

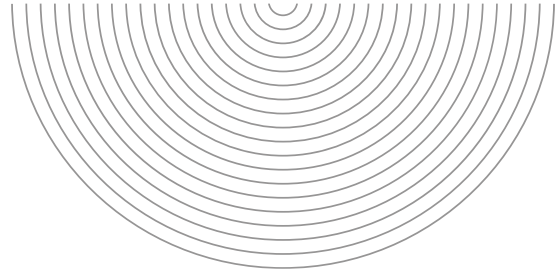
Dar Al Riyadh Insight #81

High-reliability Practices for Managing Uncertainty

Dar Al Riyadh Insights reflect the knowledge and experience of our Board, executives and staff in leading and providing PMC, design and construction management services. Dar Al Riyadh believes in the importance of broadly sharing knowledge with our clients and staff to improve project outcomes for the benefit of the Kingdom of Saudi Arabia.

The following table describes some high-reliability practices for managing uncertainty in projects.

High Reliability Practices for Managing Uncertainty in Projects
Work with assumptions.
Draw on all available expertise (multidisciplinary), internal and external to project team, to reduce uncertainties.
Visibly recognize and reward openness and knowledge sharing.
Project manager delegated all decision-making powers from executive management within well-established but flexible decision-making rules.
Flexible.
Staged conformance to established processes and procedures (action and improvement trump process).
Team encouraged to negotiate towards a workable action plan.
Active questioning to discover what they did not know.
Regular meeting and stat using to ensure current understanding of individual issues and aspects.
Risk mind set to deal with ambiguity.



High Reliability Practices for Managing Uncertainty in Projects

Balance completeness of information with need to take action. Recognize that often fast response is worth more than correct response taken too late.

Intense but focused communication – simple, specific, selective.

Address threats to effective decision making under uncertainty (organizational complexities; short term incentives).

Decisions based on strategic incrementalism (mission in mind as they address uncertainty in adaptive, flexible and inventive ways).

Empowerment of teams without abdication of leadership. Recognition and utilization of informal networks.

Visible, high touch leadership and management.

Provide emotional stability.

Summary

Effective decision making under uncertainty including reliability practices for such decision making are laid out in the preceding series of Insights. But perhaps the biggest unanswered question is whether we may have learned the wrong lessons from our most complex and important projects delivered under high uncertainty and in the process hard coded a project management dogma that does not serve us well under the complexity and uncertainty our most challenging projects face.