

**George Sifri** of ESI International, gives his views on ways in which Olympic officials can project manage for success and a lasting legacy.

# GOING FOR GOLD

FROM A project management perspective, the spotlight shines brighter on Olympic Games planning and execution than any other global event.

For the population of the host city, national pride becomes intertwined with the success of the Games, and any perceived failure in the eyes of the world can be a source of tremendous embarrassment.

The pressure on Olympic organisers is relentless: an inflexible project completion date that cannot slip, unforeseen complexities that send budgets soaring into the stratosphere and an International Olympic Committee (IOC) protective of handing its brand over to local officials.

While it is premature to cast the London 2012 Olympic as a failed project, the event displays some elements of a troubled project. Where have things gone wrong in terms of project management and why? What can organisers learn from the actions

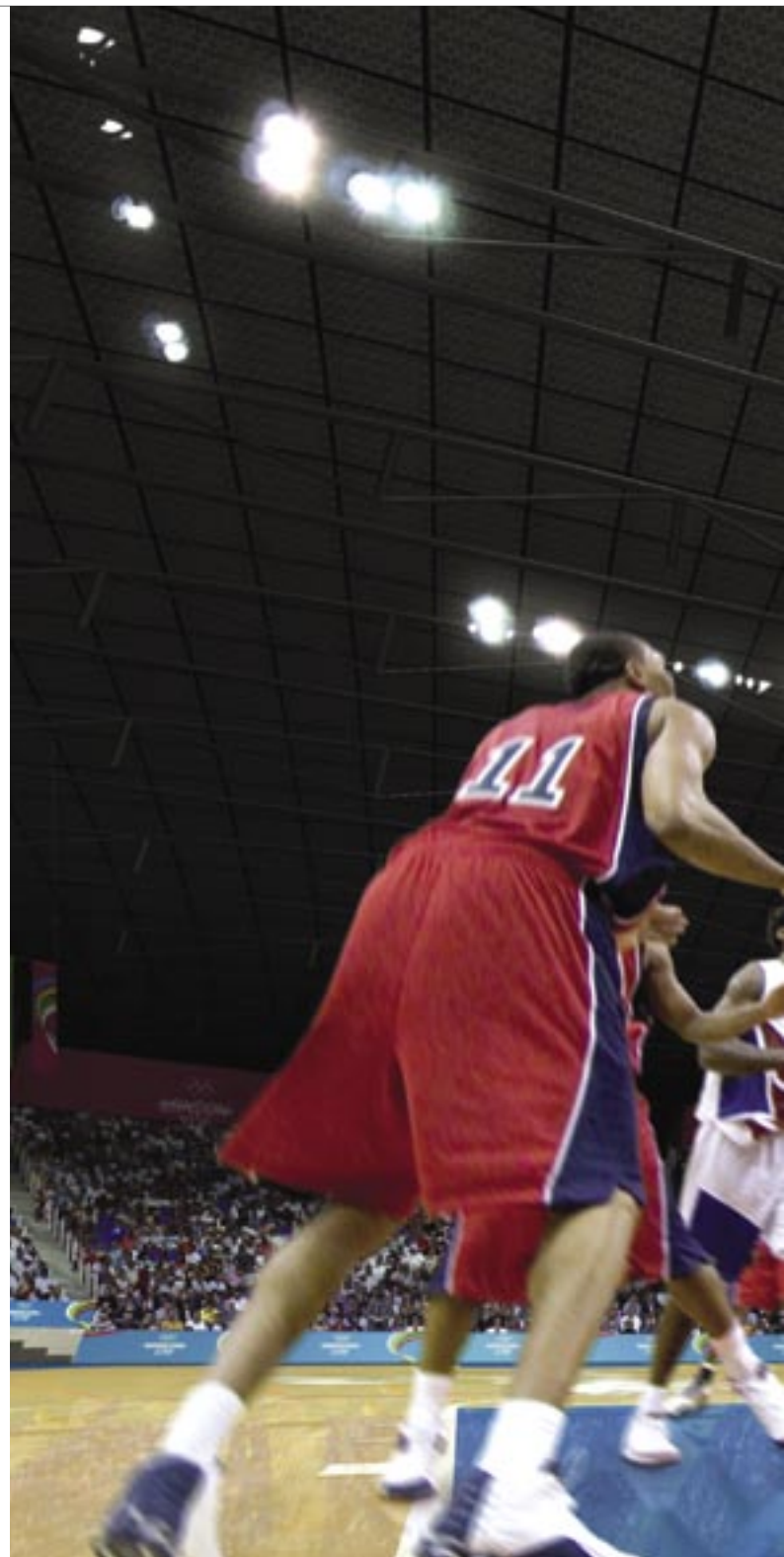
of their predecessors, and what actions can they take to steer the project on course and toward successful completion?

The first step to determining whether or not a project is troubled is to look for telltale signs that most troubled projects share in common. Some such signs include exceeding budget projections, the management losing ability to control progress and team members working excessive hours.

Conversely, a troubled project could simply show a single sign of trouble, but if that one issue is devastating enough, it could quickly turn that troubled project into a failed project.

Evaluating these commonly-held “troubled project” warning signs against developments related to the 2012 London Games, one can see a few tangible areas of concern.

By identifying each trouble sign and how it directly applies to the London Games, we can gain a better understanding of



which project management best practices can be employed to ensure a successful end result and Gold Medal performance from organisers.

For example the sign that management has lost its ability to control progress or even ascertain the project’s status with any accuracy, links to a news report in The Guardian in March, which read: “Members of the Commons public accounts committee hammered away at cost estimates, hinting their displeasure that a revised budget

still had not been published 20 months after London was awarded the games.

“The impatience to receive updated budget figures was partly due to rumours swirling over the origins of the initial project budget estimates.”

Whether or not Olympic organisers have been tracking the project’s status with accuracy, they were forced to overcome public perception that the financial foundation on which the entire project is based was flawed.



**ON TARGET?:** George Sifri believes that a lasting legacy can still be achieved at London 2012, despite some concerns.

Because of this scepticism, organisers shoulder an added burden in defending progress with accuracy so as to prove the initial benchmark was a sound one.

This is not an insurmountable obstacle by any means, as long as organisers accurately track progress, and communicate achieved goals effectively to the project “customer.”

Another key element of a troubled project is eroding confidence from those who organisers must answer to.

In March 2007, a parliamentary watchdog group accused Olympic organisers of engaging in ‘Alice in Wonderland’ projections for initially estimating the total cost of hosting the Games at £2.37bn pounds. In the two subsequent years, that estimate has risen four-fold to £9.35bn pounds.

Of course, we know that initial budget estimates for any project - especially one of this magnitude - tend to rise over time as unforeseen project elements emerge. However, when

the customer publicly questions and ridicules management of the project, it is a certain sign of a troubled project.

If, according to these warning signs, one determines the 2012 Olympic Project is troubled (but by no means failed), and that recovery of the project is both possible and highly desirable, there are a number of steps project managers can undertake to ensure successful completion.

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the project and any necessary changes needed in people, product, process and tools. The emphasis of proper assessment is on “real” status, and before undertaking the assessment, there are some general, practical guidelines for addressing troubled projects:

- The project team must be open minded and ready to change,
- There is no magic bullet,
- Each project is different and must be handled as such,
- Any work with a status of done must be done,
- During assessment, the assessors must ask themselves if the processes and metrics the project team is using are adequate for this project,
- Accept what can be fixed and what cannot.

Recovery must be tackled in the context of the project’s objectives. It is the issue of uniqueness and how every project has different requirements and levels of acceptable variances.

Within the three primary categories of recovery (people, process/tools and project), the focus of the recovery traditionally seeks to produce

an achievable schedule based on milestones, re-establish customer and management confidence, re-baseline the project plan, sort project problems and rebuild the team.

Once these practical guidelines are acknowledged for assessing a troubled project, managers can initiate a strategic five-step assessment life cycle:

- Define charter of the assessment and recovery project,
- Develop assessment plan,
- Conduct assessment,
- Develop recovery plan,
- Conduct recovery.

If Olympic organisers were to put in place an assessment and recovery plan, it should be complemented by tapping into a defined knowledge base at their disposal from actions and decisions made by predecessors.

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With more than four years remaining until 2012, organisers certainly must stay focused on the deadline, but as evidenced by challenges faced by preceding Games, there is ample time to shore up public confidence and rapidly address troubled aspects of the project.

Though some of the publicised rhetoric might slightly curb public enthusiasm for the Games, the 2012 London Olympics bid enjoyed support from more than

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70 per cent of UK residents in the months leading up to the final site selection decision.

While the budget has risen substantially for the London project, the current figure (£9.35bn) is consistent with that of previous Games.

The 2004 Athens Games came in the neighbourhood of £7bn, and recent estimates put the cost for the 2008 Beijing Games between £10 and £20bn.

The 2010 Winter Games slated for Vancouver have seen venue cost estimates shoot up 23 per cent, according to a February CBC News report.

As the completion date edges closer, the issue will likely be less about the final cost and more about the ability of organisers to justify future budget increases.

At the same time, if it is determined that costs need to be shaved, London organisers should remain wary of cutting programmes deemed sensitive or those that hold widespread support of the population.

One project management technique in troubled project recovery is to cut the size of the scope so the project can be completed within time and effort planned.

For the 2002 Games in Salt Lake City, the new management team - put in place after a scandal over the bidding process - cut hundreds of millions to prevent coming in significantly over budget.

Not only does every project hold its own unique set of

challenges, but each Olympics project faces a diverse range of internal and external factors influencing prospects for a project's success. While construction came down to the wire for the 2004 Athens Olympics, the IOC recently visited the 2008 Beijing Olympics' venues and found everything running smoothly.

It is still unclear how progress for the 2012 London Olympics will track going forward, but there are encouraging signs that leaders are taking more aggressive project management steps to assess troubled project areas and correct them.

For example, acting chairman of the ODA Sir Roy McNulty has laid out a timeline of objectives for construction and has publicly committed to sticking to the most recent budget estimates.

In following project management best practices for the 2012 Games, organisers can consistently assess trouble spots, undertake rapid steps to recover them and heed the successes and mistakes of organisers of past games. When this approach is exercised, the 2012 London Olympic can certainly go down in the history books as a gold medal project winner.

George Sifri has more than 16 years of experience in managing information technology projects.

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## PROJECT PETE

by Mitch

