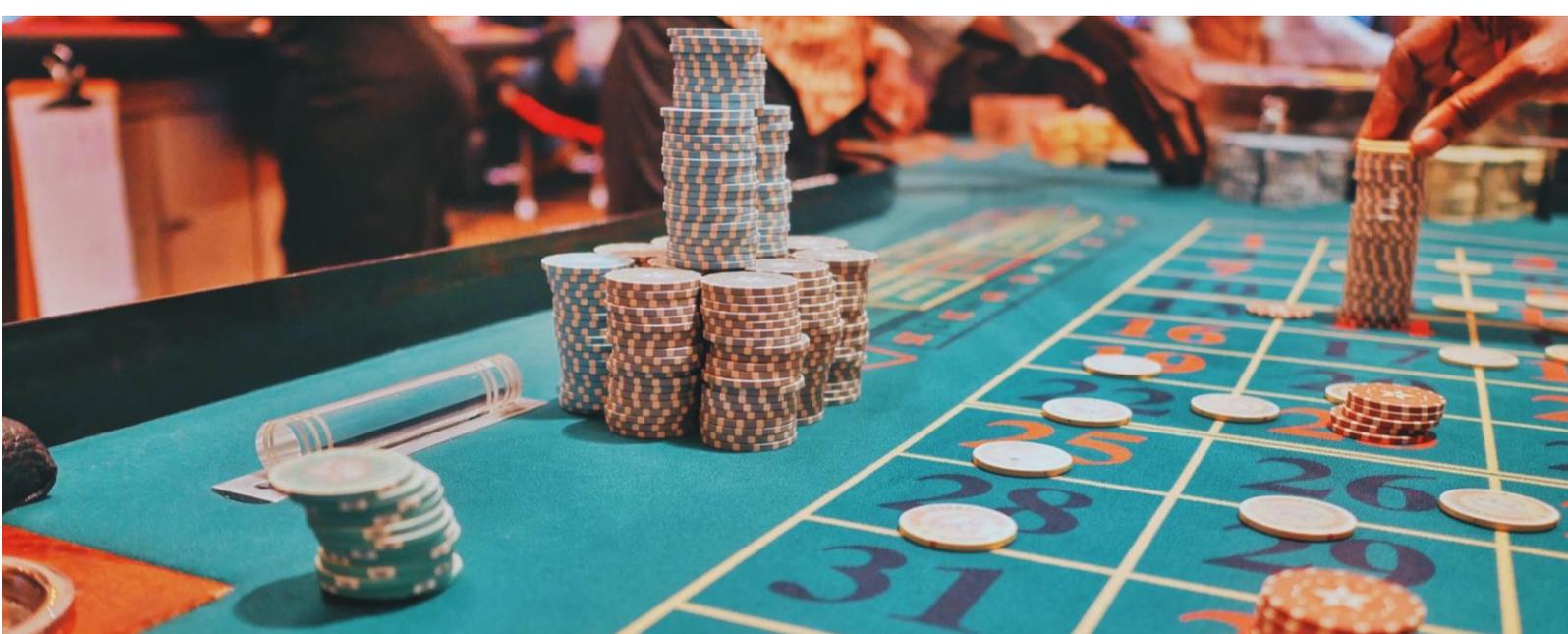


Project Business Management¹

Psychogram of a Gambler

Oliver F. Lehmann

*"I haven't won yet, but I act like a rich man in my feelings and thoughts
and can't even imagine that I wouldn't be."*
— Fyodor Dostoyevsky, "The Gambler"



Summary

Some players in Project Business are gamblers by addiction. The name of their game is Project Business, and they play with other people's fortune. To understand the behavior of gamblers, this article analyses the actions of Russia's President Vladimir Putin, who exposes the clear signals of the addiction on the grandest possible scale, world politics. Then it asks, what people and organizations involved with project business can do to protect themselves and their projects.

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

Gamblers in Project Business

Most relationships between customers and contractors in Project Business Management are relatively harmonious. They understand their obligations to each other and to the mission success of the project. They meet their contractual commitments and do their best to make a smooth project possible, about which everyone involved can later say: “I made this.”

Unfortunately, there are exceptions. Projects that are jammed by destructive conflicts and by harmful behavior of a small number of people or organizations involved.

Addictions are among the root causes of such harmful behavior. Addiction changes people’s minds, behaviors, and values. An addiction that I saw repeatedly in Project Business is gambling. Often, gamblers do not only damage themselves but also their environments, such as families and friends. Many don’t even go to a casino to play, instead, they see the project as their favorite game and can wreak havoc on a project and the people involved.

To understand the dynamics of this addiction, this article looks into the actions of Russia’s President Putin and gives some hints about what people in Project Business can do to protect themselves, their projects, and the organizations involved.

Vladimir Putin’s Place in History

History knows many examples of military confrontations, when a superior army, outnumbering its enemy in headcount and excelling it in weaponry, lost against the weaker party. And history does not treat the losing leaders graciously.

Here are some examples:

331 BC: Battle of Gaugamela:

Alexander of Macedonia, with his Greek forces, won against the army of King Darius III of Persia at Gaugamela in today’s Iraq. Darius’s army is estimated to have been four times larger than Alexander’s. Still, with a brilliant strategy, Alexander outwitted his opponent, whose army and finally rule over the Persian empire he destroyed. Since this battle, he has been called “Alexander the Great”.

9 AD: Battle in the Teutoburg Forest:

Three Roman legions, six auxiliary cohorts, and three cavalry squadrons adding up to between 14,000² and 23,000 soldiers under the command of Publius Quinctilius Varus were defeated in the Teutoburger Forest in Northern Germany by estimated 15,000 men from an alliance of Germanic tribes under Arminius, a Roman officer

² All numbers in this text are estimates.

who was abducted from his German home as a child. The Roman army was superior in weaponry, armor, and training but could not deploy their strength in an ambush laid by the Germans in a dense forest.

1415 AD: Battle of Azincourt:

In this battle in Northern France, an English army of around 7,000 men under King Henry V defeated a French army estimated at 40,000 soldiers under the command of Charles d'Albret and prominent French noble people. The knights of the French nobility wore heavy plate armor while most English soldiers were poorly protected archers, each with a longbow to shoot over distance and a dagger or a short sword to fight in melees.

None of these losing leaders fared well during and after the fight. King Darius fled from the battle when he saw his army getting defeated. While he later tried to rebuild his armed forces to fight the Greeks, his own generals killed him and gave his body to Alexander. Varus killed himself on the battlefield, where he lost his legions, and d'Albret fell in the battle desperately trying to keep his forces under control.

There are more examples of against-all-odds military defeats. Not only was their fate unkind to them; history scholars and students do also not keep them in a positive light. Instead, they use these military leaders as archetypical examples of hubris and gross incompetence.

Vladimir Putin's place in history is likely to become similar. The observation while I am writing this article in late March 2022, a month after Putin began the brutal assault on Russia's neighbor state Ukraine, is clear: His troops are in misery. Devoid of significant military successes, his army has turned to destroying civilian targets, including hospitals, nurseries, and shelters with hundreds of civilians inside, among them elderly people, mothers, and children. Many of his soldiers have been killed; others deserted the Russian army.



The expectation would have been that the much larger and more powerful Russian army should have easily defeated the much smaller Ukraine. But here, the math of asymmetric warfare applies: An affordable rocket launched from a soldier's shoulder can destroy a heavily armed tank in a fraction of a second, and the will of the people of Ukraine to defend their home country and their democracy against a despot is unbroken.

Another reason for this unfolding defeat is poor organization. There are an estimated 150,000 Russian soldiers in Ukraine, whom Russia needs to provide with food, ammunition, fuel, and motivation. Putin based his strategy on a quick victory, which would have allowed the Russian

army to tap into Ukrainian resources. When this strategy failed, he had no plan B in place and no contingencies that he could use to keep his army functioning.

In addition, Putin gambled away his relationship with the wealthy democracies worldwide that were also the source of his fortune. The response by these countries was overwhelming, and why they carefully avoided turning the local war into a world war, their economic sanctions are now devastating to the Russian nation. NATO and EU closed their ranks against him and forgot their regular quarrels to stand united against the aggressor.

How could it happen that Putin gambled away his fate and that of the country he leads to such a degree?

Trump, Brexit, and Putin: Facets of a Story

Until 1945, Europe was a hot spot for the most vicious wars one could think of. Among myriads of others, there was a Seven Year's War (the first truly global war), a Thirty Year's War, a Hundred Year's War, and two World Wars. A driver of these wars was a jumble of bilateral contracts that no one could understand in its entirety. It had the often-surprising effect that a local dispute at one place could translate into a major war with several parties involved somewhere else. Countries sleepwalking into war rarely had an idea of what the escalation of violence would lead to and how much they damaged their prospects for the future.

At least for most of Europe, this ended with multilateral agreements entered by countries after the second world war in 1945. Among these agreements were NATO³ and the EU⁴ the two most notable from Putin's standpoint. Both promoted democracy, which constrained his despotic behavior and made his own Russian public call for Democracy and freedom. Both treaties coordinated national actions, which made them powerful opponents to him.

Putin's placed his bets to weaken these organizations, and a lot of it happened in plain sight:

- In 2016, Putin was in lockstep with organizations such as Cambridge Analytica (manipulation of public opinion through social networks) and Wikileaks (stealing and publishing private information) to perform a hack-and-leak campaign to influence the US elections and make Donald Trump the President of the USA. During that time, the position of Trump's Republican party towards Putin also changed, turning him from an

³ North Atlantic Treaty Organization

⁴ European Union

enemy to a respected partner⁵ and finally admired leader⁶. There are also reports that Russia became a source of funds for the party⁷.

Consequently, Trump weakened NATO by attacking the organization, threatening to take the USA out, and trying to override the multilateral treaty with bilateral agreements that would have made it much easier to manipulate smaller countries.

- At the same time, Putin reportedly placed his bet against the EU on an initially ambiguous feeling in the United Kingdom, whether it was doing better remaining a member of the Union or exiting, an opinion referred to as “Brexit”.

Putin’s emissaries were Alexander Lebedev, a former colleague at the KGB, the secret service of the USSR, and his son Evgeny, a close friend of Boris Johnson, today Prime Minister of the UK and leader of the British Conservative Party (“Tories”). Johnson became the main driver of the Brexit during 2016, and there is a connection to Putin:

Several reports say that Johnson made his decision to support Brexit during a party in his Islington home in early 2016, during which his friend Evgeny Lebedev was present. According to the reports, Lebedev tried to convince all guests to support Brexit. Later this year, in June 2016, a non-binding referendum was held in which a slight majority of 51.9% voted for Brexit.

And again, Cambridge Analytica was reportedly involved by manipulating public opinion through using social networks⁸, as was Wikileaks⁹ too.

In May 2019, Johnson became the Prime Minister of the United Kingdom. In January 2020, the UK formally left the European Union.

In December 2020, Evgeny Lebedev became Baron Lebedev, of Hampton in the London Borough of Richmond upon Thames and of Siberia in the Russian Federation.¹⁰

- Putin’s hallmark is nationalism. Nationalistic parties and groups in Europe all over Europe and elsewhere reportedly enjoyed his friendship and support, such as the

⁵ <https://www.npr.org/2017/12/04/568310790/2016-rnc-delegate-trump-directed-change-to-party-platform-on-ukraine-support?t=1648391271203>

⁶ <https://accountability.gop/ukraine-quotes/>

⁷ <https://apps.npr.org/documents/document.html?id=6432520-The-NRA-Russia-How-a-Tax-Exempt-Organization>

⁸ <https://www.theguardian.com/news/2018/mar/17/cambridge-analytica-facebook-influence-us-election>

⁹ <https://www.thedailybeast.com/man-who-bankrolled-brexit-boasted-of-wikileaks-backchannel>

¹⁰ <https://www.thegazette.co.uk/notice/3681133>

Front National (FN) in France¹¹, the Alternative für Deutschland (AfD) in Germany¹², and Victor Orbán's Fidesz party in Hungary.

Gamblers only plan for the next game. They rarely ask, what to do after the next round because it is clear to them that they will gamble on. However, for Putin, in many aspects, it was "Game over" in 2021:

- Trump was voted out of office in a landslide by the US-American electorate.
- Brexit was concluded, and while this weakened the EU as he hoped, it brought far more economic damage to the UK, and as the country is now sidelined in Europe, so is Putin.
- Front National, AfD, and other Nationalist parties lost their elections.
- Victor Orbán has become an isolated outlier in the EU.

Left without effective proxies, Putin needed a new game.

A Psychogram of a Gambler

Many years ago, I had the opportunity to do seminars for the project management staff of an insurance company in Moscow. The company was a German joint venture with a Russian company that was loss-making and wanted to improve its business by upskilling the management of its projects.

When I talked with my students, they told me of a problem with a minority of their insurance customers. It was a problem that they had found nowhere else: People had bought collision and comprehensive auto insurance for their cars, and some had damages or losses the insurance had to pay for, while others did not. So far, that's the typical situation of car insurance business.

However, the company identified claims that did not come from regular collisions or theft. Some of their customers (a minority, but an expensive one) considered the insurance fees a kind of bet in a game, and they felt that they were losing. So, they actively damaged their cars or reported them as stolen and charged the costs against the insurance to not feel like losers in the game.

Today, this insurance company is still active in Russia, but auto insurances are no more in their portfolio. They said insurance should be a worthy business, not a gamble with irrational and cheating players.

¹¹ <https://www.bbc.com/news/world-europe-39478066>

¹² <https://www.n-tv.de/politik/Die-AfD-dient-sich-dem-Feind-an-article22413060.html>

The seemingly erratic behavior of a despot is hard to understand. While this is true for any despot, it is particularly true for Vladimir Putin. His behavior follows no identifiable business case, political goal, or ethical mission. Indeed, his behavior puts Russia and the world at stake.

However, his behavior starts making sense when you understand Putin as a gambler.

While I developed this psychogram, my primary source is Fyodor Dostoyevsky's novel "The Gambler" from 1866¹³. Dostoyevsky wrote it in just weeks because he had gambled away his editor's advance payment for the book and needed more money. Urgently.

He wrote the book based on fresh memories from the casino of Wiesbaden, Germany, from where he had just returned to Russia. What can we learn from him?

1. Gamblers have no goal or mission beyond the next game. Some are even unable to finish a sentence that they just began. The brain is locked in plots to acquire new assets for the next round and then play it.
2. Gamblers do not care that in purely mathematical terms, they cannot win. They know that the business model of gambling halls is the impoverishment of players and their families and that this business model works superbly.

But gamblers play, nevertheless.

3. Gamblers think they are favored by fate and therefore indestructible. To win against all odds is their main driving force. It is also their legitimization for cheating.
4. Wins are driving forces for gamblers to increase the stakes. Haven't they just seen how right they are?
5. Losses are also a push to raise the stakes. They must right the wrong that has been done to them.
6. Gamblers do not care whether the ever-increasing stakes are their own money or that of other people who—knowingly or not—trust them. They will take money from wherever they can get it.
7. Behind a façade of likeability, gamblers hide a deeply toxic nature. They manipulate others while their gambling addiction manipulates them.
8. Commercials and movies often characterize gambling as a social event where strong characters meet and compete for success, surrounded by admiring young and beautiful people. However, gambling is a lonesome activity. Gamblers have no friends; the people in their proximity are either competitors or sources for assets that they can seize and play in the next game.

¹³ <https://www.gutenberg.org/files/2197/2197-h/2197-h.htm>

If Vladimir Putin is a gambler, for what should we prepare ourselves?

For the worst.

The gambler's stakes will grow further over time. This is how his compulsion works. No conscience will stop him from gambling away the world one day. He interprets protests directed against his behavior as a confirmation that he is winning. Everyone who stands in his way, rejecting his addiction, is considered "hostile" and "unfriendly".

In the case of Putin, appeasement will not work. However, presenting him red lines that he should not cross will also fail. He hates feeling constrained, and every red line is a new game and a challenge for him to cross it and test his power and his self-perceived indestructibility.

Vladimir Putin will of course not join a "Gamblers anonymous" group.

There is one solution for gamblers. Separate them from any assets they can gamble away and rebuff them from entering the casino.

In the case of Putin, the casino is the world.

Avoiding Gamblers in Project Business

Identifying gamblers can be a difficult task. Often, they are hard to make out, instead, the first impression is often that they are highly talented and successful.

As in ancient times, when such people were considered the "Favorites of the Gods", they are still today widely regarded as unbeatable and as people that one should not mess with.

This makes them appear as perfect partners in projects. When these people promise endless success, can this not be carried over to the project? Who does not want to have a successful project? Are these not the people one wants to work with? Or work for?

Unfortunately, success is subjective, but failure is objective. And the games played by the gamblers almost inevitably lead sooner or later to failure. However, by that time, gamblers will make sure that others will be held accountable for the failures, will pay their costs, and bear the legal consequences.

Project business success is built on trust. Trust is the strongest of all driving forces in a project by accelerating decision processes and enabling parties to work together as partners. However, trust in the wrong people can lead to disaster.

Here are some recommendations what professionals in project business can do to protect themselves without damaging the project by following a "Zero trust" paradigm:

- Listen to people's language. Boasting statements and dropping of big names without giving evidence are sure signs that these people are not fully honest.

- Observe the ability of the other party to listen. Do they disrupt people more often than normal? Do they answer questions or just respond to them by avoiding a direct answer? Do they turn to long monologues when the situation requires interchange?
- Do they bend facts?

These behaviors do not necessarily give evidence of gambling addiction. However, they are signals that one should be careful. They are a sign that you should protect your core assets. Of course, at times, one has to do payments to contractors in advance, or perform deliveries in the project against later payments. Project business is impossible without outlays by the parties involved. Though, while taking such risks is inevitable, limiting them to what is unavoidable is not.

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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](http://www.projectbusinessfoundation.com), the home association for professionals and organizations involved in cross-corporate project business.



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 (with Merit). Oliver has trained thousands of project managers in Europe, the USA, and Asia in methodological project management, focusing 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.

Oliver Lehmann is the author of the books:

- "[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/>