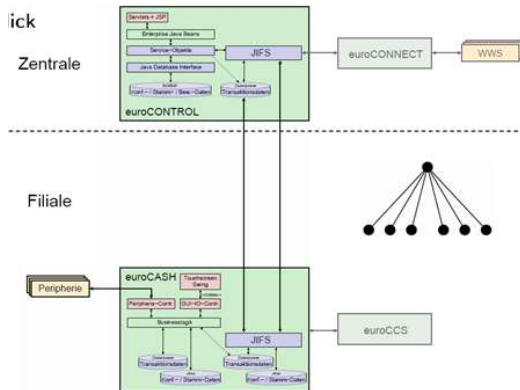# Strategic Interim Management and Project Rescue

Strategic Goal:

Strategic realignment of the company -> stronger customer and project focus. Buildup of the product business.

Project Objective:

- salvage of two troubled projects at two strategic customers
- responsible management of two strategic projects for the development of a new cashier system product (total volume more than 2,000 PD)
- reorganization of the structures between sales and development
- coaching of the top management during restructuring

Duration of Assignment:

13 months

Customer Profile:

AWEK and AWEK microdata GmbH (now belonging to GK SOFTWARE AG) offer i.a. cashier systems for varying lines of business, whereat microdata in Bielefeld develop the software und AWEK in Barsbuettel offer the hardware. At the time of these projects microdata had ca. 20 employees.

Initial Situation:

Two major orders for the development of software solutions had been acquired nearly simultaneously. Sales department was convinced to be able to carry out both orders in parallel: there was already comprehensive know-how, and it seemed as if one had only to develop one core system and adapt or customize it a little for the different customers. The experienced software developers, also knowing both customers, had warned against the situation because they considered this assumption to be an illusion. Nonetheless the second order was accepted soon after the start of the first one.

Half a year later the second customer enquired how far his order has been worked upon. It had not even been started yet. The resulting problems led to the following conflict behavior:

- Reproaches on the part of the top management toward the staff members, especially the one who was held responsible as the leader of development and project manager without having explicitly cleared this role in the first place. Threats and suspicions arose.

- Lack of understanding on the part of the staff. After all there had been warnings which should suffice. The more feasible and in fact also more profitable first project had been started in a self-organized way. Having only capacities available for one project the efforts were focused on this one only.

- All this took place largely unnoticed by the top management and completely uncontrolled. The management intended to save the situation by exerting pressure, die staff sighed with a shrug.

- The newly called in external project manager was confronted with the task to keep the second customer onboard and to salvage the project.

Way of Proceeding by vero projects:

- crisis management, e.g. clarifying prioritization, joint steering committee with the customer, realistic re-planning of both projects
- operative project management and simultaneous implementation of project management standards, e.g. definition of work packages, effort estimations by the responsible parties, milestones with acceptance criteria
- motivation of the staff, e.g. no more unwarranted accusations, bonus system for approved milestones
- internal resource management
- acquisition and management of external resources

Benefit and Results:

Both projects could be salvaged within the parameters of the new project plan. The customers regained trust and eventually were very satisfied with the solutions delivered.

The ability of AWEK and microdata to ensure services by outsourcing, internationally as well, could be advanced.

A strategic realignment and reorganization was initiated based on the experiences of these projects. The benefit of meaningful reporting and professional controlling was recognized. These newly implemented functions will be standard in the future.

According to their own statement the customer has realized how valuable it is to keep a customer at all.