash Flow Forecasts** - Where a decision has mainly financial implications, such as in business and marketing planning, preparation of a Cash Flow Forecast can be extremely useful. It allows you to assess the effect of time on costs and revenue. It also helps in assessing the size of the greatest negative and positive cash flows associated with a plan. When it is set up on a spreadsheet package, a good Cash Flow Forecast also functions as an extremely effective model of the plan. It gives you an easy basis for investigating the effect of varying your assumptions.
- **Thinking Hats** - 6 Thinking Hats is a very good technique to use to get a rounded view of your plan and its implications. It provides a context within which you can examine a plan rationally, emotionally, optimistically, pessimistically and creatively.

## Conclusion

### What is a good plan?

A good plan will:

- State the current situation
- Have a clear aim
- Use the resources available
- Detail the tasks to be carried out, whose responsibility they are, and their priorities and deadlines
- Detail control mechanisms that will alert you to difficulties in achieving the plan
- Identify risks, and plan for contingencies. This allows you to make a rapid and effective response to crises, perhaps at a time when you are at low ebb or are confused following a setback.
- Consider transitional arrangements - how will you keep things going while you implement the plan?

### What terms to use?

Don't argue about the terms used in the planning cycle.

Some people use purpose instead of goal; some people use result instead of objective or in complement of objective. Some people use activity instead of task.

What is important is to remind that goals or purposes describe an intention. They are unmeasurable, while objectives and results should be measurable. They should be SMART:

- 1) Specific - Objectives should specify what they want to achieve.

- 2) Measurable – You should be able to measure whether you are meeting the objectives or not.
- 3) Achievable - Are the objectives you set, achievable and attainable?
- 4) Realistic – Can you realistically achieve the objectives with the resources you have?
- 5) Timed – When do you want to achieve the set objectives?

### The means-end hierarchy

What is also important is to keep a hierarchy from the vision to the tasks or activities. This is called the objective tree:

