

## Lessons for Olympic Games Organizers

*Excerpts of this article are taken from the White Paper:  
"Saving Troubled Projects: Five Steps to Rapid Recovery" available online at [www.esi-intl.com](http://www.esi-intl.com)*

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Every four years, the Summer Olympic Games are presented to the world. The event is perhaps the most visible project known around the globe. Though specific in nature and sizeable in scale, fundamentally, the Games are no different than any other complex project. In that spirit, one can argue standard project management (PM) methodologies can be employed in the organization of the Olympic Games, and lessons can be learned from best PM practices.

In PM, organizers carefully track ongoing status, and if they're diligent in their activities, they will recognize when a project becomes "troubled", enabling them to rapidly implement various interventions so as to avoid outright failure. And although no project manager, stakeholder or executive ever likes to admit that a project is in trouble, such acknowledgement is the first step in ensuring a successful turnaround. To review an example of what some have deemed to be a troubled project, one might consider the 2012 London Olympic Games, an event managed by organizers who have been criticized in numerous published reports. From a PM perspective, what diagnostic tools exist that might categorize the London Games as a troubled project? What measures can be employed to save the project during the continued course of its management?

### HAS OLYMPIC TRAINING FALLEN DOWN? DIAGNOSING TROUBLED PROJECTS

Project failure can occur for countless reasons. One of the first steps in defining troubled projects is to look for their shared characteristics, some of which include strained team relationships, excessive work hours and customer threat of legal action. By identifying some standard trouble signs in an analytical review of the 2012 London Olympic Games, there are indications suggesting indeed that it is a troubled project:

*Management has lost its ability to control progress or even ascertain the project's status with any accuracy.* According to a March 2007 news report in The Guardian, members of the Commons public accounts committee hinted their displeasure that a revised budget still had not been published 20 months after London was awarded the games. Regarding early budget projections, Sir Roy McNulty of the Olympic Delivery Authority (ODA) gently stated on BBC Radio 4 that more "homework" might have provided better accuracy.

*The customer has lost confidence that the development group will deliver the promised goods.* According to an April 2007 article in the L.A. Times, the projected Olympic Games budget for 2012 has mushroomed, from \$6.8 billion at the onset, to \$17.2 billion in November 2006, to \$18.6 billion in March 2007. This growth has undermined faith in organizers to properly plan and execute, or that this latest figure will remain unchanged. Finger pointing toward individual organizers indicates a clear lack of support and the belief that others could better manage the project.

*The team is defensive about its progress.* While cynicism over frequent budget revisions, placing blame, building delays and related controversies seem to be inherent in running any Olympic Games, London organizers are further burdened by a history of delays and budget misses for major projects that happened to previously occur in the United Kingdom. From the Millennium Dome to the new Wembley Stadium, there are pre-conceived perceptions among government officials who have been burned by large-scale projects gone off track in the past.

*The morale of the project team has hit rock bottom.* A published report in London's Daily Telegraph quotes highly-visible British figures characterizing the opening ceremonies as "absolutely appallingly awful." Going forward, morale could decrease if there are additional defections amongst PM executives. ODA chairman Jack Lemley exited in a huff, claiming that the project was behind schedule and beset with partisan bickering. If other leaders follow suit, the project team will find it challenging to maintain positive morale.

## SOLUTIONS FOR SAVING TROUBLED PROJECTS

In concert with these themes, perhaps the 2012 Olympic Games can be considered a troubled project. Moving forward, what PM solutions can organizers make use of? There are five standard steps within the rapid recovery process (As seen in chart.)

*Overview of Rapid Assessment and Recovery Process, from ESI International White Paper "Saving Troubled Projects: Five Steps to Rapid Recovery"*



Two key players manage the assessment and recovery process: the recovery project manager (RPM) assisted by a core assessment and recovery team (ART). This cast is typically involved because the project has previously experienced trouble and stakeholders don't believe the existing team can correct its own mistakes.

### 1 - Define Charter

In this important first step, project managers attempt to identify and agree on a number of critical elements that will be included in the project charter. The RPM is required to:

- define the mission with the sponsor;
- understand the project history;
- establish project team contact;
- determine assessment approach; and

- complete the charter and obtain approval.

The RPM should understand the sensitivity surrounding the project's history. Awareness of the project's objective, and motivations of the key stakeholders, enables the RPM to better negotiate around thorny issues as they arise.

## *2 - Develop Assessment Plan*

The next step is to develop an assessment plan that:

- is realistic and can be executed to achieve the charter's objectives;
- will allow for an assessment in as short a time as possible;
- will ensure that accurate findings are produced
- will minimize project team distraction.

Assessments must begin with a review of pertinent project documentation. This data is the starting point, helping the ART gain insight, perspective and understanding on why the project experiences difficulties. In planning the assessment, the work must be done as rapidly as possible and with as little disruption to the project team while they continue working on the project.

## *3 - Conduct Assessment*

The ART is now ready to conduct the assessment, which strives to:

- determine the true current status of the project;
- identify the major threats, opportunities and problems for the project moving forward; and
- establish an extended team for the recovery effort.

One key is to get off on the right foot by conducting a kick-off meeting with the extended assessment team, including all ART team members and any other key stakeholders. The RPM needs to remind the extended team of the purpose, scope and objectives of the assessment. It's essential at this stage for all players to understand that the focus of the assessment is on helping the project team, not finding fault with past actions and decisions.

Once the findings have been documented and approved through the three-step assessment process, they are presented to key project stakeholders. At this juncture, two significant questions are asked: One, should we attempt to recover this project? And two, is it even worth saving? In the case of a project with such global and financial magnitude as the Olympics, the answers are definitely yes.

## *4 - Develop Recovery Plan*

Given the dynamics of the situation, the plan developed for a troubled project is dissimilar to a new project plan. For troubled projects, the project plan:

- must not fail;
- is subject to extraordinary scrutiny;
- provides broad fundamental changes in scope, schedule and cost;
- is of shorter duration;
- is subject to tight control; and
- requires frequent communication and reporting.

Oftentimes, the practice of micromanagement plays a role in troubled project recovery. Typically avoided by project managers as a discredited form of management, practicing micromanagement in this environment is the cornerstone upon which success is built. Micromanagement results in attention paid to every detail, an important ingredient in restoring the project to a steady state.

#### *5 - Conduct Recovery*

Recovery begins with the end in mind. The ART works to move a troubled project out of recovery and on solid footing. Execution must be perfect. There will be intense scrutiny and customers will want frequent and timely status reports. The recovered project culminates with a well-defined project control and management system, an achievable plan and a team that can get the job done.

When the project has been restored to a useful condition and transition to the project team is complete, an exit review with the project team and key stakeholders is conducted. In the exit review, the RPM is looking for the stakeholders to "sign off" on the recovery effort and acknowledge the ART has met its objectives. If the stakeholders agree, it is a major accomplishment.

#### RAPID RECOVERY FOR GOLD MEDAL GAMES

Several previously planned and executed Olympic Games adjusted tactics in the face of adversity. For instance, while construction came down to the wire for the 2004 Athens Olympics, the IOC recently visited the 2008 Beijing Olympics' venues and found everything built on time. For the 2002 Games in Salt Lake City, the new management team - added after a bidding process scandal - cut hundreds of millions to prevent significantly budget overruns.

It is unclear if rapid-recovery processes are currently being employed to course correct the troubled project nature of the 2012 London Olympics Games, but there are encouraging indications. (Sir Roy McNulty has established a timeline of construction objectives and publicly committed to latest budget estimates.) If organizers consistently assess trouble spots and undertake rapid steps to recover them, heed the successes and mistakes of organizers of past games and continue to employ project management best practices, the 2012 London Olympic will go down in the history books as a gold medal project winner.

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