

Kitchen Management of Large Scale Projects Results in Disasters

Immobilien Zeitung: Mr. Gensior, a Reform Commission from the Ministry of Public Works is discussing proposals on how to avoid failures in large-scale projects such as the national airport in Berlin. Should the new government keep the Commission?

Gensior: Yes, the Commission is a good thing.

IZ: But you are a critic of the Commission?

Gensior: My criticism is not directed at the members of the Reform Commission, but to former minister Peter Ramsauer, who called this Commission into existence. I think the Commission is just a diversion, because the minister was involved as a board member in the problems of the Berlin airport. Because of this Commission, the impression arose initially, that the architects, engineers and project managers are responsible for the tragedies in the disaster projects. But the fact is that the imbalances result from the management failures of the public builders. When politicians, whether in Hamburg, Berlin or Stuttgart, organize their large-scale and infrastructure projects using kitchen management, no one should be surprised if the whole team goes down with the ship.

IZ: For you, the most catastrophic of the current projects is not the airport, but the Elbe Philharmonic Hall. Why?

Gensior: Because it is the most straightforward of the discussed projects and all principles of reasonable project management were injured. It's incredible to sink so much money into such a small building.

IZ: What went wrong?

Gensior: The disaster was triggered by the builder who provided only a kitchen management team for the builders tasks. The builder then awarded the construction contract on the basis of incomplete planning to a single bidder, with virtually no competition. The second competitor dropped out of the bidding process, because the tender documents did not provide a basis for reliable calculation. At the very latest here alarm bells should have been ringing for all parties involved. One need not wonder about large supplements when planning steps are omitted,

IZ: You see in the kitchen management of the politicians as the main reason for the failures of large-scale projects. How can we manage this better?

Gensior: Most public builders don't have building departments or only have one that is overwhelmed by large projects. That's why they should have a construction management company involved, representing the builders.

IZ: The client could hire a general planner.

Gensior: No. The general planner can not replace the function of the builders. The builders services must be organized in each case, in addition to the planning services. Of course there are projects where it makes sense to hire a general planner. But for very demanding projects I recommend that all planners be bound contractually to or have them report directly to the owners. Otherwise, they are only accountable to the general planner to provide information and may possibly not even be allowed to tell the whole truth to the builders. While this requires an even more active role for the client, it also does not lift the coordination requirement of the non-architects. Thus, with transparency and contradiction, planning errors are prevented from being swept under the carpet and at the same time an integrated plan with the best solutions is being created.

IZ: But the problem still exists, that mayors, prime ministers or bishops want changes that only bring the project in difficulties.

Gensior: The final coordinated planning needs to be celebrated with the client as the final deadline of the planning to discipline the builders.

IZ: Final deadline of the planning?

Gensior: Before the real estate newspaper goes to press, you also have a final deadline after which nothing can be changed. The same also applies when planning and building. That's why it's called the final deadline. Sooner or later the planners must finalize their best ideas and solutions on paper, so that the next planning step can be initiated. And everyone knows then that every change brings a rats tail of other changes with it.

IZ: Still, if the bishop really wants the Advent wreath to hang from the roof, then it will be done, even if the finished roof must be rebuilt.

Gensior: The most important thing is a proactive optimized planning. This means that all organizational requirements are strategically planned, the public is consulted and several variations are investigated in feasibility studies before the "final deadline." It should be clear to everyone that subsequent changes can jeopardize the project schedule.

IZ: And if those wishes still come?

Gensior: If these wishes have serious consequences, then the project manager must scream "stop" and illustrate the risks. No one is allowed to sit and says yes or amen to everything, but it is his task to lead the builders.

IZ: At the same time you see another problem in German hierarchical thinking where employees are often afraid to pass uncomfortable information up the ladder. Won't that be exacerbated if there is a strong personality at the top?

Gensior: Of course, this is a bit contradictory. A large-scale project must be led by a charismatic communicator who can talk to all on an equal footing - not only with those above, but also with those below. The project manager is the key person. As with the surgeon in the operating room that someone should be one who has the slog behind him with plenty of experience. The selection of the project manager must be carefully considered from the beginning, because it would be fatal to have to replace him.

IZ: Back to the Reform Commission: Do you expect useful results?

Gensior: I'm excited to see what comes of it. Certainly a lot of things will be reformulated, which are already known. But there will certainly be the one or the other innovation. I would be exulted if there would be a real innovation of the process.

IZ: And then there would be no more problems with large-scale projects?

Gensior: Experience shows that planning and building is reinvented with each new large-scale project. Thus each major project always adheres to the logic of failure. But we must not forget when criticizing problem projects: There are also many good examples of public buildings where everything is right: cost, schedule, quality.

Eckehard Gensior

The civil engineer and architect Eckehard Gensior has over 30 years experience with large-scale projects. Gensior began his professional career in 1982 with the Philipp Holzmann AG on a large-scale-project in Saudi Arabia. He led numerous other major projects at home and abroad for Thyssen. Later he led the construction management arm of the Deutsche Bank AG, led the board of directors of the project and contract business of Göttingen Immobilien AG, and was the CEO of the General planning and project management company Weidleplan. In 2004 Gensior started his own business and now consults with his company Gensior & Partner in the implementation of major projects.