80/20 Pareto's Principle in Project Management communication

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Customer

- Mostly knows how much money he has

- Usually wants something, but not completely sure how much he can actually have for that money

- His needs can change over the time, but the budget remains the same!

- Knows when he wants the product to be delivered – on time!
Project Manager

Has to keep everyone happy!
Variables managing a project

An effective project management methodology is required for managing: **scope, time, resources (budget, human etc.),** change, risk, issues, configuration, quality, and **communication**.
So far we had to make compromises due to the project triangle. But now our management figured out how to have it all! What a wonderful approach!
Pareto’s Principle

The **Pareto principle** (also known as the *80–20 rule*, the *law of the vital few*, and the *principle of factor sparsity*) states that, for many events, roughly 80% of the effects come from 20% of the causes. E.g. 80% of your sales come from 20% of your clients.

Many businesses have an easy access to dramatic improvements in profitability by focusing on the most effective areas and eliminating, ignoring, automating, delegating or retraining the rest, as appropriate.

What could be the 20% of the issues in communication that results in 80% of the outcomes? One possible option is poorly or very well planned and managed communication plan.
Reasons projects are successful

- User/customer engagement
- Executive Management Support
- Clear Statement of Requirements
- Clear Vision & Objectives
- Proper Planning define the project carefully
- Realistic Expectations
- Smaller Project Milestones
- ROI
- Ownership
- Hard-Working, Focused Staff

Successful project managers typically have good communications skills that include being able to effectively present the issues, listen and act on feedback, and foster harmony among team members.

**Communication channels**

The key to successful communications is to keep information flowing in the right direction.

<table>
<thead>
<tr>
<th>Upward channel</th>
<th>Lateral channel</th>
<th>Downward channel</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communicate to senior executives</td>
<td>Communicate to clients, vendors and functional managers</td>
<td>Provide direction to project team</td>
</tr>
<tr>
<td>Highlight issues, risks and exceptions</td>
<td>Involves negotiations for resources, budgets and time allocations</td>
<td>Highlight tasks pending, scheduled tasks, dates, and general team briefings</td>
</tr>
<tr>
<td>Tools used:</td>
<td>Tools used:</td>
<td>Tools used:</td>
</tr>
<tr>
<td>• Exception reports</td>
<td>• Communication plan</td>
<td>• Verbal exchanges</td>
</tr>
<tr>
<td>• Weekly status reports</td>
<td>• Statement of work</td>
<td>• Agendas, minutes</td>
</tr>
<tr>
<td>• Project charter</td>
<td>• Contracts</td>
<td>• E-mail</td>
</tr>
<tr>
<td>• E-mail updates</td>
<td>• E-mail</td>
<td>• Project brief</td>
</tr>
<tr>
<td>• Face-2-face reviews</td>
<td>• Project plan</td>
<td>• Issue logs</td>
</tr>
<tr>
<td>• Communication plan</td>
<td>• Issue logs</td>
<td></td>
</tr>
<tr>
<td>Strengthens the buy-in from top</td>
<td>Requires diplomacy and tact</td>
<td>Requires delegation skills</td>
</tr>
</tbody>
</table>

Creating communication strategy

Before drafting your communication plan, start with a brief analysis of what you hope to achieve. Begin with an overview of your program’s communications environment, objectives and goals. Include a short situation analysis where you look at your project’s communications strengths, weaknesses, opportunities and threats (SWOT-analysis).

- **What?** what you want to accomplish with your association communications (your objectives); ways in which those objectives can be accomplished (your goals or program of work)
- **Who?** The target of the communication (e.g. all stakeholders, PM, Project Team, and so on)
- **Why?** The goals and objectives of the project communication process
- **When?** The timing and frequency requirements for all formal and informal communication activities
- **How?** The mechanisms and formats for the elements of the project communication process (tools and timetable); how you will measure the results of your program (evaluation)

Developing a project plan

The communication plan sets out a clear framework for your communication activities and allocates roles, tasks and goals to individual members of the team.

It will serve you as a guiding document throughout the program’s lifecycle including information on objectives, audiences, messages, tools and budget available.

<table>
<thead>
<tr>
<th>Project Phase</th>
<th>Stakeholder(s)</th>
<th>Information Type</th>
<th>Communication Type</th>
<th>Project Milestone or Frequency of Communication</th>
<th>Responsible Person</th>
<th>Storage Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>e.g., All</td>
<td>Associate VP</td>
<td>Status Report</td>
<td>Meeting/Paper</td>
<td>Weekly</td>
<td>Project Manager</td>
<td>Project Folder</td>
</tr>
<tr>
<td>e.g., Initiation</td>
<td>Director</td>
<td>Approval request</td>
<td>Paper</td>
<td>End of Initiation Process</td>
<td>Project Leader</td>
<td>Project Folder</td>
</tr>
<tr>
<td>e.g., All</td>
<td>Project Team</td>
<td>All notes and documentation</td>
<td>Electronic documents</td>
<td>Length of Project</td>
<td>Project Team</td>
<td>Wiki</td>
</tr>
</tbody>
</table>
Value of an effective communication plan

- **Facilitates team development:**
  
  Proper communication actually provides the basis for the project team to work together and understand objectives and tasks to be completed. Better communication means better performance.

- **Helps stakeholders understand the project goals:**
  
  From defining the user requirements to implementing the product, a proper communication plan aids in informing all project stakeholders what communication channels will be used on the project, who will report to whom, and the frequency, type, and format of project meetings.

- **Makes it easier to update stakeholders**

- **Reduces time of creating unnecessary documentation**
Conclusion

To plan and manage communication project manager should:

- understand the (communication) expectations of different stakeholders. How much and what information do they need?
- involve stakeholders in the process of developing the communication strategy and plan
- understand the project environment, goals and objectives
- analyze project’s communications strengths, weaknesses, opportunities and threats
- know and understand the tools to be used in communication
- understand the value of the communication plan
- not over communicate (too much information could be crucial to the outcome)!
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THANK YOU!