Unit: 511 Information Pack

Managing Projects in the Organisation

Contents

INTRODUCTION

Project management is the process of planning, budgeting, co-ordinating and monitoring a series of pre-determined steps that need to be taken in order to achieve a particular goal or objective within an agreed timescale.

Project management is a multi-faceted approach, which incorporates aspects of planning, decision-making, change management, communication and human resource management.

A successful project depends on a strong project manager who can deliver the desired objectives within an agreed timescale and budget. There are numerous approaches available and an increasing array of technological tools and techniques to assist. Using these to continually monitor progress and adapt plans as the project progresses will improve the chances of success. It is now expected that most middle managers will possess sound project management skills.

GUIDANCE

This document is prepared to break the unit material down into bite size chunks. You will see the learning outcomes above treated in their own sections. Therein you will encounter the following structures;

Purpose	Explains *why* you need to study the current section of material. Quite often learners are put off by material which does not initially seem to be relevant to a topic or profession. Once you understand the importance of new learning or theory you will embrace the concepts more readily.
Theory	Conveys new material to you in a straightforward fashion. To support the treatments in this section you are strongly advised to follow the given hyperlinks, which may be useful documents or applications on the web.
Example	The examples/worked examples are presented in a knowledge-building order. Make sure you follow them all through. If you are feeling confident then you might like to treat an example as a question, in which case cover it up and have a go yourself. Many of the examples given resemble assignment questions which will come your way, so follow them through diligently.
Question	Questions should not be avoided if you are determined to learn. Please do take the time to tackle each of the given questions, in the order in which they are presented. The order is important, as further knowledge and confidence is built upon previous knowledge and confidence. As an Online Learner it is important that the answers to questions are immediately available to you. Contact your Unit Tutor if you need help.
Challenge	You can really cement your new knowledge by undertaking the challenges. A challenge could be to download software and perform an exercise. An alternative challenge might involve a practical activity or other form of research.
Video	Videos on the web can be very useful supplements to your distance learning efforts. Wherever an online video(s) will help you then it will be hyperlinked at the appropriate point.

Defining Project Management

Defining a project can be difficult, the Concise Oxford Dictionary defines it as:

'A plan, a scheme, a planned undertaking, a long-term task, a course of action'

or the ISO define it as:

'A set of co-ordinated activities, with a specific start and finish, pursuing a specific goal with constraints on time, cost and resources'.

or

"A project is a finite endeavour (having specific start and completion dates) undertaken to create a unique product or service which brings about beneficial change or added value."

(D Pandey, 2011)

Project management is the practice of initiating, planning, executing, controlling, and closing the work of a team to achieve specific goals and meet specific success criteria at the specified time. The primary challenge of project management is to achieve all of the project goals within the given constraints.

As a formal discipline, it was first developed by NASA in the 1960s to help them cope with the challenges of the space programme. It has subsequently been adopted by business as a means of reducing risk and increasing the likelihood of project success.

Video

It may be helpful to consider some of the key definitions in the field of project management.

Project – a temporary endeavour undertaken to create a unique product or service. A project can be any such endeavour from designing a bicycle, to setting up a new department, to putting a man on the moon.
Programme – a group of projects managed in a co-ordinated way.
Project lifecycle – organisations divide projects into phases to make them more manageable. The collective term for these phases is the project lifecycle. What the specific phases are called depends entirely on the project. So, for example, a pharmaceuticals project might include a rigorous clinical trials phase, whereas a NASA project would include a lengthy engineering phase. It is possible, however, to assign generic phases. These generally comprise:

- Planning and initiating
- Implementing and controlling
- Closing and evaluating.

Project stakeholder – any organisation, group or individual who is involved actively with the project, or who will be affected by its development and implementation.

Project manager – the individual appointed to manage the entire process.

Sponsor – the individual or group within the organisation who provides the money for the project.

Other stakeholders – suppliers, customers, colleagues, society, government, funders. Managing stakeholder expectations is a key skill in project management. As a general guideline, conflict resolutions should be biased towards the customer's interests.

Other Influencing Factors

There are many other important influencing factors that, while not exclusively related to project management, play a key role in the successful completion of any project or programme.

Organisational culture – the unique organisational values, attitudes and practices that will influence the project. For example, in a very cautious and bureaucratic organisation, it may prove difficult to successfully propose a risky venture. Furthermore, it may take longer to act in the event of a crisis if the project team is compelled to go through several layers of authority to win approval for a suggestion or solution. The formulation and implementation of projects should therefore carefully complement existing culture

Organisational structure – a related factor is organisational structure. Flatter structures may be more receptive to cross-functional project teams, just as hierarchical structures might necessitate strong individual leadership.

Leadership – strong leadership skills are necessary. It is important to appoint individuals who can communicate the project vision, and who can inspire buy-in. However, there will also need to be strong leadership at the team level, and among any specialists.

Communicating – communication skills are also an important part of the process. During the project process, these are likely to include: written, oral and listening presentations upward and downward feedback formal meetings body language and non-verbal communication.

General management skills – further relevant skills include negotiating, influencing and problem-solving.

External influences – depending on the sector, Government legislation (standards and regulations in particular) may affect the running of the process. Additional external influences include the macro economy, demographics, societal and cultural beliefs and globalisation.

Challenge

Think about and make a list of projects, big and small, that have taken place in your organisation in the last two years.

Organisations have a range of projects across all areas and functions, including:

- People, staffing and management
- Products and services
- Materials, manufacturing and production
- IT and communications
- Plant, vehicles, equipment
- Storage, distribution, logistics
- Buildings and premises
- Finance, administration, acquisition and divestment
- Purchasing
- Sales, selling, marketing
- Human resources development and training
- Customer service and relations
- Quality, health and safety
- Legal and professional
- Technical, scientific, research and development
- New business development
- Anything else which needs planning and managing within organisations.

A project, as an entity, will have a defined life. During the project, the organisation will commit resources to the project to deliver an output or outcome. The words output, outcome and deliverable often appear in the descriptions of projects and refer to the actual product or service that is to be available at the end of the project. Another word, closely linked to these, is benefits. Whatever the deliverable is, it must be of value to the organisation or the project would not exist. It is therefore expected that any project that is initiated will deliver benefits to the organisation. Benefits are typically considered to be either tangible or intangible.

- A tangible benefit is a benefit that is easily measured. For example, a retail company might wish to increase its market share. Achievement of such an increase might be measured in sales or sales of specific products relating to the market the company wishes to develop.
- An intangible benefit is one that cannot be precisely measured. The same company wants to improve staff morale. While it cannot measure morale of itself, it will be able to consider other things that might indicate improved morale. These things are often called key performance indicators (KPIs) and, in this example could include measurement of days lost through sickness a reduction in the number of days lost might be considered to be an indicator of improved or improving morale.

The commitment of resources (expressed typically as time and money) to deliver something which will bring benefit to the organisation is a big decision that needs to be properly considered.