
Chapter 1

Modern Project Management

Chapter Outline

1. What Is a Project?
 - A. What a Project Is Not
 - B. Program versus Project
 - C. The Project Life Cycle
 - D. The Project Manager
 - E. Being Part of a Project Team
2. Agile Project Management
3. Current Drivers of Project Management
 - A. Compression of the Product Life Cycle
 - B. Knowledge Explosion
 - C. Triple Bottom Line (Planet, People, Profit)
 - D. Increased Customer Focus
 - E. Small Projects Represent Big Problems
4. Project Management Today: A Socio-Technical Approach
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Chapter Learning Objectives

After reading this chapter you should be able to:

- LO 1-1 Understand why project management (PM) is crucial in today's world.
- LO 1-2 Distinguish a project from routine operations.
- LO 1-3 Identify the different stages of project life cycle.
- LO 1-4 Describe how Agile PM is different from traditional PM.
- LO 1-5 Understand that managing projects involves balancing the technical and sociocultural dimensions of the project.

Review Questions

- 1. Define a project. What are five characteristics which help differentiate projects from other functions carried out in the daily operations of the organization?**

A project is a complex, non-routine, one-time effort limited by time, budget, resource, and specifications. Differentiating characteristics of projects from routine, repetitive daily work are below:

- a. A defined lifespan
- b. A well-defined objective
- c. Typically involves people from several disciplines
- d. A project life cycle
- e. Specific time, cost, and performance requirements.

- 2. What are some of the key environmental forces that have changed the way projects are managed? What has been the effect of these forces on the management of projects?**

Some environmental forces that have changed the way we manage projects are the product life cycle, knowledge growth, global competition, organization downsizing, technology changes, time-to-market. The impact of these forces is more projects per organization, project teams responsible for implementing projects, accountability, changing organization structures, need for rapid completion of projects, linking projects to organization strategy and customers, prioritizing projects to conserve organization resources, alliances with external organizations, and so on.

- 3. Describe the four phases of the traditional project life cycle. Which phase do you think would be most the difficult one to complete?**

1. Defining: Project specifications objectives are defined, and teams are formed with major responsibilities assigned. Much of this is referred to as defining the Scope of a project.
2. Planning: The creation of a comprehensive plan that includes schedules, budgets, staffing and risk assessment.
3. Executing: Work begins, deliverables are produced, and progress is monitored.
4. Closing: Putting the project to bed includes customer delivery, post project review or audit, and redeployment of project team.

All things being equal, one would think that Closing would be the easiest phase to complete. However, there are times when this phase is the most problematic. Disagreements at the customer acceptance can lead to rework, tension and in many cases litigation. Veteran project managers answer to this question would be "It all depends."

- 4. What kinds of projects is Agile PM best suited for and why?**

Projects in which the scope or how the project will be completed are not well defined or stable. These kinds of projects would include software development, R&D work, technological breakthroughs, and creative endeavors.

5. The technical and sociocultural dimensions of project management are two sides to the same coin. Explain.

The technical and sociocultural dimensions of project management are two sides of the same coin because successful project managers are skillful in both areas. The point is successful project managers need to be very comfortable and skillful in both areas.

Snapshots from Practice: Discussion Questions

1.1 The Project Management Institute

1. If you were a student interested in pursuing a career in project management how important do you think being a CAPM would be?

There is no data available on the value of the CAPM in the job market. Experts suggest at a minimum it demonstrates a strong interest in project management and a good understanding of the project management processes. Given the growing demand for people to work on projects, the CAPM may just separate you from other applicants.

2. How valuable do you think being a certified PMP is?

Reliable data is hard to find. PMI reported that the median salary for a PMP is \$115,000. Non certified project managers, on the other hand, showed a median income of \$92,000. According to a different survey eighty percent of high-performing projects used PMP certified project managers.

1.3 London Calling: Seattle Seahawks versus Oakland Raiders

1. Why was it important to give players and staff a chance to explore London one evening?

This will be a tough question for those not familiar with intense team sports. They will not be aware of the importance coaches devote to eliminating distractions that can disrupt team concentration and focus. Coach Carroll reportedly said, “There was no avoiding the fact that we were in a foreign country. Players and staff were curious and excited, so we decided instead of denying it we would let them explore London.”

2. What are one or two lessons you learned from this Snapshot?

Several lessons can be gleaned from this Snapshot:

- High performance projects need to devote significant attention to providing a work environment that supports high performance.
- The importance of interjecting fun on intense projects.
- The impact time zone changes can have on individual performance.
- The attention to detail exhibited in the project.
- The importance of managing the rhythm and pace of a group to accomplish project objectives.

Sports fans will draw attention to coach Carroll driving the players to the stadium the day before the game. This eliminated the distraction of not knowing what the field or locker room would be like. It answered the question of what kind of shoes the players would be wearing. Players like quarterback Russell Wilson like to form vivid, mental images of big plays the night before a big game.

1.4 Ron Parker

1. Do you agree with Ron Parker's statement "To be successful, you must also be willing to run at problems/opportunities when everyone else is running away from them"?

This is somewhat of a philosophical question. While not the only way to become successful this is one path to success especially when other opportunities or advantages are not available. Tackling tough projects is a great way to gain visibility and establish a reputation. The flip side is that these projects are risky, and failure may damage one's reputation. Organizations that excel at project management recognize that these projects often fail despite superior effort. They value experience and devote significant attention to improving future project performance by articulating lessons learned from current projects.

PMI's 50 Most Influential Projects 1969-2019

1. Do you agree with the top five choices? What choices would you have recommended?

This Snapshot and question are used to discuss the significance of project management in our lives. There is no right answer, students should be encouraged to justify their choices. Here students should be asked whether their choice reshaped people's expectations of what possible, defied convention was, and/or transform an industry or culture.

The one project that students most often object to is the Euro-conversion. This is likely due to bring unaware of how challenging the project was, given the number of countries involved and the complexity of financial conversion. Some will argue that it is too Euro-centric. Others will argue that European economy extends around the world.

Quite often, students downgrade the significance of *Apollo 11*. Some argue why not landing on the moon. Most often achievements are a product of program(s) not individual projects. It is important to note the wide range of projects chosen.

During the discussion, one should point out how most of these outcomes were the product of a series of projects and ultimately program management. This reflects a tendency to substitute project for program since the latter implies an on-going venture as opposed to a completed product or service.

Exercises

1. **Review the front page of your local newspaper and try to identify all the projects contained in the articles. How many were you able to find?**

It is nearly impossible to open a newspaper and not find articles relating to projects. Sunday editions are especially good for this exercise. Even experienced project managers find the number of projects far greater than they would have predicted. Each one is managed by a project manager! This is a good illustration of the important role projects play in our daily lives.

2. **Individually, identify what you consider to be humanity's greatest achievements in the last five decades. Now share your list with three to five other students in the class and come up with an expanded list. Review these great achievements in terms of the definition of a project. What does your review suggest about the importance of project management?**

Typical responses center on technology, medical advances, space exploration—e.g., computer advances, laser operations and new drugs, building the space station. Often you have to point out that many of these projects are really programs.

We usually select two or three student suggestions of projects (there will be plenty!) and ask the students to identify the kinds of problems the project manager of the project may have had to deal with. Again, once the students get into the exercise, the problems they can envision are many. These problems are placed on the board. After the board is near filled and most students have participated, we try to show or classify on the board the problems by the content of the text chapters. The intent is to demonstrate to the class the course and text will address many of the problems suggested by the students.

3. **Individually, identify projects assigned in previous terms. Were both sociocultural and technical elements factors in the success or difficulties in the projects?**

Students will naturally focus on sociocultural aspects in part because they are more familiar with concepts such as leadership, problem-solving, and teamwork than scope, WBS, and baseline budgets. Furthermore, interpersonal friction is often a source of consternation on student projects. The instructor may have to point out that interpersonal conflicts often arise from ill-defined scopes, uneven work schedules, and poor planning.

4. **Check out the Project Management Institute's home page at www.pmi.org.**
 - a. **Review general information about PMI as well as membership information.**

Answers will vary. The PMI website undergoes periodic updates.

b. See if there is a local PMI chapter. If not, where is the closest one?

Answers will vary depending on your location.

c. Use the search function at the PMI home page to find information on Project Management Body of Knowledge (PMBOK). What are the major knowledge areas of PMBOK?

This search turns up a very wide variety of information including books the student can purchase, how to articles, and tools and templates. It will take some searching, but the student can find that the ten knowledge areas are as follows:

1. Project Integration Management
2. Project Scope Management
3. Project Time Management
4. Project Cost Management
5. Project Quality Management
6. Project Human Resource Management
7. Project Communications Management
8. Project Risk Management
9. Project Procurement Management
10. Project Stakeholder Management

d. Explore other links that PMI provides. What do these links tell you about the nature and future of project management?

Answers will vary, but most will tout the significance of project management as well as different aspects of a career in Project Management.

Case 1.1 A Day in the Life—2024

Troi, the project manager of a large information systems project, arrives at her office early to get caught up with work before her co-workers and project team arrive. However, as she enters the office she meets Abdul, one of her fellow project managers, who also wants to get an early start on the day. Abdul has just completed a project overseas. They spend 10 minutes socializing and catching up on personal news.

(Rest of case not shown due to length.)

This case shows a glimpse of what it is like to be a project manager. It also underscores that being a project manager is more social than technical and that project managers spend the majority of their time interacting with various people who impact a project.

Note: This case can either be used up front in the course or towards the end when the sociocultural aspects of project management have been covered.

1. How effectively do you think Troi spent her day?

Students will be divided in their evaluation of Troi. Some will argue that she is inefficient and does not have control over her time. Others will argue that this is the nature of the job and is to be expected. They will point out that she is appropriately spending her time managing relations and keeping on top of things that affect the project. We tend to observe that students with little work experience are much more critical than those with work experience.

2. What does the case tell you about what it is like to be a project manager?

Troi's day underscores three key functions project managers spend their time performing:

- a. Building and sustaining interpersonal relations. Project managers have to network and develop good working relations with team members and other project stakeholders.
- b. Information gathering and dissemination. Project managers are the information hub for their projects. They are in constant communication with various stakeholders, collecting information from various sources, and sending it to those who have a need to know.
- c. Decision-making. Project managers consult with various people to make decisions necessary to complete the project.

Case 1.2 The Hokies Lunch Group

Fatma settled down for lunch at the Yank Sing Chinese restaurant. She was early and took the time to catch up on her e-mail. Soon she would be joined by Jasper and Viktoria, two fellow 2014 grads from Virginia Tech in Blacksburg, Virginia.

(Rest of case not shown due to length.)

This case is designed to provide students a glimpse of what it is like to work on projects. Over the course of monthly lunch meetings students are exposed to a variety of management issues as well as the different phases of the project life cycle.

1. For each part (A, B, C) what phase of the project life cycle is each project in? Explain.

Part A

Viktoria and Jasper's projects are in the Executing phase with PAX2 entering a critical testing stage. Fatma's project appears to be in the Defining phase where she is working on defining the scope of the project.

Part B

Viktoria and Jasper's projects continue to be in the Executing phase with Jasper feeling intense pressure after missing a second milestone. Fatma's project appears to be in the planning phase since she is involved in scheduling work.

Part C

Viktoria is wrapping up her successful project during the Closing phase. Jasper's project, on the other hand, has been canceled and he is now looking for work. Fatma's renovation project is now in the Executing phase.

2. What are two important things you learned about working on projects from the case? Why are they important?

This is an open-ended question and responses will vary depending upon level of experience and exposure to project management.

The case involves a number of key project management issues:

Part A

- How projects vary in the degree that scope can be defined up front, and how difficult it can be to define the scope of software projects.
- The creation of a global tag team whereby people can be working on the project around the clock.
- The importance of establishing project priorities up front.

Part B

- The importance of risk management and utilizing what was learned from previous projects.
- The pressure of working on urgent projects that are behind schedule.
- The political side of project management and how people try to influence each other on projects.

Part C

- The risks and rewards of working on projects.
- The importance of conducting project retrospective during the Closing phase of the project.
- The sometimes-boring nature of the Closing phase.