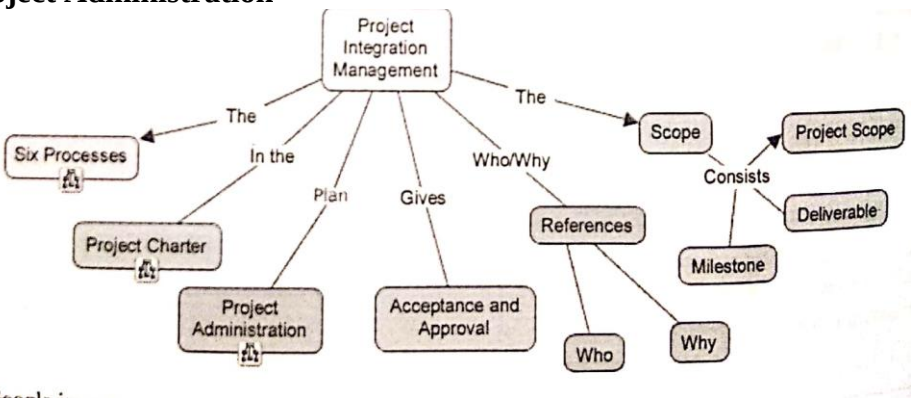
CHAPTER 2
PROJECT ADMINISTRATION

2.1 What is Project Administration?

Project administration is a process of execution of project activities effectively and efficiently to achieve project goals.

2.2 Essentials of Project Administration



1. Project Scope
2. The project goals
3. Name and authority delegated project manager
4. Project reviewing authority
5. Co-operation of all
6. Project teams
7. Project organisation structure
8. **Project work system or Tools used in project administration system**
   - **I. Project Work breakdown Structure (WBS)**
   - **II. Project execution plan (PEP)**
   - **III. Project procedure manual (PPM)**
9. Project control system

2.3 Project Team: The project team consists of the project manager and the group of individuals who work together on a project to achieve its objectives.

Different types of project team:

1. Initial Project Team
2. Designated Project Manager
3. Core project team
4. Full project team
5. Project advisors
6. Project Stakeholders
7. Process Facilitators

2.4 Advantages of effective team

1. Clear objective
2. Good decision making
3. Clear roles and responsibilities
4. Smooth progress of project
5. Trust, Co-operation, Support
6. Individual and mutual accountability
7. Project momentum increases
8. Get good feedback
9. Find Solution for every problems
10. Build leadership skills
11. Improved efficiency and output

2.5 Disadvantages of ineffective team

1. No Clear objective
2. Slow decision making
3. No Clear roles and responsibilities
4. Smooth progress of project
5. No Trust, Co-operation, Support
6. Project momentum decreases
7. No proper solution for problems
8. Reduced efficiency and output
9. Poor communication
10. Conflicts among team members

2.6 Factors to be considered while selecting team members

1. Knowledge about biodiversity
2. Should not be a Threat to biodiversity
3. Knowledge about social, political and economic context
4. Knowledge about stakeholders
5. Experience in communication
6. Experience in fund raising
7. Experience in risk analysis
8. Should not be short tempered

2.7 Project Design

Project design is the first stage in the execution of the project. It is concerned with developing project scheduling techniques and schedule for implementation of the project.

It includes finding of location, construction of buildings, procuring plant and machinery and execution the production program.

2.8 Uses of Project design to the entrepreneurs

1. It gives a idea about the entire project
2. It gives idea about the time schedule within which it has to be completed.
3. It is a diagrammatic representation of the work plan
4. All activities of the project are arranged in sequence
5. It helps to identify order of events for the successful completion of the project
6. It helps entrepreneurs in coordinating project activities.
7. It acts as an effective tool for planning and implementation of a project.
8. It helps managers to plan the project economically.

2.9 Steps in System Design or Steps in project design concept

1. Conceive the total physical system and modules
2. Identify the connection between these modules
3. Developing a control system

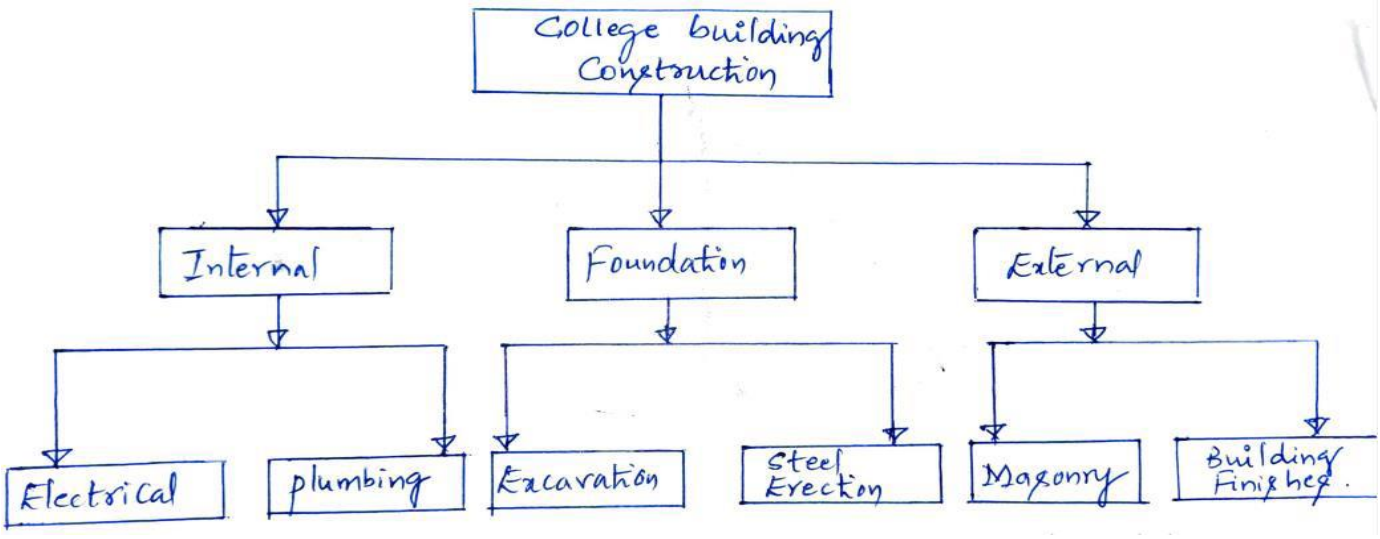
2.10 Work Breakdown Structure (WBS)

WBS is a technique which breaks down a work into its components and at the same time establishes the connections between the components on the lines of a family tree. It is constructed by dividing the project into its major parts, with each of these being further divided into sub-parts.

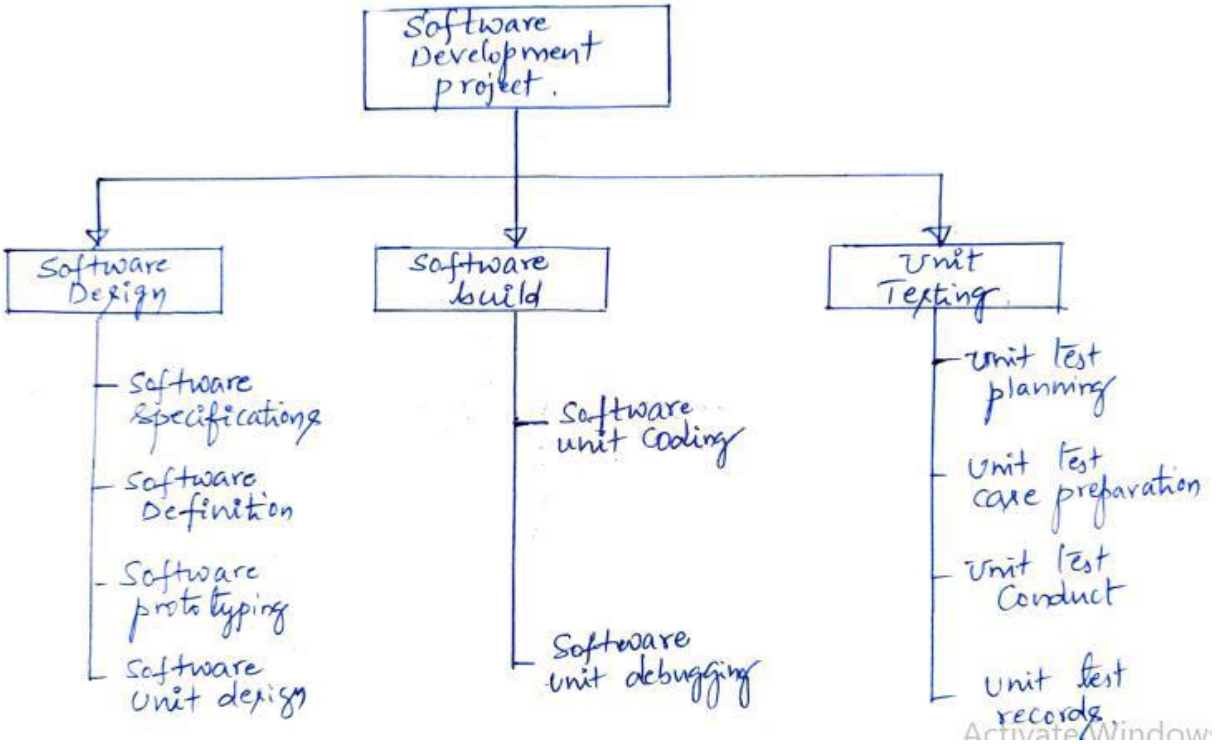
Advantages of WBS:

1. Effective planning by dividing the work into smaller elements.
2. Easy to plan, budget and control.
3. Assignment of responsibility for work elements to project personnel and outside agencies.
4. Development of control and information system.

Example of WBS: Construction of college building



Software Development project:



2.11 Project Execution Plan (PEP):

Project execution plan (PEP) refers to process of matching the project hardware and software with the executing agencies so that a practical work system emerges.

PEP includes:

1. **Contracting Plan**
2. **Work packaging Plan**
3. **Organization Plan**
4. **Systems and Procedure Plan**

Contracting Plan:

This is the first step. This plan tells

1. Which type of contract to choose?
2. Which type of reimbursement to make?
3. What conditions of contracts to stipulate
4. What payment terms to offer?

Work Packing Plan

1. A work package in a project is the smallest division of work.
2. A work package or several work packages may be assigned to one individual who acts as a mini project manager.

Organization Plan

The owner can decide on the form of organization to be adopted. An owner can choose arrangements depending on the project size, location, complexity, work packages, type and number of contracts.

Systems and Procedure Plan

Routine systems and procedures are important so that no intervention is required in the day-to-day operation of a system. The eight routine sub-systems of project management are:

- Contract management
- Configuration management
- Time management
- Cost management
- Fund management
- Materials management
- Communication management

2.12 Project Procedure Manual (PPM)

A project procedure manual is prepared in such a way that the interacting agencies know their roles, responsibilities and mutual relationships in achieving the common goal.

2.13 Project Diary

Project diary is a detailed record of discussions. The project manager or executive have to maintain a record date wise the point discussed and decision taken for implementation**.**

2.14 Project Execution System

Project execution system is concerned about external problems.

The external intervention will be of the following forms:

1. Project direction
2. Project co-ordination
3. Project communication
4. Project organization
5. Project control

2.15 Project Direction

Project direction refers to channelizing the activities of the project on desired lines. During the initiation project direction is provided by the project manager.

Project Initiation/Start-up

The project manager provides directions relating to:

1. Scope of work
2. Results of completed work
3. Basics of work
4. Division of work
5. Schedule of work
6. Budget of work
7. Systems and procedure for work
8. Co-ordination of work
9. Authority and accountability for work
10. Control of work

2.16 Communication in a Project

For a successful directions a two-way communications systems is essential.

Communications has two dimensions physical and mental.

- Passing a memo, drawing, data, instruction, information, etc. are the physical aspects
- Understanding the same is the mental aspects of communication.

Effective communication in a project requires an action plan as listed below.

1. Organization of work, people and work place with communication orientation
2. Selection and installation of appropriate communication devices
3. Project review and co-ordination meetings.
4. Predetermined document distribution matrix.
5. Establishing healthy attitude towards communication by appropriate directions.
6. Installing structured reporting systems
7. Implementing routine communications systems and procedures
8. Establishing a control room.

2.17 Project Co-ordination

Co-ordination can be defined as the effort to bring parts into relation for proper functioning.
It is important because of simultaneous working of number of activities.

Project Co-ordination Procedure

Co-ordination has two aspects of work

1. Physical aspect would refer to what is to be done, how much is to be done and who will do it
2. Timing aspect would refer to when it will be done.
3. Provide the basic frame work for both physical and time co-ordination.
4. Preparation of work breakdown structure.
5. Structuring the organization
6. Establishing a project procedure manual.
7. Development of project schedules co-ordinated with work breakdown structure.
8. Day to day co-ordination in a project is ensured through
    a) squad check
    b) Meeting
    c) Communicating the messages in mobile phone.

2.18 Pre-requisites for Successful Project Implementation

1. Adequate formulation
2. Sound Project organization
3. Proper implementation planning
4. Advance action
5. Timely availability of funds
6. Judicious equipment tendering and procurement
7. Better contract management
8. Effective monitoring

1. Adequate Formulation

a) Superficial field investigation
b) Careless assessment of input requirements
c) Poor methods used for estimating costs and benefits
d) Wrong judgments because of lack of experience and expertise
e) Hurry to start the project.
f) Over-estimation of benefits and under-estimation of costs.

2. Sound Project Organization

The characteristics of Good project organization are:

a) It is led by a good leader.
b) The authority is proportionate with their responsibility
c) Attention is given to human side of the project
d) Systems and methods are clearly defined
e) Rewards and penalties are related to performance

3. Proper Implementation Planning

a) Develop a comprehensive time plan for various activities like land acquisition, tender evaluation, recruitment of personnel, construction of buildings, erection of plant, arrangement for utilities, trial production run, etc.
b) Estimate properly the resource requirements (manpower, materials, money, methods etc.)
c) Define properly the inter-linkages between various activities of the project.
d) Specify cost standards.

4. Advance Action

Advance action on the following activities has to be initiated:

a) Acquisition of land
b) Getting essential clearances
c) Indentifying technical collaborators/consultants
d) Arranging the infrastructure facilities
e) Preliminary design and engineering
f) Calling of tenders.

5. Timely Availability of Funds

Once a project is approved, adequate funds must be made available to meet its requirements as per the plan of implementation.

6. Judicious Equipment Tendering and Procurement

7. Better Contract Management

a) The competence and capability of all the contractors must be ensured
b) Proper discipline must be inculcated among contractors and suppliers
c) Penalties must be imposed for failure to meet contractual obligations.
d) Incentives may be given for good performance.
e) Help should be extended to contractors and suppliers when they have genuine problems.

9. Effective Monitoring

Monitoring helps in:

a) Anticipating deviations from the implementation plan
b) Analyzing emerging problems and resolving it.

c) Taking corrective action