Project Management Professional (PMP)

Section (2)
Organizational Influences and
Project Life Cycle

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PMBOK 5th. Edition

Organizational influences and project life cycle

☐ Organizational influences:

- ◘ Projects and project management take place in an environment that is broader than that of the project itself.

- ◘ Understanding this broader context helps ensure that work is carried out in alignment with the organization's goals

Organizational influences and project life cycle

☐ Organizational influences:

  ☐ In this section, we will describe:

  ■ How organizational influences affect the methods used for staffing, managing, and executing the project.

Organizational Influences on Project Management

☐ What can <u>influence</u> the project?

◘ An organization's **culture**, **style**, and **structure.**

◘ The organization's level of <u>project management maturity (نضج و إدراك)</u>

◘ <u>The project management systems</u>

◘ When a project involves external entities.

▪ (joint venture, partnering agreement)

So, we will describe

The organizational <u>characteristics</u>, <u>factors</u>, and <u>assets</u> within an enterprise that are likely to influence the project

	Functional	Matrix			Projectized
		Weak	Balanced	Strong	
PM's Authority	Little or None	Low	Low to Moderate	Moderate to High	High to Almost Total
Resource Availability	Little or None	Low	Low to Moderate	Moderate to High	High to Almost Total
Who manages the project budget	Functional Manager	Functional Manager	Mixed	Project Manager	Project Manager
PM's Role	Part-time	Part-time	Full-time	Full-time	Full-time
PM Administrative Staff	Part-time	Part-time	Part-time	Full-time	Full-time

The key project-related characteristics of the major types of organizational structures
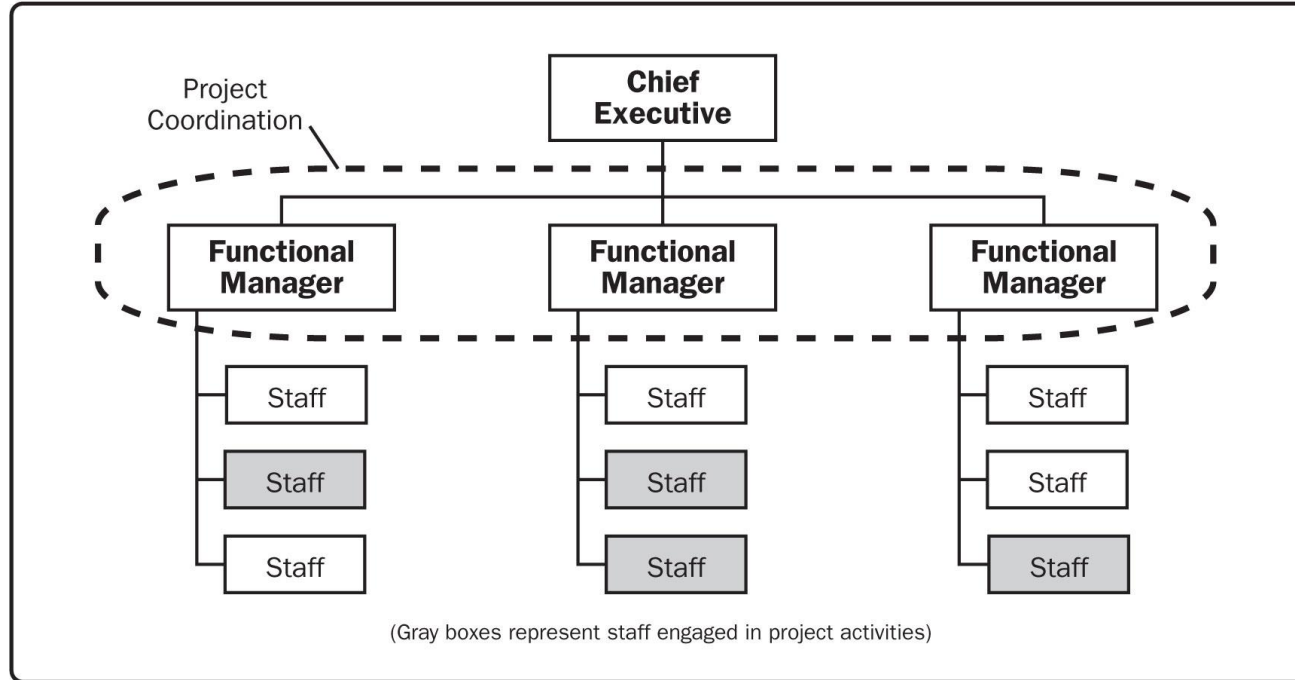
Organizational Influences on Project Management

☐ Organizational Structures (Functional Organization)

1. Each employee has one clear superior

2. Staff members are grouped by specialty
   - production, marketing, engineering, and accounting

3. Specialties may be subdivided into focused functional units
   - mechanical, electrical engineering

4. Each department in a functional organization will do its project work independently of other departments.

Organizational Influences on Project Management
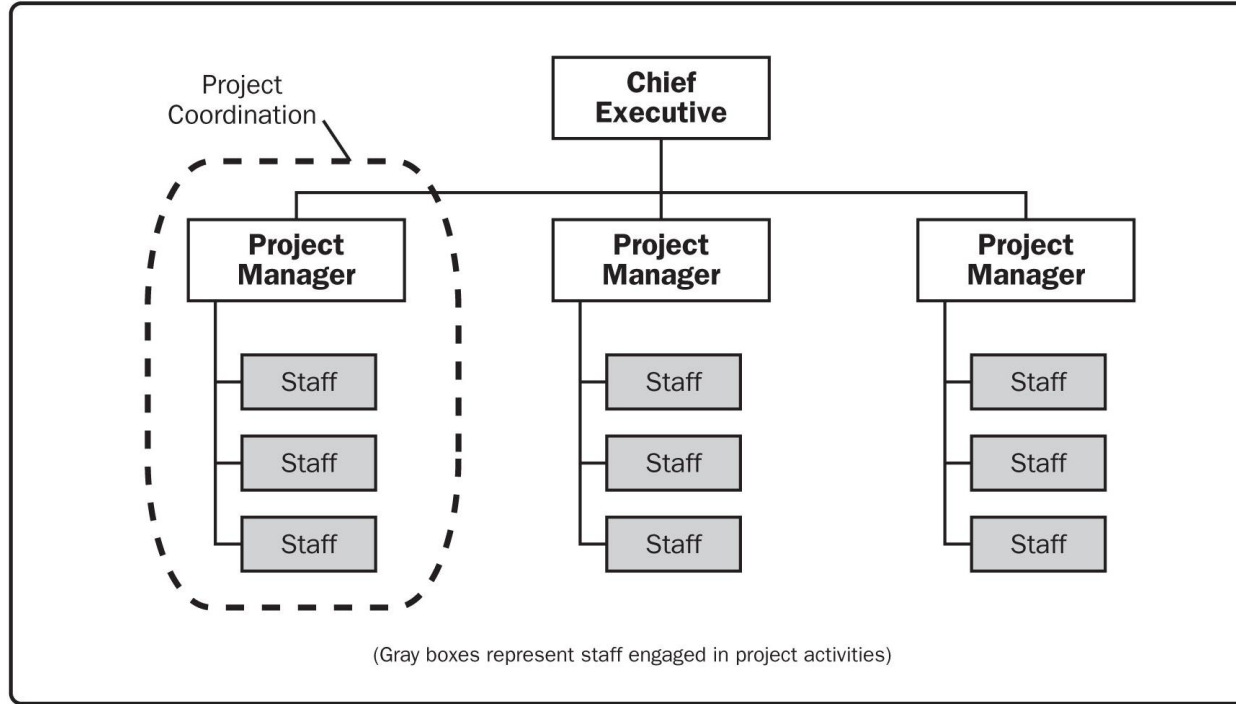
□ Functional Organization

(Gray boxes represent staff engaged in project activities)

Organizational Influences on Project Management

□ Organizational Structures (Projectized Organization)

- ■ Team members are often <u>collocated</u>.

- ■ <u>Most</u> of the organization's resources are involved in project work.

- ■ **Project managers** have a great deal of <u>independence and authority</u>

- ■ **Virtual collaboration techniques** are often used to accomplish the benefits of collocated teams.

- ■ <u>Projectized organizations</u> often have organizational units called departments, but they can either report directly to the project manager or provide support services to the various projects.

Organizational Influences on Project Management

□ Projectized Organization

(Gray boxes represent staff engaged in project activities)

Organizational Influences on Project Management

☐ Organizational Structures (Matrix Organization)

- ◘ Reflect a blend of <u>functional</u> and <u>projectized</u> characteristics.

- ◘ Matrix organizations can be classified as weak, balanced, or strong depending on the relative level of power and influence between functional and project managers.

- ◘ Matrix Types:

  1. Weak Matrix organizations

  2. Strong Matrix Organizations

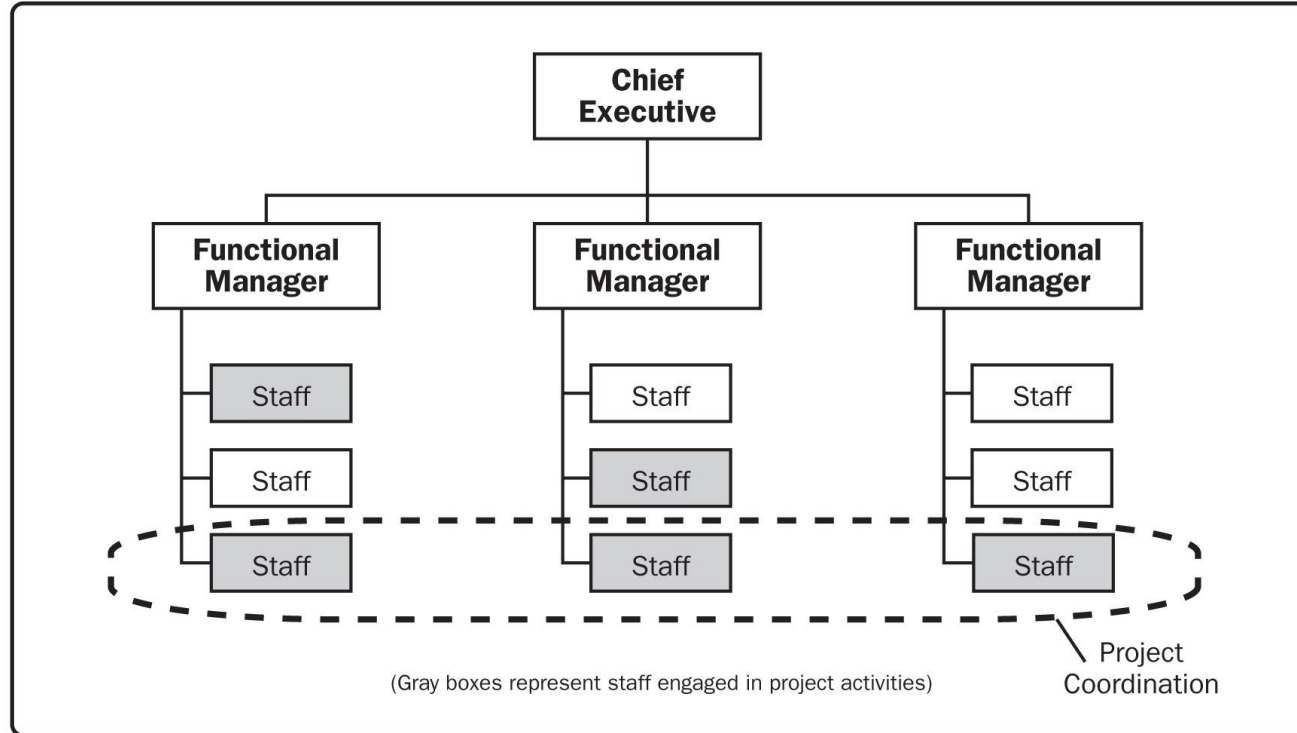 3. Balanced Matrix Organization

Organizational Influences on Project Management

- Organizational Structures (Weak Matrix Organization)

  - Maintain many of the characteristics of a functional organization and the role of the project manager is more of a <u>coordinator</u> or <u>expediter</u>.

  - A project expediter works as <u>staff</u> assistant and communications coordinator. The expediter cannot personally <u>make or enforce decisions</u>.

  - Project coordinators have power to make some decisions, have some authority, and report to a higher-level manager.

Organizational Influences on Project Management

☐ Weak Matrix Organization

(Gray boxes represent staff engaged in project activities)

Organizational Influences on Project Management

- Organizational Structures (Strong Matrix Organization)
    - Have many of the characteristics of the projectized organization
    - Full-time project managers with considerable authority
    - Full-time project administrative staff.

Organizational Influences on Project Management

☐ Strong Matrix Organization

(Gray boxes represent staff engaged in project activities)
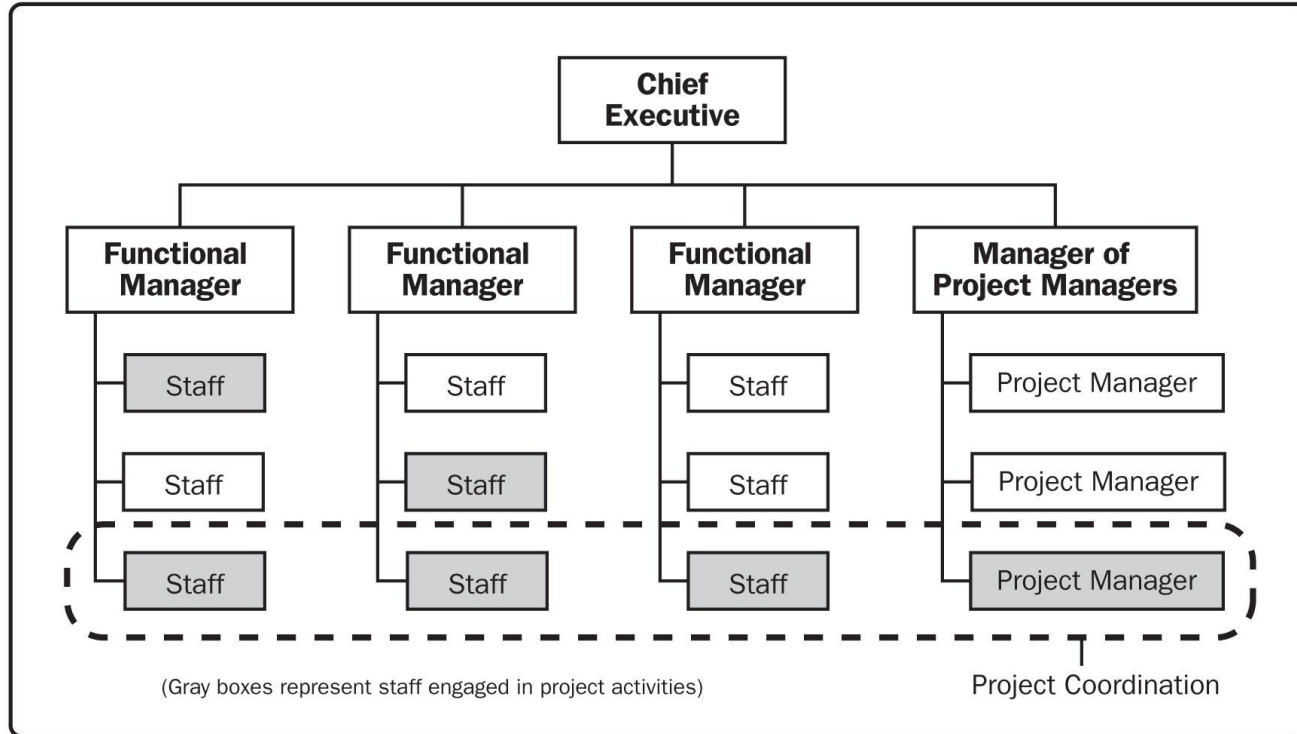
Organizational Influences on Project Management

- Organizational Structures (Balanced Matrix Organization)
  - Recognizes the need for a project manager, it does not provide the project manager with the full authority over the project and project funding.

Organizational Influences on Project Management

☐ Balanced Matrix Organization

(Gray boxes represent staff engaged in project activities)
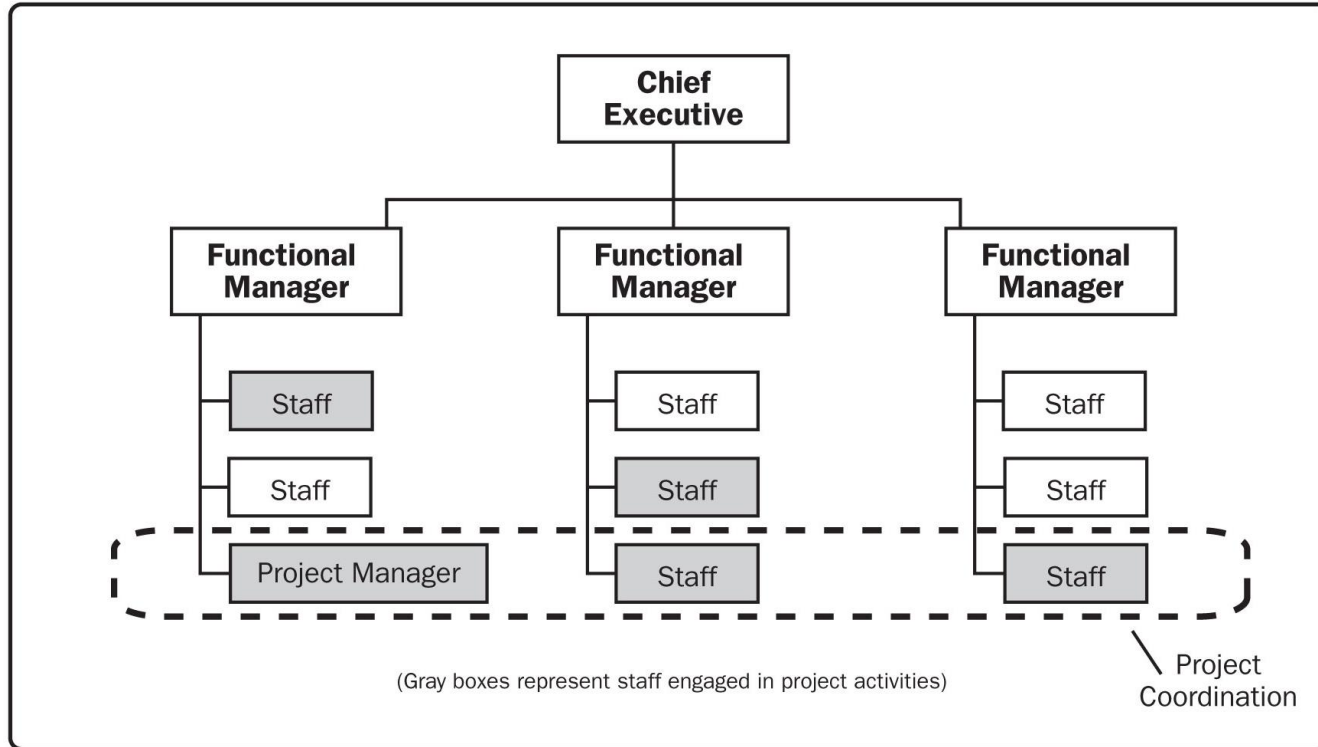
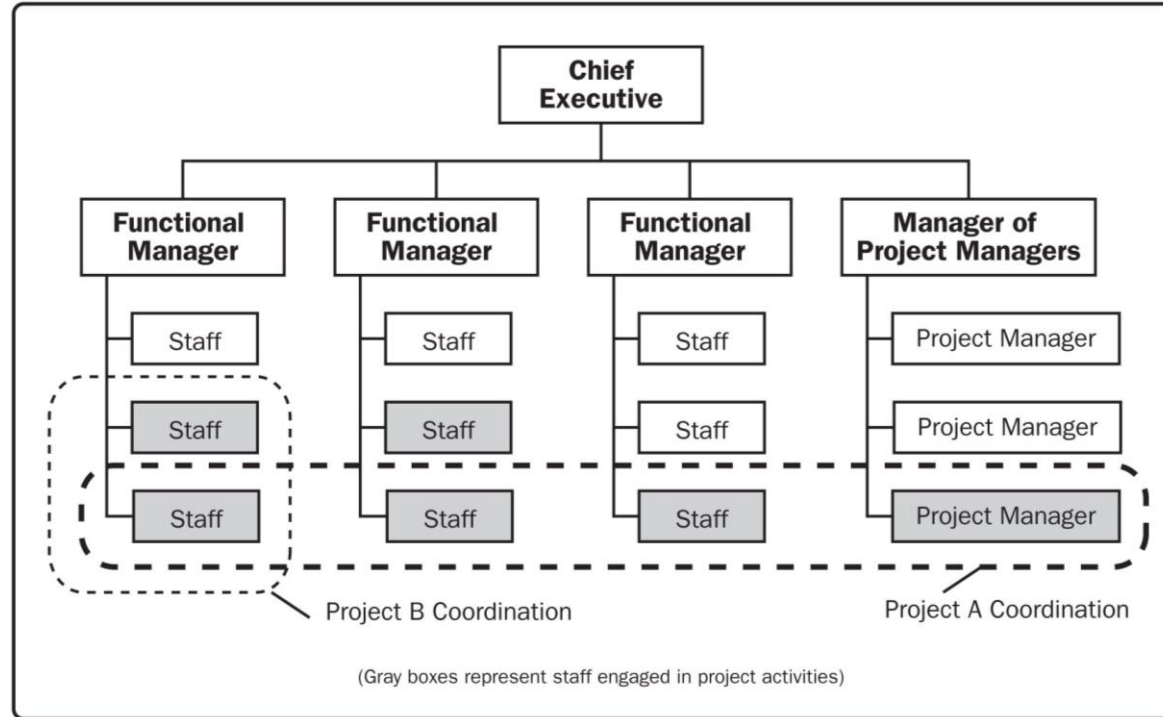# Organizational Influences on Project Management

☐ Organizational Structures (Composite Organization)

- ▣ Many organizations involve all these structures at various levels, often referred to as a composite organization.

- ▣ The team may include **full-time staff** from different functional departments

- ▣ Also, an organization may manage most of its projects in a strong matrix, but allow small projects to be managed by functional departments.

Organizational Influences on Project Management

☐ Composite Organization

Chief Executive

Functional Manager — Staff, Staff, Staff

Functional Manager — Staff, Staff, Staff

Functional Manager — Staff, Staff, Staff

Manager of Project Managers — Project Manager, Project Manager, Project Manager

Project B Coordination

Project A Coordination

(Gray boxes represent staff engaged in project activities)

Organizational Influences on Project Management

- Organizational Process Assets: are
  - The plans
  - Processes
  - Policies
  - Procedures
  - Knowledge Bases
        Specific to and used by the performing organization

Organizational Influences on Project Management

- Process Assets: includes
  - Artifact
  - Practice
  - Formal and Informal plans.
  - Processes
  - Policies
  - Procedures
  - Knowledge bases
  - Lessons learned
  - Historical information
  - Completed schedules
  - Risk data
  - Earned value data

Organizational Influences on Project Management

☐ Enterprise Environmental Factors

- ☐ EEFs refer to conditions, <u>not under the control</u> of the project team, that influence, constrain, or direct the project.

- ☐ EEFs are considered inputs to most planning processes

- ☐ EEFs may have a positive or negative influence on the outcome

Organizational Influences on Project Management

- EEFs: include
  - Organizational culture, structure, and governance
  - Geographic distribution of facilities and resources
  - Government or industry standards
  - Infrastructure
  - Existing human resources & Personnel administration

- Company work authorization systems
- Marketplace conditions
- Stakeholder risk tolerances
- Political climate
- Organization's established communications channels
- Commercial databases
- Project management information system

Project Stakeholders and Governance

- A stakeholder:

  - an individual, group, or organization who may <u>affect</u>, be <u>affected by</u>, or perceive itself to be affected by a decision, activity, or outcome of a project

  - <u>Stakeholders</u> may be actively involved in the project or have interests that may be <u>positively</u> or <u>negatively</u> affected by the performance or completion of the project.

Project Stakeholders and Governance

☐ Project Stakeholders

- ◘ **Stakeholders** include <u>all members of the project team</u> as well as all <u>interested entities</u> that are <u>internal or external</u> to the organization.

- ◘ The project team identifies <u>internal</u> and <u>external</u>, <u>positive</u> and <u>negative</u>, and performing and advising stakeholders in order <u>to determine the project requirements and the expectations of all parties involved</u>.

- ◘ **The project manager** should manage the **influences** of these various stakeholders in relation to the project requirements to ensure a successful outcome.
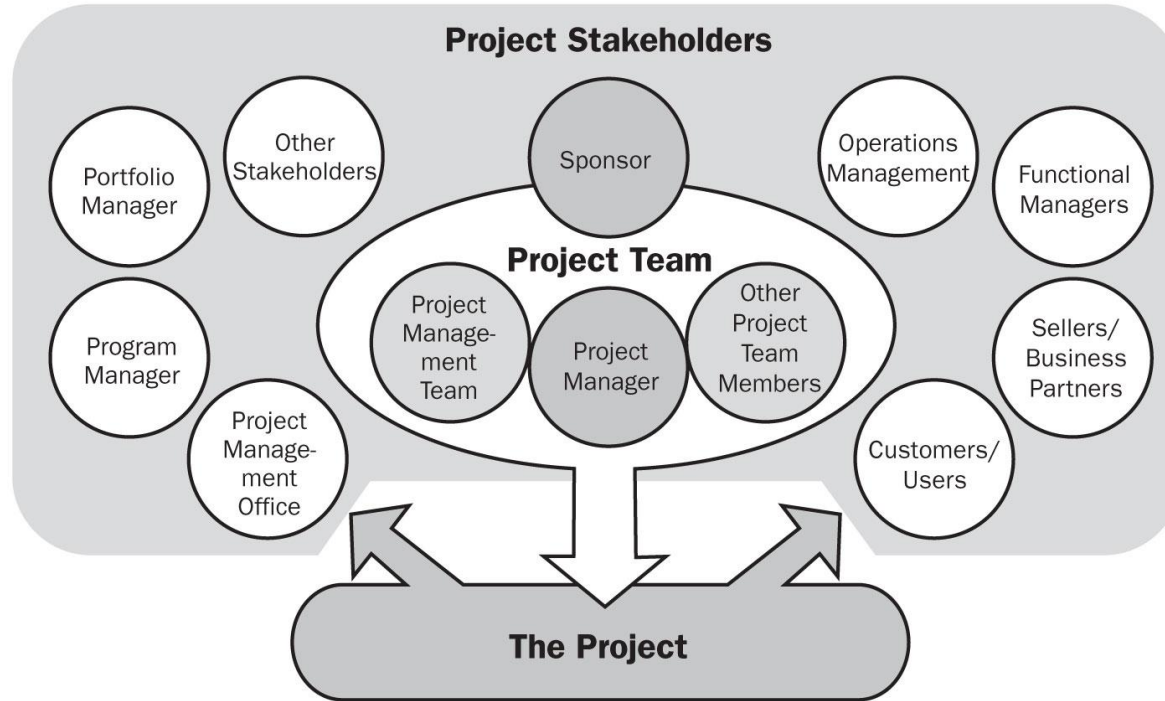
Figure 2-7. The Relationship Between Stakeholders and the Project

Project Stakeholders and Governance

☐ Examples of project stakeholders:

- Sponsor

- Customers and users

- Sellers

- Business partners

- Organizational groups

- Functional managers

- Other stakeholders

2.3 Project Team

- The project team includes:

  - **The project manager** and **the group of individuals** who act together in performing the work of the project to achieve its objectives.

  - **The project manager, project management staff,** and **other team members** who carry out the work but who are not necessarily involved with management of the project.

- This team is comprised of:

  - **individuals** from different groups with specific subject matter knowledge or with a specific skill set to carry out the work of the project.

2.3 Project Team

- Project teams include roles such as:
  - Project management staff
  - Project staff
  - Supporting experts
  - User or Customer Representatives
  - Sellers
  - Business partner members
  - Business partners

2.4 Project Life Cycle

□ A project life cycle is:

▪ **The series of phases** that a project passes through from its initiation to its closure.

▪ **The phases are generally sequential**, and their **names** and **numbers** are determined by the management and control needs of the organization or organizations involved in the project, the nature of the project itself, and its area of application.

2.4 Project Life Cycle

☐ 2.4.1 Characteristics of the Project Life Cycle

  ◘ Projects vary in size and complexity.

  ◘ All projects can be mapped to the following generic life cycle structure

    1. Starting the project

    2. Organizing and preparing

    3. Carrying out the project work
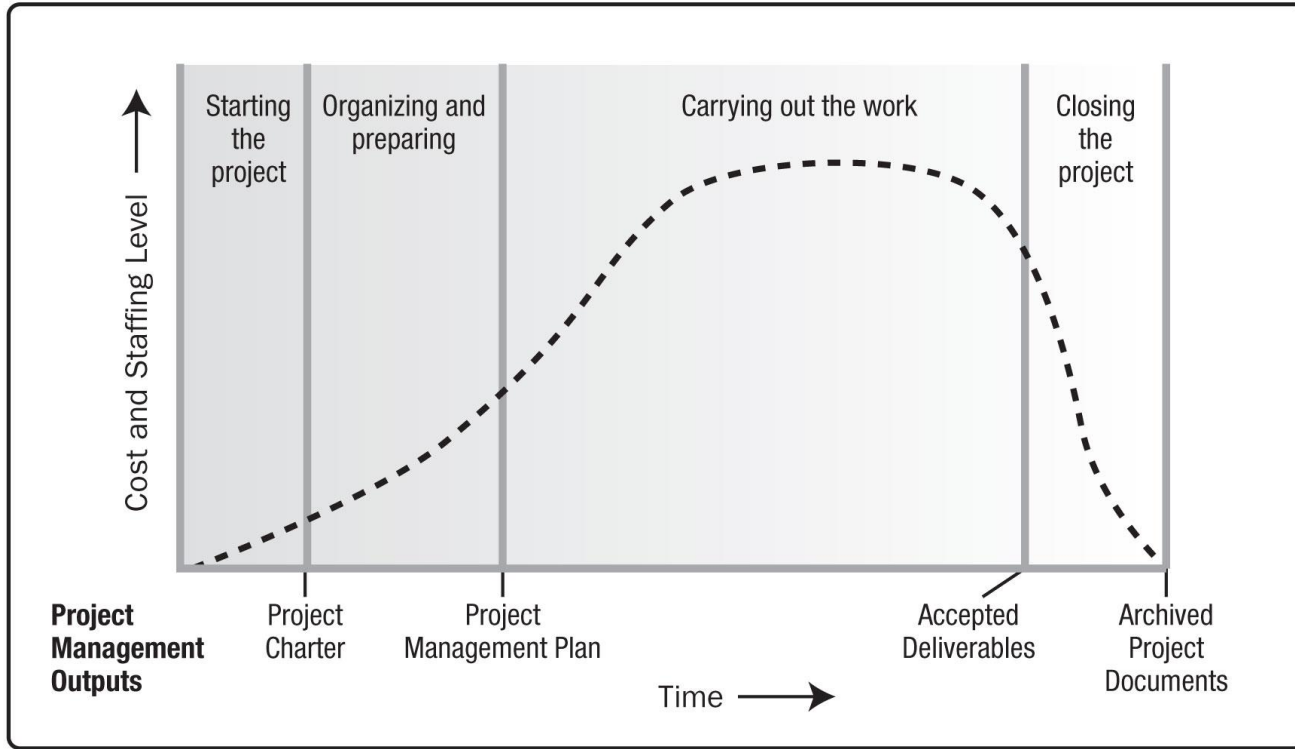
    4. Closing the project

Figure 2-8. Typical Cost and Staffing Levels Across a Generic Project Life Cycle Structure
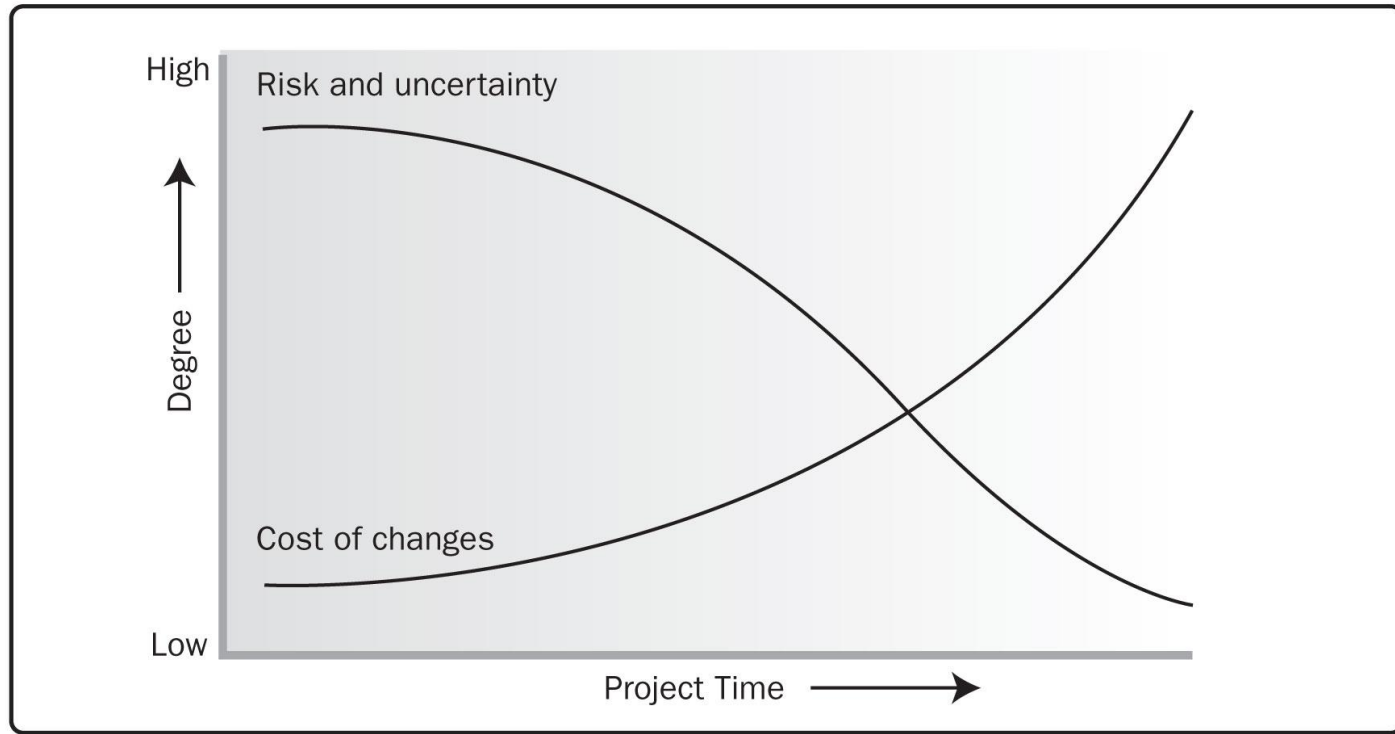
Figure 2-9. Impact of Variable Based on Project Time

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