

# **Risks?**

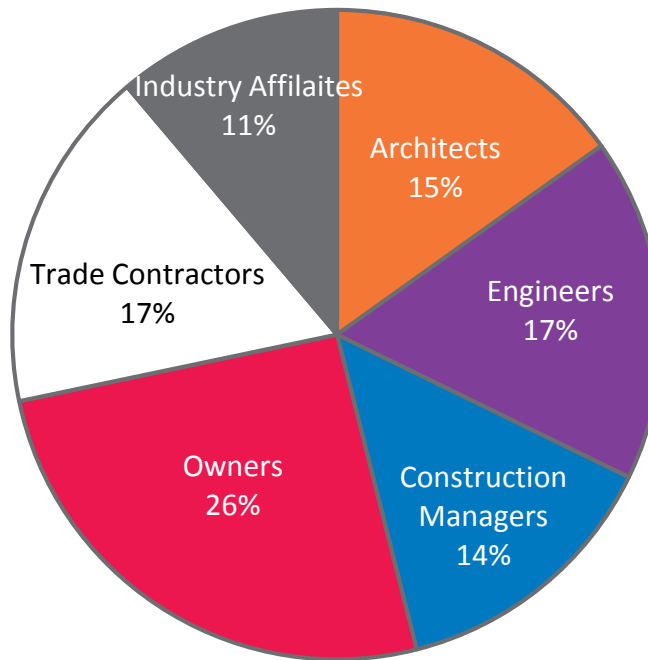
# **Or the Keys to Success?**

October 17, 2018

# Welcome!

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## Cogence Partners (NEO & NWO) as of October 2018



## Agenda


- Summary of Risk Data Analysis (20 Min)
- Identify Necessary Leadership Traits (30 Min)
- Create a Leadership Toolbox (45 Min)
- Next Steps (5 Min)
- Plus/Delta (10 Min)

# Risks? Or the Keys to Success?



# Understanding Risk

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## April 2018: Groups “Siloed” by Partner Type. Identify Risks. 100+ Identified

Architect	Soul-Isolates or Engulfs
Architect	Soul-Allowing team to get Vision (Bidding vs. Design Time)
Architect	Soul-Reputation
Engineers	<b>E/O - drawings never perfect</b>
Engineers	<b>Not at table early enough in the process or throughout the process</b>
Engineers	<b>Architect/Owner/Contractor - PM experience/ineffectiveness</b>
Engineers	<b>Contractor performance</b>
Engineers	<b>Lack of understanding expectations -misaligned expectations</b>
Engineers	Effort exceeds fee - Overcommitting
Engineers	Fee / Budget / Criteria - Do Not Align
Engineers	Unrealistic Owner / Client expectations
Engineers	Lack of direct communication with Owner / Client / Trade Contractor
Engineers	Subjective design result.(?)
Engineers	Adequate scope / time during construction
CM/GC	<b>Expectations-Setting project foundations based on misaligned expectations (Schedule, Budget)</b>
CM/GC	<b>Risk of Overcommit-Ramification of telling Client that expectations are unrealistic</b>
CM/GC	<b>Change of Leadership-Changing expectations during project</b>
CM/GC	<b>Trade Contractor-Performance, Workload (over extended),</b>
CM/GC	<b>Management, Financial (bad estimate/bid)</b>
CM/GC	<b>Onboarding too late</b>

# Understanding Risk

## May 2018: Cogence Resource Committee Summarized Risks into 7 Categories.



The Risks We Face in Executing A Project

Leadership		Communication	
Change within Project Timeframe Lack of Engagement Misalignment of Personalities Not Involved Early Enough to Affect Outcome		Lack of Transparency Not Open, Honest, Timely Fails to Clarify Intent Does Not Happen	
Failed Expectations		Contract Issues	
Schedule / Budget Not Realistic Overcommitting Forced to Accept Deficiencies Assumptions Made on Incomplete Information		Scope Not Detailed Shift Risk to Inappropriate Party Not Negotiable Not Properly Coordinated with Team	
Financial	Project Management		Quality
Schedule Delays Business Operations Effort Exceeds Budget Pricing Assumptions Cash Flow Estimates Based on Incomplete Info. Aligning pricing structure to compete with market	Inexperience Not Being Clear with Performance Expectations Scope Creep / Scope Change Reliance on Consultant / Sub Performance Overextended Workload Not Involved Early Enough to Affect Outcome		Poor Craftsmanship Incomplete / Conflicting Docs. Constructability Issues Poor Performance Drawings Never Perfect / E&O Changes in Scope Without Change to Schedule; Quality Suffers

Educate. Inspire. Unite.

*Inspire. Educate. Unite.*

# Understanding Risk

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- June 2018: Partner Groups populate these risks on a timeline.



# Why the focus on risk?

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Abraham Harold Maslow was an American psychologist who was best known for creating Maslow's hierarchy of needs, a theory of psychological health predicated on fulfilling innate human needs in priority, culminating in self-actualization.





# Why the focus on risk?

Risk

Security

Control

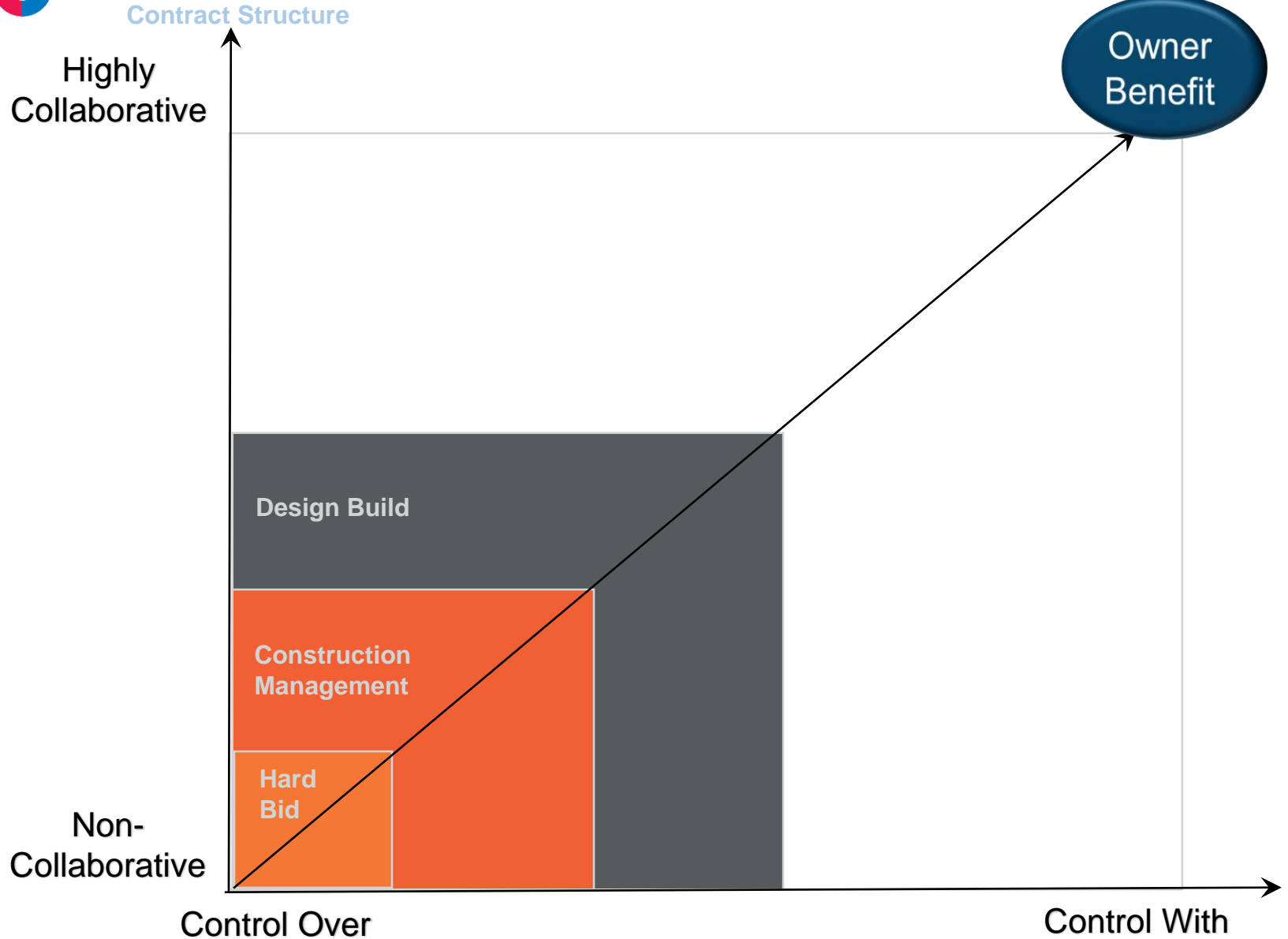
How Does This Make Us Behave?

In The Best Interest of All?



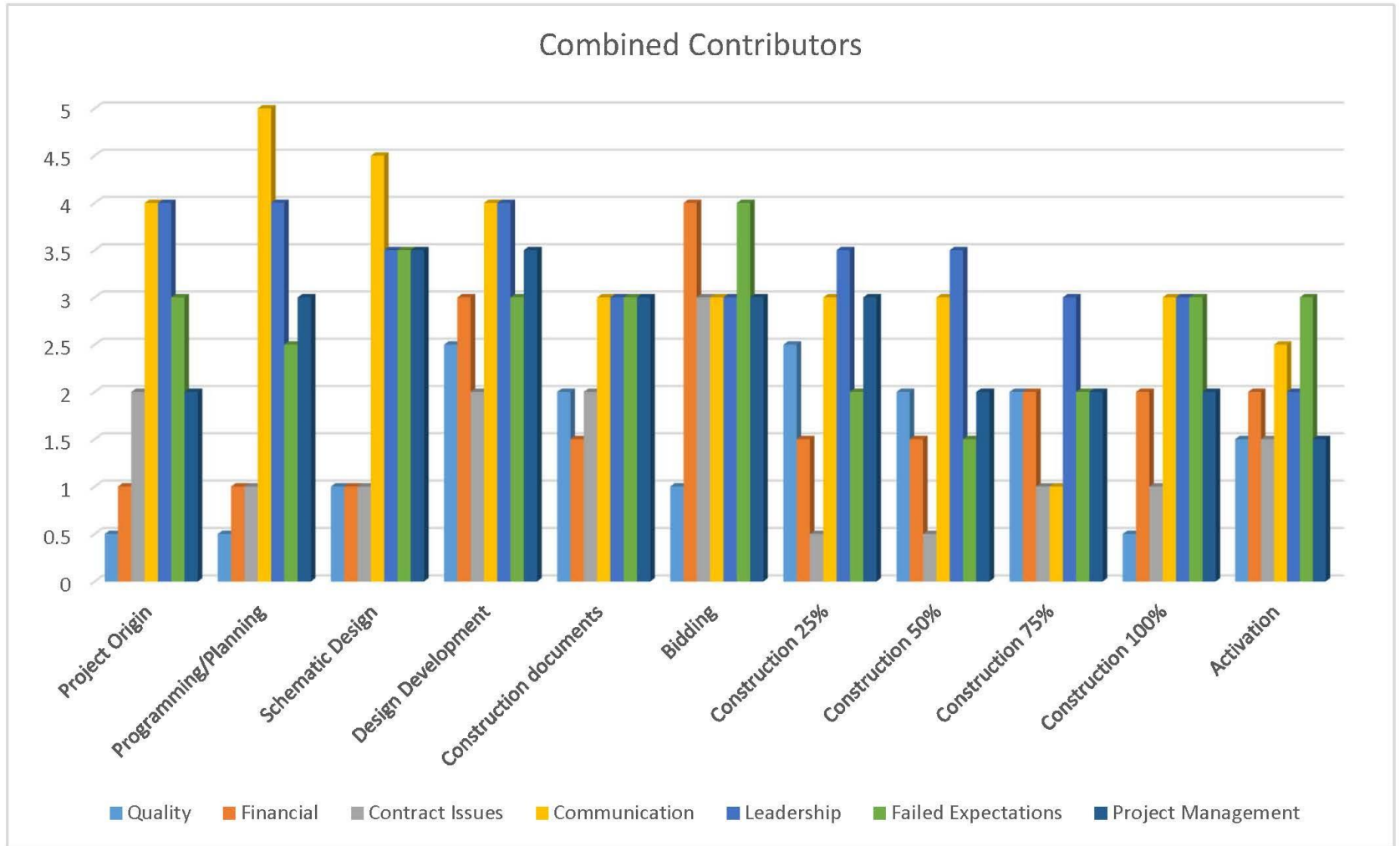


# How Do We Apply This?



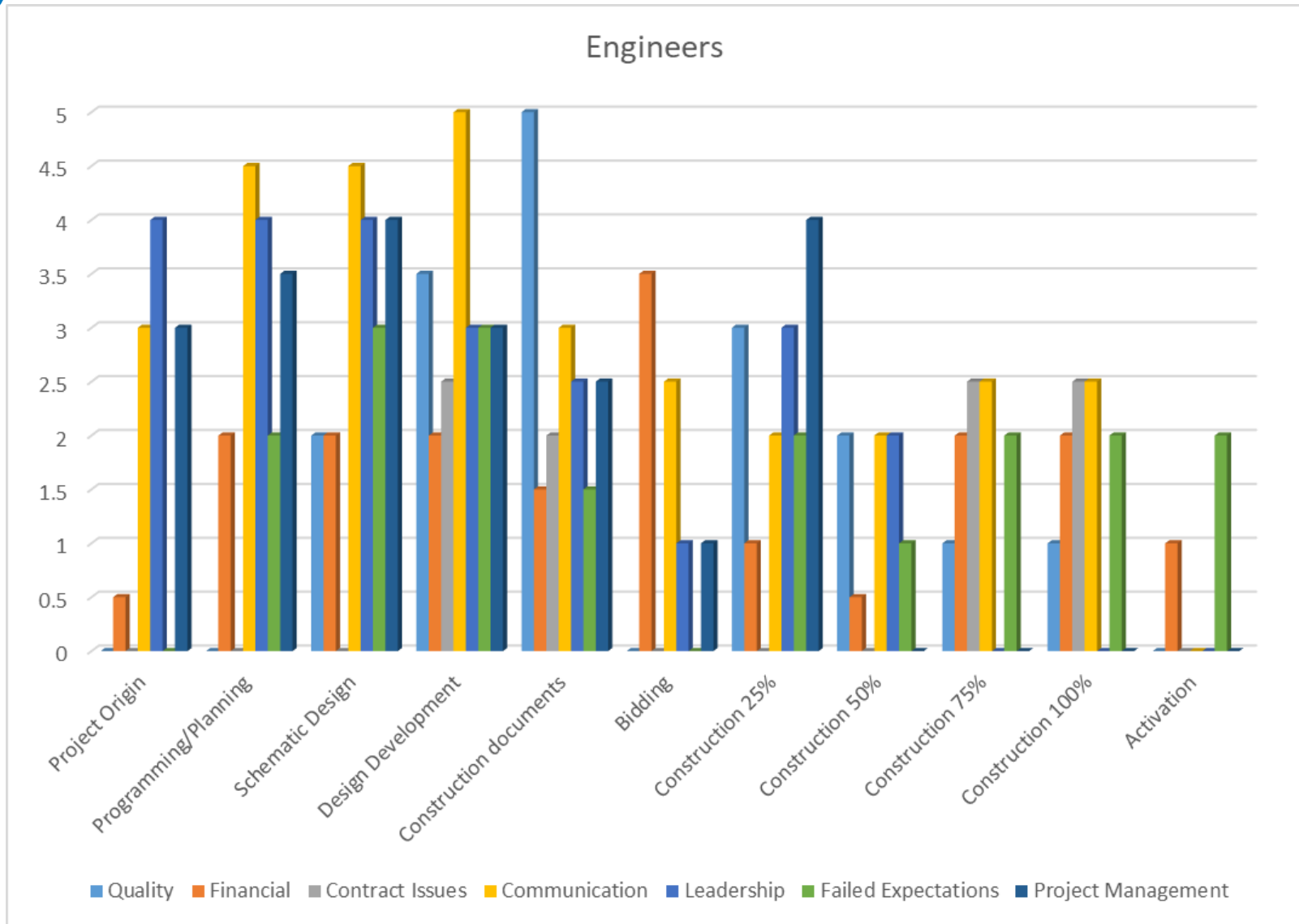


# Analyzing the Input:





# Example of input from the “Engineer” Group





# Beginning to Recognize Patterns

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Category	Risk Level Average	Risk Rank Within Category	Timescale Rank
Quality	1.5	6th	7th
Financial	1.9	5th	6th
Contract Issues	1.4	7th	4th
Communication	3.3	2nd	1st
Leadership	3.3	1st	2nd
Failed Expectations	2.8	3rd	5th
Project Management	2.6	4th	3rd

# Patterns of Risk

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## Magnitude of Risks In Order:

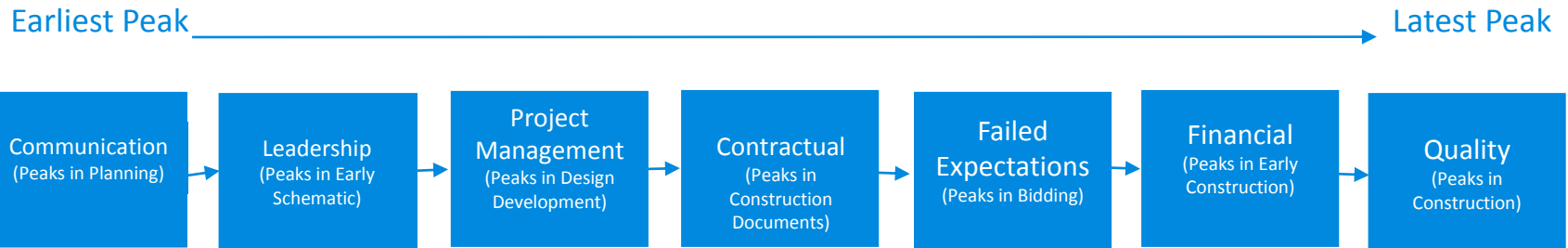




# Patterns of Risk

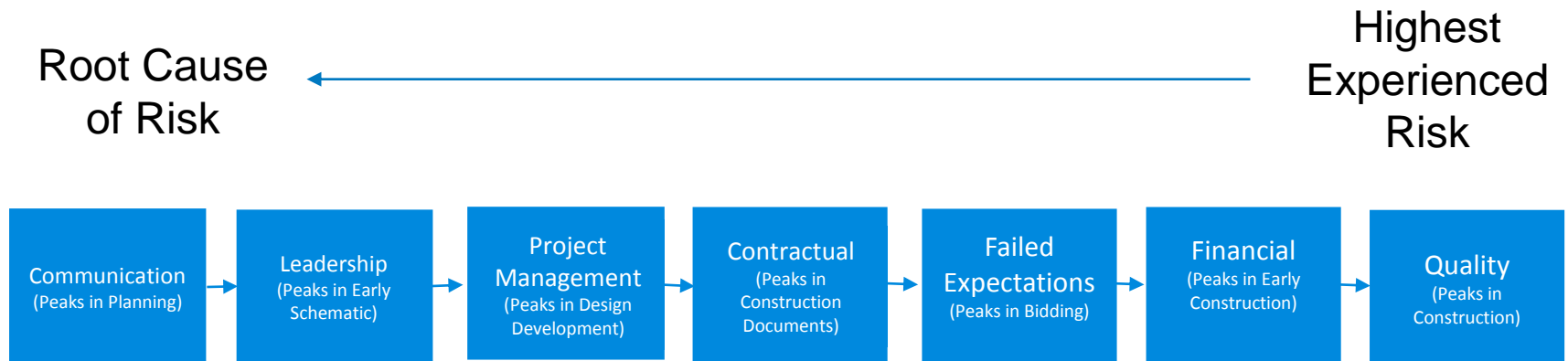
## Peak Risks Experienced In Order:

Whole Team Timeline of Peak Risk Perception



# Mitigating Risks

- The highest level of felt risk is associated with risks that the experienter has little ability to control at the time they are experienced.

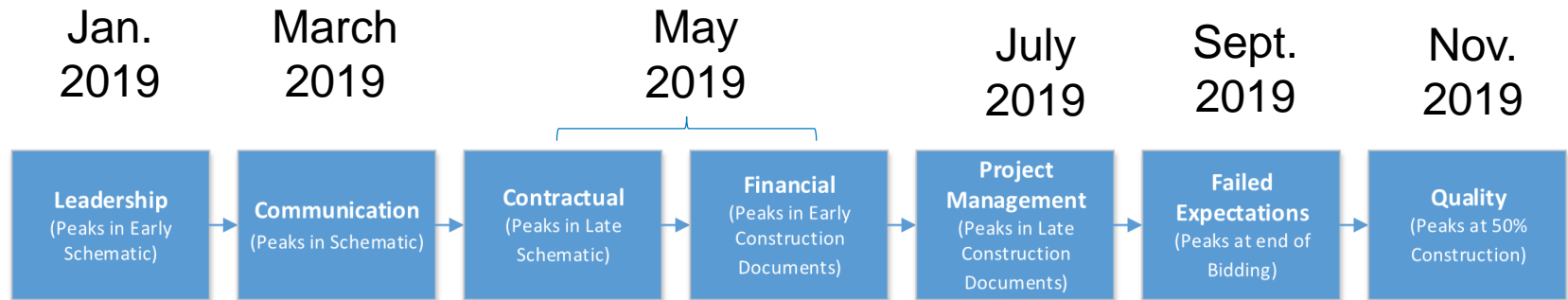




# Cogence Calendar of Events

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- **Cogence Sessions For 2019 will be structured to follow this Cause and Effect Timeline:**





# Compare to Survey of Cogence NEO Partners

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Category	Risk Rank Within Category NWO (NEO)	Timescale Rank NWO (NEO)
Quality	6th (7)	7th (7)
Financial	5th (4)	6th (4)
Contract Issues	7th (3)	4th (3)
Communication	2nd (2)	1st (2)
Leadership	1st (6)	2nd (1)
Failed Expectations	3rd (1)	5th (6)
Project Management	4th (5)	3rd (5)

# Conversation on Leadership



# Importance of effective leadership

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- Effective leadership mitigates risk of negative project outcomes.
- Effective leaders are engaged and have a positive project impact.
- Effective leaders maintain consistent personnel throughout project timeline.
- Effective leaders create opportunity for clarity in roles and responsibilities.
- Effective leaders proactively engage key players to a project.
- Effective leaders foster productivity and quality with forward-thinking actions.



# Leadership Traits that Bear on Project Performance

## Project Delivery Leadership Traits

Respectful	Creates Vision	<b>Honest</b>	Prepared
<b>Decisive</b>	Inspiring	Honorable	Organized
Solution Minded	Motivating	Trustworthy	Proactive
Informed	Empowering	Emotionally Stable	Forward looking
Factual	Enabling	Resilient	Fair
Logical	Creates Engagement	Confident	Cooperative
Authoritative	Effective Communicator	Consistent	Demanding
Coach	Accessible	Dependable	Responsible
Listener	<b>Open</b>	Supportive	
Understanding	Aware	Transparent	

*Inspire. Educate. Unite.*



# Leadership Toolbox

Trait	Method	Discussion Notes
<b>Honest</b>  ✓ Transparency ✓ Integrity ✓ Humility ✓ Courage ✓ Secure  x Political x Not Forthcoming x Omissions x Tattle Tale	"Walk the Walk"	Practice what you preach
	Speak the truth regardless of circumstances	
	Don't wait until you get caught	Be forthcoming
	Honesty expected. Not perfection	Mistakes will happen
	Not the smartest person in the room	
	High self reliance	
	Accept responsibility	



# Leadership Toolbox

Trait	Method	Discussion Notes
<b>Open</b>  ✓ Humble ✓ Transparent ✓ Vulnerable ✓ Available ✓ Approachable ✓ Receptive ✓ Good Listener ✓ Empathy  × Closed off × Stubborn × Evasive × Remissive × Arrogant	Have regular opportunities for collaboration	
	Check your ego	
	Know what you know Know what you don't know	
	Active listening	
	Appreciative Inquiry	Focus on how things work BEST
	Communicate clearly	Review conclusions for consensus
	Respect all viewpoints	
	Shut off your device	
	Express the common goal	



# Leadership Toolbox

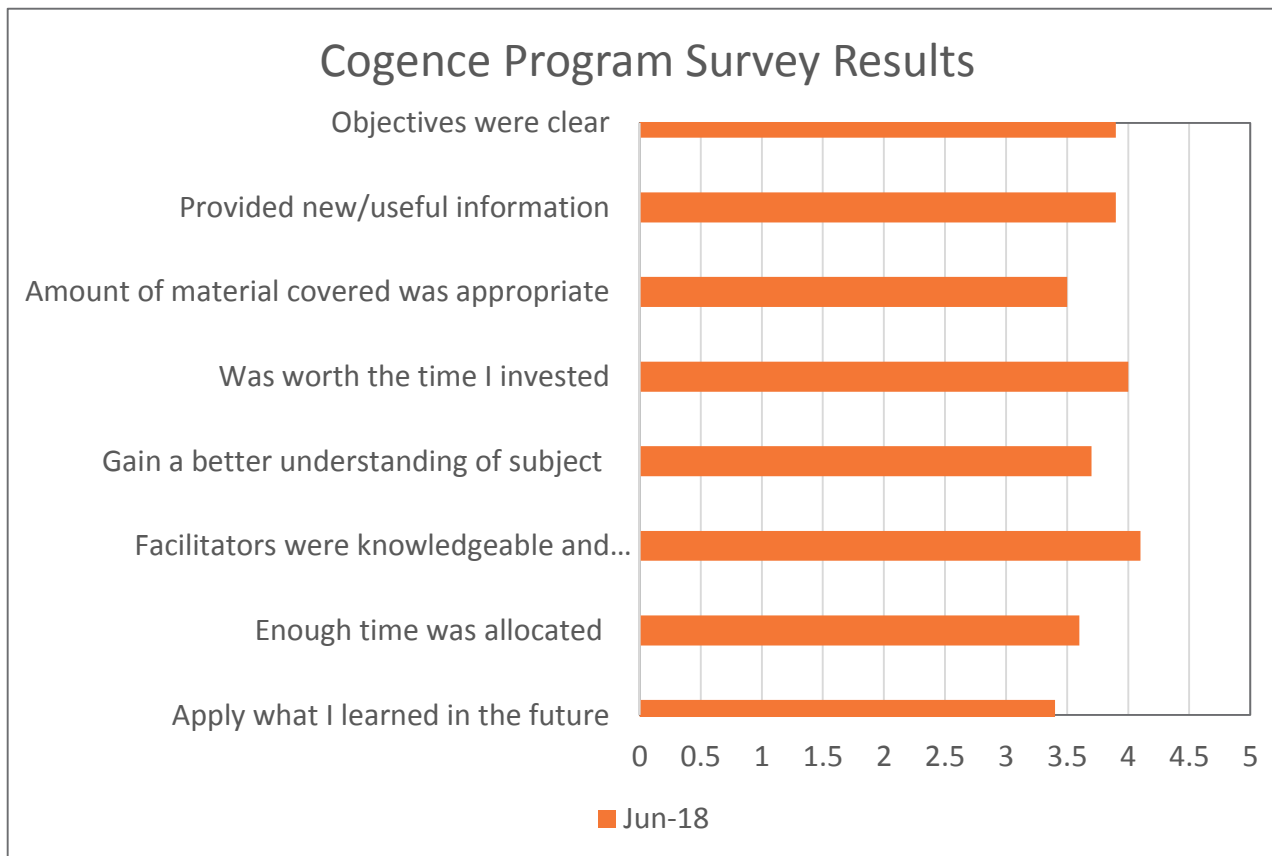
Trait	Method	Discussion Notes
Decisive  ✓ Risk Taker ✓ Prepared ✓ Realistic ✓ Clarity ✓ Focused ✓ Open Minded ✓ Confident ✓ Timely  x Wishy Washy	Set Goals/Objectives	Define success
	Project controls Schedule Feedback dashboard	Stay engaged / set urgency
	Gather facts / Listen	
	Prioritize (triage) \$/time	
	Evaluate / analyze	
	Done (decision made 100%)	
	Deliver decision / <u>communicate</u>	



# Leadership is a Key to Success.



# Northwest Ohio - June 2018 Program Recap



June 2018 Program: Attendees 20 – Survey Responses 10



# Understanding Risk

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## October 2018: Plus / Delta

### Plus:

- Summarization of the June session plus/delta
- Mixed groups for diversity of thought
- Good instructions for exercise (example of exercise/outcome)

### Delta:

- Number of attendees
- Look at a different time/location for the meetings

# Next Meeting

16 January 2019 | 4:30