

LETTER FROM THE EDITOR-IN-CHIEF

Applying General Principles to Unique Situations

by Dr. Alexander Laufer

Good project managers understand that it is important to involve the customer in the project deeply. Involvement can mean a lot of things, but generally it requires the project manager to listen to and be responsive to the customer's needs.

Listening and responsiveness do not mean always accepting the customer's point of view. Let me share with you two examples in which customers were deeply involved in the projects, but the extent to which their initial demands were met differed considerably.

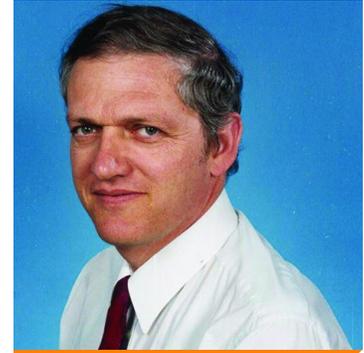
One project entailed the design and building of a facility for ecological research and was operated by a local university (the customer) at a site operated by the Department of Energy (DOE). The facility would house a veterinary-type clinic for observation, surgery and autopsy of small animals. As most of the researchers using the facility would have offices in other locations, the customer required only a single telephone line for the entire facility.

The DOE site manager decided that the facility must comply with DOE standards, and this included multiple phone lines, fiber optics, computer capability, and a fire notification system. These applied to all new facilities constructed no matter what their functions.

The customer was furious when informed of this because these requirements were going to add substantial cost to the project, and the customer had a limited budget. At that point the customer proposed doing away with all the communication lines to the facility, settling for a cellular phone. The DOE site manager still found this idea unacceptable; all facilities located on site must be on the site system.

It was a delicate situation for the DOE project manager, whose job was to provide oversight of the project and serve as the go-between for the customer and the DOE site manager. Despite the site manager's requirements, the project manager was convinced that the customer was right. Under these unique circumstances, the Project Manager believed the DOE standard was inappropriate. The site manager however was adamant about his requirements. Thus, the Project Manager decided to take the case to DOE headquarters and argue on behalf of the customer.

In this case, a waiver was granted. The facility was constructed with a single phone line, and the project was completed within budget.



ABOUT THE AUTHOR

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Applying General Principles to Unique Situations (cont'd)

In the second project, led by the same Project Manager, the mission was to design and build a new facility to test products for five different customers. The new facility was to provide environmental test chambers that could quickly raise and lower temperatures. Each customer had completely different temperature requirements for the products that were to be tested. This meant that the facility had to provide multiple ovens or additional environmental chambers to satisfy all the different requirements. The result was that the total estimated cost of the facility was much higher than the approved budget.

“While the Project Manager wanted to satisfy his customers, he realized that unless he found a way to get them to relax their requirements they would all wind up with nothing.”

The Project Manager approached the customers separately and tried to get them to relax their requirements so that the project would be able to meet its budget. The customers listened to him, but were clear that they could not compromise on their requirements. While the Project Manager wanted to satisfy his customers, he realized that unless he found a way to get them to relax their requirements they would all wind up with nothing. Therefore, he decided to approach them one more time and to ask them to relax their requirements, but this time he approached them as a group.

Each customer was provided with the temperature ranges required by all the other four. They all were requested to adjust their requirements to the next closest set of requirements. At first, there was resistance to changing anything. Each customer felt that the requirements could not be changed. But once they realized that unless they collaborated, none of them would get anything, they worked together to streamline their requirements so the project could succeed. By combining requirements, they were able to reduce by half the number of ovens and environmental test chambers. In the case of special needs, small units would be purchased at a greatly reduced cost. Since fewer units were needed, the size of the facility was likewise reduced.

“Context is the key.”

In both examples the project manager worked with the customers and met budget constraints. However, in the first case he was willing to confront authorities in order to meet the customer's requirements, while in the second case he confronted the customers and convinced them to modify their requirements. These two examples demonstrate that when it comes to meeting customer needs, context is the key.

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Applying General Principles to Unique Situations (cont'd)

Lessons

- Is the customer always right? Generally yes, but sometimes in order to serve the customer properly you have to persuade the customer to see beyond what they think they need to what is in the best interests of the project. This is especially true when pursuing all goals means getting none of them.
- You should always involve customers in a project, but you should not adopt a one-size-fits-all approach for satisfying their needs. You must recognize that situations and customers are different, and therefore they demand a different response. Context is the key.
- When necessary, the project leader must fight for flexibility of standards to benefit the unique needs of a customer.