

# Why Small Projects Drift Off Track

5 Common Causes | Insights for SMEs and Charities

In the world of SMEs and charities, "small" projects are the engines of growth and social impact. Whether it's launching a new CRM system or organizing a community fundraising gala, these initiatives are often managed by multi-tasking staff rather than dedicated project professionals. However, research suggests that smaller projects are frequently more vulnerable to failure than "megaprojects" because they lack the rigorous governance structures that act as safety nets (Flyvbjerg, 2021). When a project drifts, it is rarely due to one catastrophic event; it is usually a "death by a thousand cuts."

## 1. Unclear Scope and Objectives

**Explanation:** "Scope creep" is the most cited reason for project distress. Without a firm "Definition of Done," the project expands to include "nice-to-have" features that drain resources. The Project Management Institute (PMI, 2023) notes that projects without baseline requirements are 35% more likely to experience budget overrun.

**Charity Example:** *A non-profit agrees to a website refresh, but stakeholders slowly add requests for SEO audits, new copywriting, and logo redesigns without adjusting the budget or timeline.*

**Recommendation:** Use a Project Charter. Even a one-page document explicitly stating what is *out of scope* can prevent unauthorized expansion (APM, 2019).

## 2. Weak Stakeholder Communication

**Explanation:** Misalignment between what the project team delivers and what stakeholders expect is a silent killer. McKinsey & Company (2023) highlights that effective communication is the primary differentiator in successful digital transformations. In smaller teams, assumptions often replace formal updates.

**SME Example:** *A boutique agency launches a new client portal, but fails to consult the client's end-users during design. The result is a system that is technically sound but operationally unusable.*

**Recommendation:** Conduct Stakeholder Mapping. Identify who needs to be consulted versus who just needs to be informed, and set a rhythm for updates (Newton, 2015).

### 3. Unrealistic Planning and Timelines

**Explanation:** Organizations often fall victim to the "Planning Fallacy"—a cognitive bias where we underestimate the time needed for tasks while ignoring historical data (Kahneman, 2011). In resource-constrained environments, timelines are often dictated by external deadlines rather than operational reality.

**SME Example:** *A manufacturing firm promises a three-week turnaround on a custom order based on "perfect conditions," failing to account for typical supply chain delays or staff leave.*

**Recommendation:** Adopt Reference Class Forecasting. Look at how long similar projects actually took in the past rather than relying on best-case scenarios (Flyvbjerg, 2021).

### 4. Risks Identified Too Late

**Explanation:** Many small organizations view risk management as a "big company" bureaucracy. However, the Association for Project Management (2019) argues that risk management is actually more critical for SMEs because they have less financial "buffer" to absorb shocks.

**Charity Example:** *A youth charity plans an outdoor festival but doesn't create a contingency plan for bad weather or a key vendor pulling out 48 hours before the event.*

**Recommendation:** Hold a "Pre-Mortem" session. Before starting, ask the team: "Imagine it is six months from now and the project has failed. What happened?" This surfaces risks early (Klein, 2007).

### 5. Poor Monitoring and Follow-Through

**Explanation:** This is the "set it and forget it" trap. Without regular check-ins, small deviations go unnoticed until they become systemic issues. Academic research suggests that many projects fail to deliver value because no one tracked the outcomes post-implementation (Zwikael and Smyrk, 2019).

**SME Example:** A retail business invests in new inventory software but never checks if the staff are actually using the automated features, leading to the same manual errors as before.

**Recommendation:** Establish Key Performance Indicators (KPIs) and a weekly 15-minute "Pulse Meeting" to review progress against the baseline.

## Source Mapping

Cause of Drift	Supporting Evidence/Institutional Sources
Unclear Scope	PMI (2023), APM (2019)
Weak Communication	McKinsey & Company (2023), Newton (2015)
Unrealistic Planning	Kahneman (2011), Flyvbjerg (2021)
Late Risk Identification	Klein (2007), APM (2019)
Poor Monitoring	Zwikael and Smyrk (2019), PMI (2023)

## Reference List (Harvard Style)

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McKinsey & Company (2023) *The State of Organizations 2023: Ten shifts transforming organizations*. Available at: [mckinsey.com](https://www.mckinsey.com).

Newton, R. (2015) *Project Management Step by Step*. 2nd edn. London: Pearson.

Project Management Institute (PMI) (2023) *Pulse of the Profession 2023: Power Skills*. Available at: [pmi.org](https://www.pmi.org).

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