

FATAL PROJECT MANAGEMENT MISTAKES





Mistakes happen. Everyone — including project managers, firm owners, and principals — makes them. It's part of life.

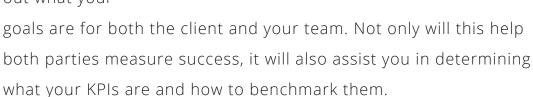
But there are different kinds of mistakes. Some stem from chance circumstances, while others are systematic and avoidable. Thankfully, the latter can almost always be prevented if appropriate precautions are taken.

While you can always learn from your mistakes, it's better to learn from somebody else's. To help with that, this ebook contains **10 critical project management mistakes**. Study them closely so you won't make them yourself.



Failing to Define Goals

Always define
your goals. Before
signing a contract,
you need to iron
out what your

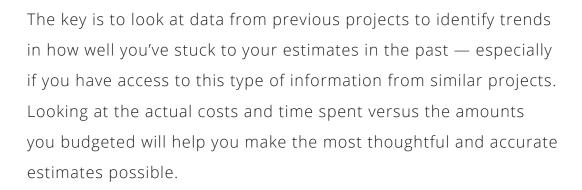


Alternatively, failing to set these goals for your firm and your stakeholders will damage your process due to a lack of clarity. At that point, making adjustments and keeping everyone happy will be much more difficult, and your firm's reputation, relationships, and financial health will deteriorate as a result.



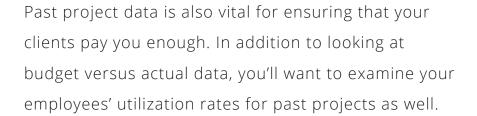
Not Making Accurate Estimates

Naturally, no one wants to go over budget or off-schedule. So, how can you avoid these types of mistakes when you're working on estimates?





Not Asking for What You're Worth



Employee utilization helps you assess the overall performance of an employee by comparing billable and non-billable time. It's also necessary for calculating the minimum bill rate, which is what you should be charging for each employee's time based on your target profit.

Here's the formula to use:

Minimum Bill Rate = (Pay Rate x Overhead Multiplier x Target Profit) / Utilization

Once you know your minimum bill rate, you'll also know what to charge so that you reach your desired profit.



Taking on Projects that Don't Help Your Firm

Sometimes you just have to say "no." If you agree to every project that comes your way, you'll regret it.

There are several reasons to second-guess a job:



- The potential client has impractical demands or there's a clash of personalities
- You're working for family or friends
- Legal concerns, like not having the license to do the work

Additionally, if you've run the numbers on your previous projects, you should be able to discern what types of work are more — or less — profitable for you. While occasionally building prestigious relationships is worth sacrificing some profit, be sure to carefully think through which projects you accept.



Assigning the Right People to the Wrong Tasks

Despite the fact that you have amazing employees with impressive skillsets, some of your staff members won't be a great fit for every job. This is why you should know each of your employee's unique strengths.



Pay attention to employee performance across their various tasks and activities. Better yet, use a project management tool to run the numbers for utilization and profitability.

When you know what each of your employees does best, you can put them in positions to succeed - and ultimately maximize their value to the team!



Mistake #6 Failing to Proper

Failing to Properly Communicate

Always communicate effectively.

This means regular checkins with both your team and your clients. Prior to starting a job, establish when and how you will communicate. Ensure that your clients lay out their expectations, too.



Think about which tools

will help you simplify your discussions, as well as whether you can automate certain processes, such as sending reports to stakeholders. If your team works remotely, take advantage of mobile and cloud-based software so they can always have access to the information they need, regardless of their location. By making your communication as streamlined as possible, you'll avoid a lot of confusion.



Only Running the Numbers After You're Finished

If you fail to regularly monitor the KPIs you established for your team and the project, your margins will quickly erode.

To prevent this from occurring, schedule weekly reviews to make sure you're on the right track. Equally important is having a framework in place that you can follow to make adjustments if you happen to fall behind. Better yet, use a project management platform with dashboards that offer real-time metrics so you check on the health of your projects daily.







Using Inconsistent Tools & Processes

Switching between different software solutions, methods of communication, and other project management essentials is a recipe for disaster.

Not only does this breed confusion throughout the life of the project, but you'll also waste time and effort getting everyone up to speed. Additionally, if you don't have comparable sets of data between your different projects, there's no effective way to measure what has worked and what hasn't.

To prevent this, standardize your KPIs and calculate them the same way every time so you can glean accurate information about larger trends in your firm.



Failing to Avoid Scope Creep

More often times than not, your clients will request changes or modifications to their projects once they are underway. It's part of the job.

That said, this doesn't mean you have to succumb to scope creep — the phenomenon that happens when small changes add up and cause major issues during a project.

To keep scope creep at bay, communicate with your clients upfront about how requests for changes will be handled, and establish a framework you can follow when it comes to making decisions regarding changes and how to prioritize them. This will keep you flexible, without taking on too many changes.



Working with Inferior Project Management Software

If you're still using spreadsheets or project management software that makes you feel like you're trapped in the past, it's time to consider an upgrade.

Modern project management solutions should give you visibility into your projects, as well as help you organize and assign work. Make sure whatever platform you use can be adapted to your needs, and that everyone on the team is comfortable using it. Consider the amount of data entry your project management software requires, whether it has mobile options, and how well it shares information with other systems.

If your software is out of date or fails to update and evolve, it's dragging your firm down. Avoid this at all costs.





If any of these mistakes sound familiar, make sure you correct them—quickly! Equip yourself with a solid plan, helpful data, and quality tools so that your life will be a little easier.



See how you can take your projects—and business—to the next level with CORE.









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