



PMINJ 2011 Annual Symposium
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May 2, 2011

Leadership in Crisis Situations:
A Case Study

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Presentation Content

- ✓ Review crisis scenarios from organizational and personal leadership perspectives
- ✓ Review leadership characteristics and qualities



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Dilbert

by Scott Adams



Top Reasons Projects Fail

Write down a few reasons why you think projects fail:

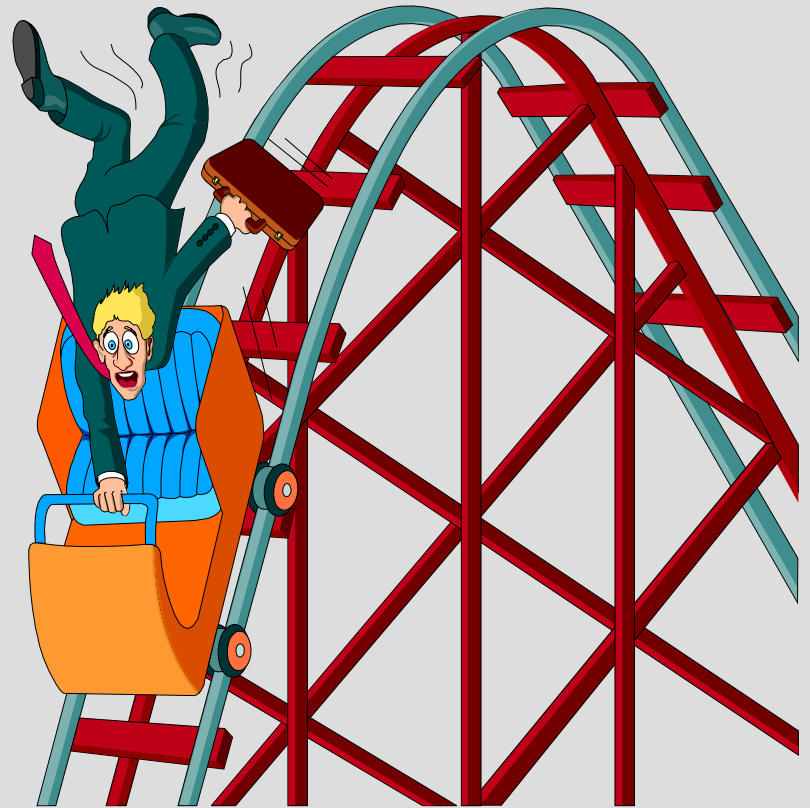
- **Poor Planning**
- **Scope Creep**
- **Inadequate Resources**
- **Lack of Management Support**
- **Poor Communications**
- **Poorly Defined Roles & Responsibilities**
- **Objectives Not Clear**
- **Continuous Changes in Goals, Resources or Management**
- **Failure to Heed Warning Signs**
- **Unrealistic Expectations**

Setting the Stage

Company: Major global Fortune 100 company that designs, manufactures and distributes communications equipment, software, and hardware. This company has manufacturing plants all over the world.

The initiative:

Twenty-five (25) related projects that comprised one large program.
Budget: \$1-billion dollars.
Time frame: 4 years.



Key Players

Internal Groups (staff of 85)

- ❑ Senior Management
- ❑ R&D Group
- ❑ Production
- ❑ Procurement, Finance, and Marketing
- ❑ Corporate and local site management



External Groups (staff of 400)

- ❑ Three major engineering firms
- ❑ Two large construction companies
- ❑ One environmental engineering firm
- ❑ Regulatory: Water and Air quality (State and Federal)

Corporate View of Project Management

- ❑ It is an offshoot of our business processes
- ❑ Only engineers are allowed to manage our capital projects
- ❑ There is software that can manage most of the activities
- ❑ The technology is of prime importance to maintain our market leadership
- ❑ The “soft skills” are fine, but don’t add much value to the project
- ❑ The project’s scope will evolve as we go along

The Problem

The program was \$100 million over budget after one year and behind schedule. The project needed to be rescued with the following objectives:

The Obvious

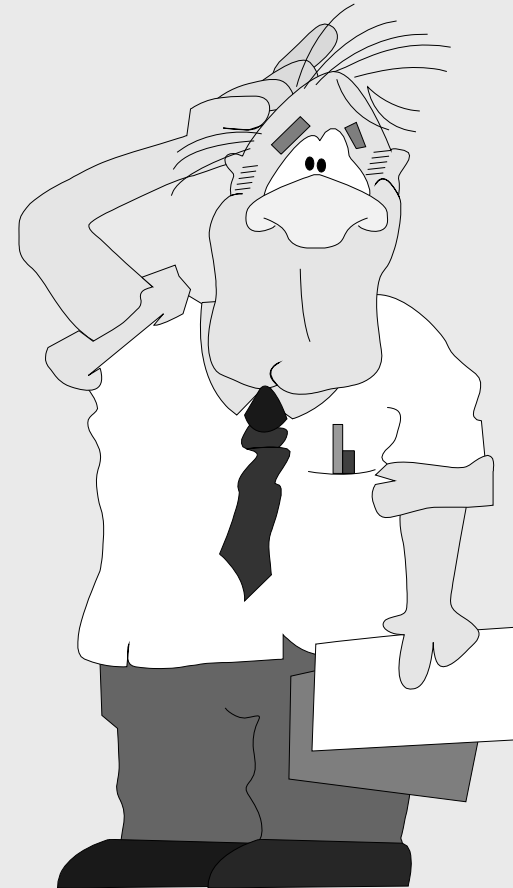
- ☐ Recover \$100 million
- ☐ Return to schedule
- ☐ Meet quality and performance targets
- ☐ Get everyone “on the same page”



More Problems

The Not So Obvious

- ❑ Communications were poor
- ❑ A culture change was needed
- ❑ People not held accountable
- ❑ Sr. Management not in tune with PM best practices
- ❑ PM processes non-existent
- ❑ PMs needed coaching
- ❑ Distrust and corporate in-fighting was a normal occurrence
- ❑ The organization was dysfunctional
- ❑ Lots of “turf” protection



Key Point

It is important to recognize that this is much bigger than a project management problem. It is high-stakes and very complicated.

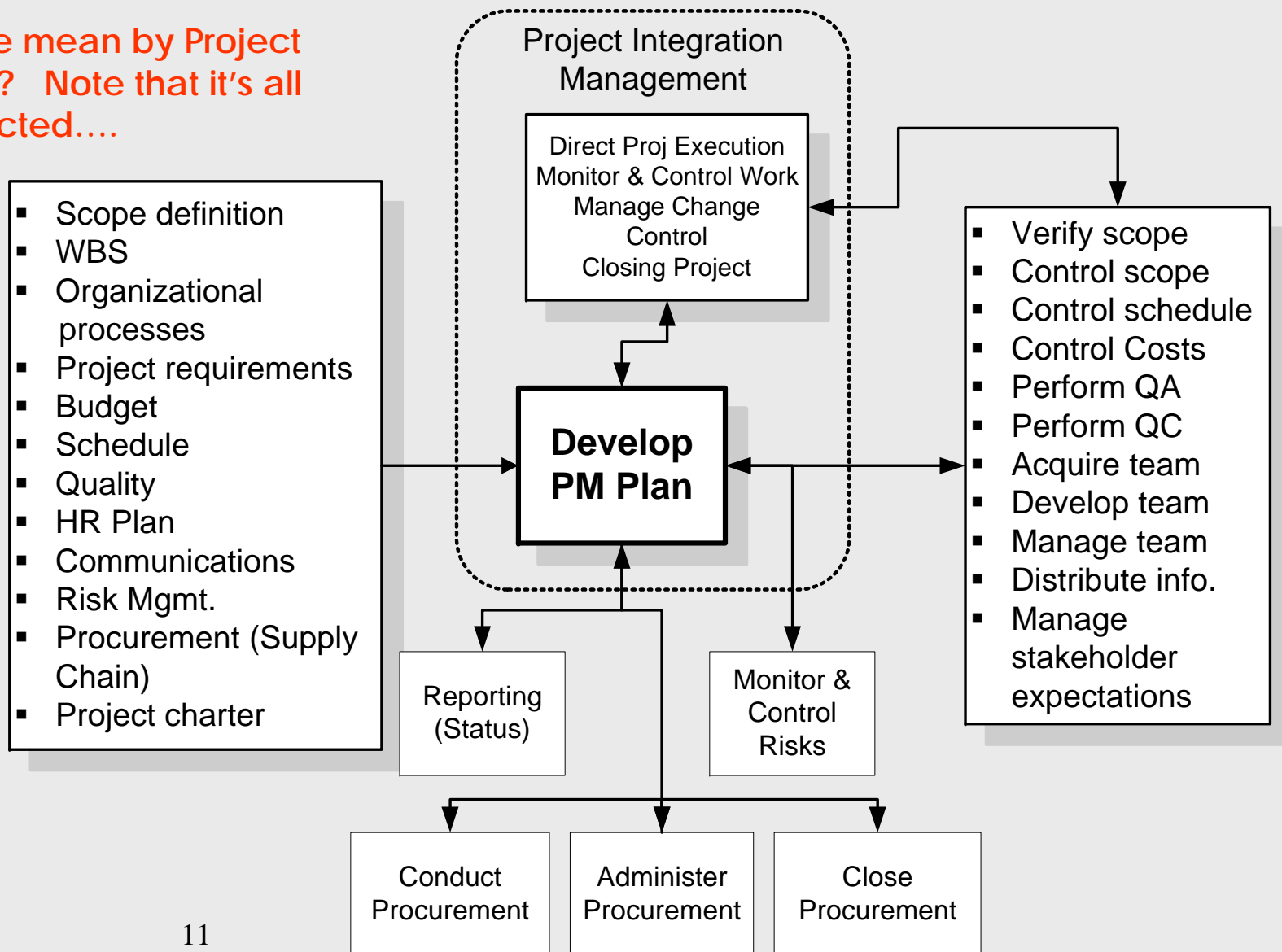
- ❑ This is a high-visibility managerial problem which represents a serious challenge to any manager's skill in turning the program around—not for the faint of heart
- ❑ Many stakeholders need to be coached and educated in PM
- ❑ A change in the company culture must be undertaken
- ❑ Years of mistrust, turf disputes, and antagonistic relationships are at play

How would you approach these high-level problems?

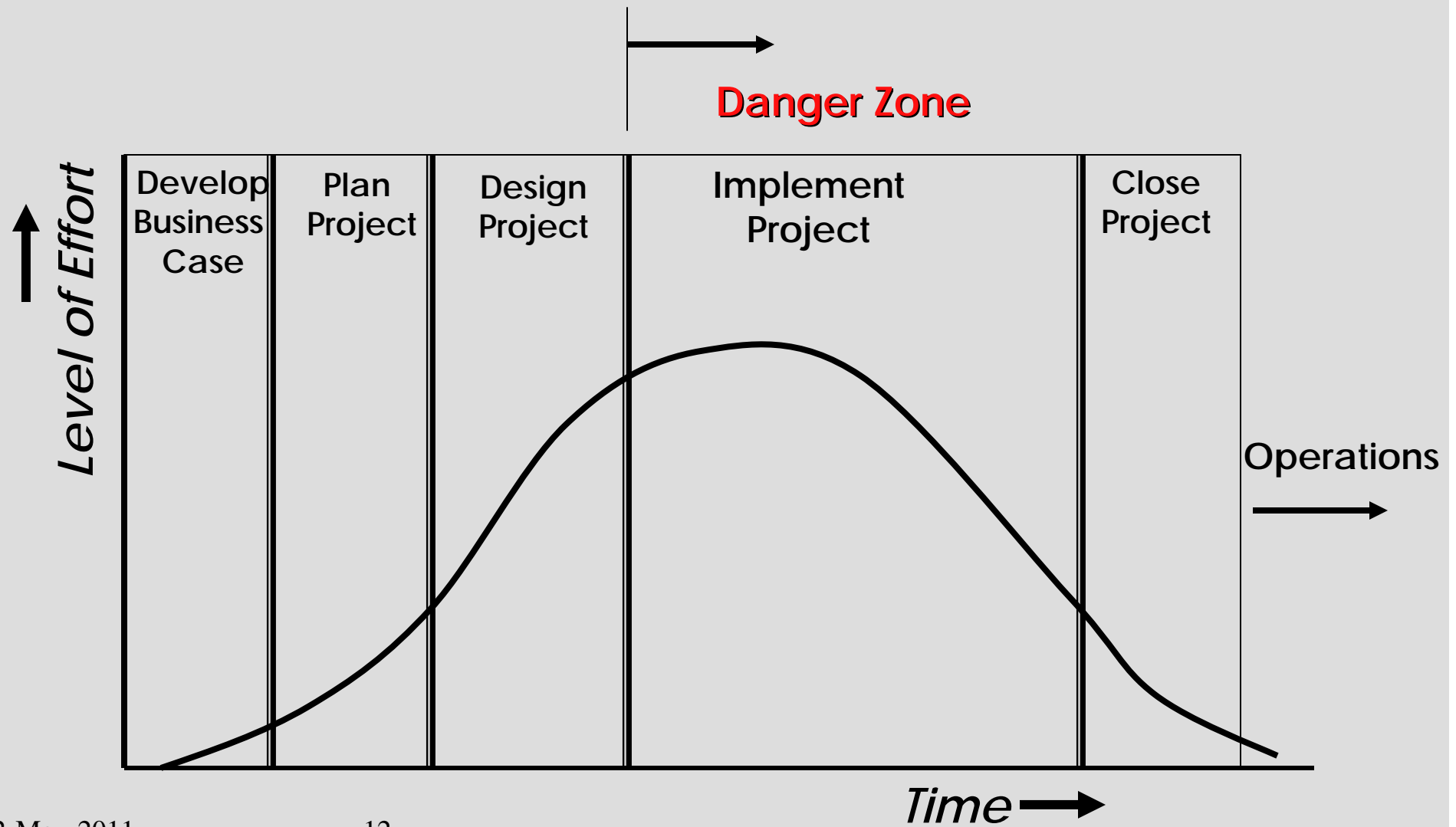
What is the corporate culture?

The Project Plan

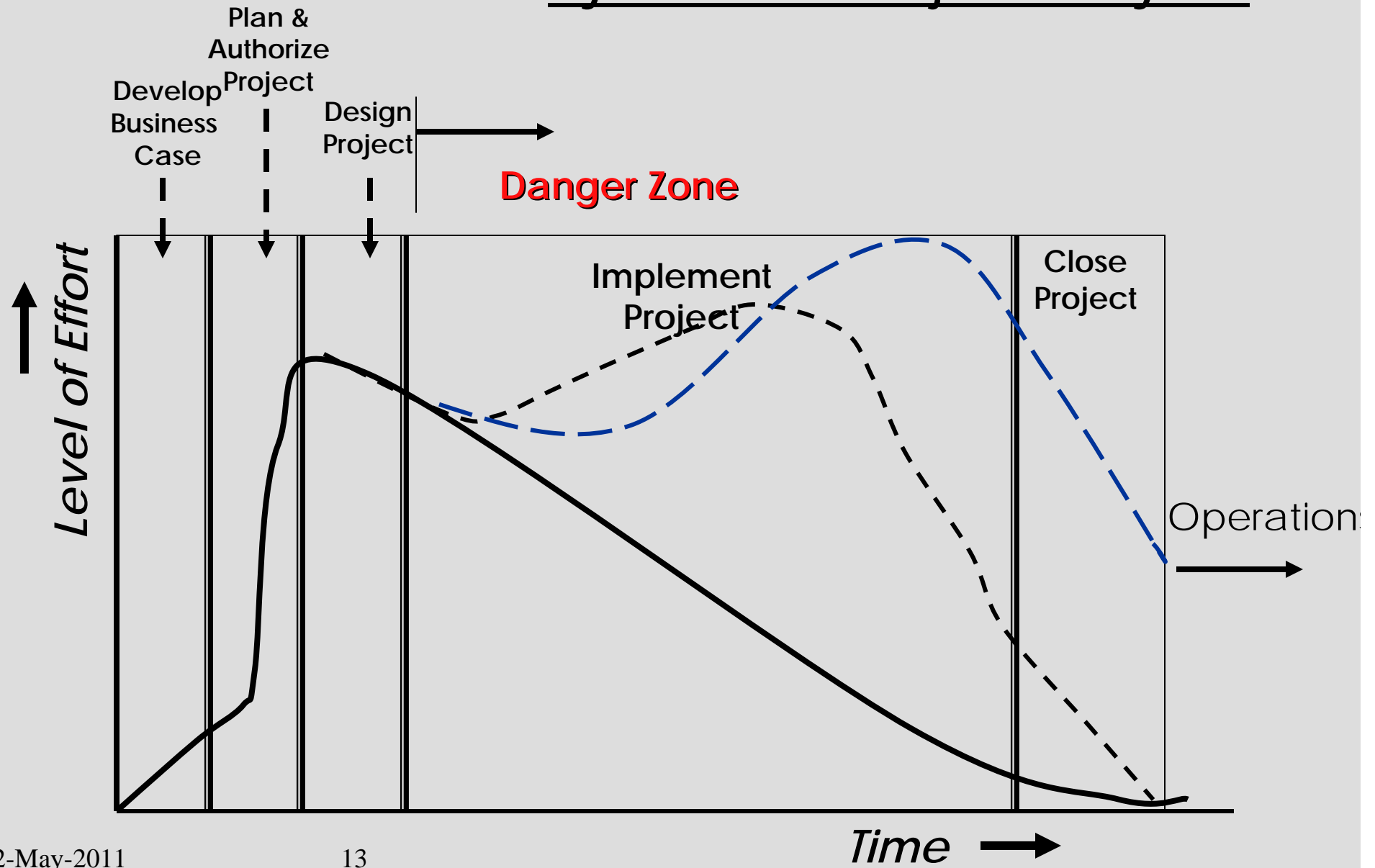
What do we mean by Project Integration? Note that it's all Interconnected....



A Normal Project Lifecycle

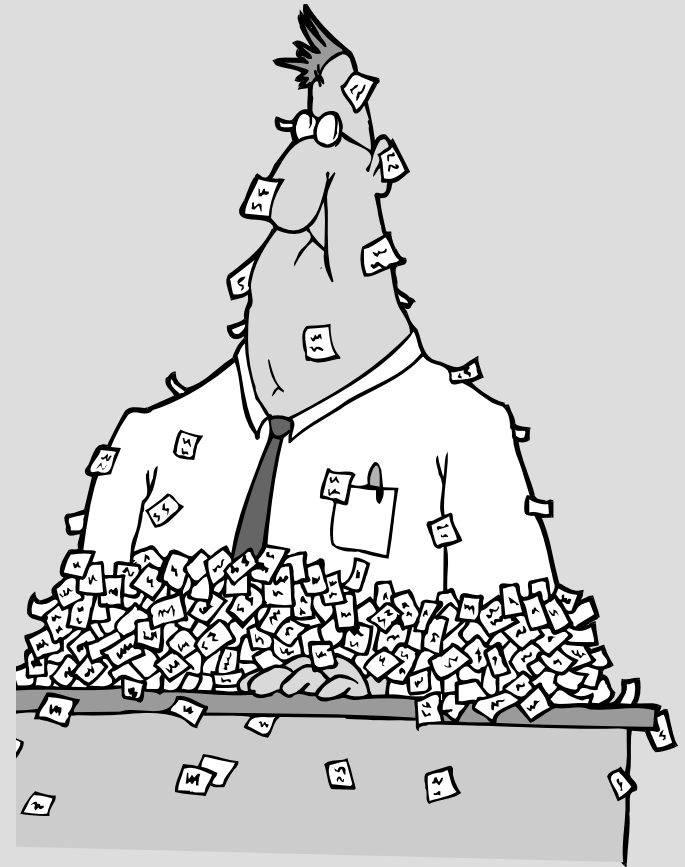


Dysfunctional Project Lifecycles



Some Strategies

- ❑ Create a “War Room”
- ❑ Surround yourself with good people you can trust
- ❑ Hold people accountable
- ❑ Create a sense of urgency
- ❑ Be decisive
- ❑ Conduct a planning meeting every morning



Some Strategies

- ❑ Use an Issues Log for tracking open items
- ❑ Do not panic—people pick up on this
- ❑ Exude credibility, integrity and trust
- ❑ Communicate clearly and effectively
- ❑ Remove obstacles

STRONG CAUTION: Trust and credibility are hard to obtain. Once lost, they are gone forever.

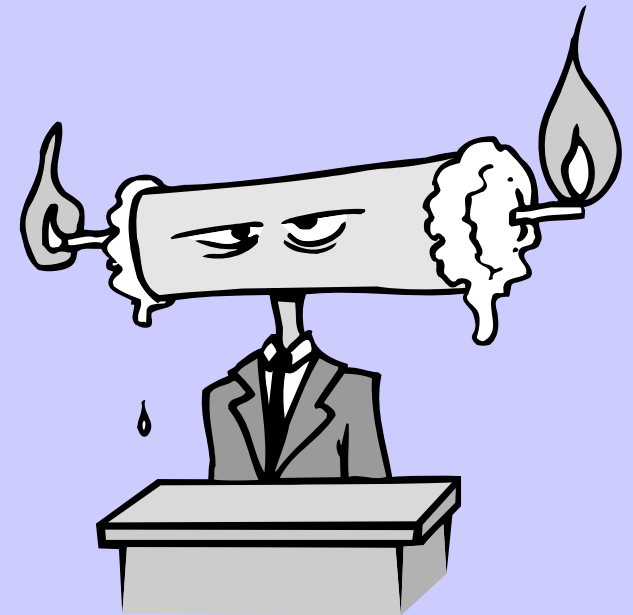
Newsflash!

Not
everyone is
a team
player !!!!



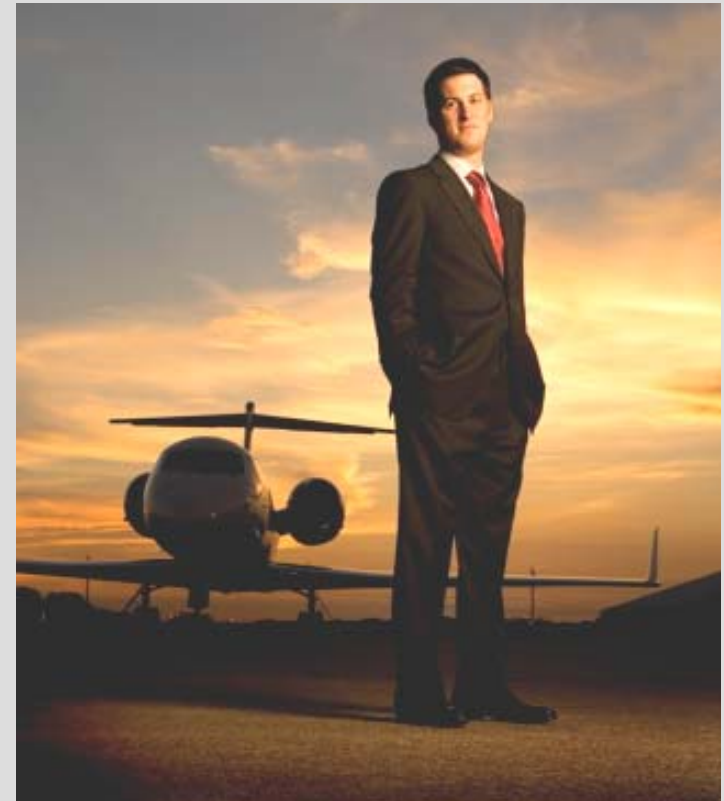
What to Expect in a Crisis Situation

1. It is extremely stressful
2. You will probably not get much sleep until project is stabilized
3. Multi-tasking is an understatement
4. You will have to provide continuous updates
5. Everyone will want answers “now”
6. Fire-fighting will be the norm until you get a grip on the problems



Elements of Leadership

1. Character & integrity
2. Personal capability
3. Focus on results
4. Interpersonal skills
5. Decisiveness
6. Vision



Key Leadership Insights

1. There are differences in leadership behaviors and practices required at different levels of the organization.
2. Leadership occurs in extremely diverse environments.
3. Different skills are required at different stages in a person's career.
4. Leadership is driven by major events.



Key Leadership Insights

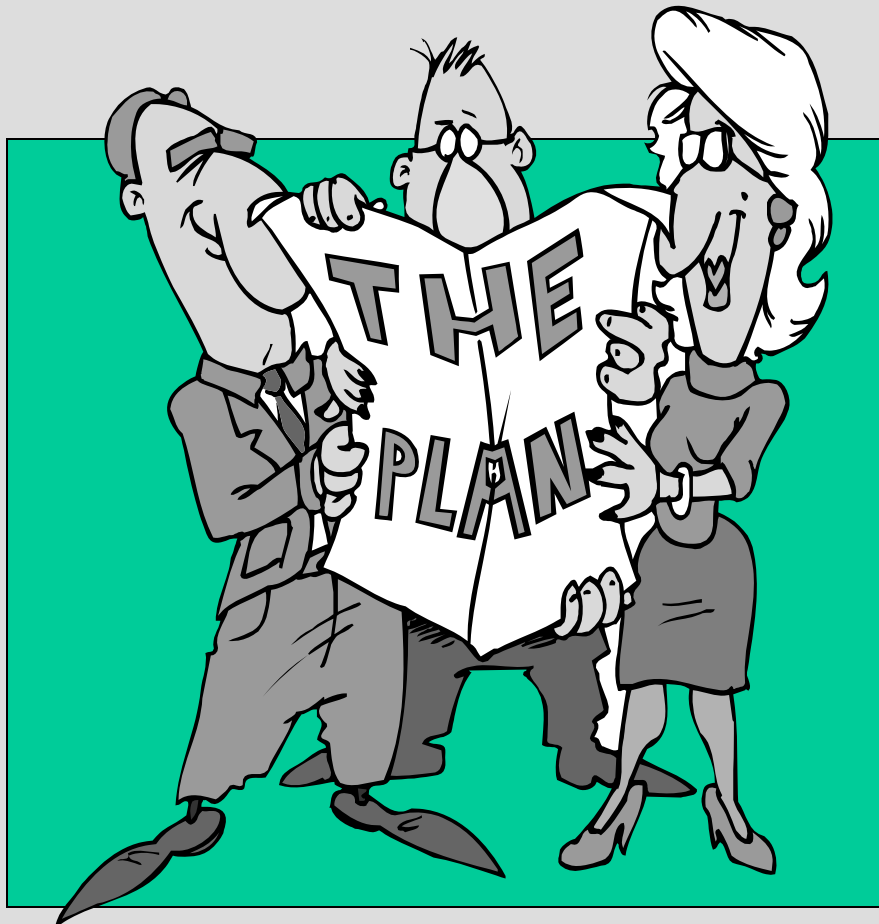
- 5. Leadership requires effective communication skills
- 6. Effective leadership practices are specific to an organization
- 7. Leaders can improve their effectiveness through self-development
- 8. Project leaders need managerial skills more than technical skills
- 9. Leadership is the art of forging a new way forward



How Can I Become a Better Leader?

- 
1. Develop/display high personal character
 2. Develop new skills
(take a course, attend a seminar).
 3. Find a coach or mentor
 4. Identify your strengths & weaknesses
 5. Observe how leaders conduct themselves

Closing Thoughts



- ✓ You don't always get to pick the disaster to which you are assigned
- ✓ There should only be one person in charge
- ✓ Surround yourself with great people
- ✓ Focus on results
- ✓ A crisis is a test of leadership
- ✓ Be adaptable to changing conditions
- ✓ Communicate wide and often



Thank You!

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