Project manager's pocket guide

Ghidul de buzunar al managerului de proiect

Codin CARAGEA
OTP Bank, Bucharest, Romania
e-mail: codin.caragea@otpbank.ro
Gabriela POPA, Ph.D. Student
The Bucharest Academy of Economic Studies, Romania
e-mail: gabriela.popa@otpbank.ro
Laurenţiu MIHĂILESCU, Ph.D. Student
The Bucharest Academy of Economic Studies, Romania
e-mail: laurentiu.mihailescu@ing.ro

Abstract

Today, organizations are becoming leaner, extra layers of middle managers are requiring specialists from marketing, engineering, accounting, and other departments to work together in ad-hoc project teams. Having no full-time, dedicated managers, these teams are often led by one of these specialists who may excel at his or her specialty, but does not necessarily have management experience. Typically, such team leaders must simultaneously make project contributions in their specialty while they try to manage the project. These "instant" project managers need help defining the project; initiating, planning, executing, and controlling project events; and figuring out how to bring project events to a timely conclusion. And they can't stop working for the many weeks it would take to acquire extensive management training.

Keywords: *project, project team, project management, project cycle, project plan, key success indicators, quality, deliverable, deadlines, communication, feedback, scope.*

Rezumat

Astazi, cand structura organizatiilor devine din ce in ce mai plata, managementul solicita specialisti din toate liniile de business precum si din zonele suport (marketing, contabilitate, resurse umane) pentru a constitui echipe de proiect ad-hoc. Aceste echipe nu au un manager dedicat si sunt conduse de obicei de unul dintre specialisti care poate excela in meseria sa, dar poate sa nu detina experienta de conducere necesara. Acesti lideri de echipa trebuie sa aduca totodata contributii in cadrul proiectului pe zona lor de specialitate si sa si conduca intregul proiect. Acesti manageri de proiect de tip "instant" au nevoie de sprijin in ceea ce priveste definirea, initierea, planificarea, executarea si controlul evenimentelor proiectului precum si in respectarea termenelor. Iar organizatia nu isi poate permite sa-i scoata din activitate pentru multe saptamani pentru a-i antrena intensiv in managementul proiectelor

Cuvinte-cheie: *proiect, echipa de proiect, management de proiect, ciclul proiectului, plan de proiect, indicatori de success, calitate, livrabil, termene, comunicare, feedback, scop*

JEL Classification: G21, M15, M19

This article represents a specially designed pocket guide to meet the "instant" needs of the project manager. It provides project overview, frequently asked questions and tips.

What is a project?

A project is a unique endeavour to produce a set of deliverables within clearly specified time, cost and quality constraints.

Projects bring together people from a range of jobs and provide them with the opportunity to collaborate in a unique way. Because projects are so diverse and flexible, organizations have increasingly used them as the preferred way to fulfil the needs of their customers.

Projects are different from standard business operational activities, as they:

- As *unique* in nature. They do not involve repetitive processes. Every project undertaken is different from the last, whereas operational activities often involve undertaking repetitive or identical processes;
- Have a defined *timescale*. Projects have a clearly specified start and end date within which the deliverables must be produced in order to meet a specified customer requirement;
- Have an approved *budget*. Projects are allocated a level of financial expenditure within which the deliverables must be produced to meet a specified customer requirement;
- Have limited *resources*. At the start of a project an agreed amount of labor, equipment and materials is allocated to the project;
- Involve an element of *risk*. Projects involve a level of uncertainty and therefore carry business risk;
- Involve *change*. During the project's life, one or more coordinates can change, so the Project Manager and the team must consider them and to analyze their effect on the initial time, cost, resources, risk and quality planning.

The term project seems to be a buzzword that means a lot of different things to different people. Anything, for example, from a secretary's "project" to clean out an old filing cabinet to an engineer's "project" to create a multi-million dollar facility. Even these extremes have one thing in common: the application of work or effort to create a new situation or product, where "product" is used in its broadest sense. So a project can be any undertaking with a definite starting point and one or more defined objectives the completion of which spell out the end of the project. It should be added that for one reason or another most projects are restricted by limits imposed on resources (effort, equipment and materials) time and money.

What is Project Management?

Project Management represents the set of skills, tools and management processes required to undertake a project successfully.

Project Management comprises:

- A set of *skills*. Specialist knowledge, skills and experience are required to reduce the level of risk within a project and thereby enhance its likelihood of success;
- A suite of *tools*. Various types of tools are used by the Project managers to improve their chances of success. Examples include document templates, registers, planning software, modelling software, audit checklist and review forms;

- A series of *process*. Various management techniques and processes are required to monitor and control time, cost, quality and scope on projects. Examples includes time management, cost management, quality management, change management, risk management and issue management;
- Controlling the project through its stages using the project definition as a baseline.

What is a project life cycle?

Figure 1. Project life cycle

How do I get started?

At one and the same time this step is perhaps the most important and least understood of all the steps in the project management process. Yet there are a few basic guidelines which are helpful:

1. Make sure you know who is your primary client, to whom you will be reporting on project progress, and from whom you will be receiving direction as the project process evolves.

2. Make sure that you understand your client's goals and objectives and that you will be able to document them in increasing detail as part of developing a project plan which you will eventually be able to execute.

3. Make sure you understand the context of the project — Why is it being done? Why now? What are the implications and consequently the risks that will be faced? Do the delivery date and budget look realistic? What are the tangible and intangible benefits? Does it look like the project is worth doing at all? In short, will it be successful?

4. Document all of this and, together with any assumptions that you may have to make, obtain your client's concurrence. You may well be faced with some hard negotiating to do, but in the end you will have an initiation document which, once approved by the appropriate funding authority, will be your project mandate to proceed and give you the best chance for success. With this out of the way, you are now off and running and the next steps will be to build a project team, develop a project plan and identify the additional information and resources required for the project.

What is a successful project?

Since every project has an element of newness about it there will be risks and difficulties to be surmounted. These require decisions and possibly trade-offs between competing project objectives such as cost and time, but in the last analysis, the successful project is one which satisfies the client and the stakeholders.

Primary Success Category	Measurable Key Success Indicators (KSIs)
Internal Project Efficiency (Pre-completion)	- Meeting schedule - Completing within budget - Other resource constraints met
Impact of the Customer (Short term)	- Meeting functional performance - Meeting technical specifications & standards - Favorable impact on customer, customer's gain - Fulfilling customer's needs - Solving customer's problem - Customer is using product - Customer expresses satisfaction
Business and Direct Success (Medium term)	- Immediate business/commercial recognition - Immediate revenue & profits enhanced - Larger market share generated
Preparing for the Future (Long term)	- Will create new opportunities for the future - Will position customer competitively - Will create new market - Will assist in developing new technology - Will add/has added capabilities & competencies

Figure 2. Measurable key success of project

Failure Facts

- 60% of organizations have no process to measure benefits
- 86% of projects had a business case, but 60% ignored it
- 33% of projects said they had no risks, but 62% of those failed
- 49% or organizations have had (one or more) project failures
- In one-third of the projects, the project manager had no say in schedule/budget targets
- 75% of projects were underestimated, none were overestimated
- 5% of projects had no project manager; 16% changed project manager at least once (and that was correlated with project failure)

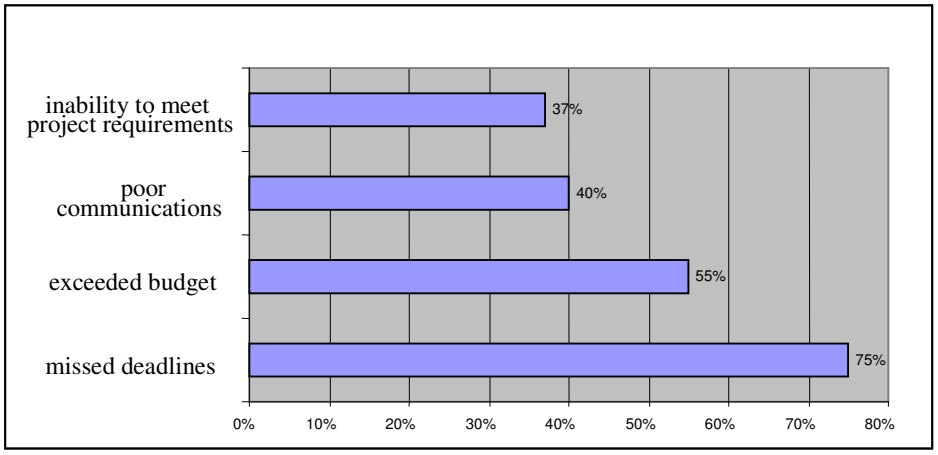

Figure 3. The main IT project failure criteria
Source: Ferry, Daniel D. & Noelle Frances, (2000). 77 Sure-Fire Ways to Kill a Software Project, San Jose: Author's Choice Press

Tips

Four key planning points:

1. Do the right project. Using benefit cost analysis and looking at opportunity cost, look at the project that gives you the biggest value for your effort and is most aligned with your company's strategy, moving you in the direction you want to go.
2. Define scope clearly and precisely.
3. Plan the whole project. Make a plan for each area.
4. Do good architecture. Work with words and pictures to bring people with different perspectives into the same page, contributing to and committed to the project.

Prepare your team in just two steps:

5. Get the right team. Using the project plan, define the skills needed, and get people with those skills. Be honest about gaps, and close them by taking time to learn to get it done right.

6. Get the expertise you need. Know that being expert in one area means not being expert in other areas—sometimes closely related disciplines. Recognize that project, being unique work; require learning from and collaborating with experts. Remember, hiring experts you can work with is less expensive than not hiring experts you can work with.

Cover all the bases with the knowledge areas:

7. Scope. After defining scope clearly, teach the cost of changes to reduce change requests, and then manage all changes, adding to the project only when it is essential.

8. Time and cost. Use unbiased, accurate estimation techniques. Set up systems to gather, track, and analyze time and cost information, so you can keep them under control

9. Quality. Focus on quality at all three levels to ensure value. At the technical level, trace requirements and design checking and testing throughout the project to reduce errors. Then design a test bed, and implement the tests. At the project level, work to prevent error, then find and eliminate the errors that slipped through. Do as much testing as you can as early as you can. Allow time for rework and retesting to ensure you've eliminated errors without letting new ones creep in. At the business level, include customers in testing, and remember that the goals are customer delight and added value.

10. Risk. Plan for uncertainty; prepare for the unexpected. Perform risk management with your team every week of the project.

11. Human Resources. Help each team member step up in self-management and technical expertise. Teach everyone project management so that they can improve. Then teach them to work together, until you have a great team of great people.

12. Procurement. Get the supplies and resources you need. If your project involves contracts, be sure to keep the contracts in alignment with project value and specifications, not just generally associated with goals and work.

13. Communications. Have a communications plan, and follow it so that you are in touch with all stakeholders throughout the project. Make sure everyone knows what they need to know to make decisions and get work done. Analyze status information to create status reports. Be prompt and decisive.

14. Integration. Constantly direct corrective action. Evaluate all events that could change the project schedule, and all scope change requests. Review the effects of any change on all areas before making a decision, and then implement a revised the project plan.

Keep the project on track with stages and gates:

15. Use a life cycle. At a minimum, put a gate at the beginning to clearly launch the project, and then a gate after planning, a gate after doing, and a gate after following through.

16. Every gate is a real evaluation. Bring every deliverable—parts of the product, product documentation, technical documents, the project plan and supporting documents—up to specification. If a project can't deliver value, be willing to cancel it.

Use feedback with your team and focus on scope and quality in the execution stage:

17. Use feedback at all levels. Teach workers to stay in lane and on schedule; ensure delivery of milestones; manage project risk; and manage project change. Watch out for continuing problems that indicate a serious planning error, such as lack of attention to one of the nine areas or a poor architectural decision.

18. Focus on scope and quality. Get it all done, and get each piece done right.

Follow through to success

I Deliver customer happiness. Seek to exceed customer expectations while leaving customers delighted with every encounter with your team. Use every success and every error as a chance to learn to do a better job.

I Remember NPV and lessons learned. Compare actual NPV to planned NPV, so you can be honest about the degree of your success. Compile project historical information and lessons learned to make future projects easier.

Conclusion: What value does project management add?

This is very difficult to answer in traditional accounting terms because the real value is in the quality of the end results and the avoidance of unnecessary delays and costs. In short, it's about stakeholder and customer satisfaction. It's like taking out insurance, no one argues about taking out the right amount of insurance. No one should argue about doing the right amount of project management. Remember that Murphy, that good old proponent of humorous laws, has said "A poorly run project will take three times as long and cost three times as much as a well run project..." However, he also added "compared to a well run project which only takes twice as long and costs twice as much." For our financial accounting friends, that's a 50% saving right there!

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