
Project Business Management¹

When The Race Is On Again

Oliver F. Lehmann

“It is not by muscle, speed, or physical dexterity that great things are achieved, but by reflection, force of character, and judgement;”
—Cicero²



Summary

When the race is on again, who will be among those left behind?

Times of crises, such as the current Coronavirus (COVID-19) crisis, have always been times of troubles and sorrow, but also of re-adjustment of attitudes and approaches, of learning and growth. In project business management, now seems to be the best moment to get prepared for the time, when business will rebound.

¹Editor's note: This series of articles is by Oliver Lehmann, author of the book "[Project Business Management](#)" (ISBN 9781138197503), published by Auerbach / Taylor & Francis in 2018. See full author profile at the end of this article.

² (Cicero, 1923)

The Coronavirus (COVID-19) Crisis and Project Business Management

There was good reason for governments all around the world to enforce quarantine rules to protect people from the novel Coronavirus. It is highly contagious and lethal.

One has to be careful with comparing country numbers. The data collection in these countries does not follow identical rules, and in many countries, there is even political interest to “massage the numbers” in order to support a political agenda. However, these numbers are the best we have at the moment.

Deaths per Confirmed Cases (%)

per 3-May-2020, 10:32 PM UST, top 20 countries in # of confirmed cases
Data source: Johns Hopkins University, <https://coronavirus.jhu.edu/map.html>

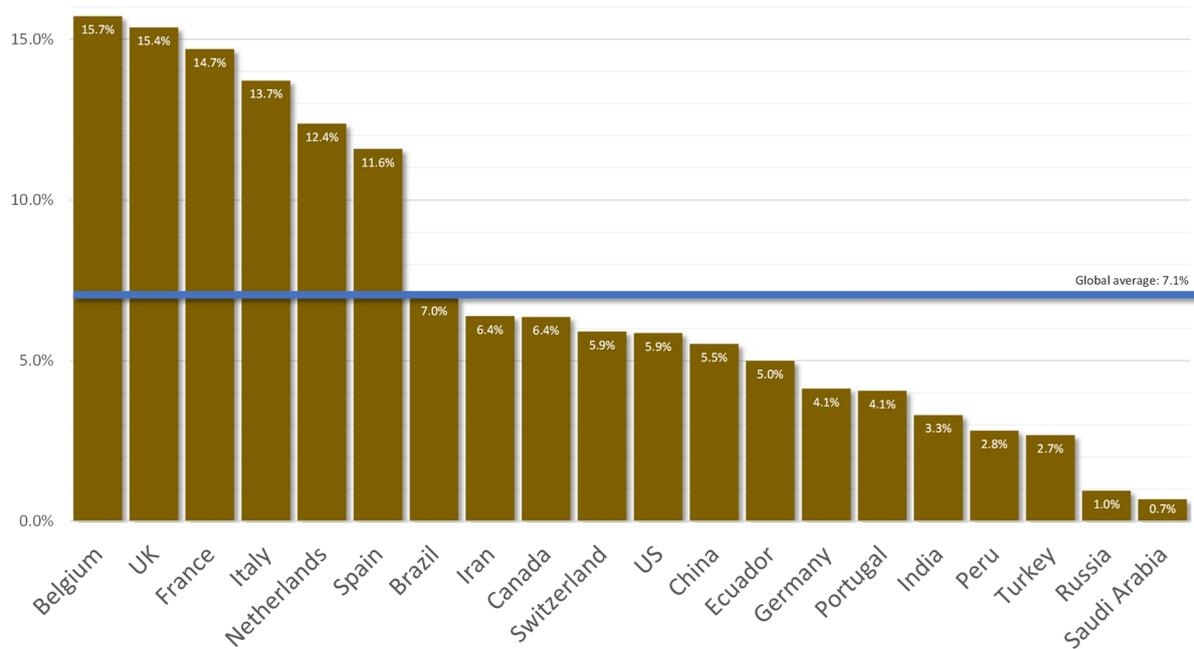


Figure 1: Deaths per confirmed cases of COVID-19 infections per 3-May-2020, 10:32 PM UST for the top 20 countries in # of confirmed cases. Data source: [Johns Hopkins University](https://coronavirus.jhu.edu/map.html)³

Figure 1 shows for the 20 most affected countries (per 3rd May 2020) the numbers deaths in relation to the confirmed infections and. For some countries, a lethality has been measured of over 15%. The risk for the population is very high, and temporary restrictions of personal freedoms should be considered justified to protect everyone.

³ (Johns-Hopkins University, 2020)

Protecting people is necessary, however the effect is disastrous for many businesses, including, of course for project business. “Social distancing” (in essence rather physical distancing) and prohibiting people from travelling has proven to be effective in the fight against the disease, by reducing the spreading of the virus through human-to-human contact, but also crippled many industries that relied on such contacts or on the freedom of people to travel.

Interesting is a look at another set of data for the same countries, the percentage of people, who have recovered from the disease.

Recoveries per Confirmed Cases

per 3-May-2020, 10:32 PM UST, top 20 countries in # of confirmed cases
Data source: Johns Hopkins University, <https://coronavirus.jhu.edu/map.html>

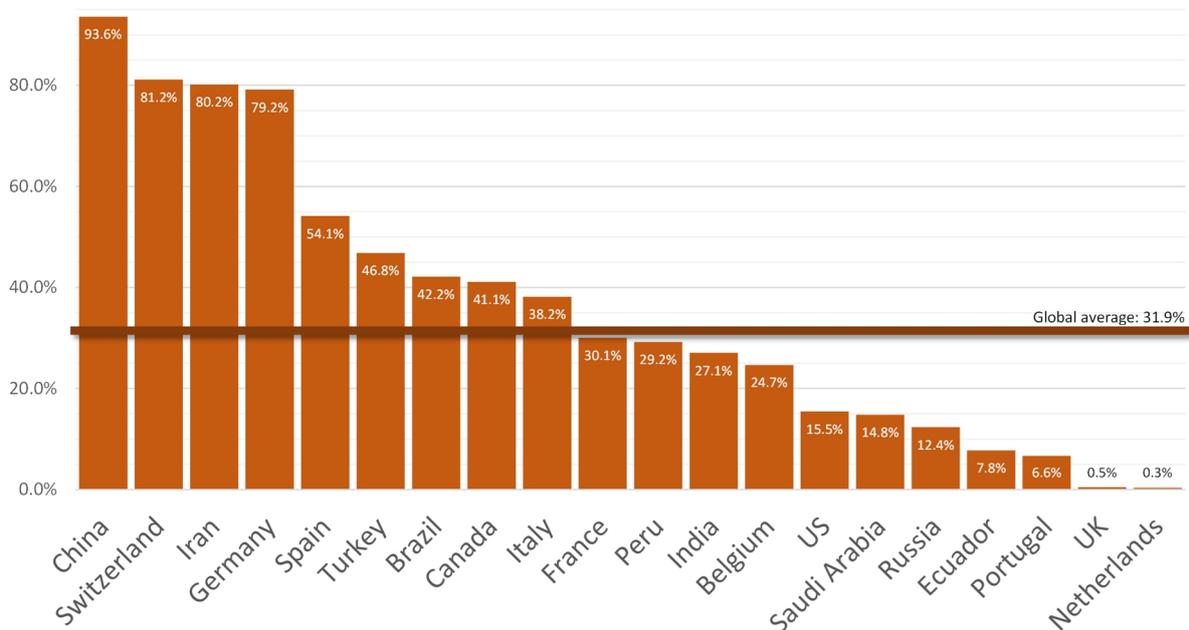


Figure 2: Recoveries per confirmed cases of COVID-19 infections per 3-May-2020, 10:32 PM UST for the top 20 countries in # of confirmed cases. Data source: [Johns Hopkins University](https://coronavirus.jhu.edu/map.html)³

On the left hand side of the diagram are countries whose population seems to have widely overcome the crisis. The number of new and active confirmed cases is small in relation to the cases that can be considered ended, at least for the moment. Uncertainties remain, but it seems that for these countries, the pandemic has not ended, but the risks have become smaller smaller.

Ending the Crisis?

Based on the same data from Johns Hopkins University, the smoothed curves in Figure 3 support this assumption. Countries with a high recovery rate typically have a sinking rate of new confirmed infections, while a low recovery rate comes with an even or growing number.

Daily New Cases with COVID-19

per 3-May-2020, 10:32 PM UST, top 9 countries by # of confirmed cases
Smoothed distributions

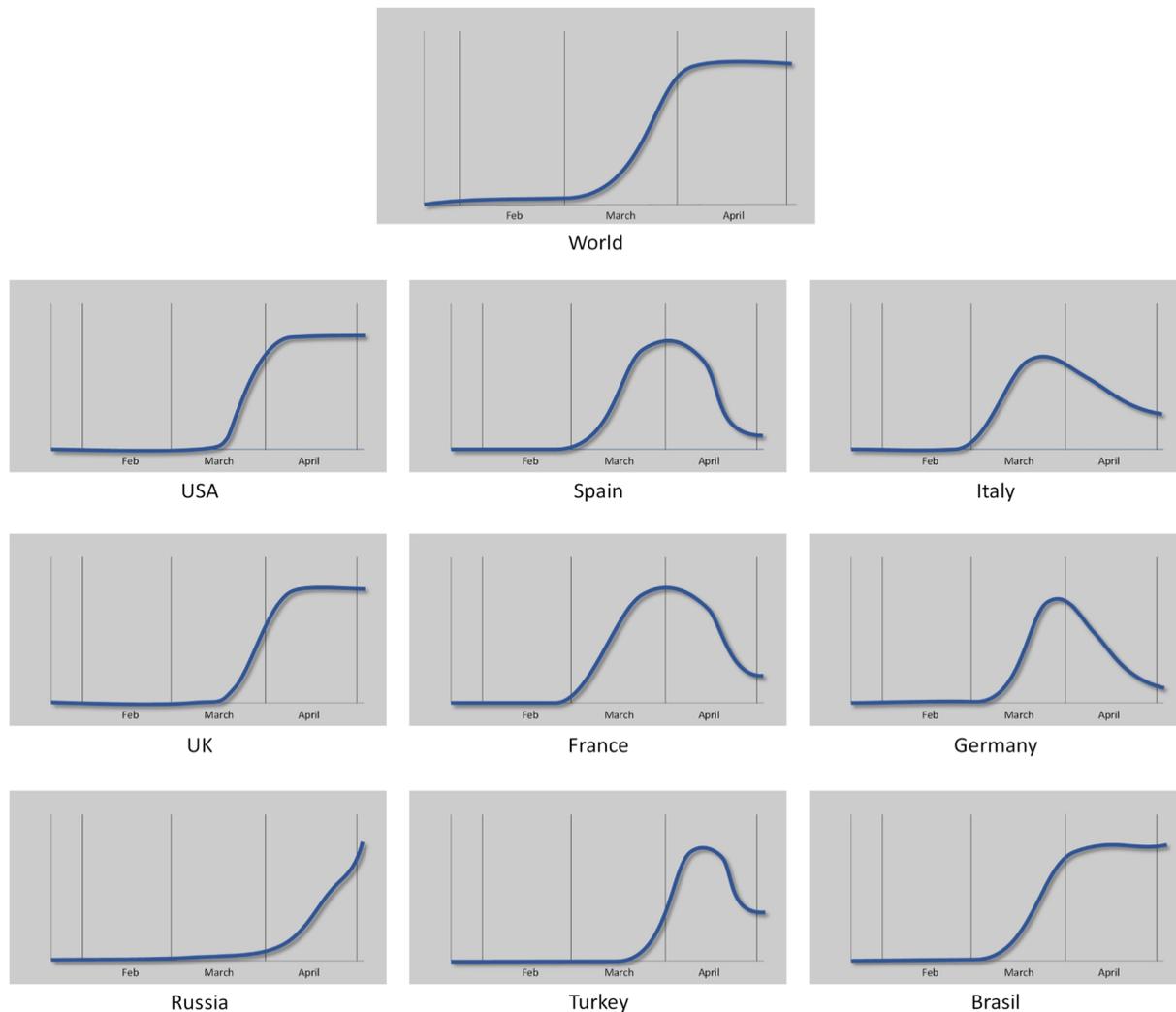


Figure 3: Daily new and confirmed cases of Coronavirus (Covid-19) infections globally and in the top nine countries with confirmed cases. Graphs have been smoothed and their heights normalized

I should point out again that the reliability of the data that these considerations are based upon is mixed. The rules to which the data are gathered are following different rules (e.g. whether deaths outside hospitals and with uncertain cause are counted or not), and not all countries have shown the will to be transparent in their numbers, particularly when these numbers contradict a strong political agenda which takes precedence over the health and safety of the country's citizens.

One should also not underestimate the risk of a second wave of new cases, particularly when countries end the rules of physical distancing prematurely and allow the virus to spread again in the population.

Despite all these justified objections, it seems plausible to draw a conclusion that sooner or later, countries will be able to finally overcome the Coronavirus (COVID-19) crisis. What will then happen to project business?

When the Race is On Again...

When the crisis will end and the race for project business will be on again, who wants to be left behind? It will not be easy to restart again.

Industries will not be the same after the crisis. Companies and individuals went already insolvent, and more will follow. The most vulnerable are those that have not much own assets, high indebtedness, and also high running costs. Many organizations had to make staff redundant, among them valuable employees that they will be missing, when business starts off again.

One can assume that customers will still remain hesitant to invest money for things that are outside their bare necessities. Then, a lot of trust into contractors and customers got lost, when “Act of God” and “Force Majeure” clauses were activated to excuse non-performance of contractual obligations, which included both, deliveries and services as well as payments. Project business is high-risk business, and the last couple of months made many aware of the magnitude of this risk.

Actually, being more focused on value-adding projects was a key recommendation I made in my “Survival Hints” of last month.⁴

Basic trust in the future will also be damaged. During the last years, a common point of discussion was how to deal with disruptive forces in markets, however this crisis was a disruption on a magnitude, for which people and organizations were unprepared.

Organizations will require people to follow new processes. Restaurants reopening show, what such processes may look like⁵. One should note, these processes come in addition to others that were established in many organizations just recently to protect the privacy of employees and customers, keep increasingly damaging malware out of computer networks, and protect the organization’s intellectual property.

Doing business does not get easier.

It is predictable that project business will further gain momentum as a driver for agility. On a first glance, it may seem that cross-corporate project business is slower than internal, cross-functional projects. The time it takes to build the business relationship can be significant. However, overcoming political resistance, freeing internal resources for the project and building skills necessary for the project among own people can take even longer.

⁴ (Lehmann, 2020)

⁵ (Nashrulla, 2020)

Another key driver for project business is management attention⁶. Managers will be busy to master the restart of business functions. At a time when they will need to launch a lot of new projects, they will not have the time, attention, and possibly energy to look after them. Contractors prepared to take the burden from them will be welcome, and these contractors may in turn need subcontractors as support from precisely the same reason. It is predictable that cooperative strategies based on a “Mission Success First” paradigm and on “Completing over Competing” will outrun tedious project processes that are limited by the corporate walls of the organizations performing them internally.

Steps for Preparation

I have repeatedly complained that people doing project business are rarely well enough prepared. The lack of educators and consultants in the field forces organizations and individuals to instead learn by trial and error, and while trial is expensive, error is even more.

The “We will be back” moment will probably add another element to that: Time.

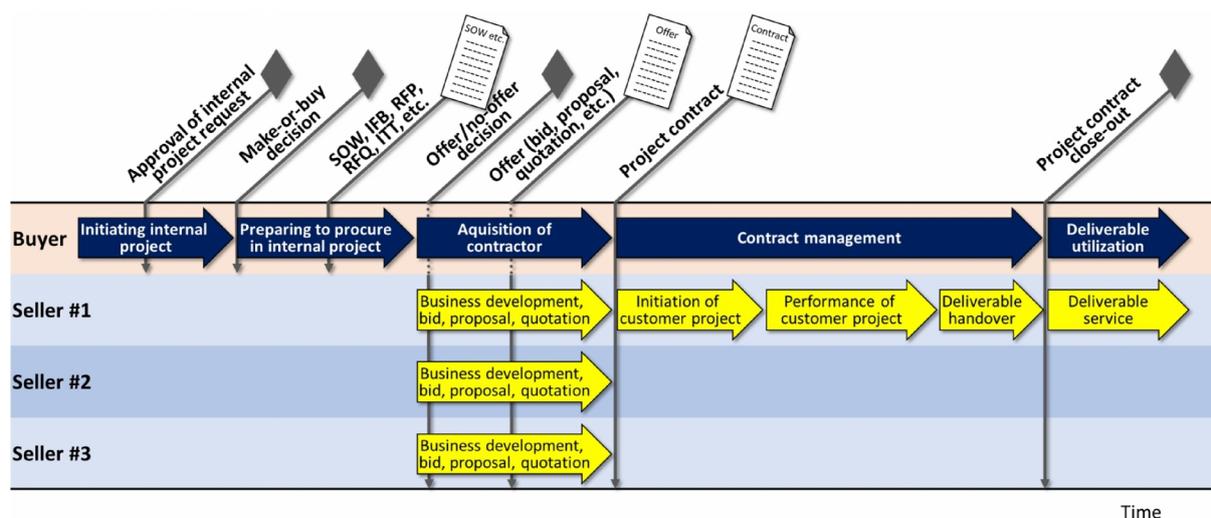


Figure 4: The entire process of project business management includes business development on buyer and vendor side and the actual project lifecycle under contract, and may extend over project closure.

Business development, the flow of activities before the project contract is finally concluded upon, as shown in Figure 4, is part of the project business process. When it begins, neither side has much time left to learn and improve. On both sides, buyers and sellers, people must be preferred to do a proficient job right from the beginning.

The competitive pressure on vendors will be extreme. Not many organizations will be operative early enough to start attractive projects, but vendors will stand prepared to compete for them. On customer side, the number of vendors trying to win the business will

⁶ (Lehmann, 2017)

be high, which will allow to drive prices down deeply, but only a small number of them will actually be capable of doing them, and the low prices that the market will see may impact this ability even further.

Business development is mostly done against submission deadlines, and while time pressure is high, so is the risk of doing mistakes. Mistakes that the parties cannot afford to make during a time of recovery.

The good news: This competitive time will come, but some time is left for organizations with the will (and the monetary and human resources) to position themselves better. And this is the recommendation one can give in this difficult times. Like a chess player, who uses the time when powerful moves are not possible to strengthen strategic positions of the pieces and line up the pieces so that new opportunities are opened (and opportunities of the opponent removed), an individual or organization may also use the time to analyse the as-is situation and decide to occupy new fields with strategic value when the crisis ends.

Such fields may be technical by nature. Post-crisis times are commonly times of fast innovation, based on discoveries and inventions made during crisis. Innovation may also be organizational and interpersonal.

Here are some recommendations for the latter:

1. Obtain certifications that will be of value in future. These certifications may be already existing and established, or new to reflect future developments.
2. Hire qualified experts in fields that will matter in future as practitioners, consultants, or trainers. These people may be employed or under contract as freelancers, in both cases, you want them available for your organization before their calendars are blocked by other organizations including your direct competitors.
3. Where these qualified experts are not available, use the time to develop the people you have – or yourself – to become that.⁷
4. Build or re-build strategic alliances. Success in project business often relies on teaming agreements with other organizations, when one organization alone does not have the resources available in-house to serve the customer alone.
5. Build or re-build your networks. This may be difficult in times of physical distancing, but experience from past crises shows that those survived them best, who had the best networks. Then, friendship matters, and so does solidarity. In the era of connective leadership, this old adage may matter even more.

⁷ An example may be the program by the Project Business Foundation to develop people to become ACE qualified as *Approved Consultants and Educators in Project Business Management*, capable of helping contractors and customers do better project business together (Project Business Foundation, 2019).

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6. Be open to learn and adapt. The world after a crisis looks different to the one before it. We will need new skills, approaches, and attitudes. The time when the crisis ends is the time that should be easiest to learn them.
 7. Don't lose your optimism. This may be the hardest part.

COVID-19 makes people die as well as organizations. We see people we considered trustworthy turning into backbiters and fraudsters. We observe the failure of leaders, incompetent to fill their job of protecting those depending on them. We see corruption and fraud around, and egotism where people should look after each other. We see lack of understanding of the protective measures turning violent, for example when armed fanatics stormed a parliament, forcing elected representatives to wear bullet-proof vests⁸.

But we also see formerly mediocre managers and politicians turning into high-performers. We see heroes at the Corona front, such as medical staff, but also police men and women, delivery drivers, and many others, who keep people safe and the protect the society. We see digital networks able to provide the bandwidth needed to cope with the combined demand from more online conferencing and education, and probably an also for entertainment programs. And we see people becoming more and more skilled in using them.

In the majority of countries, it is also encouraging to see that the social and health systems do not collapse under the burden from the Corona crisis. They are under hardship, and so are the people involved, including employees and volunteers. But in this majority of countries, we do not see the long waiting lines of desperate people at soup kitchens, food pantries, and supply centers for food vouchers that became the established narratives for the crises in former times.

The Rebound

The numbers show that for most countries, it is still too early to consider the crisis over and simply go back to the old life we knew. And of course, the longer the crisis lasts, the harder it will be to ramp up industries again. However, the time will come, and the best use people and organizations can make from the time of isolation and – to some degree – idleness is investing in oneself with the objective to be prepared, when earlier or later, life will return to its new normal.

⁸ (Zoellner, 2020)

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About the Author



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Oliver F. Lehmann, MSc, ACE, PMP, is a project management educator, author, consultant, and speaker. In addition, he is the President of the [Project Business Foundation](#), the home association for professionals and organizations involved in cross-corporate projects.

He studied Linguistics, Literature and History at the University of Stuttgart and Project Management at the University of Liverpool, UK, where he holds a Master of Science Degree. Oliver has trained thousands of project managers in Europe, USA and Asia in methodological project management with a focus on certification preparation. In addition, he is a visiting lecturer at the Technical University of Munich.

He has been a member and volunteer at PMI, the Project Management Institute, since 1998, and served as the President of the PMI Southern Germany Chapter from 2013 to 2018. Between 2004 and 2006, he contributed to PMI's *PM Network* magazine, for which he provided a monthly editorial on page 1 called "Launch", analyzing troubled projects around the world.

Oliver believes in three driving forces for personal improvement in project management: formal learning, experience and observations. He resides in Munich, Bavaria, Germany and can be contacted at oliver@oliverlehmann.com.

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- ["Situational Project Management: The Dynamics of Success and Failure"](#) (ISBN 9781498722612), published by Auerbach / Taylor & Francis in 2016
- ["Project Business Management"](#) (ISBN 9781138197503), published by Auerbach / Taylor & Francis in 2018.

His previous articles and papers for PM World Journal can be found here:

- <https://peworldlibrary.net/authors/oliver-f-lehmann/>