

CHAPTER ONE

1

Modern Project Management

Based on Larson & Gray (7th Edition)

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Dept. AIS

What Is a Project?

- Definition (PMI): A temporary endeavor undertaken to create a **unique** product, service, or result.
- Key Characteristics:
 - 1. Defined objective
 - 2. Specific beginning and end
 - 3. Involves multiple departments
 - 4. Unique, non-routine activity
 - 5. Bound by time, cost, and performance

What a Project Is Not

- Projects are not routine operations.
- Routine work is **repetitive and ongoing**, while projects are **unique and temporary**.
- Examples:
 - - Routine: entering **data daily**
 - - Project: developing **a new data system**

Programs vs. Projects

- Program: A group of related projects managed together (e.g., Cancer Research Program).
- Project: One focused effort with specific deliverables.
- Programs are larger, long-term, and strategic.

The Project Life Cycle

- 1. Defining – Goals, specifications, responsibilities
 - 2. Planning – Schedules, budgets, resources
 - 3. Executing – Work, performance, changes
 - 4. Closing – Delivery, lessons learned
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- The life cycle provides structure and control.

The Project Manager

- Responsible for overall coordination, communication, and control.
- Key Skills:
 - - Leadership and negotiation
 - - Communication
 - - Balancing time, cost, and performance
- Project Manager = Integrator and problem solver

Being Part of a Project Team

- Project teams include people from diverse departments.
- They collaborate toward shared objectives and innovation.
- Projects build cross-functional teamwork and learning.

Drivers of Modern Project Management

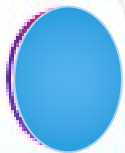
- 1. Compression of Product Life Cycle
- 2. Knowledge Explosion
- 3. Triple Bottom Line (People, Planet, Profit)
- 4. Increased Customer Focus
- 5. Small Projects, Big Impact

Project Governance

- A framework for accountability and alignment.
- Ensures that projects support organizational strategy.
- Defines decision rights, reporting, and control mechanisms.

Project Management Today – A Socio-Technical Approach

- Two Dimensions:
 1. Technical – Tools, schedules, budgets, risk analysis
 2. Sociocultural – Leadership, teamwork, communication, culture
- Success depends on balancing both sides.

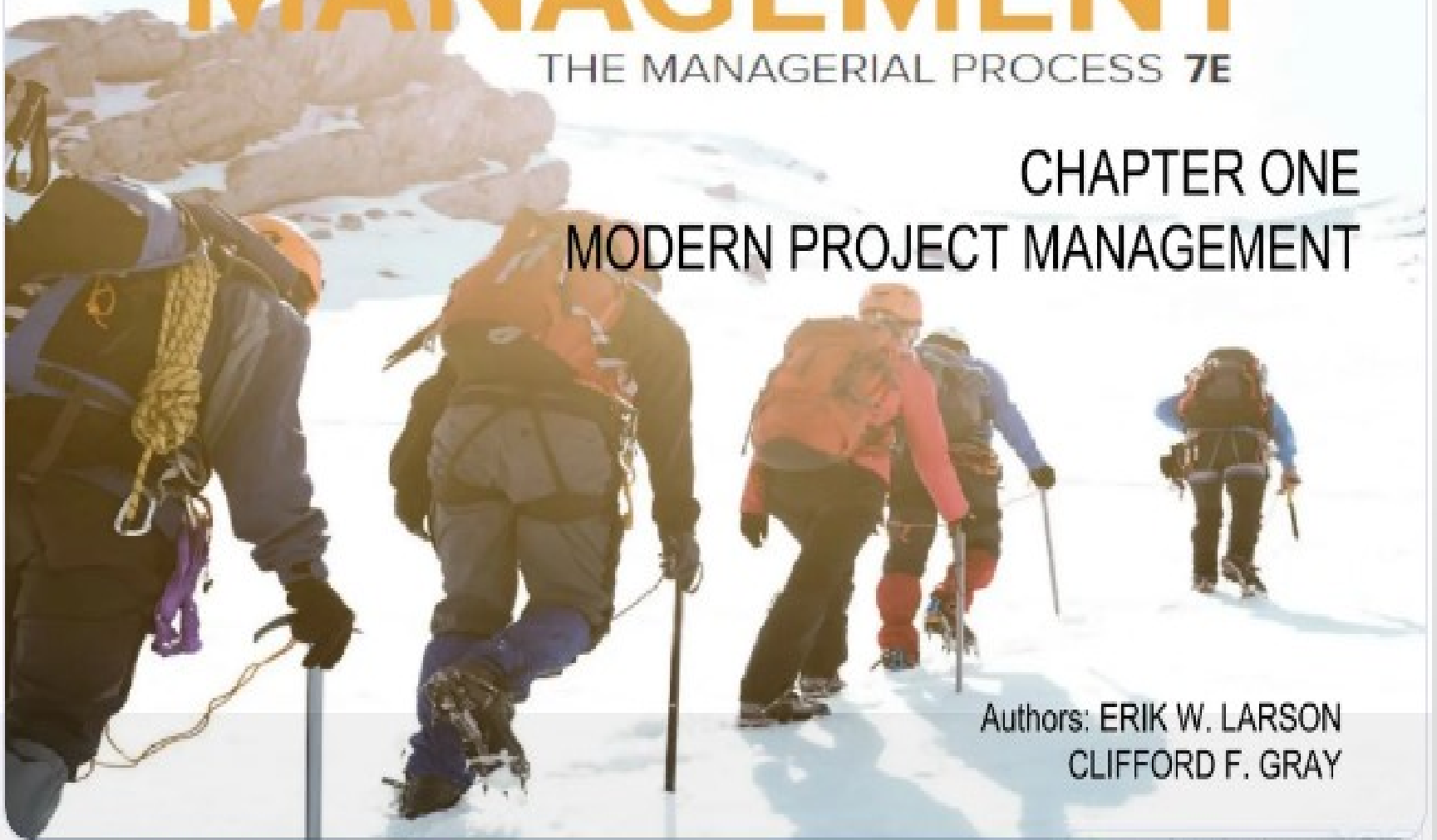


PROJECT MANAGEMENT

THE MANAGERIAL PROCESS 7E

CHAPTER ONE MODERN PROJECT MANAGEMENT

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Chapter Outline

1. What is Project
2. Current Drivers of Project Management
3. Project Governance
4. Project Management Today – Socio-Technical

PROJECT MANAGEMENT



Learning Objectives

- LO1. Understand why Project Management is crucial in today's world.
- LO2. Distinguish a project from routine operations.
- LO3. Identify the different stages of a project life cycle.
- LO4. Understand the importance of projects in implementing organization strategy.
- LO5. Understand that managing projects involve balancing the technical and sociocultural dimensions of the project.

Project Management

- LO1**
- Business leaders and experts have proclaimed that project management is critical to sustainable economic growth. New jobs and competitive advantage are achieved by constant innovation, developing new products and services, and improving both productivity and quality of work.
 - This is the world of project management. Project management provides people with a powerful set of tools that improves their ability to plan, implement, and manage activities to accomplish specific objectives. But project management is more than just a set of tools; it is a results-oriented management style that places a premium on building collaborative relationships among a diverse cast of characters.

1.1 What is a Project?

- Project Defined

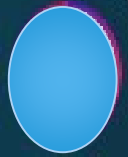
A complex, nonroutine, one-time effort limited by time, budget, resources, and performance specifications designed to meet customer needs.

Projects are initiated to achieve a specific goal or address a particular need, such as developing a new product, implementing a system upgrade, or organizing an event.

- Major Characteristics of a Project

- 1. Has an established objective.
- 2. Has a defined life span with a beginning and an end.
- 3. Requires across-the-organizational participation.
- 4. Involves doing something never been done before.
- 5. Has specific time, cost, and performance requirements.

SOME EXAMPLE OF A PROJECT



- The construction of homes, establishment, roads, and buildings;
- developing software;
- conducting research;
- Organizing an Event;

SOME examples of small projects includes:

- Developing a training course.
- Implementing a project office.
- Implementing a purchased software application.
- Enhancing an existing information system.
- Developing a website.
- Evaluating an existing practice.
- Developing a strategy.
- Developing a project proposal.

SOME examples of Big projects includes:

- Construction of Establishments
- Video game development and customized Software Application
- Enhancing an existing information system.
- Natural disaster relief efforts.

What a Project is Not

- Projects should not be confused with everyday work. A project is not routine, repetitive work! Ordinary daily work typically requires doing the same or similar work over and over, while a project is done only once; a new product or service exists when the project is completed.

LO2

TABLE 1.1 Comparison of Routine Work with Projects

Routine, Repetitive Work	Projects
Taking class notes	Writing a term paper
Daily entering sales receipts into the accounting ledger	Setting up a sales kiosk for a professional accounting meeting
Responding to a supply-chain request	Developing a supply-chain information system
Practicing scales on the piano	Writing a new piano piece
Routine manufacture of an Apple iPod	Designing an iPod that is approximately 2 × 4 inches, interfaces with PC, and stores 10,000 songs
Attaching tags on a manufactured product	Wire-tag projects for GE and Walmart

Program vs Project

- Program Defined

- A series of coordinated, related, multiple projects that continue over an extended time and are intended to achieve a goal.
- A higher level group of projects targeted at a common goal.
- The major differences between Program & Project lie in scale and time span.

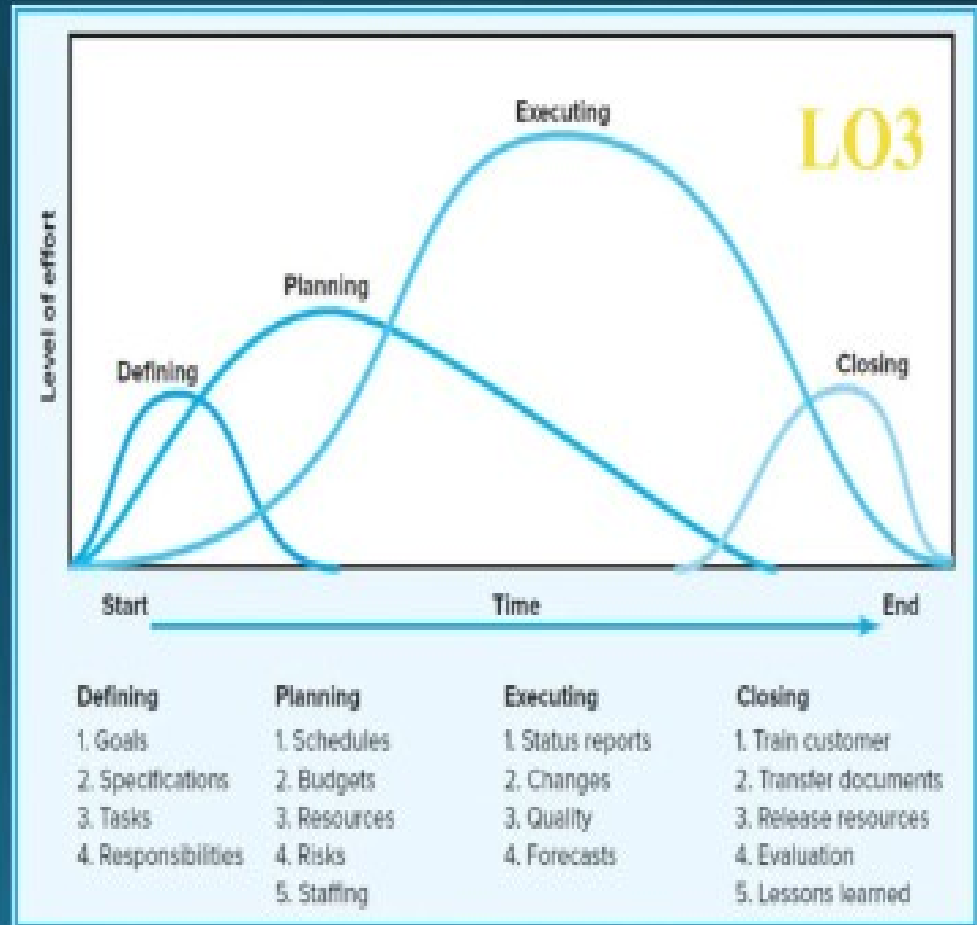
Example:

Project: completion of a required course in project management

Program: completion of all courses required for a business major

Project Life Cycle

- Another way of illustrating the unique nature of project work is in terms of the **project life cycle**.
- Some project managers find it useful to use the project life cycle as the cornerstone for managing projects.
- The life cycle recognizes that projects have a limited life span and that there are predictable changes in level of effort and focus over the life of the project.





The Project Manager

- The Project Manager

- Manages temporary, non-repetitive activities and frequently acts independently of the formal organization.
 - Marshals resources for the project.
 - Is linked directly to the customer interface.
 - Provides direction, coordination, and integration to the project team.
 - Is responsible for performance and success of the project.
- Must induce the right people at the right time to address the right issues and make the right decisions.

Being Part of a Project Team

Project members:

- Will experience people issue
- Are expected to use project management tools and concepts.
- They develop or are given a project charter or scope statement that defines the objectives and parameters of the project.
- They work with others to create a project schedule and budget that will guide project execution.
- They need to understand project priorities so they can make independent decisions.
- They must know how to monitor and report project progress.

1.2 Current Drivers of Project Management

Factors leading to the increased use of project management:

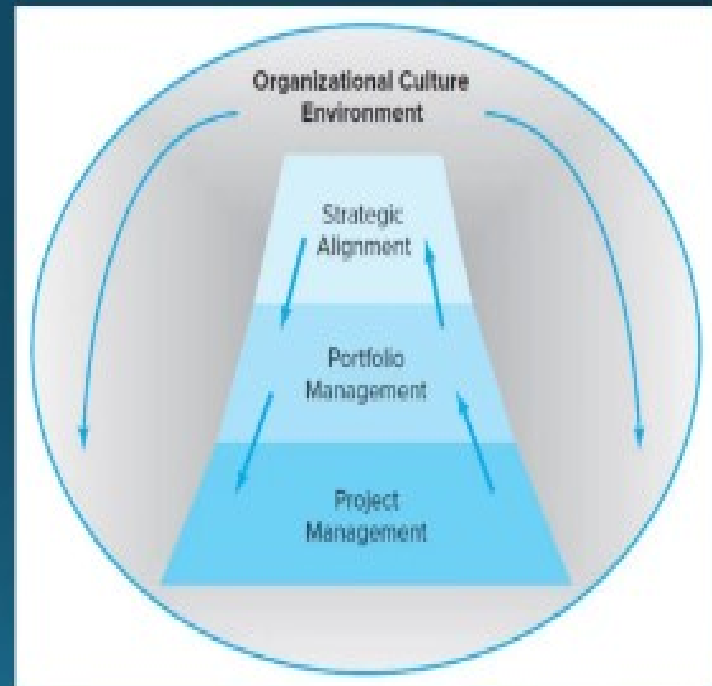
- –Compression of the product life cycle
- –Knowledge explosion
- –Triple bottom line (people, planet, profit)
- –Corporate downsizing
- –Increased customer focus
- –Small projects represent big problems

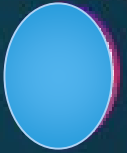
1.3 Project Governance

- Governance is designed to improve project management in the whole organization over the long haul. The rationale for integration (centralization) of project management was to provide senior management with:
 - An overview of all project management activities;
 - A big picture of how organizational resources are being used;
 - An assessment of the risk their portfolio of projects represents;
 - A rough metric for measuring the improvement of managing projects relative to others in the industry;
 - Linkages of senior management with actual project execution management.

Alignment of Projects with Organizational Strategy

- LO4** • Today, projects are the *modus operandi* for implementing strategy.
- Since projects are the *modus operandi*, strategic alignment of projects is of major importance to conserving and effective use of organization resources.
 - Selection criteria need to ensure each project is prioritized and contributes to strategic goals. Anything less is a waste of scarce organizational resources—people, capital, and equipment.





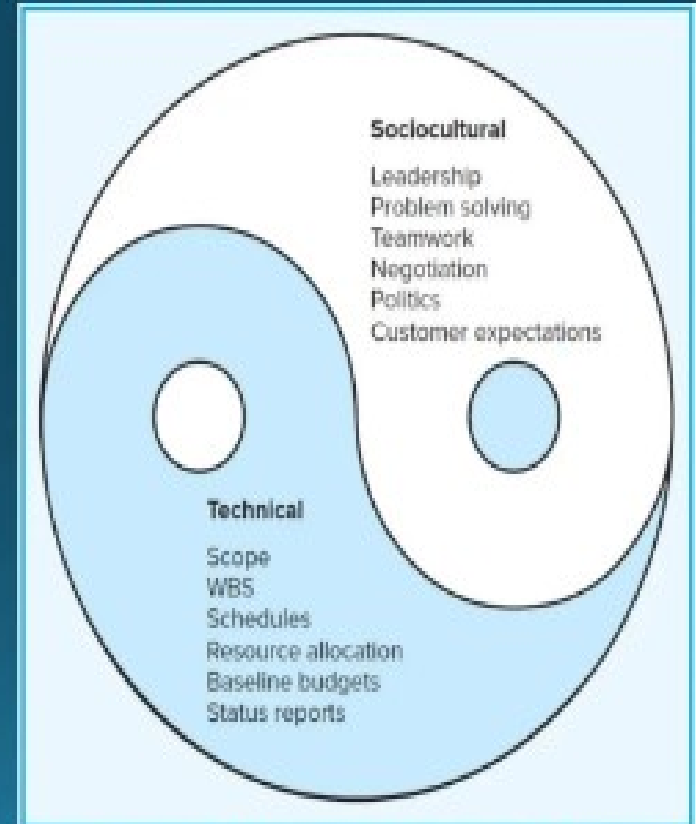
Major Functions of Portfolio Management

Oversee project selection.

- Monitor aggregate resource levels and skills.
- Encourage use of best practices.
- Balance projects in the portfolio in order to represent a risk level appropriate to the organization.
- Improve communication among all stakeholders.
- Create a total organization perspective that goes beyond silo thinking.
- Improve overall management of projects over time.

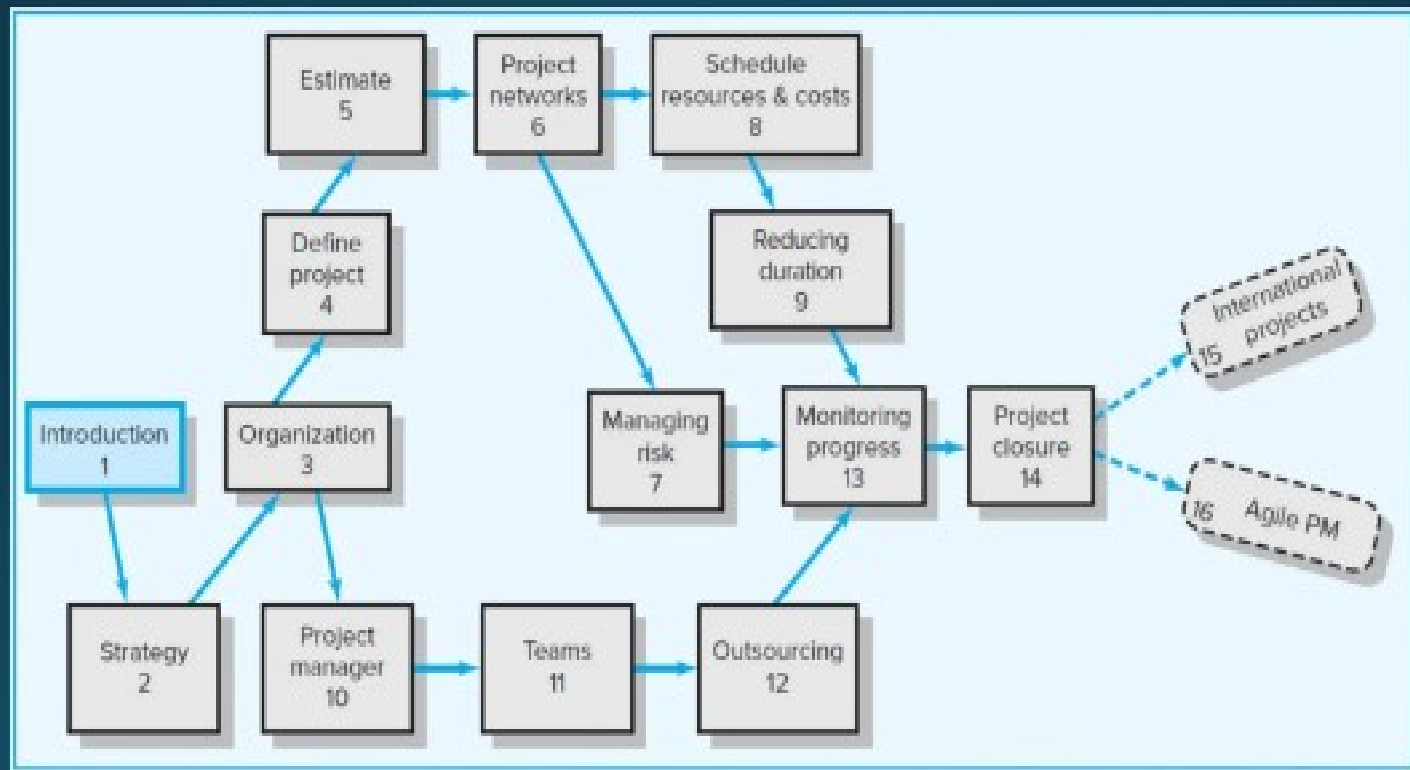
1.4 Project Management Today: A Socio-Technical Approach

- LO5** • Managing a project is a multidimensional process
- The first dimension is the **technical** side of the management process, which consists of the formal, disciplined, purely logical parts of the process. This technical dimension includes planning, scheduling, and controlling projects.
 - The second and opposing dimension is the **sociocultural** side of project management. In contrast to the orderly world of project planning, this dimension involves the much messier, often contradictory and paradoxical world of implementation. It centers on creating a temporary social system within a larger organizational environment that combines the talents of a divergent set of professionals working to complete the project.



A Socio-Technical Approach to Project Management

An Overview of Project Management



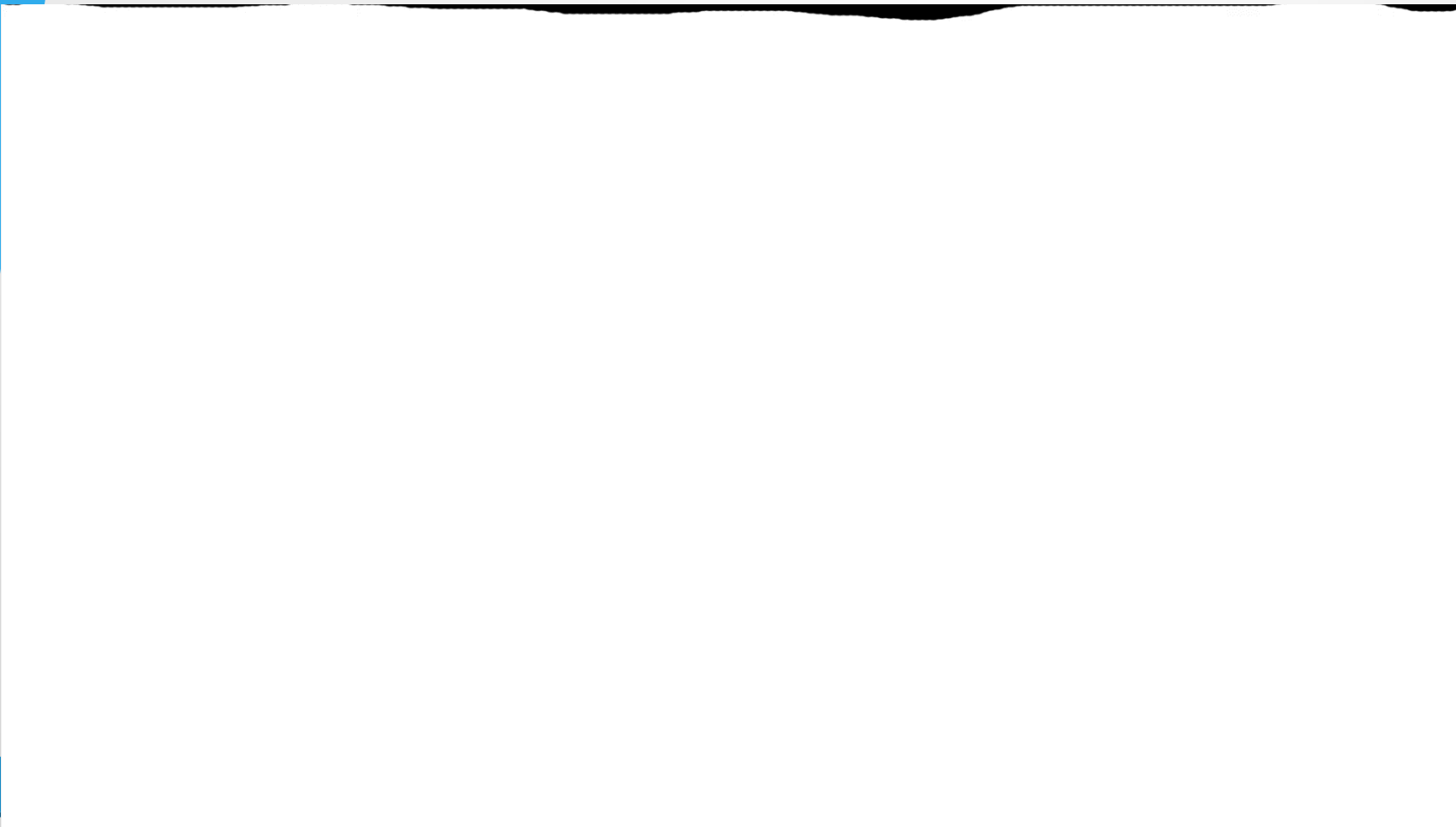
Key Term

- Program
- Project
- Project Life Cycle
- Project Management Professional (PMP)
- Sociotechnical Perspective

Summary of Key Concepts

- - Projects are temporary, goal-oriented, and cross-functional.
- - Project management is vital due to technology and competition.
- - Success = Integration of technical and human factors.

Watch the video and make notes
about the students' skills needed in



Discussion / Class Activity

- Identify 3 projects happening at your university.
- Questions:
 - .1What is their objective?
 - .2Who is the project manager?
 - .3Which side (technical or social) is most critical?