Why Regular Communication between the Project Leader and the CEO is Vital

<u>Executive Custody</u> is one of THE <u>Critical Factors for Success</u>, it constitutes 19% of what is required for a successful outcome and failed executive custody is 25% of what gives rise to <u>project failure</u>.

On a systems project that stretches across major components of the business a key aspect of Executive Custody is a highly experienced <u>Project Leader</u> reporting directly to the Chief Executive.

One of the key aspects of the relationship between the CEO and the Project Leader is close and regular communication.

Why?

1. Crafting the CEO's vision of a new future state

A project of this nature is NOT the run-of-the-mill business management position where it is possible to hire an executive or manager with deep understanding of a specific functional area such as manufacturing, sales, finance, etc, drop them into the business and have them function effectively. The <u>Project Leader</u> must develop a high level understanding of the ENTIRE unique business AND the entire unique solution.

The Project Leader must then tie this together in order to achieve a future "business PLUS system" state that is a substantial improvement on the current state AND aligned with the CEO's vision for the company.

2. CEO is the custodian of the integrated view of the business

The CEO is the custodian of the integrated view of the business. That is fundamentally the role of the CEO, to tie together the entire management and operation of the business together so that it operates as a coherent and effective whole.

By direct extension the CEO HAS to be the custodian of the integrated view of the business information system solution. NO ONE else has that perspective OR the mandate and gravitas to make it happen.

Since the CEO does NOT have the knowledge, experience or time to manage a systems related project of this nature they require an advisor and assistant, in fact they need an agent or proxy to act on their behalf, effectively an interim executive. That is the role of the Strategic Business Information Systems Project Leader and requires a robust formal mandate.

Thus the Project Leader drives the project on behalf of the CEO and regular and <u>effective</u> <u>communication</u> is therefore VITAL.

3. Project is creating a NEW future state

Because the project is creating a NEW future state both in terms of the way the business will operate AND the way the systems will operate, there is NO precedent, there are broad principles but the final result will be a unique one-off complex solution that will NEVER be duplicated anywhere in the world.

It is a solution that is aligned with the <u>strategic essence</u> of the business, the reason the business exists and how it thrives. It addresses issues of differentiation and competitiveness, it is high risk and can <u>severely traumatize the business</u> if things go wrong AND it should be high value. This is about creating the future for the next twenty years of profitable operation. It warrants the CEO's focus.

But, again, the CEO has limited time!

So effective communication between the Project Leader and CEO is vital!

4. Project and systems are extremely abstract and intangible

To further complicate matters business information systems and their associated projects are extremely abstract and intangible.

How does the CEO know that the project IS on track?

It is NOT possible for the CEO to drive past the construction site and see that the building is progressing according to plan, as they might do in the case of a new office building or factory. It is NOT possible for someone to send them photographs or a video either.

They can walk past a group of people in a glasshouse meeting room and will be NONE the wiser if what they are doing is aligned, effective, efficient, ... adding value to the solution, or NOT.

They can pass a room of people hard at work at their computers and be equally unable to assess the value of what they are doing.

Effective communication is vital, specifically between the CEO and the Project Leader – the CEO is heavily dependent to the Project Leader to give the right direction and tie everything together BUT how does the CEO know the Project Leader is ON TRACK?

Regular and effective communicaiton

If the project IS on track a lot of the communication may seem tedious and unnecessary but if the communication does NOT take place how will the CEO know that the project is veering OFF track?

5. CEO has definite views

The CEO generally has VERY definite views as to how the business AND the system should function. It is necessary for a person to have this sort of definite view in order to qualify to become CEO – they are the glue that holds the ENTIRE organization together.

Accordingly the Project Leader needs CONSTANT interaction with the CEO, firstly because it will take a long time for the Project Leader to be fully on-board with the CEO, secondly because it is a moving target, the vision of the CEO is constantly being refined and extended, thirdly the understanding of the system solution is ALSO constantly evolving and being refined.

Accordingly <u>regular and effective communication</u> between the CEO and the Project Leader is absolutely vital.

And, furthermore, there must be regular communication between the Project Leader and members of the Executive team.

6. Isolated CEO = explosion

One of the things that I have learned the hard way over the years is that when something goes wrong with the above <u>communication</u> such that the Project Leader and / or the project gets out of alignment with the CEO and something happens that draws the attention of the CEO to the problem, there WILL be an explosion!

Accordingly ongoing communication is a requirement.

See the article on "<u>The Critical Human Foundation</u>" for a discussion of a recommended method of communication with the CEO using multiple email addresses and associated inbox rules and folders and certain email disciplines. The goal is to give the CEO the equivalent of the view they would get driving by a construction site.

Effective communication between the CEO and the Project Leader on an ongoing basis is CRITICAL and failure in this area alone is enough to drastically damage a project or, in the extreme case, to shipwreck it.

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