

# Study of the best Project Management practices with special reference to the Megaproject of Vidarbha region.

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**Abstract:** Projects with a minimum cost of US\$ 1 billion or a minimum of 0.01% of the country's gross domestic product (GDP) are considered as megaprojects. MIHAN (Multi Modal International Passenger and Hub Airport at Nagpur) is one of the megaprojects that envisaged setting up of a Multi-Product SEZ adjacent to the Nagpur International Airport with the objective to remove the development backlog of Vidharbha Region and harnessing the potential of existing Airport at Nagpur. The main goal of this project is to restructure the Nagpur airport enabling with cargo facility and connecting with railway and integrated roads in the city of Nagpur. The project is also touted to bring some of the best companies in IT, Healthcare, Warehousing and Aviation to change the face of Nagpur and Vidharbha Region. MADC, the nodal agency executing this ambitious infrastructure project has made huge investment to develop the infrastructure in MIHAN. But even after two decades of its existence the project seems to have lost its sheen. As MADC completes 20 years, this paper tries to find out the reasons of MIHAN's scuffle to attract major companies to its SEZ and airport attached area. Is the project still a bet for turnaround? Can the best Project Management practices facelift this Megaproject? The answers to these questions can be found in this study.

**Keywords:** Megaproject, Vidharbha, MIHAN, Project Management, Business, Nagpur, SEZ, DESH

## 1. Introduction

Megaproject Features Projects with a minimum cost of US\$ 1 billion or a minimum of 0.01% of the country's gross domestic product (GDP) are considered as megaprojects. In addition, in the construction sector, megaprojects like airports are characterized by size the number of project teams and stakeholders involved, the multiyear duration or work cycle (3 to 10 years on average) and the innovative technological applications implemented.

Airports play a huge role in the overall development of a country including. Air routes are the highways of the global economy, transporting people and goods over the vast distance at great speed. Airports are a major part of a country's infrastructure and foster economic activities by encouraging international trade and tourism and generating employment. Aviation has massively multiplied and facilitated business and leisure opportunities, cultural exchanges, and the development of international institutional and political relationships. Besides, passenger traffic growth, a large mix of industries in Central India offers a great potential of the enhanced cargo activities. Nagpur is one of the largest cities in central India and the third largest city in Maharashtra after Mumbai and Pune. Located at the geographical center of the country, Nagpur is easily accessible by all modes of transport –road, rail and air. This endows the city with huge logistics potential. The region of Vidarbha offers unlimited scope for the growth of tourism, trade and commercial activities.

To tap this potential, MIHAN (Multi Modal International Passenger and Hub Airport at Nagpur) and setting up of a Multi-Product SEZ adjacent to the Airport was envisaged by the Government of Maharashtra. The prime objective of this project was eliminating the development backlog of Vidharbha Region and harnessing the potential of existing Dr. Baba Saheb Ambedkar Airport at Nagpur. During the initial feasibility analysis at the pre-planning stage in late nineties, it was suggested that the airport should be expanded. The broad purpose was to build an industrial zone along with its supplementary infrastructure to develop the nearby region. It was thought that this would also beef-up the passenger volume at the airport. Since Nagpur lies in the very centre of the country, this region was selected as the ideal place to consolidate an international cargo hub. Many national air routes pass through Nagpur air space. The large number of international air routes passing through Nagpur airspace include air routes between countries in the west like Europe, Scandinavia, USA, Canada etc. and SE Asia / Australasia / Asia and South Pacific countries; flights from African continent and MID east to Far East as well as those from CIS countries to S.E. Asia etc.

Considering the above and also considering that no other international airport exists within 400- 500 Kms. around Nagpur, the proposal for a Hub airport at Nagpur gained further credence. Dr. Babasaheb Ambedkar International Airport, Nagpur, earlier owned by the Airports Authority of India, was brought under a 'Joint Venture' between Maharashtra Airport Development Corporation (MADC) and the Airports Authority of India (AAI) with 51% and 49% stake holding respectively. It is proposed to develop Nagpur airport as the international hub airport under PPP mode. The MIHAN project is being executed by a special purpose vehicle (SPV-Company) MADC (Maharashtra Airport Development Company).

The Nagpur International Airport is to be extended by 200 Meters to 3,600 x 45 Meters along with a parallel second runway of 4,000x60 meters. The two runways will be separated by 1,600 meters to facilitate parallel take offs and landing. There will be parking space for 50 aircraft in the terminal and nearly 50 aircraft in the remote area. A 3 lakh Sq.M. terminal will be constructed in phases

to meet the estimated 14 million passenger traffic and an estimated 8,70,000 tonnes of cargo. There is also a provision of space for setting up an aircraft engineering and maintenance base.

Another significant aspect of this particular project is the existence of a Special Economic Zone (SEZ). An SEZ is a designated area where the country's business and trade laws are different. Majority of the SEZs across the world are set up to attract foreign investments, increase trade, economy and generate employment. Attractive financial policies authorized in these regions encourage amplified foreign and local investment thereby benefitting the entire city or region wherein the SEZ is located.

With the development of MIHAN, the whole Vidharbha region is expected to witness a boost in economic activities and employment opportunities for the people around this area while attracting qualified and skilled talent from Maharashtra as well as rest of India and abroad.

## **2. Literature Review:**

Based on the objectives of the study, a literature review has been conducted to identify similarities and differences in research previously undertaken on the topics related to identified objectives. This refines the approach and methods of the analysis used for this project. This section elucidates two concepts: Project Management in Megaprojects and the megaproject complexity from the studies undertaken in the past.

Project management has emerged as a research field that is progressively being applied by firms for achieving their goals, mission and vision. As business firms continue to define their business activities as projects, the need for project managers continues to increase every day (Pham et al. 2019). In the construction industry, where megaprojects like airport or convention centres are constructed, project managers are responsible for the planning, execution, monitoring, control and closure of construction projects. These leaders develop feasible timeframe targets as well as budgets and ensure that they are adequately met. These managers also facilitate a good client relationship all through the project.

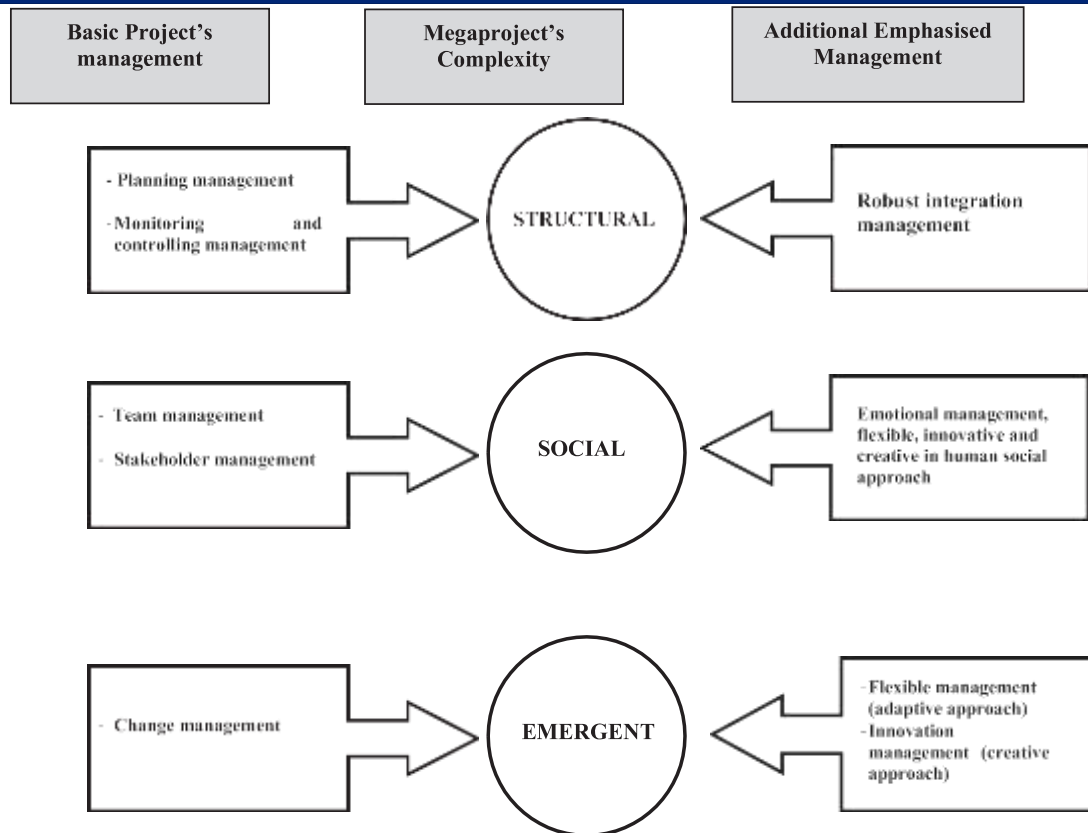
According to Pham et al. (2019), the vital factors to the success of projects involves the selection of right project managers. Concerns for the competence of project management has resulted in the development of standards for project management knowledge and practices used for evaluating, developing and certifying managers and organisational leaders. Developing these standards is immensely qualitative concerning the collective opinions of experienced practitioners following the need of the project personnel to know and perform for consideration as competent project managers (Nieto-Rodriguez and Sampietro 2017, p. 1).

Saunders et al. (2016) evaluated project management responses to project uncertainty taken from high-reliability practices. The team is encouraged to discuss and negotiate its way and reluctant to simplify interpretations.

Structural management and dynamic management were strategic approaches employed to overcome complexity. Management of change and uncertainty that was initiated by Giezen through a planning management approach was employed as a strategy to address these complexities. Megaprojects are an opportunity for engineers and technical experts to strive for the longest, highest, and fastest upper limits of a project, as was the case in the Hong Kong–Zhuhai–Macao bridge (HZMB) in China.

Brady and Davies reviewed the complexity of other construction megaprojects by examining the cases of the construction of Heathrow Terminal 5 and the London 2012 Olympic Park in the U.K. In analyzing these cases, the researchers focused on the structural and dynamic complexities that were managed with technical and flexibility management.

In the case of politicians, projects are often about building of large monuments that satisfy their personal interests, ambitions and end up being perceived by the public and the media. These undertakings are considered to be megaprojects with political motives. For businesspeople, megaprojects are seen as endeavours that will generate significant revenue. Further, the aesthetics of a megaproject also plays significant part, as far as motives are concerned. As designers revel in extraordinary designs and the make unique buildings that become emblematic of a given country, such as the Burj Khalifa in Dubai.



Responses for managing complexity in megaprojects from Managing global megaprojects: Complexity and risk management

Successful project-based firms continue to depend on their workers, especially their base competencies, because they are greatly valued and a source of competitive advantage (Khattak and Mustafa 2019). This is essential in the current hypercompetitive business environment as failures may lead to negative impacts on a firm's competitiveness. In application to the construction project management, competency presents the capability of individuals or the group to use knowledge, skills and personal features to carry out activities within a project environment to create expected results depending on the defined and accepted standards (Algeo and Connell 2017, p. 268). Competency frameworks help employees to offer positive contributions through breaking down competencies to componential elements which are measured and evaluated, hence, used to enhance performance management and development at personal levels and their functions (Ryan 2014).

In a study conducted by Pagon et al. (2008), successful project managers must have good leadership and communication traits. Leadership is a key aspect for effective project management because it helps organisational leaders develop effective project planning procedures as well as have a significant impact on the effectiveness of the project team (Omran and Suleiman 2017, p. 2).

Further, communication is an important characteristic that an effective leader correctly implements to connect with every member of the team to achieve a common goal. In instances where the construction project managers ineffectively use communication networks, the relay of information to and from the team becomes jeopardised, increasing the risk of the team's budget incurring unnecessary risks (Ilin et al. 2018).

Daniel Kahneman, a Nobel Prize winner for his ground-breaking work on cognitive biases, has shown that one of the most effective ways to counter the effects of cognitive biases is reference class forecasting, a method of predicting outcomes by setting aside the outcome you and your team predict and instead analyzing the actual outcomes of similar projects. Also known as taking an outsider view, this form of forecasting outcomes “requires planners to identify a reference class of analogous past initiatives, determine the distribution of outcomes for those initiatives, and place the project at hand at an appropriate point along that distribution” (Lovallo and Kahneman, 2003). Selecting the right reference class—that is, the right group of relevant projects—requires the project leader to weigh many variables, but ultimately comes down to a judgment call.

### 3. MIHAN project Profile

The vision of MADC, the company executing MIHAN project is to develop world-class Multi-modal International Hub Airport along with a multi-product Special Economic Zone at Nagpur, and Aviation Infrastructure in the State. And in its mission statement MADC profess to facilitate development of world-class Multi-modal International Hub Airport along with a multi-product Special Economic Zone at Nagpur, and Aviation Infrastructure across the State with allied activities through appropriate development models with the commitment towards the environment and citizens.

The MIHAN project is spread over on about 4354 Ha. of land of which consists of expansion of the existing airport with new runway and international terminals covering about 1400 Ha, a large Multiproduct SEZ on 1238 Ha with focus on aviation and aerospace sector and also includes information Technology Parks, Hospitals, besides manufacturing and value- added units. Another 614 hectare of land has been reserved for rail and road terminals, residential and commercial complexes, international schools and hospitals, and other social and commercial infrastructure and others SEZ related facilities.

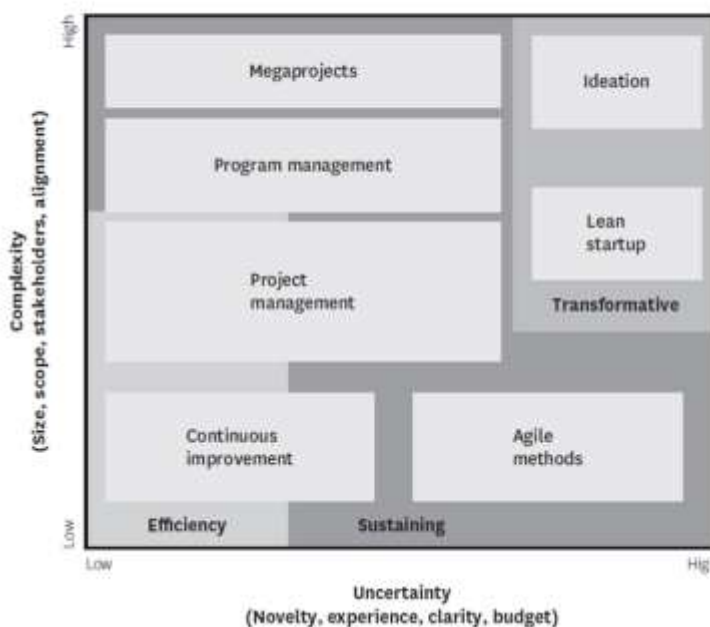
Out of the 120 units that have procured land in MIHAN SEZ and Non-SEZ area, about 60 units are only operational in MIHAN project. There are another 20 service units operational in the Central Facility Building. The direct employment generated in MIHAN is around 20000, which is way below the projected number of 200000.

### 4. Problem Statement

MIHAN can be termed as a classic case study of how ambitious government projects should not be managed. It is an ambitious yet complex project being executed by a MADC (Maharashtra Airport Development Company) sometimes confused as MIDC, the industrial development corporation for Maharashtra state. Although MADC is the nodal agency for operating airports in the state of Maharashtra few people recognize MADC as a government authority. However, MIHAN is a well-known phenomenon for the people residing in Nagpur, as it is synonymous with the development of Nagpur in terms of employment and opportunities for business.

Going by the implementation matrix, MIHAN may be termed as a transformative megaproject amongst three types of projects (efficiency, sustaining, and transformative) and the seven project management methods that fit best depending on the complexity (determined by the size, scope, stakeholders, and alignment) and the uncertainty (determined by the novelty, experience, clarity, and budget) of the endeavour at hand.

Implementation methods matrix



Source: HBR Project Management Handbook

MIHAN started with great fanfare in the early 2000 era and was touted to be the game-changer for Nagpur. Although it is a market-driven business project, it is being implemented as an infrastructure project in a pretty bureaucratic fashion, irrespective of the market demand.

The task force earlier constituted for steering the MIHAN Project, was reconstituted in the year 2014 replacing the bureaucracy by a 13-member committee including MP-Nagpur, Guardian Minister, Nagpur, MLA-Hingna Constituency, President-VIA, Representative from VED and few more distinguished members. Five government resolutions (GRs) issued in the years 2000, 2001, 2002, 2004 and 2005 regarding the task force had been cancelled. The task force met thrice after its reconstitution in 2014 and the committee decided to on-board an international company with expertise in marketing projects to attract investors to MIHAN. But nothing concrete has happened on the ground after that except for government institutions like IIM and AIIMS in the Non-SEZ area of MIHAN.

In order to boost the local employment through a Mega Food Park in MIHAN, land at subsidized rates was offered to Patanjali Ayurved. However, the food park is still waiting for its take-off and increasing the land rates in MIHAN (Both SEZ and Non-SEZ) to mitigate the loss of revenue due to offering cheap land to Patanjali has not reaped any benefit so far. Rather the Public Interest Litigation favouring Patanjali Ayurved. and the transfer of Public Information officers contributed to the adverse publicity of the project. Another Megaproject, Indo UK Health city also met with the same fate as Patanjali Ayurved Mega Food Park. The most anticipated Reliance's Dhirubhai Ambani Aerospace Park has hardly three companies operational employing only a few hundred locals. There have been some good breakthroughs like HCL reviving their expansion plan, Indamer MRO and Infosys's expansion. Still, most of the big companies in MIHAN are present only on paper.

Presently, the MIHAN 's Nagpur office has become a Post office instead of a Project office, with retired officers from government departments running the show locally. These officers and the staff working in the various departments of MADC, particularly with MIHAN project sadly work in different directions:

*Land section: This section is concerned about the land acquired for the project, irrespective of the purpose. The major task of this section is to address the issues of the project-affected persons(PAP).*

*Engineering Section: It is focused on the maintenance of infrastructure works as the most important aspect of the project because the MIHAN project is still being treated as an infra project since its inception. The infrastructure projects are however executed through various agencies and the officers and staff from this section are there to coordinate with the consultants and agencies.*

*Town Planning Section: It's primarily focused on the plan sanctioning aspect irrespective of the market dynamics.*

*Marketing Section: It might be the only dynamic department in MIHAN, however, its name is confusing as MADC itself. There are very few focused marketing efforts taken by MADC to promote MIHAN except for maintaining investors' data and public relations. Facilitating land allotment is the key aspect of the section, irrespective of the market behaviour.*

*Electricity and Water: These departments are busy in keeping the companies in MIHAN on their toes due to the dynamic pricing of water and electricity. Construction of the Captive Power plant is completed but it is unable to provide electricity due to the threshold and similar issues are with the Sewage Treatment Plant and Tertiary treatment plant.*

Another major issue with this project is that the powers for approvals are centralized at the Head Office at a distance of 1000 km in Mumbai. This creates a delay in decision making and even petty issues at Nagpur turn into a major problem by the time the solution arrives from the HO in Mumbai. The major problem with this project appears to be its execution at its own pace and bureaucratic way instead of following the market trends, due to which it is not taking-off since last many years.

Following factors can be listed as the problems faced by the MIHAN project at the organizational level:

- a) Clarity of goal lacking across the organization
- b) Decision making by the project authority is slow
- c) Lack of Competency and relevant experience at leadership level
- d) Clarity on role of authorities is missing
- e) Lack of delegation and decentralisation of authority and power
- f) Failure of proper Contractual framework
- g) Failure of effective Marketing and PR
- h) Lack of review and feedback system in the project cycle
- i) Non-transparent Procurement and Contracts systems
- j) Organisational structure is not concrete but volatile

MIHAN is a multiproduct SEZ with more than 1200 Hectares of land. The Special Economic Zones has lost attraction after the introduction of Minimum Alternate Tax (MAT) and also a sunset clause to remove Direct Tax sops. SEZ units used to enjoy 100% income tax exemption on export income for the first five years, 50% for the next five years, and 50% of the ploughed-back export profit for another five years. This provided a huge elbow room to manoeuvre legally. Therefore, an initiative to re-calibrate its economic policy of incentivizing exports through Tax sops and re-orient itself to facilitate triple EEs i.e. Employment, Economics, and Enclaves was undertaken.

Consequently, the new Draft “DESH Bill-2022” has been brought with the objective to replace SEZ Act, of 2005. The “DESH” legislation goes beyond promoting exports and has a much wider objective of boosting domestic manufacturing and job creation through ‘development hubs’. According to the proposed DESH Bill, the development hubs will be allowed to sell outside the demarcated area or in the domestic market with duties only to be paid on the raw materials and imported inputs instead of the final product. These hubs will no longer be required to be net foreign exchange positive cumulatively in five years as mandated in the SEZ regime, while they will be allowed to sell in the domestic area also more efficiently. The hubs will, therefore, be WTO-compliant as well. “DESH” legislation also provides for an online single-window portal for the grant of time-bound approvals for establishing and operating the hubs. With these changing regulations, if MADC has got some strategy to encash this new bill, is not known.

## **5. Objectives of the study:**

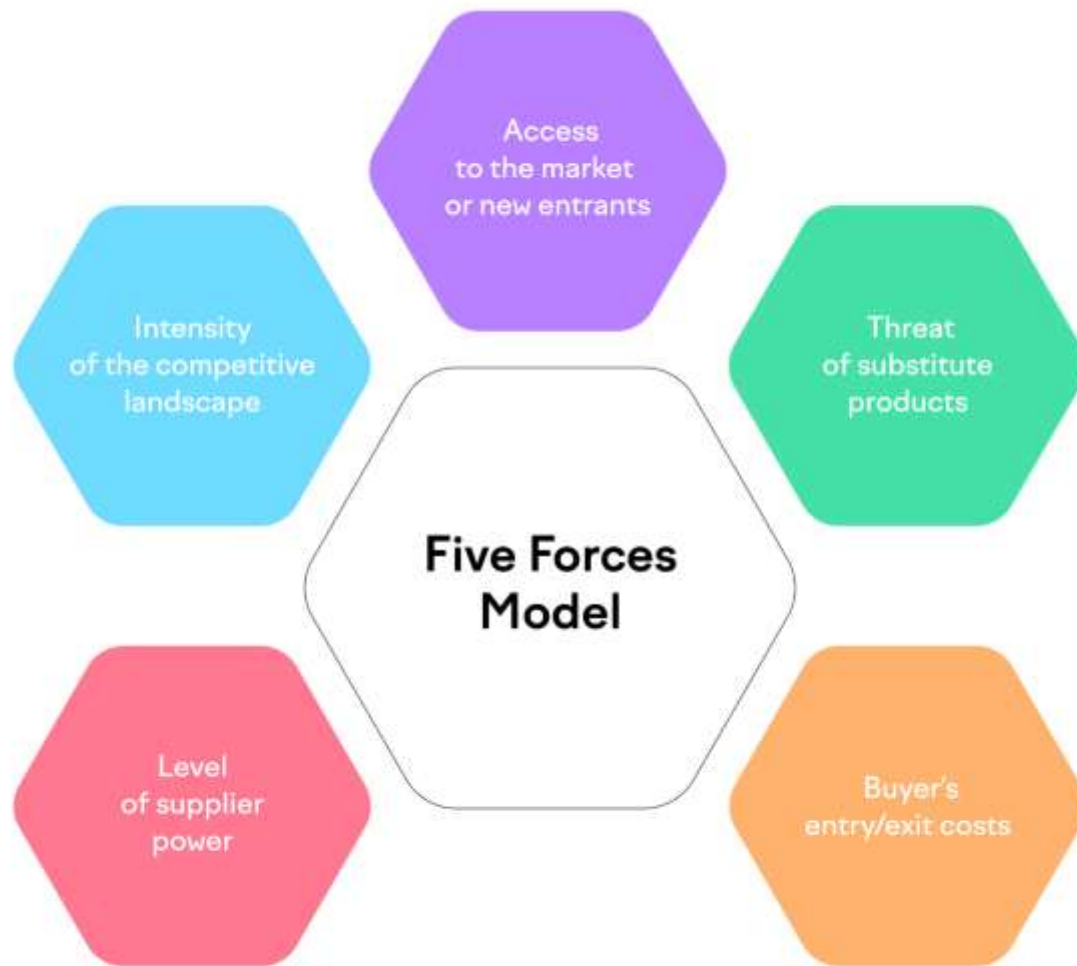
The Primary objectives of the Research are:

1. To ascertain the hurdles for the progress of MIHAN project
2. To assess the options in front of the MADC and MIHAN project
3. Developing a plan for the success of MIHAN project

## **6. Scope of the study**

The scope of this study is limited only to the project management and business practices with reference to the MIHAN project. The data used in this study is secondary source of data acquired from various government and private institutes. Although the theoretical concepts from world across are used in this study, the study is limited to the geographic location of Vidarbha region and Nagpur city in particular.

MIHAN, after two decades of its existence cannot be termed as only an infrastructure project. Generally, infrastructure project, although executed in wide and large areas have simpler engineering processes and methods. With MIHAN, the market forces like threat of substitutes, new entrants, bargaining power of buyers, bargaining power of suppliers, and competitive rivalry are also acting on the project as explained by Michael Porter in his 5 forces model. So it’s imperative to understand other aspects of this complex project like industrial or business. So we have considered various business aspects of project management in this study.



Also, in this study, we have considered the best project management practices applied in megaprojects globally. The concepts of design thinking, Job Theory, Disruptive Innovation, Change Management and other practices can also be applied to MIHAN project, however, those are not considered in the present study.

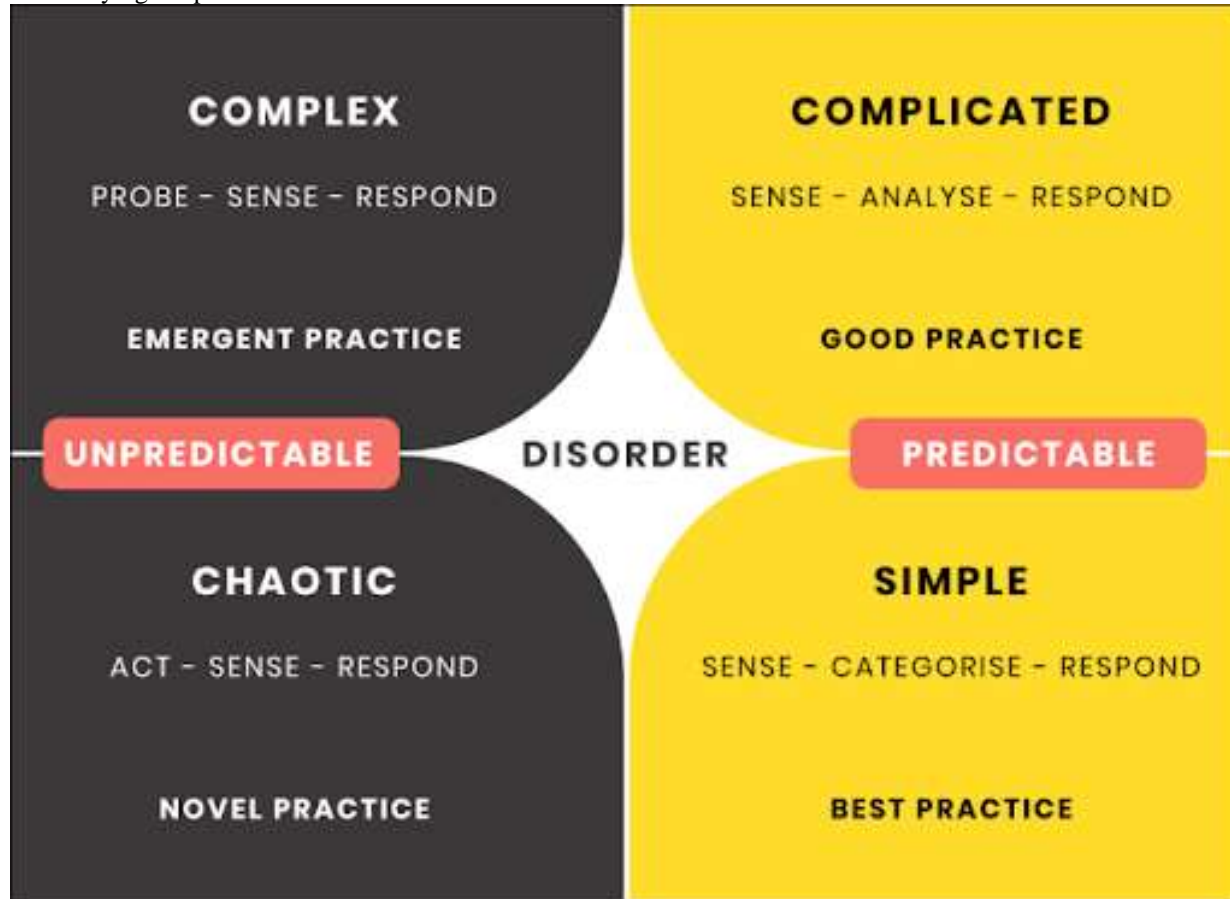
## 7. Methodology

Aiming to gain an exploratory understanding of project management practices at different levels along with its relevance with the MIHAN project, we opted for an interpretive epistemology in the tradition of the grounded theory (Strauss & Corbin, 1990): the research strategy involved a two-stage mixed methods approach, We employed (1) case vignettes, for which an on-line semi-structured questionnaire containing both open-ended and closed questions, was used and (2) a group discussion concerning propositions derived from the case studies extended to include issues that the discussants felt were missed out in the case studies.

## 8. Conclusion

Businesses will do better in the end if they concentrate on meeting customers' needs rather than on selling products or services. The megaproject MIHAN is suffering mainly due to high-handedness & ignorance. MIHAN is a futuristic project that has the potential to change the landscape of Nagpur and Vidarbha region. However, it has to be strategically handled from ground. Silos between

dept. needs to be broken and collaborative approach needs to be adopted. Various studies on MIHAN suggest the same. Crucial issues in the project or at the enterprise level can be broken down into various types using the Cynefin framework and responded to accordingly. Cynefin framework allows leaders “to see things from new viewpoints, assimilate complex concepts, and address real-world problems and opportunities. It takes tremendous grit and commitment to take decisions for the betterment of organization. MADC must adopt the commitment with customer focus and an open-minded approach to resolve the identified problems rather than denying the problems.



“A complex project like MIHAN isn’t necessarily a difficult project. Projects can be difficult due to reasons such as cost or performance, but this doesn’t automatically mean the project is complex. Complexity refers to projects that include ambiguity or uncertainty. They are surrounded by unpredictability.” Delivering complex projects in complicated environment is not easy. The present problem in front of MIHAN is brand visibility. Due to low brand visibility, MADC is not able to demonstrate the credibility of this project to the world which is affecting its business prospects. Although problems on projects are often glaringly obvious in hindsight, “sometimes when you are a part of the project, and you’re managing it day to day, it becomes very difficult to see what is actually happening. You’re too close to the detail” (Harrin n.d.). This is exactly what is happening with the officers handling MIHAN project. They are engrossed in the day-to-day operations losing the sight of the big picture.

To ensure you’re able to diagnose the issues and are not blinded by the day-to-day rush of detail, it can be helpful to stop every now and then and compare your project to a list of known types of problems that often indicate a project is in need of rescue:

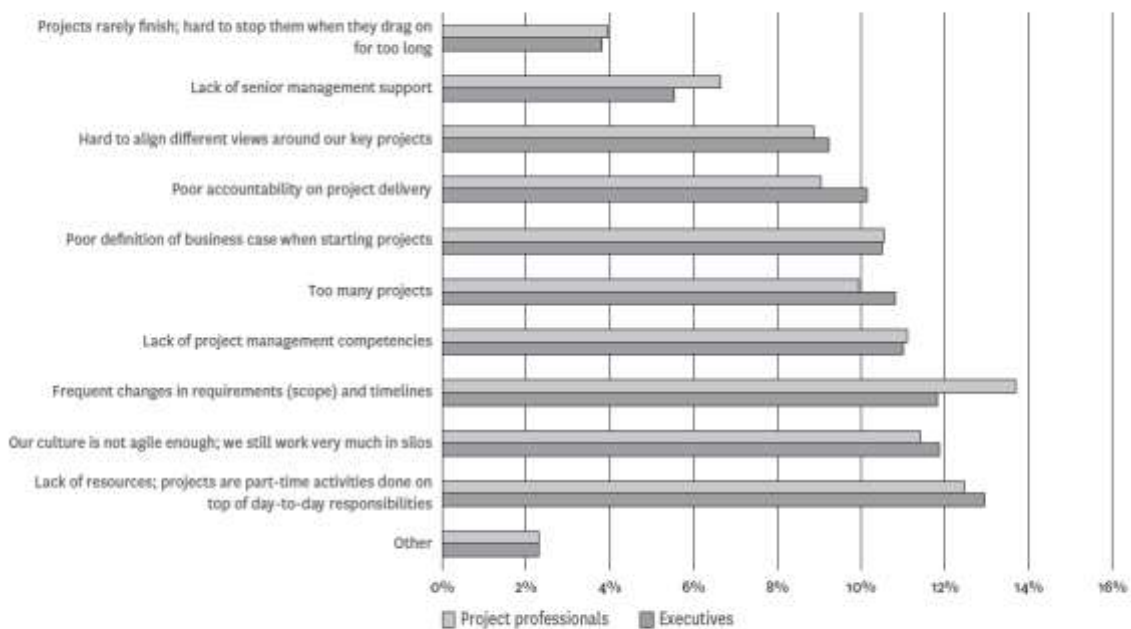
- The project is significantly over budget, with little chance of getting it back on track.
- The project team is regularly missing basic performance metrics or major deadlines/milestones.
- The scope of the project keeps changing.
- No one is really able to explain what you are trying to deliver on the project, and there are ongoing disagreements between stakeholders about the project’s requirements and goals.
- Team morale is low, team members seem disconnected, and turnover on the project team is increasing (Warcholinski n.d.).



- Key stakeholders are no longer engaged; they have stopped attending meetings, and they provide limited feedback when asked to participate in decision making.
- The number of change orders has been increasing, and the customer has disputed several project invoices in recent weeks (Seador 2019).
- Team members and other resources are being pulled off the project by upper management.
- Project technology is not working.
- The wrong people are in the wrong roles, preventing them from executing the project successfully.
- Your informed intuition tells you something is off on the project even though you have yet to identify a problem.

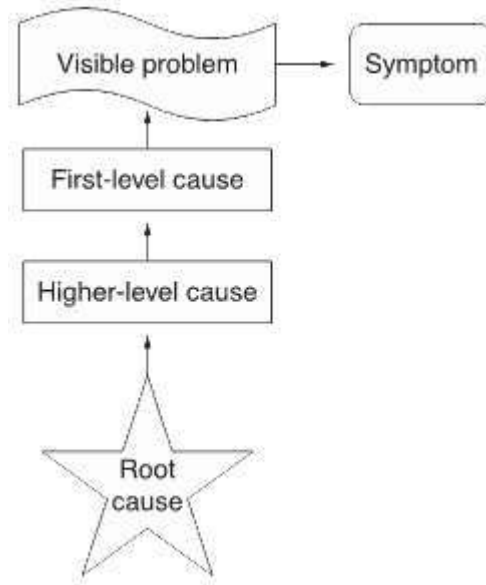
Out of the above list of problems, MIHAN project is struggling with at least a half a dozen issues. There have been frequent changes in the scope and timelines along with the budget of this project due to economic, geopolitical and business reasons. In many researches, project professionals highlight “frequent changes in the requirements (scope) and timelines” as the number one challenge they face when implementing projects.

### Top challenges to implementing projects



Source: HBR Project Management Handbook Project Expert Survey, July 2020, N = 728; and HBR Project Management Handbook Executive Survey, July 2020, N = 566

In every case the reason growth is threatened, slowed, or stopped is not because the market is saturated. It is because there has been a failure of management. That is the very reason, MIHAN can be termed as a classic case study of how megaprojects should not be managed. It has to adapt to the requirements of the market, and it has to do it sooner rather than later.



The four steps can be significant for success of any project:

- o Step 1: Acknowledge past mistakes
- o Step 2: Find the real source of the problem:
- o Step 3: Identify and implement corrective actions:
- o Step 4: Monitor and maintain the relationship:

Responsiveness is a virtue by which strategic relationships can be forged in the long term. It's vital for collaboration, particularly in a complex project like MIHAN.

Transformative projects like MIHAN have only 30% success rate, but this megaproject has state-of-the-art infrastructure and facilities, that needs to be marketed to create opportunities for the citizens of Nagpur. MIHAN is an ideal destination for aviation and defence companies with an advantage of the strategic location of Nagpur. Already a couple of MRO and aerospace units are operational there. A focussed marketing and Ease of doing business (EODB) efforts can create manufacturing ecosystem. Companies at Global level having some connection with Vidarbha should be targeted with working business Model to invest in MIHAN. With Nagpur included in the Maharashtra (Electric Vehicle) EV policy for Promotion of R&D, innovation & Skill Development, MIHAN can be projected as ideal Centre of Excellence for EV. MIHAN is having tremendous potential & excellent infrastructure. Battery Operated Lightweight Vehicles/Buggies can definitely help in projecting it as a Green Project. Re-engineering at MADC Nagpur can be achieved by implementing McKinsey's 7S framework within the organization

It takes time to see results of new initiatives. However, if minimum restructuring (Perestroika) and maximum transparency (Glasnost) is maintained with responsiveness and agility in business process, MIHAN can get better positive response from all the stakeholders.

In the era of Digital Transformation, when there is so much of technology available to reach out to potential clients, MIHAN is still using old age tools to attract companies. So, the sources of revenue are shrinking as the project is unable to leverage MarTech to its benefit.

### Assessing Options and Developing a Plan

With a solid understanding of the project's problems in hand, the options for moving forward needs to be considered carefully. After talking to various stakeholders, it can be concluded that if only the megaprojects like MIHAN are implemented with the same intent of starting them, it will make a huge difference.

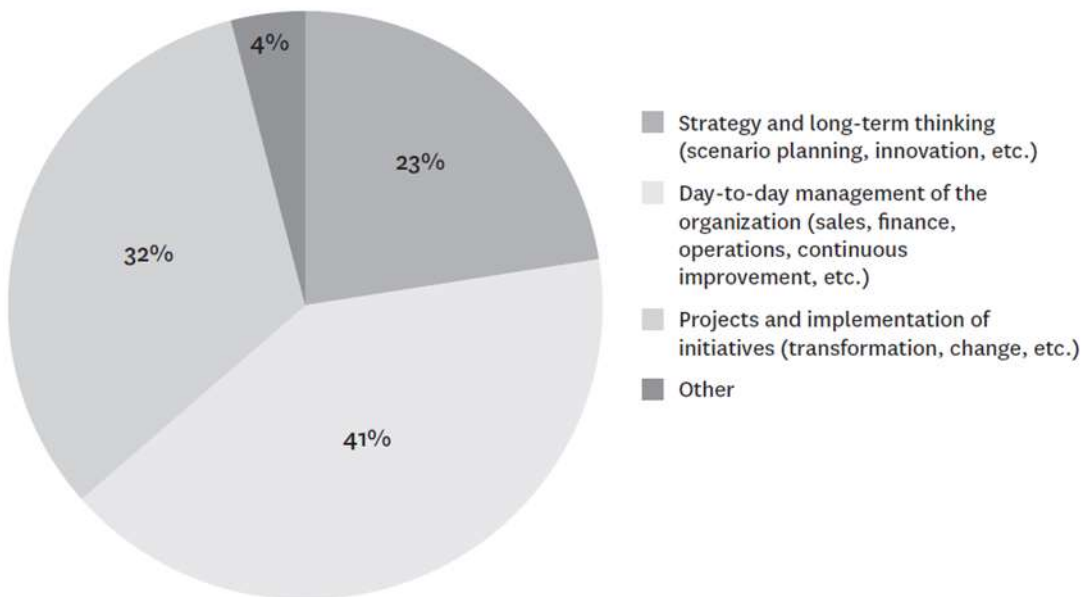
People deliver projects & in a fairly complex megaproject like MIHAN right people can add value & reduce risks. People's competencies & behaviour are the main drivers of any successful project. Although officers may understand the hard, technical elements of project such as scheduling, scope, finance & risks, MIHAN needs a Project Director who also understands the softer

elements of project management like people, behaviour, culture, communication & change management. A project leader at local level with strong soft-skills, strategic thinking & business acumen can deliver better results.

Government should also focus on appointing a dedicated nodal officer or project leader for MIHAN apart from the CEO of the organization, MADC in this case. No organization can achieve greatness without a vigorous leader who is driven onward by a pulsating will to succeed. A leader who in this case is a Project Manager, has to have a vision of grandeur, a vision that can produce eager followers in vast numbers. In business, the followers are the customers. A successful project manager is skilled at guiding customers, who simply may not know what they want until they see it.

Many business leaders falter because they become overwhelmed or indecisive. Some do not set clear priorities, or they lose focus. If the CEO fails to set priorities, keeps changing her mind, or communicates poorly what she has decided, the organization loses its energy. If, on the other hand, she sets business priorities and explains them clearly and often, people will have a better sense of what to do. If she chooses the right set of business priorities, the business will flourish. Despite the importance of executive sponsorship, too many senior leaders dedicate far too little time engaging with their projects. Executives lack either the practical experience or the capability for the role of sponsor, or they simply do not understand the importance of their own engagement. Executives say they spent their largest amount of their time in managing the day- to- day operations of their organization, and one- third on projects.

### Executives' time allocation



Source: HBR Project Management Handbook Executive Survey, July 2020, N = 566

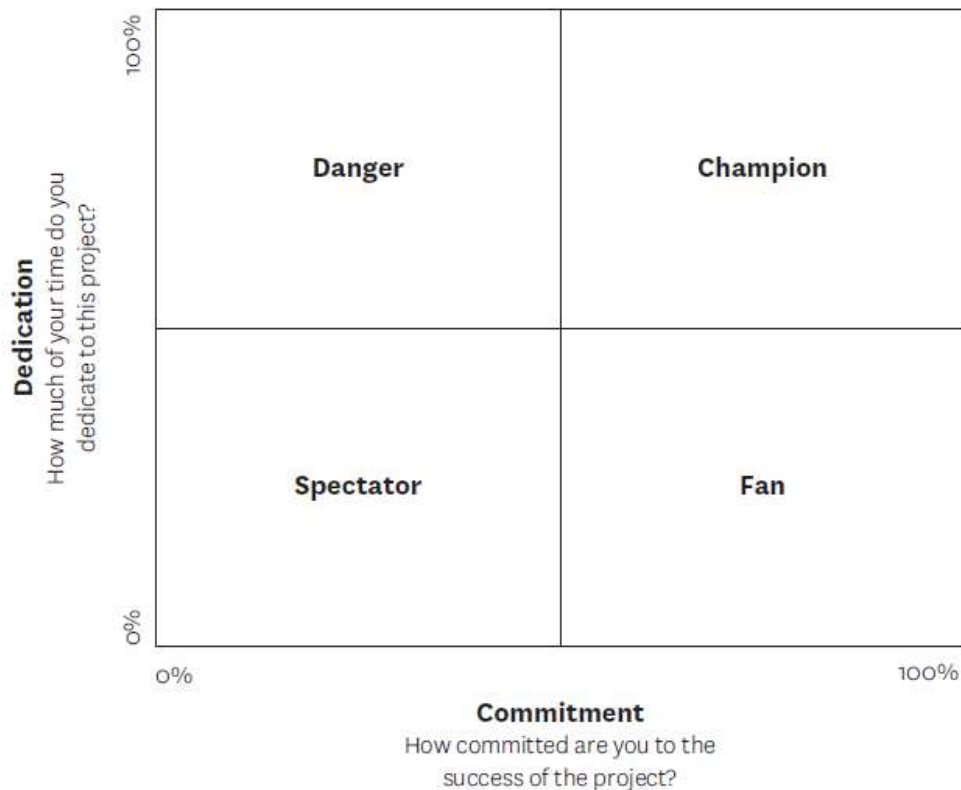
The Project office of MADC at MIHAN, Nagpur is an office of the Chief Engineer rather than Chief Operating Officer(COO). Traditionally, engineers tend to focus on doing instead of thinking. They focus too much on what they know, with little regard to what they don't know. They tend to be rewarded primarily for their analytical skills and their ability to work single-mindedly to complete a task according to a fixed plan. But in the modern world, plans are rarely fixed, and a single-minded focus blind you to the ever-changing currents of living order. This is especially true when multiple people come together as a team to work on a project. Therefore, a project leader with strong business sense is required at MADC Nagpur. A good project manager is able to cross the bridge from the generalities of a project plan to the specifics of a schedule, without losing sight of the big picture.

Poetry and Plumbing are two essential dimensions of leadership. Any problem can only be solved by a manager with a poet's ability to interpret the situation, to see into the heart of the matter and explain to everyone else what's going on. Then, acting like a plumber, the manager needs to figure out a way to solve the problem. Often, solving the problem also requires quite a bit of poetic creativity and vision. An effective leader knows to work like a plumber, by "keeping watch over an organization's efficiency in everyday tasks," and also like a poet, who strives to "explore unexpected avenues, discover interesting meanings, and approach life with enthusiasm

Project managers develop as successful leaders by employing a variety of practices which are from bottom to top (the project manager tackling challenging tasks and affecting the organization), top to bottom (mentoring), and across the organization (community of practice). MADC should select managers who are prepared to give up unilateral control and instead to rely on the creativity inspired by improvised actions”.

MIHAN is the classic example of over-promise & under-delivery without understanding the ground realities. To enforce the delivery, the steering committee or the task force can use the dedication and commitment matrix to assess how engaged the project manager and the executive sponsor/Chairman. If either of them is a fan or a spectator, the lack of commitment to a project can quickly spread to the rest of the team.

## Dedication and commitment matrix



Source: HBR Project Management Handbook

If we look at the quadrants of 'Eisenhower Decision Matrix', it's observed that Officers and the staff at MADC tend to spend most of their time on Quadrants I and III, neglecting Quadrant II. Thus, long-term planning and sense-making (which are not urgent but very important) tend to fall by the wayside.



The multitude of project variables, and the complexity of their interactions, makes it difficult to understand the full extent of the problems on a project. And if you are blinded by cognitive biases, fully understanding the situation is nearly impossible.

Job creation is something every young professional in Nagpur is expecting from the MIHAN project. However, the lack of companies in the SEZ and mixed-use zone is not able to create opportunities for young professionals. but the professionals who want to return to Nagpur from metro cities like Mumbai, Bangalore and Pune are not finding enough opportunities to come back. We could see hundreds of youngsters visiting MIHAN every day in search of jobs only to face rejection or a fake job offer from fraudsters.

Based on the research, it can be concluded that MIHAN project needs a leadership at the project level, who can:

- o Identify real problems affecting MIHAN project
- o Discuss issues related to cognitive biases and other issues that prevent a clear understanding of project problems
- o Explain techniques for assessing options and developing a rescue plan

With the DESH bill seeking to expand the ambit of the SEZs firstly to make them WTO-compliant and perform roles that go beyond export orientation the aim is to set up ‘Development hubs’ for promoting trade, economic activity, generating employment, integrating with global supply and value chains and maintaining manufacturing and export competitiveness, developing infrastructure facilities, and promoting investments, including in research and development (R&D). Such hubs will include all existing SEZs. In SEZs, only specified services such as IT, and ITeS are allowed. But now all services in alignment with GST laws will be allowed, which includes services like liaison offices as well. This will benefit Indian Services Industry to a very large extent. Need-based separate rules and procedures for manufacturing and service SEZs will be formulated. The Bill is the result of proposals made by an expert committee constituted under the leadership of Shri Baba Kalyani, Chairman, Bharat Forge to study and suggest reforms in the SEZ policy.

These hubs will facilitate both export-oriented and domestic business, playing the dual role of “AatmaNirbhar Bharat” making India and its citizens self-reliant and at the same time go global with an impeccable brand value. Effective implementation of the law could act as a lever for India’s sustainable development, economic growth and further improve India’s rank in the ease of doing business Index.

Attracting investments isn't always about offering monetary incentives. Predictability, efficiency & peace of mind also attracts investors. Trust building is important. That's how you convert potential customers into clients. The project has state-of-the-art

infrastructure and facilities. Proper co-ordination between Development Commissioner office & MADC will ensure that the companies interested in setting up their plants/units at Nagpur get what they are looking for.

MIHAN has potential if managed strategically from Nagpur and if proactive & dynamic officers with an understanding of MIHAN issues are empowered to implement the strategic decisions locally, it won't matter much if the strategy is formulated in Mumbai or Nagpur. Business Strategy is the Roadmap that leads to desired goals of an organization. However, implementation of strategy is more important than formulating it. It has to be done at ground level through willpower and dynamism.

A Business Plan was drafted by a renowned consultant firm for MADC in 2012 that advised to have a regular General Manager (equivalent to Chief Engineer) at the helm of MIHAN to provide required direction, Alignment & commitment to this project, under the guidance of VCMD. But the implementation of that plan is still pending after a decade. A strong political will and Business Strategy with a dynamic Project Leader at the local level can make MIHAN successful in creating Jobs and industrial growth.

MIHAN is certainly a promising project with huge potential to make Nagpur a Smart City. It already has the best companies in IT, Pharma & aviation. More companies from sectors like EV, FinTech etc. can start operations with a Go-To-Market strategy and working business model. Even leasing small plots can also be a good strategy, as small units can be operational faster. However, its implementation, adhering to the DCR norms is equally important.

## **8. Recommendations**

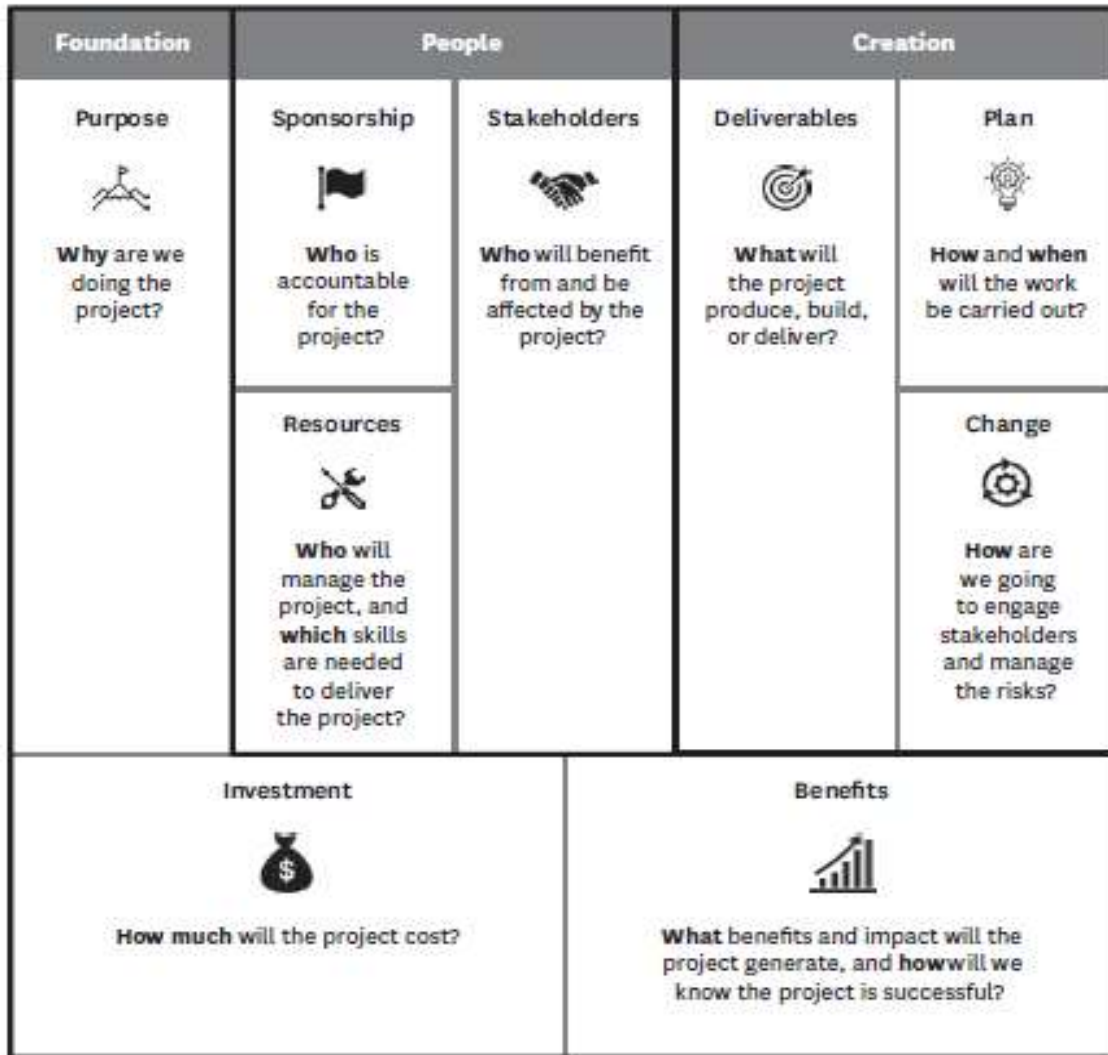
It is observed that instead of allowing the market forces to determine the growth of the region, the planning agencies including MADC intended to direct the speed and the scale of MIHAN's growth. Their intentions were well-meaning; however, a phased development of MIHAN should have been considered, given the scope, scale and the complexities involved.

The Baba Kalyani-led committee on special economic zones (SEZ) had proposed to rename SEZs in India as 3Es- Employment and Economic Enclave, with the objective of moving from island of exports to catalyst of economic and employment growth. The committee has recommended moving away from exports to more integrated hub for employment and economic activities supported by quality infrastructure and ease of doing business. The proposed "Development of Enterprise and Service Hubs (DESH) Bill 2022" may replace the current Special Economic Zones (SEZ) Act, 2005, and become a broad-based, Integrated, time-driven, single window approach.

The Special Economic Zones (SEZs) which were earlier just one-stop vehicles to increase foreign investment & exports will now get transformed into industrial hubs that will focus on boosting manufacturing for the domestic market also, rather than only selling abroad. The revamped SEZs renamed as Development of Enterprise and Service Hubs (DESH) will be freed from many of the rules that burden SEZs and also be compliant with World Trade Organization tenets.

To take advantage of the upcoming regulations, MADC should have a proper plan for the development of MIHAN. Project management expert Antonio Nieto-Rodriguez developed a new and simple framework that will increase any project's likelihood of success. This framework, the project canvas is a one-page visual representation of the main components of a project that will become your compass to manage any project, regardless of the size or the industry.

## The Project Canvas



Source: HBR Project Management Handbook

Using the project canvas framework, establish a clear vision of what constitutes project success, and then work hard in the early stages to overcome any hurdles: At the end of every day, summarize what you and your team accomplished.

Project Review-

Project rationale:

Project's role in the organization's priorities:

Team status:

External factors affecting the project's direction and importance:

Budget and schedule:

Performance of contractors:

A team with a competent leader possessing emotional intelligence, a realistic outlook, and good communication skills is must for any project. The more team members trust each other, the more willing they will be to take the kinds of risks required to adapt to changing circumstances.

Successful managers who navigated volatile, complicated projects by fostering adaptation and collaboration (Laufer et al. 2018) combined four essential strategies:

- o Evolving planning: A learning-based approach to project planning that presumes that the project team will expand their knowledge of the project as it unfolds
- o Responsive agility: Quick action to solve problems as a project unfolds, combined with clear, up-to-date communication
- o Proactive resilience: Challenging “the status quo, proactively and selectively” to prevent potential problems
- o Collaborative teamwork: Encouraging flexible, responsive, and interactive teamwork

The documents created during initiation phase of a project provide a high-level view of the project. These documents include the project charter, the scope statement, and the business case. In the planning phase more items are created, such as: work breakdown structure (WBS), organizational breakdown structure (OBS), work package, and the responsibility assignment matrix (RAM). A well-defined project charter defines the project’s goals. Of the triple constraints in project management—scope, budget, and schedule—scope is the most difficult to pin down. The scope of MIHAN project needs to be re-calibrated at this stage.

In his book, *Managing Transitions*, William Bridges presents a model to understand the stages of transition people go through as they adapt to change. The first stage—Ending, Losing, and Letting Go—often involves great emotional turmoil. Then, as they move on to the second stage—the Neutral Zone—people deal with the repercussions of the first stage, perhaps by feeling resentment, anxiety, or low morale. In the third stage—the New Beginning—acceptance and renewed energy kick in, and people begin to move forward (Mind Tools n.d.). Condition your team to be prepared for external influences at some point throughout the project.

## **AMP**

At MADC, there is a dire need to create an environment that allows for autonomy, mastery, and a sense of purpose (Pink 2009). Efficient and effective project management procedures should be referred by MADC for proper execution of MIHAN.

Participation in a community of practice is offers a low-pressure setting in which people can talk about their work, usually in the form of stories. The ability of stories to transfer knowledge and wisdom among people cannot be overemphasized. All of these professional development tactics draw on the 70/20/10 model for learning and development, which holds that 70% of learning comes from challenging assignments, 20% comes from relationships with coworkers including mentors and communities of practice, and 10% from formal training.

The strategy of an organization including MADC is a picture of its unique purpose in the market, distinguishing it from other competing organizations. Operational effectiveness which involves working faster and cutting costs is not the same as strategy. Many organizations are susceptible to the ‘sunk cost fallacy’, refusing to terminate projects that are not in alignment with the company strategy due to the money and resources already spent on them. MIHAN in a way is also going through this fallacy.

MIHAN is a very promising & futuristic project with the potential to change the landscape of Nagpur and Vidarbha. However, the policymakers like the Chairman, Board of Directors and VCMD should learn from the past mistakes and execute this project as a business project now. The main objective of MADC is MIHAN & it’s aim should be to make this flagship project a success. To achieve this feat, local leadership needs to be strengthened and the officer at MADC should act with agility and speed to make this project. There was a time when MIHAN used to be in news foe High profile delegations visiting and plots getting allotted to investors in 20 days. To achieve this now, dynamic decision making at local level to be encouraged in order to speed up the process of allotment and approvals. The process of land/plot approval should be made online through the website of MADC. MIHAN can be ISO certified to make the processes seamless. Sectors like e-commerce, Electric vehicle (assembly) and warehousing may be targeted for investments tweaking few rigid policies and discounting the land rate increased due to Patanjali's land allotment. A strategy for taking advantage of the upcoming DESH bill needs to be designed. For this, a dedicated regular officer having business sense and experience of handling such complex project to be appointed at the helm of the project. Since the VCMD which is a bureaucratic position is subject to govt. transfers, MIHAN needs such leadership at Nagpur who can maintain consistency to achieve organization's goals & be agile at the same time so as to change business strategy when overall situation demands or old ways no longer works. Retired government staff from organizations should be limited to 10% as per the Govt. Resolution.

MIHAN is the last hope of Nagpurians for jobs and industrial growth. A strong will and structure with a Project Leader at the local level with strategy and business acumen can deliver results. The project leader should create and environment offering Ease of Doing

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Work at the MIHAN project. Systems like ISO and Project Canvas framework will improve working with speed and agility. Focussed marketing efforts and Ease of Doing Business can definitely make this project a success. The above recommendation can definitely help this megaproject of Vidarbha a bet for turnaround.

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