PROJECT MANAGEMENT (ILV)

CONTRACTS, ORGANIZATION, TEAM

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Questions of Today...

Antecedents: What information should you ask the client for BEFORE planning the project?

- Boundary conditions: Compatibilities (market / organization), ...
- Previous knowledge/experience: Feasibility studies, prototypes, market competitors, literature & patents...
- additional interests: image, last chance, future security, boss hobby,...

Tip: Visit the project client and try out their products / production hands-on!

- **What is the main goal of project management?**
- **Common mistakes in project management?**
- **What phases does the project go through?**
- **What basic criteria must a project fulfill?**
- **When does it make sense to use a project including PM? When does it not?**
- **What is the "magic triangle" of PM supposed to convey?**
- **What criteria must project goals fulfill?**
- **What is the difference between efficiency and effectiveness? In which project phase do PMs pay attention to effectiveness?**
- **How should project goals be defined?**
- **How do you design a short presentation?**
- **What do we do in a project viability analysis PVA?**
- **Which dimensions can we evaluate in a PVA?**
- **What is the purpose of a project environmental analysis PEA? How can the results be visualized?**

Project types

External projects: Project sponsors are **outside** the organisation implementing the project.
Internal projects: Project sponsors are **within** the organisation implementing the project.

A) Investment Projects
assets are built that can be subject to tax-regulated depreciation after completion.
The aim is to initially invest capital in order to later generate a cash inflow or save money. This includes buildings, infrastructure, technical equipment …

B) Organisational Project
organisational and process structures are created or changed. The project outcome affects both the employees working on the project and other people in the organisation. The latter can feel threatened or harmed by the project result...

C) Innovation Projects / Research&Development (R&D) Projects
new knowledge, skills, services or products with improved nature, function, design quality and/or economic efficiency are developed. Innovation projects include machine developments, and/or software development…

P-Type	Speciality	Main Risk	PM Focus
Investment			
Organisational		?	
Innovation			

Project management subtasks

Which project main tasks do you know?

PM tasks	PM subtasks
Project planning	• Project definition (goals, tasks) & project limitation • Environmental analysis & planning of environmental relationships • Project Tasks breakdown & design of the work orders • Quality planning • Scheduling / resource planning / cost planning / financial planning
Project organization	• Role definition, Distribution of competencies and responsibilities • Organization of communication within project team and project environment • Shaping values, standards and rules (project culture)
Project team management	• Employee selection • Ensuring goal clarity and goal acceptance • Development of team members • Supporting cooperation between team members (motivation, coaching, conflict management, …)
Project controlling	• Integrated monitoring • Action plan for the control of: Quality, deadlines, resources, costs, … • Tracking the development of critical success factors

What project support tasks do you know?

Change management, risk management, contract management, quality management, reporting, marketing, team management,...
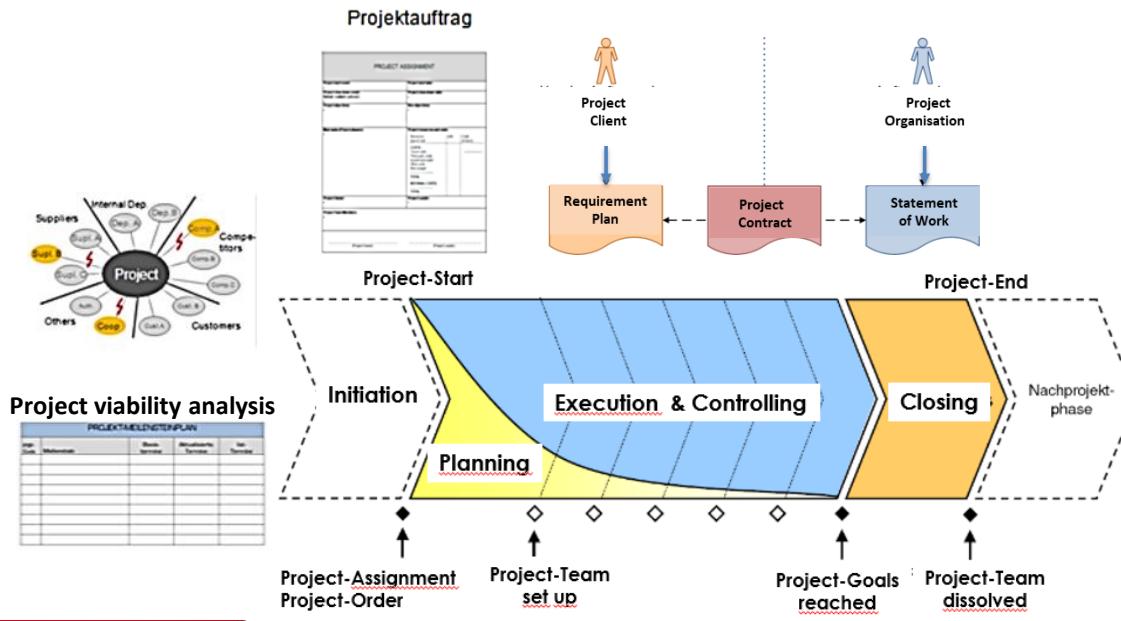
4 phases of project management

After the P-Initialitzation & P-Start: What do we have to PLAN?

- Content: Work Breakdown Structure WBS & Work Packages WP
- Timing: Milestones MS / Timeline schedule (Gantt chart)
- Financial: Resource plan / financial plan
- Organizational: Organizational form / project team / partners / Contracts
- P-Documentation / P-Communication
- .....

→ **PROJECT MANAGEMENT PLAN PMP** (Project Handbook)
- Executive Summary
- Project Order / Assignment PO
- Project Goals
- Project Environmental Analysis PEA
- Work Breakdown Structure WBS
- Work Package Descriptions WP
- Milestone Plan
- Team Chart
- Ressource Plan (Costs, …)
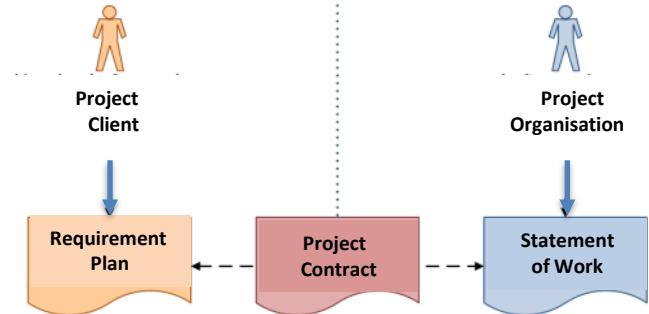- Project Communication
- Risk Management
- …

Projektauftrag

Project viability analysis

Project Client

Project Organisation

Requirement Plan

Project Contract

Statement of Work

Project-Start

Project-End

Initiation

Planning

Execution & Controlling

Closing

Nachprojekt- phase

Project-Assignment Project-Order

Project-Team set up

Project-Goals reached

Project-Team dissolved

What is the difference between a Requirement Plan and a Statement of Work?

Requirement Plan (RP)…

… is the "wish list" of the project client

- What should the P-Goal do?
- Functional specifications
- Constraints
- …

Statement of Work (SOW)…

…is the answer of the contractor

- What will be done and **how**? -> **Scope of Work**
- Deliverables, Due dates, …
- Requirements
- What will **not** be done/achieved?
- What will the P-target at least do?

Project Client — Project Organisation

Requirement Plan ← Project Contract → Statement of Work

What's in a statement of work?

Introduction	Schedule
Project purpose	Standards and testing
Scope of work	Success definition
Location	Requirements
Detailed tasks	Payments
Milestones	Other
Deliverables	Closure

What can I do to ensure that P documents are read?
What to do if the client does not write a RP?

P-Contract: What (else) should you regulate IN WRITING with your client?

- Basic purpose of the project (preamble)
- Obligations & deadlines of the client (overbinding of Requirement Plan RP)
- Obligations & deadlines of the P-organisation (overbinding of Statement of Work SOW)
- Costs & **Payment terms**
- **Communication** (reports, contact persons, publication rules, project marketing, ...)
- **Change Management** (responsible persons, process,…)
- **Intellectual Property Rights** (pre-existing knowledge, invention disclosure, inventor remuneration)
- **Liabilities and regulations in the event that the project does not proceed as planned** (termination, failure to achieve target, delay, partner withdrawal, bancruptcy, ...)
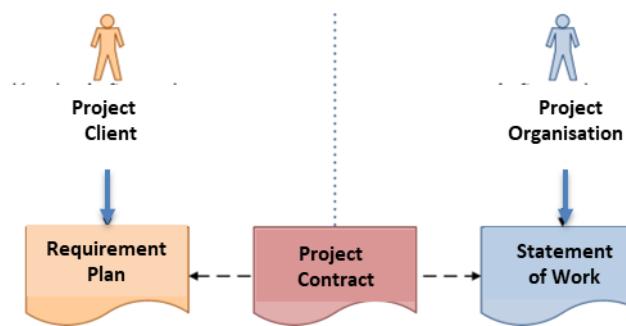- **Legal clauses** (place of jurisdiction, court of arbitration, severability clause, data protection, ...) **?**

Contract negotiations are an important step in the project communication culture.

Contract negotiations ALWAYS put partnerships to the test!

if a partnership does not survive this test, joint work on the project would also have become difficult

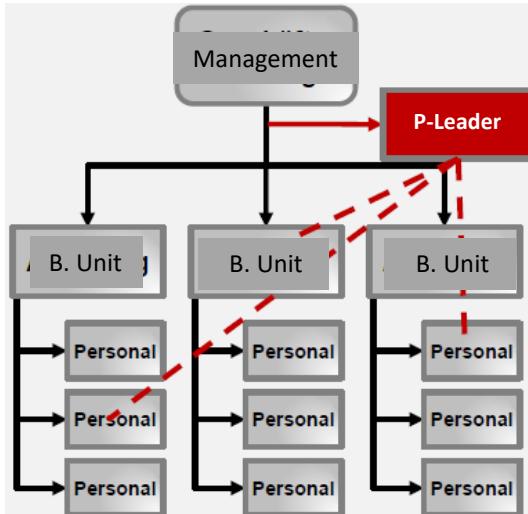**The project team MUST know the (relevant) contract sections!**

The P-contract contains regulations for the P-failure!

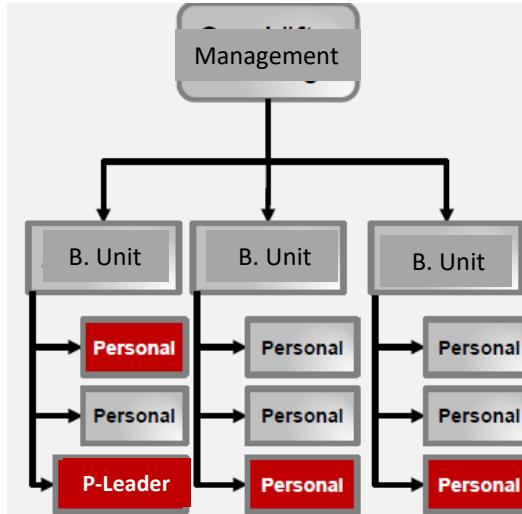# Project initiation - Project planning
Project organization

How can projects be embedded in an organization?

Staff project organization

+ simple to integrate
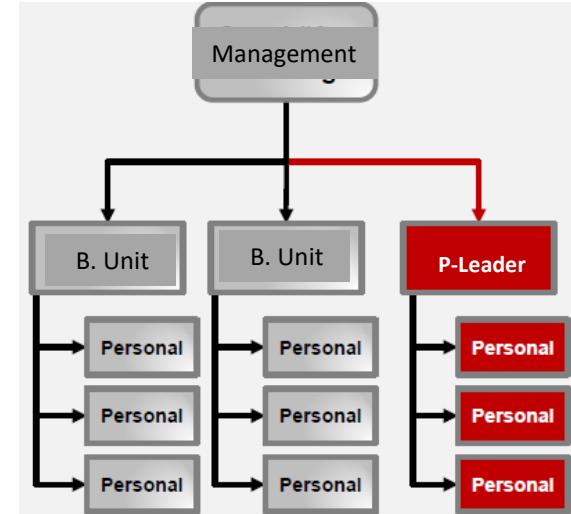+ flexible
+ P-Staff stays in actual position

- PM has NO directive authority
  (only informal influence)
- PM depending on departments

Matrix Project Organization

+ simple to integrate
+ flexible
+ P-Staff stays in actual position
+ PM has directive authority

- Conflicts due to dual reporting
  of P-Staff

Pure Project Organization

+ Full focus on proejct
+ PM has directive authority

- Hire & Fire before/after the
  project?

Which type is best for R&D projects/Infrastructure projects/Organizational projects? Why?

Thank you for your cooperation!

Do you have a positive personal memory of leadership?
Who/what motivated/inspired you?