

HOW RESILIENT IS YOUR PROJECT TEAM?

HOW PROJECTS OF ALL TYPES CAN WEAVE RESILIENCE PRINCIPLES INTO PROJECT MANAGEMENT ACTIVITIES, IMPROVING THE OVERALL PROJECT ECO-SYSTEM AND CREATING PURPOSEFUL VALUE FOR ALL STAKEHOLDERS.



(Source: Canva)

Resilience can mean different things, depending on the context in which it is being looked at. For teams that manage projects, and the organisations that are involved in them, a perspective on resilience is how well they collectively anticipate, absorb and adapt in a purposeful way to changes and events that impact the project environment, including the project value chain and local community stakeholders.

The ability to achieve a “purposeful state of resilience” hinges on how people on the project work together to look ahead, plan, anticipate and adapt to change and circumstances.

THE NEED FOR RESILIENCE IS CRITICAL IN TODAY’S WORLD

As we progress through 2020, projects of varying sizes, across all sectors and all around the world, face difficult challenges as they tackle risks, issues and events caused by the COVID-19 pandemic. How can we ensure our project goals and objectives have in-built and purposeful resilience to them, which is first and foremost

focused on people and their wellbeing, in the face of potential change and disruption to scarce project resources? We cannot simply increase buffers to cost and time - we need to be smart in our approach, and we need to demonstrate our values in action as we do so.

SOME POINTERS ABOUT RESILIENCE

1. Projects, and the businesses and public sector bodies that are involved in them, exist in an eco-system that is increasingly dynamic and interconnected - which represents threats and opportunities.

2. Understanding the dynamism and velocity of project risks is always an important part of managing risk to achieve objectives. Some risks, if they turn into issues, can ripple through the whole project eco-system quickly. Some risks are smaller and / or slower in velocity, yet they can still be large in potential impact.

3. We need to be ready for change throughout a project’s lifecycle. Sometimes change can be anticipated, and teams managing capital projects typically have strong change management processes. Resilience is about being agile to adapt to change (be it

sudden or gradual), but not in an uncontrolled way. The way project parties work together is key to having “controlled agility”.

4. Whilst we cannot plan for or anticipate everything that we would do in the face of a sudden and unanticipated change or disruption, by adopting good resilience principles that are people-focused, help us maintain flexibility and help us be prepared to adapt, we can demonstrate true purpose when a major change or disruption occurs. This demonstration of purpose applies right across the project value chain, and the communities and other stakeholders that the project supports and impacts.

An important, foundation-level consideration for project resilience is to ensure you have the right degree of flexibility and adaptability in your project structure and your eco-system, so that you can be nimble and responsive to change when you need to be. This isn't easy – it requires the right balance between rigour and control (which we need to have on a project) and agility to adapt. For example, what linkages exist between the client(s), contractors and suppliers, and what type of flexibility is built into this structure? Contract management and structure, procurement processes and the management of counterparty risk

are some of the parts of the formal project structure, and they should be coupled with how relationships between project parties work on a day-to-day operational level.

Are there certain “critical suppliers”, for example, that are hidden away from the head team's view because they have a contractual relationship deep in the value chain that this team does not have visibility of? Ensuring full and open visibility of value chain / supply chain relationships is important (as well as for resilience, this can benefit various supply chain management matters, such as good sustainability management and ethical supply chain management).

BE PRACTICAL WITH YOUR APPROACH TO RESILIENCE

We need to make sure our resilience planning and management activities are practical and that they are suited to the context of the project. General guidelines on resilience and business continuity exist from the ISO, which can be useful for project teams to review.

When you understand your current state of resilience, and the risks that exist, you can review whether this current state is appropriate for what you are aiming to achieve on the project. This approach can be stitched into project areas such as the management of health & safety, scope, procurement, quality, time

and cost, using risk-informed options analysis and perhaps appropriate use of risk quantification.

SOME QUESTIONS TO ASK ABOUT YOUR PROJECT'S RESILIENCE

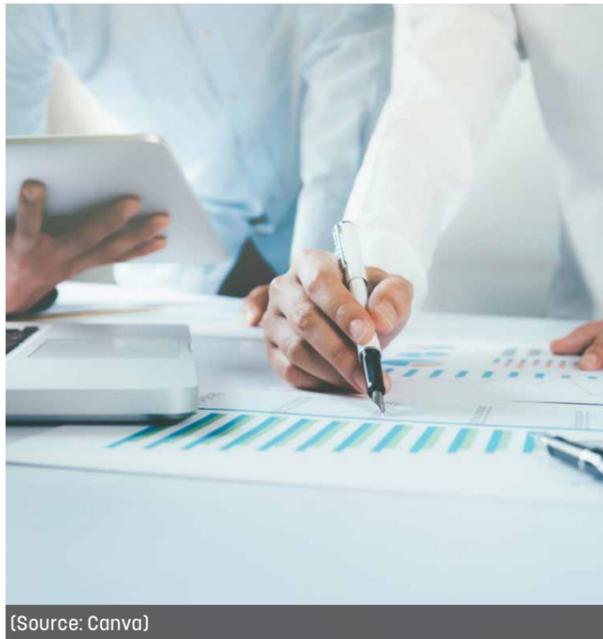
1. Does our project team understand its resilience risks and vulnerabilities (perhaps through a mapping exercise or a Delphi-method survey)?
2. Do we have a good culture on our project that helps us to look ahead, plan, anticipate, adapt, and respond effectively to events and change?
3. Do we focus enough on supporting and empowering people to achieve and to ensure we have a good state of resilience?
4. What are the best tools and techniques for project teams/functions to use to ensure a good state of resilience? Teams to involve in such a review could include Planning/Scheduling, Supply Chain/Procurement, Commercial/Cost Control, Health, Safety & Environment, Sustainability and (if your project has it) Community Engagement & Relations.
5. How does our project schedule, cost control and general commercial activities take into account different factors relating to project resilience?
6. Can scenario analysis help us to stress test our project's resilience?

One form of scenario analysis, for example, is a “PreMortem”, in which you use “prospective hindsight” to imagine a very bad project outcome and discuss what could have caused it.

7. Do we review our project performance targets (for all our stakeholders) against our resilience to change and potential disruption (for example, using scenario analysis to stress-test our targets)?
8. Are there skills and expertise that we can leverage from a central support team in our organisation (e.g. a PMO or Portfolio team), or a fellow project that has undertaken a “resilience review”? For examples of tools and techniques that can help you manage resilience.

ANTICIPATE AND BE PREPARED TO RESPOND TO CHANGE

Rather than actions to achieve a good state of resilience being stand-alone, or occasional, or something that is the remit of a single team, they are most effective when they are embedded into the regular rhythm of the project activities – which means ensuring that a broad cross-section of the team is regularly involved in them. Sometimes it helps to have a resilience practitioner to facilitate discussions to help to tie things



[Source: Canva]

PURPOSEFUL RESILIENCE IS PART OF A GOOD PROJECT CULTURE

Having a good state of purposeful resilience in place on your project, and across your value chain, helps to reinforce a strong and positive culture.

When you have thought through the resilience measures that need to be in place, and planned and practised how to respond to change and events (including but not only crisis events) that can cause disruption or worse, you can be ready to implement measures that are purposeful towards people, society and the environment if a major event or disruption occurs. When this modus operandi is stitched into your project culture, your values will shine through.

Examples of demonstrating purposeful resilience as part of your culture could be:

- when a major and/or sudden disruption occurs, quickly (and with the involvement of many parties) adapting your schedule, rostering, scope and commercial approach early, in agreement with stakeholders whilst maintaining the best health and safety;
- adapting a schedule to turn a potential problem of delays into an opportunity to “get ahead”

together, but it should always be the project team that owns their resilience planning and activities.

A Plan-Do-Check-Act (PDCA) model is a good, simple approach to take. PDCA is about planning actions and undertaking them, holding regular tests and lessons learned reviews to check that things are working, and acting to correct elements that need to be fixed or improved. Regular tests of resilience can be quick to undertake, and they can be stitched into regular meetings and project reviews – there’s no need to create separate meetings for them.

At all times, you should keep your resilience measures in line with the objectives, context and status of your project, and maintain a state of resilience that is in-built into how the project proceeds. If the project objectives change, some of your activities towards resilience may need to change as well.

of some activities that would otherwise be performed later;

- being ready, and capable, of shifting some project activities from the usual on-site project location to places off site, if feasible and appropriate (which depends on the context of the project);
- quickly implementing back-up options to maintain continuity of supply of project resources, if the usual resources become vulnerable or are disrupted;
- working purposefully and quickly with project parties in the value chain (e.g. small suppliers) that find themselves in a difficult financial situation due to a sudden external event beyond their control (as an example, COVID-19 has impacted the cash flow for many businesses – payment terms and bank loan guarantees for them can be critical);
- assisting your local community with specific resources in times of need (for example, providing resources and expertise if there is an external event such as a health crisis, extreme weather or a severe geological event in the vicinity of the project);
- maintaining a true focus on peoples’ wellbeing when challenges occur and innovating to ensure this happens.

CONCLUSION

Purposeful resilience that puts people first is part of a good project culture. Demonstrating a good state of purposeful resilience can help you anticipate and prepare for change, and deal with unexpected and/or sudden situations and events (including crisis events) that put stress on your project. It can also help you to see opportunities to achieve sustainable outcomes.

Purposeful resilience helps everyone in the project value chain and the community, society and the environment that your project is designed to serve. It pays to think through what might happen and how resilient you are to change and disruption, and to “have a radar” continually scanning the horizon for things that could be coming your way. Looking ahead, planning, anticipating, adapting, and responding effectively to events and change is good resilience, and good project management.

Author: Gareth Byatt is an Independent Risk & Resilience consultant and owner of Risk Insight Consulting.