46TH ANNUAL ECC CONFERENCE
ALIGNING THE STARS
Connecting People, Projects & Performance
ENGINEERING & CONSTRUCTION CONTRACTING ASSOCIATION
Managing the Unexpected

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Things that have never happened before, happen all the time . . .
Six ideas characterize HROs

- Examine failures more closely, more quickly
- We all oversimplify – embrace complexity
- Listen to expertise – not necessarily authority
- Focus on the critical operation at hand
- Build resilience – build response capability
- Plan – but plan for planning’s dangers

Credit: Ideas from the research of Karl E. Weick and Kathleen M. Sutcliffe
Co-authors of:
Managing the Unexpected – Resilient Performance in an Age of Uncertainty
Preoccupation with failure

• Learning from failure is hard
  o Contradicts our desire to celebrate success
  o Learning moments are short lived

• But most threats start small
Preoccupation with failure

• How can we create an environment where:
  o It’s ok to say “something doesn’t seem right”?
  o I can report a personal mistake without fear?
  o It’s encouraged to report an potential issue – even if later it’s proven not to be an issue?
Preoccupation with failure – is a preoccupation with learning

• Encourage and make it safe for “speaking up”
  ○ Practice debriefing – where rank doesn’t matter
  ○ Create psychological safety
  ○ Allow “over-reaction” to seemingly small deviations
  ○ Amplify faint signals

• Actively seek bad news

• Clarify what constitutes good news

• Consider surprises as signs of vulnerability
Preoccupation with failure

• Small deviations, small surprises – usually signal a larger vulnerability

Discussion Point

• Do we consider a surprise or a deviation as an obstacle to overcome, or a warning?
“Say – what’s a mountain goat doing way up here in a cloud bank?”
Sheila Widnall, former Secretary of USAF, and member of the Columbia Accident Investigation Board:

“NASA saw the shuttle as a 747 that you could simply land, turnaround, take off, and use again.”

When in fact – the shuttle was still experimental
Reluctance to Simplify - Embrace Complexity

• Beware of “We’ve seen this before”
  Or “We’ve done this before”

• Solicit a wide range of diverse views

Complex situations benefit from a diverse organization
We all simplify our perception of what is happening

Discussion Points

• What phrases do you hear that warn of “oversimplification”?

• What are you doing that is “cutting edge”?

• What inclusive team behaviors can guard against “over-simplification”?
Defer to expertise

• Most organizations put a premium on hierarchy . . .
Defer to Expertise

... but authority is not a substitute for expertise

HROs nimbly shift decision making away from formal authority toward expertise

• And managers who don’t listen to expertise can be fatally wrong
Defer to Expertise

HROs nimbly shift decision making away from formal authority toward expertise.
Enabling deference to expertise

• Beware of the “fallacy of centrality”
  o Discourages curiosity on the part of the expert
  o The “wisdom” of the “boss” is often overestimated

• Learn where your expertise really is
• Create flexible decision structures
• Experience doesn’t equal expertise
Focus on operations – what is the riskiest thing happening right now?

- Most organizations believe other things are more important (strategy, progress, cost, etc.)
- Fill in your own distraction here __________

Keep the “main thing” the main thing
Enabling focus on operations

• Keep the “the main thing” the main thing
Enabling focus on operations

- Continuous contact with the front line
Enabling focus on operations

• Keep leaders/managers accessible
  - Especially when important situations are arising

• Hone your operations-sensitive leadership
  - Speak up
  - Encourage others to speak up
  - Know how you handle pressure and tell others
  - Verbalize your plans
Life is a series of interruptions and recoveries

John Dewey, 1922
Resilience means increasing your response repertoire

• Resilience defined
  o Functioning effectively while absorbing an unexpected adversity
  o Bouncing back quickly with no permanent damage

• Cultivate resilience
  o Expect to be surprised
  o Practice, simulate, play “what-ifs?”
What is one take-away, one thing you will try to do differently?
Plans are nothing – planning is everything.

Dwight David Eisenhower