Projects, fallacies, behaviours, and complications, opening boxes, standing on shoulders (and toes), and still believing in making a difference.

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Our journey

1. Looking in at project world – what do we see?
   Fallacies, incentives and complications
2. Workshop:
   ‘School for Scoundrels’
3. From an academic perspective…
4. Why can’t projects be more like commercial airline flights?
5. Lean Leadership: delivery by design.
6. So what and what now?
Impact research: Holding up the mirror

Looking in on
• Planning
• Reporting
• Performing
• Learning
How’s it going?

*The reporting fallacy: sustained false optimism*
How did it go?

*The success fallacy: the 80:20 inversion*

- Did the project deliver on time?
- Did the project deliver on budget?
- Did the project deliver what the customer wanted?
- Was the project good business for your organisation?
- Was the project team happy?

- Was the project a success?
How will it go next time?

*The learning fallacy*
Behavioural challenge 1: Four fallacies

- How’s it going to go? *The planning fallacy*
- How’s it going? *The reporting fallacy*
- How’s it gone? *The success fallacy*
- How will it go next time? *The learning fallacy*

- Strategic misrepresentation?
- Something else?
<table>
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<tr>
<th>Bandwagon effect</th>
<th>Planning fallacy</th>
<th>Ludic fallacy</th>
<th>Illusion of asymmetric insight</th>
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<td>Bias blind spot</td>
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<td>professionnelle</td>
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<td>discounting</td>
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<td>Neglect of</td>
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<td>Mere exposure</td>
<td>Gambler’s fallacy</td>
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<td>Obsequiousness</td>
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<td>bias</td>
<td>Hostile media</td>
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<td>Omission bias</td>
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<td>Outcome bias</td>
<td>Illusory</td>
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<td>correlation</td>
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Predict and provide
So how’s that working out?
The finishing incentive (and student syndrome)
Behavioural challenge 2: 4 incentives

- The Kaisen Incentive
- The Provision Incentive
- The Finishing Incentive
- The Silo Incentive
How hard can it be?
The understanding complication

![Graph showing the relationship between Complexity / Capability and Time]

- **Complexity** increases over time.
- **Capability** shows a slight increase over time.

The graph illustrates the understanding complication, where complexity and capability evolve over time. The understanding process is crucial for managing the increase in complexity while improving capability.
How hard can it be?:
The ‘run with it’ complication

Resolve – make it go away
Reduce – make less severe
Run with it – work out response

Q. In 43 workshops with a total of over 1100 managers, what % of the identified complexities were they able to plan to resolve or reduce?

A. 22%  B. 52%  C. 82%
How hard can it be?

*The leadership complication*
How hard can it be?:
*The development complication*

We asked a group of 246 PMs these questions:

- “In your work, which of the 3 complexities is the most difficult to manage?”
- “In your own formal training and development, which of the 3 complexities has received the most attention?”

![Pie chart showing responses to the questions about complexity.]
How hard can it be?

Four complications

- The understanding complication
- The ‘run with it’ complication
- The leadership complication
- The development complication
You are the leader of a large transformation project. Your task is to ensure that the project runs significantly late, over-budget and well below the benefits described in the business case.

How will you make sure that this happens?
How goes research?

- Huge progress over 10 years
- Building – ‘standing on the shoulders…’?
- Many studies on the downsides
- Less attention to the 10% that are delivered early
- Innovation? Our biggest challenge – where the new ideas?
  - e.g. looking at leaders of major projects and codifying what they do. Then look at the performance data. What does this tell us?
- Description and ‘today’ focus of research
- At worst, risk codifying into BoKs what is ‘accepted’ but as judged by the performance outcomes, simply bad practices
- Proactive or reactive?
- Is predict and provide the solution?
- But where academic thought leadership?
Personal reflection: contrasts

- Bring in the money
- Survive the teaching
- Do the admin
- 10pm on is my research time
- Annual review: ‘So, what have you published?’
- ‘Don’t put the word ‘project’ in the title – it’ll never get published in a good journal.’
- ‘...yes, but that isn’t impact.’
- R&D as a process?

- Rethinking PM
- ‘Joining conversations’
- It’s about projects…
- RIS
- PMI AMAG
- Getting to ‘the right people’
- Seeing positive change
  - Cranfield MSc 2006 on
  - TfL 2008 on Advanced Project Thinking
  - BAE + individual coaching
  - MPLA + MMPM
- Where’s home?
Alternative to *predict and provide:* *predict and prevent*
Projects: an OM perspective

- Volume (throughput)
- Variety (process)
- Repetitive Operations
- Projects
# Wastes in projects

<table>
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<th>Original Seven Wastes</th>
<th>Service Wastes</th>
<th>Major Project Wastes</th>
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<tbody>
<tr>
<td>Transportation</td>
<td>Unclear communication</td>
<td>Defects and rework</td>
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<tr>
<td>Inventory (excess)</td>
<td>Incorrect inventory</td>
<td>Inflexibility in responding to emergence</td>
</tr>
<tr>
<td>Motion</td>
<td>Unnecessary Movement</td>
<td>Lost capabilities</td>
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<tr>
<td>Waiting</td>
<td>Delay</td>
<td>Interface losses</td>
</tr>
<tr>
<td>Overproduction</td>
<td>An opportunity lost to retain or win customers</td>
<td>Over-checking</td>
</tr>
<tr>
<td>Overprocessing</td>
<td>Duplication</td>
<td>Inappropriate processing or wrong tools</td>
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<tr>
<td>Defects</td>
<td>Errors in the service transaction</td>
<td>Not taking upside uncertainties</td>
</tr>
<tr>
<td>Skills</td>
<td>Service quality errors</td>
<td>Lost opportunity</td>
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Realising the potential of lean: Delivery by design - setting principles
Delivery by design
Organisational design

Includes strategy for:
- Complexity
- Risk
- Leadership
- PMO / projects function
- Longer-term capability strategy
- Intelligent client
**Delivery by design**

*From maturity to competitiveness*

- Your capability?
- Your customers’ view of you?
- Your competitors?

**Strategic contribution of delivery capability**

1. **Ad hoc**: having little basis or foundation, unreliable delivery, very high cost of failure, strongly negative strategic contribution

2. **Minimised**: tasked with ‘not messing up’, some use of accepted standards, reactive, high cost of failure, negative strategic contribution

3. **Compliant**: follows industry-accepted norms, improvements sporadic, process-focused, cost of failure significant, little strategic contribution

4. **Competitive**: provides source of competitive advantage, focused, metrics determine areas for improvement, supports business strategy

5. **World-class**: redefines delivery in the industry, automatically improving, changes valued and very hard to imitate by competitors, drives business strategy

Delivery by design
Advanced Project Thinking – delay analysis

- Task data collected and analysed to find causes of delay.
- Plan to tackle root causes.

Example at 6 months

- Significant improvement over three 3-month periods (Complete as Planned 46% - 63% - 66%).
Delivery by design:
Complexities

**Structural complexity:** increases with the number of people involved, financial scale, number of interdependencies within and without, variety of work being performed, pace, breadth of scope, number of specialist disciplines involved, number of locations and time-zones.

**Socio-political complexity:** increases with the divergence of people involved, level of politics or power-play to which the project is subjected, lack of stakeholder / sponsor commitment, degree of resistance to work being undertaken, lack of shared understanding of the project goals, lack of fit with strategic goals, hidden agendas, conflicting priorities of stakeholders.

**Emergent complexity:** increases with novelty of project, lack of technological and commercial maturity, lack of clarity of vision / goals, lack of clear success criteria / benefits, lack of previous experience, failure to disclose information, rising to prominence of previously unidentified stakeholders, any changes imposed on or by the project.
Delivery by design
The capability triangle and a tale of two firms

**Technical capability:** we can reliably solve technical problems through our projects

**Network capability:** we can reliably coordinate individuals and organisations to deliver our projects

**Transformational capability:** we can reliably change the organisation through our projects
Delivery by design: Intelligent client

ICE Procurement process

- Stage 1 – Prequalification of contractor, designer and supply chain teams
- Stage 2 – Confidential engagement
- Stage 3 – Tender
Flipping the logic

- Stop the search for ‘critical success factors’ – 20 years hasn’t provided reliable approaches: the wrong projects were considered.
- Start considering how we *make* it go wrong – deliberately so these can be avoided – understand ‘critical failure factors’.
- Start the search for ‘good’ – *In Search of Project Excellence*
  - Openly seek innovative practices
  - Always in context
  - Always multi-level implications
  - Delivery by design
Impact research
And so…

- Fallacies, behaviours and complications
- Flip the logic (e.g. School for Scoundrels).
- Future is forward-looking, focusing on pro-active design of project systems, and working with socio-political and emergent complexities.
- Academics provide the mirror / external perspective.
- Build – stand on the shoulders (and toes) of existing work (where it exists), but not start again and again.
- Deliver by design.
- Engage in the solutions – research makes a difference.

- But so what for you…?
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