



Remodeling ***During*** a Fire  
*by Jonathan Weinstein, PMP*

The time has come for the home improvement projects that you've been putting off. The projects can wait no longer because the core systems (plumbing, heating and AC, windows, etc...) are failing. The only catch is that the kitchen is on fire. No matter what, you have to move forward. Sound extreme, ridiculous, or crazy? All you have to do is look at the front page of any newspaper today to find extreme, ridiculous, **AND** crazy! The point is executing your organization's mission must continue despite today's chaotic and uncertain fiscal times. Over \$1 Trillion from the US Treasury going out to save banks, businesses, and homes. State governments across the US are freezing spending, cutting programs, and furloughing employees. The Federal government is nearly paralyzed by the volume of action that is necessary to move forward to rescue our economy putting critical programs at risk.

Moving forward with critical projects, those already underway or planned for years must occur. In fact, new priorities may be emerging (or have emerged) as a result of the current situation, requiring a new initiative or series of actions that will be performed within the context of the organization's "regular business". So what should leaders do? On the positive side, these times present an opportunity to address systematic problems or new issues recently uncovered, or simply to step back and assess what is truly important to succeeding in achieving the organization's mission. The table below outlines a few actions to consider with a more detailed description following. Many of these actions can (and should) be executed rapidly. "Analysis paralysis" is a risk if the urgent nature of the current situation isn't kept in mind.

<i>Strategy and Mission</i>	<i>People and Organization</i>	<i>Projects and Actions</i>
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<i>An ounce of prevention...</i>	Review (or write) a Strategic Action Plan	Communicate, communicate, communicate	Assess the portfolio's and individual project's health; adjust resources and actions accordingly
<i>Put out the hot spots...</i>	Address areas within your existing strategic plan that are more critical or no longer relevant	Temporarily re-organize; remove responsibilities from teams with limited resources	Review existing projects and actions to set priorities, re-evaluate risk, and confirm alignment with the mission
<i>Fight the whole fire...</i>	Deploy Strategy Action Teams across the organization	Optimize the organization; assess the structure and alignment and adjust for the future	Conduct more careful and thorough planning

### Focus on Strategy and Mission

- *Review (or write) a Strategic **Action Plan*** – This may not seem like the right time to undertake a strategic review. However, taking a step back to review the current situation in a larger context and longer timeframe will enable organizations to validate that they are doing the right things for their stakeholders and customers. Beyond a review, create specific **action plans** to address one or more elements of an existing Strategic Plan or use these plans as a substitute for a more formal Strategic Plan. Don't discount that one action may be to delay or eliminate a priority that the organization deemed important before, but that is no longer relevant or appropriate.
- *Adjust Smartly* – Resist the natural tendency during crises of taking immediate action at the expense of considering the more long-term impact. Address areas within your existing strategic plan that are more critical or no longer relevant. The current situation certainly will require changes to your organizations strategy, especially in the near term. Commission a team to identify and measure potential courses of action against the current strategy or mission and consider how each will effect the following: a) organizational structure, b) personnel, c) core

business processes, d) technology, and e) compliance with relevant regulations. The identification and assessment of options should not be an open-ended endeavor. The team must rapidly and urgently undertake this effort and avoid “analysis paralysis” at all costs. The organization’s executives should make their decisions based on this assessment, as well as their gut.

- *Deploy Strategy Action Teams across the organization* – To successfully respond to the current situation and execute the steps outlined in this article takes the concerted effort of a Core Team comprised of the organizations sharpest people. The team must include key stakeholders representing the critical elements of your enterprise. In many organizations, this team assembled to attack any or all of these actions should represent the executives responsible for the enterprise (Commissioner, and deputies for finance and operations), managers for major projects or the PMO, and critical programs or business functions. The Core Team may be charged with taking all the actions, or in larger organizations, several functional or program-oriented teams may be commissioned to execute this task across the organization. The success of Action Teams is dependent on the following key elements:
  - a) Clear charter outlining their goals and areas of responsibility or scope
  - b) Defined actions and accountability for achieving results
  - c) Detailed communication plan to inform the organization of their plans and outcomes
  - d) **Facilitated** and structured and meetings with documented outcomes and assigned next steps
  - e) Specified end date to complete the defined actions

## Focus on the People and Organization

- *Communicate, communicate, communicate* – Communicating to the organization is the **most critical** when a “crisis” situation emerges. In the absence of real and accurate information, people in organizations will create their own. Rumors, misinformation, and gossip result and start new fires across the organization, diverting attention away from the things that require action. The primary activity of leaders in organizations experiencing a crisis is to communicate frequently and clearly to answer the following questions. Don’t be afraid to answer, “I don’t know”, but be prepared to describe what is being done to get an answer.
  - a) How will “I” be affected?
  - b) What is being done (by the executives and others)?
  - c) What should “I” do?
  - d) When will this be over?
  
- *Temporarily Reorganize* – Crises require swift and decisive action. In a period of shrinking budgets and personnel constraints (hiring freezes, early retirements, etc...) quick adjustments to the way your organization is structured to deliver its products or services may be necessary. A few immediate actions to take, in concert with the “strategic actions” described above may include:
  - a) Removing responsibilities from teams with limited resources; sometimes you just can’t “do more with less” without failing in the process.
  - b) Combining organizations where resource leveling may be able to occur; allowing and under-staffed organization be combined with one that is not over-burdened with work
  - c) Eliminate “low value” functions or activities (e.g., unnecessary reports, reviews, or meetings) within the organization. Identify some functions that are no longer needed or are in the process of being phased-out and expedite their cessation.

- *Optimize the Organization* – Organizations that are especially hard hit by the crisis may be forced to reassess how they execute their mission. This situation may present an opportunity to “wipe the slate clean” and design and implement new, more efficient ways of doing business. Obstacles that may have existed before – regulations, labor arrangements, vendor contracts, etc... - may now be lifted or open to negotiation to allow organizations to seek new approaches to their core functions. This action can be taken following the “temporary reorganization” described above or instead of that step if the situation calls for a more permanent solution.

This action should not be taken lightly and should be done in a more thoughtful and thorough manner, which translates into time. Leaders must commission a Strategic Action Team (as described above) to assess the organization’s structure and alignment with the mission and the capabilities of the current personnel, processes, and technology and adjust for the future. The deliverables from the Team’s efforts might include an “AS-IS” assessment of the people, processes, projects, and tools currently employed in the organization. The primary outcome would be recommendations for new structures or improvements to existing organizational components with specific, detailed plans for their implementation.

### **Focus on Projects and Actions**

- *Assess the Portfolio* – One of the first steps during any crisis is to assess the overall portfolio health and take immediate and definitive actions and adjust people and financial resources accordingly. Projects should be “reprioritized” given finite resources within the organization and set on one of the following paths:

- a) Stop – Projects that are no longer aligned with the organizations mission, have lost funding, or have had funding cuts that make completing the project impossible. Take the necessary actions to cancel these projects.
  - b) Start – Projects that were defined before the crisis and remain essential to the core mission of the organization. Be sure to review any decision made about this initiative before and make any necessary adjustments. Other projects that may start now may be an outcome of the actions discussed earlier in this article.
  - c) Defer – As the name suggests, projects on this “path” are parked until the necessary resources are available or the situations changes enough to allow the effort to continue.
  - d) Extend – Some projects may have their schedules extended, spreading resources over a longer period, or elements or phases of existing projects may be put off until later.
- *Review Existing Projects* – Few, if any projects will not be affected by the current financial crisis. As a result, organizations should conduct more detailed, individual project reviews to obtain a thorough picture of current status. An important outcome of this activity is to determine the impacts of the situation and the necessary adjustments to the project. Project risks should be thoroughly reviewed, new risks identified and the project’s risk assessment revised (or created if one doesn’t exist).
  - *Conduct Careful and Thorough Planning* – Discipline is difficult to muster in uncertain times. For projects that must move forward in this climate, this is the time to be sure disciplined project management practices are employed. Key project management elements to adhere to now, more than ever include: project scope definition, risk identification and management, issue identification and

management, resource identification and allocations, and project performance measurement and monitoring.

Despite the tendency in times like these to over-react or to just put off some things until later, the current situation requires thoughtful, thorough, and structured actions. The flip side of this crisis is the opportunity for leaders to consider how to guide their organizations to emerge with a stronger foundation, more efficient processes, sounder practices, and a clear strategy for success. Leaders that don't try to turn this crisis into an opportunity may ultimately get burned.

An abbreviated version of this whitepaper was adapted for and published by the PMI Post, December 30, 2008 under the title "Managing During A Crisis". That version can be accessed on the PMI Post's website ([www.pmi.org/eNews/Post/2008\\_12-30/ManagingDuringACrisis.html](http://www.pmi.org/eNews/Post/2008_12-30/ManagingDuringACrisis.html)) or is available as a PDF in the Whitepapers & Articles section of the Line of Sight website ([www.line-of-sight.com](http://www.line-of-sight.com)).

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