

MCX

colleagues and reflects on our industry's best practices and professional standards.

WARNING SIGN #1 – PROJECT GOVERNANCE

- » Have meetings become contentious? Has correspondence taken on a hostile tone?

- » Are issues lingering for weeks or months without resolution? Is it unclear who has the authority to make critical decisions?

These are signs that your project governance and communication protocols have gone dormant or may never have been clearly established. They also indicate that the project leaders have not invested time in prioritizing and promoting overall team health.



- » Are there frequent disagreements about payment applications and progress? Is payment slow to come?

Money is the lifeblood of any project. It is difficult to achieve project objectives if monthly pay applications and the cost of changes are not properly managed and money is not consistently flowing to those performing the work. Cost issues can quickly impact the project's progress, so it is critical to address them properly.

WARNING SIGN #8 – PROJECT AND SITE MANAGEMENT

- » Is the contractor or owner (or any project stakeholders) struggling to staff the project? Is there frequent staff turnover?
- » Is the organization of the contractor's team unclear or changing? Is it unclear who is in charge and who has the authority to make decisions?
- » Have there been complaints from trade partners regarding timely or lack of payment?
- » Have there been unanticipated acquisitions or mergers?
- » Have there been any trade partner defaults?
- » Are materials and equipment being ordered late? Is the project experiencing delivery delays? Is there a lack of information about dates for pending deliveries?

Whether related to personnel, procurement, or overall corporate management, volatility can impact project progress and serve as a warning sign that a contractor or other project stakeholder has not adequately planned the project or is experiencing some form of internal turbulence.

These eight warning signs may indicate that a project is experiencing some distress. However, this does not mean that the project will not ultimately be a success. If ignored, they can impact the project's safety, quality, cost, or schedule. If spotted early, there are many mitigations that can ward off long-term impacts.

Instead of using these indicators solely to detect problems, they can also be used to guide the selection of project management tools. This can help in becoming more effective project managers who foresee and anticipate instead of only reacting and responding. These same warning signs also serve as:

- » Elements in our project health and readiness assessments

- » Key performance indicators to monitor throughout the project
- » Risks to be entered, tracked, and managed in the project risk register

When we recognize the potential pitfalls and early warning signs, we can respond sooner. More importantly, planning for these early warning signs can potentially help avoid these risks altogether.

About the Author

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