



Pivot, Adapt or Persevere

3 Companies, 3 Strategies

October 2020

IMPROVISE

USE WHAT IS AVAILABLE

ADAPT

ADJUSTED TO NEW CONDITIONS

OVERCOME

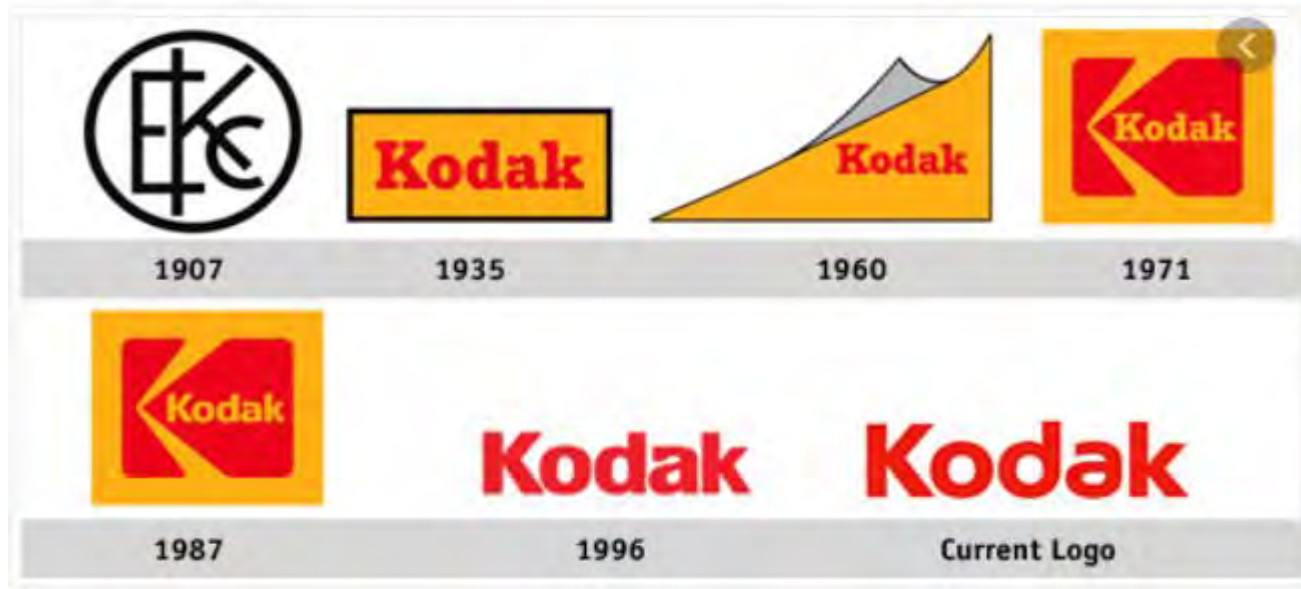
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Agenda

- 3 Companies: 3 Strategies
 - Pivot
 - Adapt
 - Persevere
- Close the Gap Between Project Managers and Strategic Value
- Enhance Transparency Through Ownership and Accountability
- Guaranteeing Project Success by Establishing Expectations and Required Behaviors
- **Don't Wait for a Crisis to Examine the Fundamentals**
- **Don't Let A Good Crisis Go To Waste**

Kodak – Pivot Strategy

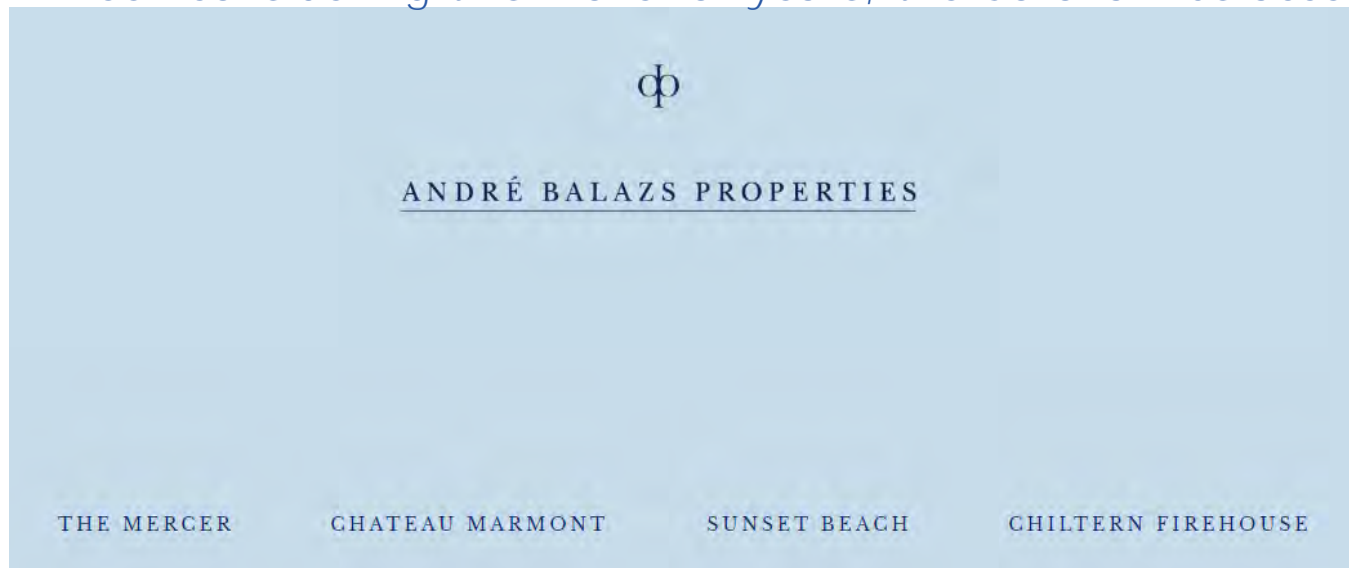
- Eastman Kodak Company (KODK), 132 year old firm is famous for making film photography accessible to the masses and for making the “Kodak moment”
- In the 1970’s they failed to capitalize on its invention of digital photography
- 2012 filed for bankruptcy — trying to pivot ever since
- Will receive a \$765M government loan to launch a new division called Kodak Pharmaceuticals



- Immediate strategy is to aid in the help of finding a cure for the Coronavirus
- Ultimately help reduce American dependency on foreign made pharmaceuticals

Andre' Balazs Properties: Adapt Strategy

- Driving hotel innovation for the past 3 decades – famous for the loyal celebrity clientele and chic hotel designs
- Adapting to the “new normal” and is undergoing plans to convert his most famous hotel into an exclusive membership only model by the end of this year
- Considering rolling this model out internationally (Milan, Paris and Tokyo)
- Been considering this move for years, the Coronavirus accelerated his plans



- Many hotels have considered alternative business models, very few have pulled it off
- Balazs loyal clientele and dedication to the customer journey may assist in adapting his new business model

Harley Davidson: Persevere Strategy

- Massive 2nd Qtr losses due to the nationwide pandemic shut-down of dealerships
- ~700 job cuts worldwide; 30% fewer new motorcycle models will be introduced; contract dealerships to focus on top 50 markets in the US and exit unprofitable international markets
- Already shut down operations in Indian claiming the tariffs are too high and the local competition is too difficult to penetrate



- Re-enforced Harley's commitment to their strategy to focus more on key markets and products to drive profitability and reduce price reductions
- 2nd Qtr US sales ~31,000 upon dealership re-opening, suggesting a pent-up demand for their bikes

Pivot, Adapt & Persevere Summary

- Kodak is pivoting from their strategy of being a global film manufacturer to being a drug manufacturer
- **Andre'** Balazs Properties is adapting a new pricing model to provide the same unique customer experience to his loyal clientele
- Harley Davidson is sticking to their core competency and are hoping to persevere through the tough economic times – they are doubling down on their core competencies, product lines and customers
- Three different companies, all impacted by the same pandemic, have three very different responses
- **How has your organization's strategy shifted this year?**
- How has the change impacted your projects?

I just need
the main ideas



The Fog of War



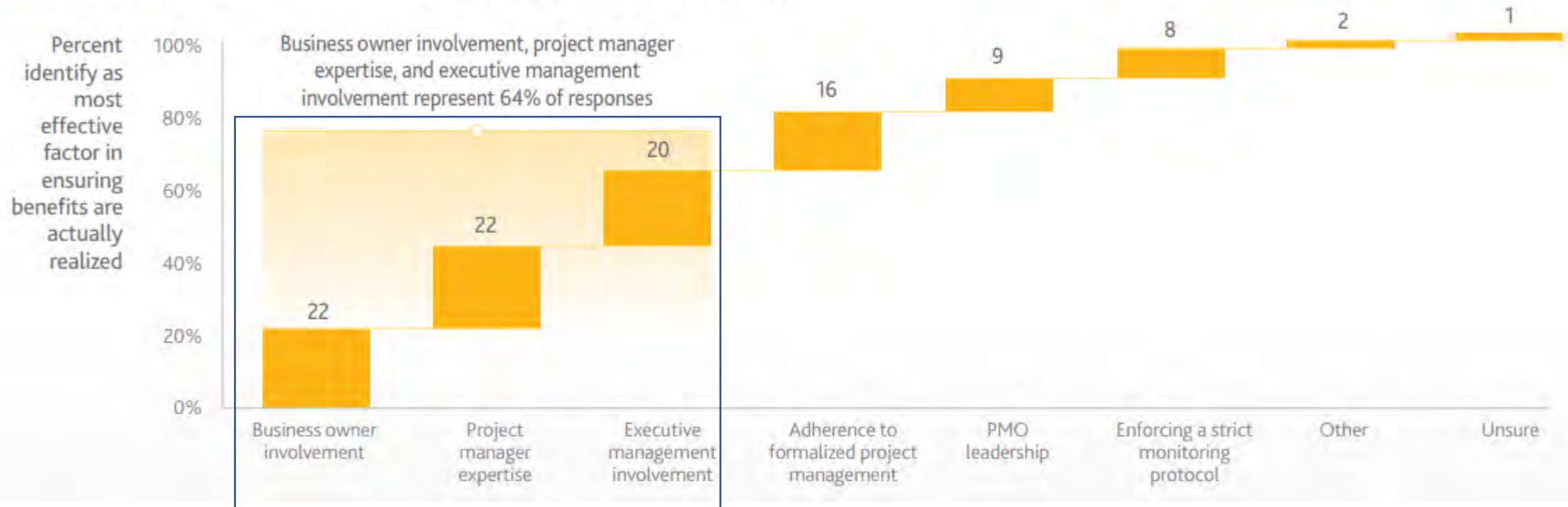
Closing the Gap Between PMs & Strategic Value

- Align the project to the strategic needs of the organization
 - Seek out advice from Business Owners – find strategic alleys within the organization
 - Listen to the business – **cut a project if there's no value**
 - Form a Steering Committee
 - Define the "Definition of Done" – DoD
 - What does "Good" look like? How do we define Good?
 - May have to define Current State
 - Draft the Charter with Project Objective
 - Don't forget to include your project risks with risk mitigation strategies
 - Team roles and responsibilities (RACI)



Transparency Through Ownership and Accountability

Figure 3: Most-effective factors for ensuring benefits realization



Establish Expectations and Required Behaviors

- Set a high level of accountability for project progress
 - Project managers need to demonstrate strong leadership with both strategic and business management skills – **practice “Transparency” vs. “Honesty”**
 - Projects managers also excel when they have deep technical expertise in subject matter
- Establish a fluid communication cadence that facilitates quick decision making characterized by solid problem solving and the ability to prioritize solutions
 - Project reporting should be transparent and highlight deviations from project objectives, outcomes and strategy
 - Encourage continuous small course corrections to maintain project balance
- Fail fast and raise issues early
 - **Break down “shooting the messenger” and “addiction to green” culture by allowing projects and team members to fail in a safe environment so long as they remain focused on solving the problem at hand**
 - Focus on the objective, not the solution

In Summary

- Have the right support in both Business Owners and Executives
- Define your value measurements
 - Enhance customer experience
 - Increase sales
 - Decrease operating costs
 - Faster time to market
- Assess progress against value measurements
- **DoD: “Definition of Done” is when we achieve our value measurements**
- Implement ongoing monitoring to ensure continuous improvement to sustainable value measurements
- You should never wait till a crisis to examine the fundamentals
- **Don’t let a good crisis go to waste**