Advance Praise

I expected good, but this is great.

Janet Pirus Phelps
Principle, Strategic CFO
Former CFO
Papa Murphy's Pizza
Los Angeles, California

Each chapter of the book is a master-class in strategy deployment! Todd ingeniously brings together the critical elements of the strategy execution puzzle, revealing with remarkable clarity the pathway to implementation success.

Claudio Miers
Managing Partner, Pitcairn Partners
Former VP Operational Excellence, Organizational Transformation
Emerson Automation Solutions
Fort Lauderdale, Florida

Todd captures the reality and essence of what it takes to deliver strategy. By sharing thought provoking stories and examples, Todd provides helpful tools and approaches to navigate the difficult yet rewarding work of transforming strategy into results. A *must read* for anyone who works in the strategy space.

April Blackmore
Vice President of Operations & Supply Chain
The Little Potato Company Ltd.
Chicago, Illinois

Filling Execution Gaps is a thoughtful review of what successful leaders do in a multi-faceted, matrixed business to drive successful execution of the strategy.

John E. Panichella
President and CEO
Solenis
Wilmington, Delaware

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Todd Williams has written a book which made me think about my acceptance of current governance practices and approaches to program management in a whole new light. By applying lean concepts to achieve effective governance, Todd has changed the game. This book offers valuable thought provoking advice and I have recommended it to all our steering committee executives and PM's.

Charles (Chuck) Elson
General Manager, Asset Management Solutions
Bell Canada
Toronto, Ontario

This book is another home run for Todd Williams! I love the author's writing style. He grasps the key concepts, then shares them in descriptive terms. The quotes at the start of each chapter are inspiring. The questions at the end of the chapters are reflective.

The author's years of experience in project management show he truly understands how things work in all sizes and types of companies . . . .

This book is a must-read for executives, middle management, project managers, and project teams!

Connie Plowman
Former COO, Cadence Management Corp
PMI Nominating Committee, Leadership Advisor, and former Region 1 Mentor
Portland, Oregon

Todd provides the right guidance on how to establish an effective change management organization. This is a must read before undertaking of your next organizational project, as it will help you avoid many pitfalls which drive delays or project failures.

John T. Lenga, Jr.
CEO, Head Business Group North America
Autoneum North America, Inc.
Novi, Michigan

Filling Execution Gaps a great balance of methods and personal experience that delivers a practical approach to successful execution of projects. A must-read for any project executive sponsor!

Tom Flookes
Global Business Services Associate Partner
IBM
Seattle, Washington

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We have all been there. Kicking off well deserved projects with much fanfare, only later to see them never achieving their full potential. There is a solution to this problem and Step One is to read this book!

Steve Porter
Vice President & CFO
Columbia Cascade Company
Portland, Oregon

A quote from Chapter 3 in this book as a company is searching for a project manager reads. "We are looking for an anal-retentive, tenacious, asshole and we thought of you."

These traits are often overlooked in the politically correct world we live in where people are too busy looking for consensus builders who never get anything done or at least done on time. Todd Williams points out the pitfalls of far too many projects and provides insightful and practical advice for navigating around and sometimes, unfortunately, through them.

Mike Scotese
Affiliate
CR3 Partners, LLC
Chicago, Illinois

Todd Williams clearly understands that project managers do more than manage projects–they must manage communications and facilitate change in the organization. He has packed a lot of observation and experience in to this book–heed his advice!

Karri Eggers
Vice President, Project Management Office (PMO)
Dignity Health Medical Foundation
Rancho Cordova, California

Todd Williams' new book, *Filling Execution Gaps* is a deep dive into how to build a company culture that tilts the odds as far as possible in favor of successful execution of strategy.

This book is an invaluable resource for project managers and executives alike who are working to improve their effectiveness.

Bram Kleppner
CEO, Board Member
Danforth Pewter
Middlebury, Vermont

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Todd's book does an excellent job of defining the challenge of executive sponsorship of a project who must often perform multiple leadership roles, and this requires development and training to be successful.

Steve Hufford
Chief Executive, Society for Information Management
Enterprise Architect, Portland General Electric
Portland, Oregon

Suggesting the CEO as the executive sponsor for enterprise projects effecting change can be a game-changer for many organizations. This also necessitates CEOs engaged with such initiatives for the duration, which requires a mind-shift about the CEO role.

Demetrios Sapounas
Chief Strategy Officer
Tascet
Sterling, Virginia

Todd Williams provides a unique window into the role that effective leadership plays with projects. His insights on the game changing impact that leadership makes in terms project execution, help differentiate Chapter 10 and Chapter 11 from other project leadership works.

Jim Doyle
Sr. Mgr. Talent & Organizational Development
GNP Company Careers
St. Cloud, Minnesota

In his latest book, Todd has been able to dissect the leadership components of not only projects but all organizations with the skill of a surgeon with a scalpel. Todd has captured the nuances of leadership in projects and organizations at every level, not just the "executive" level where many seem to see it residing. Excellent insight and delivery!

Dennis Bonciolini
President
Prober.com
Sherwood, Oregon

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Todd Williams knows a lot about getting failing projects back on track, His *Filling Execution Gaps* provides a thorough roadmap for initiating projects well and ensuring their progress toward successful completion. The focus of the book on organizational factors makes it a good reference for leaders at all levels, particularly at the upper levels where actions and decisions have such a significant impact—for better or for worse—on project outcomes.

Tom Kendrick
Program Director, Project Management Curriculum
UC Berkeley Extension
Author of Number Project Management Books
San Carlos, California

If *Emergence of the 'Me' Enterprise* is a reflection of how organizations are learning to survive and thrive in this era of a clash of cultures between Baby Boomers and Millennials, then Todd Williams and *Filling Execution Gaps* shows how they're doing it. If you wish to learn how leading organizations manage to find structure amidst chaos, reading this book would be a good place to start.

G. Ross Kelly
Consultant and Former Executive HP
Co-Author: Emergence of the 'Me' Enterprise
Gainesville, Georgia

Todd's work is an essential contribution with respect to helping executive leaders and project managers understand the magic that can occur when human capital is understood, harvested, cultivated and leveraged.

Jeff Brody
Chief Human Resources Officer
ManTech International Corporation
Herndon, Virginia

Innovation cannot be an organized plan of tasks and activities, but rather a means to embrace the uncertainty of future enabling factors. We need to align our culture and organization with executive leadership and modern process.

Mary Ann Coburn
VP, Enterprise IT PMO of the CIO
Hilton
McLean, Virginia

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Todd Williams has touched both macro and in detail micro level insights on execution to align corporate goals and projects and retain sustainability.

Sanjay Razdan, MBA, AMP HBS, BE Electronics
Board Member, CyNation
Founding Partner, CapableCore
London, United Kingdom

Todd gives us insight into the fundamental ingredients of what makes organizations tick.

Vikas Narula
Founder at Keyhubs and Neighborhood Forest,
Adjunct Professor at MCTC
Minneapolis, Minnesota

When I read the chapters on governance and PMOs, I realized that Todd put into words what I have experienced.

Applying the concepts in this book will help form a true partnership between IT and business units and establish IT services as strategic value enablers.

Chris Harris
Vice President Information Technology
Pacific Seafood
Portland, Oregon

A well-defined strategy is worthless if it cannot be executed rapidly and efficiently. In *Filling Execution Gaps*, Todd Williams provides the guidance leaders need to successfully execute a strategy.

Ken Piddington
Chief Information Officer and Executive Advisor, MRE Consulting
Former Chief Information Officer and Director Operational Support,
Global Partners LP
Houston, Texas

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To Kennedy, Alaura, and Jesse

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Acknowledgments

There are hundreds of people who I want to thank for making this book possible. These were the people who took surveys or participated in interviews with a guy they did not know. I could have been a spammer, salesman, or on some other more devious mission. They trusted me and I am eternally indebted. I would name them, there are more than 300, but I promised anonymity. Their stories are here, their ideas are here, they changed my outlook, confirmed my beliefs, shot a few ideas out of the water, uncovered many surprising relationships, and sent me back to the drawing board. I needed you because you were outside my "bubble." You have a different view than the people I hang around. You all know who you are. A heartfelt thank you.

There are also a number of people that are "in my bubble" that I need to mention. Again, there are too many to enumerate. There are many that I met for coffee, interacted with on social media, were in an audience, or chatted with at professional meetings, who listened, discussed, challenged, and suggested different approaches. A special shout out to those who contributed most directly: Marty Matthews, for our coffee meetings (and occasional hospital run) who has unfailing confidence, great connections, and has given support in a multitude of ways; Amy McKendry, for suffering through some of the early drafts of my works and is probably still having nightmares about my grammar (may my originals provide proofing material for your English classes for many years); Josef Pfister who regularly helps me take an inkling and turn it into a full concept; David O'Brien for our thought-provoking breakfasts; Kay Wais for her undying support and confidence; and Corina Martinez, Jean Bauman, and Dr. Victor Sohmen for their critical review of context and content in my early whitepapers and chapters. A tip of the hat needs to go to Peter Stark for pointing out how I kept saying a few things backward from what I meant and Bram Kleppner for his case study and wonderful conversations. There are thanks to all the authors, famous and not yet, for their books, whitepapers, and articles on these and related topics. You have changed the way I think and work. Of course, many thanks to Jeffrey Pepper, Chris Nelson, Mary Sudul, Angie MacAllister, Megan Lester, and Mark Watanabe who patiently explained as I tried to understand how to look at writing, books, and publishing differently. Their editing expertise was invaluable. As a team, we brought this to press.

Last, and surely not least, my wife, Tammi, who has put up with hours of me hunched up over a computer and letting me tell our personal stories. And, my little gems, Kennedy, Alaura, and Jesse, who, at times, have had to compete with or share Dad's lap with proofs or a computer.

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About the Author

Todd C. Williams, is an executive consultant with three decades of experience helping organizations connect strategy to successful projects. He has worked with startups and multibillion dollar companies. He is a prolific writer sharing his wisdom and experience so that others can succeed. His first book was the highly acclaimed *Rescue the Problem Project: A Complete Guide to Identifying, Preventing, and Recovering from Project Failure* (AMACOM, 2011)

In addition, he was a contributor to *Gower Handbook of People in Project Management* (2013) and *Toyota: A Saga of Success* (2008) and a technical editor for other books on project management.

You can read more of his work on his own blog (http://ecaminc.com/blog) and look for his contributions on numerous other sites including The CEO Magazine and ProjectManagement.com.

Online magazines including Fortune/CNN Money, CIO.com, CIO Update, ZDNet, Enterprising CIO, IT Business Edge, who regularly consult with him for quotes and content.

He holds a PMP certification.

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Foreward

Kevin O'Hara

Execution. Whether you are running a startup or a multibillion-dollar corporation, gaps in your company's execution will cause you to struggle. If you continue to ignore them, you will fail. *Filling Execution Gaps* talks straight to this issue. Misalignment, poor middle management leadership, distracted executive sponsors, ineffective governance, insignificant adoption, and an unclear message drowns the best intentions and inventions.

I have known Todd Williams and his team for six years. When I met him, I was running a $600M telecommunications company and we had lost the confidence of one of our largest customers because of poor execution and support. Todd and his team helped us realign our approach on this client deployment and then worked with my executive team to improve our focus and lay the foundation for our organization's common understanding of its goals. I can attest he practices what he preaches.

Filling Execution Gaps' focus on the employees' common understanding of goals is a critical message. Execution always starts with the right people; technology never replaces talent. I have seen companies stumble when they fail to gain a common understanding of their goals, and these stumbles generally manifest themselves in four key areas—alignment, accountability, leadership, and change management. Todd addresses each of these areas in a unified manner.

I am very glad to see someone address alignment in three dimensions—vertical, lateral, and capability. His experience and research showing how managers talk about projects being aligned, but never understand whether individual deliverables support corporate goals or support individual desires underscores how lacking a common understanding can waste resources. This is supported by other research showing many of these same managers cannot even enumerate the corporate goals. Alignment needs to be far more detailed. Are the deliverables directly aligned to corporate goals? Are the divisions supporting each other or are they selfishly siloed looking to fulfill their own needs? Finally, and most importantly, does the company have the right talent to meet the goals? It is all about getting people informed and aligned. Without this, there is little hope in meeting the corporate objectives.

I believe strongly that to be successful, each department and every employee should understand what success looks like for them on an almost daily basis, and this success should be quantified with business metrics. Once the relevant metrics are established, each department's metrics should be rolled up to see if success in each group leads to successfully achieving the corporate goals. On many occasions, I have seen the first or second pass at this exercise leading to a plan where each group can declare victory for their contributions, but the corporate goals are not met. This can

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only occur when department heads or managers don't understand their contribution to the bigger picture.

We need more accountability. Todd lands right on the biggest issue with accountability; this should be a tool for determining rewards and helping people succeed far more than as a device to assign blame. Blame destroys motivation; associating accountability with it destroys progress. This concept goes beyond executive sponsors, who need to be accountable for the project's success, and needs to be part of the corporate culture. I stepped into a turn-around situation where a previous decision had been made to either freeze or cut salaries across the board. To soften the financial blow, the annual review process for employees got diluted. As a result, in a year where virtually every corporate objective had been missed, the overwhelming majority of employees had been rated as either being outstanding or exceeding expectations. I asked one employee how he knew if he had been successful each day and he replied, "when nobody yells at me." In one group, the top performer was producing almost five times as much work product as the worst performer, but they were both rated the same. This lack of accountability negatively affected the top performer since he knew he was the most productive, but importantly, it also denied the lower performer the opportunity to address why his production was so low. Once the manager started to set objectives, look at how the two employees approached similar tasks, etc., we could offer greater rewards to the top performer and significantly improve the performance, and job satisfaction, of the lower performer.

The strongest executive leaders will struggle if they lack the commensurate leaders in middle management and the rank and file. As reinforced throughout the book, leadership needs to be at all levels of the organization—from the customer-facing technician to the CEO. This is especially true when it comes to new technology (whether it is software or floor surfaces), front-line employees lead our customers to solutions that make them and us more successful. One of the best executives I have had the pleasure to work with rose through the ranks as a sales leader for one of the 10 largest telecom companies in the world. He made sure his organization had appropriate training in all facets of their jobs, he made sure they had the appropriate support infrastructure, he spent time in the field observing how his employees conducted themselves both internally and with customers, and he was maniacal about quantifying all aspects of his organization. People that performed well were fiercely loyal and appreciated the rewards that came with success in his organization. If there were problems with performance, he made sure that the employee that was struggling to succeed had every opportunity for coaching, training, and feedback. If individuals were ultimately unable to meet the standards that had been established, they were separated from the business. It is always easier and more economical to help current employees succeed than to simply terminate underperforming employees. But we must be cognizant that not everyone will succeed in each situation. Finally, if letting people go and affecting their livelihood ever gets easy, it's probably time to step aside.

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And if ever you get to the point where you cannot make such decisions, it's also probably time to step aside.

Leadership is also at the core of adoption. From the brief history to assigning change management's accountability, *Filling Execution Gaps* defines a model unifying sponsorship, success, adoption, leadership, and projects showing how to change your organization's approach to yield success. Every effort should be made to gain alignment and secure the buy-in of your executives. Sometimes, for historical or parochial reasons, certain leaders are reluctant or unable to accept change. In those instances, the changes need to be driven from above because, as the executive I cited above liked to tell me, "Turkeys don't vote for Thanksgiving."

It all boils down to people. Without building corporate goals that align with your employee's talent, your vision will not be met.

I hope you enjoy *Filling Execution Gaps* as much as I have,

Kevin O'Hara

Serial Entrepreneur,
Co-Founder and former President and COO Level 3 Communications
Denver, CO

Anurag Harsh

Reality eats strategy for lunch and strategy is nothing without the means to deploy it. Had we not built our capabilities to deploy strategy, we could never have led Ziff Davis through its transformation from a privately held publisher in 2010, to a multinational publicly traded digital media behemoth. The truth is that deployment sounds so basic that it is often taken for granted; but not as much as the intermediary steps, the road between strategy and deployment.

Typically, executives come up with a set of goals, and then heave them on their teams for rollout. When the plans fail to meet expectations, the executives are shocked. It takes tenacity, strong leadership, and accountability to shape a company. Companies certainly need to foster autonomy among their people—empowered employees are more willing to try new ideas and innovate. Yet governance is necessary to keep proper focus. Employees need executives to share their vision of the future and adopt it as if it were their own. Everyone must have a common goal and be reminded of that goal.

Filling Execution Gaps addresses just this deficiency of leadership. I met the author, Todd Williams, through a mutual friend, Michael Krigsman, the CEO and Host of CXOTalk. Todd sent me the manuscript of his book and after reading it, I thought to myself, "This is what we've been missing." Hundreds of books talk about building strategies and even more discuss deploying projects. Very few, however, address the connective tissue between strategy and deployment. Without that linkage, outcomes are severely hindered.

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Indeed, the transition from strategy to deployment is the site of many organizational woes. Strategy-deployment gaps affect not only the onset of an initiative but also its life cycle, which reverberate far beyond the immediate team or department. This is why it is so important to address them.

Todd is spot on with his identification and analysis of the six big gaps—achieving a common understanding, maintaining strategy-to-project alignment, leadership, change management, effective governance, and executive sponsorship. And who else is more attuned to the gaps? With decades of experience restructuring companies to run projects better, and fixing failing projects in numerous business sectors, he has a unique perspective and the generosity to share it.

Supporting his experience is the thousands of hours he has spent researching his hypotheses, ensuring that his findings are not isolated to his "bubble." In a conversation with Todd, he explained his concern about the limitations of his experience, however diverse. He decided to seek out executives who knew they had problems to solve and took the initiative to address them. He then culled their insights using a methodical information gathering process to ensure that key industries and geographies were addressed, and that his assumptions were challenged.

In so doing he identified a series of gaps. But that's not all. The big question he interrogated was: How do we fill the gaps? Todd then used his own experience, data, and outside-the-bubble perspective to provide a detailed roadmap to see and fill each gap. Herein, lies the book's greatest value. It's lucidity.

Todd discusses gaps to establish a common ground, uses concrete examples to illustrate his points, and then presents a framework for filling those gaps. There are hundreds of takeaways from this book for executives and project managers alike. A few lessons that stood out to me were people first, engaged sponsors, sales tools, and common understanding—this last lesson being one of the most enduring themes of the book.

The foundation of common understanding is a simple idea that transcends what most people refer to as communication. Communication is an action, while common understanding is an outcome. Stakeholders must have a common understanding of the organization's goals and how they are going to be achieved. Common understanding first requires an understanding of other people's jobs and functions, embracing the notion that everyone has a degree of ownership, a stake. Common understanding also enables accountability, an information link direly missing from many of our organizations.

Todd hit various notes with me. He hit a harmony when he talked about lessons from the oft-forgotten sales department. He drew not from the vices aspects of sales, but from the virtues of large-system sales. The typifying view of systems sales being that a salesperson must understand the problem—even better than the customer—before selling a solution to the customer, so when there's buy-in, it's genuine and useful. And the way a salesperson upholds accountability is through guarantees. Leaders must also uphold guarantees, to their teams and their customer.

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The chapters on leadership were full of powerful insights. They were especially interesting not only because they synchronize with my own writing on the topic, but also because Todd does an excellent job of fitting leadership into the workflow. Sharing the basic premise of my book, *The Empirical Leader: The Art of Leading and Being Led*, he agrees that leadership is learned. From that point, he suggests specific traits and actions people can practice to improve their leadership skills. More importantly, he applies those practices to the entire delivery stack, from the CEO to the business analyst. This formulation eliminates the challenge of translating a CEO's experience to other job functions. So, be you a project manager, architect, business analyst, or other non-executive, the way toward practicable skills is made clear and learnable.

Lastly, he cements his observation in the realization that people are the beginning and the end. As a life-long technologist, I can attest that the interplay between technology and business is complex and fruitless without the right people.

Although your company may want to "go digital" or implement a new technology, the goal is not technology. The goal is to increase sales, decrease expenses, or both. But before all of that planning, the vital question is: What does going digital mean to your company, its employees and its customers? The key to realizing state-of-the-art solutions is to have the right people and to target the right people. In the end, as Todd says, "Processes are necessary, but people choose to follow them (or not); people have the required skills (or not); people communicate with others (or not); and people follow direction (or not). It is all about people and whether they have the right qualifications to perform the tasks assigned."

I am honored that Todd reached out to me to write this foreword and I hope that you enjoy and glean from the book as much as I did.

Anurag Harsh
Founding Executive and SVP – Ziff Davis
LinkedIn Top Voices: #1 in Technology
Author – *The Empirical Leader, Going Digital, Thinking Tech, Grow, The Professional's Bible, Money Can't Buy You Love Not Even a Like, and M-Commerce Security*
New York, NY

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Preface

Filling Execution Gaps is focused on executing strategy—taking strategic goals and turning them into successful projects—the task of taking someone's vision and turning it into business value. It has been five years in the making. After completing *Rescue the Problem Project*, which focuses on the project manager's side of running projects successfully, and hearing the reaction of its readers, it became clear that the gaps outside the project itself were being ignored. As everyone should know, project success is based on a larger system. The people on the project are only a small microcosm of those who solidify or threaten its success. Hence, where *Rescue the Problem Project* speaks to the project manager on the elements of the people, process, and projects, *Filling Execution Gaps* takes a wider view by looking at the entire "project stack" from the executive, through middle management to the project manager, and down to the project team. It provides specific information from multiple perspectives on filing the gaps that exist in every organization's project execution capabilities.

The journey started many years ago when some specific gaps were routinely seen—notably leadership and alignment—and grew to include adoption, executive sponsorship, and ineffective governance. Finally, after grappling for years on what to call it, the concept that everyone in the organization needs to have a common understanding of the goals, objectives, value targets, and philosophy. By approaching project success as a job of filling these gaps, the foundation for proper project executions is laid. This required surveys, research, interviews, testing ideas, more research, more interviews, more testing.

It became obvious that there are a multitude of good books that speak to executives or CEOs on great companies, building organizations, or change management, however, there is a void of books written for the people who do the work. It takes too much effort to read a book on being a great CEO with strong leadership presence and apply that to "my job" as a non-CEO lacking the positional authority to make action happen. *Filling Execution Gaps* goal is answering the questions on tailoring its application to your organization, to build a fluid communication and accountability structure that exudes success.

Executives, middle managers, and project managers should all find information relevant to their jobs, and the people supporting them, achieving a complete understanding of the roles and responsibilities in the project execution stack. Readers will have the knowledge of who should know what and when they should know it. In so many words, people get the information they need to do their jobs.

As opposed to *Rescue the Problem Project*, which experiential nature, significant research has been done to validate and expand the content of *Filling Execution Gaps*. This includes:

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1. **Interviews with executives** on how they tackle project troubles and where they see the biggest benefits.
2. **Research with hundreds of project stakeholders** on what is lacking in their projects and impeding their success.
3. **Literature Research** using time-tested and respected business books many of which are research works themselves (such as, *Fifth Discipline*, *Good to Great*, *In Search of Excellence*, and the like).
4. **Experience** from nearly three decades of assisting companies in resolving core project failure issues (not just fixing a single project). Filling Execution Gaps is not simply researched topics; these techniques have been used successfully in many businesses.

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Introduction

> When we try to pick out anything by itself, we find it hitched to everything else in the universe.
>
> —John Muir

Project alignment, executive sponsorship, change management, effective governance, leadership, and common understanding. These six business issues are topics of daily discussions between executives, middle management, and project managers; they are also the core of transformational leadership. Any one of these six subjects, when improperly addressed, will hex a project's chances for success. And, they do it daily, destroying the ability of a company to turn its vision into business value.

Without change management, users fail to adopt the projects' deliverables, the project's output has no value and the projects fail.

Without maintaining alignment between corporate goals and projects, projects miss their value targets and projects fail.

Without an executive sponsor, scope increases, goals drift, chaos reigns, value is lost and projects fail.

Without enough governance, critical connections are not made, steps are skipped, value is overlooked and projects fail.

Too much governance slows progress, companies cannot respond to business pressures, value drowns in bureaucracy and projects fail.

Without a common vernacular or understanding that value is success, communication stops and projects fail.

Lastly, without strong leadership defining vision and value of companies and projects, essential relationships do not form, teams do not develop, essential decisions are not made, and projects fail.

This hexad (see Figure I.1), as a whole, is critical to project success and change leadership. However, organizations continually struggle at implementing each of these six components effectively. For instance, executives may start by creating a task force to work on implementing a change management process. When they find projects are still failing, they decide to focus on another gap, say governance, to try to mend the issue that way. Their energy, directed toward change management, wanes as governance is the new shiny ball and projects still fail. Maybe they see some gains from adding some rudimentary process and decide, "If some is good, more must be better!" and bureaucracy ensues. The secret is not ensuring any *one* of these gaps is filled; the solution to the problem must encompass *all* of them.

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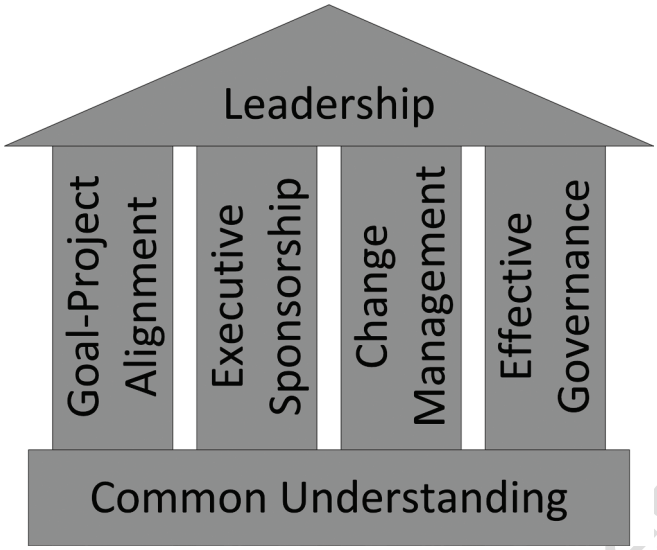

Figure I.1: The Hexad Relationships

Overlooking any area creates a gap in the business. Part of every manager's job is finding and filling these gaps. Their nightmare is missing one that causes the organization to stumble. Unfortunately, research and experience show the paranoia is justified. When companies fail to meet their goals, one or more of these gaps have inevitably been overlooked, creating unforgiving voids that suck projects, and even careers, into an abysmal black hole.

The goal of *Filling Execution Gaps* is identifying and filling these six common gaps to enable executing projects successfully time after time. This is at the core of transformational leadership, an extremely important topic in today's businesses. This book is organized around these six gaps. While other books look at educating executives on balanced scorecard, organization change management (OCM), sponsorship, or corporate leadership, or educating project managers on project leadership, OCM, or business alignment, *Filling Execution Gaps* looks at how all of these work together to create success. Although these books address each topic in a complete and narrowly focused manner, *Filling Execution Gaps* tackles the viewpoint that all of them need to be in place for continued success.

Each of these six roadblocks to success has responsibilities that need to be assigned to people in the organization. These roles range from executives, to middle managers, from project managers, to project team members and end users. For instance, senior executives do not need to know the intricacies of change management; they need to assign someone who knows it. Senior executives, however, do have specific responsibilities (such as promoting the change or creating a change manage-

ment team) and often need to be accountable for the change. On the other hand, project managers do not need to know how to build a corporate vision, but they do need to understand whether their project is in line with it and, if not, how to fix it. Without this, projects fail at alarming rates; some estimates are as high as 70% of projects fail to meet their goals.

The overall process is the same in every company. Visionaries define where the company can go. Executives select the options that appear to make business sense, set goals for their development, and identify initiatives to meet those goals. Middle managers decompose those initiatives into programs and constituent projects in order to build and implement the capabilities to support achieving the corporate goals. Mechanisms need to be in place to shepherd this conversion of corporate vision to value. At a high level, there are three critical actions make this happen:

1. Translating the vision into an achievable set of goals.
2. Attaining and maintaining alignment with those goals.
3. Executing projects in an adaptive manner to deliver value to the customer.

As shown in Figure I.2, different levels of the organization are accountable for completing these functions. Business is anything but static. It has to contend with changes in customers demand and an ever-changing business environment affecting its vision and goals. This requires constant reassessment and alteration of the direction and the dissemination of any changes throughout the organization. It is the interplay of these two moving targets that causes the biggest challenge in continuing to deliver value to customers.

Vision and goals need to adapt to customer and business changes; plans and actionables need to follow, with projects adjusting their deliverables accordingly. This never-ending concert plays havoc in any organization that is not in lockstep.

This, however, is not always a top-down or logical process. Customer changes are regularly driven from the bottom up. Project teams may be the first to see new trends with customers. Hence, the channels for moving alignment information around must be bi-directional.

Organizations can maintain this alignment by focusing on a few key areas:

- Adopting value as the common success criteria for initiatives and defining appropriate metrics to drive the organization.
- Assigning accountability appropriately throughout the organization to ensure the proper connection between accountability and action.
- Creating a culture focused on change adoption both within the organization and with customers.
- Defining lean governance structures to be meet the business' compliance and reporting requirements.
- Building a culture of leadership throughout the company and the structure to support it.

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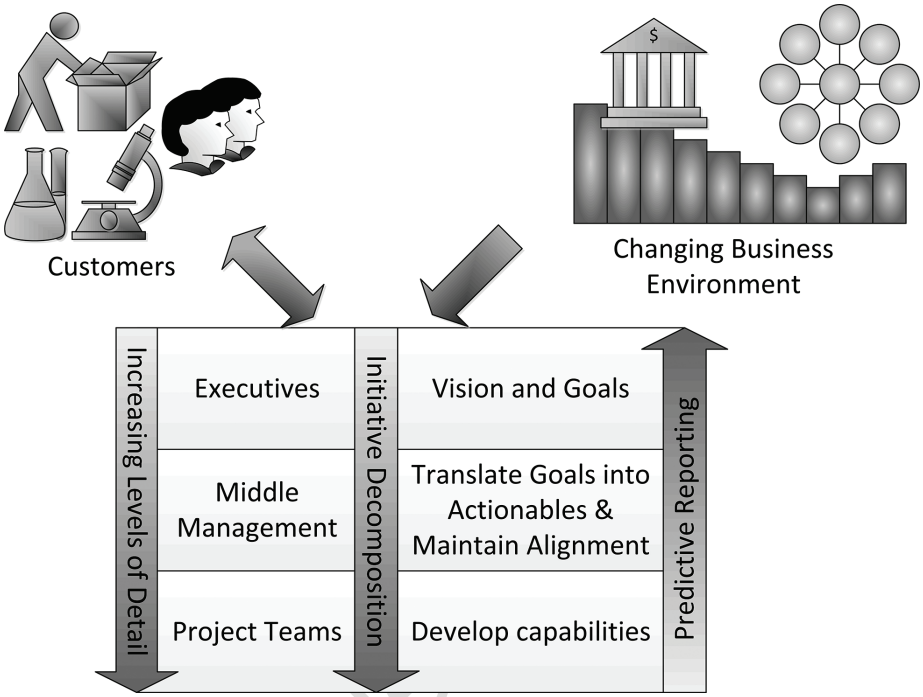

Figure I.2: Project Influencers

As easy as these words sounds, most organizations have not achieved this type of structure. This is due to a variety of reasons. The largest of which is the difficultly of stepping back and looking at the organization as a whole so that each part of the company can modify their actions to make it happen. Throughout the organization, factors such as time pressure and poor prioritization exacerbate this by having people work on too many tasks at time, and never being able to properly complete tasks, all resulting in confusion on task priority. This results in an environment where people know so little about another person's job that they do not even fully comprehend each other's language and cannot provide information in a format usable by others in the chain of delivering projects.

In the research conducted for this book, it was clear that executives have to dig through reams of project details to glean whether or not there is a problem that needs their attention, they do not understand whether the risks affect the entire company, nor what actions they need to take. Project managers and middle managers are at a loss as to what executives are asking and it takes multiple attempts to get sufficient

direction. Some of this is due to the incongruity of career paths (rarely do project managers become CEOs, hence CEOs do not understand the project management vernacular) and the project managers often do not know how their projects fit into the corporate vision and goals (let alone how to summarize their information to an executive level).

Improving communication paths to create a common understanding and thoroughly defining roles and accountability, goes a long way to solving these problems. The five items above are at the core of resolving this issue. The following chapters will define solutions to these issues and provide a framework for implementing them in any organization.

The Book's Structure

- Although there are six gaps represented by seven sections in the book, the gaps are not distinctly separate. They are heavily intermingled and support one another. Common understanding is fed by alignment and leadership, executive sponsors need to be leaders held accountable for alignment and adoption. However, books are linear. Therefore, the gaps are discussed in what is considered the most logical fashion. There is a section for each gap and a seventh section to "pull it all together;" Figure I.3 helps illustrate this. Each gap has the same structure:
- The problem statement.
- Research results from our surveys, interviews, other researchers, and experience.
- Solutions to the problems.

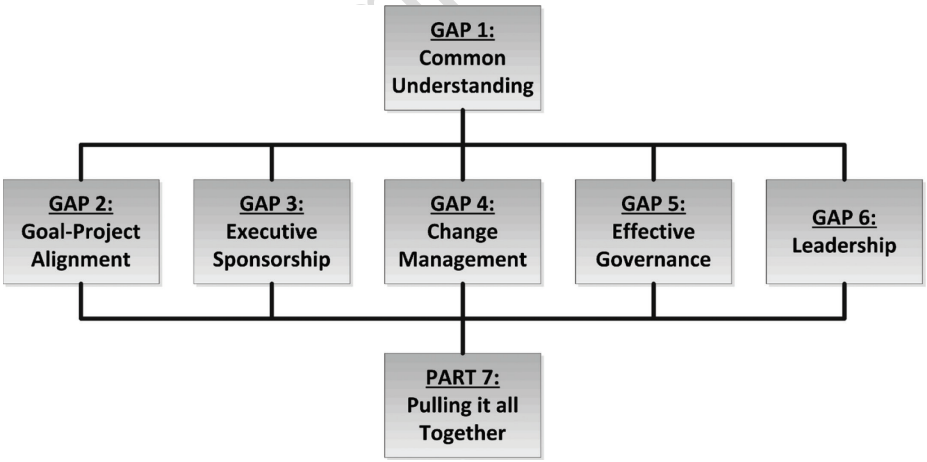

Figure I.3: Book Structure

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Some gaps are covered in one chapter, others in two, and leadership in three. They, too, have structure as each closes with the following sections:

- Key takeaways for executives.
- Key takeaways for project and middle managers.
- Applying these concepts, which are three sets of study questions directed at everyone, executives, and project and middle managers.

Cross Referencing

There were a lot of tough decisions regarding the layout of this book. For instance, accountability and responsibility are huge issues in many companies. These two items touch every one of these topics. Accountability could almost be a gap on its own. But, if so, that section would then be heavily redundant with the other sections. The answer was the index. By working with a professional indexer carefully, the index could provide that other view of the book that the reader could use to find the topics needed. So, whether you are reading this cover-to-cover or looking for specific topics, I hope you will find this often-ignored appendage very helpful.

Please enjoy, learn, and feel free to visit the book's website (http://FillingExecutionGaps.com) for additional material, downloads, or to reach out to the author.

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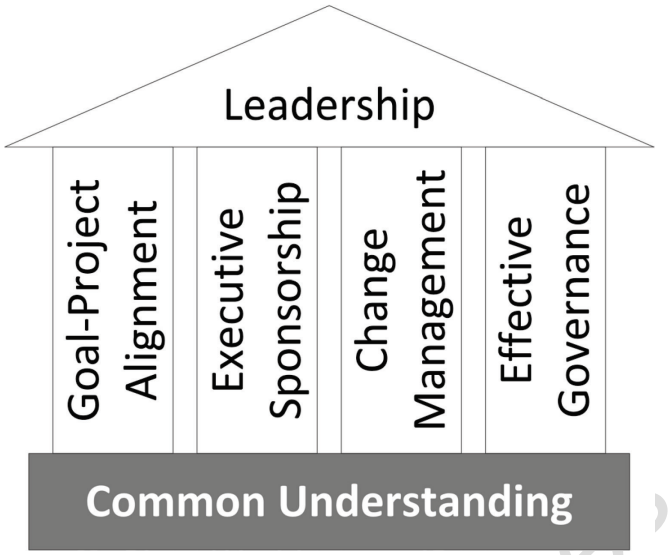

GAP 1:
Common Understanding

Vision without action is a daydream. Action with without vision is a nightmare.
—Japanese proverb

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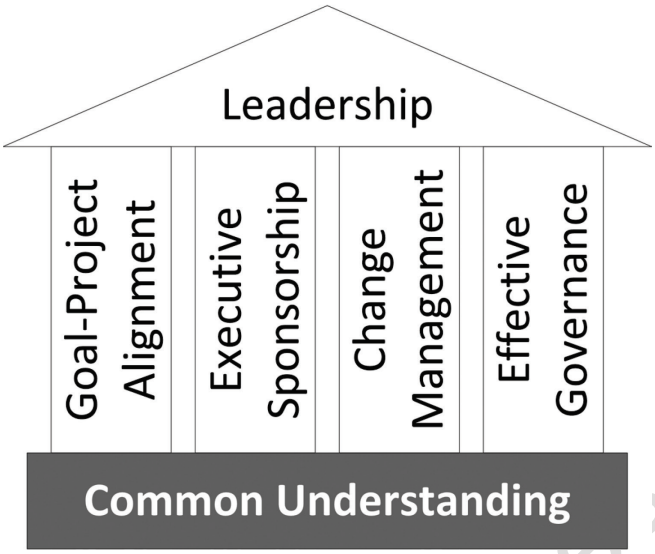

Chapter 1
Understanding the Problem

> Houston, we have a problem.
>
> —Jim Lovell

> Politics is the art of looking for trouble, finding it everywhere, diagnosing it incorrectly and applying the wrong remedies.
>
> —Groucho Marx

> A problem well put is half solved.
>
> —John Dewey

A group of distracted senior executives sits around the boardroom table while fidgeting with their iPads® and cell phones as the project manager and a few of her core team members come into the room for their project's bimonthly executive review meeting. As she looks around the room she sees the same blank faces she has seen for the past few bimonthly reviews. Some have a stake in the project while others are there because the CEO required their attendance. Her team has spent the better part of a week preparing for the presentation based on the project management office's (PMO) required list of reports and graphs. They show hundreds of tasks being completed and a few dozen falling behind schedule. She presents tables highlighting the relentless stream of customer change orders and the growing risk register. At times, her team members speak up to highlight specific items. She adds as much excitement

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as possible to describe how earned value is increasing; the estimate-at-completion has increased only slightly. The customer is anxious, wondering if the operations team really understands the extent of the changes. She closes her ten-minute presentation providing numerous caveats on a few predictions.

Expressionless, the CFO glares, analyzing the charts, and delivers a gut punch to the project manager:

> "I have three questions: What is our revenue recognition to date, will we deliver the project before we have to announce the quarterly earnings, and are we maintaining our margin?"

The CEO quickly adds that she is concerned how these changes are affecting the initiative's goals, as key functionality has been replaced and may not be transferrable to other clients. With interest rates increasing and sales in this sector weakening, she delivers the next punch:

> "Is the ROI still valid?"

The project manager looks back with a blank stare, her stomach feeling like a lead ball. She has no idea about the margin, nor about sales forecasts, nor when earnings forecasts are due, let alone the federal rules around revenue recognition. The project was already justified and the customer is not going to pay if the promised changes are not made. In fact, the CEO signed off on the changes two months ago, some of them against the project manager's advice. She looks for her executive sponsor, but, as usual, he is not in the meeting. The PMO manager nods her head seeming to approve the questions while offering no assistance. Both the CFO and the CEO are annoyed that they must wait for answers and start talking about the project in third person. The CEO looks to the PMO manager and says, "These are standard questions all project managers should be able to answer. Let's get Steve in here to straighten this out." The PMO manager takes a few notes. The project manager and her team are dismissed. From the executive's perspective, the wrong data were presented.

There is another perspective. Nothing strikes more fear into a project manager's heart than hearing:

> "I am from management. I am here to help."

This short statement and its reaction highlight a number of issues in today's business. The project manager's impression of managers, leadership, and executives is that they are out of touch with the project and the customer, do not understand project management, have only their own interests in mind, and do nothing but get in the way. In actuality, the *help* does not get the project closer to delivery. It adds layers of governance in the form of reports and spreadsheets, extra meetings, further uncertainty, and new work. The project manager already is faced with late tasks, too few resources, and an unhappy customer; management's "help" only adds more work.

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Examining management's welcoming line closely, there is an implied confession. The executives are admitting they were not "here" to begin with. They were too far from the project to see the issues arise or to hear the requests for assistance from the project team. They are admitting there has been a gap between them and the project.

There is a third perspective—end users. In a recent demonstration of the prototype, the end user was frustrated by the functionality. People do not want to use the product because it is too complex and slows their work. These poor folks just want a solution to a problem. Maybe it is a building expansion to increase manufacturing capabilities, but the truss supports make effective equipment layout difficult; it could be a new road to ease traffic congestion, but the access ramps are too narrow; it could be a modification to a piece of software that requires twice the amount of data; or it is a "better" procedure to buy raw material that requires three competitive bids on all purchases in an attempt to decrease material costs, but slows procurement to a crawl. End users have a *need* to be addressed. They expect some level of value from the solution. Unfortunately, end users are rarely experts at creating what they need; they are experts in using it. Their measure of success is value and their most common constraint is cost. In most cases these two items, value and budget, are in tension. The value they want is outside their budget. The result is ongoing compromise and change. People on all sides of a project need education and, as the end user gains knowledge, their needs change even more. In this process, they become more annoyed with the project manager's spreadsheets as the value they desire is subjective and cannot be shown mathematically.

These simple scenarios play out hundreds of times a day and are just three common examples of how we experience gaps between strategy and execution. Projects lose their alignment with corporate goals because targets change to meet the ever-changing business environment, goals are not understood or disseminated to begin with, project scope changes to meet customer requests, or, more likely, some combination of these and other factors. More governance is applied to ensure gaps between goals and project deliverables do not occur again. The result is that the customer, client, or end user rejects the deliverable as unusable.[1]

Instead of closing gaps, these actions expand them as the new layers remove the project farther from the executives. They hobble the entire organization; slowing its ability to respond. There are no accountable executives ensuring the corporate goals are met and that the customer is happy. Governance creates irrelevant reporting requirements and no one is handling change management. People are headed for different goals and talking different languages. Leadership breaks down.

[1] In order to improve readability, two shortcuts have been used. The output of a project (the product, result, or service) is simply referred to as the project's product or output. Similarly, the term customer, client, and end user are used somewhat interchangeably throughout the book to refer to the group of people using the project's product. Most commonly, the term end user will be used.

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Linear Thinking Causes the Problem

The scenarios above provide three possible perspectives—the executive, the project, and the end user. They highlight the gaps in how our businesses, non-profits, and government organizations track strategy execution and project alignment. They also show how perspective hinders our understanding. Experience shows that organizations from every business domain—regardless of size, domain, or home continent; whether government or non-profit; privately or publicly owned—have these same scenarios play out with roughly the same consequences. They lose both effectiveness and efficiency. As a result, customers get frustrated and look for new suppliers. At times, these gaps—common understanding, alignment, sponsorship, adoption, effective governance, and leadership—become chasms and a crisis ensues. When the problem reaches a fever pitch, action happens. This is too little, too late, and usually produces incomplete results. The solution is too narrowly focused, due to delivery constraints, and it applies to a specific situation dealing with just that one project. People looking at symptoms on a single project or initiative miss the common threads that run through numerous projects, especially if they run across lateral business silos. Root causes are rarely addressed because we want to find the "one thing" to solve the problem. The more general solution, that would fix this and future projects, is overlooked. It takes far more work to completely investigate a systemic solution than time and budgets allow. Hence, the problems resurface in slightly different forms and rarely point to common root issues. Angry customers, more bureaucracy, finger pointing, missed goals, loss of direction, confusion, general frustration, and outright failure (see Case Study: What's in a Name?) are common outcomes.

Six gaps in today's businesses can plague projects. These six gaps all need to be attended to. By addressing just one, little improvement is seen. These six gaps are:
- Common understanding of problems and direction (Chapter 1).
- Alignment between corporate goals and projects (Chapter 2).
- Effective executive sponsorship (Chapters 3 and 4).
- Adoption and organization change management (Chapters 5 and 6).
- Right sized governance—not too heavy and not too light (Chapters 7 and 8).
- Leadership distributed throughout the project execution stack (Chapters 9, 10 and 11).

The idea that multiple issues are at the source of most of our project problems (not to mention corporate ones) comes from experience. After fixing, auditing, or researching dozens of troubled projects, I have found that none had the simple solution of fixing just one problem. Trivial issues were solved long before I arrived. Real failures have three to five core issues to solve (see Case Study: Affordable Care Act Marketplace Failure—Cover Oregon). Executives always request I identify and fix "the problem" and instead I always

find multiple problems. Until 2007, my hands were tied to fixing only "the project." In that year, I proposed something new to a client. I would work on solving its project's problems, if I could then address the root causes. On a gentleman's handshake, we proceeded. Sure enough, we found three major contributors. Poor executive representation (poor leadership and sponsorship), lack of a distinct end user (lack of understanding and alignment), and no maintenance group (missing governance) were reasons for the failure. We addressed each by requiring executive sponsors on all projects, ensuring projects were aligned with clearly defined goals and end users, correcting numerous issues in the development environments (affecting all work), and creating a core team dedicated to the product we were modifying (affecting future projects on that product). The symptoms seen on the rescued project never recurred on other projects.

Case Study: What's in a Name?

As a member of the National Speakers Association (NSA), I attended the organization's July 2014 annual conference in San Diego. The conference leaders were hyping an exciting closing session that none of us could afford to miss. The final day came and as the 1,200 attendees strolled into the final general session we were handed luggage tags and backup batteries for our cell phones branded for a company called Platform—typical conference tchotchke. The session was highly produced with loud music, Madison Avenue video, and (of course) professional speakers touting how we all came from a wide array of industries ranging from sales to training, from music to comedy, but we all had one thing in common—we deliver our goods from a platform. From then on, the National Speakers Association would be known as Platform! The hall's first three rows (occupied by the executive team and subcommittees who knew about the name change prior to the conference) jumped to their feet erupting into cheers and whistles. The rest of us sat, wondering how the line "I am a professional member of Platform" was going to help us be understood as professional speakers. Granted, saying we are members of the NSA caused heads to turn (most people thinking we are with the U.S. National Security Agency), but it surely is a good conversation starter. Without a doubt, the current name has many issues. However, the new name had two major problems. First, it did not mean anything to our customers and, second, the brand "Platform" was already used—by Michael Hyatt (an NSA member). Two weeks later the organization's newly appointed president reversed the decision and we stayed with the name National Speakers Association. Hundreds of thousands of dollars were thrown away.

Were there gaps in this failure? Not being invited to analyze the failure, I can only surmise. But surely the senior executives in the organization were out of touch with its membership (its customer) and did not keep the solution aligned with its customer's needs. There appeared to be no attempt at change management, as the solution's unveiling was designed as a surprise. Lastly, the project's oversight appears to have followed governance rules that were focused on the executive team, not the membership (their customer), and failed to carry out a primary function of governance—due diligence.

One might also assume that leadership was deficient. Understanding how the organization's executives (all highly experienced presenters) could not have anticipated the reaction is difficult. Or did they just give the project to a branding company and not apply (or were afraid to apply) critical judgement?

Regardless, alignment, leadership, change management, effective governance, and sponsorship seem to have been overlooked—gaps that cost the organization dearly.

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Case Study: Affordable Care Act Marketplace Failure—Cover Oregon

In 2010, the Patient Protection and Affordable Care Act (commonly referred to as simply the ACA) became law in the Unites States; its goal is to provide affordable health insurance to all US citizens. It includes provisions for individual states to use the federal health insurance marketplace or to create their own health insurance exchange. The ACA required all exchanges to be functional by October 1, 2013.

The State of Oregon opted to create its own insurance exchange called Cover Oregon. It was envisioned to be a self-sustaining company within five years of operation. Until nearly two weeks after Cover Oregon was supposed to go live, the project leadership continued to tell people that there were few problems with the system and it would be live soon.[i] Over the ensuing months it became very apparent that the system would not go live and all insurance applications would need to be processed manually. Oracle, the primary contractor, sued Oregon for unpaid invoices and Oregon sued Oracle for non-delivery and racketeering. Oregon's Governor, Kate Brown, signed Oregon Senate Bill 1 to abolish Cover Oregon on March 6, 2015, and Oregon reverted to the federal marketplace.[ii] A classic colossal failure.

I was contacted by a reporter to review contracts, purchase orders, statements of work, and two audits commissioned by the State of Oregon in order to help the *Oregonian* newspaper prepare accurate news articles.[iii] The following list summarizes the primary issues our assessment identified as contributing to the failure:

- The State decided early in the project to not only build the health insurance exchange, but to modernize Oregon's Department of Human Services systems at the same time. Either of these projects is a major undertaking, doing them in tandem would create even higher risk. This was witnessed by the fact that there were five scope-related documents that were overlapping but not in agreement.[iv]
- Both audits cited accountability as an issue. One completed by First Data in February 2014 stated, "there was no single point of authority."[v] A subsequent audit conducted by Hamstreet & Associates later in 2014 more bluntly stated, "There was little accountability among management."[vi]
- The primary subcontractor, Oracle, was not held accountable for their work. The State of Oregon took on all the project risk and liability by signing a time and materials statement of work where Oracle had no deliverables. Oracle's role was clear—simply assist Oregon in building the system.[vii]
- Governance, although complete, was ineffective. The First Data audit also pointed out that "although the project had a governance structure . . . it was not effective at the project level."[viii]
- Although dozens of software products were to be integrated, the State of Oregon made a financial decision not to hire a system integrator, as originally planned, and perform the task themselves. As the State had never worked as a system integrator on any projects this size, this decision incurred extremely high risk.[ix]
- Monthly reports were issued by the quality control company, MAXIMUS, showing the project was in danger in numerous areas. The areas in serious trouble (coded red) included scope, schedule, inter-organization coordination, project management, content, and testing.[x] However, these reports "were generally viewed as nothing unusual for a project of its scope and with such an aggressive schedule. Overall, leadership became de-sensitized to the ongoing red status."[xi] The First Data audit reported "Multiple members of the [Legislative Oversight] committee told us they were completely unaware of the MAXIMUS QA role and had not received any of the QA reports."[xii]

Numerous issues contributed to the catastrophic failure of Cover Oregon. Gaps in accountability, alignment to goals, governance, and leadership are clearly visible in the demise of this project. The cost to taxpayer was $305 million . . . before the lawsuits.[xiii]

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As humans, we like to think about cause and effect in a nice linear fashion. However, there is rarely a single problem at a serious issue's root. As in the above examples, there are multiple issues and they all need addressing or problems will persist. In fact, just addressing one will undermine attempts to fix the others. Working on just one will not result in an appreciable change in people's beliefs and expectations and they will chide the "solution," pointing to continued issues as evidence. Quick identification of multiple root causes is impossible; it simply takes longer. It has no bearing on a person's intelligence or education. A great but personal illustration of this notion is when doctors stumbled on my wife's medical diagnosis in 2005.

At the age of 46, my wife, Tammi, was regularly experiencing left shoulder pain, shortness of breath, nausea, and profuse sweating. I am sure many readers know what these symptoms imply. Based on a recent CT scan, though, her doctor's diagnosis was spinal stenosis (narrowing of the spinal column putting pressure on the spinal cord) causing a pinched nerve in her neck. I was not convinced.

One cloudy Wednesday morning, these symptoms were accompanied with a loss of function of her left hand and she could not pick up her toothbrush. We went for an urgent checkup at the clinic. I was failing to convince myself that this was not a heart attack. Her doctor, still convinced the prior diagnosis was correct, ordered a sling for Tammi's arm. While two nurses fumbled at trying to get my wife's left arm into the sling, I had a tense, terse, and colorful conversation with her doctor culminating in my ordering her to give my wife some nitroglycerin. She relented. Tammi took the pills and the symptoms nearly vanished. Immediately an ambulance was called to transport her to the emergency room, where, about 5 hours later, she suffered a massive heart attack.

As the catheterization team members attempted to stent her heart using the common femoral artery entry point (in her right thigh), they discovered the aorta was occluded below the kidneys. They completed the stenting using a more complex protocol through the radial artery in her right arm. The stenting procedure's results were immediate and positive. The doctors declared success and saw no connection between the two blocked arteries—the coronary and aortic. Further, they had no explanation for the miraculous return of mobility to the left hand.

In the subsequent three days, we returned home, the pain returned to her left arm, and its mobility slowly degraded. We returned to the hospital where the cardiologist, Dr. Lucious (all doctors' names are fictitious), told us that the stenting procedure could not have made her arm work better. He was acting as if she were not experiencing the symptoms. I hypothesized a scenario that the blood thinners used during stenting allowed blood to move past an occlusion in her left arm and, as these thinners were slowly metabolized, her blood thickened, her arm became starved of oxygen and nutrients, and its mobility decreased. Dr. Lucious fought back with his stent logic saying there was no way there could be so many issues exhibited simultaneously. After another heated exchange, he conceded and gave orders for an internal

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medicine doctor to examine Tammi. He continued grumbling that multiple issues could not persist. "It's just not possible."

Dr. Hines, from internal medicine, arrived about 15 minutes later. Five minutes into his exam he informed my wife that I was wrong, "Mrs. Williams, you have had a stroke." She did not have a blood clot in her left arm. She had an embolus (blood clot) in her brain's right hemisphere. The doctors scheduled urgent surgery and would not let her leave the hospital until the surgery could be performed.

The pinched nerve that doctors were trying to fix with a sling was the wrong diagnosis. The problem was really a complex set of issues (the three major ones being peripheral, cerebral, and cardio arterial disease), which eventually took eight surgeries and significant lifestyle changes to address. Doctors were looking for the "one thing" and failed to step back and look at the patient. They treated the symptoms and not the system. Today, Dr. Lucious is Tammi's most ardent advocate. He starts every appointment with, "Tell me what ails you?" He wants to understand all of her issues, not just the ones related to his area of expertise as her cardiologist.

As a temporary endeavor with a distinct beginning and ending (a happy one, in this situation), this case meets the definition of a project that we can analyze for gaps. Most obvious, there was no executive sponsor and leadership was fragmented. The advocate for the patient (the executive sponsor) ended up being me—with no medical training. I had to lead a reluctant set of doctors, whose cumulative years of education easily dwarfed the 48 years I had been alive, to assess the problem (my wife's condition) and build a project (set of surgeries, procedures, medicines, and lifestyle changes) that would save her life. There was no steering committee or oversight advocating a systemic approach. All the doctors had the same goal—saving Tammi's life—but were not aligned on common understanding of how to achieve that goal. They were working in silos of expertise and that perspective biased their understanding. Five of the six major gaps in business noted above existed—lack of a common understanding, poor leadership, no executive sponsor, inappropriate governance, and a poorly aligned team. Of the six, the only one filled was change management with numerous specialists in Tammi's room daily, coaching her and me on changing our diet, vices, and exercise. The other change—getting the physicians to change how they interacted—was absent and long in coming.

Persistent problems in organizations are not the result of one root cause. These issues are usually solved quickly. Tenacious problems that impede our progress have numerous core issues that work together. Addressing one will not show drastic improvement, and we quite often move on to the next in hopes that it will be the magic cure. In the meantime, the first issue resurfaces due to lack of attention. We need to address all the root causes with equal passion. Then the problem goes away.

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The Role of Vernacular

The mishandling of Tammi's nearly fatal medical episode was a result of gaps between perspectives and the common assumption that problems stem from one issue and grow linearly. The same happens in every project.

There is yet another problem. Surely you notice the words I used in describing my wife's incident; they have a medical ring to them. The story leaves out the hours I spent talking to friends in the medical field and researching topics on the web. During my wife's 2005 incident, I learned to use contusion for a cut, nevus for a mole, lesion for any sort of wound, injury, bruise, abrasion, or, yes, contusion. Grafts are no longer related to trees, but to arteries and veins. A cabbage is not something to eat, but coronary artery bypass graft (CABG); heart attacks are MIs (myocardial infarctions); and clots are emboli. Exploiting these words in conversations with physicians changed our interactions. During one emergency room visit, as I enumerated my wife's conditions, the attending physician who was crouched over her looked up at me and asked, "Are you a physician?" Although I had to say no, I had won his respect because we had a common language for understanding each other.

Changing vocabulary will work for you, too. If you have not tried this trick, give it a test and see how your dealings with other professionals change. Use the word intervention in the public school system and your child will get extra help in math, reading, or some other subject. Use the same word with mental health professionals and you will solicit dozens of people to help someone with substance abuse or mental health issues. Use it again with your spouse and he or she will simply break up an argument between your children. Using key words in the right context visibly relaxes people, creates a call to action, and opens them up to providing more information (often using other odd words you will need to look up and learn).

A similar, albeit more subtle, situation exists between executives and project managers. A few years ago, I published a white paper titled *Implementing Projects Successfully*. There was a lot of research behind the paper and I was excited to see its reception. I emailed it to a few dozen executives. The click-through stats (the number of times someone clicked on the link to access the white paper) were dismal. A couple of weeks later, I met with one of the executives and asked him what he thought of the paper. I knew he had not clicked on the link, so I brought along a hard copy. He could not remember getting the email, so I gave him the printed article and described what it was about. He looked me straight in the eye and said, in a nearly condescending manner, "Rename it *Executing Initiatives Successfully*." I did and my executive readers jumped on the article. The initial title may appeal to project managers, but not to executives. Executives speak of initiatives, execution, goals, earnings, executive sponsors, and value, while project managers and most middle managers speak of projects, implementation, cost, project sponsors, and scope. Executives want summaries while project managers are hired for their attention to detail. They use different vernacular

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and, after just a couple of sentences, executives have project managers pigeon-holed into the "technician" column and their attention level subconsciously drops.

Even this is only a symptom of a larger and more complex problem. Project managers have a very poor understanding of what an executive does for a living and few executives have ever been project managers. After all, executives most likely come up through the ranks from sales, marketing, or operations. Their business careers have focused on revenue and hitting monthly or quarterly targets. They have most likely been on the receiving end of a project, as the customer or end user, accepting or rejecting the project's deliverable based on its value. Even though their monthly targets are based on numerous individual sales (which may resemble tasks), their eyes are always on a bigger prize, such as monthly sales goals.

Projects managers, by contrast, are always monitoring scope, schedule, and budget. They rarely have a constant monthly or quarterly target to show their progress. One month they may need to build a freeway ramp and the next week install a chiller (air conditioner) on a building. In technical projects, it may be one obscure intangible component one month and the next month a different, but equally obscure and intangible, component. Anyone unfamiliar with the specific technology has little insight into whether progress has been made. Executives rightfully have trouble understanding the arcane details.

Even worse, these goals have nothing to do with most executive's penchant for generating revenue—the products of a project do that. Rarely do projects generate income; they are usually an expense. Projects simply erode net income, EBITDA (earnings before interest, taxes, depreciation, and amortization), cash flow, or some other measure that executives and their stockholders are actually concerned about.

The contrast can continue when looking at risk. Executives tend to be risk averse. Risk is a way of life for project managers, who thrive on it. Project managers discuss risk in infinite detail (often with a little excitement) and at the smallest levels. This unnerves executives who track corporate risk in a much different way. Corporate risk is much broader—currency fluctuations, collective bargaining agreements, global conflicts, levies and tariffs, and the like. Executives have thirty or so risks touching the company, while project managers have hundreds affecting part of one project. A project manager's discussion of risk seems simple, even trite.

The discussion on vernacular is truly not semantics. It should be obvious at this point that some words need a common definition to facilitate any chance of groups having a common understanding of what needs to be done. At the center of gaining that understanding are the words *success*, *accountability*, and *goals*.

The Real Measure of Success: Value

Value is the only real measure of initiative or project success. We have all seen projects that meet their scope, schedule, and budget targets, but are nonetheless under

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or never utilized (see the Case Studies What's in a Name? or Affordable Care Act Marketplace Failure—Cover Oregon). Their products may be too difficult to use, do not provide enough functionality, have so many options they become confusing, have poor ergonomics, are ugly, or possess some other subjective objection. Something about them blocks their adoption.

The opposite, however, is also true. Some projects can be grossly over budget, years late, and fail to provide the functionality specified and yet they are considered wildly successful. Let's explore one of these well-documented projects—the Hubble Space Telescope's deployment.

Hubble Space Telescope Deployment Project

All projects deliver new capabilities based on a visionary's idea. The Hubble Space Telescope is no exception. The space telescope was originally envisioned in 1923 by the German physicist Hermann Oberth; however, as his vision was well ahead of technology; a half-century had to elapse for the idea to be considered feasible. In 1977, a space telescope project was funded with $200 million, half of what was requested (Congress' attempt at governance). Hubble's projected launch year was 1983. The spacecraft, however, did not enter final assembly until two years after its originally scheduled launch date. Delayed by scope modifications and the Shuttle Challenger tragedy,[xiv] orbit finally occurred in 1990. It was heralded as a huge achievement. Everyone anxiously waited for the telescope's stabilization and the transmission of the first highly-touted crisp images of deep space. Unfortunately, the images were anything but spectacular.

The space telescope's originally price of $400 million had ballooned to $2.5 billion. It was seven years late getting into space. Now there was a new problem. NASA discovered that quality assurance testing on the ground had failed to find a "spherical aberration" in a mal-manufactured mirror, which was now 353 miles above the earth and could not be replaced. In other words, the mirror was ground incorrectly and could not focus on distant images. As the mirror is the foundational component to any telescope (interstellar or terrestrial), a poorly manufactured mirror is the cardinal sin. NASA and their subcontractor, PerkinElmer, Inc., had missed the basics of Astronomy 101 by, according to the mirror subcontractor, NASA leadership's pressures to shorten the production timeline.

Rocket scientists, being what they are, though, developed a solution and in 1993 a second Hubble-centric shuttle mission delivered and installed a high-tech set of "contact lenses" allowing the telescope to deliver the stunning images that have become so familiar today. Images that have mesmerized people the world over. Images whose biggest tangible benefit to the laypeople whose taxes paid for them is as wallpaper and desktop backgrounds for their home and work computers.

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Although the project to deploy a functioning telescope was over, the story was not. Hubble still required periodic service missions to maintain its orbit, add new test equipment, and repair any malfunctioning modules. In 2003, however, tragedy struck again and, with the loss of the Space Shuttle Columbia, NASA's Administrator Sean O'Keefe was forced to order that all shuttle flights have the ability to take safe harbor in the International Space Station. Hubble's orbit, unfortunately, is not coincident with the space station's, and O'Keefe had to make the difficult decision that another "mission with the Shuttle would be too risky."[xv] The final Hubble servicing mission was canceled.

The reaction was immediate and resounding. Millions of people complained, forcing the U.S. Congress and NASA to develop an alternative solution over deorbiting the telescope early. In 2009, the final servicing mission was flown on Shuttle Atlantis, with the Shuttle Endeavor in full ready to be launched if troubles on Atlantis arose[xvi].

Being more than six times its original cost, ten years late (doubling the timeline), and not functioning as designed should get people screaming for investigations on misuse of taxpayer money to extend a telescope's usable life. At a minimum, there should have been an uproar about risking human life for a telescope. To the millions of laypeople in the United States (who could lobby Congress), and tens of millions around the world, the Hubble Space Telescope had greater value—value measured in pictures and discoveries fueling imagination, hopes, and dreams. For many, the only tangible connection was as computer wallpaper, but this translated to value. These pictures allowed people to dream of the final frontier, finding new worlds beyond our own, and going where no man or woman had gone before. It was this intangible, likely unpredictable, attribute of value that made this program a success.

Value is not something that can be determined in a spreadsheet. Hubble's success, and that of many other projects, has little to do with scope, schedule, or budget. Yet, time and again, projects are graded on how they are tracking on these three quantifiable elements. Meanwhile, executives and customers are preaching that projects must deliver value. This definitional disconnect around success is a major issue that organizations must resolve.

Measuring Value

Daily we are barraged with commercials brainwashing us into thinking that value is synonymous with price. Big-box retailers, grocery store chains, and outlet stores want us to think that low price equates to value. However, other attributes fit into our internal calculation of value. Qualities such as durability, esthetics, social status, comfort, and size factor into the equation determining value. These characteristics deal with the item's *application*. Projects must concern themselves with this larger systemic view that achieves a common understanding among stakeholders of success that reaches beyond scope, schedule, and budget to include value.

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- *Value depends on varying scope*. Measuring and monitoring anticipated value takes a different type of project structure that interacts with a system larger than that of a conventional project team. As the project's product or service is being built, project teams must have more exposure to their customers. This allows the eventual user to have continuous input to the scope and value. However, scope cannot change with every customer whim. To monitor value requires smaller, more frequent deliveries, customers who are realistic about their wants and needs, project and sales teams that avoid overcommitting, and honest brokers (from both the delivery and customer parties) finding middle ground on what functions and features yield the highest value. It requires defining the anticipated value in advance and adjusting expectations as the project proceeds.
- *Value is subjective*. The solution is getting customers, end users, citizenry, or their equivalent more involved with the project. Only they can judge value. Everyone knows of projects that seem to have little value for humankind. But value can come in unexpected forms and realized only years later.

  For instance, some people say that the space race and putting a man on the moon was a complete waste of money. Reflect, however, on all the products that came from that endeavor. Dozens of spinoffs were created developing new technology for the Apollo program. Companies and products that seem to have little connection to interplanetary travel were created. The result was a wide range of new products, including solar panels, pacemakers, heart monitors, cordless drills, quartz timepieces, the DustBuster®, piglet nursing machines, etc.[xvii] The trend continues to this day.[2] Now think of the unquantifiable benefits from kids of that era who made science, technology, engineering, and math (STEM) a core part of their curriculum because they wanted to be astronauts. Juxtapose that to today's challenge where we lure middle school students to study these topics with the carrot of lucrative careers (astronauts being far more altruistic).

  At times, a project's value is not seen for years. The 1962 World's Fair may not have been a huge money maker for a small lumber-oriented city in the backwaters of the northwest United States. More than 50 years later, however, few fail to see the Space Needle's picture, the fair's iconic product, as Seattle's trademark. By economic measures, it was a huge expense for a single, high-priced restaurant and observation deck. As with other world's fairs and Olympic grounds, the benefits are deferred and come in the form of revitalized cities with open public spaces and infrastructure providing immeasurable value.
- *Value is delivered during the project, not just at the end*. Value, though, is not just in the end product or service. It is often in how you get there. No one knew they needed Post-It® Notes (a failed super glue project) or the Internet (a military project). They were projects where someone saw a different application of a product

[2] See current tracking of spinoffs from NASA at https://spinoff.nasa.gov/

to create more value. Quite often projects take a turn that creates something new and better than was originally intended.

This happens on a much smaller scale in every project. Customers have a concept about a need, but may not fully comprehend the possibilities. The project starts by investigating what the customers want, and the project team leads customers to a concept that improves the end product. This switch of guiding customers to what they *need* versus what they *want* is often of more value than the end product. This requires excellent leadership skills inside the project, as the project team has no authority over the customer.

Nowhere is this more evident than in software development projects. Too often, information technology (IT) departments are more enamored with technology than the business they are trying to serve. Technology gives them the ability to build just about anything. They often do just that, failing to analyze the problem and building what is asked for instead of what the customer needs.

Exacerbating the heroic, and sometimes magical, view of technology is the non-IT professional's experience with it solving many problems in quick fashion. Apps for phones, free web services, lifesaving medical devices, and cars with integrated electronics are just a few of the places where technology is integrated with our lives. We even see loads of cool tools to solve our personal and business needs in the technology sections of in-flight magazines. Often, they do solve our *individual* problems. However, in the complex world of business, where there are hundreds of users each with special needs, it is a different situation—a bigger system.

Providing subject matter experts (SMEs) is a huge value in most projects. SMEs help educate and lead customers to a common understanding of what they *need*. Although SMEs are heavily used in the technology world, this concept extends to other domains. On other projects, the need may be in understanding new roofing material for a home or business or a new road's placement to accommodate better urban planning. This is leadership at its finest: architects, designers, business analysts or the like—front-line team members—leading the customer to the right solution and adding value to the deliverables without any authority to make people change their minds—using logic, persuasion, reputation, and influence.

Value—project success—comes from many areas. In fact, value could come from cancelling a project that is discovered to be too difficult before it wastes buckets of company money and people's time. Without shifting the focus of project success to a common understanding of its value, the struggle to succeed will continue.

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Accountability

Accountability has turned into a nasty fourteen-letter word. It has been made synonymous with punishment. To "hold someone accountable" is the same as identifying who is fired when something goes wrong. Hence, accountability is avoided at all costs—even if that choice means setting a project up for the f-word—failure. There are a few basic concepts that must be clarified about accountability:

- *Accountability is not just punishment and rewards*. There is no place with a greater misunderstanding of accountability than public office (with reinforcement on the nightly news). Find any troubled government program and you will also find an accompanying clamor in the media from reporters, pundits, and political opponents trying to find the "guilty" party and hold them "accountable," in other words, fire them.

  Punitive actions, however, do not solve the problem. To correct problems, we need:
  - Clearly stated achievable goals.
  - Criteria for altering those goals.
  - Standards for selecting team members.
  - Delineated roles and responsibilities.

  Firing people does not achieve this. These four actions need to replace our penchant for punishment. These are behaviors steeped in the organization's culture. Blame and punishment need to succumb to real accountability at all levels of the company.
- *Accountability is decision making*. Accountability is about making decisions to take a project toward delivering value. The organization's culture creates the negative attitudes associated with the word. No one is going to call the product manager for sildenafil citrate, a little blue pill to treat angina patients, a failure for not helping its intended customers with chest pain. During clinical trials, the product manager was astute enough to comprehend the side effects' value and redirect the drug's focus to a very different market. With that decision, VIAGRA® was born and has made Pfizer untold millions in profits. Accountability includes making decisions that could change the entire definition of the project and the customer.
- *Accountability needs to be at all levels of the company*. The misconception that accountability and authority go hand-in-hand is rampant. Many organizations, such as Toyota Motor Corporation, intentionally withhold authority from many of the people accountable for program and project success.[3] Other companies,

[3] In *The Toyota Way, 14 Management Principles from the World's Greatest Manufacturer* (McGraw-Hill Education, 2004), Jeffrey K. Liker points out that chief engineers (CEs) rarely have any authority over their product lines. They must earn the respect of people to set direction and implement changes. Experience has shown his same concept being used in other companies in the US and Europe.

like Intel Corporation, are well known for their efforts with their suppliers to create new equipment. Teams of Intel employees combined with vendor employees work in a collaborative environment, neither having authority over the other.[xviii] In these settings, people *gain* authority by building alliances and garnering respect from others. Anyone in the organization can earn authority based on what they have mastered.

Leadership without authority is the case in every project. Project managers and their team members have little to no authority over one another and over the end user. Project structures are nearly all matrixed, some include tertiary authorities like labor unions, and everyone has someone outside the project as a solid line boss. Again, there is no positional authority. Persuasion, knowledge, non-positional influence, and other leadership skills are essential to make progress on any project.

The challenge with accountability is very evident in the interviews we conducted on executive sponsorship. One of the questions asked was, "Who is accountable for the project's success?" In one of the first interviews, a respondent said it was the project manager. When asked why it was not the executive sponsor, she replied "Executives are too high up in the organization to be held accountable." In subsequent interviews, we asked respondents how they interpreted that comment with respect to their organizations. Nearly everyone said that there was a vein of truth in that statement and, at least visibly, punishment for failure drifted "downhill," while success was reaped at the top.

Goals, Objectives, and Priorities

There are always two parties setting different goals for a project—the delivering side and the receiving side. For products and services delivered outside a company, goals are set around the customers' adoption rates along with targets for the company's potential profit. If both goals are met, the project is a success. However, if a product is widely adopted (the customer sees value), but does not make the delivering organization any money (no value for the company), it is a failure. For internal projects, success is gauged by the ability to move the company toward some operational or strategic goal and the solution's adoption. Like the external project, if it is completed within scope, schedule, and budget, but its output is not adopted, this project is also a failure. Value is not a one-sided proposition; everyone in the project's delivery must receive commensurate value from the project's goals.

Central to success is understanding each party's goals, and, when changes are made, all sides must gain or compromise the same amount. The goals are determined at the project's outset and adjusted as needed. Because project teams are so focused

on the customer, they often have a better understanding of the customer's goals than the delivering organization's goals.

Most projects have goals addressing a single overall objective that fits into one of four categories.[4] The classifications are:

- *Strategic*: Meeting some strategic goal to differentiate the organization from its competition through adding new capabilities, and so forth.
- *Operational*: Addressing operational issues for improving capabilities and efficiencies.
- *Compliance*: Maintaining or achieving a regulatory requirement to keep the company in a given line of business.
- *Maintenance*: Preserving an asset's value.

Some more complex projects try to meet multiple objectives and rarely succeed because of the inherent conflicts in intrinsic priority.

For instance, compliance projects are generally the most important, since failing to meet a regulation can be fatal for that line of business. Maintenance projects (which include everything from re-painting buildings, to maintenance overhauls on tools, to employee training, to upgrading software) show the biggest challenge in prioritization. Executives may say that preserving assets is critical, but when budgets get tight, these projects are usually the first to be cut. Maintenance projects, in reality, are often the lowest priority. Mixing two or more styles of project can cause significant issues if budgets get tight. Think of a project that is intended to meet a regulatory requirement, but also is supposed to modernize the infrastructure to support it. If sales drop, the maintenance aspect may need to be removed to save costs, but the two may be heavily intertwined.

Possessing a corporate-wide understanding of these objectives and priorities is crucial. Unfortunately, they are often poorly understood (a gap that will be explored in Chapter 2, "Creating and Maintaining Corporate Alignment"). When people are attuned to how projects are meeting the organization's goals and why priorities are set as they are, people can make better decisions on what work provides the highest value.

One reality must never be ignored—goals change as do their respective priorities. Strategies are set as a baseline and are changed when external forces require it. Understanding this improves project performance because it improves decision-making as people have a better comprehension of the impact of their decisions. Hence, the interplay of accountability, value, goals, and project success.

[4] This is an expansion of Michael Porter's two-category view—strategic and operational. He includes maintenance and compliance in the operational category. These are broken out here as our focus is on projects and priority and these two subcategories have significance. See Michael E. Porter, "*What is Strategy?*," *Harvard Business Review*, 1996, https://hbr.org/1996/11/what-is-strategy.

Tools, such as balanced scorecard, can help document a common understanding and disseminate the information, but the tool alone cannot change the corporate culture. The principles of value, accountability, change management, and lean governance must be in place first.

> There is a significant vernacular gap in our companies. Executives use executive-speak and project managers use project-speak. This gap has to close. Executives need to be clear about their expectations for information. Project managers need to understand business better—they need to improve their business acumen.

Tension versus Gaps

Tension often surfaces when creativity meets organizational constraints. This tension actually improves creativity as people develop work-arounds for the constraints. The concept was coined by Peter Senge[5] to describe two or more opposing goals that make up a vision.[xix]

For instance, creativity takes time and money. Tension is created by the conflict between creativity and these constraints forcing the organization to balance the two. Understanding where tension exists is critical in decision making. An executive's desire may be to maintain equipment, but the cash may be needed to meet some other operational goal. This tension causes us to stop and look closely at options and make the best decision possible, maybe even creating an entirely new vision. There are hundreds of tensions in a business. Project teams often cite tension as a reason for project trouble. The issue, though, is not tension, but rather the failure of executives to see the conflict and create a channel to relieve it (such as, different goals, timelines, or the like).

Gaps occur where something is absent. When someone misses the connection between two items, such as maintenance and cash, there is a gap. Many gaps are created by overlooking tensions. The tension between value and the quantitative measures of scope, schedule, and budget is a common gap. When openly addressed, however, tensions provide people with creative opportunities. Tension is good for a business, because in the act of openly addressing it, people are given creative license to develop new approaches.

[5] Peter Senge is the author of numerous books on learning organizations and systems thinking. He is the founder of Society for Organizational Learning.

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Identifying the Major Gaps Causing Project Failure

There is another way to look at the hypothetical project status meeting that opened this chapter. It could be depicted as a meeting between two disparate groups of people speaking different languages, almost as if from different countries. One side of the conference room table has a bunch of risk averse, stay-the-course, profit-driven executives, while the other side has a group of thrill-seeking, detail-obsessed, change mongers, who recklessly spend money hoping to complete this project so they can move on to the next one. Although an overly dramatic depiction, it underscores the gap in perception.

Unfortunately, neither party properly manages the gap and their reactions aggravate the situation. Project managers sensing that they are not communicating add more details making matters worse. Getting frustrated responses from the executives, they feel the executives are non-supportive and do not value project management.

Executives, however, only want to hear about projects in terms of what they can do to assist. They want to make the right decisions to move the project forward, but they need to get that through conclusions drawn from parsed and compiled information, not the raw data. The executive dilemma is best summed up in a quote by a CFO in a major US-based, multistate, non-profit, healthcare maintenance organization whose company was trying to execute the newly legislated Affordable Care Act. Over dinner she was truly distressed when she stated, "I hate being an executive sponsor. The [project manager] comes in and spends ten minutes spewing out a bunch of technical project details that have no bearing on how to run a business and then wants *me* to make a decision on what to change in the project." She is not alone. It goes beyond communication and requires understanding.

To address the lack of understanding, project managers regularly "train" their executive sponsors in the project and project management techniques. Successful project managers map out a series of short meetings or encounters that resemble mentoring or coaching sessions with the executive sponsors. Detailed responsibilities are discussed along with the problems that occur if either fails to complete their tasks on schedule. It is not much different than one might treat a subordinate team member, except you have less authority with an executive. Although this solves the problem, it places the burden on the project manager when the executive sponsor should be just as keen to create the relationship.

At the same time, an equally important education is taking place. The project manager gains an understanding of the executive's constraints and what is important to him or her. For example, in one such meeting with a CEO as an executive sponsor, I quickly learned that talking about cost reduction was of no interest. He wanted to hear about how much time would be saved. Time-to-market was his only concern. We could double the cost for even a small change in time-to-market. This forever changed my discussions with him. It gave me the freedom to request nearly any budget as long

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as I could demonstrate a quicker time-to-market. Actions like these fill the gaps between the project and the executive. They need to also be part of the executive sponsor's playbook when assigned to any project. To fix the problem, the executive sponsor also needs to take the lead and be responsible for establishing these meetings and building these bridges of understanding.

Common Understanding

The key is that all employees have a common understanding of what the organization is trying to achieve. Communication is the start, using the correct vernacular helps, but the goal must be that everyone has a common understanding. It is the recurring theme in the stories above and a thread that continues throughout this book. Governance helps establish communication standards, but can also overburden people so they lose the message's meaning. Corporate-alignment tools help connect actions to metrics and metrics to goals, but people can get lost in the numbers and lose track of the goal's meaning. People can use the right words, talk the language, focus on communication, and still do not gain a common understanding. It takes all the pieces working together to establish a culture where people understand goals.

When people truly understand where projects are headed, or should head, companies gain new skills. They become adroit over bungling, agile over awkward, nimble over lumbering, responsive over reactive, dexterous over clumsy. Decisions can be made quickly and close to the area affected. Customers get what they need, when they need it.

Problem Perspectives

At the crux of fixing the six gaps (common understanding, alignment, sponsorship, change management, effective governance, and leadership) is how we approach problems—linearly. We like to believe that Action A causes Effect B and, if the Effect B becomes a problem, that by addressing Action A we can solve Effect B. In simple cases, we can. Unfortunately, we have all experienced unintended consequences from decisions. In 2008 and 2009, Wells Fargo created very aggressive sales goals with handsome bonuses handed out when people achieved them. Employees at all levels of the company devised ways to meet those goals. Unfortunately, some schemes, known at all levels of management, fraudulently created millions of new accounts for existing customers, charging them additional fees without the customer's approval. This culminated in the forced retirement of their CEO, John Stumpf, in 2016.[xx] This is a standard consequence of addressing non-linear issues linearly and neglecting a systemic approach to solving the problem. In reality, most business issues are complex and need to be addressed systemically. We need to think about problems in a global manner.

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Let's look at an organization—we will call it ElectroTech—that makes innovative electronics products. It was not meeting its goals for new product development and the first reaction was to create an innovation center to generate more new and exciting products. But without looking at the entire new product development (NPD) process, it was impossible to see where the real issues lie. Adding more products to the pipeline only made matters worse.

After a brief analysis, it appeared that engineering was the bottleneck. Dozens of NPD projects were stalled in engineering queues as the staff was extremely busy trying to meet everyone's requests leaving other departments with no work. This was getting closer to the real problem—the engineers never had the opportunity to focus and complete individual tasks. They wanted to focus; other groups were always changing engineering's priorities. They had numerous areas where unaddressed tensions were causing problems:

- The innovation center, needing engineering's help to assess the viability and sizing of new projects, was pulling engineering away from their existing new product projects.
- The marketing group, pushing engineering to complete products that were in the latter stages of the NPD process to meet marketing's Friday release schedule, was pulling engineering resources from working on products in the front-end of the NPD process.
- Constantly changing product priorities created confusion on an engineer's next assignment.
- Task switching (jumping from one project to another) was derailing the engineers' ability to concentrate on a project, resulting in errors that generated rework—a huge waste of resources.

Looking at the problem systemically and identifying the root of problems allows you to build what Peter Senge calls a *learning organization*. By being accustomed to looking at the system view, learning organizations can more easily identify these issues and remedy them. Their continual view of the larger system enables them to learn more about how their decisions work and might affect behavior.

Our overburdened lives, however, make it difficult to step back and look at the bigger picture. The same is true for transforming a corporate vision into value. People have their day-to-day view of the business, but have a difficult time seeing how all of the different internal and external operations and functions fit together to make an entire company. There are many perspectives. Three—the executive, the project manager, and the end user—are common to nearly every project. Your project may have more, but, for our discussion, these three will suffice.

In any given day, executives deal with investors, financial performance, employee satisfaction, business plans, corporate risks, and guiding the organization's products and services. Their perspective could be diagrammed a cycle of events that affect one another, as shown in Figure 1.1. Planning generates operational budgets as

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well as goals for revenue and profit. Operations generates goods and services; these are sold, revenue is received, profit is generated, and the cycle continues. There are, however, many other factors affecting this cycle that executives have little or no control over. Executives are consumed with investor demands, customers wanting new or different products, risks affecting pricing and salability, employee issues, regulations, and changes in the business environment that could affect availability of credit or appetite for a product. Projects are part of that cycle as they are the vehicle for implementing change, but executives are most concerned about their outcomes and whether they deliver value. Project management is often three to four layers removed from their purview.

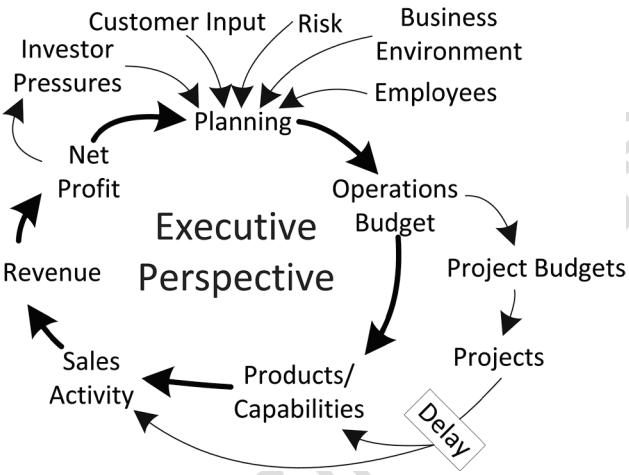

Figure 1.1: Executive Perspective

One gap is in the distance between the planning and the project. Projects are so removed from the organization's goals that project managers cannot judge what constraints and risks are critical to the company. Furthermore, this distance removes executives from seeing how well the projects are meeting the corporate goals. As pointed out earlier, even the lack of a common vernacular stands in the way, impeding a thorough understanding of both parties.

Project managers have another perspective. Their world is focused on delivery (see Figure 1.2). Everything a project manager does must focus on delivering some item in the project. It may be a subcomponent, intermediate deliverable, or the entire project, but delivery is the goal. The sooner something is delivered, the earlier the customer sees a tangible product and the quicker the return on investment (ROI). Project managers' lives become complicated when end users experience the deliverable—it may not meet their expectations. All the specifications, drawings, prototypes, mockups, models, etc.,

may not have captured the essence of the actual end-product and the customer rejects the deliverable. The gap between quantitative deliverables and value is a major risk in every project. A number of factors feed this gap, but there are three major ones that deserve highlighting and two have been mentioned previously:

- Project status is measured by adherence to scope, schedule, and budget, while its success is measured by end user adoption, which is just one component of value.
- End users, like everyone else, rarely take a systemic view of issues, so they express their problems in terms of symptoms. They know what they want and the project must uncover what they need. Quite often they have cemented their desires by selecting a solution they think will work without doing the required analysis, causing major issues for the project team when it tries to redirect the customer to a more appropriate solution.
- Lack of end-user engagement in the project can constrain identifying what provides real value.

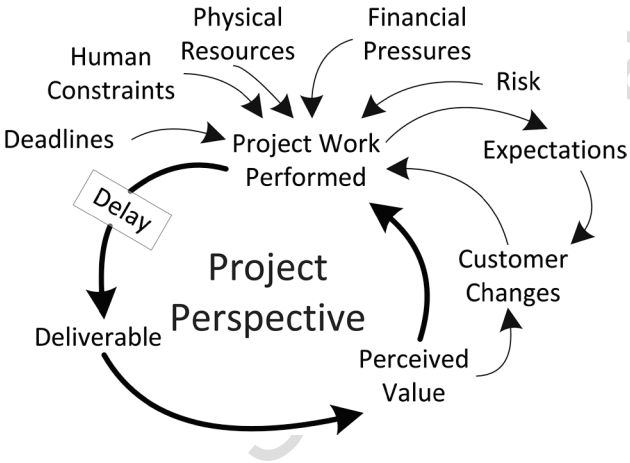

Figure 1.2: Project Perspective

A third perspective, the end user's (or customer's, internal department's, or client's), is based on one item—a need (see Figure 1.3). Without an end user having a need, there is no basis for a project and the other perspectives are irrelevant. A business can develop a product to fill a perceived need, but if the customer does not realize the need, the project and product are failures. Because the end user could be either inside the company that is running the project (e.g., business process improvement, soft-

ware deployment, or the like) or external to the organization (e.g., product development, construction projects, and so on), the connection between the end user and the project team can take many different forms.

One factor is constant, though, the end user's perspective is grounded on a different knowledge base than the project delivery team. End users are closer to the application of what is being built. Although this makes end users subject-matter experts on use, they often lack the breadth of experience to develop "outside the box" solutions that *would* improve their lives. The delivery team's experience and their ability to guide the end user to a superior solution are invaluable.

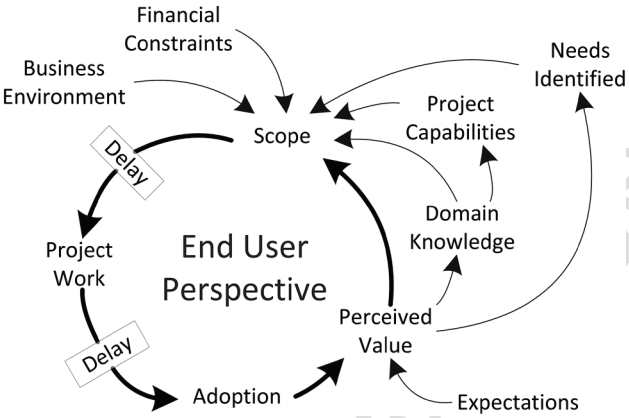

Figure 1.3: End User Perspective

At times this gap between want and need can be quite drastic. No one knew they "needed" Facebook, Twitter, or cameras in their cell phones. Yet, once created, it took little time for them to take the world by storm. Less dramatically, sales people may know they need productivity tools, but do not know which ones will actually increase their sales. New sales processes need to be developed before they can select the appropriate tools to achieve their goals. This lack of knowledge of potential solutions is filled by the project team and is in tension with the narrowly defined scope in the Statement of Work (SOW). The gap between the SOW and the work required to generate a value-laden product can be huge.

These holes are just a sample of organizational gaps that result in projects missing their success targets. Although these gaps exist in nearly every business, how they are filled is highly individualistic. Non-systemic solutions have temporary effectiveness as they are not comprehensive. The two most common ways to attempt to fill these gaps are through additional governance, executive sponsors, or both.

Gaps occur because we take a linear approach to our work. Our businesses are very complex systems that touch numerous other groups, people, and processes. Without taking a systemic approach to looking at our work, we will miss the gaps that exist and we will be inundated with unintended consequences.

Filling the Gap with Governance

Many companies' senior executives try to solve the lack of common understanding by attempting to normalize communication. They add processes and layers of mandatory reporting between the project manager and the executive team in hopes of achieving understanding. It seems silly when stated that way—adding layers to improve communication.

When I was a child, we played a game in school where kids would sit in a circle and one person would start by whispering a message in the ear of the person next to them. This process would continue around the circle until it got back to the originators other side. At that point, the person who started would say what he or she originally said and the last person to hear the message would say what he or she heard. Messages like "I had bacon for breakfast this morning" turned into "My sister is a travel wiener." The message got totally distorted. In business, there is one more layer of spin—political correctness. Middle managers trying to soften the message, pleasing the boss, avoiding "management coming in to help," or avoiding hitting "hot buttons" *intentionally* change the message.

Governance structures (often referred to as project management offices—PMOs) created to translate the executive speak into project language and vice versa run this risk and often do just the opposite of what was intended. This only exacerbates the problem as the message gets massaged and drifts further from its original intent, while leaving room for intentional alteration. The result is that project successes are exaggerated and difficulties are downplayed and executives are blindsided. Tactics like standardized reporting templates, imposed so that projects can be compared more easily by executives, also normalize the data so reports deliver the same message; the intent is to keep executives from getting alarmed or overreacting. An executive's desire to see common parameters on all projects (estimate at completion, target due date, etc.) makes perfect sense, but, in my experience of recovering failing projects, in every case where standardized reporting was used, the status of the project was altered to look significantly better than it was in order to, as one PMO manager put it, "not create a sense of urgency." (In that case, I submitted my uncensored report to two executives around the PMO, we addressed the problem of censoring, and I got the support I needed to fix the project—killing two birds with one stone.)

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This is nearly always the culprit when projects seemingly "go bad overnight." The project has been on a slow retrograde, but that message is lost as critical data gets twisted in numerous translations. Frederick Brookes said it best in his now nearly famous quote from *The Mythical Man-Month* outlining a massive 1960s project to create a legendary operating platform that subsequently made IBM billions of dollars. "How does a project get to be a year late? . . . One day at a time."[xxi] The results of this misinformation flow are surprised executives, frustrated customers, and bewildered project managers all pointing fingers trying to identify one person to blame.

Governance structures have two other problems. The first is that groups cannot be held accountable; individuals are accountable. As we will discuss in Chapter 4, "A Model for Engaged Executive Sponsors," someone who understands the project's progress with respect to achieving value has to be accountable. As previously stated, being accountable is not a label targeting whom to blame. Accountable people are the ones responsible for ensuring decisions that move the project forward are made in a timely manner. Accountability does not equate to a sole decision maker; it carries the weight of responsibility to ensure decisions are made.

The second is that governance-based solutions usually create permanent structures. This may not seem, at first glance, to be a major issue, but it is. In researching structures of exemplary companies, one of the traits that stands out is the use of the project as a totally transient tool. Staff positions are not created; organizations stay lean and responsive.[6] Bureaucracies are avoided. Keeping governance structures temporary and focused on fixing the problem maintains the company's agility. Experience bears this out with governance structures taking on lives of their own and adding significant unnecessary burden to the organization.

Filling the Gap with Executive Sponsors

To combat the limitations of governance-based solutions, some organizations rely on executives sponsors to fill the gap. Although executive sponsors have some of the aspects of governance, as will be discussed in Chapter 3, "Challenges in Executive Sponsorship," and Chapter 4, "A Model for Engaged Executive Sponsors," they have many other responsibilities. This approach has a much higher success rate than governance, mostly due to the fact that they can be accountable. If they are also responsible for adoption, as in the case of product managers, this solution solves many common project problems.

[6] Tom Peters repeatedly references the use of small temporary teams and lean staff as keys to success. Examples may be found on pages 127-131 and 306-317 (Peters, Thomas J. and Robert H. Waterman, Jr., *In Search of Excellence, Lesson's from America's Best-Run Companies*, Harper Business Essentials, 2006).

Executive sponsors are transient. This has two advantages. First, they can be chosen to fit the project's needs and, when the project is completed, they return to their normal jobs. The second is that there is little chance that some bureaucratic structure will be amassed to slow the organization. This keeps a sharp, lean focus on completing the project.

Implementation of effective project sponsorship, though, is not trivial. Many fail for the same reason that many solutions to problems fail—they are paid lip service from executive management. Often the sponsorship role is added to the already overfilled plate of a line-of-business executive who does not want the role, given to someone who is not a respected leader, or assigned to an executive who has little understanding of the problem being addressed. This is a byproduct of the lack of a common definition of an executive sponsor's duties and what the role implies. A survey we conducted while developing this book showed that executives have wildly different views of the sponsors' roles and responsibilities. Some describe a hands-off position, some include responsibility for adoption, others focus on leadership traits, others look for line-of-business responsibility, while some see sponsors as the guardian of scope. There simply is no common definition. Rarely is the role defined or a job description written.

Governance should not be used to fill gaps in an organization. Its lack of accountability and tendency for creating bureaucracy can make matters worse. Using an accountable structure, like executive sponsorship, quickly addresses issues, can change culture to avoid the problem in the future, and is not permanent.

What You Should Do

There is nothing unique here. Complex issues have non-trivial sources, but as humans we want to find the single point of failure causing the symptoms. After fixing, auditing, and reviewing dozens of failing projects, I can assure you that there is never just one problem responsible for the failure. There are usually ten to twenty symptoms and three to five core issues to address. Only a few are directly related to the project management methodology, while most are outside the project, existing in the underpinnings of how projects are established. These include:

- *Incomplete understanding*. Executive-to-project-team communication is hampered by multiple behavioral and vernacular issues in the organization.
- *Poor alignment between the organization's goals and project deliverables*. The reality is, project scope swells for a variety of reasons, business environments fluctuate causing corporate goals to shift, and quite often both occur. Rarely do these

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two factors change in the same direction. Complementary change occurs if people are monitoring and managing the change; otherwise, corporate goals and project deliverables fall out of alignment.

- *Absence of accountability*. As accountability has been perverted to be a mechanism for assigning blame, it has lost its connection to making decisions that get the project closer to completion.
- *Overreliance on process and governance*. Dealing with people-issues is tough. Deficiencies in technical and communication skills slow progress; however, instead of addressing these core problems with certain individuals, managers apply process that affects everyone. Process is easier to implement, non-confrontational, and less stressful than dealing with individuals. With additional process, however, the quagmires of bureaucracy grow rapidly.
- *Conflicting perspectives on success*. Project success for the end user and most executives is based on perceived value, yet the project's progress is measured on scope, schedule, and budget. The result is that projects become invariant, value targets are missed, and there is poor adoption.
- *Lack of leadership*. Leadership is a scarce trait in most companies—in the executive ranks, with middle management, and in project teams. It is needed in the entire stack from strategy development to project execution.

Identifying how these issues manifest so they can be fixed is the challenge. The discovery process is lengthened by the gaps between the participants' perspectives.

These six items are critical gaps in business. Common understanding, alignment between goals and project deliverables, executive sponsorship, lean effective governance, adoption, and leadership are at the core of turning corporate vision into business value through successful initiative execution. Solutions to these are discussed in detail in the ensuing chapters using data gathered from experience, research, interviews, and surveys. These solutions will provide executives and project managers with what they need to know to execute strategy successfully.

Project and Middle Manager Takeaway

While the executive has the challenge of creating the transparent culture, project and middle managers have the task of building their business knowledge and understanding of what is valuable. This is not solved with canned reports or presentations, but through understanding the implications of issues and how they affect the organization. Project and middle managers need to step outside the project and objectively report its status. Their goal is not to promote the project.

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The project manager's deliverable is value—to the customer and the delivering organization. Project managers need to focus on the value of the deliverable and inform executives when its scope, schedule, or budgetary constraints will result in missing value targets, telling them how to address the issue.

Project managers need to propose solutions to executives to solve tensions in creative ways that provide value and they must always be vigilant in looking for gaps in people's understanding of the goals.

Executive Takeaway

To understand the roadblocks that hinder turning strategic plans into successfully executed projects, the plans must be looked at from numerous perspectives. There are three perspectives common to all projects—the executive's, the project team's, and the end user's. Without this systemic approach, value gets lost in gaps that develop between functions.

People need to talk the same language and it is incumbent on the executives to ensure people have the business acumen and information to understand what is important and how to communicate it. They need to look for tensions in the business and exploit them to create better solutions. They need to ensure that people are accountable for their and other's actions and, that accountability is not a synonym for blame. This creates a common understanding of the goals, direction, and expectations of the organization, giving it a nimble structure that can act quickly and effectively as business environments change.

Applying These Concepts

Organization Wide Questions

1. Identify as many projects as you can that have met their goals and those that were considered a failure as well as others that missed their goals but were consider successful. What were the defining characteristics that tipped the scale to success or failure? (Note: Searching for government projects is a good source for such data as they are usually in the public domain.)
2. Compare the system diagrams showing perspectives of the executives, project, and end user (Figures 1.1, 1.2, and 1.3) to a current or former organization where you have worked. As these are only generic diagrams, what other actions or inputs affect these perspectives in those situations?
3. Are there other groups (regulatory agencies, perhaps) in your organization that would need a system diagram created for them?

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4. Consider other project governance bodies that you have experienced. What are their strong and weak points?
5. How could a project governance body or an executive sponsor help connect organization goals and projects?

Project and Middle Manager Centric Questions

1. Consider executive sponsors with whom you have worked. How did they help your projects move forward? Where could they have helped more?
2. Have you ever been told to change a status report to downplay issues on a project? If so, what was the net effect—did it cause a problem because the executives ended up being surprised or was the advice proper as the issues got resolved in other ways? Did you design other methods to relay the information to the people who needed it?

Executive Centric Questions

1. What information have project managers brought to you to make decisions?
    a. What was appropriate and inappropriate?
    b. Create a set of templates that a project manager might use to provide you with better data.
    c. Apply those to a number of projects that ran into trouble and determine if they would have helped avert the problems.
    d. Can you make templates generic enough for all projects?
    e. If not, who customizes the templates or sets the criteria?
2. Using a template from question 1, generate reports for a current project from scratch.
    a. How long did it take?
    b. Is this an effective use of a project team's time?
3. If you have executive sponsors or project governance groups, where do they excel and where do they fall short?

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