

ALL THINGS DIGITAL

JUNE 27, 2019

VOLUME 5, ISSUE 3

MY MAJOR PROJECT CONUNDRUM

Conundrum: an intricate and difficult problem

Intricate: a. having many complexly interrelating parts or elements, b. difficult to resolve or analyze

Information Technology spending reductions have been the hallmark of prudent business operations in lean times. Staffing cutbacks, aggressive expense reviews, competitive outsourcing, delayed maintenance, elongated replacement cycles and IT capital investment holds have all been part of the business playbook. Not scrutinizing expenses and investments has led to business failure, so all firms have employed these and other methods to reduce costs.

For many companies like yours, these reductions and delays have resulted in a backlog of demand for initiatives and projects. Your legacy systems are old and brittle. Your marketing department is clamoring for applications to reach new customers and drive sales. Your operations team is falling behind. Your business partners and customers require new technological ways to conduct business. Your competition is leap-frogging you with new and improved ways of growing their business.

So now you have a major project to execute.

Now you have one or more major projects in the wings, but can you deliver? You've made budget cutbacks and you've not tackled a major project in years. In addition, you've outsourced the people who would normally lead this type of effort.

Who can lead this effort?

Projects and Project Management

Successful projects require a disciplined approach and project management is the critical link in executing major initiatives. In fact, project management has been elevated to a business science with professional certification. Yet despite this focus on project management and its elevated role in corporations, the landscape is littered with failed projects:

- The U.K. ran into major project problems on what is considered to be the largest public IT project of all time, a \$3.7 billion attempt to provide electronic health records for all citizens.
- American Airlines experienced problems with changes to their crew scheduling and tracking system that resulted in over 3,000 flights being cancelled causing huge delays.

- A botched migration to a new software platform at TSB bank in the United Kingdom caused major disruptions for weeks, angered the bank's 5 million customers, and eventually led to the resignation of its CEO.
- The Veterans Department's \$15.8 billion EHR development was already hundreds of millions of dollars over budget shortly after awarding a development contract.
- German supermarket company Lidl decided to scrap an ineffective three-year old merchandise management system after spending more than \$565 million on it.

What happened? It's likely that these and other projects failed because ***project management is broken*** in the following areas:

- The projects had no business owner – there was little, if any, accountability for the project and no business executive whose career depended on constantly and consistently monitoring for delays and scope creep.
- There was weak project leadership. The project leader didn't have the skills or aptitude to lead the project, didn't engage the stakeholders and management, didn't immerse himself 100% in the project and/or had poor interpersonal skills.

What should I do to ensure my projects succeed?

First and foremost you should re-charter your projects as *business-owned* projects. Treat them as critical corporate activities – like acquisitions, and apply all the oversight and controls you would to other corporate initiatives. A corporate oversight group should be established and chartered to periodically to review status, cost, staffing, timing and issues.

It is critical that the oversight group establish proper accountability and project team discipline. Business projects mean business leaders must be accountable. There are no free passes when it comes to the project management of major initiatives, only hard work and commitment from all parties.

Get the right resources. Key resources may be gone, outsourced, committed to other activities, or unavailable to support your major project. Your staff may not be prepared to lead your critical initiative. They may not have the time, the skills, or the experience necessary for the project.

Once you have a project "owner", the question then boils down to, *who should you appoint as the project manager?*

Your project success largely depends on the individual you choose as the project manager. She must have deep experience with the tools of project planning; project planning software, staff planning tools, cost planning tools and reporting and communication tools. In addition, it is critical that she has the aptitude to immerse herself in the subject of the project. There are too many examples of failed initiatives where the project manager did not have the aptitude or desire to so embrace the project. In addition, the project manager must have the skills and expertise to successfully engage with a wide

range of constituents, from the project team, to project stakeholders, to suppliers and corporate leadership. The role of the project manager for a major initiative differs from other lesser projects. They need to effectively work with these many parties and be skilled in not only project management, but also in corporate culture and politics, supplier management, management of ambiguity and possess polished people-skills.

You have three options:

Use your own staff. This is the most popular approach. With your own staff, you are guaranteed that they know your company and are knowledgeable of the situation and the goals and objectives of the project. In addition, they will have a track record. However, there are risks to this approach. Managing a major initiative may involve on-the-job-training and perhaps learning by trial and error, particularly if there have been no major projects recently. If your staff is reassigned from their current work, they may be splitting their focus between their new project and their current responsibilities. And if their current responsibilities are reassigned, the new project manager may be anxious about their future after the project is completed.

Hire a project manager. Going to the marketplace to hire a project manager is another alternative. He should know what is necessary for good project management execution and will bring project management credentials and a project management certificate. The cost of a project manager can be reasonable, but this approach also has risks. It could take two to three months to find the ideal candidate. Once on board, leading a successful major initiative requires more than project management skills. It also takes skill to navigate through ambiguity forging effective relationships with key stakeholders and corporate leaders, and correcting key impediments such as passive-aggressive behaviors and other dysfunctions.

Retain a seasoned executive consultant. A seasoned executive consultant, particularly one who has led a major line organization and who possesses the necessary project management skills may be your best bet. Such an individual has a track record of project successes and is best suited to work across the organization to achieve success. In addition, training and mentoring your project team is part of the job. Unlike other approaches, a consultant of this caliber is experienced at forging successful working relationships and most importantly, will keep the project on track and provide you with early warnings of project problems and remedies to avoid project delays. In addition, an executive consultant is trained to look at the bigger picture and ask questions like, "are we automating a broken process?", "is this being treated as an IT project, not a business project?" or "is there less-than-enthusiastic support for this initiative in the corporation?" Finally, a seasoned consultant will focus 100% of her effort to the project and is available immediately.

What are my next steps?

You must directly control your most critical initiatives and demand accurate and timely information on progress and issues. You must also wisely select the project manager.

Johnson Conley is prepared to help you with advice and counsel on how to proceed. We offer a variety of services and can provide seasoned executive consultants and project review services to ensure the success of your project. If you are struggling with *Your Major Project Conundrum*, please give us a call.



Dennis Conley is a multi-published, innovative and transformational leader with comprehensive experience delivering market differentiating digital strategies and solutions across diverse industry verticals. With his In-depth executive and consulting expertise, he helps corporations plan and implement digital solutions, business improvement, and post-merger integration programs. A strategic thinker and futurist, he is regularly sought after for corporate strategy development.