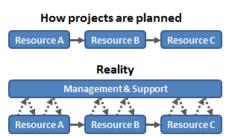# REALIZATION℠

"INEFFICIENT" MANAGERS ARE BETTER FOR PROJECTS.

When planning projects, we usually consider the flow of work from one direct resource to another, and the flow of management interactions is ignored. We assume that good managers are ultra-efficient and can handle all that is thrown at them.
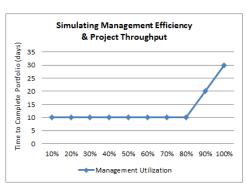
In reality, projects require ongoing management attention for questions, decisions and issues that come up along the way. When management capacity is ignored, project throughput

How projects are planned
Reality

can quickly degrade by 50% or more. Cycle times can double or even triple. The problem is even more acute when managers are spread across multiple projects. This happens in the following ways:

- As issues queue up in front of managers, even small items can take days or weeks to resolve.
- The quality of management interactions also degrades. Instead of spending, say a quality 15 minutes with people, managers can afford only a rushed and ineffective two to three minutes.

Simulation

To understand how management capacity affects organizational productivity, we ran a simple simulation on a portfolio of 6 projects with varying amounts of management utilization.

The results of the simulation were as expected. There is a **utilization threshold** – around 80% in the simple simulation – beyond which projects suffer from management delays.

Simulation Setup

The simulation was run on six identical projects. To determine the duration of tasks we rolled a die. A roll of 1-4 resulted in a corresponding task duration of 1-4 days. If a 5 or a 6 was rolled, then the task was marked as having an issue, and took 4 days plus the time required for management to resolve the issue. A manager could resolve only one issue a day.

To see the impact of heavy utilization of managers on project durations, we altered management capacity in the different rounds of the simulation.

Two strategies for preventing management bottlenecks

1) Reduce the number of open projects/work-streams by 25-50%. Fewer projects means smaller queues of issues in front of managers, making them more responsive. Working on fewer projects at a time is counterintuitive, but it works. We find that simply reducing the number of open projects by 25% to 50% can double the project completion rates.

2) Don't start on a project without adequate preparation. Well begun is half done, as the idiom goes. If you have everything (i.e., good specifications, clear goals, and the necessary inputs) in place before starting a project, you encounter fewer questions and issues in execution. The dependence on managers and experts is reduced, and work gets done faster.