A Methodology for Rescuing Troubled Projects

An interview with Brian Munroe

This is Guerilla Project Management with Samad Aidane. We bring you engaging and thought-provoking conversations with today’s leading project management experts and emerging influences.

Samad: Welcome to this edition of Guerilla Project Management. Joining us today is Brian Munroe, PMP, founder and CEO of MTI Learning and President and Chairman of the Board of PMI’s Troubled Project Specific Interest Group, shares with us insights he presented at the PMI Global Congress on his methodology for effectively and efficiently planning and executing the entire project rescue process. He will describe the Rescue My Project methodology as well as its similarities to and differences with other methods that are being used. Brian says that as project professionals we have often tried all the tricks and tips to bring a troubled project back on track. However, as project complexity increases, so too does the root causes of the trouble and often a “back to basics” rescue approach needs to be initiated. Brian is a seasoned leader with extensive project management experience. He is an international speaker and trainer on project rescue. Brian has led many projects in a wide variety of sectors and regularly conducts Project Rescue consultancy services for his clients. Here we go.

Brian, Welcome.

Brian: Thank you. Thank you very much for having me.

S: Brian, tell us a little bit about yourself and your background.

B: Well, a little bit about myself – I live in Ottawa, Ontario Canada. For the past 12 years I’ve been working primarily as a project manager. I have a passion for live speaking engagements. As a result, I spoke at 21 different locations last year on project rescue and troubled projects. I continue to have a great time talking on this subject. I’ve enjoyed my time with United Airlines and Hilton Hotels, so this makes for a good combination when you’re traveling as much as I am. People ask me where I’m from and I say, “Right now, I’m from right here on this particular flight.” I’m a member of the Ottawa Valley PMI Chapter, as well as the Clear Lake Galveston Chapter in Texas. Currently, I’m serving as the president of the Troubled Projects SIG for the PMI, soon to be Community of Practice. So, I keep very busy and involved with the Project Management Institute. That’s a little bit about me.

S: How did you get interested in the topic of rescuing troubled projects?

B: People ask, “How does one get into project management?” First of all, it’s only been the last couple of years where people have been actually looking at project management as a career path. Before that, I think most of us fell into project management accidentally. The same thing happened to me with rescuing troubled projects. Three years ago I was looking back on my portfolio of projects that I had
worked on and realized that very rarely did I actually get the opportunity to start one of these projects. I seem to have been called in when something was mid-flight, when there was a problem or some kind of issue. In some cases a project manager had moved on; there was a vacancy, that kind of thing. When I start to look back on that and realize I was actually steering these projects back around and getting them back underway, I really didn’t know what it was I was doing as far as a project management label. I went to some of my peer groups and some friends at the PMI. They said “I think you’re doing troubled projects. You should go talk to the president of the Troubled Projects SIG,” which I did. Now, a couple years later, I’m the president of the Troubled Projects SIG. I did find that that was exactly what I was doing. People were calling that recovering troubled projects. So, when people ask how I got involved, I say very accidentally. I enjoy it. I have fun doing it. Each one is a very unique challenge and I’m always looking forward to the next one. So, that is a result of this path and this realization that I’ve decided to expand my horizons over the last couple years and start these speaking engagements, training, and coaching around the topic as well.

S: Brian, what are the common reactions when signs of trouble appear on a project?

B: Common reactions? Frustration is a good one. That would be the first one I see a lot of. There also seems to be mixed into that a sudden sense of urgency; urgency around having to fix this problem. We’ve obviously got something going wrong, and we need to fix this. People get a little bit excited, and emotions start to get very high in this sense. What I’ve said before is a quote from a good friend of mine, Steve Linder. He talks about that fact that when your emotions go high, your resourcefulness goes low, and your intellect goes low. What I’m finding is that when you cut into a troubled project situation, you can recognize it right away because peoples’ emotions and reactions are all over the place. We see things like denial, especially with the project manager. They walk around thinking “How could this possibly be happening to me? What did I do?” When I dug a little more into these common reactions, I came across the phrase of “cognitive distance.” Cognitive distance is nothing more than that negative feeling or reaction you get, whether it’s stress, anger, or frustration, created by two opposing beliefs that you are now experiencing. For project managers or project teams working on troubled projects, they believe that they have the tools, techniques, skills, past experience, and expertise to really nail this project and do a good job. Yet, they’re still in trouble. They have the two opposing beliefs coming together and the reaction that we see is often the frustration, urgency, and stress.

S: Can you give us some examples of major project failures?

B: I have a couple of examples. The interesting thing about examples of project failure is that not everybody is excited to “air their dirty laundry” as it’s said. So, when you go to the internet to find some good examples, not too many companies are willing to stand up and publicize that they blew millions of dollars on troubled projects. I did come across a few that are more public. One was a US federal government IT project that lost $64 million when it failed. Another was an IRS tax-payer compliance project that went $50 billion over budget. I can’t believe what the original budget was if you go $50 billion over it. Back in 2004, AVIS was implementing an ERP system that went south on them and they ended up losing $54.5 million. I look at these numbers and they are staggering to these companies. I can’t imagine having to deal with the budgets and losing that much money. I also can’t help but think
about the people involved with those projects, and what other kind of notable failures or losses were a result.

S: What are some of the common categories or causes of project failure?

B: “Categories” is a good way of putting it. I like to categorize things because it helps us when we’re doing an assessment in trying to dig down to the root cause of the trouble. There are two that are coming to the surface, which is a result of a LinkedIn poll I did quite a while ago. Also, any time I do this presentation in front of a live audience, I ask this same question. The number one category seems to focus around poor requirements definitions. We’re just not understanding what it is we’re building; what service or product we’re offering. We’re not getting it right in the beginning, and it’s causing us problems throughout the rest of the project.

The second one that seems to be creeping up to the top has to do with contracts and vendor & supplier management. A lot of times there is a lot of discrepancy between what we’ve asked for, what we think we are going to get; what the vendor has been supplying, as to what the vendor thinks we want. There’s a lot of confusion in there, especially when you get into a multiple tiered situation where you’ve got a client and a vendor, and the vendor has a supplier. Not only are you dealing with various contractual obligations going back and forth between them, but you’re dealing with a whole new communication element that goes across all of them.

Some other categories we look at, especially when I’m digging into to troubled projects are things like poor scope management, lack of organizational support, and stakeholder misalignment (which is another good one). Stakeholder misalignment can have to do with whether the stakeholder is just not involved anymore or is maybe involved a little too much. Also, inadequate risk management, communication problems, and resourcing. Unfortunately, another one I’m still seeing is inadequate project management methodology. People that are coming in “too junior” for the project, or the organization is just not ready to adopt project management methodologies yet and they’re trying to procure these large initiatives and projects. Those are some of the major categories that we’re dealing with.

S: Brian, what causes an organization to declare that a project is in trouble? What are the consequences of delaying this declaration?

B: That’s a good one. There are two parts to that. You’ve got the project manager making the declaration that the project is in trouble, or you’ve got the organization as you just mentioned. Often times what’s happening with the organization themselves is they’re spending a lot of time trying to bail out of their project. They’re bailing out of a sinking boat and it’s not until somebody else comes by and says, “You realize that over 75 % of your boat is now under water – I don’t think the bailing is going to work anymore.” We get so wrapped up in trying to throw the water out of the boat that we’re just sinking it even faster with our activity of rocking the boat and bringing in more water.

S: Or people are busy digging holes in the boat.
B: Exactly. And they are so wrapped up in what they are doing. They think they’re doing the best they can to get that happening, but they end up sinking the project even further. As far as consequences of delaying the declaration of trouble, what you’re doing when you’re delaying is you’re actually closing your window of opportunity to bring this project back around. What I’ve done is put together a project health status. I feel that a project goes through 5 different health statuses. Here’s a quick rundown.

The first one is Healthy – things are going along fine and this is where we like to be most of the time. The next stage is a Challenge stage. Challenges come up all the time in our projects. It’s what we can do as professionals that get that Challenge stage back to a Healthy stage. What I encourage project team members and project managers to do is start looking to themselves, looking to their past experiences, their training, things that they’ve read, all their expertise and say, “Self, what do we need to do to get this from a Challenge stage back to a Healthy stage?”

Now, from Challenge, if some of the skills and techniques haven’t worked, we go to a Struggling stage. I’ve often gone from Challenging to Struggle, because like every other project manager I still suffer from having trouble on my projects. But, when I’m into that Struggling stage, I know now that I’ve already wasted enough time, or investigated enough time into what I can personally do. Now I’m struggling, now I need some help. First thing I do is let my project sponsor know we’re struggling. So right there I’ve already started to put my hand up and say, “I’m having some problems. I’m struggling, but I’m working on this issue, and I’m just giving you a warning.” What I then do as the project manager is reach out to my peer group, to my friends and colleagues, and other people in the PMI and speak very generically to them to see if any of them have gone through what I am experiencing right now in this particular project. So, I reach out to my global network of people.

Beyond struggling is the fourth phase, the Trouble phase. You better have already told your organization as a project manager that you are clearly in trouble and it is beyond anything you can do to bring this back. You are formally requesting help to get this project turned back around. The fifth stage is Critical and that’s where most problems end up blowing up the project and it fails. What I’m finding is that project managers are going from Healthy to Challenged. They do a little bit of trying to convince themselves that the project is going to be fine in the next couple weeks. That time goes by and they’re now struggling, still trying to not really bring it to the surface. They still want to report green on status reports. They move into Trouble almost to the point of Critical before they actually stop and say, “I’m in trouble here.” That’s IF they get the opportunity to even see that. Most of the time, somebody else realizes that the project is in trouble before the project manager. I encourage the project manager to be mindful of those steps and where you are in that, and not to delay declaring that your project is in trouble. If you need help, reach out and get the help that you need.

S: Going through the different phases that you just described, from my experience, it takes a tremendous amount of courage for the project manager to actually raise their hand and say they’re struggling, let alone say that the project is in trouble. Where do project managers get the courage to do that, and what are the consequences for them not getting the courage to raise their hand and ask for help?
B: That’s an interesting topic, and I’ve actually done a lot of research on this. I do have a white paper and a program designed around what I call “freshness factors.” Those factors are reasons why we don’t raise our hand and declare we’re in trouble. You’ve asked about the courage around that. First, the reasons why people don’t raise their hand has to do with denial or apathy, but one of the key points is fear. That’s where the courage part comes in. A lot of project managers are so fearful that they’ll get scorned for raising their hand, or afraid of getting a bad performance review. It is various aspects around fear. What I’m doing is trying to encourage not only project managers, but their sponsors, directors, and executives to realize that the declaration of trouble early in the game saves a lot of pain in the end. As a good project manager or as a project manager that may be questioning “Can I put my hand up and declare that I’m in trouble?” you have to realize that you have been hired as a project manager. You have a professional obligation to go to your sponsor and say “The project is in trouble. We have to do something about it. I think this might be beyond my capabilities and I’m asking for help.” I find that when people remember that they’re professionals, this helps a lot with overcoming that fear. I’ve heard way too many times from people who come up to me after a speaking engagement saying, “This is all really good Brian, but I’m only just a project manager,” and I hate to hear that. That’s like saying to your doctor “I’m not going to listen to you because you’re only just my doctor.” So I’m working on the project managers but I’m also working on the executives and project sponsors to let them know that it’s a good thing when somebody comes up and declares that there are problems. In fact, on my own team I try to put in a reward or recognition strategy for the declaration of trouble early on and recognize those people. I recognize that somebody found something that none of us saw. Most of the trouble on a project will come from an unknown risk. It’s something that is not in the risk register. Somebody is going to catch it; they’re going to see it and bring it forward. That person needs to be recognized, and they shouldn’t be afraid to come forward and do so. It’s through stories like that that I try to encourage these people to build up courage and go forward and declare trouble when you see it.

S: What should project managers look for as signs or symptoms that a project is in trouble?

B: That can be unique to each different project. I’ll tell you some high-level things to look for. First, a symptom isn’t really the actual trouble state or the problem itself. The symptom is just a sign of that. I find that all too often people will see a symptom involving the troubled project and chase it down instead of going after the root cause. If you go after a symptom and try to fix it, you’ll get temporary relief, but if you don’t deal with the root cause behind it, the symptom is just going to come back. The symptoms to look for are low team morale, consistently missing milestones, incomplete documentation, changing requirements, stakeholder loss of interest or participation, misalignment, or maybe even stakeholder increase in participation. There’s a nice list that you want to develop early on in your project with your team. Look at the organization you’re working within, at the type of project you’re doing, and come up with your own list of symptoms. You need to say “Here are the things we’re going to look for as a team. If we see any one of these come up, we know there’s some other root cause that we have to chase after.” When you do this, you start to alleviate the earlier problem you mentioned of getting the courage to admit when there’s trouble. Now your entire team is looking for it. Everybody is on board, and when someone comes forward saying they’re starting to see a symptom and declare trouble around that area, they should not be afraid to do so once you’re all on the same page.
S: Can you walk us phase by phase through your project rescue process?

My project rescue process is something that I developed after reading a lot of information on the subject and going back and looking at what seemed to work for me. There are many different processes out there on rescuing troubled projects and turning projects around. There are different books and ideas of thought. There is a bunch of information out there. A lot of them go so far as to say that when a project is truly in trouble, we need to stop the project and take a look at what’s going on, reevaluate, and continue forward after we’ve done some investigative work. I found that never worked for me in practice, so I created a process that basically doesn’t stop the project. I never want to stop a project because I immediately lose my ability to see what is happening right and what is wrong. If it stops, I can’t see anything. I created this process around the idea of keeping it going.

Typically, in a troubled project you have what I call a “trigger event.” This is the very last symptom that pops up. It’s where everyone now knows the project is truly in trouble because of this last key trigger event. From there, we move into the assessment phase, which I run as a separate project. I’m a consultant, so often I have the ability to come in as a consultant. But, even if you’re within your own organization, you can do this amongst a couple different teams. Depending on the size, the assessment phase has its own budget, its own schedule, set of documentation, charter, and its own deliverables. The deliverables from the assessment phase is a report on the current status of the original troubled project and recommendations on what to do with it. During the assessment phase I’m monitoring and looking at the symptoms. I’m digging into the documentation, doing a lot surveying, and interviewing a lot of people. I’m trying to find what the root cause is around the symptom that we’re seeing. We’re categorizing symptoms into failure categories so we can drill down and find what the top three reasons are why this project is in trouble.

Once we go through that assessment phase where I spend a lot of time working with the original project manager that was on the original troubled project, I create a report and take it to a project decision meeting. Like any project decision meeting, this one is just to say “Are we going to rescue and recover this project, or are we going to terminate?” And, I have recommendations for both because in this meeting we are going to go through and look at the project, and look at its originality. Is it still producing any unique service or product we need? Do we still have customers? Is it still timely in the market? Is the status of such that we can bring it around? These are the key things that we’re going to look at for a go or no-go decision on rescuing that project.

In the event of a termination, I run a termination project; a small termination phase separately. A lot of that has to do with planning communication that is going to go out to stakeholders of the company. It focuses a lot around salvaging the equipment, the information, and the people that are involved in that project. I don’t do a lot of terminations because most of the time, most organizations want to really give it a good go and recover their project. So, I spend a lot of time in recovery. Again, the recovery phase for me is a separate project. This is an interesting project because this one (again depending on the size) has its own budget, schedule, documentation, and everything that encompasses a small project, but my role changes. I’m now a rescue project manager and this is the term I use. My job as the rescue project manager is to work with the original project manager on that original failing project. What I’m going to
be doing on that original failing project is suggesting or influencing change to the original project. I’m not going to be making the changes. I’m going to be influencing and coaching that original project manager and say that, based on the information we’ve seen, I think we need to change items one, two, and three. Then, I think we need to monitor these changes and look at the effectiveness of them to see if they actually work. The original project manager then goes back and actually implements those changes through a change control system that they have in place for that original project. Then, we sit back and we monitor that. My role in recovery is to work with the project manager to get that original project back within its tolerances for cost, time, scope, which it obviously exceeded, causing it to go into trouble. Once this happens and we let it go for a set period of time, depending on the type of project, I move into a closing phase. I do a typical project close with lessons learned. At that point, my involvement in the project rescue process is done. The original project may still have another 6 months to carry on until it’s completed its viability.

S: What resources are available for project managers who one day may be tasked with rescuing a troubled project?

B: Right now, there are some books on the market that you can take a look at with different tricks, techniques and tools. I’m finding that the online community is starting to beef up in this area. For myself, I have a LinkedIn group called Rescue My Project. We have a lot of members on there that are really willing to share their information. The PMI with the Troubled Project SIG or the Troubled Project Community of Practice – there’s a bunch of people on there as well who are willing to share information. What I find is that with some of the books and information, you have to really take those bit by bit and see what is going to work for your particular organization. For me, a lot of learning comes from the lessons learned from my peers and network of people. I still rely very closely on these people to help me, give me guidance, suggestions, new ways of thinking and new ways of looking at each project as it comes by. I’m trying to help the industry get more information out there. It’s starting to grow, but it’s certainly not a category like Risk or Quality. We still have a long way to go before we have a full library of resources available to project managers.

S: Brian, any final thoughts on this topic?

B: If you haven’t been able to tell by now, I love this topic. I think it’s great. I’m guessing that everyone that’s listening has probably had a project that has failed once, or maybe had a couple projects that failed and has learned some viable lessons from it. In working troubled projects and the ones that fail, there are all kinds of lessons to be learned. What I’m encouraging everyone to do is to really get out there and talk a little bit more about some of these lessons. There are people coming in as new project managers that are looking for the guidance, looking for the coaching, and looking for the mentors in this industry. If we just clam up and don’t say anything about troubled projects, these people aren’t going to learn. If I’m walking down the street and I fall into a hole, I instinctively want to get out of it first, and then turn around and warn as many people as I can to not do the same thing I just did. I’m finding that in project management right now, what we’re doing in troubled projects is falling into the hole and using some really unique and cool strategies to get ourselves out. Then, we’re just continuing to walk forward
and we’re not sharing the experience. Probably, the best final thought I could leave is to share your experiences. There are a lot of people that are just itching for that kind of information.

S: That’s really important because I did have the same experience when I started looking to see what kind of books are out there about this topic. Most of the books talked about a strategy where you stopped the project, you have a period of analysis, and that’s really, like you said, the strategy that just does not work. Nobody is going to give you that luxury. People want you to repair the plane while it’s still in flight. I really appreciate this method where you are trying to make sure that you keep the project going. In fact, what you’re saying is that it’s important to do so, as that is the only way you can be able to study and observe not just what people are saying, but what people are actually doing.

B: Exactly.

S: Brian, what is next for you?

B: Next for me? Besides the next flight, and the next speaking engagement, one of the things I’m really starting to dig into is a phrase that I tend to end my speaking engagements with which says, “Behind every troubled project is a troubled team. Behind every troubled team is often a troubled individual.” My journey is taking me on a road of looking at the humanity in project management, especially around troubled projects. I’m starting off looking at the freshness factor – looking at the reasons why people wait until it’s too late to declare that they’re in trouble. I’m starting to look at what emotions are involved in project management. When they say that a project manager needs to be thick-skinned, I’ve heard that saying time and time again. Why does that person have to be thick-skinned? What kind of emotional bombardment are they getting in their profession that says a project manager has to be thick-skinned? Also, finding out what happens to team members when they’re involved in a troubled project – what happens to their morale, to their belief systems, to their experience. Then, I’m crossing slightly, if I dare say, over into the personal realm, asking how these people are dealing with this when they go home on a Friday. Are they still recharging their personal batteries over the weekend? Are they still spending time with family and friends so they can start Monday off fresh? Or is this feeling of failure going from the project to the team, and then right back into the personal life? It’s a topic that I’m digging in on, that I’m starting to speak on, and then probably throughout 2011 I’m going to start picking up the speaking engagements on this particular area and seeing what’s out there. I don’t think a lot of people actually thought about it, and I’m going to spread the message.

S: I think you’re absolutely right. I think this is the area that is not covered in my view. I think what’s happening is we’re leaving this project manager or throwing these project managers out there in this highly-matrixed world or organization where, even between departments, there is not a good collaboration or good coordination. We’re telling them “Go work your magic, go figure it out.” In fact, we’re having project managers deal with issues that even CEOs, CIOs, and people at the C level do not have the capacity to be able to handle, yet we are expecting our project managers to deal with these organizational issues. We expect them to come back Monday morning and be fresh and ready to tackle the next week of work when, in fact, they’ve carried all of that heavy load with them home that night and over the weekend. I think your work in this particular area is going to be very important. I definitely
will be watching and following your work here and hopefully have you come back and talk about your work in this area.

B: I’d absolutely love to. Thank you.

S: How can our listeners find out more about you and contact you?

B: The best way would probably be to start with the webpage. My company is MTI learning. The URL is MTILearning.com. From the MTI main page, I do blog as much as I can. I’m not a regular blogger, but the flight schedules usually have something to do with that. The blog is on the main page, as well as links to my Twitter, Facebook, and LinkedIn. Each one of those is open to anyone. I often put up comments and if I have good conversations with some of my peers, I’m going to be putting copies of those conversations on there as well. That’s the social media aspect. One of the things that we’re really focusing on this year as a company is taking the best practices from training and the best practices from coaching and putting them together for project managers. So, I have coaching programs for project managers and I have corporate coaching programs for corporations for their project managers that combine a few days of training, but with the follow-up over a series of months to ensure the training, learning and the knowledge transfer is sticking. I’m fortunate to have a great life coach and an amazing business coach and I’ve been learning from both of those individuals. There’s a lot there that project managers need to learn and I’m incorporating that very heavily into my programs. So, the best place is the website. I’m on there all the time. Social media is the place to start.

S: Brian, thank you so much for taking the time to talk to us about troubled projects and the practical methodology you helped us with for rescuing troubled projects.

B: Thank you very much, I’ve really enjoyed this.

S: And, I really look forward to having you come back for future conversations. I would love to talk in particular about your research on the suppression factors, and the impact on the project manager or organization’s capacity to declare a project in trouble, as well as your future work on the human side and the emotional side that sometimes gets in the way of people being able to have the courage to show up fully, and be able to raise their hand and ask for help if needed.

B: Absolutely.