Managing Commitments in a Project Environment

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- Introduction
  - The Importance of Project Culture
  - The Link Between High Reliablility and High Performance Culture
    - Recognizing Problems and Opportunities
  - Key Elements Of A Commitment
- Making Reliable Commitments
- Getting Reliable Commitments

Project Culture

- Highly successful projects usually have distinctive cultures
  - High degrees of teamwork
  - Intense Communication
  - Not much wasted effort
  - Generally good quality of work life
  - Satisfied customers
- Sophisticated project management systems do not necessarily lead to great project cultures
- How do we generate the communication and teamwork?

Recent Project Experience

- Micro-electronics equipment installation project involving:
  - installation of several hundred highly sophisticated 'tools'
  - over 1,000 craft workers at peak
  - heavy interface and congestion with 2400 other construction workers
  - heavy schedule demands
  - challenging contract requirements and demands

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Recent Project Results

- How did it turn out?
  - Extra-ordinary schedule performance
    - key 'tools' turned over far earlier than contractually required with virtually no acceleration cost
    - facility started up faster than any previous project, even though size of project was roughly 2 times larger than previous editions
  - Unprecedented quality
    - "punchlist" items are now a rarity
  - World class safety
    - Over 2.5 million work hours with no lost time accidents and only a handful that even need to be recorded
  - Change order rates due to coordination issues well below 0.005
  - Great place to work

Reliability's Contribution

- Focusing on highly reliable commitments can greatly enhance project culture
  - Everybody likes to be effective
  - Everybody can be more effective if the folks "upstream" give them what they need when they are expecting it
  - Everybody likes to think of themselves as being highly reliable
  - The PM may find that his own reliability offers a great opportunity for improvement!

Typical Project Reliability

- Research indicates that 50% of "committed" tasks are done as planned
  - "Well managed", well established firms
    - *Source: Lean Construction Institute*
  - This level of performance does not appear to be unique to construction
  - Low reliability generally results in chaos, lots of pressure and unmet expectations
- Project managers often attack the wrong root cause
  - Lack of good intentions or "drive" usually not the problem
    - Probably a fundamental communication issue
    - That means we can improve it

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Network Effect

- Projects are basically a complex network of commitments
  - 1000s of commitments every day on major projects
  - Quality of these transactions largely dictates how smoothly the project runs
- Missed commitments tend to flow downstream in cascading fashion
  - Earlier we locate and control the lack of reliability the less damage it causes
- Good News:
  - Improved reliability will cascade through network in the same way

Improving Reliability

- Focus on improving the interfaces and hand-offs on projects
  - promote culture where the project team can better manage the countless informal commitments
- Train yourself to go 'on alert' to recognize when a commitment is necessary and assure that the basic communication steps have been taken
- Empower the entire project team to insist on reliable commitments

Basic Elements of a Promise

- Performer – be clear about who's delivering
- Customer – be clear about who needs it
- Mutually understood conditions of satisfaction
- Future action
- Due date (no due date = no commitment)

Confidence in Delivery

- Clarity - I understand what they really need and what they are going to use it for
- Competency – this is something I can do
- Time - I've got time to do this ("I can do any of these things, but I can't do all of them)
- Sincerity – I really plan to do it
- Documentation – don't rely on your memory

Understood Conditions of Satisfaction

- What, precisely, is needed?
- Take time to make sure that both the performer and the receiver are clear on exactly what is needed and what it will be used for
  - Takes much less time to make expectations clear than to react to unexpected variances

Case Study 1:

- Harry: Can you fix this pump for me?
- Joe: You bet. We'll get somebody on that next chance we get.
- Harry: Great. See you later.

Case Study 2:

- Harry: Hey Joe, Ed's crew need to set this pump later today, but I'm pretty sure that it needs new seals. Can you install a new set?
- Joe: I'm pretty well backed up, but I might be able to get to it later today.
- Harry: Any chance you could you get it to them by 3:00 today? That way we won't have to make a crew work late on short notice.
- Joe: That makes sense. I'll get to it right after lunch. You're just talking about the little seal on the discharge, right?
- Harry: Not that easy. I'm worried about the labyrinth seal inside.
- Joe: Ouch! 3:00 will be tight, but I'm pretty sure I can do it.
- Harry: Thanks. I'll let Ed know you've got it handled. Can you page him when you finish?
- Joe: Sure. You owe me brewski for this one.

Waffle Strategies
## How To Dodge Commitments

- The word "if"
  - Perhaps most abused word in construction
  - Chase down the "ifs" until you hit something solid
- Various forms of the word "hopefully"
- Various forms of "I'll try"
- Various forms of "sometime"
- Not writing them down (set up for forgetting)
  - The dullest ink is far more reliable than the brightest memory
- Pre-recognition of excuse for failure
- Willful lack of understanding or malicious obedience

Key Follow Up Points

- Let the person that's relying upon you know when you're done (or expect to be done)
  - World is full of missed opportunities to capitalize on early completion
- Deliver bad news as early and clearly as possible
- Deliver good news early enough that it can be useful

Best Promises Go To Best "Customers"

- Make clear requests
- Make sure they know you're relying upon them
- Tell them where they fit into the network
- Help the person find ways to succeed
  - Consider counter-offers and "win – win" solutions
- Follow up on their progress and problems
- Ask them to let you know when they're done
- Don't demand what you don't need
- Be professional and courteous

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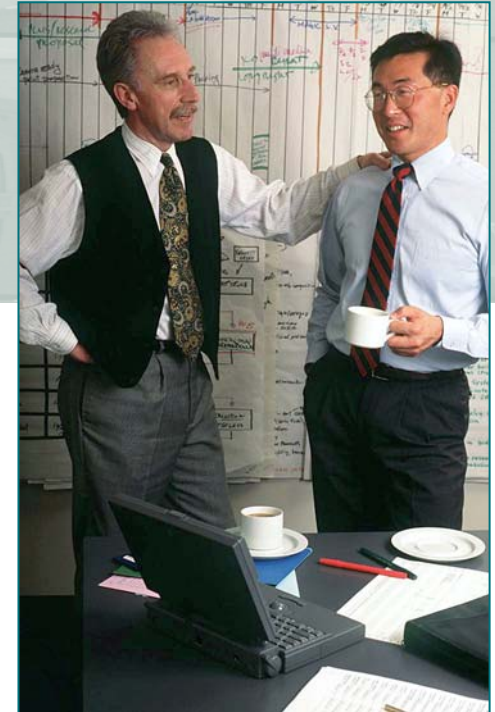
What To Avoid

- Tolerating the language of waffle
- Master – slave mentality
- Coercion and "won't take no"
  - "yes" doesn't mean much if "no" isn't an option
- Lack of flexibility – locking onto one option
- Assessing blame to the person rather than finding the flaw in the process

- Track 20 Promises
  - Could be ones you make, ones you get and some you observe
  - Notice if all of the elements are there
  - Follow up to see if the promise was completed as promised
  - Note reason for misses
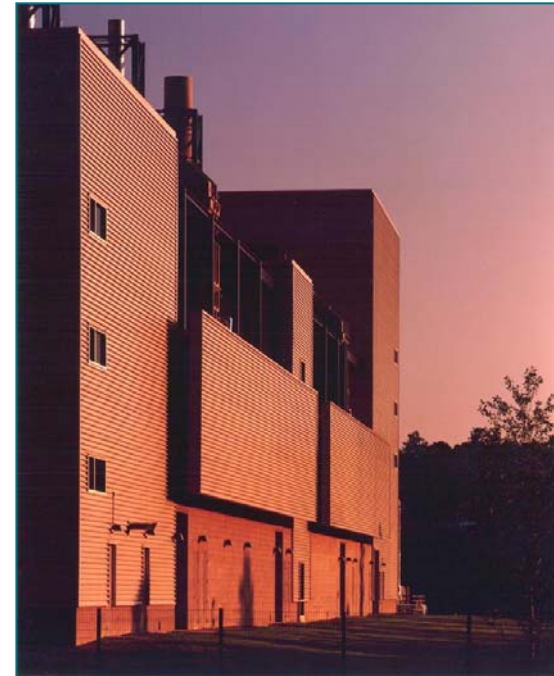
Acknowledgements

This presentation draws upon the work of Greg Howell and Hal Macomber, who are partners in consulting for Lean Project Delivery. If you have further interest in this topic, you may want to contact them at:

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