Recession Proof Your Project

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Increase the chances of your projects succeeding in tough economic times by:

1. Aligning your projects to your management's needs
2. Making sure your team members are the best of the best
3. Not over-estimating your project's budget
4. Breaking your projects into 'bite-size' chunks
5. Working on the most important tasks
6. Hiring a flexible workforce (such as contractors / temp workers) to facilitate easier project expansions and contractions

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- U.S. consumer confidence and new-home construction plummeted in recent weeks in further signs of economic slowdown
- The US Jobless Rate is at a 5 year high. 1.4 million people were laid off in 2007. Roughly 1.9 million lost their jobs during 2008. The Bureau of Labor reports that as of April 2009 the unemployment rate rose to 8.9%.
- Giants such as Yahoo, Ebay, Hewlett-Packard, Google and Microsoft are reducing their work force.
- The Foreclosure rate is now over 3%, its highest point in nearly 3 decades. Over 6% of all home mortgages have overdue payments.
- U.S. consumer confidence in October suffered its steepest monthly drop since 1952

With the US in a deep recession and no end in sight, companies across the country are examining where every dollar is spent. If you're not already, you'll soon be in deep conversations with senior executives about your budget and spending and where cuts can be made. At many companies, hiring freezes have become a reality and choices are being made about which projects receive funding and which are put on hold or cancelled all together. Those that are given the green light will be closely scrutinized and margins will be highly guarded. Doing more with less means taking a critical look at your current jobs and defining what really brings business value. There may be hard choices to make in cutting out projects that don't deliver the necessary value.

So how do you assure success when it seems that the buzzards are already circling?

1) **Understand what your boss's goals are and manage your project to her needs.** It seems simple but if the executives see that the things that motivate them are being carried out in your project, you'll be less likely come under the gun. Sit down with your clients and managers and discuss what solutions really bring value. Understand where the business leaders are headed and focus on how your project can lend itself to helping the company improve market share, reduce OpEx, or produce profits. A huge concern might be around dollars and cents. You'll need to know what projects are important from a strategic perspective. Do some internal research to determine verticals for various trends. This will help drive the conversation you have with the executives.

2) **Aligning yourself with the best of the best.** As each project's success is put under the

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microscope it's more important than ever to make sure that the people on your teams have the right knowledge and skill set, along with the proper communication and people skills to get the job done. This is no time for in-fighting and with the pressures of downsizing looming, teams will need to be sharply focused on the end goals. Get those top resources early by taking on the highest priority project.

3) **Don't pad your next projects budget**. Managers may be tempted to add additional contingency dollars to project estimations in fear of budgets being slashed. However, this creates a myriad of problems not just for you but for your fellow managers in every department. That money has to come from somewhere and you'll be hurting other teams while trying to protect your own. Plus, if word of your creative accounting got out, the purpose could be misconstrued. You'll end up looking as if you're hoarding resources instead of protecting your project. Estimate accurately and you'll be able to defend the budget when necessary.

4) **Keep projects small.** With employee turn over, budget changes, and an unsure economy this can be a bad time to start large projects. Focus instead on smaller projects or break large projects into independent units that can stand on their own while waiting to see how the economy responds. If the outlook changes, you can always scale up.

5) **Review your project task list.** Take the folks from the lower priority projects and reassign them to the highest priority work. You'll deliver those at a faster pace and be recognized as someone who thrives during difficult times.

6) **Hire contractors and temporary employees.** Companies such as Ceptara exist to allow teams to expand and contract whenever necessary. Instead of going through the risk of hiring and then laying off full time employees, use staffing agents to hedge against uncertainty. Ceptara's resources are all senior level talent who are up to date on the latest technologies and will help drive success during adversity. We know your space well and have years of experience to draw from. We make your teams look good right from the start.

Lastly, it's important to note that in order to succeed everyone will need to extend themselves more than they've done in the past. You'll be required to think creatively and explore new options instead of continuing the status quo. You'll need to cultivate personal relationships with leaders in other areas of the company to look for synergies and where technology can be reused. And you'll need to put more effort into motivating employees who will have their own economic issues to deal with. Being fiscally responsible is just one aspect of the solution.

To quote Phillip Drucker "Courage plus passion plus process equals results." Focusing on results, managing by objectives, making effective decisions and prioritizing top management tasks are all critical to any long term success.

For managers who are ready, willing and able to make the right moves, a recession could allow you to leap-frog slower moving departments and even generate higher profits. It could give you a new reputation and put you in the lime light. But in order to do so, you'll have to stay focused on both your contributions and the bigger role they play.

- IT Management [1]

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