

## SCEDULING ETHICS: RECOGNIZING GAMING, DATA MANIPULATION AND ABUSE IN PROJECT SCHEDULES

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# ETHICS IN PROJECT MANAGEMENT

# Bending the Rules

- “Okay we’re lying about the cost and schedule, but otherwise some great things would not be built.”
  - Project manager quoted at a past leadership forum

# PMI Code of Ethics and Professional Conduct

- Project practitioners “do not engage in or condone behavior that is designed to deceive others, including but not limited to, making misleading or false statements, stating half-truths, providing information out of context or withholding information that, if known, would render our statements misleading or incomplete.”

SOURCE: Project Management Institute (PMI). (2006). *Code of Ethics and Professional Conduct*, Newtown Square, PA.

# Defining Schedule Gaming, Data Manipulation & Abuse

- The intentional modification of project or supplier integrated master schedules (IMS), or scheduling inputs or outputs, in a manner designed to mislead stakeholders, hide factual information, win the job or contract, mask performance problems, inflate margin, buy time to fix problems without executive leadership involvement, or other similar goals.

# SCHEDULING GAMES PROJECTS PLAY

## Schedule gaming, data manipulation and abuse practices (1 of 3)

- Preferential Sequencing: structuring IMS logic to favor one stakeholder's position or interests over another's
- Duration Padding: adding an artificial time buffer "just in case"
- Duration Compression: arbitrarily reducing durations to offset the impact of late or slipping predecessor tasks
- Hiding Slack: using constraints, lags, improper logic or inflated durations to mask slack
- Abusing Project Logic: intentionally manipulating dependencies to mask schedule issues or potential problems
- Excluding Scope from the IMS: intentionally not including tasks in the IMS to show an artificially early project completion

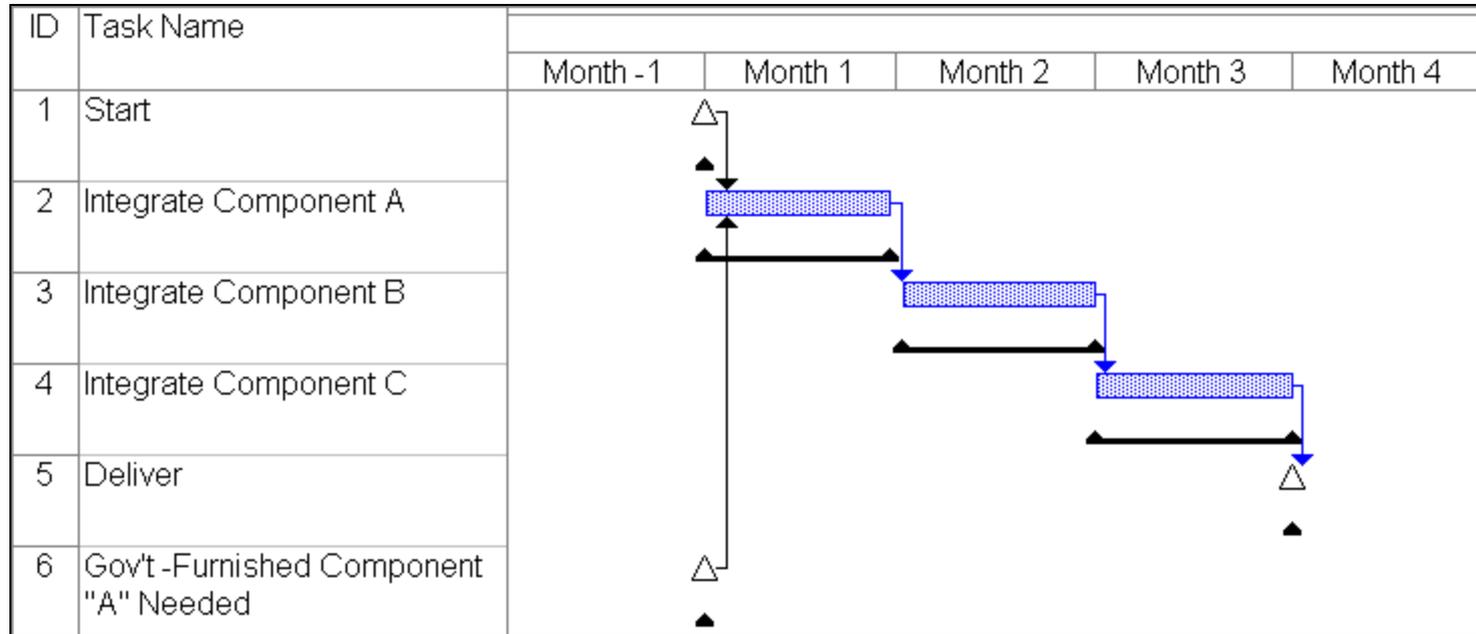
## Schedule gaming, data manipulation and abuse practices (2 of 3)

- Inflating Schedule Margin: including slack, unfunded weekends, or holidays in the funded schedule margin
- Misusing Project Calendars: inappropriately designating non-work days, such as weekends and holidays, as work days
- Frequent Rebaselining: arbitrarily resetting the schedule baseline to mask performance problems
- Inappropriate Use of Constraints: using hard constraints to create a misleading critical path or to suppress slack
- Multiple Schedules: operating to one schedule while reporting performance and variances to customers, executive management, or other stakeholders using another schedule

## Schedule gaming, data manipulation and abuse practices (3 of 3)

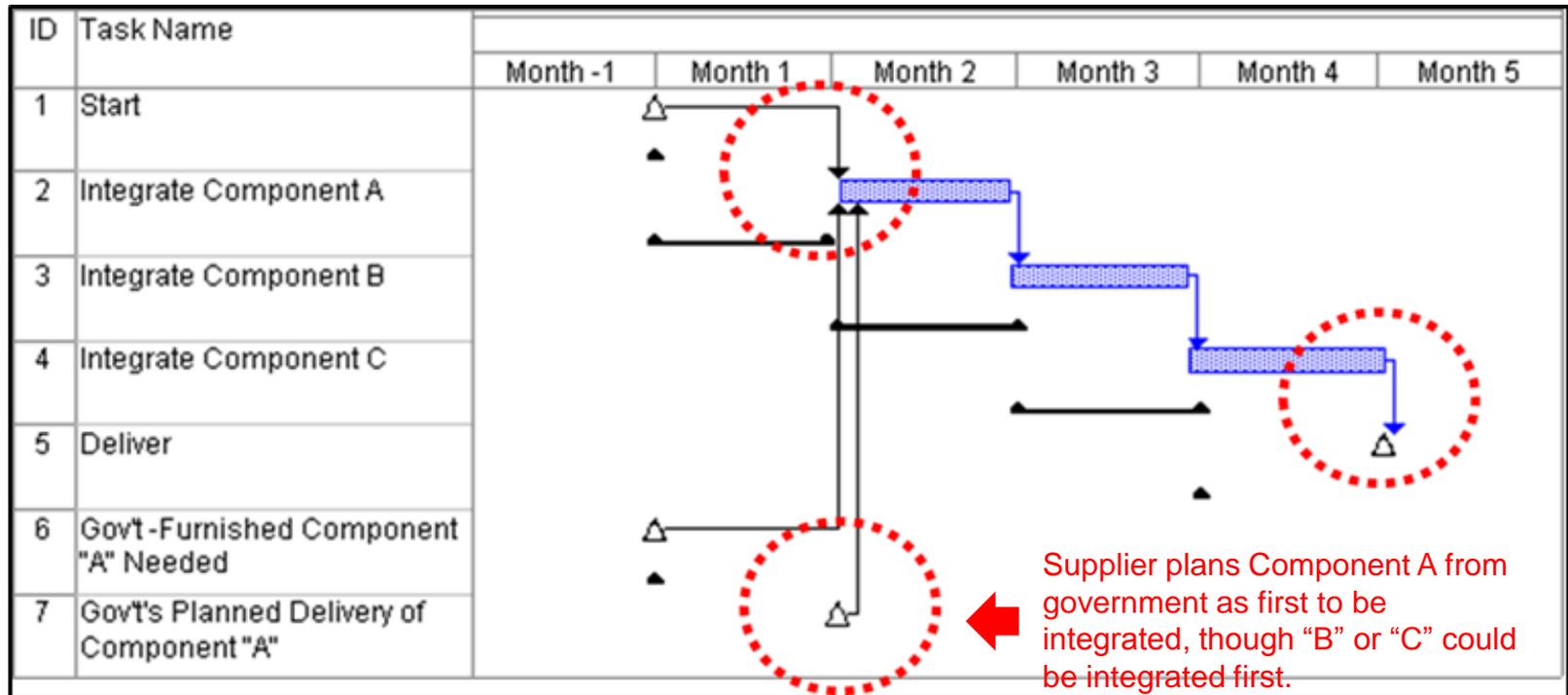
- Forcing Success-Oriented Schedules: planning an unrealistic schedule that most likely cannot be accomplished but will win the proposal or temporarily appease customers or management
- Manipulating Performance Metrics: such as taking credit for work accomplished that was not completed, or intentionally overriding Baseline Execution Index or other metrics results
- Under-Reporting Schedule Risk: arbitrarily reducing risk probability or impact scores to minimize external risk visibility; adjusting schedule risk analysis parameters to achieve a more desirable confidence level
- Misrepresenting Schedule Status: knowingly reporting factually incorrect or inaccurate actual performance or forecasts with the intent to mislead stakeholders or buy time to resolve problems

## Preferential Sequencing Example



- Contractor's Planning Approach
  - Contractor can actually integrate components A, B and C in any order
  - Schedule developed and baselined with government-furnished Component A needed first in the integration flow

## Preferential Sequencing Example



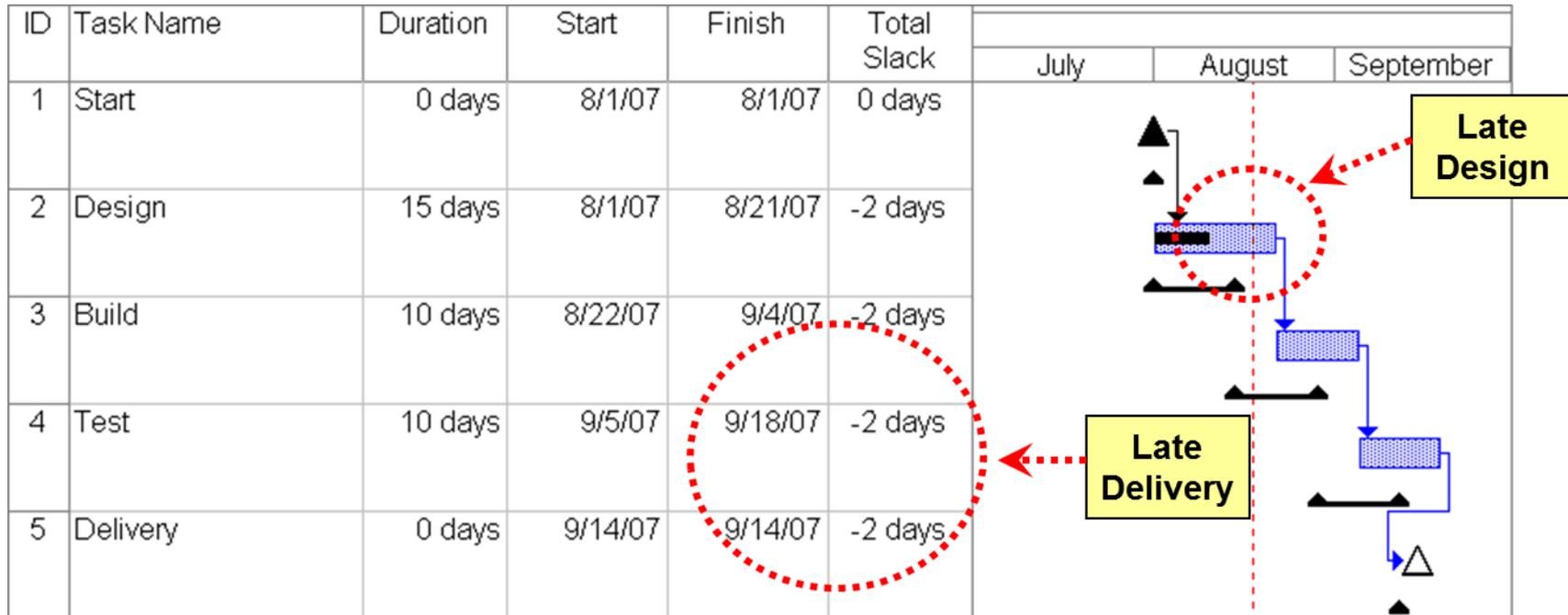
- Contractor schedule threatened by “late” GFE
  - Government cannot deliver component A until the start of month 2
  - Contractor claims delay will impact it’s schedule

## Abusing Project Logic Example

ID	Task Name	Duration	Start	Finish	Total Slack			
						July	August	September
1	Start	0 days	8/1/07	8/1/07	0 days			
2	Design	10 days	8/1/07	8/14/07	3 days			
3	Build	10 days	8/15/07	8/28/07	3 days			
4	Test	10 days	8/29/07	9/11/07	3 days			
5	Delivery	0 days	9/11/07	9/11/07	3 days			

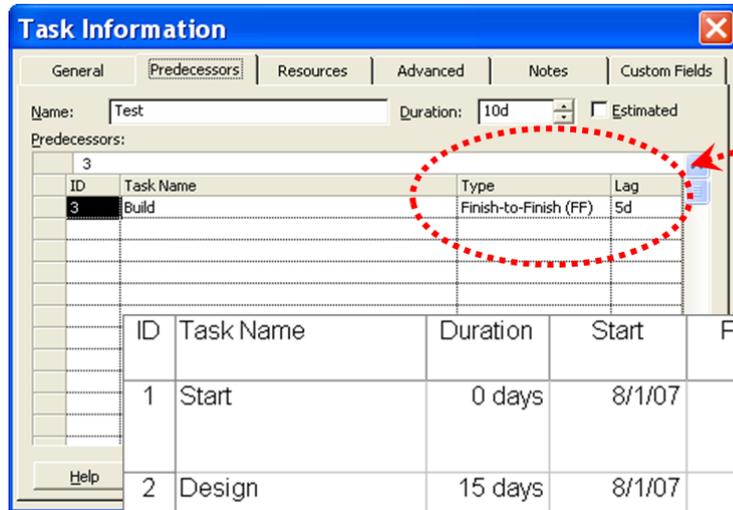
- It's August 10th and the project is on track to beat the 9/14 target delivery date by three days!
- But one week later, engineering reports that it will be late finishing the design effort which results in . . .

## Abusing Project Logic Example

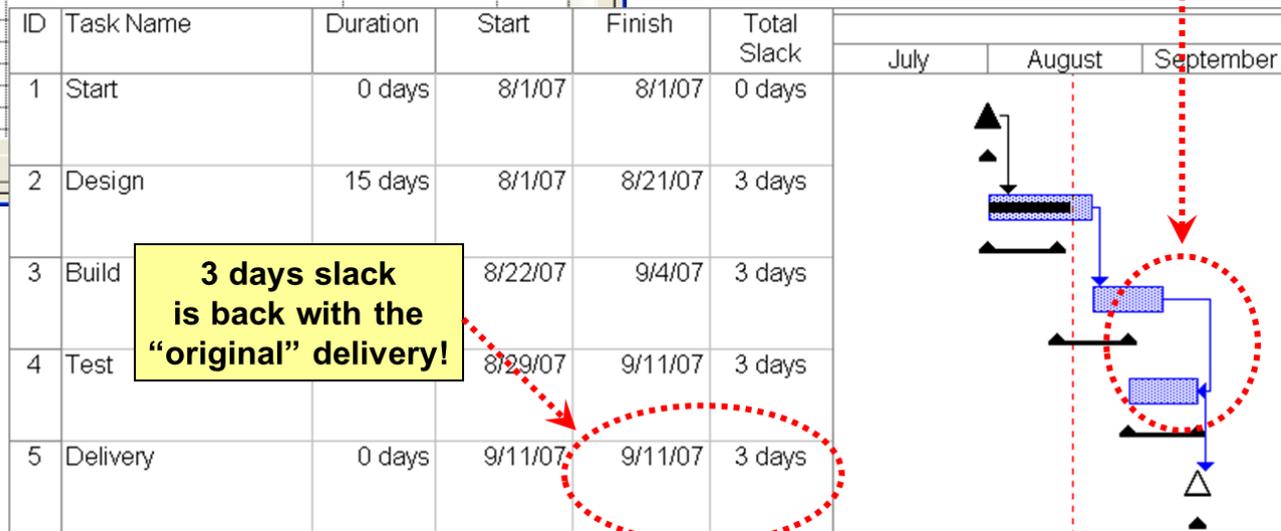


- A four work day impact to the 9/14 customer delivery commitment (Finish Not Later Than 9/14)
- What should the project do?

## Abusing Project Logic Example

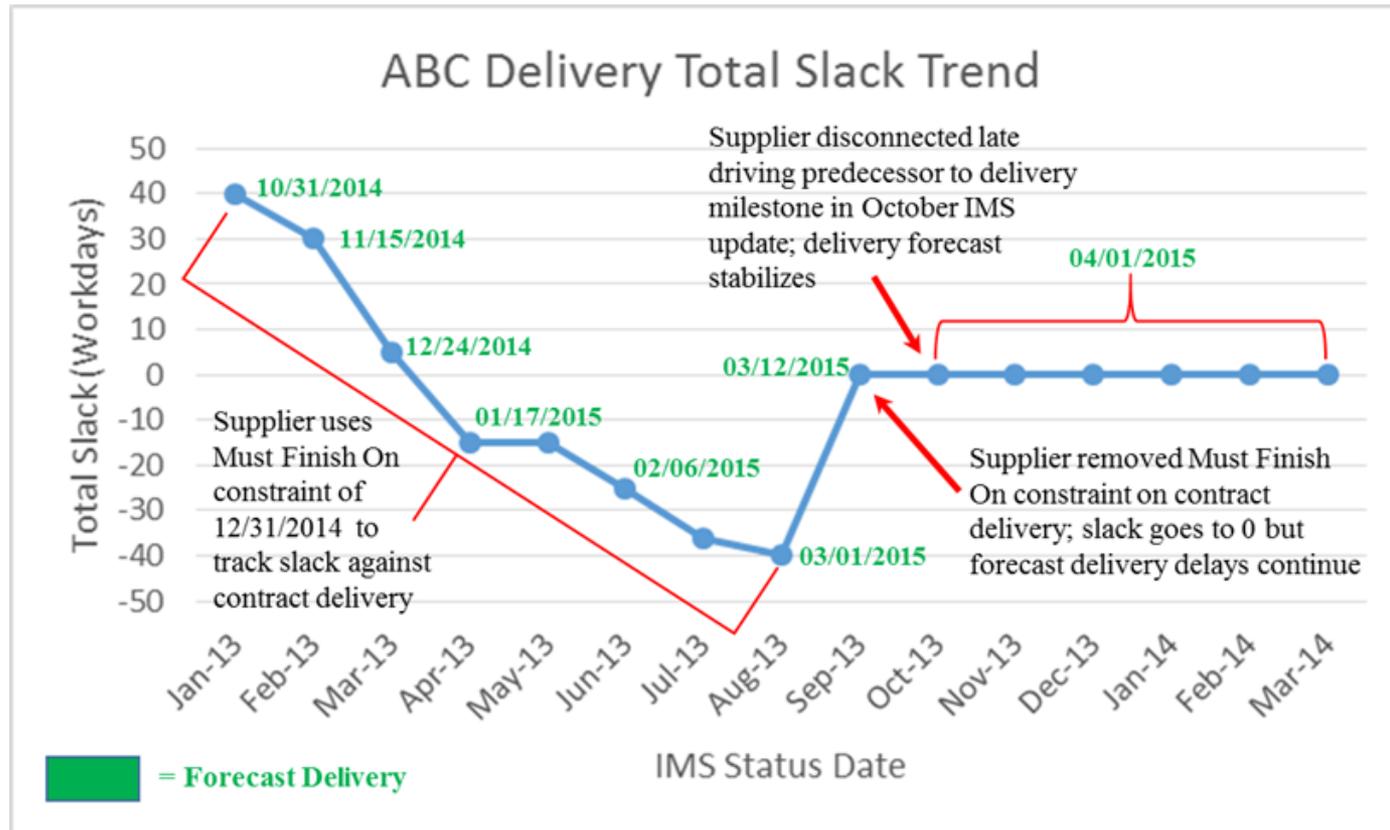


**Change the Finish to Start (FS) relationship between "Build" and "Test" to a Finish to Finish (FF) relationship with a 5 day lag and the problem is "fixed"!**



# NASA Cost Symposium 2014

## Multiple Gaming Practices and their Effect on the Project Schedule



# MITIGATING SCHEDULE GAMESMANSHIP

# Gaming Mitigation Strategies

- Assess both your organization's and suppliers' culture – how does leadership respond to bad news?
- Develop/document proper Schedule Management processes, best practices, procedures
- Develop practical scheduling training for project teams
- Determine if your contractors are baselining to “late” dates, and be sure stakeholders understand why
- Address schedule and EVM gaming as part of the Integrated Baseline Review process

# Gaming Mitigation Strategies

- Use formal giver / receiver lists to support and confirm proper schedule logic
- Consider slack/float as a shared resource between project and sponsor, or between customer and supplier
- Adopt more consistent use of schedule health checks
- Promote alternatives to gaming by encouraging schedule risk and potential problem identification among all project team members
- Plan schedule margin at lower levels (in some cases)

# Gaming Mitigation Strategies

- Price contract options for potential customer-driven delays such as late GFE, GFI
- Be sure to understand contractor duration assumptions for customer data reviews/approval
- Include gaming evaluation as part of ongoing schedule analysis and assessment process
- Specify supplier IMS requirements to include explanations for slack changes, hard constraints, lags, and logic changes
- Adopt schedule basis of estimates (BOEs) to support schedule estimates

## Any Questions?

***Read the complete paper in the August edition of the PM World Journal***

Vol. III, Issue VIII – August 2014

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