

BEYOND THE STAGE GATE

Killing Projects — What the Textbooks Leave Out

A Practitioner's Perspective on the Leadership Realities of Project Termination



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1. The Missing Chapter

Every portfolio management textbook includes a section on project termination. It describes the criteria, the process, the governance mechanism. It explains that stage gates serve as decision points where underperforming initiatives can be redirected or stopped. It sets out the logical framework: if costs exceed a threshold, if benefits fall below a floor, if strategic alignment has shifted, the project should be terminated.

What the textbooks leave out is what it actually feels like to stop a project. The politics, the personal consequences, the conversations that nobody prepares you for. In my experience, the gap between the theory of project termination and its practice is wider than in almost any other area of portfolio management — and the gap is not about process. It is about leadership.

2. Why the Process Is Not the Problem

The standard diagnosis of why organisations fail to stop projects focuses on process deficiency. The stage gates are not rigorous enough. The criteria are not clear enough. The data is not good enough. The governance board is not disciplined enough. Each of these observations may be true, and each generates a familiar set of recommendations: sharpen the criteria, improve the data, strengthen the governance.

But the pattern I have observed, across multiple organisations and sectors, is that process improvements do not meaningfully change termination rates. Organisations that invest heavily in governance maturity — sophisticated stage gate processes, comprehensive benefit tracking, independent assurance reviews — still struggle to stop projects. The mechanisms exist. The decisions do not.

The reason is that project termination is not, in practice, a process outcome. It is a leadership act. It requires someone to stand up and say: this initiative, which we approved, which has consumed resources and effort, which has a sponsor and a team and stakeholders who believe in it, should stop. That act demands a kind of courage that no process can substitute for and no framework can manufacture.

3. The Three Conversations Nobody Wants to Have

In the organisations where I have seen termination decisions handled well — and there are fewer of these than the profession would like to admit — the critical factor has been a

leader's willingness to have three specific conversations that governance frameworks do not prepare anyone for.

The first is the conversation with the sponsor. This is the hardest, because the sponsor's identity is often bound up with the initiative. They championed it. They built the business case. They fought for the resources. Telling them that their project is being stopped is not a governance action — it is a personal conversation that requires empathy, directness, and respect in equal measure. The leaders who handle this well do not delegate it to the portfolio office. They have the conversation themselves, face to face, and they frame it around changed circumstances rather than personal failure.

The second is the conversation with the team. Project teams invest not just their time but their professional commitment. They have worked evenings and weekends, solved problems, built something they believe in. Learning that the project is being terminated can feel like a betrayal, particularly if the team has been performing well and the decision is driven by external factors — a strategic shift, a budget cut, a change in priorities. The leader who handles this well acknowledges the team's contribution explicitly, explains the reasoning with transparency, and takes personal responsibility for what comes next in their careers.

The third is the conversation with the organisation. Every terminated project sends a signal. If the signal is "we punish failure," the effect is to make every future sponsor more defensive, every future business case more optimistic, and every future governance review less honest. If the signal is "we make hard decisions based on evidence and we look after the people affected," the effect is to build the organisational confidence that makes future termination decisions possible.

4. The Leadership Deficit

The pattern that recurs across complex organisations is a specific form of leadership deficit: an abundance of people who can approve initiatives and a scarcity of people who can stop them. This is not because the approvers lack intelligence or judgment. It is because the organisational system rewards starting things and penalises stopping them.

Consider the career incentives. The executive who sponsors a major new programme receives visibility, resources, and the association with ambition and forward movement. The executive who recommends terminating a programme — even one that is clearly failing — receives scrutiny, the implication of poor judgment, and the political cost of disappointing the programme's stakeholders. Over a career, the rational strategy is obvious: start things, champion things, and let someone else deal with the consequences if they do not work out.

Organisations do not lack the governance to stop projects. They lack the leaders who are willing to bear the personal cost of making the decision — and the culture that would make that cost bearable.

This is why process maturity alone does not solve the problem. A mature stage gate process in an immature leadership culture produces a characteristic outcome: rigorous review followed by unanimous continuation. The governance theatre is performed with great professionalism. The decision is always to proceed, perhaps with a revised plan, a reduced scope, or an extended timeline — but to proceed.

5. What Good Looks Like

The organisations that terminate projects effectively share several characteristics that are not typically captured in maturity models.

First, they have senior leaders who have personally stopped projects and talked about it publicly. This modelling effect is powerful. When a respected executive explains that they terminated a programme they had previously championed, because the evidence showed it was no longer the right investment, it shifts the organisational norm. It demonstrates that stopping something is compatible with good judgment and successful careers.

Second, they separate the termination decision from the performance judgment. The question is not "has this project failed?" but "is this still the best use of these resources?" This reframing is more than semantic. It removes the stigma of failure from the decision and replaces it with a question about portfolio optimisation. A project can be well-run, on track, and delivered by an excellent team — and still not be the right investment given what has changed since it was approved.

Third, they invest in the aftermath. Termination without aftercare — for the sponsor, the team, the affected stakeholders — is not portfolio management. It is organisational vandalism. The organisations that do this well redeploy people thoughtfully, acknowledge contributions genuinely, and ensure that the knowledge gained is captured rather than lost.

6. The Practitioner's Honest Admission

The honest admission, from someone who has spent years working in portfolio governance, is this: the profession has spent far more energy building the mechanisms for starting things than the mechanisms for stopping them. We have refined the business case process, the benefits management framework, the stage gate model, the portfolio dashboard. We have built an impressive apparatus for making investment decisions. We have built almost nothing for making disinvestment decisions.

The reason is not that we do not know how. The mechanics of termination are straightforward. The reason is that termination is fundamentally a leadership problem, and portfolio management has historically positioned itself as a process discipline rather than a leadership discipline. Until that changes — until portfolio practitioners see themselves as people who must develop and support the leadership capability to stop things, not just the process capability to review them — the termination gap will persist.

The leader who can stand in a room of invested sponsors and say "we are stopping this, and here is why" possesses the rarest and most valuable capability in portfolio governance. The profession's task is not to make that moment unnecessary through better process. It is to make that moment possible through better leadership.