Process Overview

1. Achievement threads into Achievement network
2. Sub-division of achievements into assignments
3. Strategic assumptions
4. Map achievements into authority/accountability
5. User/client approval of scope and charter
6. Work Breakdown Structure
7. Work estimates & resource assignments
8. Risk assessment & statistics
9. Fine-tuning the plan
10. Trade-offs and cost/benefit analysis
11. Final approval of plan

The list on the slide above puts in context where we are in the process. In this chapter we'll cover steps 1 through 5. This foundation will set up the remaining steps that we will cover in later chapters. Our objectives from this process are:

- *Clearly communicate and measure the business results which the user/client will receive and each member of the project team has to deliver.*
- *Build the foundation for a high-performance project team whose members have a commitment to the results they are accountable for delivering within a budget they have negotiated.*
- *Provide the user/client with the ability to make decisions based on data on every aspect of the project. This allows the user/client to effectively control the project at a strategic level.*
- *Provide executives with a highly efficient means of identifying problems at the earliest possible time, giving us the greatest opportunity to solve problems early.*

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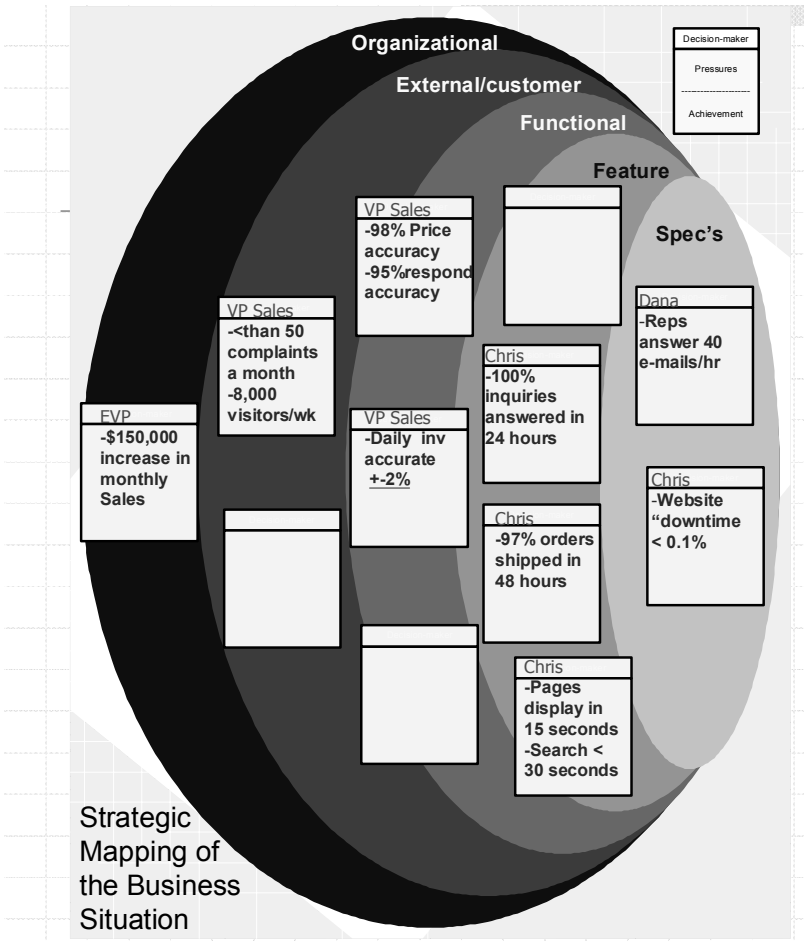

The exhibit is the strategic oyster that we developed in the preceding chapter. This is not a completed project plan but a thread of achievements that leads up to a strategically significant business result. We'll take this thread of achievements and expand it both horizontally and vertically to develop a complete achievement network. Along the way, we'll identify new decision-makers with a stake in the project and many more measured business achievements so our strategic position information continues to evolve.

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Echelon Definitions

- Organizational measure - overall organization performance measured externally
- External/customer measure - success measured by behavior in the outside world
- Cross-functional measure - impact on transactions with another department
- Functional measure - performance of a unit
- Feature measure - input or output, performance systems, processes or people
- Approval measure - acceptance of technical specs

Using the echelons of achievement as our guideposts, we'll expand the achievement thread horizontally by developing the supporting achievements for each high-level achievement. We'll expand it vertically by sub-dividing achievements down to the level of individual assignments. Our final network of achievements, our project requirements, will have achievements in many of these echelons. No assignment will be in an echelon lower than the approval level.

We'll use our echelons of achievement in laying out the high-level achievement network but in a slightly different way than when we were reaching for more strategic results. Now we'll move down the echelons to identify the lower achievements we need in our plan to deliver on each higher echelon achievement. In general, if our Measure of Success is at the organizational level, then the achievements that directly support it will be at the external/customer level. In turn, they will be sub-divided into cross-functional or functional measures. At the bottom of the network are the feature and approval achievements. In some situations we may skip an entire echelon but we never skip two. In other situations we may find that one level in our network contains achievements from two echelons.

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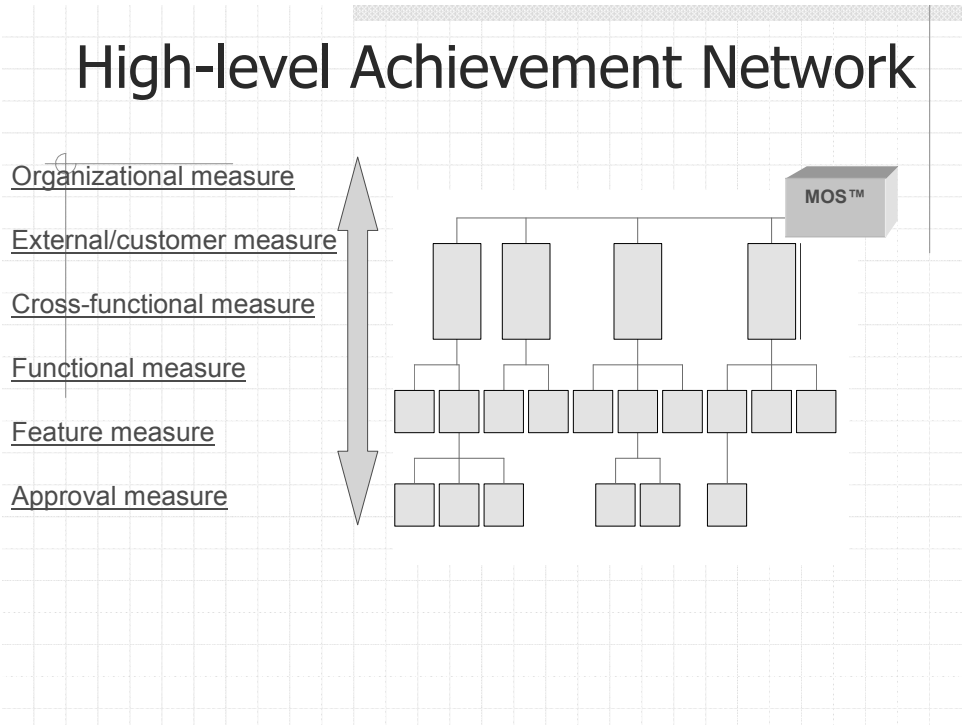

A high-level achievement network is a pyramid of measured achievements. At the top is our highest echelon achievement, the Measure of Success (MOS™). In some situations, the MOS™ will be in the operational echelon. In other business situations, our MOS™ will in the organizational echelon. Whatever the echelon we have been able to reach, we'll build our supporting requirements in the echelons below.

As we discussed before, we are not going to contract or commit to deliver the Measure of Success. Portions of the high-level achievement network will be results that our firm or department delivers. Other portions of the network will be achievements delivered by the user/client's personnel, other departments or vendors. We are reaching beyond those pieces we can deliver to directly link what we do to strategic business benefits the user/client wants to buy. We are also providing project management services where we integrate our efforts, the efforts of internal people and the efforts of contractors. We always clearly distinguish between the project's Measure of Success (a joint effort with our user/client) and the sub-achievements in that project plan which we will contract to deliver. They are never the same.

Another way of thinking about the high-level achievement network is that it's a map that leads us from lower-level achievements to smaller supporting achievements and then to achievements we will assign to individuals. This design not only gives upper-level decision-makers a tool for strategic control, it also gives us a tool to clearly communicate expectations and track results.

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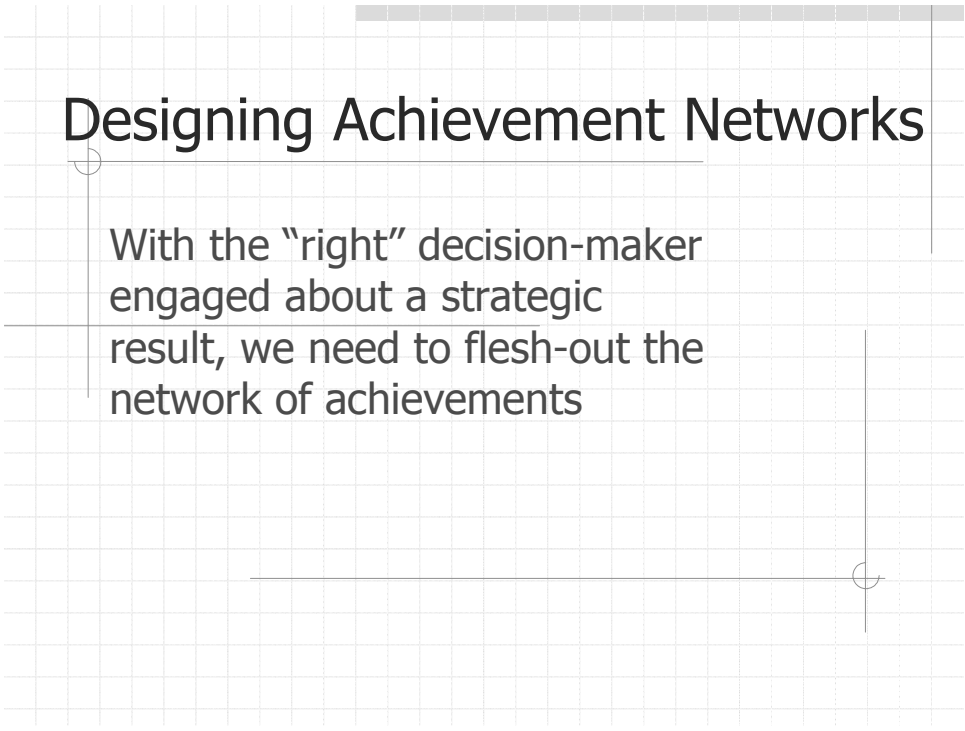
Designing the Requirements Network



Now that we've reviewed measured achievements and how we apply them within the echelons, we can move ahead. We'll use the achievement thread we developed in the strategic oyster and transform it into a high-level achievement network for further sales planning efforts, contract/commitment negotiations and project approval. We'll also use this high-level achievement network as we involve the project team in detailed estimating and delivery of the project.

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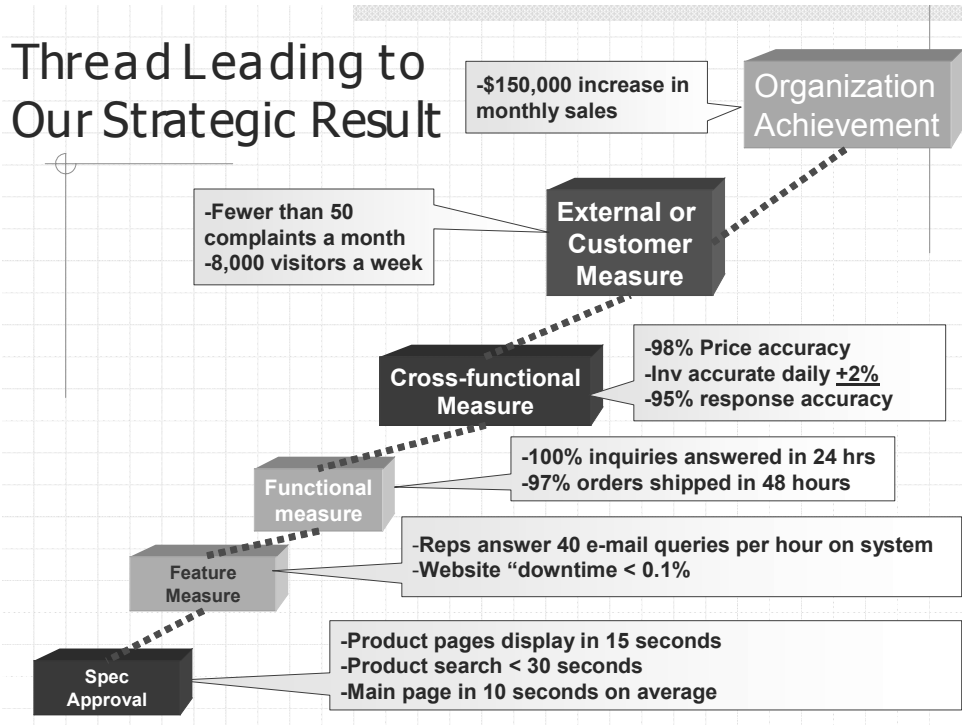

We can think of the strategic oyster as a thread of achievements. Our smallest achievement was in the feature echelon and as we added layers, we moved up the echelons to more strategically significant results. Now we have to work with the user/client to develop the rest of the network from this thread. This process is in itself a powerful vehicle for improving our position. No longer are we just talking about the features of a product or service we deliver. We're working with our user/client to formulate a strategy that will deliver positive results for their organization. Depending on the echelon of our highest achievement, we have a platform to meet with more senior management and discuss their performance pressures. Let's go ahead and transform our website project into a high-level achievement network and, in the process, finalize our project requirements and strategic assumptions.

Expanding a Thread

As we saw on the preceding slide, our MOS™ in the website project is a $150,000 monthly sales increase and it is the only achievement we have in the organizational echelon. One echelon down we have a customer/external achievement of "fewer than 50 complaints per month." Our first step will be to expand the thread to cover all the achievements we need in the customer/external echelon to support the MOS™. We ask the question, "Is this one external/customer echelon achievement sufficient to deliver the $150,000 increase in monthly sales?" We need a business judgment and obviously our user/client has to be actively involved in making it. In some circumstances it might be possible that the substantial reduction in customer complaints will drive an increase in sales. Our user/client knows their business far better than we do and we engage them in this decision. With their executives, we would probably get an answer of, "No, we can't assume that just improving the service and reducing the complaints will generate the additional sales by itself." We'd work with our user to identify what other customer/external echelon achievements we need. Remember that achievements in this

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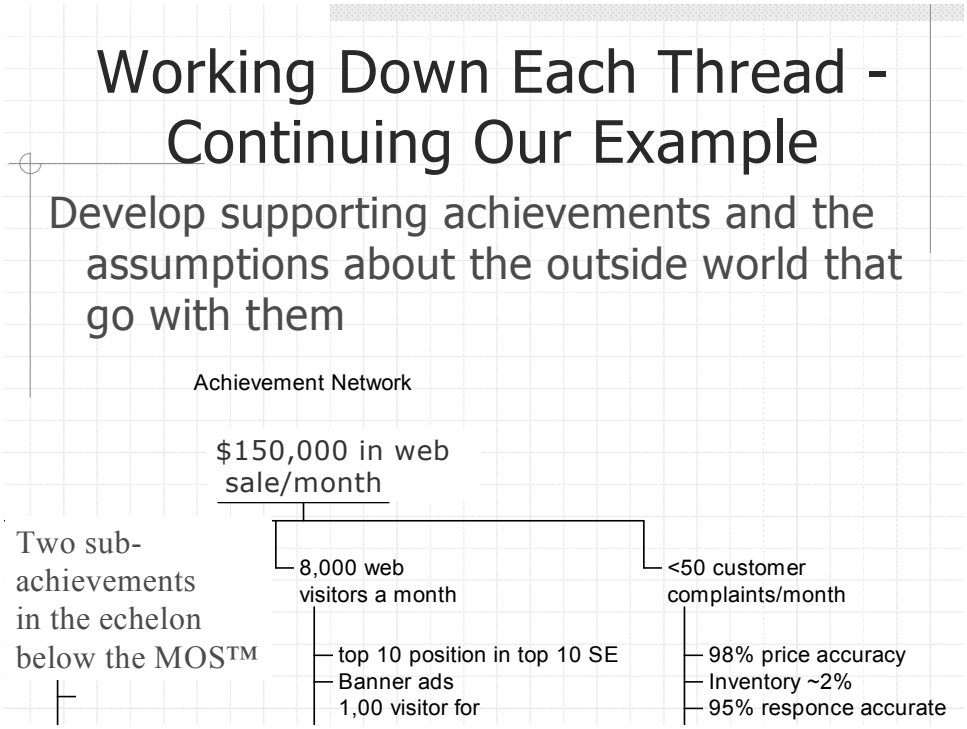
echelon measure the behavior of our user/client's customer. They are not measures of our internal performance; those are at least one echelon lower. After discussion, we might conclude that we need a customer/external echelon achievement of bringing visitors to our new website and that the combination of improved service and a reasonable amount of traffic on the website will generate the additional sales.



We're stimulating this discussion with our user/client decision-makers and our principal role may well be to insure that we have measured achievements. So when they decide that we also need to "generate website traffic," our first question is, "How many visitors do we need to support the $150,000 increase in monthly sales?" Again, setting the level is their decision. Our role is to make sure we have a measured result to shoot for. After more discussion they may conclude that 8,000 visitors a week to the website is the level of traffic needed to support a $150,000 increase in sales. We also keep the planning discussion focused on achievements, not the "how to's." Those will emerge when we get to lower echelons. By keeping the user/client executives at a strategic level and avoiding the activity trap, we let them exercise strategic control over the project. This may be a novel experience for them because they may be accustomed to having the unpleasant choice of either micro-managing projects or having no control points until the project is completed. By engaging client or user executives in setting the upper echelon achievements, we give them strategic control. We also set up our tracking and change control process where they will be measuring progress against these same upper echelon achievements.

As we add this second achievement in the customer echelon, we also probably record a couple of assumptions. In developing the 8,000 website visitors achievement, the user/client will make an assumption about what proportion of visitors to the website will actually buy something. They will also make an assumption about the average dollar

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