



Project Planning and “The Three Little Pigs”

Remember the fairy tale, “The Three Little Pigs,” and how the first pig built a house of straw? Nice, light, cost-conscious straw

THE ONLY PROBLEM WAS THE HUNGRY WOLF THAT CAME along one day and knocked on the door. The wolf asked to be let in, and the pig quite reasonably replied, “Not by the hair of my chinny, chin, chin.” Unfortunately, the wolf simply huffed and puffed and blew the straw house down, and pig number one had to shake his bacon to get to the second pig’s house.

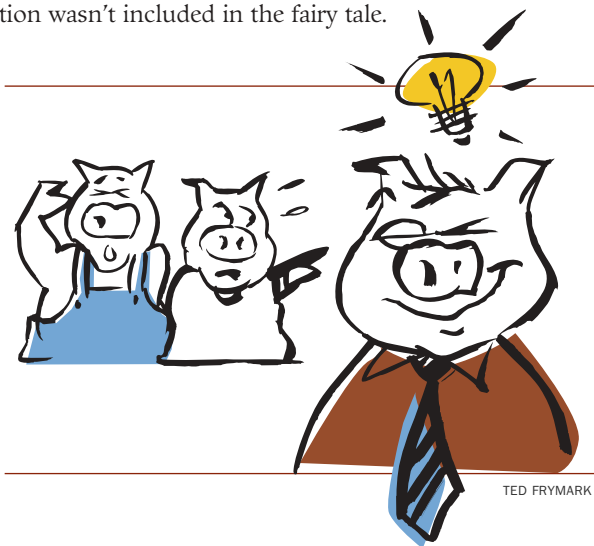
The second pig had nominally improved the quality of construction by using wood. Once again, however, the pigs were forced to scurry when the wolf’s resolve proved stronger than the structure. In the end, our pigs were saved by the foresight, concern for quality and use of top materials by the third pig, who had built his house of brick. The wolf could not get into the house and the pigs survived, presumably to live happily ever after.

At first glance, the lessons are obvious. Be industrious, plan for future threats and never short change quality specifications. On further review, the difficulty and risks of project planning are much more complex.

Imagine the story without the wolf. Suddenly, the third pig becomes a goat. His mug appears on the cover of newspapers exposing and criticizing the flagrant and excessive costs of the brick house. Pigs one and two are lauded for exceptional and efficient construction management, while pig three is used as a case study in mismanagement. The wolf is so vital to the definition of success that one might be led to wonder if pig three contracted with the wolf to harass and threaten the others.

In any event, the uncertainty of future events makes project planning a slippery endeavor. Was the third pig a better strategic and tactical planner, or just lucky? Did

the use of risk management techniques indicate the probability of marauding wolves? Was the selection of brick based on a cost benefit analysis of the situation? One will never know. That sort of background information wasn’t included in the fairy tale.



One thing we can say for certain is that experienced project managers realize that environmental realities figure prominently when determining what risks jeopardize a project. To what extent they plan for a wolf at the door probably depends on what experience they have that a wolf will show up there. The dilemma all project managers face is deciding which risks are too costly to plan for, and which ones are too costly not to plan for. •