



Gene Siciliano



## What To Do When A Project Fails

We have been in business for over 30 years, providing financial management services, and guidance, to the management teams of privately owned companies. Our carefully selected former CFOs are very good at assessing what is broken, determining what is needed to fix it, and guiding management to get it done. Many of our clients keep us engaged for years because they realize we can help them at any stage in the life of their company.

But sometimes it doesn't work. **Sometimes the old ways**

**are too deeply ingrained to change.** Or the people in place aren't able to do what is needed. Or management decides the devil they know is better than the devil they don't know. Sometimes we get it wrong because we misread the signs or took the leaders' opinions of the problem as 100% accurate when they weren't. And sometimes it's a combination of all those factors, and we failed to see that on Day 1. When that happens, we have to acknowledge we made a mistake and step back as gracefully as possible. We've had to do that recently.

*What do you do when that happens to you?* Whether you run your own company or manage a division or just one single depart-

ment, you've run into a wall at some point in your career and had to **acknowledge that you missed the mark and couldn't fix the problem.** *What do you do?* Do you tell yourself it's their fault and you were right – It would have worked if only they'd let you do it your way? Or: if only they'd given you the full story up front, you would have crafted a different solution that would have certainly worked? Or, worst case: they were right all along and your weaknesses are out in the open for all to

see (and point to behind your back)?

*“Can't fix it? Now what?”*

*Or do you look at your part and try to find the lesson to be learned?* Every outcome has two possibilities, so it's been said – it was either a success or a learning opportunity. Lessons that might be available could include:

- I should have done more homework before crafting a plan of action. I missed some key facts.
- I should have had Plan B defined before I charged ahead with Plan A. I was too sure of Plan A.
- I didn't acknowledge to myself the areas that I'm not as good at as others, and how that applied here.
- I was driven by the fat compensation I could earn if it got done quickly. I was afraid to lose that.

- I needed to have a win, any win, to prove my value to myself. And to them.
- Insert your learning opportunity here:

**What we learned:** Some business owners don't necessarily want reporting accuracy as much as they want to control the story. In those cases we are best bowing out of the picture, which is what we did.

Wary of figuring it out yourself? The hardest part of a failed project is usually looking at your part in it, objectively and with the goal of learning how to do it better next time, not beating yourself up about it. This is so in business management just as it is in life's relationships. In fact we can learn about ourselves from using the same self-analysis approach in any endeavor, any relationship, any outcome good or bad. And that's the truth.



## Turning Failure Into Fortune By Dick Gregerson

Some level of failure is factored into every aspect of business. Whether you are a salesperson with a series of rejections, or a wealth manager balancing an investment portfolio to defend against future risks, not; or a project team implementing a new initiative: **Making**

**an allowance for failure and reacting to new realities is just good business.** *Understanding your options and planning for potential areas of failure should be a part of every Business Plan.*

The challenge is that we live in a *dynamic*

*business environment* that is apt to blind-side us. Whole segments of our domestic economy are regularly challenged by new technologies and changing consumer tastes. **Many of Janas' clients have had to reinvent themselves to survive:**

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Gene Siciliano is the founder and president of Western Management Associates, source of *Your CFO for Rent*® services for over 30 years. The firm provides interim and part-time CFO/Controller services, executive coaching and assistance in operational finance and exit strategy. Gene and his team of seasoned CFOs and controllers have a clear mission in their work with CEOs and owner/operators of privately owned companies. Their value proposition:

- Increase the company's net worth and profitability by improving the management team's financial proficiency and bottom line results, and
- Develop and execute strategies that will make your company more appealing to a buyer or investor, if and when the time comes for an ownership transition.

# Failure Into Fortune

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- MIE, a plastic insert molder who felt they were too small to survive industry consolidation, transformed into an automated 6 Sigma manufacturer of sensor housings for the worldwide auto industry.
- Keymac, a manufacturer of outmoded analog airbag actuator components, reinvented itself as a rapidly growing electronics prototype house.
- National Laser, one-man rebuilder and seller of used dental lasers. Took legal action against a much larger rival, innovated itself into AMD Lasers, that became the leading brand in diode dental lasers.

Each of these companies, were beset with challenges that threatened their future exist-

ence. The owner-operators engaged outside expertise to help think through their seemingly insurmountable problems. In each case, the company had internal expertise and management, but needed help to *find a new vision* to guide the company's actions.

Early in my career I was tasked with putting in new enterprise software. I went to my boss and told him, "I have done my very best, but I just cannot figure out how to get this thing implemented on time." He stormed back, "Never say you've done your very best—that leaves me no hope of ever getting this software implemented."

He then went on to help me reframe the project based on what I could deliver today,

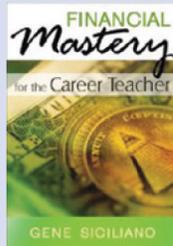
*"The only real mistake is the one from which we learn nothing."* - HENRY FORD

then work through the rest. We pulled together a user team that identified 131 problems with the existing system. With the help of an outside consultant, we learned that 91 could be fixed by activating unused modules and another 23 would take some modest programming. We cut 18 months and hundreds of thousands of dollars on a new system. **It was**

**my proudest failure!**

Janas, a middle market investment banking firm, applies the experiences – successes and failures – of its professional team to help its clients achieve their goals.

Dick Gregerson, President of Janas Associates, has been advising privately owned companies on growth strategies and M&A for 20 years. He can be reached at [deg@janascorp.com](mailto:deg@janascorp.com).

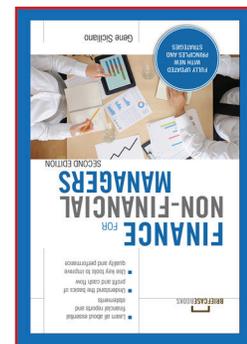


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