Effectively managing complex project environments

A complex project cannot be managed by methods that assume predictability

“Being adaptable = the key to evolving. Being rigid leads to extinction. Allow yourself to be adaptable”

The CVD attitude applied to project management

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Source: CVD-team, TU Delft, Faculty Industrial Design Engineering, Netherlands
Wouter Kersten, Jo van Engelen, Marcel Crul, JC Diehl
Contact for reactions and questions: Wouter Kersten (w.c.kersten@tudelft.nl)
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Note: the application of the contents may slightly vary per situation, e.g. Internal or external principal, focus on design or implementation, etc. The basics remain the same
How “we” work now

• Most project management methods are linear
• Project contract/ design brief signed or approved at the start, contains:
  – Preconceived Goals, Outputs, Budget, Timelines
  – A form of reporting, usually afterwards
  – In short: celebrating the appearance of certainty and clarity, for principal/partners and team
• Management focus on showing “are we in control”:
  – Monitoring of achieving goals in contract: effectiveness
  – Monitoring use of resources: efficiency
• Learning: single loop: if reality (execution) diverges from the Plan, put pressure on the execution (reality) so it fits the Plan again.
• If you somehow do feel that the Plan makes no sense any more: Panic, because there is no manoeuvring space to change, especially if you start to go beyond the set borders that were established in the contract.
How current reality works

• Real life problems, and therefore many projects, are in fact not linear and their course is not predictable
• Real life problems have no clear cut solutions. Any definition of a Goal is a human decision.
• Reality moves faster than we notice it and does not care what we say in Plans: what does “control” then mean?
• Internal and external developments can, and likely will, alter what “should be” the goal
• Therefore, most real life problems/ projects cannot be dealt with by linear approaches
• We don’t allow and enable ourselves to deal with these changing circumstances in a positive way.
Results of managing complex projects with linear methods

- Meeting Plan (Budget/timelines) becomes the goal: are we doing things ‘right’ (= according to Plan), are we still “in control”?
- Diverging from the Plan = bad, even if it fits reality better, because changing a plan looks like we are not in control
- Meeting Plan = good, even if reality is moving in another direction, because it looks like we are in control
- Little to no (conscious) monitoring on Relevance: are we still doing the Right things (i.e., what will achieve the actual value adding impact)
- No way to deal with unexpected developments, only mention that there might be risks. But no idea about the ‘unforeseeable risks’?
- Almost 100% certainty that there WILL be unexpected developments, internally but especially externally driven, foreseeable and unforeseeable ones.
- When surprises happen: team members under pressure because of impossible and ultimately irrelevant project demands, which is on top of it all demotivating
- Fear to discuss this between partners upfront because this sounds “complicated” and may endanger for example initial budget allocation. So: keep silent and hope no surprises will happen.
So, what then?

- Acknowledge complexity and uncertainty, embrace emergence, adjust management attitude and approach.
- Accept that appearance to be “in control” from the start, i.e., assuming predictability, is in practice an inefficient and ineffective concept.
- Focus energy on how best to deal with reality instead of fighting or worse, ignoring it.
- Allow room for managing on relevance (“doing the right things”) instead of just efficiency and “effectiveness” (i.e., doing things ‘right’, i.e., as planned).
- Build in and position adaptability as a strength, not a weakness: when you have insight in the ‘multiiformity of the situation/solution’, you can take better decisions.
- Make sure partners and principals understand this reality.
... more concretely

- Design Go/No Go decisions for which the level of risk (uncertainty) on crucial matters fits the size of the commitment (e.g. budget): if many uncertainties then only “sign off” for the first part
- Consider using conditional but earmarked commitment for later – and as yet more uncertain - stages
- Work with intent until sufficient intelligence has been gathered that covers the multiformity of the situation, to be able to make more concrete choices
- Work with scenarios that represent different, alternative, future possibilities
- Use Double Loop Learning: Regularly check on Relevance, i.e. Are we doing the right thing? Will we achieve impact in this way?
- New intelligence enables you to consciously switch scenarios or develop a new one, based on what is NECESSARY (relevance) instead of tweaking an uninformed plan.
- If required resources for the necessary scenario exceed what is available, deal with THAT (e.g. Seek extra or co-financing) instead of stuffing a circle into a triangle
- This way of working will also greatly facilitate Single loop learning, doing things right, and thereby ultimately also effectiveness and efficiency
Resource commitment and ‘certainty’

- Well informed Chunking
- Educated assessment
- Acceptable ‘loss’
- Gambling with a poker face

Level of knowledge gathered

Size of resource Commitment
Likely (in)direct benefits

- Higher feasibility to keep promises per stage because scope is more ‘manageable’
- All decisions based on “more informed best available knowledge”, including required resources
- Chances to have key emerging ‘unplanable’ insights increase and are not a coincidence anymore
- Higher partner/client satisfaction
- Option to charge full costs per stage upfront (shorter periods, clearer scope per period): beneficial for cash flow.
- Also beneficial for financier: clarity throughout and if unsatisfactory/ unexpected result in a certain stage, losses are limited and new scenario still possible and acceptable
- More effective and happier team: promises can be better lived up to and necessary adjustments are not by definition considered to be a problem
Explained in Visuals

The above line of reasoning can also be conveyed in visuals:

1. Linear projects with assumed predictability
2. Reality
3. Managing reality with linear methods
4. Managing reality with adjustable approach
Linear project (assumed predictability)

Result

Agreed result = Client expectation

Time
Many scenarios can unfold. ‘Green’ result is to be considered one possible outcome at $T = 0$.

**Result**

- Possible result: Project stopped due to insufficient budget
- Possible result: Stop due to client reorganisation

**Time**

Most likely range for results

Alternative outcome
Managing reality with linear method

Many stress moments because *initially agreed result* is under pressure. Huge effort, but end result less than promised at start so client unhappy and team exhausted.

Result

Risk: Project stopped

Time
Managing reality with adjustable approach

Decisions and redirection based on dialogue and most recent insights; result for upper path well within acceptable range; alternative path to mid-way No Go acceptable for all parties

Result

Time

Good result phase 2

Flexible Adjustment of effort

General Direction Confirmed after stage 1

Insufficient Reason to continue

Mutually Agreed end Of project

Acceptable result
How to get there

• Start with **acknowledging** the unpredictable multiform nature of reality

• **Dare to bring this up** with partners and funders
  – Project Plan that allows flexibility, especially at the start
  – Planning with reflection moments and use the results to adjust the plan instead of trying to bend reality
  – Not managing all uncertainty away but *working with it*

• **Realise** that having the prospect of working towards ‘certain’ goals while steering over a cliff might not be the best way of working...

• In short: develop the right **attitude**: allowing ourselves to be **adaptable** as a strength and necessity, not as a weakness!