Project Management Concepts

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Chapter 1
Learning Objectives

- Definition of a project and its attributes
- Key constraints within which a project must be managed
- How a project is “born”
- Life of a project
- Steps involved in the project management process
- Benefits of project management
Real-World Example

- Discuss the Vignette: Musical Superstars Put on Projects for Charity.
- Over the last decade or so, numerous musical projects have raised millions of dollars for charity. This trend was initiated by Live Aid, which was put together in the 1980s by rock musician Bob Geldof.
Real-World Example (Cont.)

- The Farm Aid projects have netted over $12 million over the past ten years.
- In September of 1992, Hurricane Relief, an evening of music and comedy at Joe Robbie Stadium in Miami, Florida, raised over $1.3 million for victims of Hurricane Andrew.
A project is an endeavor to accomplish a specific objective through a unique set of interrelated tasks and the effective utilization of resources.
Attributes of a Project

- Has a well-defined objective
- Composed of a series of interdependent tasks
- Utilizes various resources
- Has a specific time frame
- Has a customer
- Involves a degree of uncertainty
Examples of Projects

- Planning a wedding
- Designing and implementing a computer system
- Hosting a holiday party
- Designing and producing a brochure
- Executing an environmental clean-up of a contaminated site
- Holding a high school reunion
- Performing a series of surgeries on an accident victim
Constraints

- Scope
- Cost
- Schedule
- Customer satisfaction
Unforeseen Circumstances

- Unforeseen circumstances may jeopardize achievement of the project objective.
- The challenge facing the project manager is to prevent, anticipate, and/or overcome such circumstances.
The Project Life Cycle

- Projects are “born” when a need is identified by the customer.
- Project life cycles vary in length, from a few weeks to several years.
- Not all projects formally go through all four phases of the project life cycle.
Project Life Cycle: Phase 1

- The first phase involves the identification of a need, problem, or opportunity.
  - The need and requirements are usually written by the customer into a document called a request for proposal (RFP).
Project Life Cycle: Phase 2

- The second phase is the development of a proposed solution to the need or problem.
  - This phase results in the submission of a proposal.
  - The customer and the winning contractor negotiate and sign a contract (agreement).
Project Life Cycle: Phase 3

- The third phase is performing the project.
  - Different types of resources are utilized
  - Results in the accomplishment of the project objective
Project Life Cycle: Phase 4

- The final phase is terminating the project.
  - Perform close-out activities
  - Evaluate performance
  - Invite customer feedback
The Project Management Process

- The project management process means planning the work and then working the plan.
The Project Management Process (Cont.)

- Clearly define the project objective.
- Divide and subdivide the project.
- Define the specific activities that need to be performed.
- Graphically portray the activities in a network diagram.
The Project Management Process (Cont.)

- Make a time estimate.
- Make a cost estimate.
- Calculate a project schedule and budget.
Controlling Projects

- Establish a baseline plan.
- Monitor progress.
- Measure actual progress and compare it to planned progress.
- Take corrective action if the project is behind schedule, overrunning the budget, or not meeting technical specifications.
Benefits of Project Management

- Satisfied customers
- Additional business
- Expansion of career opportunities
- Satisfaction of being on a winning team
- Improved knowledge and skills
- When projects are successful, everybody WINS