

Magic Workbooks
Business Survival Manual

PROJECT
MANAGEMENT

OR

*Dances with
Crocodiles...*

Go ahead, google “project management” and gulp.

Yep, zillions of pages have been written on the subject. And yeah, thousands of companies are trying to cash in on the inexperience or traumatic experience of project managers with costly advice, personal shepherding services, and all kinds of software solutions.

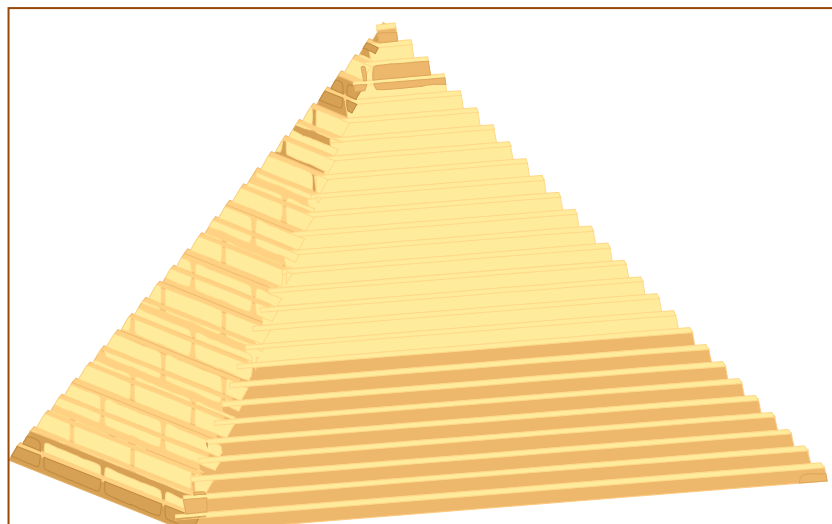
Daunting, ain't it?

This is where we come in: the weird guys from the business survival angle. In our humble opinion, the best way to teach or to discuss project management is to take a well-known successful project and use it as a guideline.

So, let's see what we can learn about project management by the historical method.

It's a lovely spring day in Egypt and you're just thinking about calling it a day and going surfing on the Nile with a couple of friends from southern Egypt when your faithful assistant Appendicidis rushes in: Pharaoh needs you in his office and make it pronto.

The great man tells you he's been thinking about his future in the Great Beyond and reckons it's high time to start building that ultimate abode. He shuffles the papyri on his desk and finally comes up with one that has a sketch on it:



You are entering PROJECT MANAGEMENT PHASE 1:

DEFINING THE GOAL

Make sure the nature of your project and the expected outcome are clearly defined.

Pharaoh hands the sketch over to you and says, "It should be like those other two out at Gizeh, only higher, and the burial chamber must be really well hidden."

Pharaoh comes up with a few more details while you take notes and finally wraps it up by saying, "We're a bit stretched as far as resources go and you have to get it done in no more than thirty years – but I'm sure you're the right man for the job. Good luck, and if you need anything, don't hesitate to ask."

You walk out of his office and out of the palace feeling honoured and slightly dazed. On the way out of the palace grounds you pass the pond with the crocodiles and it dawns on you that unless you want to end as a crocodile snack you had better get organized.

You are starting PROJECT MANAGEMENT PHASE 2:

ORGANIZING THE PROJECT

Phase 2 is governed by two central issues:

A: what resources do I need to get the project done?

B: what resources do I have at my disposal?

Ideally, A and B will match. Most of the time, since we do not live in an ideal world, they won't. You will need resources that are unavailable or that are not available within the time span allotted for your project.

You begin with a rough draft of what you think you will need:

Translation:



Manpower:

100.000 Nubian slaves

Material:

1 big stone quarry

500 barges

30.000 cypress logs

Before you start to match your basic requirements against the available resources you need to consider your requirements in terms of the time-line of your project.

Will you need 100.000 Nubian slaves at all times during your project? Or will you need 20.000 to prepare the foundations (year 1), 50.000 during the building phase (years 2 -28) and 40.000 in the stone-quarry (years 1 – 15) and 10.000 for the mop-up (years 29-30)?

To fine tune your rough draft you might need to get expert help in various areas. Go get it!

After several hours in your office and with several papyri filled with notes and questions on your desk you call in your assistant Appendicidis. "Appi", you say, "prick up your ears. I've been elected project manager for Pharaoh's new pyramid."

"Congratulations!" says your faithful servant, "may I have your chess-set when you get thrown to the crocodiles?"

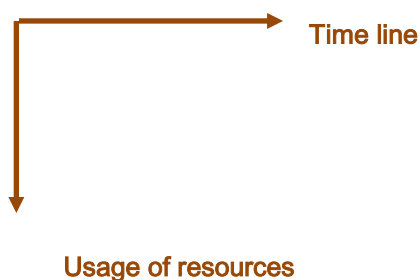
“Curb your enthusiasm, Appi, we’ve got work to do. I need you to go to Edophis the architect and fix an appointment for me. Then walk down to the harbour and see if you can find barge-master Allhandsondeck. Finally, who’s the best stone-mason around?”

“Well, ever since Tut-en-rock fell off that obelisk ... Crackleon the Greek is considered to be quite good...”

“OK. Crackleon it is.”

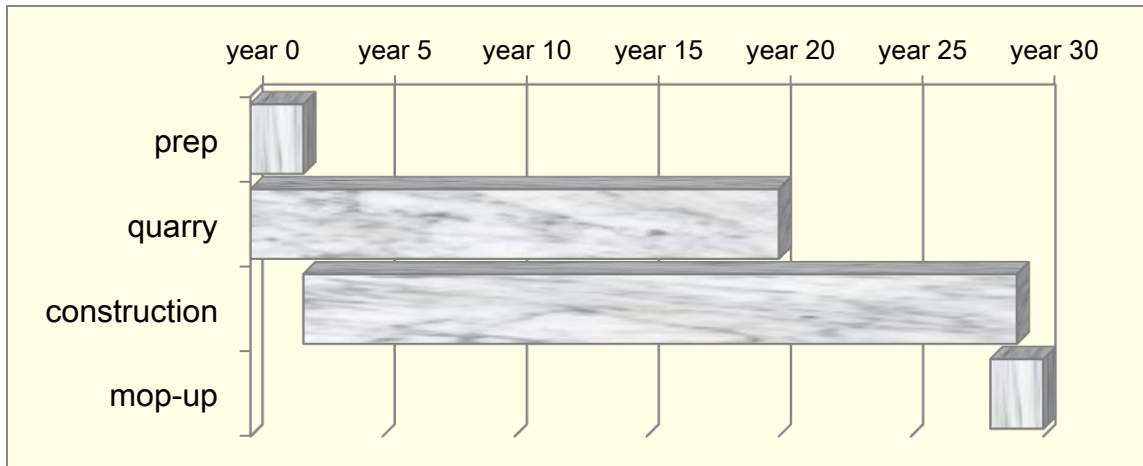
To calculate your needs on a time-line you should draw up a so-called Gantt schedule of your project which allows you to break down your project into separate parts (some of which might be done by different teams at the same time) and some of which can only be started if other parts have been successfully finished.

The Gantt schedule is one of your most important aids in project management because of its two-dimensional representation of the complete project:



In this way the schedule not only makes progress visible but also clearly shows the interdependence of the vital project parts and offers the possibility of juggling different parts of the project and your resources and manpower around when time gets tight.

Here is a very basic draft of a Gantt schedule for our pyramid-building example:



Of course, the final draft will have to be broken down into far more segments to make frequent progress checks possible and accurate.

Is the stone-quarry producing enough to keep the construction site busy? If not, you have to withdraw some Nubians from the construction and assign them to the stone-quarry.

The final draft of your Gantt schedule should give you (and Pharaoh) a clear picture of what resources in manpower and material you need at what time in the course of your project. Of course, it should also give you a clear indication of the total cost of your project.

If you have to hand in a project budget, do not forget to calculate the incidental charges that go with the project.

It's not just 100.000 Nubian slaves – it's also food and drink for 30 years!

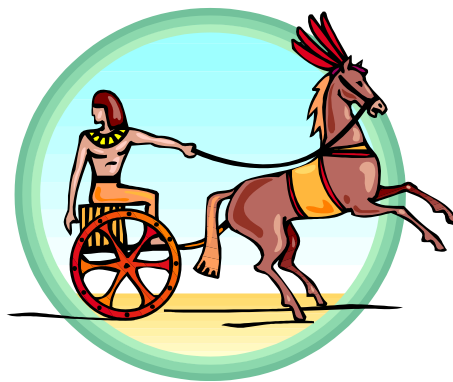
Or, to put it in terms of our century, travel and hotel expenses for the hired hands of your project manpower, company overhead costs for your project members from within the company!

As we have pointed out above, it rarely happens that the resources you require will all be available. So, at this point, where you might happily think that you have completed PHASE 2 and have organized your project, you may have to revise the whole organization schedule and project budget once or more times until it finally gets the stamp of approval from the company management.

In view of this process which usually involves some cuts and squeezing more work into a tighter schedule, we advise that the “final” draft with which you enter into these negotiations had better leave some room for such squeezing and for unforeseen problems.

Then, and only then, the preliminaries are over.

You pack your whole stack of papyri with notes and messages, put on your leather wristbands, mount your light travelling chariot and set out for your first project session in a cloud of dust.



You are finally entering **PROJECT MANAGEMENT PHASE 3:**

PROJECT IN ACTION

While everything you have done up to now is important, this is the phase where your company future will be decided. Are you going to end up in the crocodile-pond or will you go on to higher places? The decision lies with you, or rather with your management ability.

From the moment your project goes online what counts is your ability to manage it. And managing a project basically means managing people, “networking” people, organizing your 100.000 Nubian slaves into a winning team.

It is customary to start your project operation with a “kick-off” meeting, in order to inspire your project team with the importance of the whole thing and give them a chance to chant their hallelujahs, voice their opinions, doubts, whatever in a quasi-informal setting.

Take note of the word “quasi-informal”. It’s there for a purpose, not just to show our familiarity with the odd Latinism. Nothing in project management is ever truly informal, even if you will do well to keep things from being overly stiff. Don’t make the mistake of rolling in the beer-kegs for a kick-off session!

Apart from giving the project crew a chance to get to know each other and their different attitudes to the project in general, the main purpose is for YOU to establish yourself as their leader – A GOOD LEADER – and to make a shrewd assessment of your crew’s ability to work together and get things done.

In order of importance, project management consists of one part leadership, one part psychology, one part commercial know-how and one part knowledge of the subject matter, plus maybe a sprinkling of luck.

During the course of the project, you will be

the one who decides what is done when and by whom and who gets what resources,
the one who arbitrates internal quarrels,
the one who doles out praise or censure,
the one who keeps euphoria and nervous breakdowns in check,
the one who holds the purse-strings and keeps an eye on the budget,
the one who writes the progress reports and presents them to the company management,
in short:

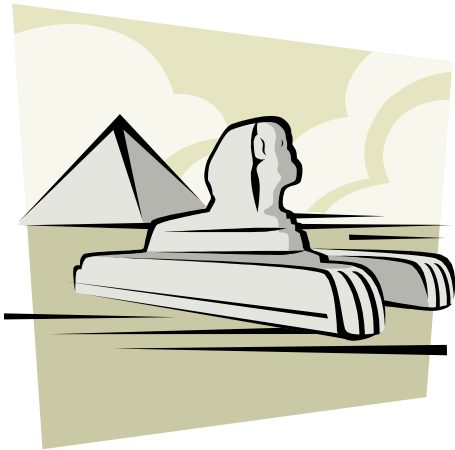
the one who has the overview.

So, before you start that all-important kick-off meeting, ask yourself where your own strengths and weaknesses lie and make a point of concentrating on your weaknesses. If your main competence lies in the expert knowledge of the project area, then make a special effort on the psychological aspects and on the commercial side of the project.

Most people who are faced with their first project management have a problem with the leadership aspect. “Will the team members really accept me as the project authority – especially those who are older than me and those who have a more detailed knowledge in some areas of the project than I do?”

Think about it like this: if a group of people gets lost in the wilderness and one of them has a compass, that one will most likely turn out to be their leader simply because he knows in which direction the group should go. All he needs to do is point.

So, keep your Gantt schedule firmly in mind and make your decisions – especially the unpopular ones – with reference to the Gantt schedule i.e. the project as a whole.



Bad Leadership:

“Within the scope of this project, the Sphinx is simply not that important.”

Better Leadership:

“We need to put the Sphinx on hold until we have figured out how to haul an extra 10,000 granite blocks up that incline because otherwise we will not meet our deadline.”

PROJECT CONTROLLING

This is not so much a separate phase as an ongoing activity and duty during the operative stage of a project. If your project is of a colossal nature you might be so lucky as to have a project controller assigned to you who takes care of most of the menial labour connected with project controlling, namely collecting the data from the profit & loss accounts and preparing weekly or monthly reports of the project expenses and an actual to budget comparison.

In smaller projects this duty usually rests with the project manager. Even if you have a project controller you yourself should never lose sight of this aspect of your project. If you do not prepare them yourself, at least make sure you are the first one who sees the expense reports and interpret them in terms of your Gantt schedule.

Suppose you are faced with much greater costs than budgeted for the first months of your project. Is that due to an error in your budget or is it the consequence of getting much more project work done in that time than budgeted? The constant alignment of project work-load and project expenses is essential to get an accurate picture of project development!

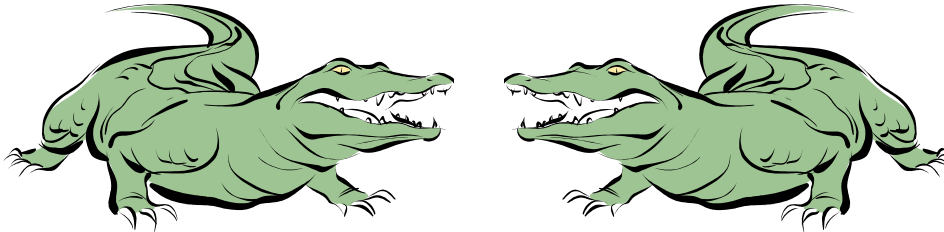
When you prepare progress reports for the company management you have to keep this aspect in mind. Every progress report has to deal with the two central questions which are of interest to the management:

1. Will the project be on time?
2. Will the project be on budget?

Since these questions are so important, they should be addressed at the beginning of every report and, if possible, developments should be presented in an easily accessible graphic or chart form, for example, a budget Gantt schedule followed by an actual/projection Gantt schedule with some explanations given for the variances. And/or an expense budget compared to an actual/projection of project costs, again with explanations on the variances.

The clearer, the more concise your project reports are, the easier it is for the management to grasp the salient facts. Not to mention the fact that the ability to give a clear and concise account of one's activities creates the nice impression of being in control of matters.

And then there will be another lovely spring day when you walk past the crocodile-pond with a grin on your face and you tell them, “So sorry, guys, not me, not this time...”



If you are interested in a project report template with Gantt schedule and budget to actual comparisons, you might enjoy having a look at the following **MagicWorkbook®**:

ProjectManager

general project management

Visit us for more information and a lot of interesting tools for your business survival:

www.magicworkbooks.com

Turning Data into Information

Copyright: K! Business Solutions GmbH, Erkrath, Germany