



Courting Disaster

How planning for failure can boost your project's chances of success

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COURTING DISASTER

How planning for failure can boost your project's chances of success

External and Internal shocks

No CEO wants his business hitting the news in the context of a 'debacle', a 'fiasco' or a 'shambles', yet these are exactly the terms applied when organisations fail to deal with the most plan-able of business events. Nowhere has this been more visible recently than in the catastrophic opening of London Heathrow Airport's Terminal 5 (T5) in March 2008. After 15 years planning & construction and at a cost of £4.3bn (including £250m spent on technology systems) the opening of T5 should have been a flagship moment for British Airways (BA) and British Airport Authority (BAA). Instead the state-of-the-art baggage handling system collapsed, huge queues of disgruntled passengers formed, more than 500 were flights cancelled and 23,000 bags were lost. The ensuing public relations nightmare was very poorly handled by BA and BAA leaders, only adding to the flames of public opprobrium. BA share price took an immediate hit and analysts now estimate the fiasco cost the airline some £20m. CEO Willie Walsh later accepted that 'the buck stopped' with him. Amid calls for his departure and despite an overall positive performance for the year he was forced by the March-end crisis to appease public opinion and forego a £700K bonus.

Since 9/11 the theme of disaster-recovery and business continuity has never been far from the public eye. The spectacular losses of people, property and commercial assets caused by terrorist activity since the turn of the century has given a new urgency to the previously somewhat overlooked discipline of preparing for the worst. Several years on, the threat of the unexpected, external shocks, acts of nature or terrorism, is still very present – particularly in the world's business capitals – but disaster recovery and business continuity practices have started to slip back down the corporate agenda. In this article we take a look at the lessons from traditional disaster management best practice and examine how they can be applied to predictable, internal business shocks in a project context. In each case we also examine some of the tools Square Peg has used in helping clients and see how planning to fail can significantly boost your chances of success.

What went wrong at T5?

Background:

After 15 years planning & construction and at a cost of £4.3bn (including £250m spent on technology systems) the opening of T5 should have been a flagship moment.

The problems:

Inadequate staff preparation and rehearsals – passengers and staff had trouble locating car parks on day 1. Delayed opening of check-in resulted in long queues.

State-of-the-art baggage handling system collapsed.

All check-in at T5 was suspended.

After queues formed at “fast bag drop” desk, BA suspended check-in of all hold bags.

More than 500 flights cancelled, 23,000 bags lost.

17 lifts not working, Airside access ID system failed.

The resolution:

BA postponed plans to move long-haul operations to T5 by up to 6 months.

BA funded thousands of nights’ hotel accommodation for stranded passengers.

BA & BAA customer service desks were understaffed, spokespeople were ill-briefed and evasive causing further reputational damage.

BA share price took an immediate hit and was down over 10% 3 months on.

2 key BA executives (Director of Operations & Director of Customer Service) were forced out by the fiasco.

The lessons:

BAA CEO admitted “The testing regime did not adequately reflect the first few days of operations” – Testing must adequately identify glitches and pressure points in time for resolution pre-go-live.

Under pressure to step down

Prevention is better than cure

The fiasco at Terminal 5 was not just a few days of isolated poor management – it was apparently the result of consistent failure during the project planning and preparation stages and a lack of effective, proactive and disciplined risk management in the immediate run-up to the launch date [See Side Bar: What went wrong at Terminal 5].

Applying incident and risk management lens to large predictable projects like the Terminal 5 opening can be a powerful means of ensuring success. Yet organisations tend to be blindly optimistic in managing the demanding, business critical programmes that arise from every day objectives. As a consequence the risks involved are all too often underestimated. By taking a dispassionate look at the undertaking and asking ‘Where might this all go terribly wrong?’ ‘What are the risks?’ then planning and preparing accordingly, organisations are not only less likely to encounter the disaster scenarios in the first place but, if crisis does hit they are much better placed to respond and recover swiftly.

A whole industry has sprung up around helping organisations prepare for external and unpredictable shocks such as natural disasters, terrorism, corporate espionage and hacking. In a nutshell, its tenets are:

1. **Be prepared** – Have modular plans in place for all likely and unlikely eventualities – ensure alternative office facilities are reserved, fire wardens are trained, call cascades are up to date and so on. All of this must be regularly refreshed and rehearsed so staff know what to do in the event of an external shock.

If an incident arises –

2. **Take responsibility** – delaying action, casting blame or getting stuck in denial will only waste time and infuriate stakeholder groups.

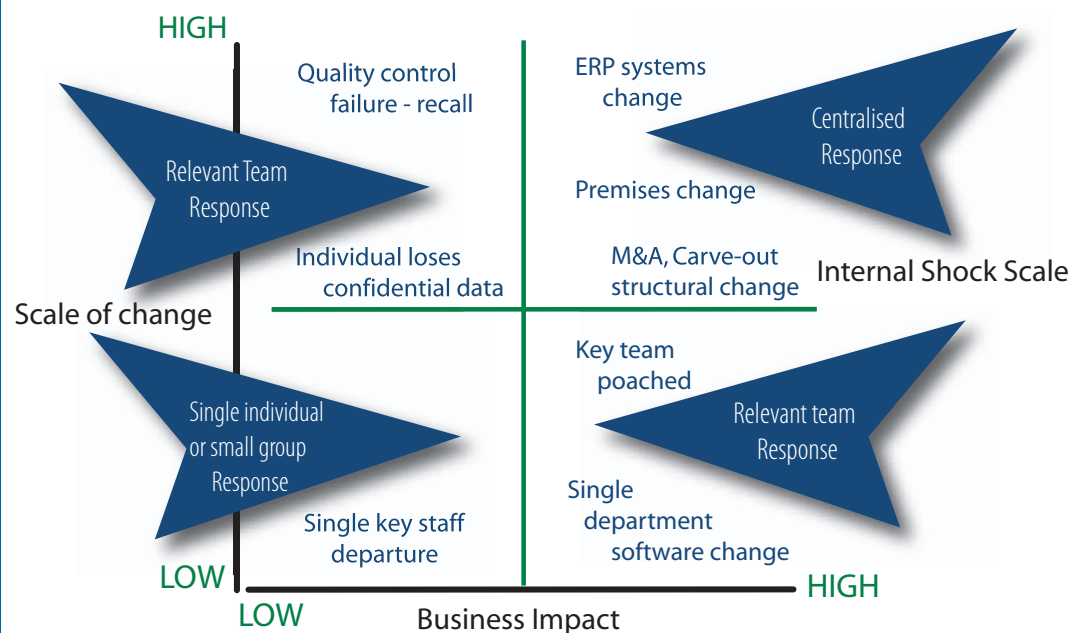
3. **Mobilise an incident management & response team** – the team should be pre-appointed and ready to swing into action with clearly defined roles and responsibilities the moment an incident strikes.

4. **Investigate the cause of the incident** – thorough investigation will ensure that decision making is as well-informed as possible in the circumstances.

5. **Communicate proactively** – as far as possible pre-plan key messages and spokespeople so that all relevant stakeholders can be kept informed throughout the duration of the incident

6. **Build corporate resilience** – conduct post-incident reviews to refine response and continuity plans.

The need to understand internal shock



Each of the tenets can be applied with a slightly different emphasis to the management of internal shocks. Dependent on their scale and impact, each of the predictable, internal events requiring an explicit and disciplined approach to risk management will demand a differently organised response. They range in magnitude from relatively small-scale surprises like the departure of a single key member of staff (which can be relatively easily mitigated) to global system shocks such as an enterprise-wide ERP system roll-out with a much longer lead time and a more complex set of attendant risks. Those at the lower end of the scale (bottom left quadrant on the Internal Shock Scale) can typically be dealt with by a single individual or small group of individuals. Higher scale shocks will require the co-ordinated intervention of the relevant teams. Those shocks which rank highest in terms of both scale of cause and impact are likely to require centralised response. This top right quadrant on the Internal Shock Scale is where the lessons of traditional disaster management can be most profitably applied - to complex, high impact programmes such as:

Systems change – scheduled cutover to a new IT solution, eg Enterprise Resource Planning and supply chain software

Response to new competition entering the market – requiring step changes in innovation and entrepreneurialism

New regulatory environment – mandating significant process change and impacting decision making and corporate governance

New premises change – scheduled move to new sites requiring functioning operations from day 1

Merger or Acquisition - changes of ownership and brand attributes bringing new people, new technologies, new clients, new ways of working.

There is also potential for a perfect storm of smaller internal shocks to coincide, and in combination, to have a huge impact on the business. It only takes a minor break down in quality assurance to trigger a product recall for instance, but if that should coincide with the poaching of key customer service team members and the PR manager's annual holiday then an ill-prepared organisation could soon be facing the dreaded 'fiasco' headlines.

A Pragmatic Approach – preparing for a bumpy landing

Each of these high impact events represents a complex project, necessitating many months of long hours and dedication from the teams involved and often targeting an immovable go-live date. In that kind of hothouse environment, no one wants to be the first to suggest their collective efforts might not come off and to raise the spectre of extra work required to manage the risk of failure. There is a tendency to push all the harder to get everything right first time.

Pushing for 'right first time' is great practice, but in parallel organisations need to take a dispassionate look at the risks inherent in large projects and get to grips with them before they find themselves in the midst of a fiasco. How can that be encouraged? Particularly once the project is underway and gathering momentum? The ideal approach mirrors traditional external incident & crisis management best practice and can be summarised by the expression 'Planning for success but preparing for a bumpy landing'.

Firstly this requires a clear sense of urgency around the work and an understanding from all involved that managing project risk is essential. As with traditional crisis management the initial step is to identify the major risks facing the programme and then systematically put in place mitigation, early warning systems and contingency plans that will enable the organisation to perform its core functions even in the event that things do not go according to plan. At its best this work is painstakingly detailed and includes engaging employees at all levels of the business who would be affected in the event of a problem, documenting procedures, roles and responsibilities and thorough training. Around this disciplined approach there may also be the need for a high-level Incident Management (IM) process to co-ordinate responses and resources during a post-live hypercare period. The period of hypercare will have the objective of steering the organisation through problem resolution and recovery back to Business As Usual (BAU). If all of this is well drilled and rehearsed, in the event of a bumpy landing the team can seamlessly switch into shock absorption mode without panic - significantly improving the chances of swift resolution and recovery and minimising reputational damage. Square Peg has refined this approach into a 5 Step Internal Shock Absorption process.

1. **Face the music** - acknowledging and prioritising potential problems
2. **Put necks on the line** – engaging the right members of the team with urgency
3. **Drill ruthlessly**– ensuring the core business can continue to function
4. **Embrace central command** – including communications and resolution processes
5. **Let what doesn't kill you make you stronger** – lessons learnt from the crisis



The approach in Action

In the following section we take a look at some examples of best and worst external shock absorption practice. We also consider how Square Peg has assisted a European frozen foods giant Birds Eye Iglo Group (BEiG) in applying the lessons to create highly effective internal shock absorption capability.

Step 1. Facing the music – risk assessment

In July 2007 confectionary giant Cadbury was prosecuted under environmental health laws and fined a total of £1m by Birmingham Crown Court after pleading guilty to offences under food and hygiene regulations leading to a food scare involving salmonella-contaminated chocolate. The company was found to have had questionable hygiene and product safety standards at one of its UK plants. However, a situation that could have been dealt with fairly easily became far more serious as it emerged that Cadburys failed to alert authorities when it first discovered the salmonella issue back in January 2006. It was not until an alert from the Health Protection Agency (HPA) six months later that the company admitted to the contamination. The disaster was further compounded when Cadbury was slow to respond and took two days to comply with the Food Standards Agency's request to withdraw seven infected products, including Dairy Milk bars. Failure to take responsibility in the event of an incident proved a costly move both financially and reputationally for Cadbury.

Tool 1.1: Scenario Planning

So how does the lesson apply to organisations developing their internal project shock absorption capability? To minimise the impact of a bumpy landing requires a clear-sighted view of where the bumps may lie – the risks inherent in any major project. It is naive to expect there will be none, so the starting point is to set the pragmatic expectation of difficulties and identify what the likely problems will be. Then go beyond that to identify the less-likely ones. As Harvard Business School Professor Michael Porter said in 1985 'If you cannot predict the future, then by speculating on a variety of them, you might... hit upon the right one'. Scenario Planning can help you ask the 'What ifs?'. The process should combine known facts about the future (the project environment, local requirements etc) with plausible alternatives (unforeseen developments, technical, financial or political). The latter are trends or driving forces. Having geographical or process teams brainstorm the known facts and the driving forces will produce some initial scenario material. To go beyond and uncover the less-obvious threats will then require further digging. All the potential shocks must then be evaluated and compared so as to establish probability, impact/mitigation implications and derive priority areas for shock absorber focus.

Following the private equity acquisition of frozen food specialist Birds Eye Iglo from its parent Unilever, a fundamental requirement of independence was the complete re-platforming of all business activity. Known as Project Pioneer the work involved the introduction of SAP software across eight European countries, including three factories, and interfaces with hundreds of third party suppliers, customers and logistics providers, so it was very high impact programme with lots of scope for bumps to business continuity. As lead change consultants Square Peg supported the Group Executive team in a common sense risk management approach. To identify where the bumps might lie we conducted individual interviews with key workstream leaders and with business leaders one step removed from the activity of the project itself. It was important that members of the Square Peg team conducting these confidential interviews were seen as independent, allowing for maximum candour from respondents. In addition, we solicited war-stories from those who had experienced similar ERP roll-outs before and gathered great insights into potentially overlooked risks. Finally – we facilitated a round-table brainstorming session with all of these interested parties to review and refine scenarios in preparation for Step 2 – Putting necks on the line.

Step 2. Put necks on the line

If internal project-related shocks are to be absorbed effectively and business as usual allowed to continue in the face of disruption, it is essential that everyone involved knows the part they must play and takes responsibility for making it happen. There are two sides to this coin – firstly that the appropriate team is fully engaged in and accountable for developing plans and secondly that – in the event of an incident – response teams are composed of appropriately skilled and empowered individuals. The team must own the approach.

In June 2007 Glasgow Airport was the target of a car bomb attack. Coming on the airport's second busiest day of the year at the start of school summer holidays, the resulting fire and security situation sorely tested the BAA's business continuity management strategy. However, the standing plans included support provided by off-duty workers to front-line staff. The crisis team who looked after tactical command was mobilised within 45 minutes of the incident, while the business recovery team, who looked after the strategic command, was available an hour later. Staff were well-trained and equipped to manage the incident and implement plans. As a consequence the first flight arrived back into the terminal just 16 hours and 26 minutes after the initial fire and the main terminal building was re-opened only 23hrs and 59 minutes after the incident occurred. Giles Crichton, Head of Compliance at BAA Glasgow airport attributes this success in no small part to the team involved: 'Our airport suffered what could have been a catastrophic event, was it just good luck? I think not. From identification of our risks through to the mitigation of the risks, the plans in place and, most importantly, well trained and competent staff, we were able to demonstrate that business continuity management is an essential part of our ongoing lives... the unthinkable can and does happen!'

Tool 2.1: Disciplined, detail-oriented project management

It is important to engage the right people (those who have an intimate knowledge of how things run day to day) in planning for a bumpy landing and that the work is given due priority and urgency by all involved. These teams must accept that their outputs will be relied upon to keep the organisation in business should the worst happen. They must be held accountable for keeping the show on the road. This is particularly true in a project environment where the need to hit pre-established milestones may create pressure on resources. Senior leaders must set the tone and clear the way for subject matter experts to work the details. A central team should co-ordinate efforts.

Tool 2.2: Dedicated, unwavering Project Sponsorship

In setting the tone, project sponsors must create an environment where identifying possible problems is actively encouraged and rewarded, and where a matter-of-fact approach to anticipating and minimising shocks is taken by all. During Project Pioneer Birds Eye Iglo CEO Martin Glenn frequently repeated the mantra 'All programmes of this scale and complexity encounter problems. It is how well you deal with the problems that is the mark of a good systems introduction.'

Tool 2.3: Crisis Simulation

Square Peg helped to bring this credo to life and persuade the project sponsors and key resources of the urgency around risk management through the creation and stage management of a one day project crisis simulation. The event brought together 30 members of the project team in a fictitious post-go-live environment. We developed details of some 200 local and global problems based on the scenario planning completed in Step 1 and used this to drip feed information to participants. Some of the information suggested critical incidents, some simply created noise and confusion, but in all cases sub-teams needed to communicate effectively to establish clear overviews of the problems as they unfolded. The group undertook a number of problem prioritisation and reporting exercises and the day culminated in a simulated briefing to a very frosty Executive Committee (involving some concerted role-play by CEO, COO and FD). The event was given added piquancy as the project ran into its first real delivery problem just 24 hours before the simulation began. Migrating email to the new environment had run into difficulties, leaving most of the organisation unable to contact colleagues or external partners by email. Some 1,700 individuals were forced to rely on phone, fax and ad-hoc work-arounds in an attempt to maintain business as usual (to make matters worse it was month end with all local units and central Finance department attempting to close their books) whilst the technical team struggled to resolve the problem. The reality of a real, live, unanticipated crisis underlined the need to proactively plan for the unexpected.

The result of the simulation was quite deliberately that several executives found themselves in a 'pit of despair', imagining all the dreadful possibilities that could befall the project and hobble the business. We capitalised on that despondency the following day as the group reconvened to debrief and agree on action plans. Not surprisingly the sense of engagement with 'planning for success and preparing for a bumpy landing' was pleasingly high! The debriefing brought to life the tired old clichés around requirements for central co-ordination, seamless communication and prioritisation of the business's core activities in the event of an incident or incidents. As a result despair turned to optimism as the team took ownership for managing risk and putting in place their own internal shock absorbers in the 90 days before Phase I go-live.

Putting necks on the line, or forcing a business project team to take ownership of internal shock absorption must be carefully timed - too early on in a project and the understanding of detailed risks and priorities may be too high-level to add real value, too late in a project and there won't be enough time adequately to prepare.

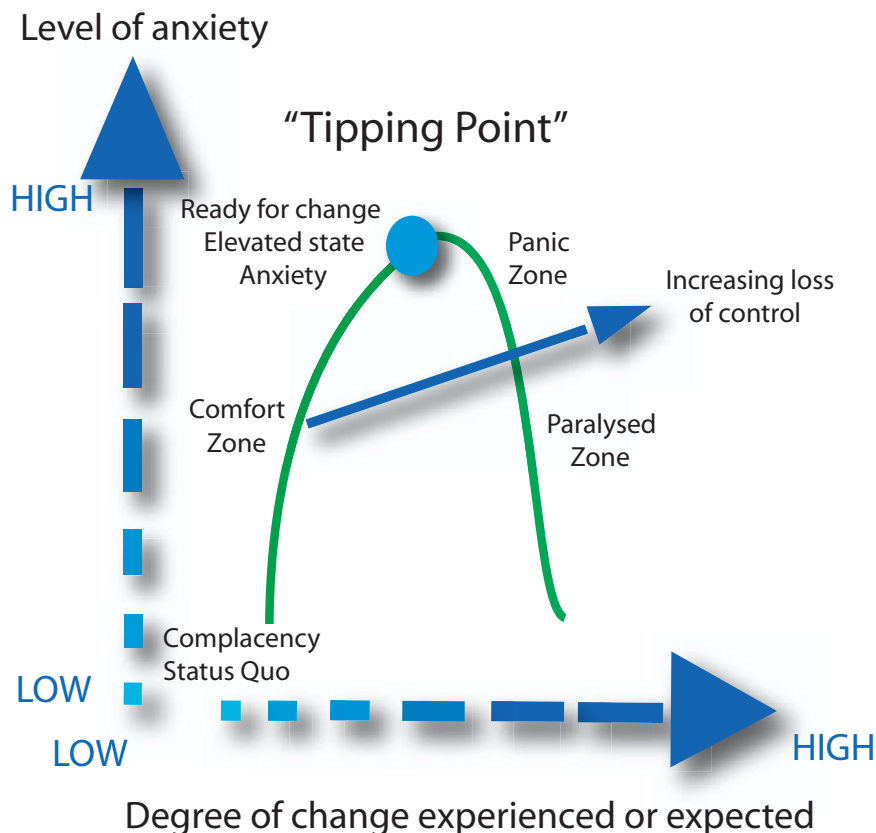
Step 3. Drill ruthlessly

Having won the attention and commitment of the project shock absorption team we needed to focus their energy as effectively as possible on preparing the detailed best practice plans that would allow the business to avoid and survive internal project shocks.

A classic example of good practice in planning for external disruption is Wal-Mart's response to Hurricane Katrina, which hit New Orleans in September 2005. Wal-Mart's Emergency Operations team tracked the storm as it was building and were able to plan well ahead using their established processes. Six days before the hurricane was due to hit the east coast Wal-Mart had mobilised 45 truck-loads of necessary aid to send to the affected area. They went on to pledge \$20million in cash donations, 100 trucks of free merchandise and food for 100,000 meals. The company used a dash-board system to give the operations centre visibility on each store's damage and set up a helpline and website to account for all employees and connect them with family members. Importantly, after the hurricane struck Wal-Mart's employees were given the lee-way to act instinctively and decisively by opening their stores and giving out vital supplies of food, water and clothing to victims. Whilst the US government was lamentably slow to respond, Wal-Mart's early-warning system and pre-planning allowed it to make an immediate impact as soon as disaster struck. The firm was able to re-open 113 of its 126 stores affected by the hurricane in just 18 days.

To do its job of owning internal project shock absorption well, the team must focus on key risk areas and really drill the detail. This work may be best carried out by process area for example or by geographical teams and for each key risk requires systematic investigation and documentation against a number of headings, including – as Wal-Mart demonstrated – early warning signals. What are the signs that a certain threat is materialising? What are the regular checks that can uncover a large problem in its infancy? If these are not already in place, who is responsible for instigating them and by when? Other areas to consider include: risk mitigation, contingency actions and workarounds, recovery implications, resource implications and so on.

Tools to prepare for anxiety and change





In an organisation facing significant change – as Birds Eye Iglo Group was with Pioneer – the success of this Step 3 Drill Ruthlessly is a factor of the organisation’s readiness for change as illustrated here. In relation to the level of change expected the organisation’s collective anxiety level must be high enough to drive urgent and detailed work but not so high as to tip those concerned into panic. A calm and thorough-going approach to shock absorption must inform preparation that is as exhaustive as possible and getting that balance right is a challenge for the leaders of the change. A disciplined and structured process can be extremely helpful here.

Tool 3.1: Punch lists to focus action

In working with BEIG Square Peg created a bespoke ‘Punchlist Template’ to guide the process owners as they prepared for a bumpy landing. Once populated these served as checklists of work to complete pre-go-live and prompted timely discussions between process areas and geographies to ensure plans dovetailed where necessary. As the sample punch list questions here demonstrate they were designed to ensure all details were ruthlessly bottomed out.

Following on from the simulation day we facilitated regular Project Pioneer risk reviews at which the Executive Committee evaluated the levels of overall risk being carried by the project, so as to approve progress towards an eventual go-no-go decision. Reviewing progress against punchlists proved a simple means of evaluating the now decreasing levels of business continuity risk facing the project. This forum also precipitated much needed conclusions on critical points such as who should make the decisions to shift to manual processes, and in the event of a system slow-down which core functions would be given priority. At the Exec level a number of calls were also made on the group wide recovery implications from a period of manual processes – indeed a number of specific contingency actions which had appeared perfectly reasonable from a siloed perspective were jettisoned when it was recognised that the burden of recovery would be impractical for the Group to bear

Sample Punchlist Questions

For each of a set of potential problems the punchlist asks:

- What would be the consequence of this risk being realized?
- What mitigation will be put in place – (action to minimise risk of problem arising)
- What control mechanism will be put in place(early warning signs)
- Who is the owner of this problem?
- Who are the key stakeholders impacted?
- What is the trigger for invoking continuity action – (move to manual)
- Is the continuity action documented?
- How long is the continuity action/ manual process sustainable for? (Hours, days, weeks, months)
- Has the continuity action communicated to all concerned?
- Has the continuity action been tested tested?
- What is the resource plan for this contingency/manual process? (names of potential secondees, hrs required etc)
- Where is the continuity action documentation located? (including hard copy)



Tool 3.2: Continuity rehearsal

The process of drilling ruthlessly should be allocated enough time and resources for its outputs to be iteratively refined. If the organisation is to function seamlessly in the event of a project shock all concerned must be so familiar with the relevant continuity plans that they can be carried out 'with eyes closed'. This requires a cycle of drilling the detail, documenting the continuity process, training the relevant team members and rehearsing. Following rehearsal the processes can be further refined and re-documented, staff re-trained and re-rehearsed. Those whose necks are on the line need to run this step with the thoroughness of a sergeant major drilling her unit

Tool 3.3: Blueprints for flexible response

Whilst it is essential that contingency plans be thoroughly thought through and that those carrying them out are thoroughly trained, it is never possible to cover every eventuality in a preparation exercise like this. So those contingencies that are drilled, tested, rehearsed and documented come to serve as a modular blueprint for action should the business still enter uncharted territory. Just as good disaster recovery practice will have a defined set of procedures for, say 'Evacuating all employees to safety and alerting emergency services', which can be triggered by any number of circumstances previously envisaged or not, likewise robust business continuity plans will have a defined set of procedures for say 'switch to manual order taking' which can be invoked with confidence even in the event of an unforeseen trigger point. Such an approach has the added advantage of providing executives with a framework in which to exercise their own creative judgement – just as the Wal-Mart store owners did– should the need arise.

This step in the approach supports Louis Pasteur's assertion that 'Chance favours the prepared mind'. The better prepared one is, the more likely one is to avoid bad luck and succeed in one's endeavours. The discipline involved in Step 3 Drill Ruthlessly forces executives to think in a new and highly focused way about what it is their part of the organisation contributes – its core activities. Forcing the focus down to each most basic element of the value chain will throw a spotlight on many of the cracks that already exist in the fabric of the organisation's processes and train managers proactively to remedy them (either within or beyond the scope of the shock absorption process). So Step 3 can heighten awareness and drill managers in reviewing and improving process as an on-going discipline. Coupled with the early warning mechanisms Step 3 puts in place it can significantly reduce the likelihood of serious problems arising further down the road.



Step 4. Embrace central command

But that is not to say that responses to project-related shock can be devolved entirely to local management. Remember, it was the implementation of central strategic and tactical teams that was instrumental in Glasgow Airport recovering from the attempted bomb attack in record time. Likewise Wal-Mart's central tracking of demand for prescription drugs at its mobile pharmacies in the Katrina aftermath allowed the company to respond by establishing a headquarters in Betonville to meet displaced persons' pharmaceutical needs.

Should a project-related shock hit, there is a difficult balance to be struck between co-ordinating a central response whilst allowing the appropriate local teams to get on with the fix and the workarounds. Typically there can be some resentment in geographically remote organisations when 'centre' is perceived to be 'meddling' with bureaucratic requests for reporting and control. However in the event of a significant incident there are concrete efficiency advantages to be gained from a central team seeing the whole picture, identifying trends and patterns and directing operations. For this reason it is advisable to mandate a central Incident Management (IM) process with dedicated resources who will co-ordinate responses, facilitate the exchange of critical information and define, if not implement, central communications (including to stakeholder groups). The team may need to be planned in shifts by location to ensure the right skills are always available 24/7 – major incidents rarely respect office hours – and must be equipped in a series of war-rooms with appropriate technology and facilities (conference lines, fax machine, access to food and refreshments etc). Depending on the nature of the shock it may be necessary for crisis responses to be co-ordinated using highly directive leadership – orders must be followed unquestioningly if further disaster is to be avoided, so it's advisable that the IM Team leader have the skills to operate in this manner if necessary.

Managing stakeholders can be critical to containing an incident or project-related shock and traditional business continuity discipline suggests that managing communications centrally is best practice. When Heathrow Terminal 5 went into melt-down on day one there appeared to be no centrally planned approach to keeping staff, customers and media informed. In the absence of concrete information – and under pressure from a failing system – the vacuum was filled with rumour, bitter complaints and gleefully negative media-reporting. By contrast when Glasgow Airport was targeted it simply implemented its pre-planned communications plan. A dedicated media relations and PR team handled nearly 800 calls within 24 hours of the incident. Staff were thanked for their efforts even as the event was unfolding and the general public was kept informed via the internet, Glasgow city centre big screens, e-bulletins and a four week ad campaign on the radio.

Tool 4.1: Standard Operating Processes

Square Peg advised BEIG on embracing central control with the development of a detailed, centralised Incident & Problem Management process which included a communications element, based on three key principles:

1. The approach was designed to minimise bureaucracy
2. Individual incidents were managed by teams as close to the level of the incident or problem as possible, with a central team providing co-ordination
3. There was 3 phased approach post-go-live, hypercare & intensive care and business as usual

To implement the process central and local teams were appointed with technical and business expertise pertinent to the issues most likely to arise in each geography and we designed a schedule of minimum bureaucracy reports and meetings to ensure the team were kept abreast of developments and resolution actions tracked and co-ordinated. In addition incident management software was licensed and training provided (both internally and for those external partners dealing with the system build, infrastructure and technical support) to ensure that each technical problem encountered in the SAP implementation could be captured and methodically tracked.

Applying the lesson from traditional disaster recovery and business continuity disciplines BEIG took a centrally co-ordinated approach to shock absorber communications. Maintaining the flow of communications to and from the users was the designated responsibility of a single member of each local I&PM team. Prior to go-live the I&PM teams were trained in the process and they in turn took responsibility for cascading process instructions to local employees. In line with the principle of local resolution customer communications remained the responsibility of local executives but where appropriate the content of messages for transmission to customers was provided by the central team for translation and localisation.



Tool 4.2: Central processes rehearsal

Square Peg planned and ran a virtual rehearsal for all the I&PM team members. In the course of an afternoon, this simulated a day-in-the-life of hyper care and practiced the use of the online incident management tool, meeting and reporting disciplines that would be mandatory post-go-live. In addition we created a communication campaign including posters, emails and crib sheets to remind employees in the field what to do in the event of a problem.

Step 5. Let what doesn't kill you make you stronger

The final step Internal Shock Absorption process is to internalise the lessons from each shock encountered in order continuously to improve the organisation's ability to withstand disruption – whether it be caused by external or internal events. Lessons from one significant project can be applied elsewhere within the same project or used later on in new projects.

The ability to learn from disastrous experience is exemplified by the UK's largest family run bakery which suffered a devastating fire at one of its bakeries in 2004. The plant in question represented some 20% of the company's production – 2 million loaves a week. The loss of production was partially compensated by enacting the firm's existent practice of switching production between its sites to smooth out volumes. So in the 48 hours following the fire production at other plants had been ramped up sufficiently to ensure all customers received at least some bread. But in addition, the Operations Director swiftly negotiated deals with rival firms to supply Warburton's branded bread using their excess capacity. Within two weeks 80% of production volumes were restored and within three months they were virtually back to normal. What began as a contingency forged in extremis was so successful that the use of competitor's excess capacity has now been incorporated into Warburton's ongoing shock absorption plans.

Tool 5.1: Lessons learnt review

Birds Eye's Pioneer programme presented several opportunities to build corporate resilience by reflecting on shock absorption lessons learnt. During the first days of post-go-live hyper care Square Peg team members conducted an evaluation of the Incident & Problem Management process's effectiveness. This involved observation of the teams at work and reporting disciplines in action alongside interviews with key players to identify areas for adjustment. As a result of our findings – and in response to feedback from the team – the process was tweaked on the hoof. For example the number of significant issues arising simply did not warrant the twice daily I&PM conference calls which had been scheduled and after a few days the meetings were reduced to once daily and eventually weekly. Following successful closure of first month end on the new IT platform we surveyed Pioneer team members and business users to understand what had gone well and what could have gone better. The collated lessons learnt were then fed into the preparations for Phase II go-live in the next wave of countries in scope.

To make the most of project shocks acknowledge that what doesn't kill you makes you stronger. To a certain extent crises should be welcomed as they provide testing ground for managers to take risks, taste failure and develop as leaders.



To conclude

Internal shocks are inevitable – it's how they are dealt with that separates the successful survivor organisation from the victims. At Birds Eye Iglo Group Pioneer was acknowledged at all levels from the Executive Committee to the average technology user to have significantly exceeded expectations. Certainly there were difficulties but the robust shock absorbers in place meant that none had derailed the business and any journalists in search of a fiasco headline would have been sorely disappointed.

At the end of Pioneer's lessons learnt review it was acknowledged that the rigorous preparation for a bumpy landing had significantly contributed to the success at go-live and beyond. Square Peg's common sense 5 step Internal Shock Absorption Process had successfully delivered, using best practice from external incident management and a set of no-nonsense tools. In summary, these were:

1. Face the music

Tool 1.1: Scenario Planning

2. Put necks on the line

Tool 2.1 Disciplined, detail-oriented project management

Tool 2.2 Dedicated, unwavering Project Sponsorship

Tool 2.3 Crisis simulation

3. Drill ruthlessly

Tool 3.1 Punch lists to focus action

Tool 3.2 Continuity rehearsal

Tool 3.3 Blueprints for flexible response

4. Embrace central command

Tool 4.1 Standard Operating Processes

Tool 4.2 Central processes rehearsal

5. Let what doesn't kill you make you stronger

Tool 5.1 Lessons Learnt review

These steps represent a pragmatic framework with which to manage the risk of significant and largely predictable programmes as acknowledged by Birds Eye CIO Tania Howarth: 'Square Peg's common sense approach made a huge difference to the success of Project Pioneer. With their help we planned for success but prepared for a bumpy landing and as a result of the work they led, our landing has been smoother than we ever dared to hope for...



About the author

Phoebe Dunn is a Senior Consultant with Square Peg International and helps organizations develop practical approaches to successfully implementing change through their people. She is known for her thorough-going, politically astute and pragmatic consulting style developed via a diverse background of line leadership roles in strategic planning, research and customer relationship management.

A Chartered Management Consultant Phoebe's business experience in Japan, Europe and Africa is complemented by her training as a linguist and she is an accredited practitioner of the Myers Briggs Type Indicator. She focuses her attention on supporting Square Peg clients in the areas of Strategy, Leadership and the People side of change – including project design and implementation, communications, risk management and executive coaching. She is the author of several articles including 'Stop Throwing good money after bad – breaking the wasteful leadership development spiral' and 'Building successful virtual teams'. Her core expertise is in getting things done in complex, cross-cultural and multi-stakeholder environments

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About Square Peg

Square Peg is an international boutique consulting practice that provides an integrating force in the alignment and effectiveness of organisations. Our services are based on the interrelationship between business strategy, leadership and HR – our focus is to help clients improve performance and drive value.

As business consultants focused on the people side of change, we support clients managing a variety of enterprise-wide changes such as M&As, establishing new mandates, and meeting new expectations.

We maximise productivity, performance and morale and drive value by accelerating results, ensuring their quality, and measuring their impact. From our offices in the UK and North America we assist companies to capture the full value of their investment in people.

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