



Transforming with PROJECTS: Fatal Mistakes

Fatal Mistake #1 - Overcrowding the Canaries

(Overall Budget is \$100,000)

Project A ~~\$80,000~~

Project B ~~\$17,000~~

\$97,000

Add Project C ~~\$3,000~~

① *The Canary Decision* begins when the leader starts a small \$3,000 project believing that it can be completed quickly because there is some free time and cash available to spend. Impact: Additional project has unexpected challenge requiring an additional \$2,000 to complete the project.

② Decision made to slow down and cut back Project B due to resources required for Project C including capital and manpower. Impact: Project timeline changes due to contractor commitments. Delay also impacts opportunity cost. Project total now \$21,000.

③ Combined impacts create a juggling of cash environment with vendors. Group is now distracted by other work and projects. Project completed 2 months behind schedule.

④ Employee confidence in leadership drops. A leader unexpectedly decides to take another job with competitor. Leader is constantly fire fighting due to delays and overruns. New project to hire leader becomes a #1 priority resulting in months of work. Target goals not reached. Sold to organization as, "This is just normal everyday business."

Fatal Mistake #2 - The Jumper

Project A (3 Months)

Project B (2 Months)

