

From Re-Covering to Recovering Projects that Went Bad *Projects do not fail. People fail them.*

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Aim of the Study: To advance the knowledge, interest and methodology that corporations and Recovery Project Leaders (RPL) need to undertake a project that was made to perform significantly below expected and/or vital results and is about to fail. To explore the fundamental elements of a methodology for recovering failing projects, as well as the implications of a recovery and by extension inspire future reflections to pro-actively prevent certain failures.

Implications of the Findings:

1. Every 2nd project does not have to be in trouble and if it was managed to the brink of failing, it does not have to fail.
2. In order to recover a project that was made to fail, executives must first explicitly acknowledge that it is failing and resolve to recover it.
3. In order to achieve significantly better results (produce project outputs) than what was achieved, project development will have to be approached and governed significantly differently.
4. Leading a Recovery Project is much more about establishing relationships, than following processes.

Abstract

No matter who is counting, too many projects are made to fail. According to most estimates, one out of two projects is made to track behind the original schedule, cost more than the original budget and deliver less functionality than defined or more than needed. While the foregoing is significant, what is more significant is that such projects will also produce less value to the organization than what was estimated in the Business Case. Without making significant changes to the way failing projects are developed and governed, they can only be expected to go from bad to worst.

When the problem(s) with a failing project is(are) reluctantly examined, the ensuing reaction is predominantly to accentuate the close tracking, finger pointing and the command and control procedures that may in fact have produced the problem. Maintaining the same mindset, methodology and project governance prolongs the destructive cycle. This research paper is a summary of the *0+2 Steps Project Recovery*© methodology (a body of practices, processes, and rules) that proved effective when used to get a bad or failing project back on track. This innovative project development methodology is not instead of but in addition to and totally compatible with other project management best practices. It is a guide for the experienced Recovery Project Leader and project stakeholders involved with implementing and deploying a large project in a difficult organizational environment or with significant constraints. It reviews a handful of *sine qua non* requirements and the imperative to have the organization's resolve.

Learning Objectives:

- Bad projects are created;
- To recover a sizeable project, executives have to acknowledge the problem and resolve to recover it;
- To recover a sizeable project requires leadership, a new governance framework, and a new methodology;

Key Words

Project, fail, acknowledge, lead, recover, executives

I INTRODUCTION

According to an amusing story, a Systems Analyst working on a system development project went to the Project Manager (PM) and said in confidence: "I have found evidence that our project is in trouble." A few days after this revelation of evidence the PM goes to the analyst and says with a grin: "The evidence has been removed." Many problems with projects in many organizations are covered up and then re-covered in order to avoid having to acknowledge their existence, report them to management and/or executives, or to gain more time to resolve the situation or to remove the evidence.

In spite of professional certifications and associations, on-going training, good intentions to learn from lessons learned, Project Management Offices (PMO), development methodologies and executive governance, many projects are nevertheless managed to track behind their original schedules, cost more than they were originally budgeted, deliver less functionality, vital functions, than defined or more functionality than needed, and less value to the organization than

expected and estimated in the Business Case or managed to fail. According to many estimates [1], one out of two projects has significant variances from its original estimates and foreseeably will achieve dismal outputs and outcomes. In common terminology these projects are referred to as: ‘projects that went bad’ or ‘are failing’ but in fact, these are projects that were mismanaged or managed to failure. Weather organizations hoped to be able to deliver to unrealistic expectations; or started development with imprecise, incomplete requirements; or failed to plan (one out of two projects is significantly off its original plan); or did not assign and hold the project authority accountable for delivering benefits; or accepted to undertake a project that is too ambitious for the capacity and/or the capability of the organization to deliver (assuming these were evaluated at all); project governance that defines who has authority, who is accountable and how decisions are made, created the achieved results and hence is failing the project.

Once large projects start to fail, the project management methodology employed, which is focused on managing healthy projects and developing them efficiently, and which is inversely effective to the size of the project, is inadequate to recover it. This is analogous to hospitals called health care facilities that care for the unhealthy as they provide little health care. Recovering a project requires a different focus and has different challenges than developing one. Attempting to use standard methodology that is used to deliver small projects is not effective when attempting to recover a failing large project. While the latter does not need revolutionary new management ideas, it does need the application of some known management / leadership / governance concepts [2] that based on empirical evidence are not considered important today and are often unused.

II METHODOLOGY

This research and impact analysis is primarily based on empirical evidence from observing actual cases and academic knowledge. The methodology to gather indicators for the findings and conclusions also compared standard ‘best practices’ and analyzed the impacts of changes on project results. It gathered information from interviews with senior project managers, and observed application of project management concepts to a Black Hole Project [3] studied for over a year and a half, that was clearly and expectedly (by senior project managers not executives) failing and has since failed. The observations and findings made in this paper are based on an accumulation of notes, personal experiences, current literature and reflections while preparing a course [2] to inspire future research.

Management in general does not read academic treatise and concepts. This approach, even if it is less scientifically replicable, of stating findings based on a handful of cases in a colloquial presentation is expected to have a better chance to spur action and make lasting results with those who are ‘married’ to the old school of project recovery.

III FAILURES, the Problem

According to the Standish Group Report CHAOS, 2014 [1]: “a staggering 31.1% of projects will be cancelled before they ever get completed...” and “... in 1995 American companies and government agencies will spend \$81 billion for cancelled software projects”. M. Kringsman [4] writes: "It's a sobering statistic: nearly 70 percent of IT projects fail..."; D. Galorath [5] quotes: "(Forrester Research) Poorly defined applications ... contribute to a 66% project failure rate...". These and other similar studies concur that many projects experience significant variances from their original concepts and estimates, do not produce adequate added value and are considered failures. Too often after hearing that a project variable surpassed an acceptable variance and is now not tracking to plan (is discovered to be failing), the first response is to question, deny or misrepresent the *status quo*, as failing has consequences. So does bringing bad news to the attention of management (they do ‘shoot’ the messenger). When suspicion is sufficiently strong and management can no longer ignore or keep the situation ‘under wraps’, they institute more status reporting to be more often and explicitly told what they already should know. When this proves insufficient as it does not solve the problem, management changes the project schedule to demonstrate ‘hands-on leadership’. One project deadline was moved from December to the following June and the change was labeled as ‘advancing the deadline’. In other cases some tasks are eliminated, developers are asked to work overtime, system functionality is reduced, or the PM is replaced. This of course generally results in the project achieving even worst results, specifically greater negative variance from the baseline and lower expected earned value than before the ill-conceived remedial re-action was begun. This exemplifies the proverbial: “... do the same but expect a different result” and ignores Peter Senge’s well-known quote paraphrased as: “*Every project management methodology and development environment is designed to attain the results it is getting*”.

Bad projects do not just happen, they are created. They are designed (ignoring size), under-taken (ignoring capacity) with activities (ignoring steps in the methodology), by a team whose skills sets (ignoring existing and needed capability) or authority to act, manage or lead (governance), is not adequate to achieve other than the attained results. The present status of project recovery methodology under study is a *big deal* as, whatever the actual number or percentage of projects that fail is, it is significant. Roger Sessions [6], a noted author and expert on complexity, developed a model for calculating the total global (direct and indirect) cost of IT failure. His conclusion is that: “IT project failures cost annually the global economy a staggering \$6.2 trillion per year.” Some \$1.2 trillion to the US” so probably (by extrapolation) some \$120 billion to Canada. In April 2012 Michael Kringsman in his ZDNet column asked two experts to rethink the problem and they concluded the global loss was in the region of \$3 trillion [this may not include indirect costs]: “Not \$6 trillion, sure, but the scale of the problem is, to say the least, epic.” [4].

Irrespective of the accuracy of these figures, or what is and what is not included in the calculations, each failed project can cost over \$200 million (two of the failed projects followed for this paper cost \$400 and \$250 million) have a significant impact on companies and countries and by extension on society and so in turn, and not often considered on you and me.

So what is a failing project? In most circumstances a project is considered to be failing if it is over the pre-project estimated budget; tracking later than the pre-human resources assigned estimated effort and schedule that often ignores changes to requirements and its impact on the system's design; or if it is not expected to deliver documented functionality. However, these quantifiable measures of development efficiency are convenient but not sufficient to measure project success. We consider that *a project undertook to solve a defined problem that started with appropriate resources (capability) and realistic environment (capacity), and a schedule based on capacity, capability and the functionality it was to deliver, that had all changes (people, requirements) and impacts made during application development through a formal Change Management process, is considered to have 'gone bad', 'be failing' or be a 'project in trouble', if it has deviated and is now unacceptably over budget and/or over schedule, and is expected to deliver inadequate vital functionality, resulting in significantly less capability to assist in generating added value than originally expected in the business case.* According to this, projects under consideration or failing are not those that are not producing outputs as efficiently as expected but those that do not produce the outcome that supports the business strategy. According to this definition, people fail a project means that the project does not help the organization create a return on its investment (resources, financial, executive governance) or to attain the expected outcome.

IV A PROMISE

Over the last 15 years the rate of project failures has not changed. Arguably using the same project development methodology, development paradigm and governance that got over half of the projects to fail will not get today's larger, more complicated and/or complex failing projects to return to health. To make headway in recovering a project that is managed to the brink of failure, we argue, needs a new methodology, paradigm and governance. Many failing projects can be saved (and \$6.2 trillion used to help the less fortunate earth dwellers). The *0+2 Steps Approach to Project Recovery*© is one methodology for recovering failing projects. It is not to re-cover them or only to recover them, but to develop them and attain a greater success than what would have been possible were they not to have 'gone bad'. However, in most organizations: *"The deck is stacked in favour of the tried and proven way of doing things and against the taking of risks and striking out in new directions."* according to John D, Rockefeller III. All empirical evidence points to this truth. The need to make changes is only acted on when a certain level of discomfort or pain has been reached. If the organizational *Resistance to Change* (R) is greater

than the product of *dissatisfaction* (D) with the *status quo*, *acceptance and support of the vision* (V) for the future and the *steps taken* (S) to *deploy changes* ($R > D \cdot V \cdot S$), improvements will not happen. Therefore: `... the right solution is a continuous search for the right solution.` according to Dr. Ichak Adizes.

This recovering methodology is founded on an acknowledgement that the project is in trouble, and the hypothesis that in order for the recovery effort to achieve significantly better results, changes will be needed. It incorporates the effective best practices of traditional project development with radical changes to project governance and the development paradigm. So the project starts where the old one left off and is developed as a new project, seeing that it has a new leader (the RPL), development (i.e. recovery) methodology, governance structure, start date, possibly a new end date, a new budget and a new schedule.

V A NEED FOR A RECOVERY METHODOLOGY

Recovering a project does not mean working harder, working faster, using more people, restricting the evolution of the scope, not delivering vital functionality or reducing the expectation for added value. It is not re-starting the project that was mismanaged with the same governance, methodology and development paradigm but starting it as a new project, with a Recovery Project Leader (RPL) who replaces the Project Manager, a new governance model, and using a new approach.

5.1. STEP 0 – Acknowledge the Problem

5.1.1 Acknowledge the Problem

The first of two vital requirements (see also 5.2.2) for recovering a failing project is a clear and explicit acknowledgement from corporate executives, stakeholders and project authority that there is a significant problem with the project. As an analogy, before the Catholic Church acknowledged that the earth revolves and always revolved around the sun, they, out of genuine ignorance or overriding self-interest, burned people who disagreed at the stake (to save their souls). Whether executives acknowledge or not that a project is failing, determines what actions they authorize to be taken, i.e. to re-cover it or recover it. While this is not a new concept, it is of significant importance and fundamental to the recovery.

This is based on empirical data, as no statistical data was gathered or analyzed because only a statistically insignificant number of projects were considered in detail and because the other variables that also impact outcomes were different in different project development environments. However and arguably, the *probability* (P) of a corporation launching the recovery of a failing project and that *recovery* (RE) being successful is proportional to the *forthright*

acceptance (A) that the project was failing, the *organizational resolve* (R) to resurrect it and develop it and the *capability* (C) of the organization to undertake a recovery ($P(RE) \sim A \cdot R \cdot C$). This is why recoveries, fail when the failure is not explicitly acknowledged (A=0) or the organization is not resolved to make changes (e.g. listen to scientists and stop terror techniques) or is simply incapable (C=0). In this context acknowledging the problem is more than knowing that a problem exists. It is accepting ownership for the situation and driving to make a decision and changes based on the knowledge. People may acknowledge that they need to do something, be it lose some weight, drive slower, be more considerate to their spouse or enforce project governance, without actually agreeing that they have contributed to a failure and wanting to or doing it.

In the cases reviewed recoveries only happened after the problem was reported, all finger pointing and blaming (e.g. bad PM; bad development team; users demanding tweaks) was completed, an external cause of the problem was found that exonerated management and clearly pointed blame elsewhere, allowing the problem to be finally acknowledged. When failure is acknowledged but corporate resolve to make necessary changes is wanting (R=0), much more will be said than done. Finally, the corporation has to be capable or resolved to acquire the lacking capability. Without the *sine qua non* vital requirements, failure of the original project is the only opinion.

Based on the above this is *Step 0* as the ‘step’ when completed does not advance the situation of the project in trouble. The sooner an organization, its executives, stakeholder and the project authority explicitly accept and state that the project's results have surpassed acceptable negative deviations from objectives (i.e. accept that based on evidence the insignificant planet earth revolves around the sun) and is managed to fail (i.e. the project has a debilitating problem and left as it is will fail), resolve to resurrect it and validate the availability of the required capability, the sooner, a decision to recover or not can be made. Then and only then, will steps to make changes be taken to recover it (i.e. order the halt to burning people at the stake). Too many examples were found of organizations answering the PM's admonition that there is a growing risk of failure, by: “... increase major project oversight and executive attention.”

5.1.2 Assign an RPL as LEAD

Having accepted that the project is failing, the suspicion that the PM (assuming a PM was leading the project) did something wrong to fail the project, will be the next persistent problem, which irrespective of the available evidence, will never completely go away. The PM may or may not be the cause, but if he/she is thought to be at fault he/she may never have the needed trust and authority to make the changes needed to recover the project. Hence the second requirement of *Step 0* is to replace the PM with a Recovery Project Leader (RPL), as leadership

skills are the most important of the needed skills [CB2]. The RPL needs to be not only a new person but also one that is much more about establishing relationships, than following processes.

The RPL by definition of *leadership*, is accountable to make as many people as successful as possible, define the vision, direction and the strategy to bridge the *status quo* with the vision, change the way the project is to be developed, is governed, and focus on solving problems rather than answering pointing fingers. Without the RPL, the project is more likely to be re-covered and the focus is more likely to be on explaining who or what event is responsible for the failure than on agreeing to and supporting needed changes. A PM may not be able to change the momentum of the organization which will quash any attempt to deploy required changes to project governance (authority, decision making, accountability), or change the current methodology which was used to produce the unintended results. In the cases reviewed, projects made progress towards a recovery when executives abandoned finding ‘who did what wrong’, found a convenient neutral event to blame, accepted the *status quo* beyond simply saying: "We have made an error.", and focused on ‘what needed to be changed’.

It was both amusing and disturbing to frequently see and discuss project experiences with otherwise intelligent, skilled, conscientious, well intended people who decided to respond to a problem by doing the same things that they had done to fail the project but wanting now to arrive at a different outcome.

EXAMPLE: On January 28, 1986 the highly successful American Space Shuttle Program tragically ended 73 seconds into launch. Within days, President Reagan appointed a commission to determine the cause of the accident. The Commission conducted an inquiry and found that the primary cause of the accident was a mechanical failure. Specifically, an O-ring malfunction in one of the joints of the right solid booster rocket. What proved to be the cause of the accident the Commission discovered, had been in some quarters a continuing concern and the reason engineers rejected to sign-off on the safety declaration 24 hours before the flight.

As a generalization, by the time organizations accept that their project is in trouble, progress on them is as expedient as driving a car with the brakes on and getting slower. A downward trend is fuelled by a demoralized Development Team that is unable to make progress and that already knows that a decision for remedial action(s) is necessary. The view of the ‘people on the ground’ (below Directors) is different from the inaccurate view of executives (above managers). So the acknowledgement and resolve, while necessary, are always late and do not a sufficient condition make, as organizational capability and capacity are also needed to successfully deploy what may be significant changes.

Therefore the recovery approach that RPLs need to use has to be based on a new project governance paradigm that does not hesitate to make hamburgers of the existing ‘sacred cows’ [7]. RPLs need to be authorized to ignore covert rules or formal organizational hierarchies, as

organizational learning goes hand-in-hand with forgetting. The final advantage of recovering with an RPL is that an objective set of eyes (one that is not looking to justify past actions) can see things that the PM may have missed.

5.2. STEP 1 – Take control, define the Vision

To get significantly better results, some things will have to be done significantly differently while others may have to be done better. The new RPL has to understand quickly what the project is trying to accomplish (its objective). This will rest on a clear understanding of what went wrong (what is the problem), the viable alternatives given the organization's capability and capacity constraints, along with their respective implications, the extent of the changes the organization will allow to be made as well as the implications of making and also of not making changes. If the RPL is able to establish trust with the executives and development team members and build a new project development culture, he/she has the run of the place, which is a great adrenalin rush, responsibility and motivator. If not, the recovery while possible will be an uphill battle even when it is coasting downhill (when everything is going, as it should). However, the 'honeymoon' period, the time when missed steps are forgiven, is short. 10% (presented as an order of magnitude rather than validated statistic) of the stakeholders in this 'new world' will be against making changes and against the RPL, and will be active in trying to reverse executives' decisions.

So at the start the RPL's activities will be less project development related than governance, communications and team building focused. This is a departure from current project management practices, which in many cases and for the most part is focused on the project, work breakdown structure tasks, the development methodology and output and is often insensitive to culture, communications, the informal organization chart, opinion leaders and personal (WIIFM) goals (that may have been impacted) that for a recovery are as important as organizational constraints.

5.2.1 Identify the team

The old project manager, project developers, project oversight, development approach and/or development environment did not work. The new project will be a team effort. This team will be composed of stakeholders or customers for whom the system is being developed and who determine the problem, the purpose of the solution and its use, executives who provide oversight and give or take away authority, and developers who create the output. Regarding the first two groups in the team, expect only 20% of the stakeholders and executives to support [8] the counter-culture approach of the RPL. 10% will be against the changes to the project methodology and governance, the RPL and/or the new initiative. This usually vocal 10% of the

stakeholders if allowed, will usurp a great deal of the RPL's and the project team members' time and effort (proportionately much more than what the other 90% of the stakeholders need). This 10% will attempt to get the RPL to justify the proposed changes to the methodology with business cases; discuss these stakeholders' objections and concerns; explain the new recommendations over and over again; and evaluate the impact of (many) changes these stakeholders propose. This '10% group' will not be appeased no matter what concessions the RPL may make or what explanations he/she may give. Thus, this is but an attempt to direct a significant amount of the RPL's time from leading the recovery to analyzing suggestions for (what the 10% considers) improvements. In summary, no matter how successful the recovery project may become, this group will not be pleased and so, it needs to be ignored. As for the remaining 70% of the stakeholders, this third group will 'sit on the fence' and decide to align with one of the other two sides that is emerging victorious. So the RPL must be seen to be doing a convincingly good job to keep the 20% and sway the 70%. Being seen doing a better job than the PM is not going to be good enough for the RPL, and accepting to do a better job will impede doing an excellent job.

5.2.2 Elaborate and state management's perceived problem (to be solved); their aim, goals and requirements; and define success

The second of the two vital requirements (see also 5.1.1) is for the new RPL or retained PM to state the executives' perceived problem [9], the business value of the enabling deliverables or developed output and the aim, goals or outcome expected by the corporation. This forces communication with executive management and their commitment to the stated outputs. If the problem definition is correct, the RPL's reputation and trust in the approach is raised, while an inaccurate problem definition leads to refining the problem and requirements with the executives' input, thus raising executive 'buy-in' through the engagement. If the problem and the goals are not perfectly understood, it is acceptable for the new RPL at this stage and more importantly at this stage it is acceptable for executives to make changes as these changes do not draw attention to the fact that changes are made. Then if the problem and the goal are agreed on, this is an opportunity to review the feasibility of the new recovering project, and define what constitutes success, as reputations and personal credibility are at stake. As in general only 20% of development projects' functionality is vital to the business and less than 50% is needed, delivering the required 50% is the challenge as well as the opportunity to deliver more (benefits) for less (work).

So define the critical success factors and how success will be measured. This is akin to and the initial step to defining a vision. While this may be trivial in an academic discussion that does not include political constraints and aspirations, it is crucial in many organizations where dealing with the reality of WIIFM (What Is In It For Me) is imperative. Discussing with the project authority and especially identifying opinion leaders who can harness executives' support of the

changes made are good investments of time as is ‘re-gurgitating’ (technical term) what executives and stakeholders want often and deliberately.

5.2.3 Stop the bleeding

To build executive support and demonstrate fiscal responsibility the RPL has to aim for real or perceived quick wins, and busy staff. Nothing is appreciated more than managing the (financial) bleeding that is common during major change. Cutting costs is a disarming surprise to executives. Decisive measures to stop ‘no value adding’ activities where possible will be perceived by staff as ‘heartless’ by a good leader, and considered by executives as professional. RPLs cannot allow things to go worse than they already are, and must try to align projects to strategy more than PMs [CB2]. This is one place to start to demonstrate leadership.

5.2.4 Conduct due diligence and crystallize the status quo

Crystallize the status quo

While it is important to review the past to understand the ‘*everybody knows*’ common point of view, opinions must not become the truth or facts that the future direction is built on and the past approach must not dictate the way forward. After this stage the new RPL cannot rely on "he said, she said" but build on needs and constraints. Review the development environment (project structure, project governance, responsibility assignment), the size of the project (is this a Super-Sized Project [3], a Wicked project [CB3], how past responsibilities have been handled by the development team (members, organization, level of expertise, decision making) to crystallize the *status quo* and the viability of any alternatives considered. This is the time to identify opinion leaders, look for non-verbal communications and establish necessary relationships. Keep in mind that when considering the organizational capability, that it is not only what the present capability that is relevant but what the organization is set up to build is also important, i.e. the organizational attitude towards building capability.

The lexicon

While not a concern in academic circles and when talking to academics, some organizations use certain words to mean something other than what they mean outside the organization and unlike how they are defined. Thus 'governance' may not include accountability but simply mean management approval; “Submit it to governance” may mean to ‘ask for management approval’. At a few organizations, senior analysts had to submit the draft emails they wrote to initiate their projects or to set up meetings with stakeholders, to their managers for “governance”, destroying any confidence they may have still had in their responsibilities. “High Level” may refer to “sloppy, off-the-cuff, incomplete and unorganized”; ‘very busy’ may be colloquial for ‘nothing to do’; and 'advancing a project task' may mean starting it at a later time. Therefore it is vital to learn the local lexicon.

Observe and document everything

Document and store everything said, every instruction received from senior executives as if it were needed to defend every word and every decision sometime in the future. Very often it will be a source of confidence knowing that the unwelcomed outcome of a questionable decision the RPL was ordered by executives to take, is the unwelcomed outcome of the decision the authority took on behalf of the RPL. Most importantly, when written confirmation of an illogical decision is stated (verbally), the RPL needs to confirm it and document the actions that will be taken as a consequence as a confirmation of the instructions received. Often this assists in reversing the decision.

5.2.5 Define the Vision, the new project development culture, methodology and governance

Define the Vision

Based on the above, state what is to be the project's vision, why this is within the organization's reach (may be an assumption), who is involved, what are they accountable for and elicit explicit support for this methodology that considers 99% done as not done and success as the only option. This vision does not have to be reasonable using the standard practice, but needs to force and stretch what most people in the environment imagine to be doable. However, a vision that is not within the organization's reach is only a daydream; a vision that no one is accountable for is only rhetoric; and one that management does not support is worthless. This need for a vision is often underrated and in normal circumstances (project development) may be argued to be unimportant although it is vital for the present (recovery) project's success. Without a communicated vision, actions are not focused. Trying to shoot a bull's eye without a target is destined for failure [10].

Deploy the methodology

Developing software applications is not a production process. While the organization may want to standardize everything, and use a standard methodology software development is a creative process. The methodology must only be a framework that prescribes the *way / what* not the *how*. One of the best way to make the methodology ineffective and destructive is to start the production process before the ideal solution is validated. This means the problem is clear, all the options are known, the most promising are explored and the client tests their applicability in his/her environment and the chosen prototype is presented before, the development objectives are set.

5.2.6 Interview the team and sell the vision and their success

The vision states why the project needs to be a success. In an ideal world, stakeholders and executives rally around that concept. In building the development team, team members have to believe that they are partners in a cause they believe in, that it will help them achieve their goals, and that they will be part of the organization's success.

Validate that the right people are in the right positions (capabilities) and that development team members support the aimed for success.

Discuss with each person their role, and what is expected of them, the rules about independently deciding what actions to take, taking measured risks and project tolerance for schedule delays. Assure them that facilitation is available if they need help in removing obstacles to their success. Then get their agreement to expected performance. Inform each team member that the RPL is to provide governance (authority to align direction of the team and be accountable), is not the SME and will not tell them how to do things but only what needs to be done. Finally evaluate the degree of ‘groupthink’ [11-Irving Janis] that exists and what is its impact on decision making. Then discuss and facilitate but not manage the members.

5.2.7 Build a bridge to the future

It is only after having a clear direction, having taken a ‘shot across the project business case bow’ to validate with the executives and stakeholders the problem and desired outcomes, that the RPL is ready to start the recovery. With the vision solidifying, build the implied bridge from the *status quo* to this future, i.e. detail how the project will be done to achieve the vision! “Poor estimation during the planning phase continues to be the largest (32%) contributor to project failures.” [CB4]. The challenge and art of making a change is that both too much and too little are equally wrong. When approaching a 30 degree bend/turn in the road, turning the wheels 0 degrees or 60 degrees will both take you off the road. According to Langton’s book, a fast change process has a greater chance of success.

Then it is time to communicate, communicate, communicate. This is not only vital it is also fought with danger of failure but necessary as it is what people believe that drives their actions.

5.2.8 Inspire with your insight

Finally, the RPL must inspire confidence because of the exhibited insight into the capability of the organization, the people on the team and the demonstrated total dedication to not only implement the project but also create added value.

Inspiring executives in large part hinges on managing disagreements, which arise when people care about an issue. People do not get upset when they are told they have green hair, but do if their intelligence is questioned or are told they underperform. The process used to resolve conflict must be appropriate, e.g. not personal. This may take a significant amount of the RPL’s (as well as PMs) time. However, having established by now [Thomas-Kilmann] the project management procedures (status reporting, procurement/resourcing, change (schedule) management, cost tracking), how priorities will be established, new issues should not become personal or adversarial and the RPL must assure that they are resolved with respect. Lead; do not manage the project, as leadership skills are rated more important than all other skills [CB2].

5.3. STEP 2 – Lead the Recovery Team & Execute

Based on the concept that if you keep on doing the same thing that you were doing to fail, you will continue to fail, by the start of *Step 2* the old project, its scope, schedule, development environment, its governance and perhaps its manager (the PM) will have been or are about to be changed beyond recognition. By the start of STEP 2 of the methodology the project will be in a new development ‘world’. The organization and the key stakeholder(s) will have acknowledged (passed the see no problem, have no problem mantra) not only that a problem exists (*Step 0*) but also the vision for the new project (*Step 1*). As such they are ready for and expect the radical change(s) required in order to achieve significant, not merely ‘better’ results, or as Alice said in the Wizard of Oz: “We (in our case the project) are not in Kansas anymore.”.

By the start of *Step 2* the RPL must have all changes that are contentious, controversial and essential for the new project’s success done and working on the transition (acceptance of the changes as standard operating practices). *Step 2* then is developing a recovery project and creating business value and therefore is doing the ‘same old’ differently. This step is built on leadership and execution.

5.3.1. Terminate the Project

When the recovery effort reaches the second step, the first major decision for the RPL is to decide whether to terminate the project or not. This is not the time to use the “Hope” or “Pray” methodology, to ‘try’ and save an impossible project or to invest effort into something for which inadequate organizational capability exists. This is not the time to attempt to put an eight ton rock into a shiny, leather seated, 4 X 4 Ford F150 truck that has a payload of one and a half tons. Based on the success or difficulty with Step 1, an RPL must be expected to cancel the project when experience, subject matter expertise, pre-requisites for project success and project development knowledge suggest that the recovery of the project will most probably fail. Project recovery is applying what is part art (the new component) and part science (standard “everybody knows” project management methodology). It is based on leadership, intelligence, experience, team building, inter group communications and relationships, knowing how to apply a proven methodology we call ‘gut feeling’, ability to assess and willingness to apply capability and capacity information and an accepted accountability for corporate resources. Unless the ‘gut feeling’ is that the vital requirements outlined for a successful recovery project are met, the recommendation has to be to cancel the project. While cancelling causes collateral damage, it does not need to be disastrous.

Therefore, if the project is to be developed, it is because the RPL evaluated that Executive Management and the stakeholders are ready to be involved and make timely decisions; the problem that is to be solved and its solution are adequately defined in the Business Case; the

project is within the organization's capability; the people assigned to the development team have the skills, capability and commitment to deliver their work within the allocated time; the new governance format has been authorized; and the RPL is committed to the only acceptable conclusion which is a successful project. Doubts require a recommendation to terminate the project.

5.3.2. Transition to the New Culture

Make and Institutionalize changes

At this point, relieve the PM if that is the plan and has not yet been done. Change and/or acquire people on the development team and cancel all committees that are not accountable for specific deliverables (define who is 'input authority' on all decisions). Are people burned out? In one Agency, developers were asked to work three nights a week to make up for lost time due to new requirements. An independent assessment corroborated the developers' view, that output did not show any evidence of progress having accelerated. In another organization, executive managers started to manage and task developers directly, instead of asking the PM for the deliverable.

By now (post start of Step 2) an adequately large portion of the requested, discussed and necessary changes to the scope, project management approach and project governance were explicitly accepted by executive management, the key Stakeholders and the Project Champion. The task now at hand is to validate that they have been deployed (while implement means getting new software or hardware up and running properly in its environment, including installation, configuration, running, testing, and making necessary changes, deployment encompasses making the changes, training, communications and facilitating the transition to its use) and the changes have been institutionalized. Scale the project down, scale it up, alter the existing budget, the size of the team, announce a new schedule and implement changes to project governance (authority, decision making, accountability) [12-] that is needed, foreseen and within the RPL's new authority sometimes referred to as making the transition. This is the easy part and it will test the limits of tolerance and support of the organization, executive managers and the key stakeholders early. Define with them what is unacceptable and would be seen as indicators that signal that the recovery is failing in effect defining when stakeholders may interfere.

Then focus on making the new way (methodology, governance, reporting) comfortable and the only / standard way of behaviour on the project. Rebuild or build a project team and validate the skill sets (capability) needed and available. This is the hard part.

Lead not manage

Having made the needed changes apply Project Management Best (not the common) Practices that are appropriate for a Project Leader and are part of the new approach. Lead the project team including developers, executives and stakeholders with the vision as a nose ring. As per the

Agile world, the RPL (Scrum Master) is to lead and serve the team more than manage it. Communicate, communicate, communicate (favours a woman [13] [14]) to establish and solidify relationships and expectations. Make presentations to executives and stakeholders to convince, involve and keep their commitment to the vision. On the other hand, get team leads to make presentations of their plans, progress and achievements. This is a new project and a new approach that heavily relies on governance (read integrity and accountability) that organizes and integrates SMEs differently (Federated Governance Boards).

In all the projects where the recovery methodology was used and the results were analysed, at some point in time, sooner or later, the old methodology and management approach was seen to be or actually was to be easier, cheaper or preferable to the new one. Do not lose trust in the chosen methodology and governance that is based on accountability and subject matter expertise. It is tempting and often compelling to do things fast and superficially, not ‘right’, based on evidence and with conviction and then doing them over when the ‘knew-it-but-did-not-do-it solution’ shows up. The first time the new way is not followed because it seems to be inconvenient, is when it dies as tradition and inertia will edge the old methodology and management back into current practice. The first accepted deviation signifies to the 10% to vocalize that the methodology and governance needs to revert back to the old methodology. Organizations want to keep on working the way they are working. When the steering wheel of a car is turned and the car is going around a corner, if the wheel is let go the car will want to straighten out and follow a tangent to the steered direction. The RPL will have to exercise intelligent disobedience when, not if, the challenge arises. It is imperative to fight and maintain the ground works you have put in place. Control changes to the new (project development) culture. The past is not but the future is entirely the RPL’s concern. Advocate to executives how the project (the new RECOVERY PROJECT) will be done from here on. Remember, the hardest thing in change management is to change management.

Protect the Team

Regarding the former, the Agile concept of Scrum Masters and Robert K. Greenleaf’s (1970) Servant Leadership will have to be seriously considered.

5.3.3. Apply Project Management Best Practices (customize)

A recovery project is new but it is still a project. It needs to follow good Project Management Practices such as those amply defined in PMBoK [16], in PRINCE2 [17] or those used for Agile development but customized, adapted to the circumstances and the corporation’s capability and development environment. It is unnecessary and redundant to detail here basic Project Management Practices that interested readers are familiar with.

Significant changes to the used methodology will consist of changes made to stakeholder management, team mentoring, communications and reporting.

5.3.4. Control deviations from new culture

Changes made to the development methodology, accountabilities, project governance, how changes to business requirement are managed, how intra and inter group communications are done and how the RPL interacts with executives and stakeholders will result in a different environment for the recovery project. One that neither the executives, stakeholders nor the team members are used to. This new environment may not be, but most likely will be significantly different than the standard organizational project development environment in which the failing project was developed in.

The RPL must protect the new project development culture and approach, and operate within its confines by engaging the support of the project Steering Committee and by keeping the stakeholders involved (especially the supporting 20%) and leading the team. Recovering is more about building and maintaining relationships than project management.

5.3.5. Know and live the Plan

As the Steering Committee is to provide guidance, management support and be accountable for decisions, directions and demands made on the project, present to them the urgency for making all agreed to changes, and the implications of a delay. The RPL has to prepare and submit an updated project schedule, and substantiate changes. Bad news, surprisingly, is better received by executives, when it foresees problems and leaves room for making a choice. This is not to say that ‘they do not shoot the messenger’, because they do, but it means that every level appreciates professionalism. This also speaks to the organization that does not have the project management expertise and has to bring in a consultant. In some organizational cultures, consultants are not appreciated or used correctly. As such if the consultant (messenger) does not have the integrity to risk his position by saying the truth in such an environment (fears being shot), he/she will only say what the client wants to hear, in fact making his contribution worse than not having it at all.

Live the plan

As not all development team members are created equal, the schedule may have to be changed if a standard delivery time or workload allocation was used and the person eventually assigned to the task was not considered. When developing the new project schedule, keep in mind that some people are slower and some are faster and a standard time frustrates both types. Refine and become intimate with the plan. Do not go for the perfect plan; Accept that you have not planed for everything and that is OK. Adjust the Plan as changes to requirements are made, always keeping value creation as the guide. Plans need to be like airplane wings i.e. flexible. Airplane wings always provide lift but are adjusted for take-offs and landing. Adjust task effort for the different productivity level of the people who will undertake them. faster people need more work in less time while slower people need less work and more time. People working at different

speeds are not the problem. Scheduling all of them to work at the same speed is a problem, as it inhibits them to be successful.

Review and monitor the risks to the tasks in the plan. The person in charge of Risk Management needs to understand the implications of the risks should any of them materialize.

5.3.6. Build the Team

Most of the time the critical issues that fail a project are not caused by the development team. In most recovery circumstances, the best course of action is to let (most of) the team members, with the exception of the Project Manager (as discussed) stay on and continue working on the new recovery project. However, if one or more resources are to be changed, now or yesterday is the time to make that change.

Team

A Recovery Project, as all projects, needs to have a team, a small number of people with complementary skills who are committed to a common purpose, share common values, have a common vision, work towards shared common goals, and who support each other. The RPL needs to lead the team that will develop the solution and create one if only a group working together exists.

To get the most out of the available talent pool, team members have to be orchestrated and empowered, coached, lead to work within their areas of expertise, allowed to take greater responsibilities and hone their expertise. Coaching and developing team members is a good investment of the RPL's time. If the team is large, identify and focus on the high performers, because the ROI on coaching them is greater than coaching the average performer (a controversial issue for sure). Not all team members are the same. The major concern of an RPL must not be that team members present their disagreements but that they develop apathy. The worst outcome of antagonistic team members is that they do exactly, i.e. literally, what they are instructed to do (e.g. policeman gives ticket to every j-walker; to every car that speeds; to every person who tries to take a bottle of wine to a party).

Defend / Protect the Team

Assign the project's precious resources, to work as SMEs not as administrative assistants. Match the right people (skill, interest) to the job they are tasked to do and filter the team from constant, unscheduled communications that are critical of them. Remember most of the time delays or inadequate performance is not the team's fault. Demanding greater effort from the team is probably not the way to improve results.

The RPL has to make each team member as successful as they possibly can get, create value, and manage the business requirements and lead the project. But, if possible, choose who will work on

the project. The final challenge is for the RPL to develop an expertise in managing Generation 'Y' staff. This is beyond the scope of this research.

5.3.7. Launch Stakeholder Communications, Customer Centric Requirements Management and Continuous Risk Management

While these are acknowledged project management activities, many of the projects reviewed, only paid 'lip service' to these three needs (did them only superficially). We did not deal with these aspects in this research, as these are adequately covered in many audits, papers, and books substantiating the need for communications, requirements management and risk management. However we noted that needed improvement and use of expertise in these areas is needed.

Stakeholder Communications

Formal communication tasks as part of the project plans (Work Breakdown Structure (WBS)) were first observed by accident on a \$9 million project. Tasks to inform the organization were in the plan and a group was assigned the responsibility but it was treated as an 'after thought' and the results were close to what would have been achieved without the group. The decision to formalize this need and define it as a deliverable was more of an accident and a result of circumstances than planned, but it proved to be one of the significant changes that had a significant impact on the final outcome. The importance, the necessity and the achievable benefits of a formal Stakeholder Communications Strategy, is in most projects under-rated.

Customer Centric Requirements Management

Change Control as usually defined and exercised does not work. Ideally a paradigm shift to Customer Centric Requirements Management (CCRM) concepts is needed if value-creation rather than delivering on-time is prioritized. CCRM is defined as the continuous re-examination and integration of organizational strategy, stakeholders' needs, business processes, project development methodology and people, into the enabling technology project's mandate, deliverables and lifecycle. RPLs need to engage stakeholders in the definition of what the final project deliverables need to be during the project development lifecycle. It is to produce deliverables/outputs that meet stakeholders' needs and that can be leveraged to identify, attract and retain profitable customers and create business value.

However, CCRM can be costly. This is based on the observation and calculation that requests made to user requirements and the associated analysis of the changes needed due to these new / modified requirements, grows the project costs by over 20% (calculations were 23 – 45%) annually.

While not all organizations will warm quickly to a radically different CCRM model even if they find it compelling, a recovery is the perfect opportunity to get executives, who are dealing with disgruntled stakeholders already, to authorize CCRM. In other words to agree that stakeholders

can make changes they accept to be accountable for during development. Without executives' buy-in the success of CCRM is elusive. Without CCRM requirements management is back to where it was. As there are more projects than people who can successfully deliver them, known (CCRM, Agile, reporting progress on Agile projects, PfMP) but unpracticed ways of doing things are being considered by innovative organizations even if not enthusiastically.

Continuous Risk Management

As the topic is fully defined in SEI's CRM book [13], little will be added here as to how to do this. The emphasis is that it is done very poorly and often not at all and to encourage its use, with skilled analysts dedicated to Continuous Risk Management not only Risk Management and that any CRM plan that categorizes risks and /or impacts into less than 5 levels is intended to meet administrative requirements not to manage risk.

5.3.8. Do

The organization may review problem projects and know what the problem is but to get things done someone has to do them, or not. The objective of a methodology is not to follow it, as is the case in some organizations, but to use it to get things done. Going through a step that does not serve to make the objective easier to reach is not uncommon but nevertheless silly.

It is not those organizations that have the talent that win. It is those that put in the effort. Above all else, the recovery project must make progress and complete tasks on the new project plan and schedule that eventually changes the output of the organization. The new governance is to emphasize the achievement of the self-governing and facilitated development teams and minimize or eliminate the need to report and explain why a task did not work or whose fault it was. '99% done' no longer can mean that 'much has been done' but that 'the task is not done', if good enough is not going to be good enough. The team must do, keep on doing and deliver as they will if management does its part. Everything else is 'fluff'.

The RPL who thinks he/she has time to do it tomorrow, is wrong. Doing it tomorrow is what was the thought yesterday. The only way to do it today is to do it. De-emphasizing the existing or created urgency is not a plan for success. To do what needs to be done, things need to be done. The RPL who thinks he/she has time to do it tomorrow, is wrong.

Negative thinking will be less successful than positive thinking. A person, who thinks he/she cannot do something, will probably be right. There is a 'little man' inside us listening to what we wish for and like a dog, has nothing in life to do but to make us happy. When we say we cannot do something this 'little man' will make sure we are right. So negative thinkers rejoice because you are bound to be right.

Conclusions

We know how to manage projects. We do not have to fail every second project. But we do. When we do, we can recover most of the projects that are about to fail and achieve better results than what we could have achieved were these not about to fail. However, to recover projects, we need a Recovery Project Leader (RPL), a new methodology, a new governance framework and we have to do things significantly differently.

Simply doing better the tasks that were done to fail a project is not recovering it. Improving the way we execute tasks will not be enough. In order to achieve significantly better results, we will have to do things significantly differently. Accepting the foregoing is accepting that change will happen. Just do better is not a recovery approach.

It is not fate that creates bad projects. Most of the time the failing of a project is not as much the team's fault, or the PM's fault as it is management's fault. Often it is a problem of not doing what we know we must and have taught PMs to do. Before we can recover a project, it has to be acknowledged to be in trouble. Not just spoken about but acknowledged.

Accepting that a project is in trouble implies accepting that changes will have to be made. A project to be recovered is a new project. The SME accountable to decide HOW the new project will be done, i.e. the new Plan, the Stakeholders' involvement team composition and team governance in fact defines a new culture that is focused on PM Best practices, as this does not change, controlling deviation from the new culture, defining and working to a new plan, launch with a vengeance the communications and change management initiatives and building the Team.

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