

Introduction to Project Management

Project management is as old as we are. Africans used project management to build the great pyramids. Mayans used project management to build their temples and pyramids. Romans used project management to build aqueducts to carry water from the mountains to their cities. Chinese used project management to build the Great Wall. In fact, almost all important human achievements have required the use of project management.

Project management allows us to control the process and progress of invention. It allows us to apply and keep track of resources needed to produce that new product or service. Project management allows us to gather and harness resources toward a specific end or outcome.

Businesses and organizations have ongoing needs for new products and services to sell or use. These items or services may never have been created before, or they may represent new versions of existing entities. Either way, their creation requires the establishment of a project, and all projects need project management.

To start, we need to define a few of the terms we use throughout the book:

- *Project*: A unique, one-time work effort with a defined start and a defined end, the objectives of which are defined in advance by those who are paying the bill (and those who have vested interests)

and are to be achieved by the use of finite and limited resources. Projects are temporary work, bounded by time, resources, and requirements.

- *Project management*: The processes involved in managing a project that requires the application of planning, team building, communicating, controlling, decision making, and closing skills, using specific tools and techniques.
- *Project manager*: The person responsible and accountable for managing a project's planning and performance. He or she is the single point of accountability for a project.
- *Project Management Life Cycle (PMLC)*: A series of phases undertaken to deliver a required project outcome (product or service.)
- *Product or service*: The end result of the project undertaken to produce it.
- *Sponsor*: Those responsible for giving rise to, permitting, supporting, and paying for the project.
- *Stakeholder*: Anyone with a vested interest in the outcome of the project. Also those who provide requirements or input as to the project's outcome.
- *Owner*: Those who will own, operate, and maintain the product or service delivered by the project.
- *Client*: Those for whom the project manager is managing the project.

Project management allows us to invent things—products or services that we need or want to have—on a schedule and with control over the process. In the past 20 years or so, businesses and organizations have been producing new and improved products and services at an ever-increasing rate, therefore, project management has become a larger and larger component of businesses, institutions, organizations, and governments.

In a nutshell, a project manager, using the PMLC, delivers a product or service to those who paid for its development. He or she does

not deliver the project. The project is only the mechanism of production. The project manager delivers the product or service paid for by the sponsor/stakeholders/clients/owners.

Every project is approached in the same way, all of the time, each time. There is a defined series of steps to go through based on responses to the following issues:

1. Determine what new product or service the sponsor/stakeholders/clients/owners (the bill payers and those with vested interests) want and their willingness to pay for it.
2. Describe a desirable product or service that they can get within an acceptable time frame.
3. Use the planning process to create the specifications of the product or service and to schedule and estimate the cost of its development (called costing).
4. Apply controls and techniques for quality, risks, costs, and changes during the development (execution) of the product or service.
5. Deliver the product or service.
6. After delivery, assess what was done, how well it was done, the degree of client satisfaction with the product or service, and how the process can be improved for the next project.

In addition, don't forget, everyone involved must be kept informed as long as the project is alive—from beginning to end.

The 100,000-Foot View

All projects have similar characteristics. They flow through four main stages (see Figure 1.1), each stage characterized by activities that occur and deliverables that are produced.

A helpful way to think about a project—no matter what type or size—is to build a road map to connect these four stages. Actually,

Stage	Concept → Plan → Execute and Control → Close			
Activity	Determine what the business need is	Identify what needs to be done, by whom, and when	Work the plan, refine earlier time and work estimates, deliver the project	Determine what was done well, not so well, and how to do better next time
Deliverables	Business Case	Charter Project Plan	Status Reports	Lessons Learned Document
Definitions				
Business Case	– The proven business justification for the project			
Charter	– The agreement governing the size and scope of the project			
Project Plan	– The operating plan for the project			
Status Reports	– Periodic reports showing progress and challenges facing a project			
Lessons Learned Document	– Project recap of lessons that can be employed by subsequent projects			

Figure 1.1 Project Flow. © Copyright 2007 Pamela McGhee and Peter McAliney.

you want to build a series of road maps, with each one more detailed than the one before it. Start with Conceptualizing by establishing a Business Case. Then, proceed to Planning. Planning has two major components: (1) writing a Project Charter and (2) developing the actual project plan by defining the work to be done, scheduling it, and costing that work. This is done repeatedly until time and cost estimates are sufficiently refined and validated.

In Executing and Controlling, the project manager primarily oversees and supervises the work required to build the product or service, while handling those unanticipated changes (i.e., “change orders”) that pop up in every project and rain down upon every project manager. After the product or service is produced (and tested!), it is turned over to the original sponsor/stakeholders/clients/owners. Is the project over? No!

After the sponsor/stakeholders/clients/owners have taken possession of their product or service, the project manager, the project team,

and the clients (if they can be convinced to do so) conduct the Project Close or Post Mortem phase, the last phase of the PMLC.

This last phase is important because it is where the project manager, the project team, and the clients learn what went well (so they can replicate it) and what went badly (so they don't do it again). In addition, the financial and administrative books are closed, the team members reassigned, and project documentation is completed and filed—accessible to those carrying out future projects so that the process need not be reinvented and future projects can be carried out even better.

The Project Manager's Role

The project manager has multiple roles (Table 1.1). First, project managers are in charge of managing the resources needed to deliver the product of the project, managing the budget and time line, and managing the process. Second, they need to be able to perform the duties of a traditional manager—delegating, negotiating, persuading, organizing, coordinating, facilitating, and team building. Third, they must manage and execute the communications plan—or—more simply to decide what to tell and to whom. Fourth, they must understand the underlying business purpose of the project well enough to make the correct decisions to manage the project's execution.

As far as sponsor/stakeholders/clients and other interested parties are concerned, the project manager must manage in an environment filled with unknowns. These unknowns may include market and business changes occurring during the project, changes in requirements fueled by competing products/services, or horror of horrors, the right people not being involved early on in the project. The project manager cannot necessarily control how the project came to be or who was involved in its inception. At times, projects must be restructured, broken into more than one project, recognizing the existence

Table 1.1 The Project Manager's Multiple Roles

Role	Description	Elements
1	The project management expert	Methodologies Basic and advanced project management tools Budgeting
2	The quintessential manager	Delegating Negotiating Persuading Organizing Coordinating Facilitating Team building
3	The primary communicator or expert in effective communication	Verbal presentations Written reports Ad-hoc or spontaneous explanations and elaborations Cheerleader Marketing Training
4	Knows enough about the work to manage its execution	

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of a wider (or narrower) stakeholder base. The project manager may have control over the project, but she or he has little control over the environment within which the project takes place.

The project manager is accountable for all project issues, but has precious little authority outside of the project scope—and the owners can even decide to change that scope.

The project manager is accountable for everything relating to the project—responsible for everything and yet has limited authority.

Project managers must continuously balance (or more aptly, juggle) multiple points of view, multiple interests, and a variety of demands—many of which are in conflict. Herding cats comes to mind.

In addition, the project manager must communicate to all interested parties; be responsive; control the details of the project in all of its stages; and monitor costs, time, risk, and quality according to some predetermined standards.

As far as the project team is concerned, the project manager must collaborate with them in every stage of planning and execution to make certain that the agreed-upon plan is being followed. The project manager must make certain that all team members are carrying out their responsibilities—without seeming to be an ogre, control freak, task master, or someone who can be pushed around and ignored.

Who, you might ask, in their right mind, would want to be a project manager? Well, there are rewards. Project management is a valuable technique/skill/talent. It provides several sturdy rungs on a career ladder. And sometimes it's fun. Plus, it generally pays well.

TIP

As a project manager, always put yourself in the client's shoes . . . first, last, and always: (1) Understand what I want, (2) Give me an early ballpark cost, (3) Find out what I really want/need and what I'll pay for, (4) Give me a more definite cost and time estimate, (5) Build my product, (6) Deliver it when you said you would, and by the way, it would be nice if you could do it better, faster, and cheaper next time.

Conclusion

In this chapter, we provided the context for project management. Project management is based on a proven methodology and requires

a project manager to draw on a number of different skill sets. It is both process oriented and people intensive. (How's that for being able to leap tall buildings in a single bound?) Project management is doable by the normal person with some degree of project knowledge and the ability to walk, chew gum, and communicate at the same time (you do have to keep several balls in the air).

Increasingly, the work that is being done in organizations today requires good project management skills. A knowledge of the project management process and the tools of project management, along with people-management skills, are must-haves for those building their careers in today's workplace.

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REAL LIFE EXPERIENCES FROM THE TRENCHES**VIGNETTE I—The Birth of a Project**

I was called in to a large consumer products company that wanted to initiate a pilot project between the company and some of its large distributors. It was a tricky situation. While the ultimate quality and service of the product was in the interests of both the company and its distributors, margins across the value chain had been diminished due to an increased competitive environment. Under this duress, both the company and its distributors were competing for the dwindling margin. The situation was causing stress for both the company and its distributors. Based on internal, individual company pressures, each of the parties started to employ business practices that were more in the short-term interest of themselves at the expense of benefiting both parties in the long-term. These continued behaviors led to a loss of trust between both parties to the point where overall product quality and service to their end customer were being compromised. Something had to be done.

The president of the company and three of his distributors agreed to address the issue. In the terminology of project management, they agreed to sponsor a project.

The first task was to bring senior managers of four companies together—the consumer products company and its three distributors—to begin to engage in a dialogue. If senior management is not committed, a project will never get off the ground. To initiate the pilot project that the president of the consumer products company had envisioned, this preliminary meeting needed to be flawless. The meeting would have to result in two deliverables—a working set of shared assumptions by all companies and a first draft Project Charter. The *Project Charter* defines the work, the resources, and the

outcomes associated with securing an objective for a company. While project management texts can tell you what needs to be in a Project Charter, they rarely prepare you for all of the human factors that are involved in delivering a completed Project Charter. In this case, the charter needed to be developed in an environment of distrust that had developed over many years. The Project Charter needed to be developed through a collaborative, very deliberate, iterative approach. There were some interesting real-world implications of the two deliverables required in developing the Project Charter for this company. This chartering process really had two deliverables: trust and the charter document itself.

The first deliverable associated with this Project Charter is not addressed in too many books—the acknowledgment that sometimes the working relationships between the companies (in this particular case, or parties in general) required to complete a project is far from perfect. Here, the deliverable is not something you can touch or feel, but rather an *intangible* deliverable. This issue had to be addressed and all parties—stakeholders—had to feel that they were heard. If we were unable to accomplish this first deliverable—trust—the pilot project was a nonstarter. As project manager, I had to identify and call in resources to help me design a meeting that would yield successful attainment of the first deliverable.

The second deliverable—the Project Charter—is much more tangible. However, as I saw in this instance—and many other instances where I have helped develop a Project Charter—the development of a Project Charter is very much a process. And as such, I have not seen two instances where the process was exactly the same. For this case, we designed a two-day off-site meeting where we had the senior managers—the future project sponsor—develop a rough cut of a Project Charter. While it lacked the specificity that is required in a Project Charter, the very process of engaging

senior managers in the first revision of the Project Charter helped them to establish the direction of the project they envisioned while at the same time increasing their level of commitment to the initiative. To me, the Project Charter is just as much about deliverables as it is about commitment and communication.

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