



DISCON Specialists

EA Enabling Technique
Critical Success Factors

Business Critical Success Factors (CSFs)

Critical Success Factors for a business are those things that absolutely need to be achieved in order to avoid the organisation's 'Certain Death'. Typically these factors are derived from the identification of potential 'Death Threats' as well as the source of 'Core Competencies' that the business needs to capitalise on in order to survive 'Certain Death'. In order to focus energy and make progress towards achieving these CSFs, the CSFs need to comply with the following criteria:

- A critical success factor must be expressed in terms of a yardstick. To say 'We have to increase productivity.' is simply not good enough. We have to be able to measure to tell whether we are solving the problem. To say 'We have to increase productivity by 35 %.' is closer to being a qualified critical success factor.
- A critical success factor applies to a particular scenario and is therefore associated with a very particular time frame. What is a critical success factor today will not necessarily be a critical success factor in a year's time. 'We have to increase productivity by 35%.' doesn't qualify to be a critical success factor, as we cannot tell the relevant time frame. If we change it to 'We have to increase productivity by 35% in the next four months.' it could qualify to be a critical success factor.

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- Drive focus on achievement through limiting the number. Exclusion does not imply a "head-in-the-sand" approach - this exercise should be revisited often and on an ongoing basis to evaluate and re-focus the business.
- A critical success factor doesn't have a severity or weight associated with it. If one critical success factor is more critical than another one, then the second one is simply eliminated from the list. This is a handy rule as one could ask an audience to add a severity indicator to a huge list of critical success factors. All the ones that are not rated as the most severe are eliminated immediately. Thus, a critical success factor is a binary factor, either yes or no.
- The number of critical success factors we should be aiming for is seven.
- Critical success factors should be independent from one another.

As the above criteria are only guidelines, we cannot be crucified if we deviate slightly from them. Below we list examples of critical success factors for a centralised Information Services Department of a retail organisation:

- A. Convince strategic business planning entity of potential value add by Sept g6.
- B. Have generic skill & approach for package selection, customisation and operation by end of June g6 using the G.I.S Information Technology Blueprint.
- C. Have appropriate package specification skills and approach for sufficient resourcing of the project by the time the package is received.
- D. Have mapped potential Project Managers against dedicated Project Management job & skills (Multiple Projects) & have interpreted impact on the organisation structure by 30 March 1996.
- E. We enforce the project management principles agreed at the Executive Management Committee (Feb) & all G.I.S projects to be submitted to the Executive Management Committee.
- F. Produce positioning Paper with recommendations on the application of Electrical Commerce at GLOBAL TRADING by mid April.
Similar papers for:
 - A. Data Management.
 - B. Global Access.
- G. Allocate outsourcing of non-competitive services by end July g6.
- H. Meet user expectations of Group Information Services of chain MD's by end June g6.
- I. Deliver the future Arch<Enterprise Wide><Business> by beginning of August g6, to enable architecture to drive implementation. This organisation structure must be fully manned by August g6.

Project Critical Success Factors

Critical success factors for the project are subject to the same criteria as critical success factors for the business. In order to formulate them one needs to establish what the DEATH SITUATION for the project would be.

Every project is also a system. It can therefore be expressed in the three typical business environments. One explores and investigates the external and target environmental factors within which the project is executed.

A project also has a set of clients and a set of suppliers. The project stakeholders would include the project sponsor, the project owner, trade unions, the project members, working committee, steering committee and user community. Events or potential events outside the business could affect the project. If the business environment within which the organisation functions changes it could imply rescheduling or re-focusing of activities within the project, or even termination of the project. These categories of factors are used to derive a set of critical success factors for the project.

They will be used to enable us to focus the project, by prioritising the activities, and to establish a measurement mechanism for the deliverables on the project.

In the example below the factors that could influence critical success factors of the project, within the context of the Death Situation was formulated.

- Cost Saving (Business Overheads)
- Duplication of effort
- Tariffs
- Visible Client Satisfaction
- Implemented Benchmark Mechanism
- Personnel Acceptance
- Integrity of Functions
- Correct level of user participation
- Sell project benefits to business
- Top management must be committed
- Skills must be transferred
- Availability of funds for implementation

An example of CSFs were then derived from these factors and listed below:

- Any duplication of effort or unnecessary work should be identified and eliminated before the end of the project.
- Client satisfaction should be tested before and after the project (3, 6, 12 months) through a questionnaire for a 10% improvement.
- A bench mark system (e.g. cost and service) should be developed and implemented before the end of the project.
- The change agent should confirm acceptance and commitment of personnel during and after the project.
- The procedures should be audited before and after implementation to confirm the integrity of the functions in practise.
- Client acceptance of sensitive issues should be confirmed before implementation of changed practises.
- The correct level and composition of user participation should be ensured through out the project through joint project management.
- Top management commitment should be ensured through out the project.
- DISCON should positively confirm a skill transfer to the Financial Department to ensure continuous improvement.
- The availability of funds should be ensured to implement changes on a pay back basis.