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Project continuity and the role of the lead consultant

There are many disastrous Lottery-funded projects in beautiful buildings. So where did it all go wrong? **Jim Roberts**, a consultant with Locum Destination Consulting, looks back and identifies a lack of continuity within management as the key factor - something particularly notable of the big projects delivered by construction-based project managers.

Capital projects involving cultural visitor attractions come in all shapes and sizes, and so too do the organisations behind their development: museums, cultural institutions, commercial developers, local and regional authorities, and public-private consortia.

Over the last five years, UK Lottery funding has led to major capital investment in the cultural attractions sector. Within this time, there have been many examples of good project management practice. There have also been some examples of very poor management, however, and one of the common causes of this has been *discontinuity* within the project management team. In particular, a breakdown in communications between the management team and the professionals that developed the original strategic and business thinking, especially when design work is initiated, presents a massive client-side risk.

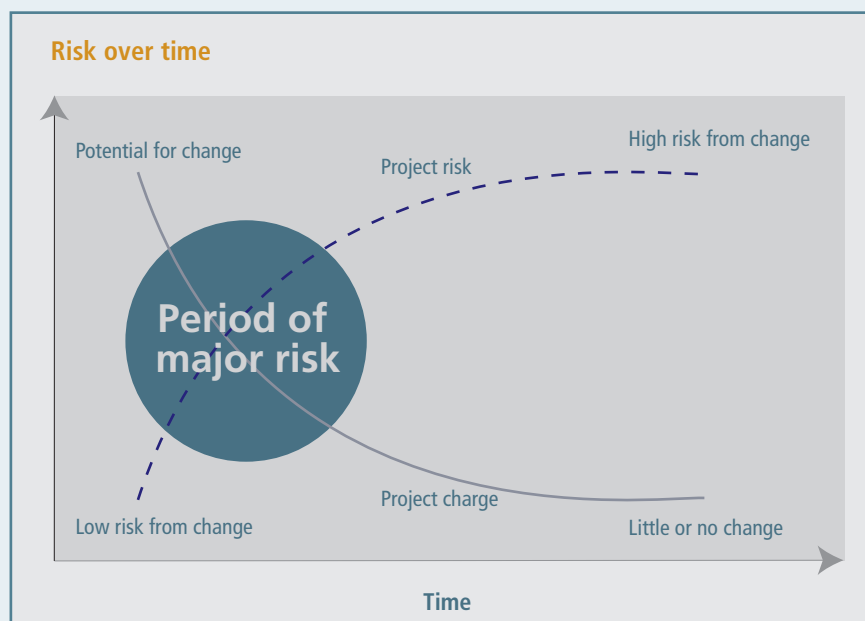
As a project develops over time, the ability to make changes decreases and the value of project risk associated with any given change increases inversely. For example, a small design change made at the outset of a project may be made with minimal risk. But the same

change made when the project is nearing completion is likely to have a significantly greater risk attached, causing major delays to the overall programme, increasing costs and resulting in alteration of the original design vision. Thus, the sensitivity of any given change increases significantly as a project nears completion. A simple graph illustrates this relationship (below). The period of major risk occurs just when strategic and planning study thinking moves into development implementation thinking.

Causes of discontinuity

As any developer will tell you, the majority of large-scale projects inevitably involve at some stage a certain degree of time and budget slippage. But how can this be kept to a minimum? By prioritising and reducing the risks associated with all facets of the project.

The key to minimising risk is conceptual and strategic *continuity* within the team responsible for delivering a project. No design team wants to inherit the design or



work or other consultants in fact, many will want to stamp their own mark of individuality. The level of continuity achieved will be determined by the overall approach employed by the management team. Discontinuity afflicts many capital projects, however, and has many causes.

In Locum's experience, a design-led approach to the management of large-scale cultural projects often leads to greater discontinuity rather than one which focuses on a combination of design *and* operational/ business planning factors. Discontinuity can result from changes to the organisation and management of a project. Equally, it can be triggered by the appointment of new project personnel who lack a clear understanding of the objectives and intellectual thinking upon which it is founded.

Often, discontinuity arises after a major milestone has been achieved and a high level of confidence in the project prevails. Irrational decisions to cut costs and cut corners are often made, at the expense of long-term benefits. This, in turn, is likely to put the relationship with stakeholders at risk and expose gaps in project knowledge and thinking.

Avoiding discontinuity

So how can discontinuity be avoided or anticipated during the planning phase of a project? Crucially, key personnel and organisations should be retained throughout, to minimise information and knowledge loss. Project managers must focus on the end-use of a facility, not simply on delivering the design and construction on time and in budget. Emphasis should be placed on conceptual and intellectual development at the start of a project, allowing it to be tapered into the role of the construction project manager and others at the later stages. The tapering effect overcomes the steep learning curve through gradual induction and again minimises the loss of project information and knowledge.

A project manager must be aware of discontinuity and anticipate problems. They should be able to bring added value to the development of a project by reducing the risk of discontinuity. This should be evidenced and regularly monitored in the project's risk register. Too often projects ignore the importance of risk registers as a tool and mechanism for forecasting and predicting downstream problems. This means ensuring that there is a robust audit trail and process in place to justify all decision making and to assist the introduction and induction of new team members.

Role of the lead consultant

One highly effective strategy for ensuring continuity is to appoint an experienced lead consultant, who can

manage and advise on all aspects of a project from its outset through to the final stages. This organisation must have a comprehensive understanding of the project's strategic and business imperatives and remain their guardian throughout the development process. It must also be able to handle the changes in key personnel and suppliers that will, almost inevitably, come to pass during the project's lifetime.

The lead consultant must provide core skills of development and business planning and commercial support, but also lead a wider team of consultants to ensure that they are 'on message' in terms of the vision and business strategy whilst expressing their particular roles – be they design, engineering or legal formulation. In this way the potential discontinuity between strategy, planning and implementation can be avoided.

The lead consultant, therefore, must know how to successfully manage the potentially difficult process of introducing new members to the team, and the even more difficult handing over of functions from outgoing individuals and organisations to incoming ones. It is also the lead consultant's responsibility to ensure that the broadening of the team does not result in the dilution of knowledge or misunderstanding of the project's historical context and particularly, its core objectives.

If discontinuity does arise for whatever reason, the effects on some members of the project team will be negligible, while for others, particularly the lead consultant and the project owners, they can be severe. Unlike suppliers who are brought in to deliver specific elements of the development, these core organisations are responsible for making or contributing towards decisions that will affect the project long after its physical completion, concerning issues of operation, funding, marketing and visitor management.

Managing project risk

The lead consultant must play a major role in managing project risk. This is a key area of performance and accountability. Risk and uncertainty can be considered in three groups.

People, both undertaking the project and external to it. In many projects' risk registers, technical risks are given a higher priority than people risks. In reality, the higher risk category is probably people and the effect they can have on teams.

Technical risks. It is essential that the lead consultant is able to identify technical risk early enough to put in place appropriate measures. Simply choosing to regard a risk as the responsibility of someone else and identify it as such is not acceptable.

Business risk. There is no project that is not susceptible to business difficulties. The challenge for the lead consultant is to identify the sources and consequences of business-related problems, and to deal

with them fully and swiftly. Often, these types of risks are beyond the experience of project managers from a construction background.

Managing the design process

Getting the right design and paying the right amount for it is a key factor in determining the long-term prospects of the project. As project manager, the lead consultant will be responsible for delivering a design which, when built, should not exceed the provision of the capital cost plan for the fabric of the building and its content. For most conventional buildings, a competent design team should be able to achieve this, even one drawn from different organisations that have not previously worked together. The complexity and specialist nature of many new cultural building projects, however, means that even competent design teams can find this problematic. There is ample evidence in the UK to demonstrate that this is the case - The Forum in Norwich being one example.

Balancing design quality and cost

At the beginning of the design process, the lead consultant needs to ask three simple questions. Is the design of the fabric and content of the building, as defined by the capital cost plan, capable of (a) being built and equipped to satisfy the destination and content and (b) satisfying the client brief, and (c) conversely, will the current capital cost plan accommodate the designers' current and future intentions?

Even before being fully briefed, each design consultant brought into the team will already, whether they know it or not, have the beginnings of an idea about the scale and form of the fabric of the building and its content, and the nature of the engineering to support it and its environmental conditions. Each designer, therefore, comes into the project carrying their own individual idea of what the finished product will be like.

The capital cost plan, however, will dictate what is actually affordable and what the project should cost, and this will rule out designs that the cost plan will not buy, because they are too expensive or too risky.

Properly integrated into the process by the lead consultant, the designers will help to determine the relationship between form and function, the architectural statement to be made, and the geometric arrangement of the site and its physical characteristics.

There are two fundamental assumptions that underpin the design process and the success of the outcome. The first is that the design as it develops will simultaneously satisfy the individual designer's intellectual preferences, will not exceed the capital cost plan, and will meet the client brief. The second is that the cost planning process will:

- accurately reflect the predicted out-turn cost of the designed building as it progressively develops;
- foresee the future development of the design and the consequences of the numerous design decisions;
- consider the supply side of the market through to the end of the construction period and a procurement process which deals with these issues;
- ensure that firm and immediate action is taken in the event of the out-turn cost proving likely to exceed the capital cost plan.

If either of these fundamental assumptions, or any part of them, proves to be false, then compromises will have to be made. The design and the fabric of the building, or more likely the content, will suffer and the capital cost plan will be exceeded. The lead consultant has a key role in managing these assumptions, and specifically in evaluating and managing the risk and uncertainty inherent in them all.

Ongoing client support

Of course, managing the design process is but one responsibility of the lead consultant. Advice is likely to be required throughout the construction and pre-opening periods, and can even extend into the early operational phase, in order to ensure that risks of other types are minimised and the project gets off on the right footing. The capital investment normally represents only a fraction of the operational costs over a project's lifetime.

It is vital that the operators of a newly opened destination are fully prepared for the new set of challenges with which they are immediately faced in the months before and after opening: getting the brand message out, creating market profile, hitting financial targets and delivering sustainability. If a lead consultant has been engaged, these are all issues that it should have been asked to advise on within the planning and development process.

A good lead consultant is rather like the manager of a successful sporting team: bringing different players together to act collectively and consistently in order to achieve shared objectives, overseeing the occasional smooth substitution and, ultimately, beat the competition and create a memorable experience for the audience.