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PROJECT PRE-MORTEMS
Looking Back at the Start

Richard Toledo | Director

BACKGROUND

The purpose of this document is to help project managers understand the value of pre-mortems over other common risk management practices and teach them how to facilitate project pre-mortem meetings.
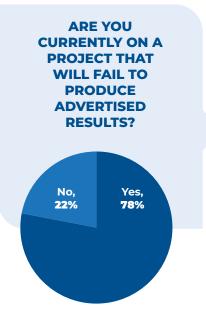
THIS DOCUMENT WILL DESCRIBE:

1 Tangible benefits of the pre-mortem process

2 Why common risk management practices, including risk registers, often do not yield the intended results

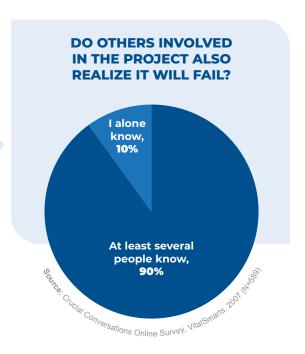**3** How to perform a pre-mortem to identify risks before a project fails

> "
> *The team's best hope for staying on schedule is to anticipate problems and fix them before they occur.*
>
> **Bill Breen, 2002**

WHY PRE-MORTEMS WORK

THINKING OF A PROJECT THAT FAILED, HOW EARLY ON DID YOU KNOW IT WOULD FALL SHORT?

Just before the end, 7%

At the end or later, 2%

Half-way through, 29%

Very early if not right away, 62%

ARE YOU CURRENTLY ON A PROJECT THAT WILL FAIL TO PRODUCE ADVERTISED RESULTS?

No, 22%

Yes, 78%

DO OTHERS INVOLVED IN THE PROJECT ALSO REALIZE IT WILL FAIL?

I alone know, 10%

At least several people know, 90%

Source: Crucial Conversations Online Survey, VitalSmarts, 2007 (N=589)

DEFICIENCIES OF COMMON RISK MANAGEMENT PRACTICES

THE CHALLENGE WITH RISK REGISTERS

After a project kicks off, team members are reluctant to raise risks due to:
• Fear of reprisal
• Fear of conflict
• Fear of being impolitic
• Fear of being ostracized
• Blind support of projects
  / leaders / other team members

Overconfidence and confirmation bias
• Some leaders/team members are so invested in a project that they dismiss serious risks

> *We've all been there before - on a project we knew was doomed to fail from the start. We're quick to think about all the upcoming waste, stress and frustration. What's most important though is what we do about it.*
>
> **Richard Toledo, 2020**

THE CHALLENGE WITH RETROSPECTIVES (POST-MORTEMS)

People often hold negative views of retrospectives
• Retrospectives are deemed to be of little value
• Lessons learned from retrospectives are difficult to apply to new projects

Maintenance of lessons learned
• More often than not, post-mortem outcomes are not rigorously applied to new projects
• Attrition leads to a loss of lessons learned
• Lessons learned databases are difficult to organize and maintain

Doing too little, too late
• Lessons learned do not benefit a failed project
• Retrospectives are backward looking
• When the projects end, nobody can find time to perform a retrospective

Impact of team bias
• Dominating personalities can control the meeting
• Teams blame external problems

HOW TO PERFORM A PRE-MORTEM

To kick things off, the meeting facilitator should set the scene by saying something like: "*This project was an absolute and total failure and we're all extremely lucky that we weren't fired. That was just a total disaster. So let's all take some time to write down everything that went wrong, and then we can reflect on it.*"

BACKGROUND

After each team member has provided his or her input and the plan is collectively agreed to, ensure that it is circulated to the full team.

SET THE STAGE

Assemble the team and inform them they have all been transported to the future, the project is now complete, and it failed miserably.

BRAINSTORM

Ask team members to take a few minutes to write down every single reason the project failed – all ideas are welcome.

CAPTURE IDEAS

Ask each team member, starting with the PM, to read one reason for failure from his or her list – keep going until all reasons have been recorded.

INCORPORATE

Use the list of reasons for the project's failure to populate the initial risk register and shore up the project plan as needed.

RESOURCES

Klein, G. (2007). Performing a Project Premortem. Harvard Business Review, 18–19

Breen, Bill. (2002). High Stakes, Big Bets. Fast Company, 10859241, Apr2002, Issue 57

Klein, G. (2010). Evaluating the effectiveness of the premortem technique on plan confidence. Proceedings of the 7th International Information Systems for Crisis Response and Management Conference

Crucial Conversations Online Survey, VitalSmarts, 2007 (N=589)

ABOUT REFERENCE POINT

Reference Point is a boutique strategy, management, and technology consulting firm focused on delivering impactful solutions for the financial services industry. We combine proven experience and practical experience in a unique consulting model to give clients superior quality and superior value. Our engagements are led by former industry executives, supported by top-tier consultants. We partner with our clients to assess challenges and opportunities, create practical strategies, and implement new solutions to drive measurable value for them and their organizations.

RISK, COMPLIANCE & PMO EXPERT

RICHARD TOLEDO

Richard Toledo is a Director at Reference Point with extensive experience leading numerous enterprise change and process improvement initiatives at top-tier firms, including Operational Risk, Compliance, Human Resources, and Technology projects.

Prior to Reference Point, Richard led the project management practice at two very large investment banks after five years of project management consulting experience at numerous top-tier companies and organizations.

Richard's COO/Business Management experience includes financial and headcount management, vendor management, strategic goal setting, and development of operating models. He has planned and managed budgets exceeding $50M. Richard has vast experience interacting with C-level executives and served as Vice President of the American Society for the Advancement of Project Management for four years.

RICHARD TOLEDO

Director

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SAMPLE OF ACCOMPLISHMENTS

- As a **Director** at **Reference Point**, Richard established a PMO governance framework to support the delivery of a multi-year identity and access management transformation initiative consisting of 5 programs and over twenty projects at a fortune 500 financial institution. Prior to that, he advised a Fortune 50 financial institution on its approach and methodology for developing an operational intelligence platform to support business resiliency and operational risk initiatives.

- As the **Global Markets Controls Contractor** for **Credit Suisse**, Richard headed the US 2015 Operational Risk and Control Self-Assessment across Securitized Products, Global Macro, and the Strategic Resolution Unit. Next, he established a comprehensive risk and control inventory covering all Fixed Income and Equities businesses.

- As **Chief of Staff to the Global Head of Technology Risk** at **Citi**, Richard helped direct the activities of over 300 risk and control professionals spanning 31 countries. Richard also conceived, designed and built Citi's first automated reporting platform (Master Information Technology Risk Engine, MITRE) that linked risk and control source systems to front office business processes.

- As **Global Head of Project Management for Sales & Trading** at **Morgan Stanley**, Richard reported to the COO and oversaw the activity of 26 project management offices (PMO) and 200 project managers and established a global set of project management principles and standards.

- As a **Director** at **Barclays**, Richard led the FRBNY SR 08-8 Compliance Enhancement Program, managing 15 teams delivering a broad regulatory change agenda across trade surveillance, personal account dealing, outside business interests, large holdings, registrations, control room surveillance, political contributions, and regulatory change oversight. He also established project governance, risk, change, and closeout standards for the Global Compliance PMO.