

MCX



Member Communication Experience

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Giga vs Traditional Projects

Key Points

- The tendency to think of the primary difference between mega/giga projects and more traditional sized projects as one of scale
- Scaling up in size has the concomitant effect of
- Unseen dimensions create and expose new challenges
- References to related Executive Insights provided

Introduction

There is a tendency to think of the essential difference between mega/giga projects and more traditional sized projects as one of scale. A better analogy, and something that is more clearly evident in the world of giga projects, is that this scaling up in size has the concomitant effect of that were likely always there but whose effects were not readily noticeable.

The Unseen Dimensions

Not aggressively sized, serve as nesting and breeding grounds for unpredictable events that are beyond what is normally expected and have potentially severe consequences. may also act as homes for new, yet to be discovered opportunities. Only look hard enough and understand the potential that exists.

Project that at smaller scales was not as significant; this

potential sets of interactions. In the second case one might consider the result as scaling up of the project tenfold. Even if this scaling up tenfold only resulted in twice as many discrete activities, the number of possible interactions would rise over fourfold.

Expose the fragility of many assumptions. Longer project development and execution periods are an inherent characteristic of growing levels of capital, demonstrate that assumptions are far from static and reasonable error bands that might be recognized as existing at project initiation that broadens as time passes. In a simple case, take project escalation that may have been forecasted at 5+1 percent at project initiation. If the worst of the initial assumption set materializes, 10 percent growth will be experienced above the base estimate in a 10-year project. If this higher level of escalation persists, the assumption may migrate to 6+1 percent, which, if this 3 W*40.82 Tm a ht

For Further Reading Executive Insights

Systemic Risks in Large Complex Projects

White Space Risks

Opportunity Analysis

Coupling in Large Complex Projects

Assumption, Risk Driver, and Constraint Tracking

Flows in Large Complex Projects

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