12 Project Closure

Amos Haniff and Mohamed Salama

Learning objectives
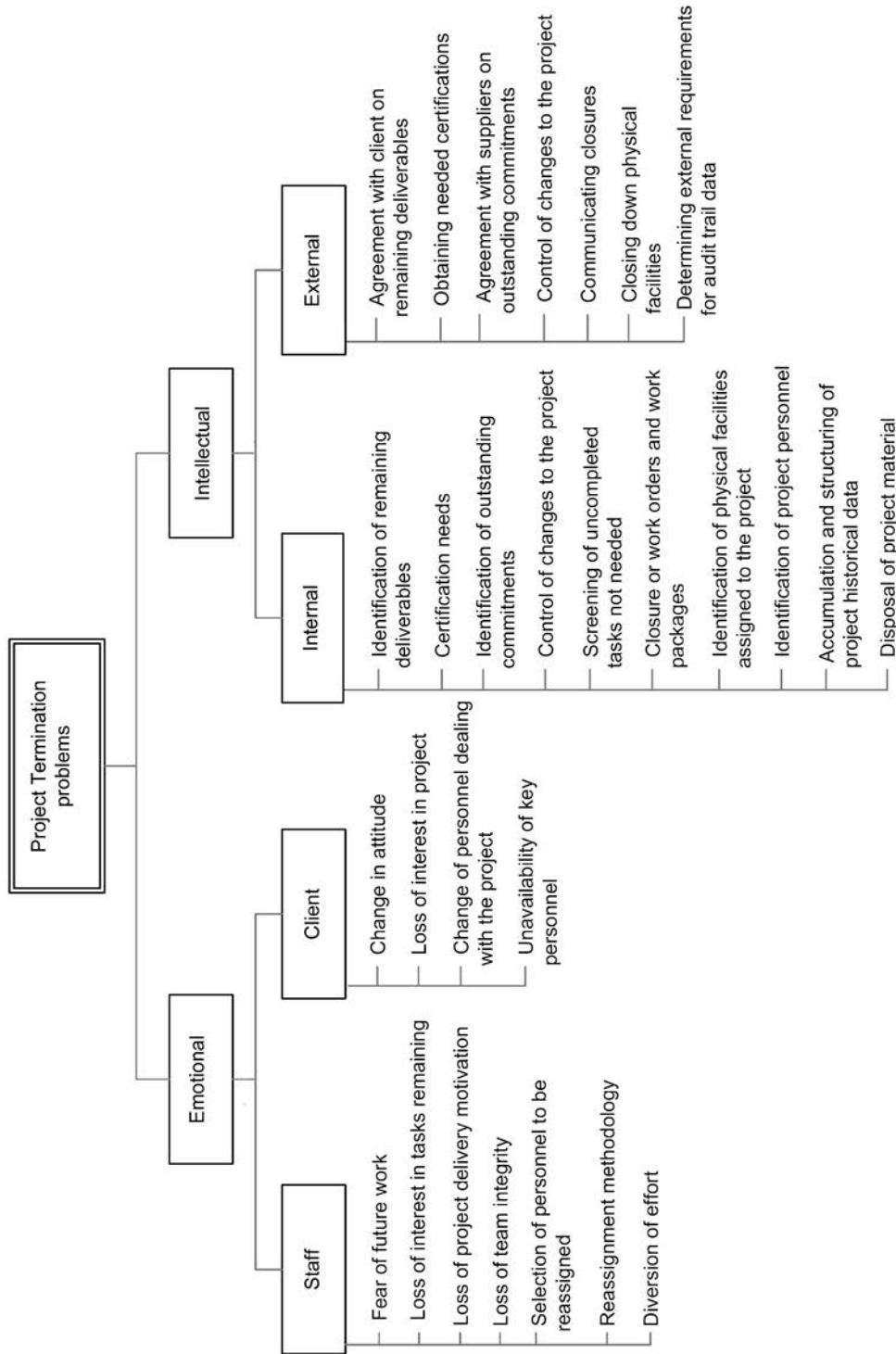
By the time you have completed this chapter you should be able to:

☐ Recognise the conditions for closure of a project

☐ Implement a project closure process

☐ Conduct a post-project review

☐ Understand the problems inherent with project closure

Introduction

As introduced in Chapter 1, project closure, or **termination,** is the final phase of the project life-cycle. This phase commences upon completion of all the project deliverables in the scope statement. However, despite being successful through the earlier stages of planning and execution, a number of project managers have difficulties at the closure phase. This is because closure of a project requires both strong technical and personal skills. The greatest challenge to the project manager at termination is showing understanding of the people issues and compassion towards a team that may feel demotivated as the project draws to a close.

It is possibly this reason that Spire and Hamburger (1988) propose that 'project termination' should be treated as a project itself. Indeed the task of project closure does fit the classical definition of a project, as a unique undertaking with specific recourse constraints. Spire and Hamburger have produced a very useful WBS for closure, shown in Figure 12.1. This identifies a number of potential problems at the closure phase. These are divided into the intellectual and emotional elements that management should address when the project begins the process of termination.

Project Termination problems

Emotional

Staff
- Fear of future work
- Loss of interest in tasks remaining
- Loss of project delivery motivation
- Loss of team integrity
- Selection of personnel to be reassigned
- Reassignment methodology
- Diversion of effort

Client
- Change in attitude
- Loss of interest in project
- Change of personnel dealing with the project
- Unavailability of key personnel

Intellectual

Internal
- Identification of remaining deliverables
- Certification needs
- Identification of outstanding commitments
- Control of changes to the project
- Screening of uncompleted tasks not needed
- Closure or work orders and work packages
- Identification of physical facilities assigned to the project
- Identification of project personnel
- Accumulation and structuring of project historical data
- Disposal of project material

External
- Agreement with client on remaining deliverables
- Obtaining needed certifications
- Agreement with suppliers on outstanding commitments
- Control of changes to the project
- Communicating closures
- Closing down physical facilities
- Determining external requirements for audit trail data

Figure 12.1: Issues for Project Termination. Source: (Spirer and Hamburger, 1988)

■ **Intellectual components**: Activities that need to be complete in order to formally handover and close the project.

■ **Emotional components**: Potential issues encountered by personnel involved in the project.

12.1 Conditions for project closure

As we have discussed in Chapter 1, projects are temporary and therefore must come to an end. When planning a project we schedule for project completion and plan closure accordingly. However, a project may close for variety of reasons. Gray and Larson (2008) identify five circumstances for project closure:

1 **Normal closure:** The common condition of project closure is when the project is completed as planned. This is when the project objectives are achieved, the client accepts the project and normal project closure commences.

2 **Premature closure:** Many projects do not achieve all their deliverables or are not given the opportunity to so. Instead, they are closed prematurely by eliminating elements of the project originally identified in the project scope. This could be for the reason of costs, where the client reduces funds on the project or the project has already consumed the budget. Premature closure also occurs when the project is of strategic importance and must be delivered earlier than expected, such as a new product launch. Delaying the product until the original completion date may result in opportunity lost for the client.

3 **Perpetual projects:** Conversely, some projects never seem to end. These are projects that have had numerous delays, set backs and problems. Perpetual projects also suffer from endless scope creep, add-ons and changes, as discussed in Chapter 6. The problem with these types of projects is that they never achieve their goals or objectives, due to the changes and consistent scope screep. This becomes highly frustrating for the project manager and the project team. It will also be highly frustrating for the client as they do not see the objectives of the project being achieved, despite the consistent request for changes. At some point the project manager needs to fix the scope and plan for closure. Redefining the project scope so project closure is forced, limiting budget or resources, or setting a time limit can do this. As a result, any additions that the client requests can be viewed as a second phase of the project, rather than the project being perpetual

4   **Failed projects:** Far too often projects close because they have failed. There are a number of causes for project failure. It is not uncommon for the client to run out of funds, thus permanently killing the project. Another common

12