



## Chap 1 - Project management concept and frameworks

Project Management (SKEMA Business School)



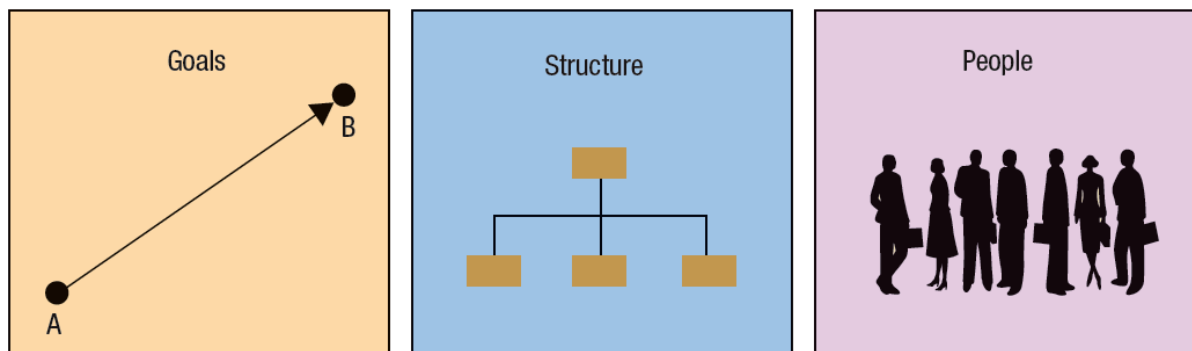
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## Chap 1: Project management concepts and framework

### What are managers and where do they work ?

- Organization
  - A systematic arrangement of people brought together to accomplish some specific purpose; applies to all organizations.
  - Where managers work (manage).
- Common Characteristics of Organizations
  - Distinct purpose and goals
  - People
  - Systematic structure

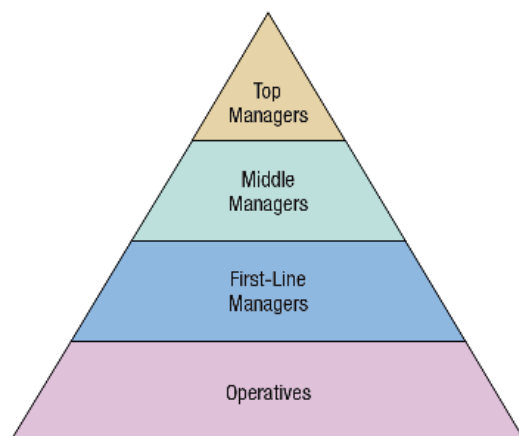
### Common characteristics of organizations



### People differences

- Operatives
  - People who work directly on a job or task and have no responsibility for overseeing the work of others.
- Managers
  - Individuals in an organization who direct the activities of others.

### Organization levels



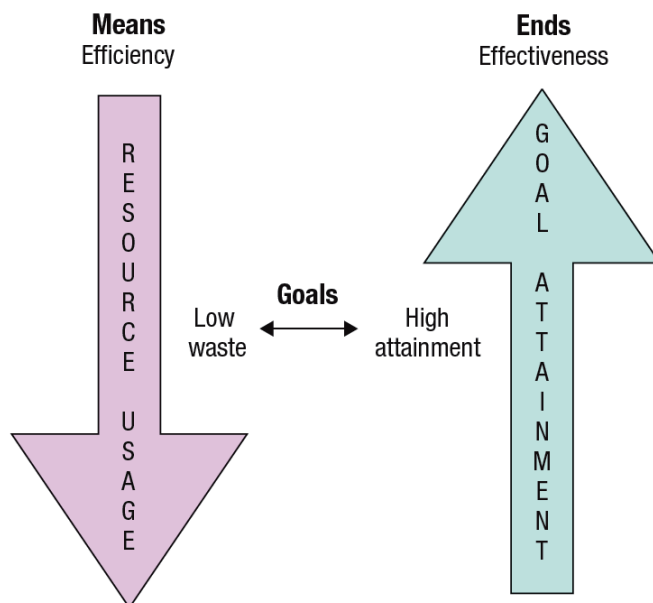
## Identifying managers

- First-line Managers
  - Supervisors responsible for directing the day-to-day activities of operative employees
- Middle Managers
  - Individuals at levels of management between the first-line manager and top management
- Top Managers
  - Individuals who are responsible for making decisions about the direction of the organization and establishing policies that affect all organizational members

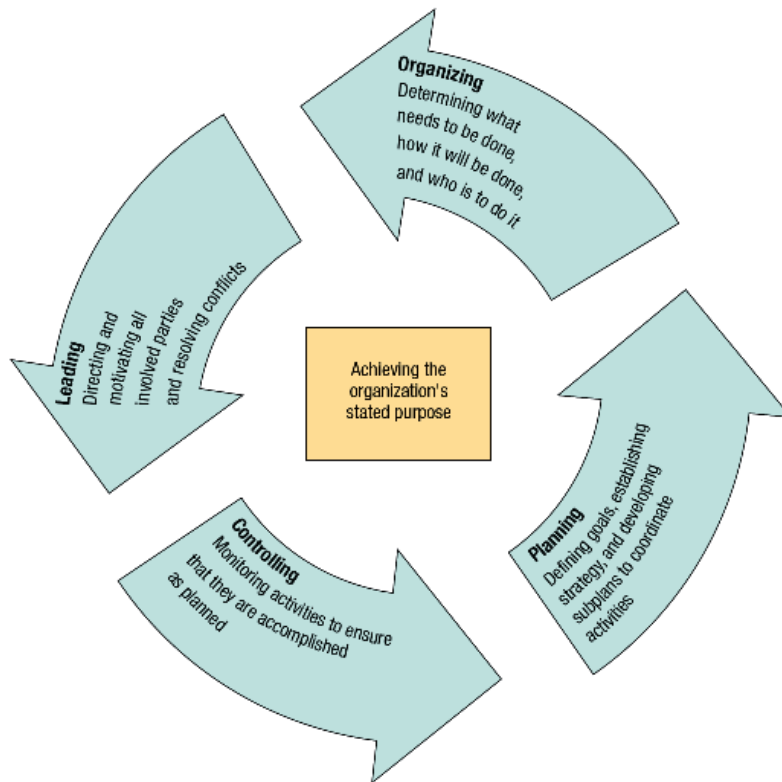
## How do we define management ?

- Management
  - The process of getting things done, *effectively and efficiently*, through and with other people
  - **Efficiency**
    - ❖ Doing the thing correctly; refers to the relationship between inputs and outputs; seeks to minimize resource costs
  - **Effectiveness**
    - ❖ Doing the right things; goal attainment

## Efficiency and effectiveness



## Management process activities



- Planning
- Organizing
- Leading
- Controlling

## Management process

- Planning
  - Includes defining goals, establishing strategy, and developing plans to coordinate activities
- Organizing
  - Includes determining what tasks to be done, who is to do them, how the tasks are to be grouped, who reports to whom, and where decisions are to be made
- Leading
  - Includes motivating employees, directing the activities of others, selecting the most effective communication channel, and resolving conflicts
- Controlling
  - The process of monitoring performance, comparing it with goals, and

correcting any significant  
deviations

### **What is a Project?**

- A project is a unique venture with specific start and end dates.
- A project is different from an ongoing task that doesn't have an end date.
- Projects are run by people and often involve different parts of an organization.
- Constraints on project include cost, schedule, resources, and quality.
- Usually projects are divisible in to stages or phases each with their own set of priorities and goals.

It can be

- An event
- A product
- A service
- The re-engineering of a department

### **A project exists when a task ...**

- Has a defined objective
- Has a deadline
- Requires integration of knowledge and experience from various organizations

### **Type of projects**

- Single series
  - Satellite (Thales)
  - Tunnel
  - ....
- Non-repetitive activities of management
  - Re engineering of the IS
  - Creation of a quality department
  - Development of a new CRM service
  - ....
- Mass production
  - SCM to produce cars, airplanes,
  - Launch of new products
  - ...

### **What is Project management ?**

- Project management is a combination of techniques, procedures, people, and systems focused on the successful completion of a project. It is also a discipline that will support the planning, implementation, tracking, and control of projects.
  - A project should be run strictly in terms of HR, budget, time and respect of the project scope
  - PM have to be exemplary and to assume responsibility for their decisions.
  - PM have to be competent in project leading and in team management.
  - That means PM have to manage conflict efficiently, apply good leadership, comply with quality and safety, and so on
  - PM must not be afraid to correct or even discipline members of their team but only in private.
  - PM must protect your team from under pressure from senior management, customers, and other stakeholders.



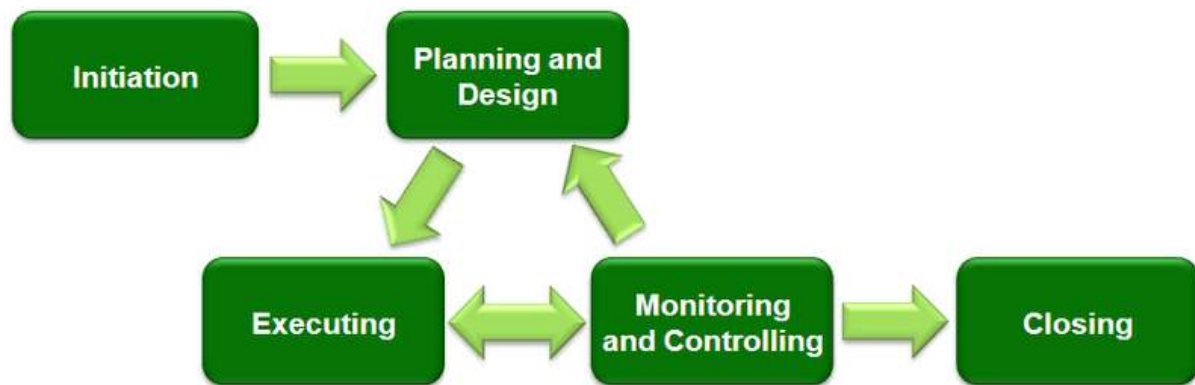
- Complex and numerous activities
- Unique - a one-time set of events
- Finite - a begin and end date
- Limited resources and budget
- Many people involved
- Sequenced activities
- End product or service must result

### **What is a program ?**

- A group of related projects are called a program. They may have mutual dependencies that may be complex. The key to their success is that they be managed in a coordinated manner.
- So a program is :
  - Larger in scope than a project
  - Made up of several projects
  - Made up of a number of similar products
  - Programs tend to be more permanent

### **Project phases**

- initiation;
- [planning](#) and design;
- execution and construction;
- monitoring and controlling systems
- completion



### **Balancing priorities**

- A project will consist of a set of priorities. These priorities can be classified in to what must be achieved, what should be achieved if possible, and what would follow from the previous choices.
- What's not so obvious sometimes is that the priorities of various stakeholders will vary and they will vary over time. It is the project manager's job to manage the inevitable conflict that arises from this situation.

### **Project management success**

- Project Management Philosophy
- Project Management Role and Responsibility
- Project Management Principles and Practices

### **Top 10 reasons projects fail**

- Inadequately trained and/or inexperienced project managers
- Failure to set and manage expectations
- Poor leadership at any and all levels
- Failure to adequately identify, document and track requirements
- Poor plans and planning processes
- Poor effort estimation
- Cultural and ethical misalignment
- Misalignment between the project team and the business or other organization it serves
- Inadequate or misused methods
- Inadequate communication, including progress tracking and reporting

### **Project management principles and practices**

- Define Project Objectives
- Develop Project Execution Plan
- Define Baselines for Control
- Manage Risk
- Close out Effectively

### **Define project objectives**

- Expected deliverables
- Required resources (total installed cost)
- Required timing (opening date)
- Safety and Environmental
- Total Quality

### **Project execution plan**

- Project Execution Strategy
- Project Management
- Quality
- Safety
- Risk Management
- Design/Develop/Program
- Implementation
- Documentation
- Training

### **Customer relations**

- Develop Communication
- Ensure Timely Participation
- Include the Customer on the Project Team
- Develop Trust and Confidence

### **SMART project objectives**

- S pecific
- M easurable
- A ssignable
- R ealistic
- T ime related

### **Team requirements**

- Skills needed ?
- Individuals identified ?
- When are they needed ?
- Where are they ?
- Training needed ?
- Interpersonal compatibility ?

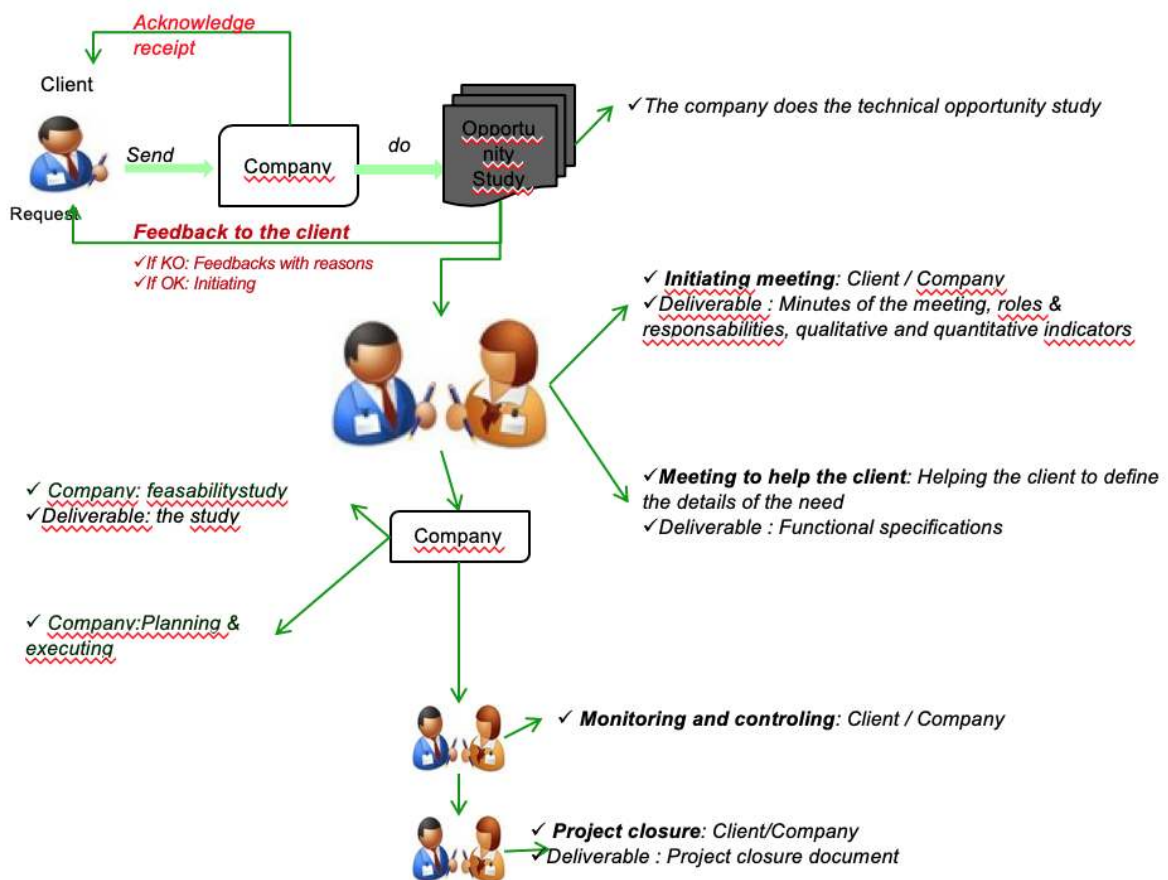


## The 4 cornerstones of project management

- Schedule
- Quality
- Scope
- Cost

**Scope** = Poor scope definition is the major contributing factor to cost overruns in the engineering and construction industry.

## Project management process



- The need (request)
  - First of all, a project appears because there is a need for something
  - The company in charge of the project should acknowledge receipt of the need.
- The opportunity study
  - The company in charge of the execution should study the technical opportunity of the project :
    - ❖ is it feasible?
    - ❖ Do we already have something about this request?

- Initialisation
  - This is the beginning of the project
  - during this meeting, one should define : the organization of the project, the indicators
- The functional specifications
  - Important for the company to be present
  - Why?
  - It allows the company
    - ❖ to understand the need and
    - ❖ to create a positive relationship since the beginning of the project
- The feasibility study
  - about responding to the client requirements.
  - the company can identify different scenario to answer to the requirements.
  - The choice should be done by the client and the company.
- Planning and executing
  - planning the resources (human, budget...)
  - and executing the project (development, ...)
- Monitoring and controlling
  - During the project, all the result should be
    - ❖ monitored
    - ❖ and controlled by the company and the client.
  - The results should correspond to the request.
- The Project closure
  - the client and the company should meet
  - to close the project
  - and to understand the different aspects :
    - ❖ What are the good practices
    - ❖ What are the practices to avoid
    - ❖ What about :
      - *The size of the team*
      - *The size of the budget*
      - *The trainings*
      - *The tools*
      - ....