

Chapter Two

The eXtreme Model for Success

*Simple clear purpose and principles give rise to
complex intelligent behaviors.*

*Complex rules and regulations give rise to simple,
stupid behaviors.*

DEE HOCK, "INSTITUTIONS IN THE AGE OF MARKETING"

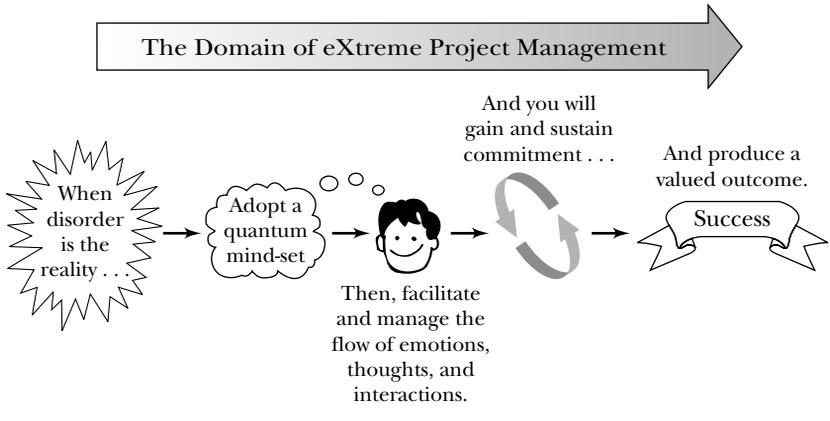
*The fundamental task of leaders is to prime good
feelings in those they lead.*

DANIEL GOLEMAN, RICHARD BOYATZIS, AND
ANNIE MCKEE, *PRIMAL LEADERSHIP*

eXtreme project management is a new way of thinking and acting that's appropriate to projects that live under the special conditions of high turbulence, high change, and high uncertainty. It is about maintaining control and delivering value in the face of volatility. What it takes to succeed on an eXtreme project is the central focus for this chapter.

Two Keys to Success

Success requires adopting a quantum view of the world, a mind-set that is compatible with and thrives on constant change and innovation. By choosing a change-tolerant mind-set, you are choosing a worldview that is in sync with chaos and unpredictability and one that puts the emphasis on people and interactions more so than on processes and tools. By choosing the quantum mind-set, the first key, you have taken the first big step to succeed.

Figure 2.1. The Path to Success

The other key success factor is to be able to gain and sustain commitment to the project mission under conditions that are turbulent and complex—those that feature high speed, high change, and high uncertainty.

And how are these two challenging feats accomplished? In the previous chapter, Margaret Wheatley gave us a hint: she said that managers and leaders are “facilitators of disorder.” How do we facilitate disorder? Dee Hock and Daniel Goleman, Richard Boyatzis, and Annie McKee provide the two secrets to success:

Secret 1: Give people the latitude to put their intelligence to work.

Secret 2: Focus on managing the emotional well-being of the endeavor.

For the project manager, this means facilitating the flow of emotions, thoughts, and interactions in a way that produces a valued outcome (Figure 2.1). How does eXtreme project management get you there? In this chapter, I will address these specific questions:

- What is a project?
- What is project management?
- What is an eXtreme project?
- What is eXtreme project management?
- How is success measured on an eXtreme project?

- Who holds a stake in success?
- What are the elements of the eXtreme project management model for success?

What Is a Project? A New Definition

Here is the official definition of a project as appears in the Project Management Body of Knowledge (PMBOK® Guide), a standard espoused by the PMI: “A project is a temporary endeavor to create a unique product or service.”

This is a technically correct, but it is a lifeless and sterile definition of a project. It fails to capture the dynamics—the motion and emotion—of what a project is all about. It’s devoid of the human element. Contrast it with this new people-centered definition: “A project is a localized energy field comprising a set of thoughts, emotions, and interactions continually expressing themselves in physical form.” Let’s look at what this means.

Energy is the capacity for doing work. This means the higher the quality of thoughts, emotions, and interactions, the greater is the capacity for doing work. When the energy field is toxic, that is, filled with negative emotions, people’s capacity to do work is compromised and reflects itself in project deliverables (physical forms) that miss the mark entirely or are eschewed by customers.

By *localized*, I mean that a project has a beginning and end point. This is nothing new and lines up with the PMBOK definition. What is new is that I’m suggesting that a project is a living thing that is organic and fluid. The noted author of several project management books, Jim Lewis, is fond of saying, “Projects are people.” And how do people spend their time all day? Having thoughts and emotions and interacting. eXtreme project management is centered on and built around how people think, feel, and interact.

I’m suggesting that a project is a living thing that is organic and fluid.

Thoughts express themselves in the form of ideas, decisions, facts, data, and breakthroughs. When thoughts and emotions con-

verge, they manifest in meetings on flip charts and in bar conversations as diagrams on napkins. They spring to life in the form of physical prototypes, pictures, memos, PowerPoint presentations, project plans, and project documents, and the final project deliverable.

Emotions continually express themselves in physical and bodily form when people get angry or smile or when they whip off a sharp e-mail or when they go wild and celebrate victory the first time their experiment finally works. In contrast, traditional project management dwells on the mechanical (read Newtonian) side of things and pays lip-service to the human side. Its body of knowledge is built on practices, procedures, and policies where people become servants of the process. Can we afford to dehumanize projects? Not in a quantum world.

Interactions refer to the intricate web of communication that takes place as information, including thoughts and emotions, is exchanged among project stakeholders. When you look at a project's output, you are seeing the sum total of people's thoughts, emotions, and interactions embodied in physical form.

A project, in sum, is a process throughout which thoughts and emotions take form. You can think of a project deliverable as being that which is in formation, that is, being formed. And as more and more thoughts and emotions are exchanged, the project's end result takes on an increasingly concrete form. In this sense, a project can be thought of as being information; that is, the product of thoughts and emotions taking form. A project's physical outputs live two lives: first as thoughts or ideas and then as a tangible reality. An important goal of eXtreme project management is to collapse the time it takes for thoughts, emotions, and interactions to manifest in physical form.

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which thoughts and emotions take form.*

Traditional project management has appended the human element to its body of knowledge. In contrast, eXtreme project management is based on the human element.

What Is Project Management? A New Definition

Project management, eXtreme or otherwise, involves much more than the act of designing and building the thing or putting in place a new service capability that the customer has asked for. It is not merely about the production of artifacts (Gantt charts, issues logs, status reports and other myriad documents). Rather, it is much more: *project management is the art and science of facilitating and managing the flow of thoughts, emotions, and interactions in a way that produces valued outcomes.*

The fundamental question in eXtreme project management is not how to build a better mousetrap. Rather, it is how to create an environment that will give birth to the best solution for catching mice.

As an energy field, a project consists of much more than its physical outputs and supporting documents, just as an actual vacation is much more than a travel brochure. Not making this distinction leads to the preoccupation that I have observed in many project managers: relentlessly improving the content of the Gantt chart or endlessly tweaking the project plan with the naive expectation that these activities will improve the project's success in the mind of the customer. This is tantamount to upgrading the look of a travel brochure in the hopes of providing a better vacation experience. This fiction of project management has led to the formation of project offices and other project support organizations that have created monumental methodologies, tools, and practices that pump out bureaucracy and project documentation but have little to show for in the way of tangible results that customers see, feel, and put to use. There is lots of ceremony, but where's the cake?

The energy field definition means that project management is first and foremost an interpersonal, people-facing business. It's the creative and generative force behind valued outcomes. It includes, but is not primarily about, the flow of project documents and documentation and the application of project management tools and techniques. Project management is about management by eye contact and not by icon-tact.

Thoughts, emotions, and interactions are the wellspring of creativity. And the quality and flow of thoughts, emotions, and interactions determine the quality and value of the project deliverable.

The energy field definition says that project management is the life-giving force behind valued products, services, and the ultimate business outcome.

Projects are living, breathing things. They are people. They have moods. You can easily experience this for yourself. Think of several familiar projects and ask yourself, Which ones are in a good mood? Which ones are in a bad mood? When a project is in a bad mood, the flow of ideas is stifled, and the energy field becomes dense with a negative charge. Interactions among stakeholders turn to gossip, complaining, criticism, fault finding, whining, and sabotage.

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the flow of ideas is stifled.*

If project management—traditional or eXtreme, and anything in between—is really the facilitation and management of thoughts, feelings, and interactions that give birth to tangible products and services, then these are directly influenced by the emotional state of the project team and other stakeholders. If the team is soured, confused, conflict ridden, callous, and stressed out, these feelings and thoughts will taint and infect the quality of the project outputs. And a better-looking Gantt chart won't help matters. If the team is downbeat and the critical stakeholders perceive the project in a dim light, this attitude will reflect itself in the quality of the final product, just as the quality of sunlight affects the growth of a plant. How something is perceived changes that which is perceived. This is the primary significance of physicist Werner Heisenberg's uncertainty principle, which has been verified repeatedly by experiments with subatomic particles: we cannot observe something without changing it. The perception is the reality.

The new definition of a project and project management shifts the emphasis and focus of the project manager away from the management of the project artifacts to that of creating an environment that fosters good thinking, positive energy, fluid communication, and robust collaboration. This is the lifeblood of successful eXtreme projects. Detoxify the soil, create a greenhouse, and the flowers will flourish.

Creating an environment that fosters positive energy requires managing the flow of your own thoughts, emotions, and interactions under conditions of high stress. That's why self-mastery and leadership by commitment are crucial to your success.

What Is an eXtreme Project?

An eXtreme project is a special kind of localized energy field (comprising thoughts, emotions, and interactions expressing themselves in physical form). It is a complex, high-speed, self-correcting venture during which people interact in search of a desirable result under conditions of high uncertainty, high change, and high stress.

Self-correcting is a key phrase. It recognizes that there are many variables and unknowns both internal and external to the project and the sponsoring organization. No one can keep track of them all. No one knows enough to direct everyone else. This is not the command-and-control school of project management. An eXtreme project cannot be regulated from top down. It can only be guided from above and managed from below as individuals, pairs, and groups of stakeholders continually make self-correcting adjustments as the project goes along while keeping in mind the desired project outcome.

In search of a desirable result is another key concept. It means that an eXtreme project is a discovery process: both the content of the final deliverable and the path to get there will evolve throughout most of the project's life.

What Is eXtreme Project Management?

When faced with a demanding project, eXtreme project management loads the deck in your favor because it puts the emphasis on managing the project's energy field: the thoughts, emotions, and interactions that produce results. eXtreme project management *is the art and science of facilitating and managing the flow of thoughts, emotions, and interactions in a way that produces valued outcomes under turbulent and complex conditions: those that feature high speed, high change, high uncertainty, and high stress.*

In his book *Agile Software Development Ecosystems* (2002), Jim Highsmith uses the term *ecosystem* to describe a holistic environment that includes three interwoven components: a "chaordic perspective, collaborative values and barely sufficient methodology."

The term *chaordic* refers to an endeavor or organization that exhibits properties of both order and chaos in a way that defies management through linear cause-and-effect approaches.

eXtreme project management contributes to success in three ways. First, it recognizes that you don't manage the unknown and unpredictable in the same way you manage the known and predictable. It makes it possible for continuous self-correction to take place in real time. Second, it focuses on gaining and sustaining commitment to the project mission by instilling desire and confidence among key stakeholders. Third, it is much more than just a methodology or another set of software tools and templates: it takes an approach that is holistic, people centered, humanistic, business focused, and reality based.

- *eXtreme project management is holistic.* This is a holistic model that is built around an integrated set of principles, values, and practices that accelerate performance on all three levels: individual, team, and organization. It includes methods, tools, and techniques, but unless these are firmly rooted in the fertile soil of the quantum worldview, they are about as useful as tumbleweeds blowing across a barren prairie. Don't fall into the tool or methodology trap. This is not fill-in-the-blanks project management.

- *eXtreme project management is people centered.* It puts emphasis on managing project dynamics, which means the interactions and communications among the project stakeholders, as well as their changing expectations. Projects rarely fail due to the team's inability to produce a deliverable that is technically sound. Many elegant solutions, systems, and products sit there and rust because they did not meet the real needs of the intended customer. Nor do projects typically fail because the team didn't have the right project management software tool.

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- *eXtreme project management is humanistic.* It is based on the radical position that project success and quality of life are inseparable; that is, a satisfactory quality of life is planned into the project. If the team is demoralized, experience tells us that the project will suffer in terms of schedule, quality, or budget (or all of these).

From an organizational perspective, eXtreme project management should appeal to senior executives who recognize that if an organization runs its staff into the ground on project after project, they will eventually run out the door (even if customers are satisfied), and the business will be adversely affected in its ability to hold and attract good people. Eventually, there may even be a negative impact on the organization's competitive position.

eXtreme project management makes processes and tools the servants of people. It is ever mindful of the Sirens' call that lures people into becoming unwitting slaves to well-intended but cumbersome methodologies, templates, and software tools that stifle motivation, innovation, and high-quality work and otherwise contaminate the project's energy field, putting the endeavor in a bad mood.

- *eXtreme project management is business focused.* It recognizes that a project is first and foremost a business venture. The project team relentlessly focuses on delivering value early and often. And eXtreme project management incorporates the realization of business benefits after delivery of the project's output.

- *eXtreme project management is reality based.* It provides tools and methods that are practical and proven to work in project environments that feature constant change and high unpredictability. It recognizes that you are wasting your time trying to change reality to fit your project plan. Byron Katie, author of the book *Loving What Is* (2002), says in her workshops, "When you argue with reality you lose, but only 100% of the time." The motto for eXtreme project management is, "Reality rules."

How Is Success Measured on an eXtreme Project?

Since eXtreme project management is people- and customer-centric, it will come as no surprise that success is measured as follows:

- Customers are happy with progress and interim deliverables. There is a general feeling that the project is moving in the right direction despite the surrounding volatility. Tangible results are being produced—things that customers can see and feel.
- Customers are happy with the final deliverable. It meets the success criteria that have been agreed on throughout the project's life cycle.

- The downstream (postproject) benefits are realized. The intended business benefit for having undertaken the project in the first place is measurable and has materialized.
- Team members enjoy a satisfactory quality of life throughout the project. When asked if they would be willing to participate on a similar project, a majority of team members would answer yes.

A short way of saying this is that customers receive value throughout the whole life of the project and the project team feels good about the experience.

Who Holds a Stake in Success?

If projects are people—their thoughts, emotions, and interactions—then relationship management becomes the main focus of eXtreme project management. On eXtreme projects, the key to success is other people. It's stakeholder management, which means relationship management. It's politics.

On eXtreme projects, the key to success is other people.

Anyone who participates on a project or who is affected by the project (during or after completion) is a stakeholder. Stakeholders provide vital goods and services in many forms, including authority to do things, other projects you depend on, information, feedback, labor, cooperation, decisions, approvals, and advice. Other projects that depend on your project are also stakeholders. Stakeholders can also put up roadblocks and find subtle ways of sabotaging a project.

Because many eXtreme projects have high stakes and are organizationally complex, with impacts on multiple departments, systems, and processes, the size of the stakeholder community can be formidable. Managing their conflicting expectations is the biggest challenge facing eXtreme project managers. In Chapter Seven, I'll go into more detail on the major stakeholder groups. For now, I simply set out the magnitude of the challenge by showing this lineup of people who populate the project's energy field:

- You and your family
- The project sponsor
- Customers
 - Business owner
 - Functional ambassadors
 - Delegate users
- Producers
 - Project manager
 - Core team
 - Project contributors
- Suppliers
 - Vendors and other outsourcers
 - Consultants
 - Contractors
 - Resource managers
- Support staff
 - Facilitator
 - Project administrator
 - Project office
- Dependent projects
 - Projects you depend on
 - Dependents on your project
- Influencers
 - Upper management
 - Review board
 - Your boss
 - Functional departments
 - Unions
 - Families
- External
 - Competitors
 - Government agencies and politics
 - Special interest groups
 - Media
 - The public

In addition, there are organizational influences to contend with. These include the systems, policies, and procedures (no doubt all based on a Newtonian mind-set) that you have to live with

unless you can find a guardian angel who can allow you to bypass those that get in the way.

An organization's culture—the way things are done in a particular organization—can also be a big influence. If you work in a command-and-control culture, you will likely encounter little tolerance for collaborative decision making, a key ingredient for success on eXtreme projects.

What Are the Elements of the eXtreme Model for Success?

To succeed on an eXtreme project requires gaining and sustaining commitment to the project mission through its life cycle. This is accomplished by applying the quantum mind-set: to facilitate, lead, and manage the project according to a set of principles, values, and practices that are compatible with change and uncertainty. These form the soft and the hard glue of eXtreme project management and are embodied in the form of these elements:

The 4 Accelerators—the principles for unleashing motivation and innovation

The 10 Shared Values—the components of the value system that establish the trust and confidence needed to succeed

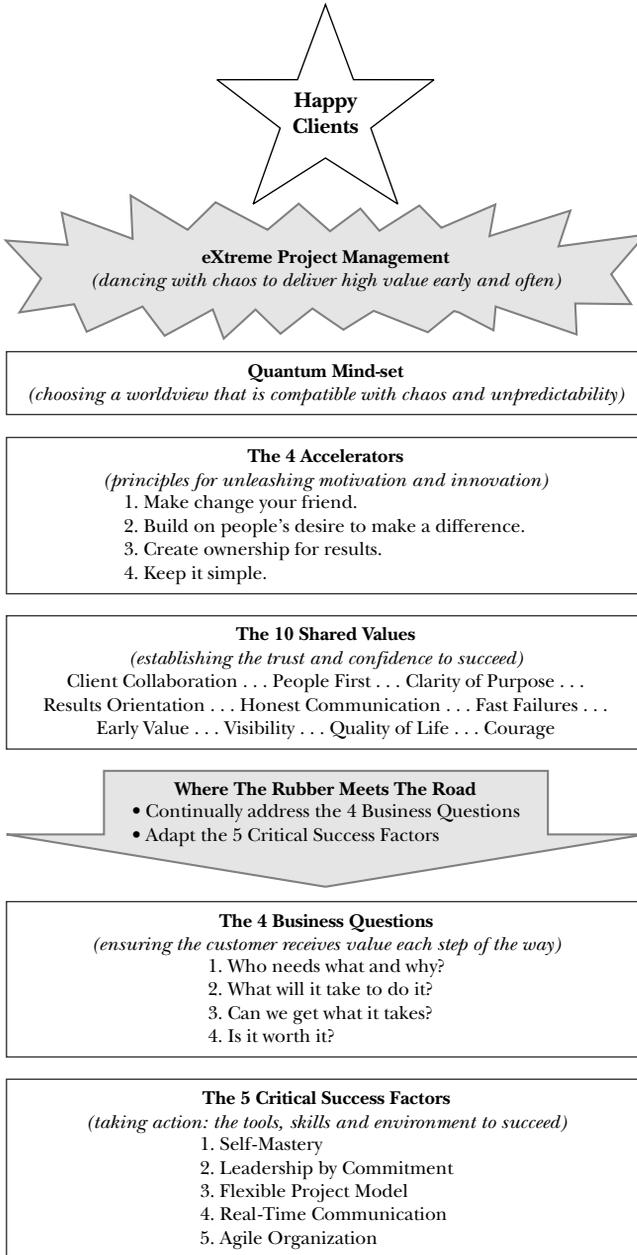
The 4 Business Questions—the questions that when they are continually addressed ensure that the customer receives value each step of the way

The 5 Critical Success Factors—the essential skills and tools and the environment that make it possible to take action in a way that produces valued results for the project's customers

Orchestrated together, these elements make it possible to maintain control in the face of volatility and vastly improve the chances of delivering value early and often to customers.

The 4 Accelerators and 10 Shared Values are people oriented and form the bedrock of eXtreme project management. Unless this foundation is in place, the 4 Business Questions and 5 Critical Success Factors will stand on a bed of quicksand. All of these work together to keep the project's energy field vibrant and productive (Figure 2.2).

Figure 2.2. The Model for eXtreme Project Management



*The 4 Accelerators and 10 Shared Values
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of eXtreme project management.*

Unleashing Motivation and Innovation: The 4 Accelerators

The 4 Accelerators speed up the flow of positive energy throughout the project's energy field. They enable the stakeholders and the team in particular to be adaptive. Keeping these guiding principles in mind will go a long way in keeping a project moving and the team committed and creative. By *committed*, I mean a sense of ownership. Importantly, these accelerators also form the fertile soil that gives birth to innovative products and solutions. And they go a long way to establish the desire to succeed.

The 4 Accelerators, covered in full in Chapter Five, are summarized here:

1. *Make change your friend.* Change carries a negative connotation on projects. It disrupts things. It's not something that is typically welcomed, and that's why traditional project management makes a big deal out of change control.

eXtreme project management requires a different attitude about change—one that says change represents opportunity and that welcoming change improves the chances of delivering the desired result (which is likely to be vastly different from the originally planned result).

In practice, making change your friend means accepting what is and moving on from there.

2. *Build on people's desire to make a difference.* I don't think many people get up in the morning excited about getting back to their projects. In fact, the word *project* has a dispiriting sense associated with it. People are more likely to rise and shine if they know they are on a mission; that is, they see their project not so much as a project but as a cause. When put into practice, this second accelerator means showing people how their job contributes to the bigger picture by providing a sense of meaning and purpose.

3. *Create ownership for results.* People support what they create. I may feel good about being part of an important project, but if it is

a risky venture, as are all eXtreme projects, I will want to have a voice in shaping the project. In practice, this principle means to trust in people's expertise and commitment and afford them the opportunity to influence how to succeed on the overall project, including how performance will be measured.

4. *Keep it simple.* The old KISS principle—Keep It Simple, Stupid—is much more than lip-service on an eXtreme project. It's taken seriously. In practice, it means less is more: less process, less project management overhead, fewer policies and standard operating procedures.

Establishing the Trust and Confidence Needed to Succeed: The 10 Shared Values

This is the value system that fosters a strongly held belief among project stakeholders that by working together they can succeed, even in the face of volatility and adversity. It comes down to what Henry Ford said: "If you think you can, you can. If you think you can't you can't. In either case you are right."

These 10 Shared Values relate to people, process, and business value (they are covered in full in Chapters Five through Seven):

People Values

1. People First—eliminating barriers so that people can do quality work
2. Honest Communication—acting with integrity and speaking the truth about the good, the bad, and the ugly without fear of reprisal
3. Quality of Life—ensuring that the project strikes a satisfying balance of work life and personal life
4. Courage—having the fear and doing it anyway; doing it scared because it's the right thing to do

Process Values

5. Client Collaboration—ongoing interaction and feedback with the customer throughout the venture as opposed to the customer's handing off the requirements and disengaging
6. Fast Failures—finding the quickest path to failure by tackling the most difficult, risky, or important work very early on

7. Visibility—keeping everything out in the open for all to see: plans, progress, work products, issues, who’s accountable for what

Business Values

8. Clarity of Purpose—understanding not only the goals of the project but the bigger picture: why it’s being undertaken in the first place
9. Results Orientation—focusing on the completion of deliverables rather than on tracking tasks
10. Early Value—giving customers something they can put to use as soon as possible

The 4 Business Questions

The 4 Business Questions serve as a constant reminder to all stakeholders that the project is first and foremost a business venture: the goal is to deliver value each step of the way, as well as during the benefits realization stage, which begins after the final project output has been produced.

These are the 4 Business Questions (they are covered in detail in Chapters Five and Eight):

1. Who needs what and why?
2. What will it take to do it?
3. Can we get what it takes?
4. Is it worth it?

In practice, applying the 4 Business Questions means continually updating the business case to reflect the latest expectations and projections.

Putting in Place the Skills, Tools, and Environment to Succeed: The 5 Critical Success Factors

The 5 Critical Success Factors (CSFs) are where the rubber meets the road. They employ the 4 Accelerators, the 10 Shared Values, and the 4 Business Questions by building them into the life of the project. They also speak to the skills, methods, and practices that are essential to lead, plan, manage, and track the project from start to finish and to assimilate change along the way.

CSF 1: Self-Mastery

CSF 1 recognizes that you cannot separate your project from yourself any more than you can separate the wet from the water. To stay sane over time means being able to keep a grip on yourself as well as on the project. An eXtreme project is stressful under any circumstances. It can follow you home at night and live rent-free in your head, depriving you of a personal and family life. Self-Mastery means the ongoing practice of leading oneself. In the absence of even a modicum of Self-Mastery, the eXtreme project manager will soon realize that he is out of control and no longer has a project; rather, the project has him. Unless you choose Self-Mastery, you are by default choosing self-misery. The goal is nothing less than inner peace. Self-Mastery is the subject of Chapter Three.

You cannot separate your project from yourself any more than you can separate the wet from the water.

CSF 2: Leadership by Commitment

The job of the eXtreme project manager is to gain and sustain the commitment of others. This person is able to unleash motivation and innovation, establish the trust and confidence to succeed, ensure the customer receives value each step of the way, and maintains control in the face of volatility. To do this requires that the project manager become the steward of the project's energy field and the process leader who manages and facilitates the flow of emotions, thoughts, and interactions in a way that produces valued outcomes. By effectively (or ineffectively) managing the project's energy field, the eXtreme project manager creates the circumstances for success (or failure). Because of the critical importance of leadership for eXtreme Projects, four chapters (Chapters Four through Seven) cover all aspects of leadership in detail.

CSF 3: Flexible Project Model

The Flexible Project Model is iterative and consists of four cycles plus one element called Disseminate. The model spans project start-up to project turnover. Its purpose is to provide just enough discipline to allow people the freedom to innovate and to get work

done. Similar to the structure of a jazz composition, the flexible model provides the framework for people to improvise when needed but without losing control of the project. The four cycles are: Visionate, Speculate, Innovate, Reevaluate, plus the final element called Disseminate.

Part Three presents a complete guide to using the flexible project model. Here is a brief overview of each element.

CSF 3.1: Visionate: The What

A business problem or opportunity has been presented. Face-to-face sessions between the project sponsor and crucial stakeholders are held in which all come to a collective vision and clear understanding of the business opportunity to be pursued or the problem to be solved. During the initial scoping meeting, a prioritized set of requirements is agreed to, as well as how success will be measured. This is an initial definition and is expected to change as project work commences.

CSF 3.2: Speculate: The How

Some high-level planning is done very quickly to sequence the deliverables and identify milestones. This is documented and agreed to by all parties, along with the expectation that it will change as project work commences.

CSF 3.3: Innovate: The Doing

Innovate takes place within predefined time frames. The emphasis is on experimenting and rapid development, generating real-time feedback from the customer. At the end of the time frame, the results are prepared for review, which takes place during the Reevaluate cycle.

CSF 3.4: Reevaluate: The Reviewing

The customer and team review the results. Were the requirements met? Have they changed? The results are reviewed against the 4 Business Questions. And if there is still value in moving forward, the team cycles back to Speculate, to make the next time-framed plan in order to start the next round of innovating. The Speculate-Innovate-Reevaluate sequence is repeated until the time and cost budgets have been expended or the desired result has been achieved.

CSF 3.5: Disseminate: The Harvesting

When all the dust settles, eXtreme projects are about accomplishing something useful and turning that over to the project customer and beginning the benefits realization plan.

CSF 4: Real-Time Communication

Things happen fast on eXtreme projects. People need information about the good and bad so that they can self-organize into groups to make decisions. They need a forum for discussion and debate so that the best options are surfaced and addressed. They need to share documents and have ready access to project management tools. Stakeholders need to be kept up to date. Real-Time Communication means to put in place the project management infrastructure to ensure that information is available at any time to anyone who needs it in order to speed the flow of thoughts and ultimately decisions. Chapter Fifteen explains this CSF in practical detail.

CSF 5: Agile Organization

Projects are like flowers. If the soil is toxic, one or two flowers may survive, but sooner or later the crop will die. Agile Organization means putting in place a change-tolerant, project-friendly culture that recognizes and supports the special needs of different projects from traditional to eXtreme. The goal of a change-tolerant organization is not to ensure that projects are delivered on time, on scope, or on budget but rather to ensure that the project delivers the intended business outcome. This topic is covered in Chapter Sixteen.

Let's begin by examining the leadership skills needed for an eXtreme world, taking a look at the first Critical Success Factor: self-mastery.