**AFRICAN CENTRE FOR PROJECT MANAGEMENT**

**COURSE: PGD IN PGD IN PROJECT MANAGEMENT**

**COURSE CODE: PGD IN PROJECT MANAGEMENT**

**LECTURE/MODERATOR NAME: RATEMO FREDRICK**

**STUDENT NAME: DUKU MOSES COSMAS**

**STUDENT ADMISSION NUMBER: ACPM PGD/056/2018**

**MODULE FOUR: ASSIGNMENT**

# MODULE FOUR QUESTIONS

1. Explain briefly the types of project organization
2. What are the phases available in project portfolio process
3. Explain the term risk management
4. How are projects cushioned from risk
5. Why is it important to plan for risk in execution of any project
6. What can be a source of conflicts in a team and how can the same be solved
7. Give some ideas citing relevant examples for successful and better project teams

**DATE OF SUBMISSION: 30/December/2018.**

1. Explain briefly the types of project organization

**4 common types of organizational structures**

There are many different kinds of organizational structures found in companies.

Organizational structures can be tall, in the sense that there are a number of tiers between entry-level employees and the leaders of the company. Organizational structures can also be fairly flat, in the sense that there are only a couple of levels separating the bottom from the top. Depending on your goals, pay structure, and division of work, you may relate more to one structure than another.

While you don’t necessarily have to use an organizational structure that currently exists, it helps to be aware of what other companies are using. Here are a few of the most common structures in modern businesses:

**1. Functional**

Also commonly called a bureaucratic organizational structure, the functional structure divides the company based on specialty. This is your traditional business with a sales department, marketing department, customer service department, etc.

The advantage of a functional structure is that individuals are dedicated to a single function. These clearly defined roles and expectations limit confusion. The downside is that it’s challenging to facilitate strong communication between different departments.

**2. Divisional**

The divisional structure refers to companies that structure leadership according to different products or projects. Gap Inc. is a perfect example of this. While Gap is the company, there are three different retailers underneath the heading: Gap, Old Navy, and Banana Republic. Each operates as an individual company, but they are all ultimately underneath the Gap Inc. brand.

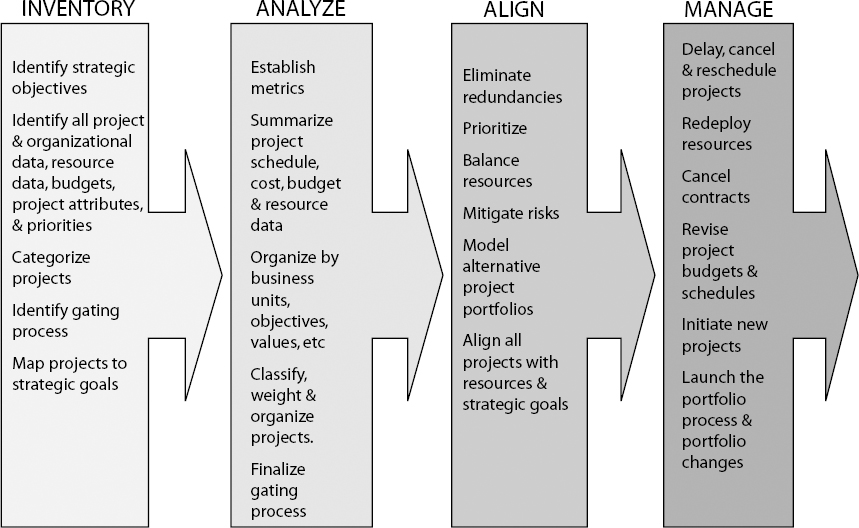
Another good example is GE, which owns dozens of different companies, brands, and assets across many industries. GE is the larger brand, but each division functions as its own company. While somewhat dated and abbreviated, [this diagram](http://2012books.lardbucket.org/books/strategic-management-evaluation-and-execution/section_13/2dbd51773248b81bf185da22059b385a.jpg) gives you an idea of what GE’s basic organizational structure looks like.

**3. Matrix**

The matrix structure is a bit more confusing, but pulls advantages from a couple of different formats. Under this structure, employees have multiple bosses and reporting lines. Not only do they report to a divisional manager, but they also typically have project managers for specific projects.

1. What are the phases available in project portfolio process

**Exhibit 1. Project Portfolio Management Process**



1. Explain the term risk management

Risk management is the process of identifying, assessing and controlling threats to an organization's capital and earnings. These threats, or risks, could stem from a wide variety of sources, including financial uncertainty, legal liabilities, strategic management errors, accidents and natural disasters.

The most common project risks are:

* **Cost risk**, typically escalation of project costs due to poor cost estimating accuracy and scope creep.
* **Schedule risk**, the risk that activities will take longer than expected. Slippages in schedule typically increase costs and, also, delay the receipt of project benefits, with a possible loss of competitive advantage.
* **Performance risk**, the risk that the project will fail to produce results consistent with project specifications.

There are many other types of risks of concern to projects. These risks can result in cost, schedule, or performance problems and create other types of adverse consequences for the organization. For example:

* **Governance risk** relates to board and management performance with regard to ethics, community stewardship, and company reputation.
* **Strategic risks** result from errors in strategy, such as choosing a technology that can’t be made to work.
* **Operational risk** includes risks from poor implementation and process problems such as procurement, production, and distribution.
* **Market risks** include competition, foreign exchange, commodity markets, and interest rate risk, as well as liquidity and credit risks.
* **Legal risks** arise from legal and regulatory obligations, including contract risks and litigation brought against the organization.
* **Risks associated with external hazards**, including storms, floods, and earthquakes; vandalism, sabotage, and terrorism; labor strikes; and civil unrest.

1. How are projects cushioned from risk

**Risk management strategies and processes**

All risk management plans follow the same steps that combine to make up the overall risk management process:

* **Risk identification.**The company identifies and defines potential risks that may negatively influence a specific company process or project.
* **Risk analysis.**Once specific types of risk are identified, the company then determines the odds of it occurring, as well as its consequences. The goal of the analysis is to further understand each specific instance of risk, and how it could influence the company's projects and objectives.
* [**Risk assessment**](https://searchcompliance.techtarget.com/definition/risk-assessment) **and evaluation.**The risk is then further evaluated after determining the risk's overall likelihood of occurrence combined with its overall consequence.The company can then make decisions on whether the risk is acceptable and whether the company is willing to take it on based on its [risk appetite](https://searchcompliance.techtarget.com/definition/risk-appetite).
* **Risk mitigation***.* During this step, companies assess their highest-ranked risks and develop a plan to alleviate them using specific risk controls. These plans include risk mitigation processes, risk prevention tactics and contingency plans in the event the risk comes to fruition.
* **Risk monitoring***.* Part of the mitigation plan includes following up on both the risks and the overall plan to continuously monitor and track new and existing risks. The overall risk management process should also be reviewed and updated accordingly.

### Risk management approaches

After the company's specific risks are identified and the risk management process has been implemented, there are several different strategies companies can take in regard to different types of risk:

* [**Risk avoidance**](https://searchcompliance.techtarget.com/definition/risk-avoidance)*.* While the complete elimination of all risk is rarely possible, a risk avoidance strategy is designed to deflect as many threats as possible in order to avoid the costly and disruptive consequences of a damaging event.
* **Risk reduction**. Companies are sometimes able to reduce the amount of effect certain risks can have on company processes. This is achieved by adjusting certain aspects of an overall project plan or company process, or by reducing its scope.
* **Risk sharing.** Sometimes, the consequences of a risk is shared, or distributed among several of the project's participants or business departments. The risk could also be shared with a third party, such as a [vendor](https://whatis.techtarget.com/definition/vendor) or business partner.
* **Risk retaining.** Sometimes, companies decide a risk is worth it from a business standpoint, and decide to retain the risk and deal with any potential fallout. Companies will often retain a certain level of risk a project's anticipated profit is greater than the costs of its potential risk.

1. Why is it important to plan for risk in execution of any project

Effective risk management strategies allow you to identify your project’s strengths, weaknesses, opportunities and threats. By planning for unexpected events, you can be ready to respond if they arise. To ensure your project’s success, define how you will handle potential risks so you can identify, mitigate or avoid problems when you need to do. Successful project managers recognize that risk management is important, because achieving a project’s goals depends on planning, preparation, results and evaluation that contribute to achieving strategic goals.

### Planning for Success

Risk management plans contribute to project success by establishing a list of internal and external risks. This plan typically includes the identified risks, probability of occurrence, potential impact and proposed actions. Low risk events usually have little or no impact on cost, schedule or performance. Moderate risk causes some increase in cost, disruption of schedule or degradation of performance. High risk events are likely to cause a significant increase in the budget, disruption of the schedule or performance problems.

### Helps with Preparation

To ensure that projects run smoothly, effective project managers communicate their plan to the project sponsors, stakeholders and team members. This sets expectations to people who provide funding and are affected by the outcomes. It ensures that the project runs smoothly so one step proceeds to the next without disruption. By identifying, avoiding and dealing with potential risks in advance, you ensure that your employees can respond effectively when challenges emerge and require intervention.

### Maximizes Results

By defining risk management processes for your company, you make success more likely by minimizing and eliminating negative risks so projects can be finished on time. This enables you to meet your budget and fulfill targeted objectives. When you don’t have risk management strategies in place, your projects get exposed to problems and become vulnerable. Effective risk management strategies allow your company to maximize profits and minimize expenses on activities that don’t produce a return on investment. Through detailed analysis, effective leaders prioritize ongoing work based on the results produced, despite the odds.

### Helps Evaluation

To evaluate your project’s success so you can use the best practices on your next project, assess the impact of your activities on mitigating exposure to problems and exploiting opportunities that capitalize on your company’s strengths. For example, if you develop and deliver a training program that creates awareness about internet security, including phishing, viruses and identity theft, measure the number of help desk calls received about these problems. If they go down, you can reasonably assume your risk management initiatives have contributed to success. If not, revise your training program.

1. What can be a source of conflicts in a team and how can the same be solved

Conflict in a workplace setting can be a normal part of doing business. In some cases, conflict that is managed properly can be beneficial, as when it fosters an environment of healthy competition. However, conflict may also have a detrimental effect. As a manager or business owner, you need to be aware of potential sources of conflict within your work environment. Below are some of them:

1. **Conflict over positions, strategies or opinions**

If two or three strong, but differing, positions are being argued in the group and it is getting nowhere, a leader might stop the group and ask each member to take a turn to talk and the rest are just to listen and try to understand where they are coming from and why they are posing the solution that they are.  It may go something like this.

In this instance, the leader’s job is to make sure everyone is heard. When the exercise is completed the leader should look for concerns or goals that people have in common. Once all are uncovered, the leader can build on any interests that are shared.  In most cases this becomes the new focus and it turns the situation from conflict to problem solving.

1. **Power issues and personal agendas**

Conflict that involves power issues or strong personal agendas must sometimes be dealt with also.  The reality is that some people just do not fit on a team and a leader needs to be willing to remove them or offer them another role. This doesn’t happen often, but occasionally it is needed.  The good news is that once it is dealt with, the team usually takes a leap forward.  This should be an option only when other attempts to work with the person have failed.

### Internal or external Change

Implementation of new technology can lead to stressful change. Workers who don't adapt well to change can become overly stressed, which increases the likelihood of conflict in the workplace.

### Interpersonal Relationships

When different personalities come together in a workplace, there is always the possibility they won't mesh. Office gossip and rumors can also serve as a catalyst for deterioration of co-worker relationships hence conflict arises.

### Supervisor vs. Employee

Just as co-worker personalities may not mesh, a supervisor and employee can also experience conflict. A supervisor who is seen as overbearing or unfair can rub an employee the wrong way, which makes the working relationship more difficult.

### Poor Communication

Companies or supervisors that don't communicate effectively can create conflict. For example, a supervisor who gives unclear instructions to employees can cause confusion as to who is supposed to do what, which can lead to conflict.

1. **Lack of feedback.**

Do you give your team members the gift of your feedback? Without some form of feedback, team members may feel unsure of their standing in the company.

### Subpar Performance

When a worker in a department is not "pulling his weight," it can lead to conflict within the department, perhaps even escalating into a confrontational situation. A supervisor who fails to acknowledge or address the situation can add fuel to the fire.

### Harassment

Harassment in the workplace can take many forms, such as sexual or racial harassment or even the hazing of a new employee. Companies that don't have strong harassment policies in place are in effect encouraging the behavior, which can result in conflict.

### Limited Resources

Companies that are looking to cut costs may scale down on resources such as office equipment, access to a company vehicle or the spending limit on expense accounts. Employees may feel they are competing against each other for resources, which can create friction in the workplace.

## How to Resolving Conflict

Resolving conflict requires respect and patience. The human experience of conflict resolution involves our emotions, perceptions, and actions, we experience it on all three levels, and we need to address all three levels to resolve it. We must replace the negative experiences with positive ones. The three-stage process below is a form of mediation process, which helps team members to do this:

### Step 1: Prepare for Resolution

* **Acknowledge the conflict** – The conflict has to be acknowledged before it can be managed and resolved. The tendency is for people to ignore the first signs of conflict, perhaps as it seems trivial, or is difficult to differentiate from the normal, healthy debate that teams can thrive on. If you are concerned about the conflict in your team, discuss it with other members. Once the team recognizes the issue, it can start the process of resolution.
* **Discuss the impact** – As a team, discuss the impact the conflict is having on team dynamics and performance.
* **Agree to a cooperative process** – Everyone involved must agree to cooperate in to resolve the conflict. This means putting the team first, and may involve setting aside your opinion or ideas for the time being. If someone wants to win more than he or she wants to resolve the conflict, you may find yourself at a stalemate.
* **Agree to communicate** – The most important thing throughout the resolution process is for everyone to keep communications open. The people involved need to talk about the issue and discuss their strong feelings. [Active listening](https://www.mindtools.com/CommSkll/ActiveListening.htm)

### Step 2: Understand the Situation

Once the team is ready to resolve the conflict, the next stage is to understand the situation, and each team member's point of view. Take time to make sure that each person's position is heard and understood. Remember that strong emotions are at work here so you have to get through the emotion and reveal the true nature of the conflict. Do the following:

* **Clarify positions** – Whatever the conflict or disagreement, it's important to clarify people's positions. Whether there are obvious factions within the team who support a particular option, approach or idea, or each team member holds their own unique view, each position needs to be clearly identified and articulated by those involved.

This step alone can go a long way to resolve the conflict, as it helps the team see the facts more objectively and with less emotion.

* **List facts, assumptions and beliefs underlying each position** – What does each group or person believe? What do they value? What information are they using as a basis for these beliefs? What decision-making criteria and processes have they employed?
* **Analyze in smaller groups** – Break the team into smaller groups, separating people who are in alliance. In these smaller groups, analyze and dissect each position, and the associated facts, assumptions and beliefs.
* **Convene back as a team** – After the group dialogue, each side is likely to be much closer to reaching agreement. The process of uncovering facts and assumptions allows people to step away from their emotional attachments and see the issue more objectively. When you separate alliances, the fire of conflict can burn out quickly, and it is much easier to see the issue and facts laid bare.

### Step 3: Reach Agreement

Now that all parties understand the others' positions, the team must decide what decision or course of action to take. With the facts and assumptions considered, it's easier to see the best of action and [reach agreement](https://www.mindtools.com/pages/article/newTED_86.htm)

If further analysis and evaluation is required, agree what needs to be done, by when and by whom, and so plan to reach agreement within a particular timescale. If appropriate, define which decision making and evaluation tools are to be employed.

If such additional work is required, the agreement at this stage is to the approach itself: Make sure the team is committed to work with the outcome of the proposed analysis and evaluation.

If the team is still not able to reach agreement, you may need to use a technique like [Win-Win Negotiation](https://www.mindtools.com/CommSkll/NegotiationSkills.htm) to find a solution that everyone is happy to move the team ahead.

When conflict is resolved take time to celebrate and acknowledge the contributions everyone made toward reaching a solution. This can build team cohesion and confidence in their problem solving skills, and can help avert further conflict.

**How to Preventing Conflict**

Being able to handle conflict when it arises, teams need to develop ways of preventing conflict from becoming damaging. Team members can learn skills and behavior to help mitigate this. Here are some of the key ones to work on:

* Dealing with conflict immediately – avoid the temptation to ignore it.
* Being open – if people have issues, they need to be expressed immediately and not allowed to fester.
* Practicing clear communication – articulate thoughts and ideas clearly.
* Practicing active listening – paraphrasing, clarifying, questioning.
* Practicing identifying assumptions – asking yourself "why" on a regular basis.
* Not letting conflict get personal – stick to facts and issues, not personalities.
* Focusing on actionable solutions – don't belabor what can't be changed.
* Encouraging different points of view – insist on honest dialogue and expressing feelings.
* Not looking for blame – encourage ownership of the problem and solution.
* Demonstrating respects – if the situation escalates, take a break and wait for emotions to subside.
* Keeping team issues within the team – talking outside allows conflict to build and fester, without being dealt with directly.

1. Give some ideas citing relevant examples for successful and better project teams

## Analyzing the Team: A project team may comprise staff members from the same department, multiple departments or even several different organizations. The basic duties of a project team are to work on and oversee a particular project, typically for a specified time period it is imperative that you know the characteristics of an effective project team. This will enable you to select the right people for every aspect of the project and expect a successful outcome.

## They Are Team Players

One of the most vital characteristics of an effective project team is that the members are all team players. Stay away from anyone with a diva-like personality or a reputation for being condescending or patronizing toward others, no matter how experienced or skillful that person might be. Someone who needs to be in the limelight is likely to cause division and draw focus away from the project.

1. **They Are Self-Starters**

Effective project team members will have initiative to spare. You will find them prepared from the start; ready, willing and eager to get the show on the road. From experience, they will know that you need a solid plan, including a [project initiation checklist](https://images.brighthub.com/media/97B280_project-initiation-checklist.doc), but don't be surprised when these project team members surpass deadlines while turning in superlative work.

## They Are Influential

Members of an effective project team should have positive influence over their peers. They should be able to persuade community members who could be helpful to the project as well as their superiors and subordinates. Team members who are influential will not only be able to convince key people to become involved but also inspire others to [take action](https://images.brighthub.com/media/161507_action-items.xlt).

## They Are Motivational

Along the same vein, effective project team members are motivational by nature. While of course it is important that the project manager is able to inspire the team to perform the necessary tasks, it is just as imperative that the project team members are able to inspire and encourage one another as well as themselves. A motivated team will have clear [project goals](https://images.brighthub.com/media/4EB3CD_project-goal-template.pdf) in sight and have the endurance to carry through to completion.

## They Have Skills and Experience

Another key characteristic of an effective project team is that the team members have the talent, knowledge and familiarity necessary to accomplish the undertakings assigned to them. You are likely to have an assortment of skills and personalities making up your team, as you should. Think of it as all the parts of the body. The brain does the thinking but the feet do the walking – one does not function without the other, even though they are unique and separate.

1. **They Are Dependable**

The members of an effective project team are reliable, responsible and accountable to one another as well as to themselves. They create a plausible [schedule](https://images.brighthub.com/media/C474B7_sample-project-schedule.vsd) that incorporates timeliness with accuracy and detail, leaving some room for unexpected snags. They adhere to that schedule because they don't want to let down their teammates – or themselves.

## They Can Communicate Well

Effective project team members know how to express themselves in a way that gets their point across without offending others. They also know how to effectively listen when others are expressing thoughts, opinions and ideas. They will be [able to communicate](https://images.brighthub.com/media/48DEF5_communication-plan-template.dot) well with other team members as well as management, other employees and those with whom they must come in contact to complete the assigned tasks for the project. This characteristic reduces the chances of misunderstandings and misinformation, as well.

## They Are Committed

Team members who are committed to the company or organization as well as the project in general are highly effective, as they are much more likely to give 100 percent at every step of the project and go above and beyond when necessary. Committed team members believe in what they are doing and therefore take great satisfaction in a job well done. These are the team members who tend to [set up weekly meetings](https://images.brighthub.com/media/8D05F8_weekly_management_update_template.xls) in order to make sure everyone is on track and that there are no foreseeable problems.

## They Can Think Creatively

One of the highly valuable characteristics of an effective project team is that they are able to think imaginatively. They are resourceful by nature and look for ways to make the best of the tools and materials that are available. Creative thinkers are especially helpful during [project planning](https://images.brighthub.com/media/BF6BC7_project-planning-form---overview.pdf), as they can often put thoughts and ideas into other perspectives, turning out inventive and innovative concepts.

## They Are Supportive

Effective project team members should be supportive of the project, the company and one another. When your project team stands behind what your organization and project represents, you can rest assured that they will perform the best job possible. A supportive team will check in with one another to learn the [project status](https://images.brighthub.com/media/967C57_project-status-meeting-agenda.doc) and learn whether any of their teammates need help. They will work together to ensure that the project is completed in a timely and successful manner.

#### References

* 1. *Williams, T. (2003) “Learning from projects”, Journal of Operations Research Society, Vol. 54, No. 5, pp 443-451*
  2. *Cooke-Davies, T., 2002. "The 'real' success factors on projects", International Journal of Project Management, Vol. 20, No.3, pp 185 -190.*
  3. *Ward, S. C. and Chapman, C. B. (1991), Extending the Use of Risk Analysis in Projects, Project Management, 9 (2), 117-123.*
  4. *OECD (2001), Helping Prevent Violent Conflict , Development Co-operation Guidelines Series, Paris: OECD*
  5. *Elledge, R. and Phillips, S. (1994), Team Building for the Future: Beyond the Basics, San Diego Pfeiffer*