



Project Recovery, Salvaging & Turnaround What Works? What Doesn't?

Presentation for PMI – GT ISLIG

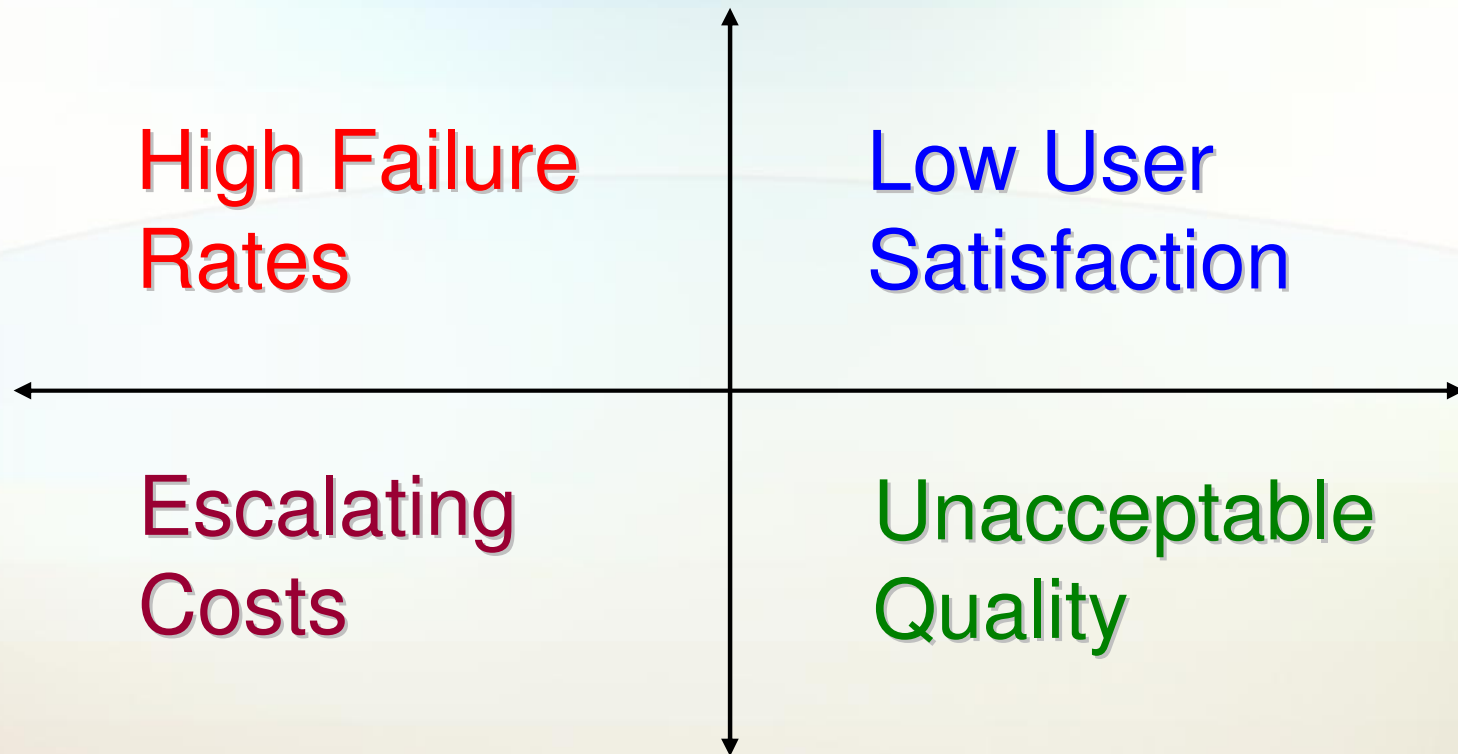
Dhanu Kothari
President, D2i Consulting
Kothari@D2i.Ca
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Presentation Objectives

1. Troubled Projects – How did we get there?
2. Dealing with the Challenge – The 2X2 Matrix
3. The Ten Steps to Win
 - An Overview of Methodology
4. Detailed Discussion of Each Step
5. Profile of a “Turnaround” Manager

Q&A Session

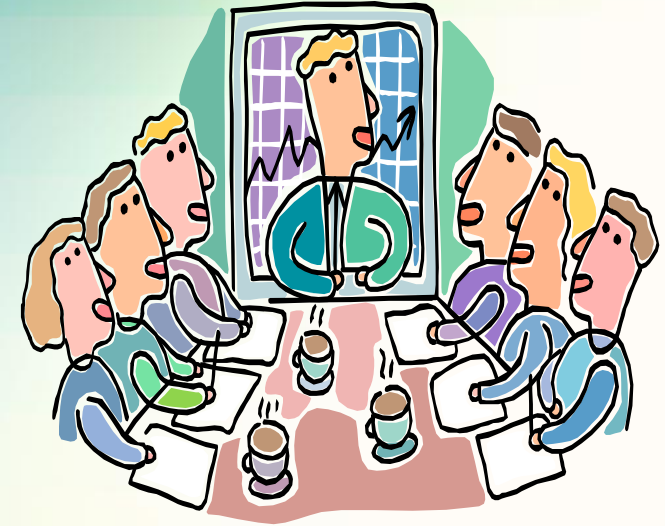
Project Success - The Reality



20% of the projects - cost overruns
60% of the projects - time overruns
29% of the projects - failed to deliver
* Based on U.S. Govt. GAO Report

What's a Troubled Project?

Continued and sustained pattern of failure with respect to meeting the client's expectations



How Did We Get There?



Reasons for Troubled Projects

1. Change Requests are driving the Scope
2. Lack of Morale and Confidence in the Team
3. Project “hijacked” by technology & developers
4. Lack of focus on Business Process
5. Emphasis on solving client’s problems with a technical solution
6. No understanding of rationale for requirements
7. No process to match requirements to “measurable” completion criteria

The Reality of IT Projects

1. Failure reveals internal weaknesses reaching beyond IT
2. Projects exist to serve business needs that have to be met (and may change since the project started)
3. Many failure points at every step due to interpretation and complexity of communication
“Needs → Requirements → Specifications → Design → Development → Test → Final Outcome”
4. Often associated with intangible benefits and varying cross-functional roles and expectations ... leading to the perception of failure
5. “Management of Change” is the single most important factor that is often overlooked during planning

Dealing with Troubled Projects

The 2X2 Matrix



Recovery, Salvaging & Turnaround

The Ten Step Methodology



1. **Accept the Fact**
2. **Assess the Situation**
3. **Adapt Project Outcome to Business Needs**
4. **Assign Responsibilities and Delegate**
5. **Act Decisively**
6. **Accomplish by Setting Milestones**
7. **Advance the Project through Communications**
8. **Achieve Stability for Turnover**
9. **Alter direction through effective transition**
10. **Align for on-going execution and targeted success**

Recovery, Salvaging & Turnaround

The Ten Step Formula



#1 Accept the Fact

Look for the following symptoms

- The Language around the Project
- Management/Sponsor Commitment
- Client interest and participation
- Project is “hijacked” by technology
- Lack of Purpose in the Project
- Nobody knows who wants it

Projects in Trouble - Language

Listen up! Alarm bells should also go off when you hear these phrases:

1. We'll try to find the resources to finish on schedule ("Trying" is an announcement of failure)
2. We'll work smarter (we're working stupidly now?)
3. It's just one more change (many phrases with "just" are project killers)
4. Let's hope for the best (I wouldn't bank my company's future on hope)
5. We'll multi-task (that way we can not make progress on anything)
6. We'll find the resources somewhere (where?)
7. We'll make do (being resigned to the worst certainly won't help finish a project.

Listen closely on projects.

You'll hear warnings in everyday language...everyday.

Reference: Johanna Rothman writing in the Fast Company blog FC Now

Recovery, Salvaging & Turnaround

The Ten Step Formula

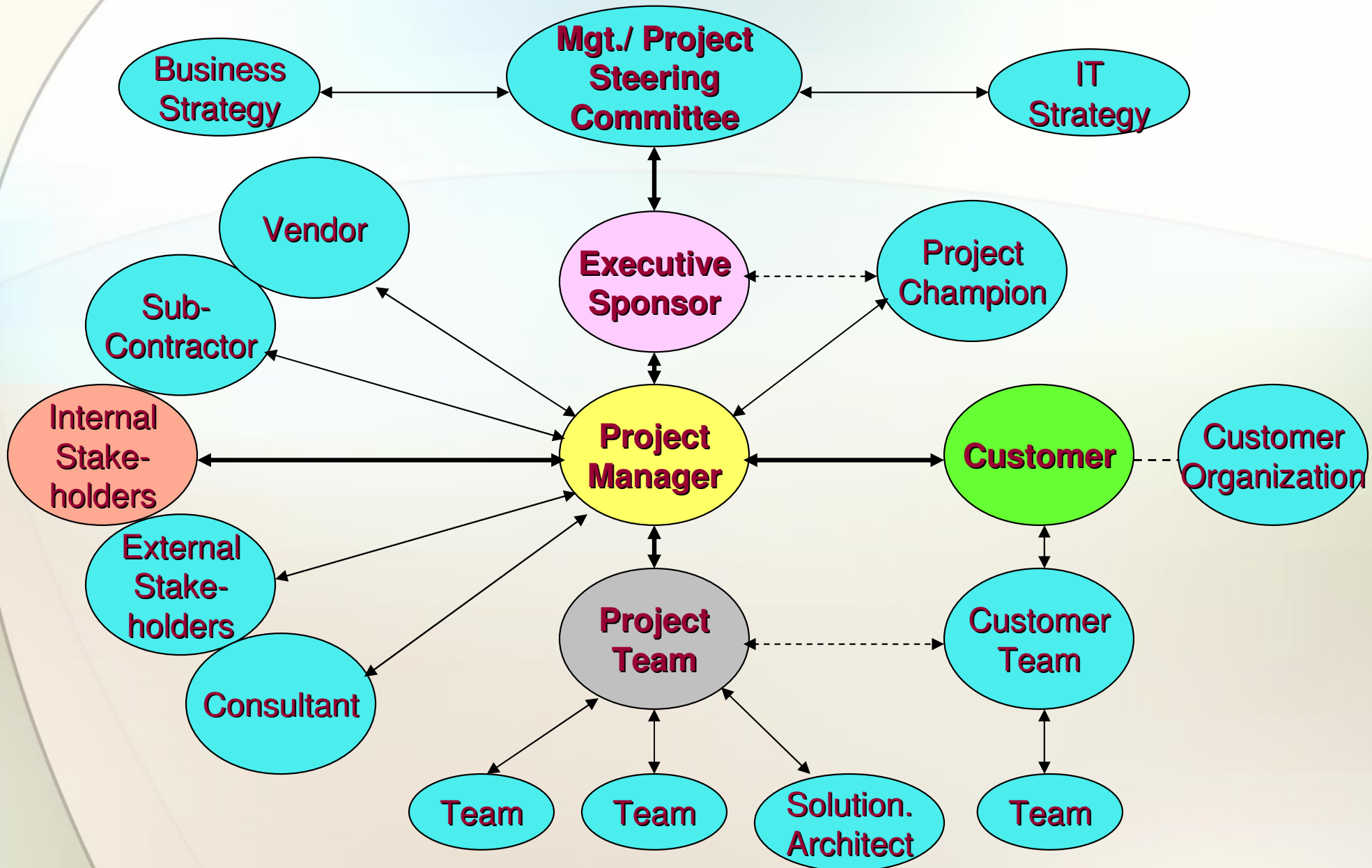


#2 Assess the Situation

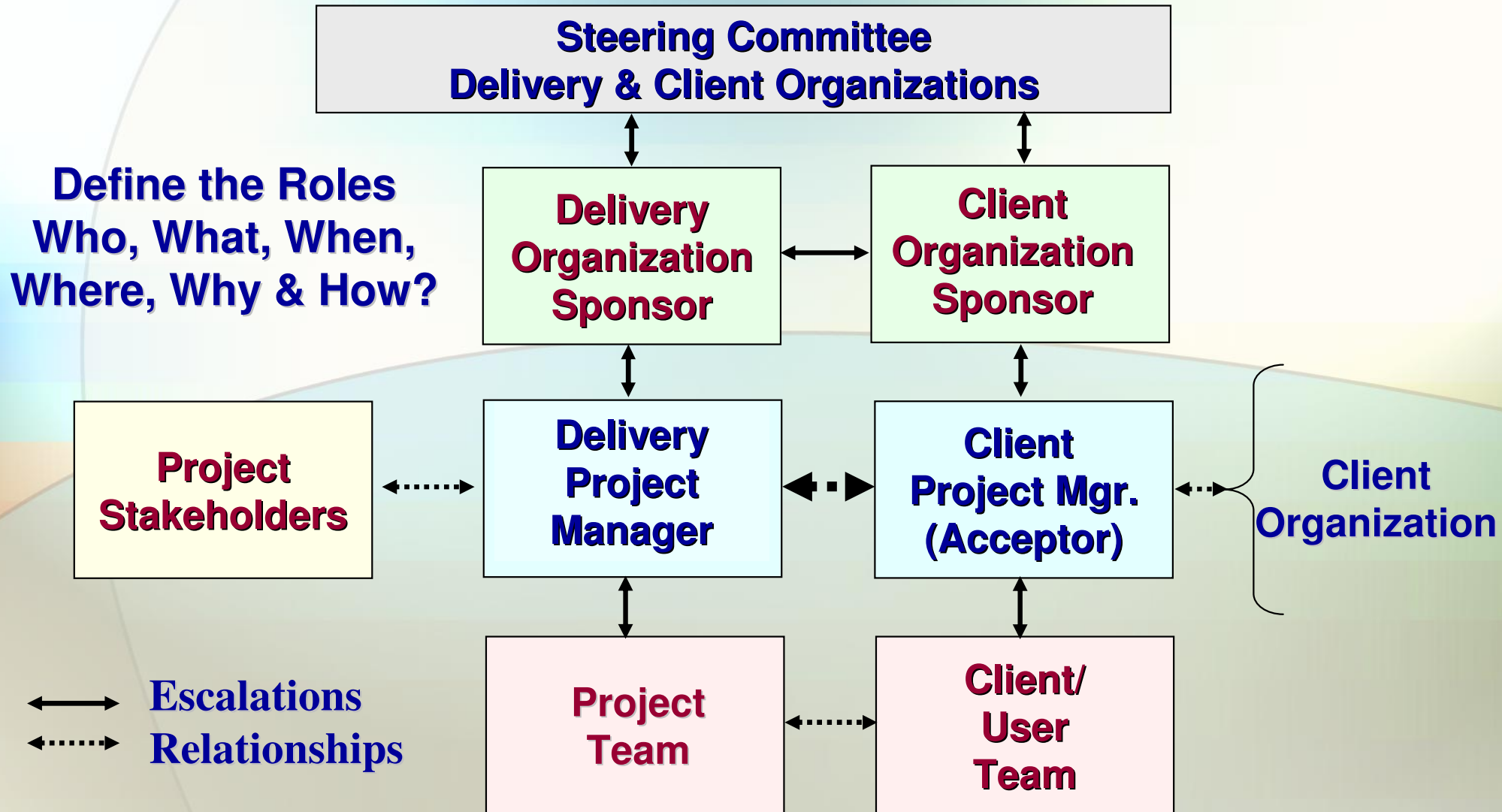
- Initial Deep Dive
- Project Complexity & Importance
- Project Organization & Players
- Client's Interest & Expectations
- Team Morale & Confidence
- Solution & Alternatives (Egos!)

Pre-Assessment Model

Roles, Responsibilities, Names ?



Post Assessment Project Organization Model



Project Organization - the first step towards defining Roles and Responsibilities

Recovery, Salvaging & Turnaround

The Ten Step Formula



#3 Adapt Project Outcome to Business Needs

The sole purpose of a project is to satisfy a business need.

Must have a common understanding of the business needs among all players

The Project Alignment Challenge

- **Business Case**
- **Return on Investment**
- **Priorities & Risks**
- **Sponsorship**
- **Budget**
- **Formal Approval**



The project must be aligned with Business Goals and Strategies to ensure management commitment and support.

Business to Project Alignment

Recovery, Salvaging & Turnaround

The Ten Step Formula



4

Assign Responsibilities and Delegate

- Authority of the “Turnaround” PM is clear & explicit – “Get it Under Control”
- Responsibilities are delegated
- Commitments are accepted
- “Deliverables” connect delegation and acceptance
- Politics is the ability to influence
- Process ensures predictability
- Structure reduces stress

Responsibility/ Accountability/ Delegation

Manage Project Deliverables with the “RACI” Chart

Work Package/ Deliverable	Project Manager	Client Manager	Business Analyst	Technical Architect	Developer No.1	Network Analyst	End User Rep.	Target Date	Cost
<i>Work Pkg # 1</i> - Deliverable 1 - Deliverbale..N		A	R		I		C		\$
		I	C	A		R			\$
<i>Work Pkg # 2</i> - Deliverable 1 - Deliverable N	C		I		R		A		\$
			A	C		I	R		\$
<i>Work Pkg # N</i> - Deliverable 1 - Deliverbale..N	R	A	C	I					\$
		R	A	I	C				\$

R – Responsible for the deliverable
C – Must be Communicated

A – Accepts/ Approves the deliverable
I – Needs to be informed

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The Ten Step Formula



#5

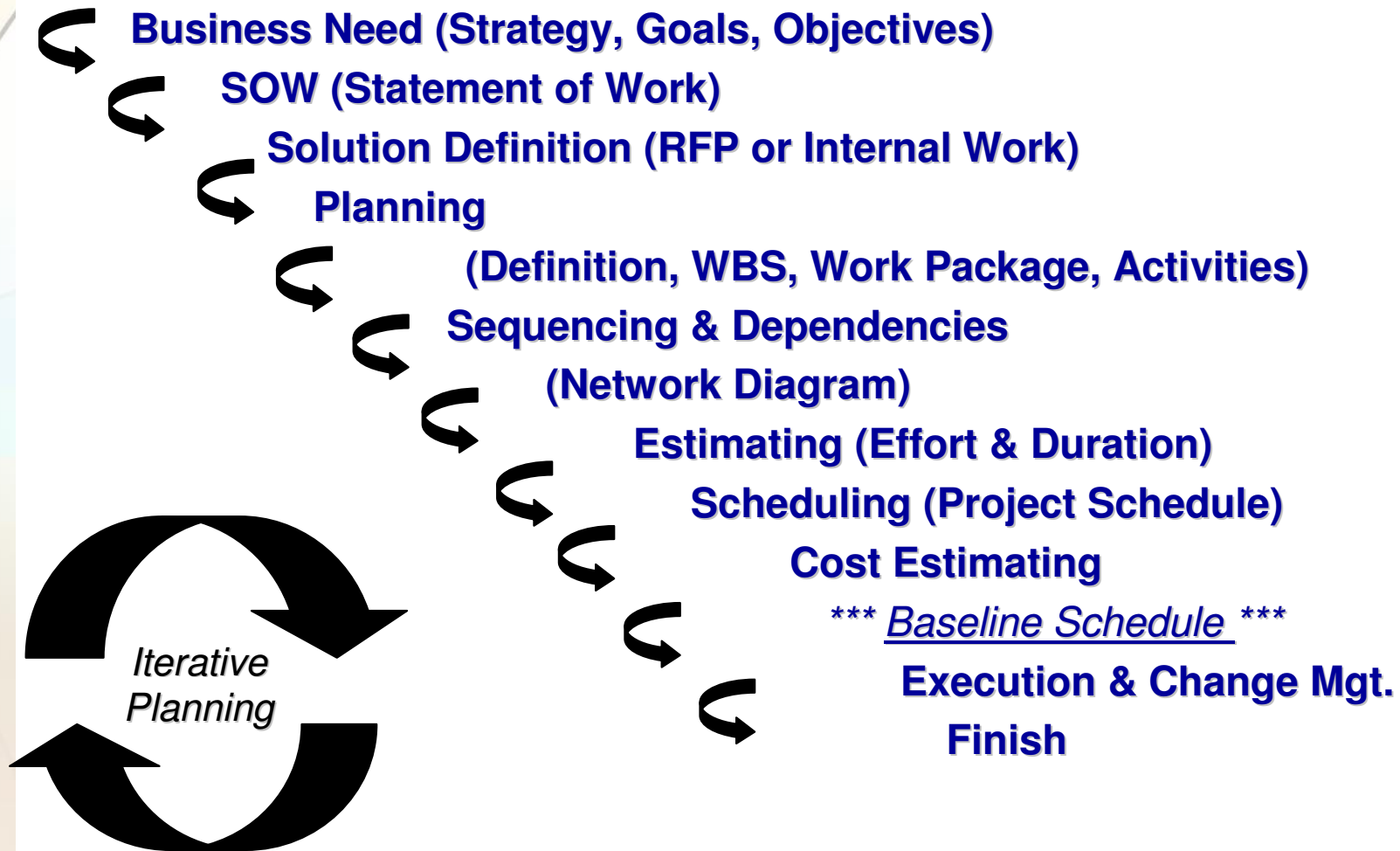
Act Decisively & Quickly

- Focus on “Moving Forward”
- Minimize discussion on past events
- Identify key problems to be resolved
- Set up a process for decision-making
- Strive for consensus and take the decision
- Keep the schedule realistic & achievable

Steps in Project Recovery

1. No discussion of history
 2. Focus on business needs/objectives/
strategic alignment
 3. Review of needs vs. requirements
design of alternatives and new solutions
need for cost justification;
 4. Focus on Process vs. People issues
 5. Review/Redesign project organization
 6. Management of change;
 7. Recovery objectives and success criteria
- ** Don't spend too much time on discussing "as is"
but focus on the "To Be" state**

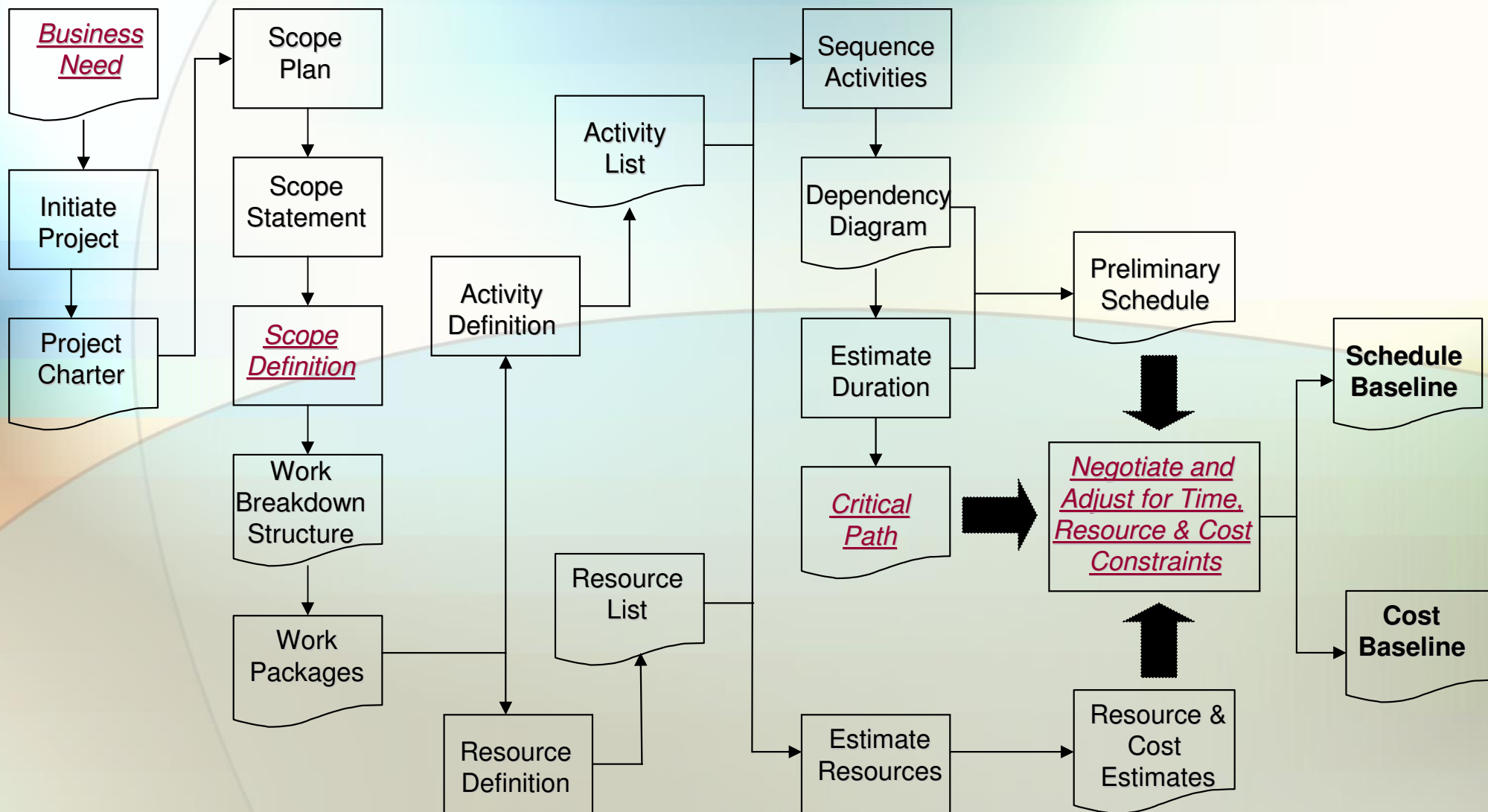
Review - Developing the new Baseline



Follow the process to “Baseline” the schedule, then
Use automated tools to execute & monitor the schedule

Baseline Schedule - Flow Chart

Key Points to Review for Recovery



The baseline schedule is a result of the planning process

Revisiting Requirements

1	2	3	4	5	6	7
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- 1. What's the Business Need?**
- 2. What are the Requirements that fulfill the Need?**
- 3. What is the Rationale for the Requirement?**
- 4. How will you measure it?**
- 5. How will you know that the Requirement was met?**
- 6. How does this Requirement relate to other Requirements?**
- 7. What's the priority and How important is it?**

Recovery, Salvaging & Turnaround

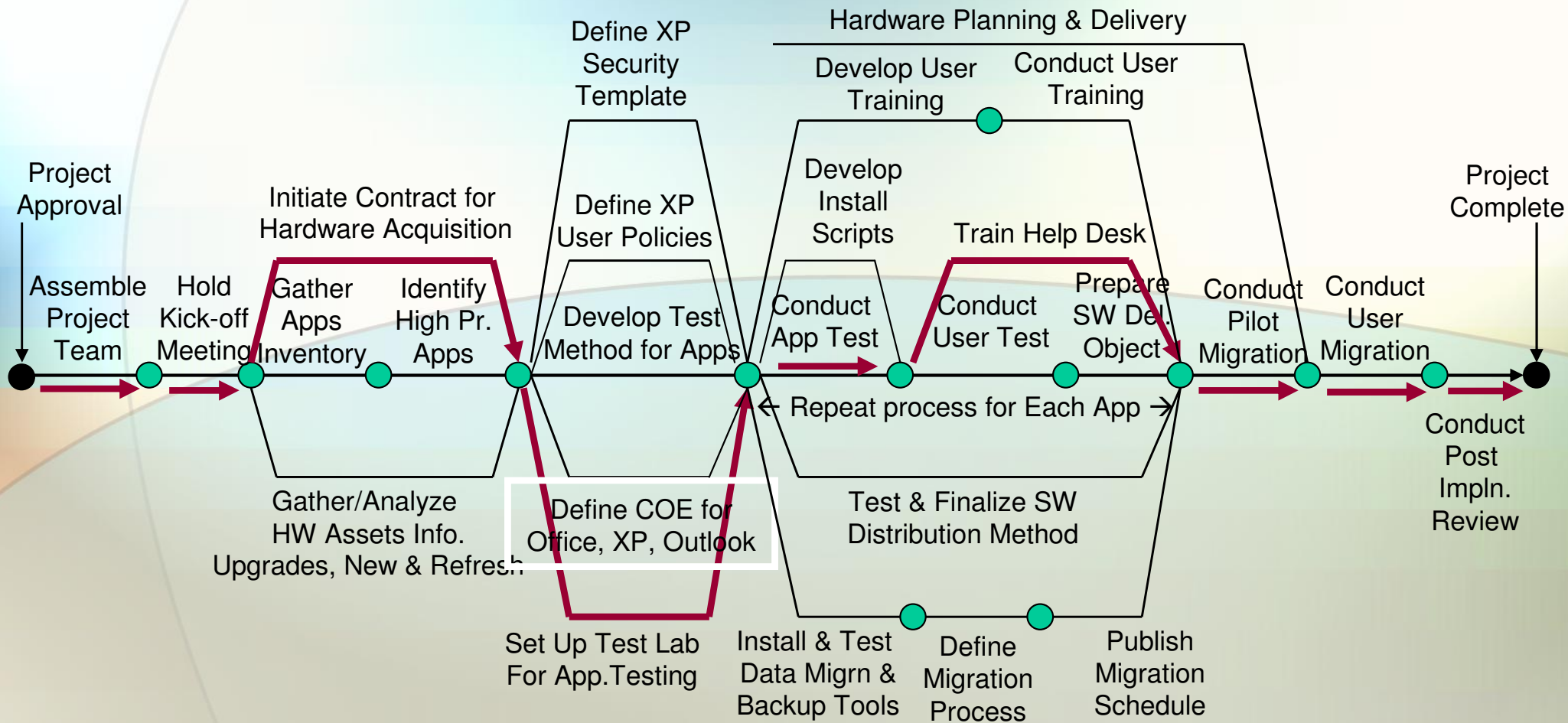
The Ten Step Formula



#6 Accomplish by Setting Milestones

- Generate confidence by delivering quick results
- Establish milestones 2-3 weeks apart with deliverables
- Conduct “Deep Dive” sessions with the team
- Will need Micro-Managing with an “Inch-stone” Plan to gain confidence
- Get signoff for each deliverable
- Focus on the Critical Path

Macro and Micro Managing Milestones and Dependencies



Focus on the Critical Path, Major Milestones, Deliverables, Dependencies and Activities

Recovery, Salvaging & Turnaround

The Ten Step Formula



#7 Advance the Project through Communications

- Client and Client Organization
- Project Stakeholders
- Management or Steering Committee
- Project Team

Recovery, Salvaging & Turnaround Communication is the Key to Success!



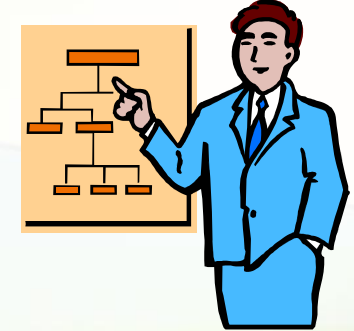
Develop your soft skills



- **Status Report**
- **Agenda**
- **Minutes**
- **Action Items**
- **Escalations**

Written Skills	Verbal/ Non-verbal
Presentation	Problem-solving
Facilitation	Negotiations
Interpersonal	Team Building

- **Dependency Chart**
- **Change Orders**
- **Specifications**
- **Project Docs**
- **Completion Report**
- **Sign-offs**
- **Email**
- **Voice Mail**
- **Intranet**
- **Conference Calls**
- **Net Meetings**



- **Project “Selling”**
- **Kick-off Meetings**
- **Status Meetings**
- **Project Reviews**
- **Client Updates**

Recovery, Salvaging & Turnaround

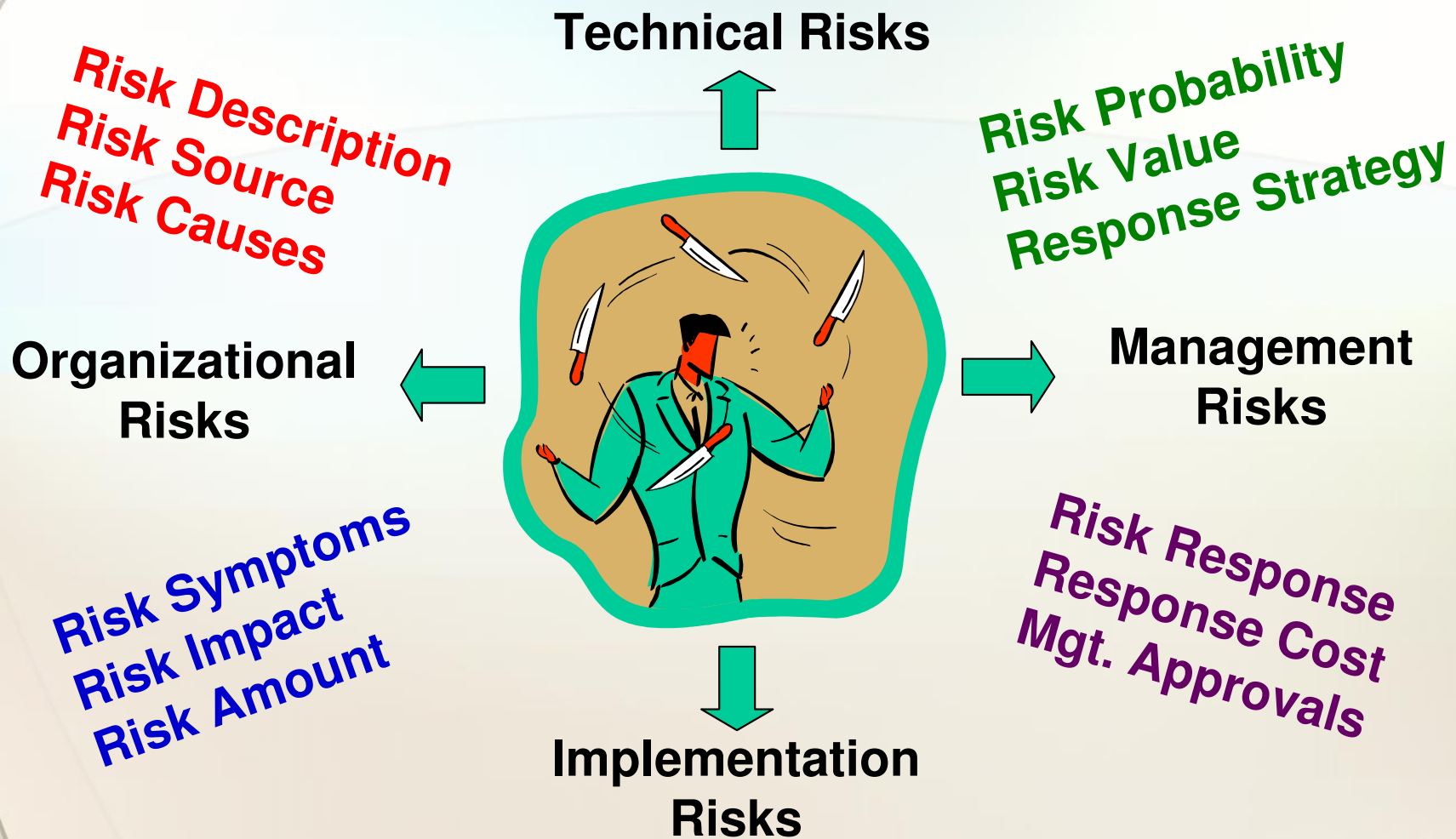
The Ten Step Formula



- #8 Achieve Stability for Transition to PM &**
- Primary focus on bringing stability to the project
 - Setting the stage for a common understanding of deliverables and expectations
 - Recovery Vs. Ongoing project team responsibility
 - Introduction of a consistent process
 - Planning for Risk Management – TIMO
(Technical, Implementation, Mgt., Organizational)
 - Coaching the existing PM

Risk Planning is Part of Recovery

The Universe is Hostile to the Success of Your Projects!



Identify, Evaluate and Plan for the Project Risks.

Look After the Team

1. Don't start off by "Shooting" the project team
2. Isolate/Remove individuals with negative attitudes
3. Don't ask for "Greater effort and sacrifice from the project team"
4. Not every project can be rescued!
5. Document decisions re scope, cost, risk & recommendations
6. Reduce scope; Accelerate delivery
7. Make client aware of what they received
8. Promote and facilitate team building and trust
9. Sell it to the team; they will rise to the occasion

Project Recovery Steps – Who will do it?

- ✓ Identify the indicators of project health
- ✓ Understand early signs of project problems
- ✓ Assess project problems
- ✓ Identify the root cause of problems
- ✓ Deal with schedule problems
- ✓ Correct budget problems
- ✓ Resolve resource issues
- ✓ Gain control over scope-creep
- ✓ Improve product quality
- ✓ Meet your commitments, or renegotiate them
- ✓ Ensure that others keep their project commitments
- ✓ Actively mitigate project risks
- ✓ Manage project issues to closure
- ✓ Develop a project recovery plan
- ✓ Implement the project recovery plan
- ✓ Manage and lead the project recovery
- ✓ Manage stakeholder anxiety
- ✓ Address your team members' concerns
- ✓ Communicate problems and recovery status

Speak Up – You are in Charge!

1. Do we confront an AWOL sponsor?
2. Do we challenge arbitrary deadlines and inadequate resources?
3. Do we confront people who are inappropriately influencing priorities?
4. Do we deal with ineffective or absent team members?
5. Do we openly discuss problems before they cause failure?

The Recovery Project Manager has explicit authority to Speak UP!

Reference: Hal Macomber; “Reforming Project Management”

Recovery, Salvaging & Turnaround The Ten Step Formula



#9 and 10

- Alter direction through effective transition
- Align for on-going execution and targeted success
- Transition the project to the Project Team
- Recovery Project Mgr. to ongoing PM responsibility
- Coaching re Communication, Process and Tools
- Monitoring and Mentoring
- Portfolio Mgt., Project Governance, OPM 3 etc.

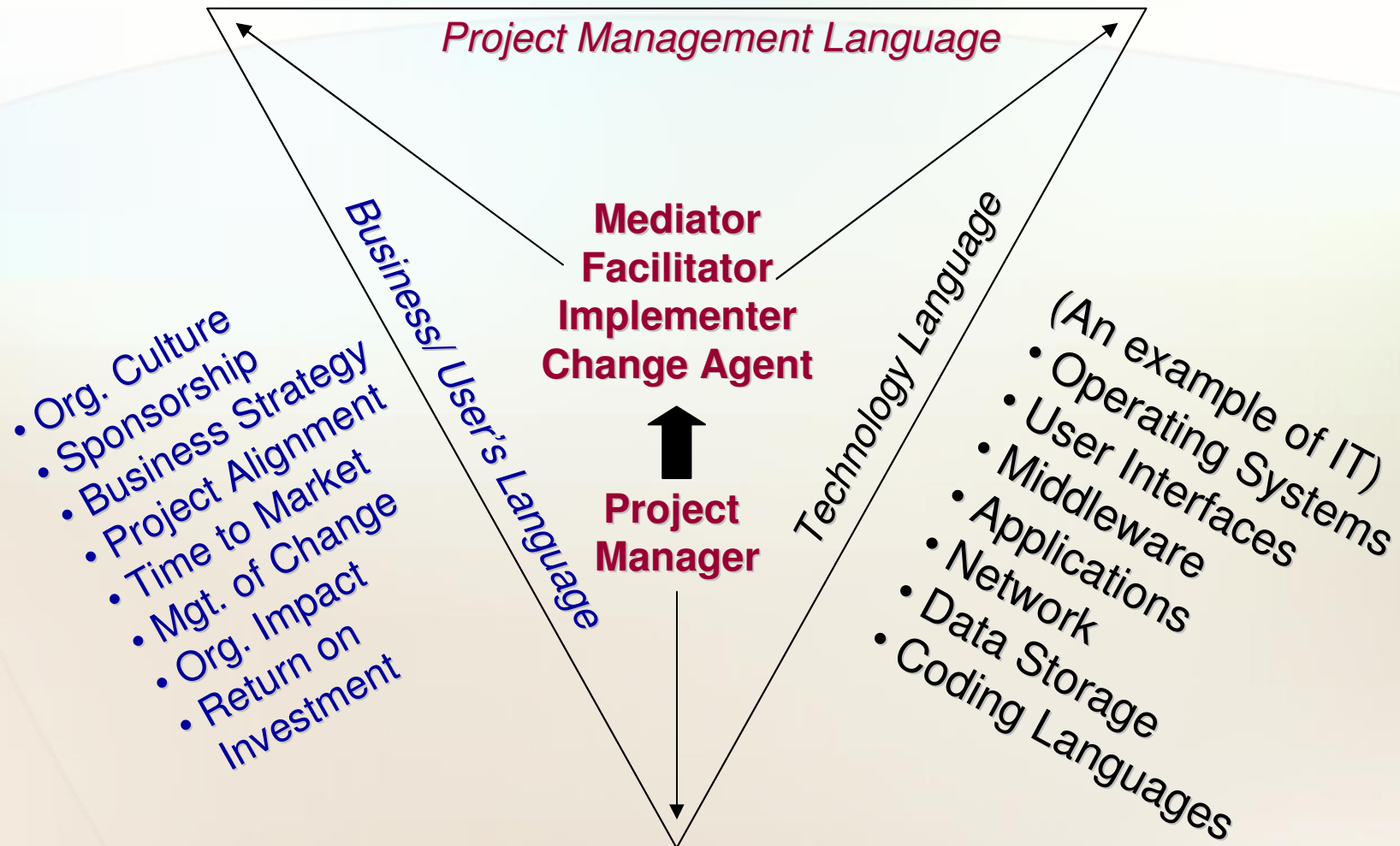
The Turnaround Project Manager – A Profile

1. Ability to drive down into details but still be able to ...
2. See the big picture
3. Recognizing that people make things happen
4. Willingness to take career risks
5. Knowledge of best practices and methodologies
6. Significantly high capacity to absorb a lot of information
7. Capable of focusing on business needs and objectives
8. Differentiate between task mgt. and expectation management
9. Capable of designing PM solutions (appropriate to the situation) ... rather than adherence to templates and methodology
10. Capable of being decisive *** ...
11. Based on strategic needs ... leading to expectation setting ...
... leading to outcome-based management
as opposed to Tasks → Objectives → Outputs
12. Not there just for popularity
13. Capable of handling significant stress
14. Must enjoy what they are doing
15. Must be patient and keen listeners
16. Ability to lead through a voyage of discovery

The Outstanding Turnaround Manager

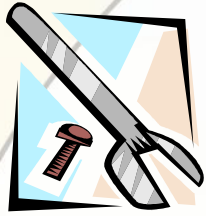
Project Management Roles and Languages

- Statement of Work, Stakeholder
- Dependency, Critical Path, Schedule
- Risk Management, Expectation Mgt.
- Change Control, Communication

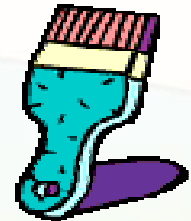


Follow the Basics

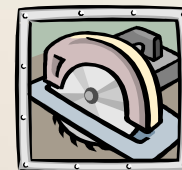
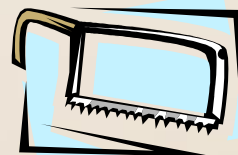
The TEN Tools for Managing Successful Projects



1. **Business Case & Project Charter**
2. **Project Organization Chart**
3. **Work Breakdown Structure**
4. **Dependency Chart & Critical Path**
5. **Major Milestones, Work Packages, and Deliverables**
6. **RACI Chart (Responsibility Matrix)**
7. **Risk Assessment & Risk Plan**
8. **Financial Plan with the Six Measures**
9. **Change Order Requests (Most Critical)**
10. **Status Reports, Issues & Escalations**



**Communicate, Communicate,
Communicate**



The End ... or the Beginning



Questions?
Comments
Feedback

Thank You!

RAINBOWS & Ratholes

Best practices for managing
successful projects

01/the world of project management 02/responsibility without authority 03/ where is the roi? 04/getting the baseline right 05/it's out of scope! 06/who's doing what to whom 07/getting to the finish line 08/if it's not documented, it doesn't exist 09/ who's on first? 10/ uncertainty – the only certainty 11/the cost is the cost is the cost 12/quality is what the client experiences 13/people make projects happen 14/it won't happen if you can't communicate 15/manage your soft skills 16/doing the right thing for your project 17/finish the job with the right tools!

DHANU M. KOTHARI