PROJECT ASSUMPTIONS

Assumptions are external factors that have the potential to influence (or even determine) the success of a project, but lie outside the direct control of project managers. They are the answer to the question: “What external factors may impact on project implementation and the long-term sustainability of benefits, but are outside project management’s control?”

How do we identify assumptions?

Assumptions are usually progressively identified during the analysis phase. The analysis of stakeholders, problems, objectives and strategies will have highlighted a number of issues (i.e. policy, institutional, technical, social and/or economic issues) that will impact on the project ‘environment’, but over which the project may have no direct control. In choosing a strategy for the project, there are also usually some issues that have been identified during the problem and objectives analysis that are not then directly addressed in the project implementation strategy, but which may nevertheless have the potential to impact on the success of the project.

Additional assumptions might also be identified through further consultations with stakeholders, as the hierarchy of project objectives is discussed and progressively analysed in more detail (i.e through analyzing technical feasibility, cost-benefit, environmental impact assessment, etc).

Goal
What external factors are necessary to sustain the objectives in the long run?

Purpose
What external factors are necessary if the purpose is to contribute to achievement of the goal?

Outputs
What are the factors not in control of the project, which are liable to restrict the outputs achieving the purpose?

Activities
What factors will restrict the activities from creating the outputs?

Examples of assumptions may be:
- Local institutions collaborate in planning activities
- Suitable staff are identified and recruited - local and expatriate
- Trainees return to work on the project
- Adequate budget allocations are made
- Government meets certain pre-conditions set out by the donor

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1 Handout developed using Objective-oriented project design & management handbook prepared by ITAD within the framework of the Tempus programme and Project Cycle Management Guidelines, European Commission.
What do we do with our initial assumptions?

The probability of these assumptions holding true needs to be further analysed to help assess the project’s ‘feasibility’ (probability of success). There is no set formula for doing this, and some degree of subjectivity is involved.

The probability and significance of external conditions being met is thus part of assessing how ‘risky’ the project is. Some assumptions will be critical to project success, and others of marginal importance. The main issue is to assemble and analyse adequate information from an appropriate range of sources, including the different viewpoints of different stakeholders. What is considered a key assumption to one group, may not be so important to others. Sharing these different perspectives is an important part of the planning process.

A useful way of assessing the importance of Assumptions during design is with the decision making flowchart shown in the Figure below:

Once the assumptions have been analysed and tested, and assuming the project is still considered ‘feasible’, the only assumptions that should remain in the Logframe matrix are those which are likely to hold true, but which nevertheless need to be carefully monitored during project implementation. They then become part of the project’s monitoring and risk management plan.