Defining Project and Project Management

What is project management
Project management evolution
What is project and project types



Project Management

How the lecture will be conducted?



- 1. The lecture is divided into **three blocks**, where each block introduces an issue (1. What is a project and project management, Who is project manager and their role 2. Project management evolution 3. The main elements of a project, types of projects)
- 2. After each block there is a quiz for feedback on whether you have understood everything.
- 3. We use **MS Teams**, a shared whiteboard for your engagement and reactions. Also we are working with MS Project.
- 4. The class is supplemented with **quizzes in vevox**, the link is always in the presentation.

Contents



1. PART (20 min.)

- What is project management
- Who is project manager and their role

2. PART (20 min.)

• Project management evolution

3. PART (40 min.)

- What is a project
- Types of projects
- The main elements of a project

Learning objectives

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On the end of this lecture you should be able to understand and explain:

- What is a project and project management,
- The main elements of a project,
- The project types,
- The main evolution stages of project management,
- Who is project manager and their role.

Key readings



You can find support in the following sources:

Chapter 1. Overview

Kerzner, H. (2017). Project Management: A Systems Approach to Planning, Scheduling, and Controlling. Hoboken, New Jersey: John Wiley & Sons, Inc. ISBN 978-1-119-16535-4.

Chapter 1. An overview of project management

Haegney, J. (2016). Fundamentals of project management. AMACOM

Chapter 1 & 2 & 3

Grit, R. (2021). Project management: A practical approach. Taylor & Francis Group.

PART 1

Definition of a project management



The following would be an overview definition of project management:

Project management is the planning, organizing, directing, and controlling of company resources for a relatively short-term objective that has been established to complete specific goals and objectives.

Furthermore, project management utilizes the systems approach to management by having functional personnel (the vertical hierarchy) assigned to a specific project (the horizontal hierarchy).

Definition of a project management



- Project management is designed to make better use of existing resources by getting work to flow horizontally as well as vertically within the company.
- This approach does not really destroy the vertical, bureaucratic flow of work but simply requires that line organizations talk to one another horizontally so work will be accomplished more smoothly throughout the organization.
- The vertical flow of work is still the responsibility of the line managers.
- The horizontal flow of work is the responsibility of the project managers, and their primary effort is to communicate and coordinate activities horizontally between the line organizations.



Project management is a simply management of change. (Lester, 2021)



Management means running a functional business as a continuum or 'business-as-usual'.

The benefits of a project management



- Identification of functional responsibilities to ensure that all activities are accounted for, regardless of personnel turnover
- Minimizing the need for continuous reporting
- Identification of time limits for scheduling
- Identification of a methodology for trade-off analysis
- Measurement of accomplishment against plans
- Early identification of problems so that corrective action may follow
- Improved estimating capability for future planning
- Knowing when objectives cannot be met or will be exceeded

Some obstacles of a project management



- Project complexity
- Customer's special requirements and scope changes
- Organizational restructuring
- Project risks
- Changes in technology
- Forward planning and pricing

Why projects fail?

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- Poor planning
- Too optimistic planning
- Failure to track progress
- Starting an activity too late
- Project members are not competent enough
- The project is being sabotaged
- project members have much 'on their mind'
- project workers aiming at too much perfection
- Stakeholders are insufficiently involved

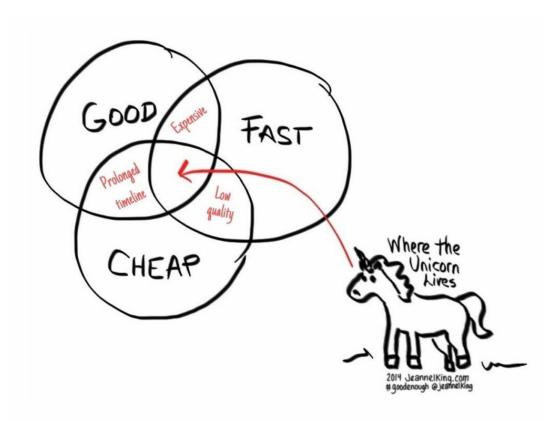
- Little delays all add up
- Late delivery of purchased materials
- No provision for rectifying mistakes
- Ignoring preliminary and finishing off activities
- Calamities
- Unclear objectives
- Changes of definition
- The changing world
- Interest costs

The success of the project



A successful project satisfies the sponsor, and it is project that meet following:

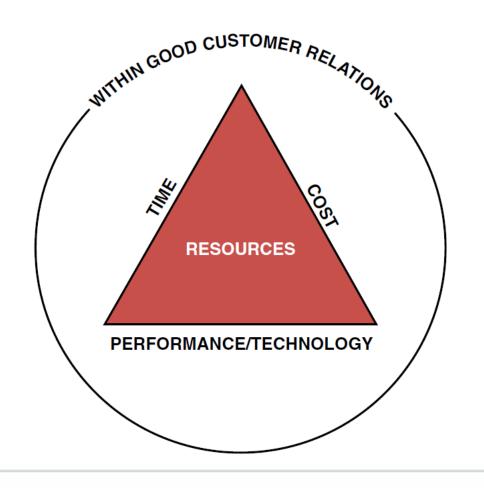
- Has achieved its objectives
 (delivered the project result) and is
 of the desired quality,
- Is concluded on time,
- Has not cost more than was agreed on.



Project triangle



These criteria can be presented as triangle imperative also known as project triangle. MARYINA



A pictorial representation of project management

- The objective of the figure is to show that project management is designed to manage or control company Resources on a given activity, within time, within cost, and within performance.
- Time, cost, and performance are the constraints on the project. If the project is to be accomplished for an outside customer, then the project has a fourth constraint: good customer relations.

What type of operations are suitable for a project management?



Project organisation

Building a house
Designing a car
Organising a party
Setting up a filing system
Setting up retail cash points
Building a process plant
Introducing a new computer system

Functional/line organisation

Manufacturing bricks
Mass-producing cars
Serving the drinks
Doing the filing
Selling goods & operating tills
Producing sausages
Operating credit control procedures

Project management techniques are equally suitable for moving a house as for moving a government department!

Who is a project manager?



- a project manager is the temporary boss of his project team.
- to be an effective project manager, he or she requires a good number of competences *.
- A competence is a combination of the knowledge, skills, attitude and behavior needed to be able to function well in a particular professional situation.
- In addition to general management skills, a project manager must be able:
- ★ To work in a systematic and result-oriented fashion.
- To be stress-resistant and have a good understanding of company policy.
- Capabilities needed:
- leadership abilities,
- a result-oriented working style
- abilities to negotiate, to formulate a project plan, to monitor quality, to manage finances etc.



Project manager is **proactive** to change.



Line manager is **reactive** to change and does not like disruption.

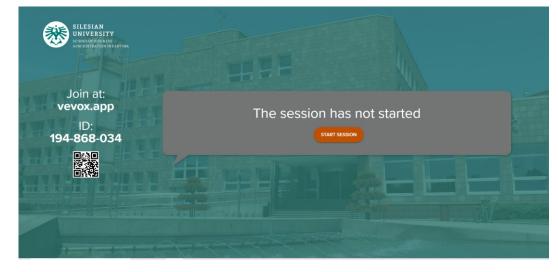
Defining the project manager's role

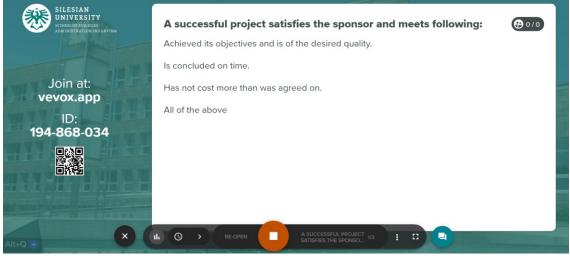


- Project managers may have high responsibility, but very little authority. This lack of authority can force them to "negotiate" with upper-level management as well as functional management for control of company resources.
- Although the project organisation is a specialized, task-oriented entity, it cannot exist apart from the traditional structure of the organization.
- The project manager, therefore, must walk the fence between the two organizations. The term <u>interface management</u> is often used for this role, which can be described as managing relationships:
 - Within the project team
 - Between the project team and the functional organizations
 - Between the project team and senior management
 - Between the project team and the customer's organization, whether an internal or external organization



Vevox questions





PART 2

Project management evolution



What do you consider the greatest projects in humans' history?





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- Phase informal method of managing projects (1917 1964)
- 1917 Gantt chart developed,
- Author is Henry Gantt,
- it is scheduling diagram
- used in project management today,

Website Development Process

Gantt Chart

PROCESS	QUARTER 1				QUARTER 2				QUARTER 3			
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Planning												
Wireframing												
Design Process												
Front-end development												
Back-end development												
Deployment												

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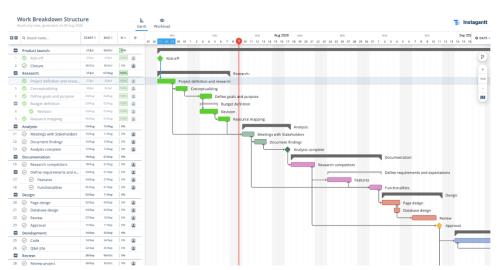


- 1. Phase informal method of managing projects (1917 1964)
- 1957 The Critical Path Method (CPM) Invented by the Dupont Corporation

• used to predict project duration by analysing which sequence of activities has the least amount of scheduling flexibility.

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- 1. Phase informal method of managing projects (1917 1964) 1962 - United States Department of Defense Mandate the Work Breakdown Structure (WBS) Approach
- hierarchical tree structure of tasks that need to be performed to
- complete a project.
- the most common and valuable project management tool.





- 2. Phase project management (1965 today)
- 1965 The International Project Management Association (IPMA) Founded.
- the world's first project management association, started in Vienna by a group as a forum for project managers to network and share information.



- 2. Phase project management (1965 today)
- 1969 Project Management Institute (PMI) Launched to Promote the Project Management Profession (USA)
- non-profit professional organisation dedicated to advancing project management practice, science, and profession.
- the publisher of 'A Guide to the Project Management Body of Knowledge (PMBOK)' first published in 1987



- 2. Phase project management (1965 today)
- 1989 PRINCE Method Developed From PROMPTII

- Published by the UK Government agency CCTA, PRojects IN Controlled Environments (PRINCE) became the UK standard for all government information systems projects.
- 1996 PRINCE2 Published by CCTA



- 2. Phase project management (1965 today)
- 1998 PMBOK Becomes an ANSI Standard
- The American National Standards Institute (ANSI) recognised PMBOK as a standard
- 2001 The Agile Manifesto Written
- the Manifesto for Agile Software Development to define the approach now known by the same name
- 2012 ISO 21500:2012 Guidance on Project Management



- 2. Phase project management (1965 today)
- 2012 ISO 21500:2012 Guidance on Project Management
- designed for any organisation. These include public, private or community groups and any project, regardless of complexity, size and duration.



- 2. Phase project management (1965 today)
- 2017 PRINCE2 Second Major Revision by AXELOS
- 2018 PRINCE2 Agile
- 2021 7th Edition of PMBOK Guide Released

What will be next?

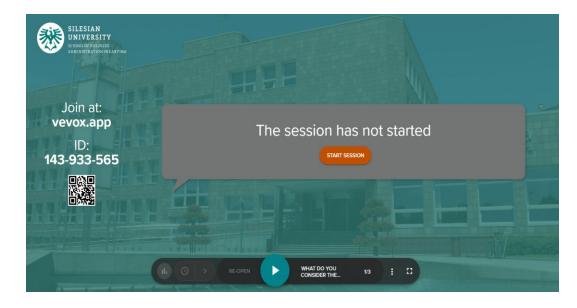


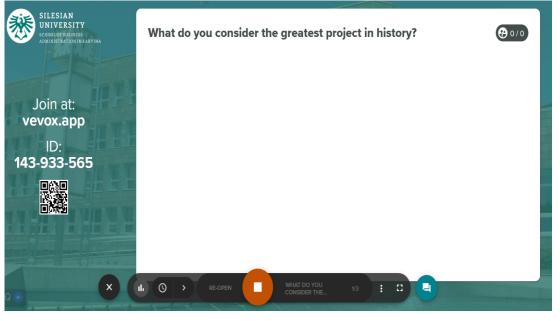
What will be next?

- The Challenges of globalisation:
- Projects become larger, more complex and challenging to manage.
- Teams are more diverse and spread across the world.
- Cost pressures push work offshore to low-cost countries, which itself presents several issues.
- The world is changing, and project management will need to change with it -> HOW?
- Possibility of new techniques and better practices will arise.



Vevox questions





PART 3

What is a project?



"A unique process, consisting of a set of coordinated and controlled activities with start and finish dates, undertaken to achieve an objective conforming to specific requirements, including constraints of a time, cost and resources." (Lester, 2021)

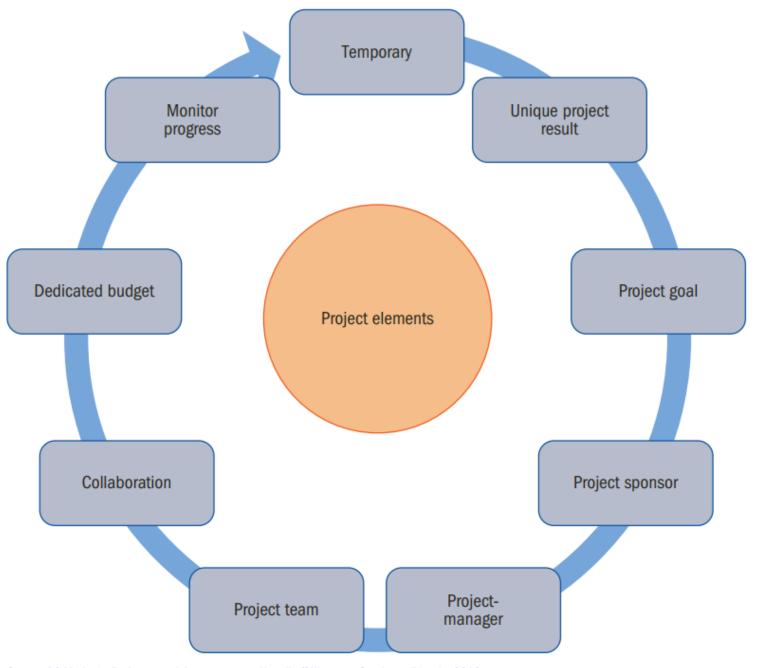
Type of activities taking place in the organisation



TABLE 1.2 Types of activities

	Improvisation	Project-based	Routine-based			
When? Ad hoc (sudden), respond quickly		To be anticipated, once-only	Recurring			
Result?	Unsure	Reasonably sure	Definite and efficient			
Familiarity?	New, sudden	New, plan-based	Familiar			
Freedom?	Great level of freedom, flexibility required	Thought through in advance	Barely any freedom			
Method? Chaotic, not according to procedure		According to proce- dure, fixed procedure	Clear, fixed procedure			

Project elements





Source: P6-Methode, Projectaanpak in zes stappen, Noordhoff Uitgevers, Groningen/Utrecht, 2016

The most important elements of a project:



- specific objective to be completed within certain specifications
- <u>defined start</u> and <u>end dates</u>
- <u>funding limits</u> (if applicable)
- Consume human and nonhuman <u>resources</u> (i.e., money, people, equipment)
- <u>multifunctional</u> (i.e., cut across several functional lines)

What does the project deliver?



- A unique product that can be either a component of another item, an enhancement or correction to an item, or a new end item in itself (e.g., the correction of a defect in an end item);
- A unique service or a capability to perform a service (e.g., a business function that supports production or distribution);
- A unique result, such as an outcome or document (e.g., a research project that develops knowledge that can be used to determine whether a trend exists or a new process will benefit society); and
- A unique combination of one or more products, services, or results (e.g., a software application, its associated documentation, and help desk services).

Temporary view of a project



- Temporary endeavour → a project has a definite beginning and end.
- The end of the project is reached when one or more of the following is true:
- The project's objectives have been achieved;
- The objectives will not or cannot be met;
- > Funding is exhausted or no longer available for allocation to the project;
- The need for the project no longer exists (e.g., the customer no longer wants the project completed, a change in strategy or priority ends the project, the organizational management provides direction to end the project);
- > The human or physical resources are no longer available; or
- > The project is terminated for legal cause or convenience

How long does the project takes?



What is meant by a "relatively" short-term project?

- Not all industries have the same definition for a short-term project.
- In engineering, the project might be for six months to two years; in construction, three to five years; in nuclear components, ten years; and in insurance, two weeks.
- Long-term projects, which consume resources full-time, are usually set up as a separate division (if large enough) or simply as a line organization.



- Technical projects
- Social projects
- Commercial projects
- Mixed projects
- Events

Other ways how to categorize projects are according to content (internal sponsor vs external sponsor), or providing a service (course, event) or product (building, bridge).



Technical projects

- > aim is to effect some change in technology or to come up with a new product.
- ➤ Usually easy to plan.
- > Also known as 'hard' projects.
- > End result is obvious.

Examples: construction of a building, a bridge, a road, a pipeline, a railway line



Social projects

- > Outcome is not that obvious.
- The aim is to change the corporate culture or organisational structure of a company.
- > They deal with the way people work together.
- > Known as 'soft' projects.
- ➤ More difficult to execute as people tend to resist to change

Examples: reorganisation of a firm, adaptation of work procedures.



Commercial projects

> The goal is to earn money.

Examples: conducting marketing research, developing a new product or introducing a new product on the market.



Mixed projects

- Example: the design, programming, and installation of an extensive computer program is an example of a mixed project.
- > complicated since the project team members come from variety of areas of expertise and do not always use the 'same language'.



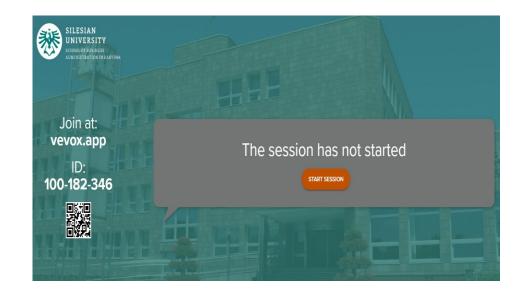
Events

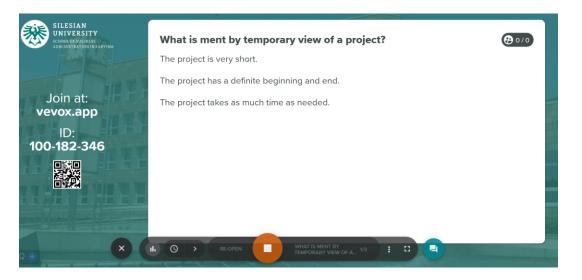
- > special kind of projects.
- > the end result only appears at a certain point in time.

Example: a computer fair, pop festival, car show.



Vevox questions





References



- Grit, R. (2021). Project management: A practical approach. Taylor & Francis Group.
- Haegney, J. (2016). Fundamentals of project management. AMACOM
- Kerzner, H. (2017). Project Management: A Systems Approach to Planning, Scheduling, and Controlling. Hoboken, New Jersey: John Wiley & Sons, Inc. ISBN 978-1-119-16535-4.
- https://www.projectsmart.co.uk/history-of-project-management/brief-history-of-project-management.php