Slowly, then all at once.

The anatomy of project stress, and what recovery actually requires.

Every major infrastructure and energy project that ends in dispute passed through a window of time when it was still recoverable. This is a commentary on that window: what it looks like, how long it stays open, and what it takes to act before it closes.

THE HEMINGWAY PRINCIPLE

Projects don't fail in a moment.

> ***“Gradually, and then suddenly.”***
>
> — ERNEST HEMINGWAY, ON BANKRUPTCY

Projects degrade across several dimensions at once — **programme erosion** , **commercial deterioration**, **governance fatigue** , and the exhaustion of the people who hold complex delivery together. The formal claim, the lender step-in, the insolvency: each is the culmination of a process that was observable, and in most cases recoverable, months or years earlier.

> *A project that appears to be performing satisfactorily may in fact be a **stressed project awaiting discovery.***

THE ANATOMY OF PROJECT STRESS

From performing to distressed.

A progression, not an event. Each stage has one window — and generally one mechanism that closes it.

STAGE	VISIBLE SYMPTOMS	WHAT CLOSES THE WINDOW
Early Stress MONTHS 1–4	Minor slippage called “recoverable”; VO log growing; correspondence turning formal and contractual.	Three-plus report cycles of inaction.
Managed Distress MONTHS 5–8	Float redistributed, not consumed; VO log rising in value; EOT claim built internally. Project counsel should engage now.	The formal EOT / cost claim is submitted.
Formal Distress MONTHS 9–12	Delivery and dispute run as parallel tracks; negative float on multiple critical paths; relationships degrading.	Contractor insolvency; termination or lender step-in assessed.
Crisis MONTH 12+	Contractor insolvent; step-in triggered; termination or abandonment; regulatory licence at risk.	The window doesn't close — the question is now value preservation.

Table 1 — Source: Sentinel Advisory practitioner analysis, APAC frontier-market projects 1992–2026. Durations indicative.

THE HEMINGWAY CURVE

Good starts don't mean good projects.

1 Early activities — design, mobilisation, foundations, procurement — are least likely to reveal the integration and interface failures that may define the future.

2 Steady-state governance — monthly reports, steering committee meetings, status reviews — is not designed to detect the early signals of systemic distress.

3 The people best placed to spot the transition are the same ones whose incentives favour holding the “performing” label as long as possible. Optimism bias and strategic misrepresentation prevent frank and courageous conversations from occurring within the windows of recovery.

> *Nine out of ten large projects experience cost overruns.*
>
> **Source:** Flyvbjerg - *What you should know about megaprojects and why: An overview (2014).*

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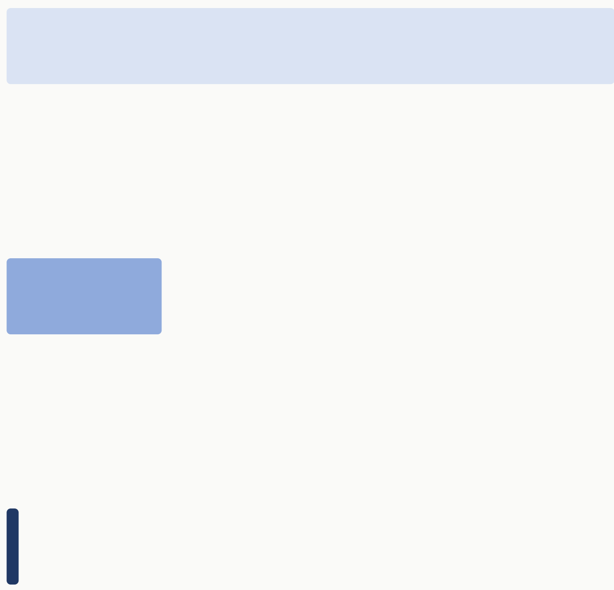
THE IRON LAW OF PROJECT MANAGEMENT

Over budget, over time, under benefits — over and over again.

Flyvbjerg's database: from 258 projects to more than 16,000, across 20+ fields and 136 countries.



91.5% breached schedule, cost, or both.

8.5% met both cost and time targets.

0.5% met cost, time *and* benefits.

In other words: 99.5% of projects breach budget, schedule, benefits — or a combination of all three.

SOURCE: Flyvbjerg & Gardner, How Big Things Get Done (2023)

HUMAN FAILURE POINTS

It accelerates when the people are the right people.

The Project Director's impossible position

Four obligations — delivery, lender, contractor, own organisation — that become structurally incompatible the moment the project is in distress.

The silence of the competent

The most experienced people manage the distress quietly. It is professional judgement applied in the wrong direction by the wrong incentive structure.

The adversary you didn't invite

The contractor's commercial team has been building the claim two to four times longer than the owner has been aware of the problem.

> *The window doesn't close because the situation becomes unmanageable. It closes because everyone in the room is managing something other than the situation.*

WHAT RECOVERY REQUIRES

The practitioner, not just the credentials.

Credentialled advisors are plentiful. What changes a distressed project is the advisor who can shift the dynamic in the room — rather than describe it more accurately than the people already in it.

The authority of relevant experience

“I have been here before; here is what happens next, and what to do in the next thirty days” changes behaviour. Another document review does not.

Emotional intelligence in technical rooms

The capacity to read what is not being said — the silences and deflections that show where the real distress sits and why it is not surfacing.

The capacity to give unwelcome advice

Telling boards, lenders and directors what they do not want to hear — in a way that preserves the relationship that makes the advice actionable.

People recover projects, not plans.

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PRACTITIONER LESSONS

Ten lessons distress produces.

Knowledge produced by making the decisions — the wrong ones and the right ones — in real time, under the pressure of actual consequences.

1	The problem is always older than anyone in the room admits.	2	The contractor's commercial position is more developed than the owner knows.
3	The programme the contractor shows is not the one it believes.	4	The most valuable information is in what is not in the documents.
5	Recovery plans fail when governance remains unchanged.	6	Honest commercial conversation is possible only before the formal claim.
7	The lender needs the honest assessment more than the good news.	8	The plan that works addresses the cause, not the symptom.
9	People recover projects, not plans.	10	Early engagement is never as expensive as late engagement.

Table 2 — Source: Sentinel Advisory practitioner analysis.

THE WINDOW

Open longer than you think. Shorter than you've left it.

Projects stress slowly, then all at once. Good starts are not reliable indicators of good projects. Distress is recoverable — but only within the window.

The moment the programme goes amber and the room falls quiet — that is the window at its widest. It narrows from there. And it closes, if it is allowed to.

For the full long-form commentary article, visit https://www.sentineladvisory.co/insights

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