

Project Management

THE MANAGERIAL PROCESS

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Third Edition



Chapter 1

Modern Project Management

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*PowerPoint Presentation by Charlie Cook
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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.

- Major Characteristics of a Project

- Has an established objective.

- Has a defined life span with a beginning and an end.

- Requires across-the-organizational participation.

- Involves doing something never been done before.

- Has specific time, cost, and performance requirements.

Programs versus Projects

- 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.
- Example:
 - Project: completion of a required course in project management.
 - Program: completion of all courses required for a business major.

Comparison of Routine Work with Projects

Routine, Repetitive Work

Taking class notes

Daily entering sales receipts into the accounting ledger

Responding to a supply-chain request

Practicing scales on the piano

Routine manufacture of an Apple iPod

Attaching tags on a manufactured product

Projects

Writing a term paper

Setting up a sales kiosk for a professional accounting meeting

Developing a supply-chain information system

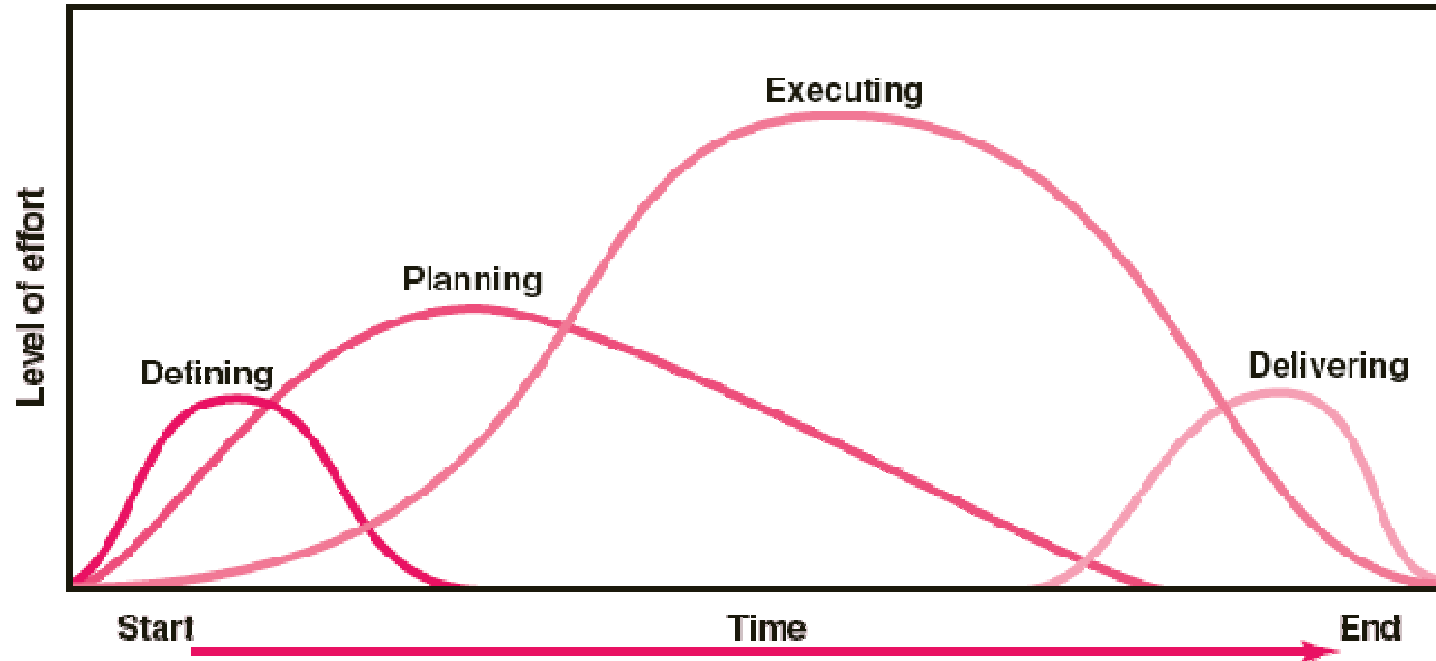
Writing a new piano piece

Designing an iPod that is approximately 2 X 4 inches, interfaces with PC, and stores 10,000 songs

Wire-tag projects for GE and Wal-Mart

TABLE 1.1

Project Life Cycle



Defining

1. Goals
2. Specifications
3. Tasks
4. Responsibilities

Planning

1. Schedules
2. Budgets
3. Resources
4. Risks
5. Staffing

Executing

1. Status reports
2. Changes
3. Quality
4. Forecasts

Delivering

1. Train customer
2. Transfer documents
3. Release resources
4. Release staff
5. Lessons learned

FIGURE 1.1

The Challenge of Project Management

- 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.

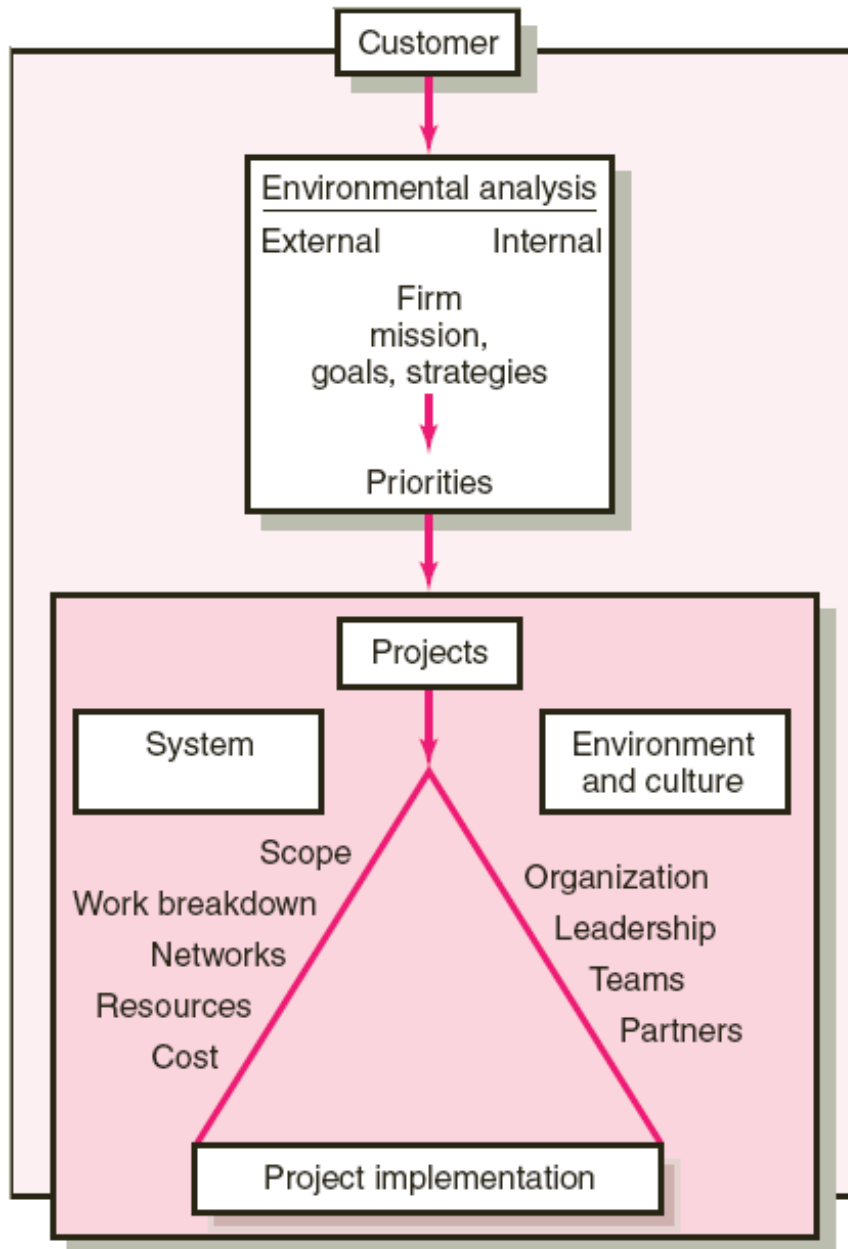
The Importance of Project Management

- Factors leading to the increased use of project management:
 - Compression of the product life cycle
 - Global competition
 - Knowledge explosion
 - Corporate downsizing
 - Increased customer focus
 - Rapid development of Third World and closed economies
 - Small projects that represent big problems



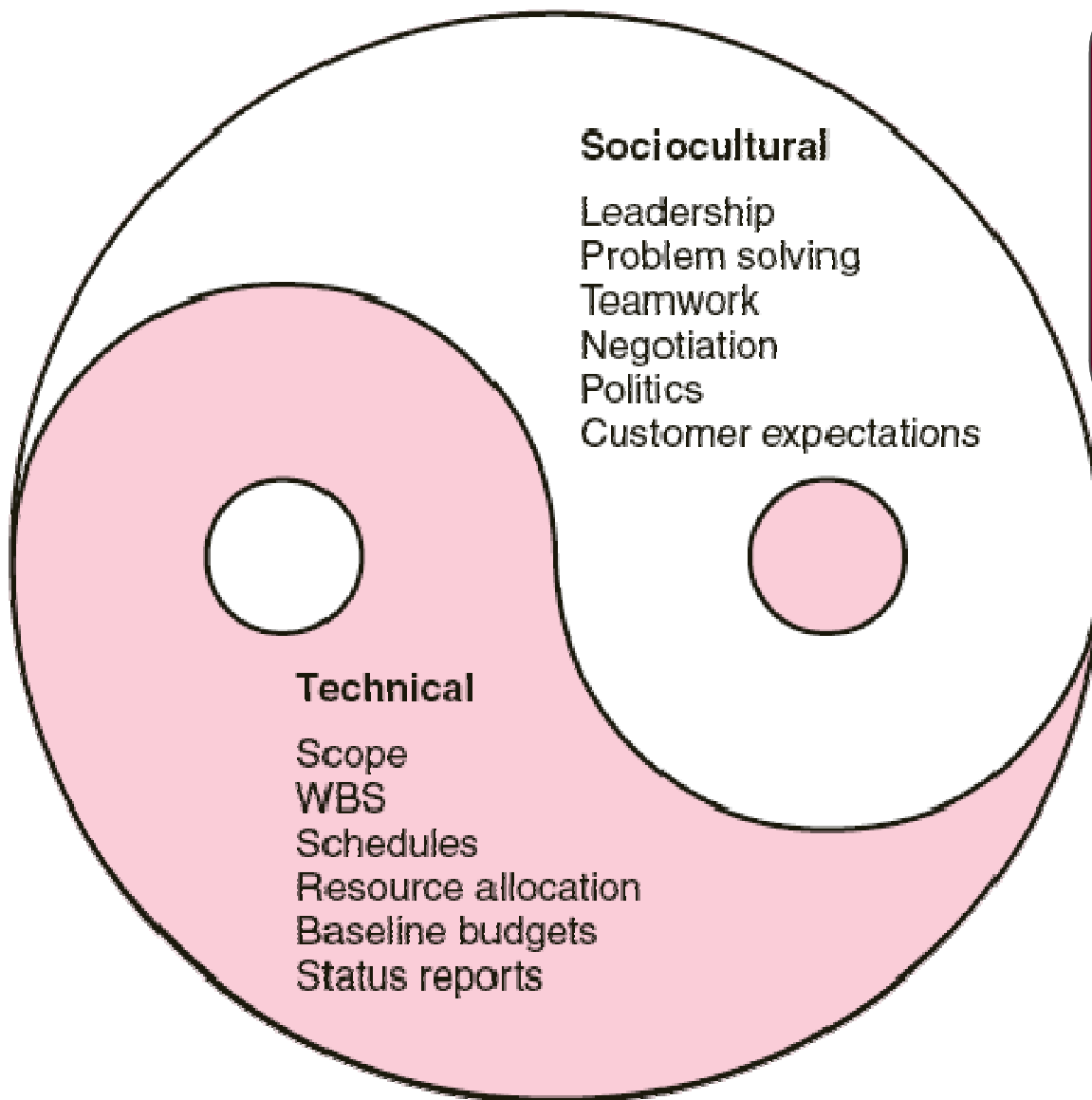
Integrated Project Management Systems

- Problems resulting from the use of piecemeal project management systems:
 - Do not tie together the overall strategies of the firm.
 - Fail to prioritize selection of projects by their importance of their contribution to the firm.
 - Are not integrated throughout the project life cycle.
 - Do not match project planning and controls with organizational culture to make appropriate adjustments in support of project endeavors.



Integrated Management of Projects

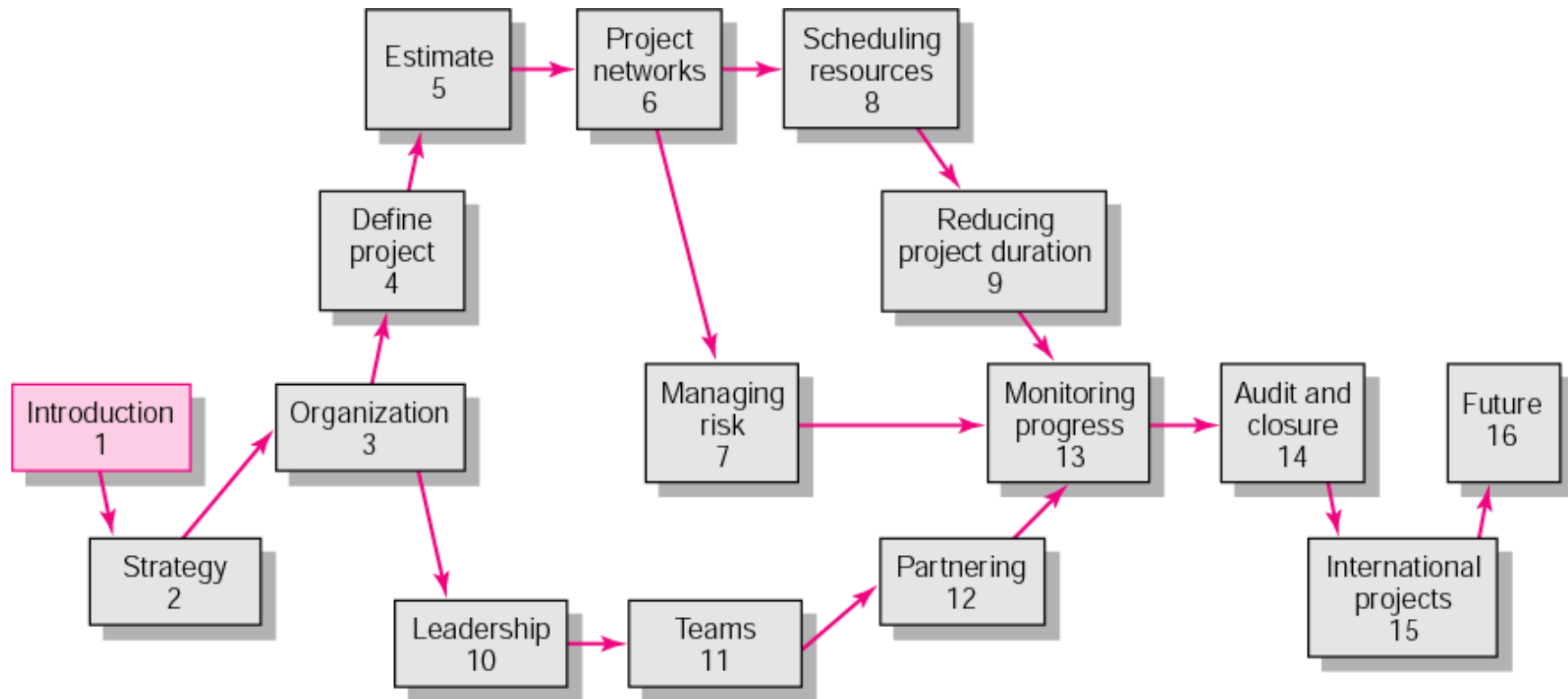
FIGURE 1.2



The Technical and Sociocultural Dimensions of the Project Management Process

FIGURE 1.3

An Overview of Project Management 3e.



Key Terms

Program

ISO 9000

Project

Project life cycle

Sociotechnical perspective