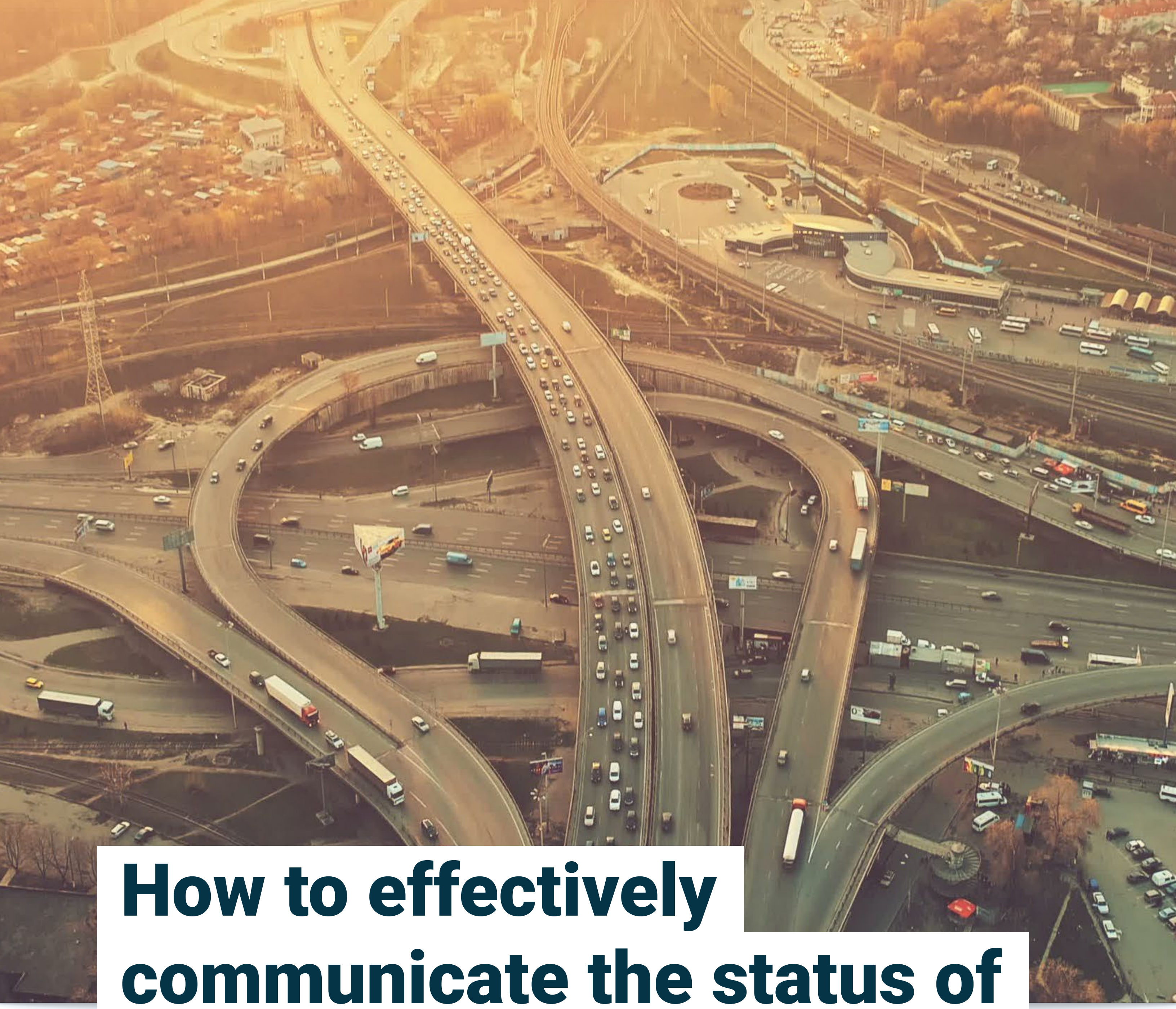
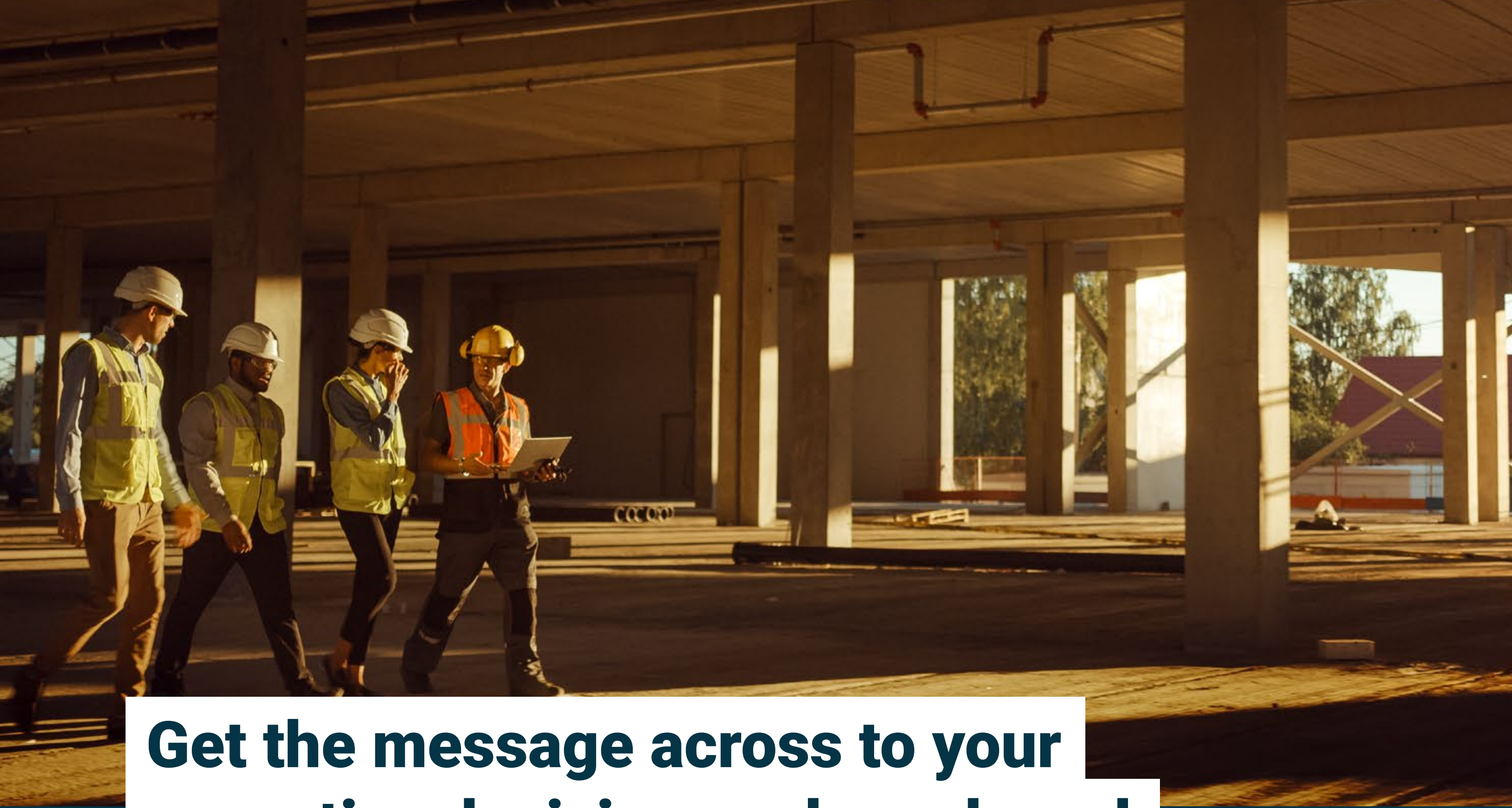


# How to effectively communicate the status of your capital program

To executive decision-makers, board or council, and the public



# Get the message across to your executive decision-makers, board or council, and the public

Whether you're communicating to executive decision-makers, the city council, or the general public, you have many stakeholders that need accurate, up-to-date information. Managing the varying levels of communication, the type of information to be shared, and timeliness is complex yet critical to your capital program's success. To keep a project on time and on budget, effective communication is vital. A PWC report shows that many capital projects go over budget, and **a mere 5.4% of projects are both on time and under budget.** Many projects could improve their budget and schedule outcomes by implementing solid communication plans for stakeholders that offer transparency of controls, clear accountability of responsibilities, and a meaningful audit trail.

At the onset of any project, it's essential to identify who the stakeholders are and how you'll communicate to them. This will allow you to set up the appropriate controls, workflows, and communication methods in advance. Furthermore, having the right tools in place to manage your stakeholder communication will help deliver quick insights at the program or project level, enable you to make data-driven decisions, and help gain faster approvals.

# Top three tips to effectively communicate to your stakeholders

# Your stakeholder: Executive decision-makers

Communicating to stakeholders like the Chief Executive Officer (CEO), the Mayor, the Governor, or a Chief Financial Officer (CFO), is often very different from communicating to others. Having reliable and accurate data on hand should be a top priority when providing updates. Be prepared to show the overall picture and drill down to the details if necessary.

**Understand their priorities**

Understanding your stakeholders' priorities is crucial so you can align to their goals and objectives. Always be prepared to offer solutions—not only problems—and offer alternatives rather than just 'yes' or 'no' decisions. Showing the positive and negative consequences of each alternative will allow stakeholders to make better decisions.

**Provide additional levels of detail and data**

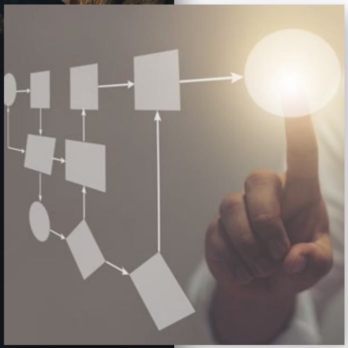
Where the public may have a dashboard that just shows scope, schedule, and budget, the executive decision-makers may expect to see early warning alerts for project delays, red flags, or outliers for project expenses, etc. Make sure your data are credible so that you don't get questioned before you can even state your case. Know what story you are trying to tell based on the data you present.

**Be clear in your requests and messaging**

It's helpful to develop a routine for communicating. Consider starting with the bottom line and then showing how you came to that conclusion. This will help avoid surprises and fingerpointing. Track action items, articulate next steps and timelines for follow-up and take responsibility for the follow-up. Being as clear and on-point as possible will help keep decision-making and status updates smooth. When an executive makes unreasonable requests, be prepared to defend your position in seeking a longer schedule or additional funding or scope reduction supported by your data.

# Your stakeholder: The board and city council

Whether you are working on ad hoc requests for information or routine updates and reporting to the board or city council, be ready to provide the required data by having these best practices in place. At the onset of any project, collaboration is a top priority to understand what data each stakeholder will need. Understanding the level of detail (such as program level versus individual project level, the types of data required, and the frequency) ahead of time will help your organization implement best practice techniques to communicate effectively (and accurately).



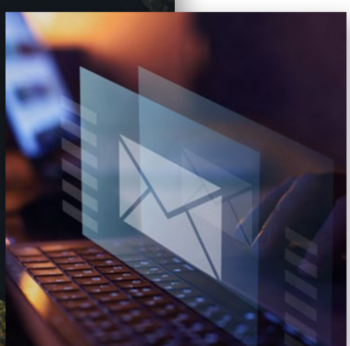
**Set up workflows**

One of the greatest things you can do for your organization to ensure timely approvals is to create workflows to manage processes. Having clear accountability of responsibilities and transparency into the status of project requests will save your organization a tremendous amount of time. The key is that staff must recognize when the board will engage and anticipate their strongest concerns well in advance. Staff members must align with the 'insider group' (i.e., executive management) on not just process, but also messaging, priorities, and how to convey scope, schedule, and budget in such a way that the board members can pass on the message to their constituents.

Once you have workflows and know when to engage the board members, you'll be able to provide insight into where a particular item is at any given moment, eliminate guesswork, and simplify the communication process. Request for Information (RFIs), change orders, and daily reports can all be managed and tracked through well-designed workflows, eliminating the need for back-and-forth emails and streamlining the communication process, which brings us to our next point.

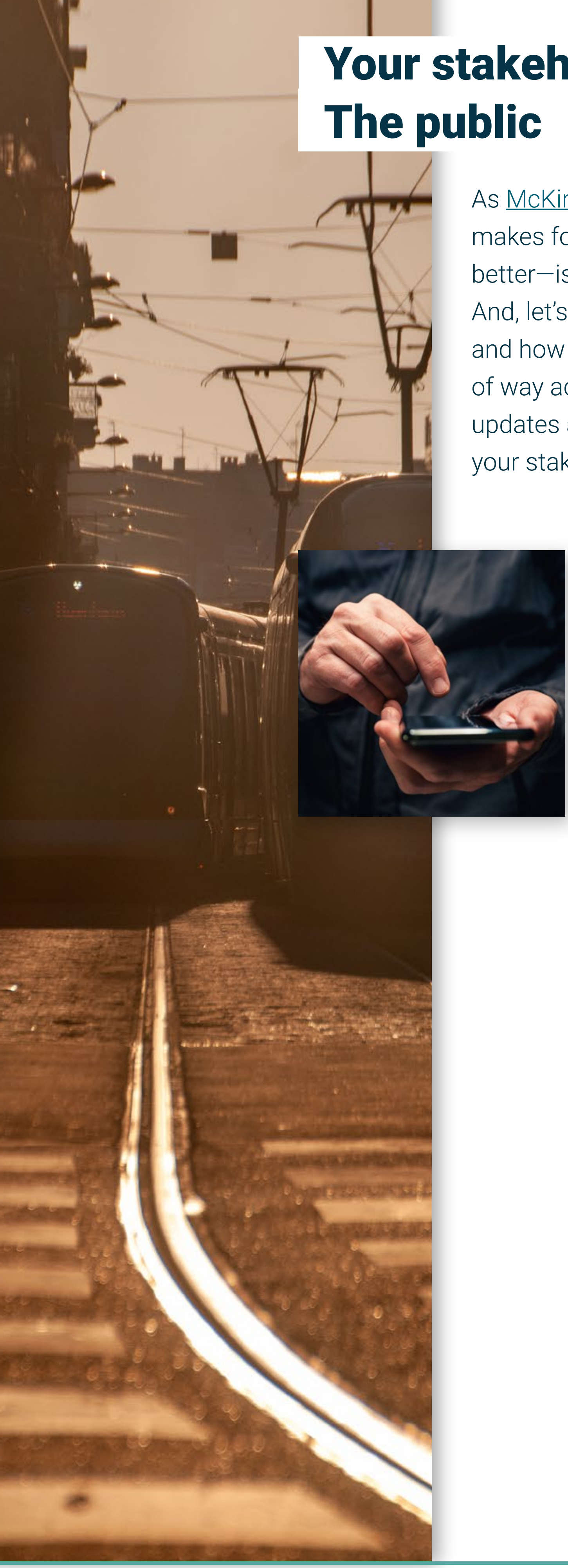
### Dashboards & analytics

Having a bird's eye view of every project within a program can help you quickly answer questions and provide updates to your stakeholders. Implementing an enterprise-wide reporting solution that is configurable to your agency's specific needs is the best way to ensure data accuracy. Internal and external stakeholders will benefit from having the most up-to-date information available.
Auto-generated reports and graphs will make the presentation of data easy to digest, and project status reports will keep your stakeholders up to speed. And, since board members and council members often represent a specific subset of the public, whether it is a certain geography or a demographic group, having options to filter data on dashboards is an added bonus for your stakeholders.



### Do not rely on emails

Relying on emails as a primary data-sharing and communication source will lead to inconsistencies. Implementing solid workflows within a project management system and using one place for all documents and project data will make communication to your stakeholders that much easier (and more accurate). Your staff must understand how the organization prefers to communicate with the board. Be sure to include fellow staff members who may communicate on the same topic so that the board members are not receiving conflicting information or multiple sources of data. Use informal communication before board meetings to avoid surprises in board meetings, which are generally public.



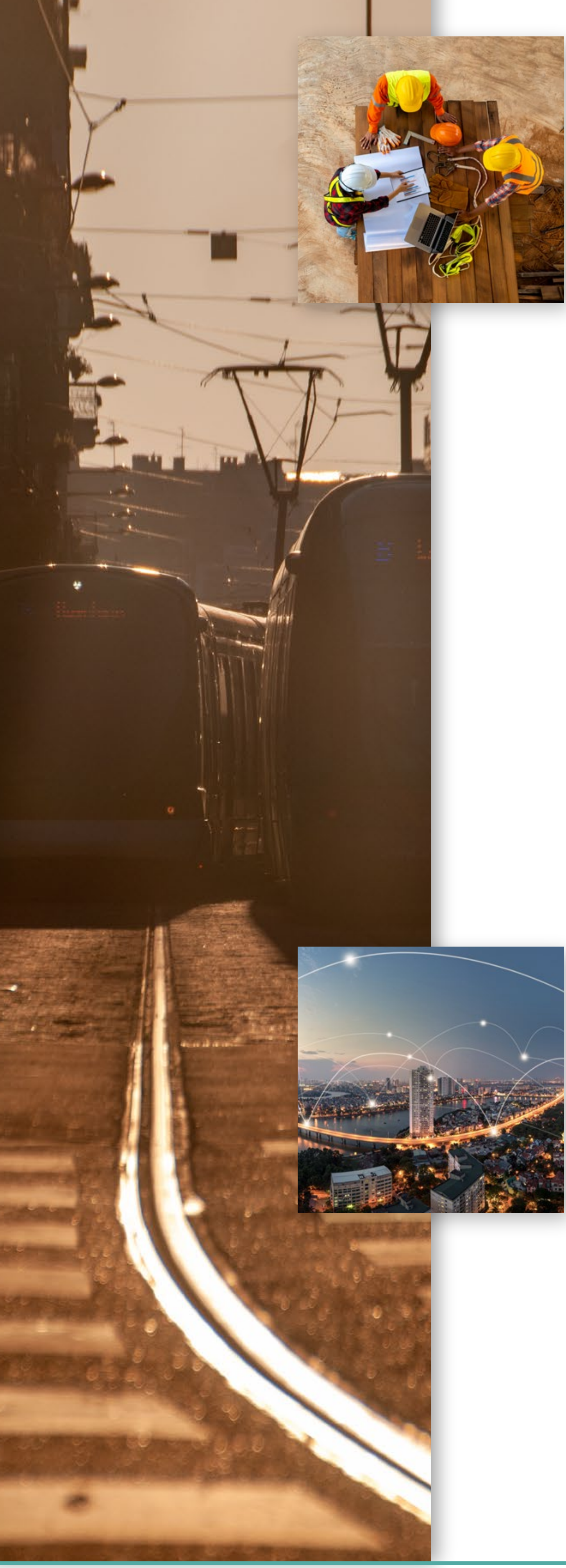
# Your stakeholder: The public

As McKinsey best put it, consulting stakeholders before digging makes for better, cheaper projects. This concept—the earlier, the better—is especially true when it comes to the general public. And, let's face it, the public does not understand how much time and how many resources are required for planning, design, right of way acquisition, etc. Updating your community with status updates and project developments from start to finish will keep your stakeholders informed.

**Communicate early**

The earlier you can gain public feedback and acceptance, the better off your project will be in the long run. Once your project is clearly defined, and you have pinpointed who your intended stakeholders are, communicate as early as possible and ensure they receive timely information. Be sure to understand who your stakeholders are (community members, business owners, associations) and determine the best way to communicate to each group, the level of information to provide, and the optimal frequency.

Use the capital planning process to set expectations around the timing of construction. It can take months or years to get into construction, and often, elected officials might turn over during that time. Template pie charts are a great way to show how much of a project budget is spent on the various phases and to point out that construction might only receive, for example, 65% of the total project cost. Template Gantt charts are another way to show project schedules. It's important not to set unreasonable expectations for project expediency.



### Be clear, concise, and consistent

In other words, keep it simple. Use plain language and terms the general public will understand. This ensures stakeholders understand the proposed project and encourages collaboration. Simple things like project status or phase should always use consistent terminology.

Different agencies must be careful not to communicate different messages about the same program or project when it comes to large government jurisdictions. The message must align with what a council member may tell the public at an upcoming town hall meeting.

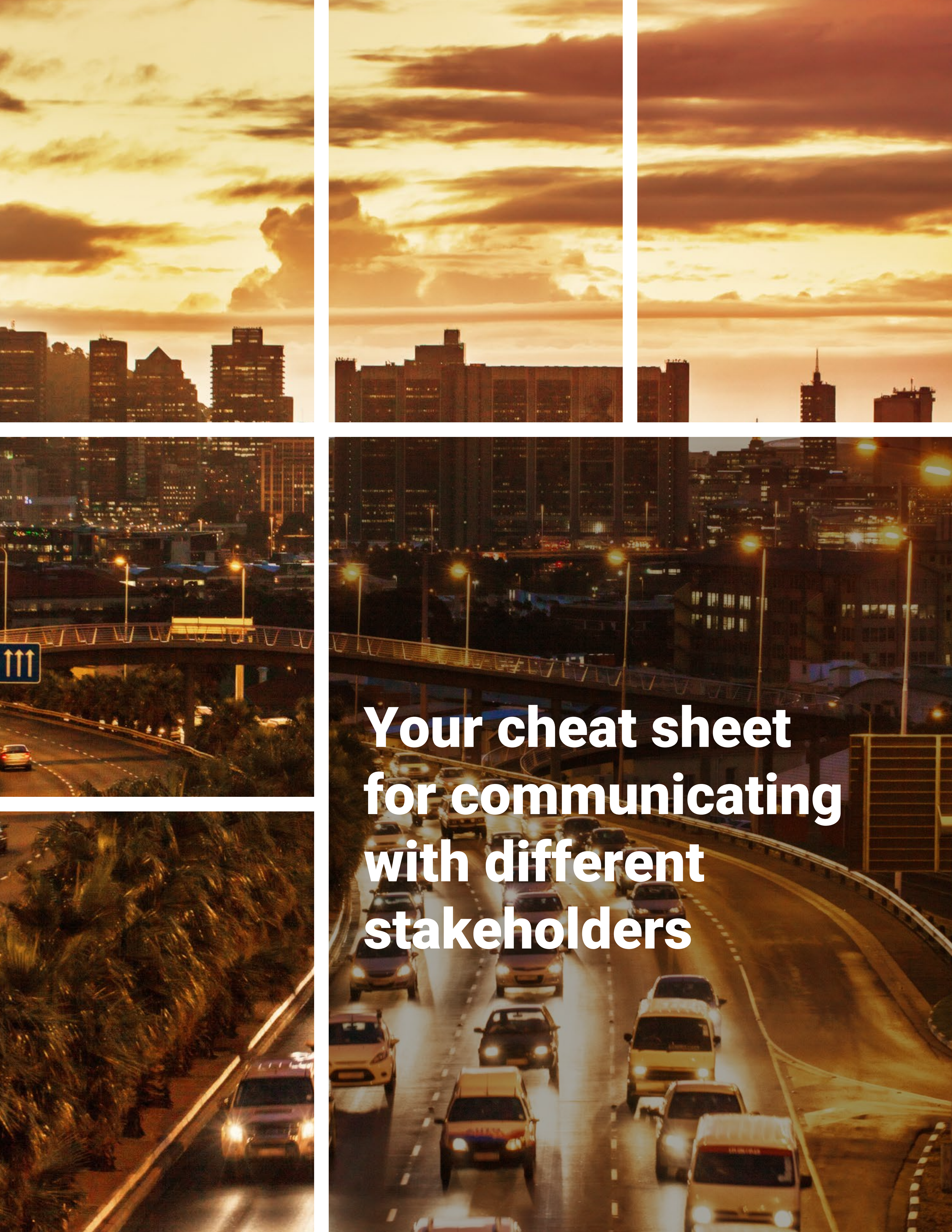
Project Managers (PMs) are best served for coordinating carefully with communications and public information officers on critical milestones and decision points. PMs must also take care not to seek public input if the organization has no intention of incorporating the public input. And, remember, at some point in every project, the time for stakeholder input must end, and the agency must take accountability for delivering the project.

### Go digital

Using modern technology like social media to connect with your public, gather feedback, and provide updates is here to stay. Share vital information the public needs to know, allow them to review your capital programs, and share feedback in one online location. Take it one step further and provide a way for users to easily search and comment on proposed projects relevant to their geo-location using a map-based public portal. Moving toward a digital option not only speeds up the process of providing feedback and updates to your public stakeholders but also broadens your audience and helps you make more equitable decisions.

## Final thoughts

Effectively communicating the status of your projects is much more nuanced than three simple steps, but these tips are sure to get your organization thinking about the right tools to deploy to help make this process much simpler and more accurate. Delivering timely, up-to-date information to all your stakeholders can speed up project delivery and **reduce cost overruns by 30% to 50%.**



# Your cheat sheet for communicating with different stakeholders

Here is a quick cheat sheet on the specifics of what you may need to communicate to different stakeholders at the different stages of your construction lifecycle.

| | PLAN | BUILD | OPERATE |
|---|---|---|---|
| **Public** | • Project needs, project/program benefits and outcomes, community-level focus<br>• Revenue costs (taxes, bonds, etc.)<br>• Project and program costs<br>• General timing/schedule<br>• Impacts related to land acquisition and condemnation | • Disruption (noise, traffic, debris); start and completion of construction<br>• Alternate routes and facilities<br>• High-level scope, schedule, and budget<br>• Delays to schedule<br>• Economic benefits to the construction community (jobs, etc.)<br>• Mitigation of impacts to local individuals and businesses | • Outcome performance metrics (e.g., improved condition or reduced congestion)<br>• Cost per individual or household<br>• Reactive reporting (any issues that arise) |
| **Council/board** | **Everything public +...**<br>• Prioritization of needs; tradeoffs<br>• Benefits by grouping (e.g., by geography, demographic, business vs. personal)<br>• Timing as it relates to terms, elections<br>• Coordination with other agencies, jurisdictions, legislature, etc.<br>• Sources of resistance<br>• Requirements of funding partners | **Everything public +...**<br>• Mid-level scope, schedule, budget<br>• Construction-related risks<br>• Rationale for the delivery method (Design-Build vs. Design-Bid-Build, etc.)<br>• Budget approval or contractor approval, as applicable<br>• Reasons for delays to the schedule, if any | **Everything public +...**<br>• Output performance metrics (e.g., lane miles improved)<br>• Cost per community, group of individuals, or businesses<br>• Benefits of incremental investment<br>• Necessary budget at different performance levels<br>• Ongoing reporting (the good and the bad) |
| **Executive decision makers** | **Everything council/board+**<br>• Resource/personnel needs<br>• Conditions of funding partners (e.g., long-range planning requirements of FHWA, federal clearances)<br>• Legal implications, if any<br>• Reporting requirements, if any<br>• Lessons learned from past projects | **Everything council/board+**<br>• Detailed scope, schedule, budget<br>• Contractor performance<br>• Adherence to planning conditions (NEPA, LEED/ sustainability, access permits, IGAs, etc.)<br>• Coordination with other build activities (e.g. don't pave street then tear up for new sewer) | **Everything council/board+**<br>• Input performance metrics (ex: tons of asphalt, man-hours committed)<br>• Cost for the entire jurisdiction or agency<br>• Proactive reporting (mitigate risk with course corrections) |

## About Aurigo Software

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