

Pathways Plus

Strategic Management and Leadership

Level 7

Unit 7009

Strategic project management

Pathways Plus

Unit 7009: Strategic project management

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- Kogan Page for Figure 1.2a on p.19, 'Project phases and the dynamic action cycle'; Checklist on p.96, 'Selection Criteria for Project Teams Checklist', and Figure 2.1a on p.104, 'Project control system', all from *The Handbook of Project Management: A Practical Guide to Effective Policies, Techniques and Processes*, by Young, Trevor L., (2007, revised 2nd edition).

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SAMPLE MATERIAL

About Pathways Plus

Development guides

There are 12 development guides in the *Pathways Plus* series to cover the 14 units of the qualifications at CMI Level 7: Strategic Management and Leadership.

- 7001 Personal development as a strategic manager
(ISBN: 0-85946-326-5)
- 7002 Strategic performance management
(ISBN: 0-85946-331-1)
- 7003 Financial management
(ISBN: 0-85946-336-2)
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- 7005 Conducting a strategic management project
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(ISBN: 0-85946-356-7)
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(ISBN: 0-85946-361-3)
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(ISBN: 0-85946-340-0)
- 7010 Organisational change
(ISBN: 0-85946-345-1)
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(ISBN: 0-85946-350-8)
- 7013/7014 Being a strategic leader and strategic leadership practice
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For further details on the development guides:

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Qualification structure

There are three qualifications available:

- **CMI Level 7 Award in Strategic Management and Leadership**

Candidates need to complete any combination of units to a minimum of 6 credits to achieve the qualification.

- **CMI Level 7 Certificate in Strategic Management and Leadership**

Candidates need to complete any combination of units to a minimum of 13 credits to achieve the qualification.

- **CMI Level 7 Diploma in Strategic Management and Leadership**

Candidates need to complete all core units (Group A) and three optional units (Group B) to a total of at least 66 credits to achieve the qualification.

Units	Credit
Group A	
Unit 7001 Personal development as a strategic manager	6
Unit 7002 Strategic performance management	7
Unit 7003 Financial management	7
Unit 7004 Strategic information management	9
Unit 7005 Conducting a strategic management project	10
Unit 7006 Organisational direction	9
Group B	
Unit 7007 Financial planning	6
Unit 7008 Strategic marketing	6
Unit 7009 Strategic project management	6
Unit 7010 Organisational change	7
Unit 7011 Strategic planning	9
Unit 7012 Human resource planning	8
Unit 7013 Being a strategic leader	7
Unit 7014 Strategic leadership practice	7

How to use the development guides

The development guides provide a critical commentary to the ideas of writers and thinkers in the management and leadership field. They offer opportunities for you to investigate and apply these ideas within your working environment and job role.

Structure

Each guide is divided into sections that together cover the knowledge and understanding required for the equivalent unit or units of the Chartered Management Institute Level 7 Strategic Management and Leadership qualifications.

Each section starts with a clear set of objectives linked to the learning outcomes of the qualification. You don't have to complete the sections in the order they appear in the guide (the mind map at the beginning of each guide will help you decide which sections and topics are of particular need or interest) but you should try to cover all sections if you are aiming for a full diploma qualification.

Activities

Throughout the guides there are activities for you to complete. These activities are designed to help you reflect on your own situation and apply your research to your organisation. Space and tables are provided within the activities for you to enter your own thoughts or findings, but in some cases you may choose to copy out the table or make notes in a separate notebook.

Timings

Timings are suggested for each activity to give you a rough idea of how long you should devote to them. They're not hard and fast and you must decide whether you will benefit from spending longer on some activities than stated.

SR

Supporting resources

The text of the guides is designed to provide you with an introduction to the subject and a commentary on some of the key issues, models and thinkers in the field. The activities are there to help provide a framework for your thinking. A key component of *Pathways Plus* (*Pathways Plus* because the development guides work together with the online supporting resources to provide an overall learning journey) is the list of references given throughout the text and at the end of each topic guiding you to the most appropriate supporting resources for you to explore yourself. These are marked with the symbol SR (as shown above).

You have the opportunity to select those resources that are of most interest or relevance to you and to use them as a source of guided research on a particular topic. Many of the supporting resources are immediately available by logging into CMI's online

P+

Student Resource Centre (SRC) or the CMI online management and leadership portal, ManagementDirect(MDir), whichever you have access to. These resources are marked in the reference list at the end of each topic with P+ standing for *Pathways Plus*. A button on the first page of the site (whether SRC or MDir) will take you straight to the list of supporting resources as listed in the *Pathways Plus* topics. When there, click on the title of your development guide, the section and the topic you're interested in and then click straight to the article, video, podcast, checklist, extract or report that you want to find.

For those resources that are not available through the CMI site, you will be directed to other sources (some also online) to reach what you need.

Preparing for assessment

Further information on assessment is available in the Student Guide produced as part of the *Pathways Plus* series. If you have any further questions about assessment procedures, it's important that you resolve these with your tutor or centre coordinator as soon as possible.

Further reading

You will find suggestions for further reading at the end of this guide as well as in the Student Resource Centre section of the Institute website at www.managers.org.uk/students.

Alternatively, email mic.enquiries@managers.org.uk or telephone 01536 207400.

SAMPLE MATERIAL

Introduction

Welcome to this development guide on strategic project management. It specifically focuses on the content of the specification for Unit 7009 *Strategic project management*.

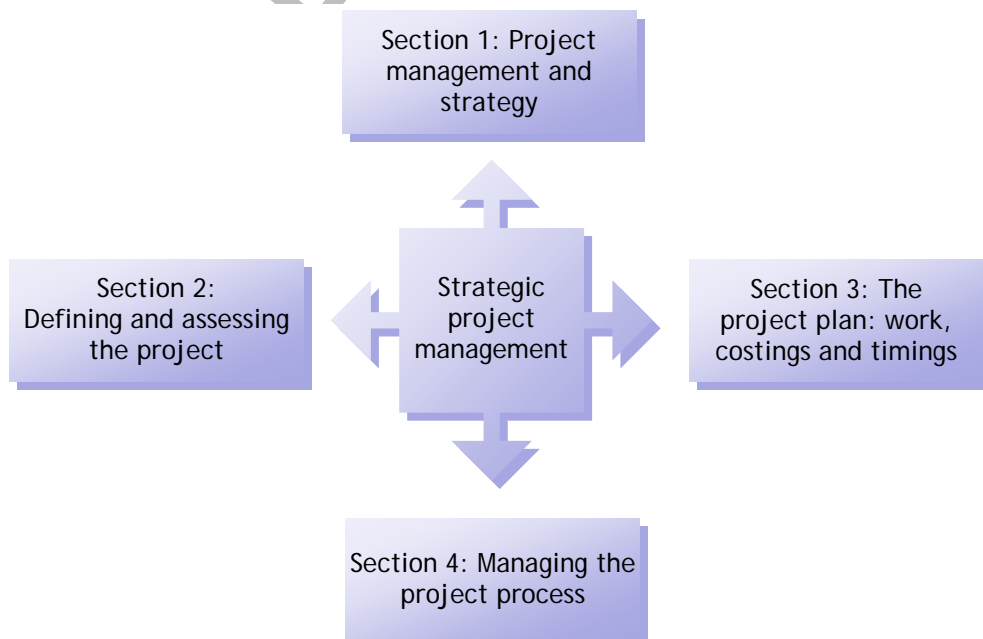
The guide will look at project management strategically. This means two things:

- Having a comprehensive project management methodology that can be used for your organisation.
- Emphasising how projects are there to develop and deliver strategic objectives.

Section 1 forms an introduction to the subject. You'll explore what strategic project management means and cover key features and characteristics associated with the project management process. Included are a consideration of the different types of projects and some key models of strategic project management.

In Sections 2, 3 and 4 you'll go through the key phases of the project management process, starting with initial planning via the project specification leading up to project feasibility. From there you'll explore three key aspects of project planning: task organisation, costings and scheduling. The final section looks at monitoring and control in terms of managing all aspects of project performance – from stakeholders and the project team to aspects of cost, time and other performance criteria.

Development guide mind map



Assessment

If you're studying for the Level 7 in Strategic Management and Leadership qualifications you will be assessed by your approved centre on your knowledge and understanding of the following learning outcomes:

Unit 7009:

- 1 Understand the impact of projects and project management on strategic objectives
- 2 Understand the elements of a project process and plan
- 3 Understand how to implement the project plan and evaluate the outcome(s)

SAMPLE MATERIAL

Section 1 Project management and strategy

Introduction

In this section you'll be introduced to some of the basic concepts and processes behind project management. You'll consider what project management is and what its basic characteristics are. You'll examine project management as a process and how this process links with and supports the strategy process. Indeed, a key part of this section will be a consideration of how and why projects should 'fit' into corporate strategy, and what can happen when they don't. Along the way, you'll meet a number of useful models which can help you with your project management.

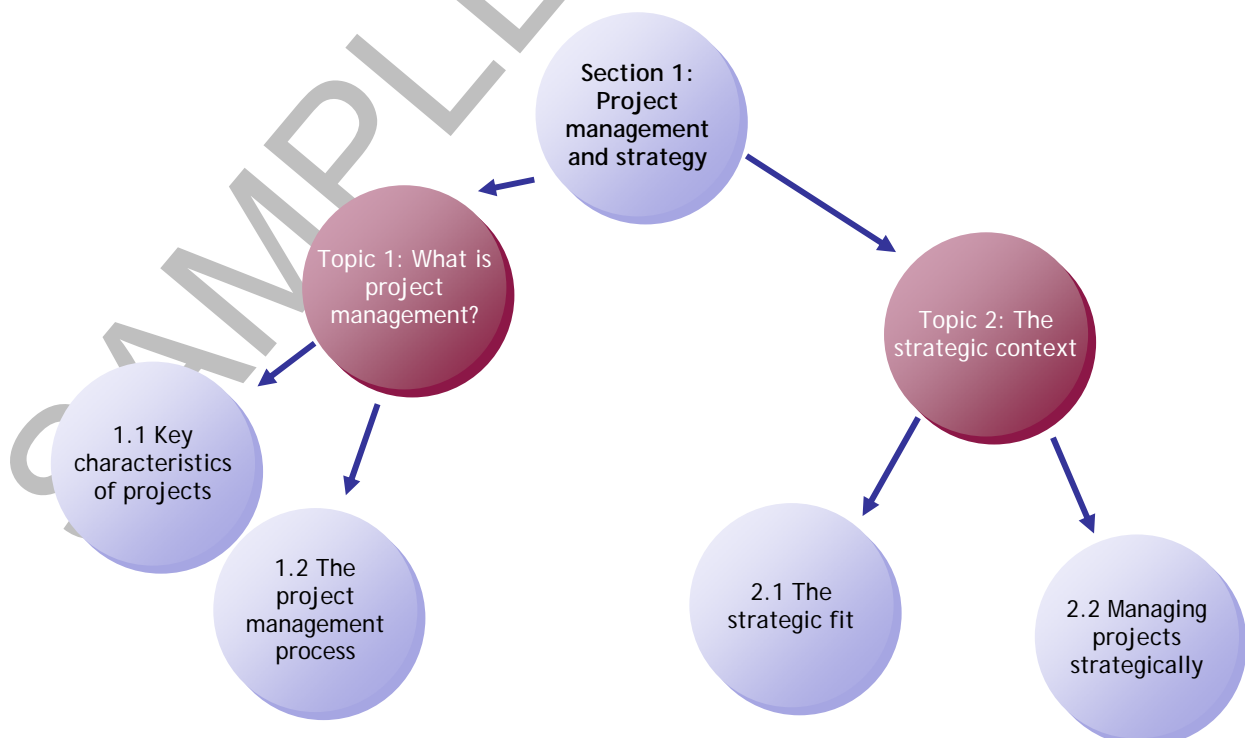
Learning outcomes

This section addresses the following learning outcomes:

- 7009.1 Understand the impact of projects and project management on strategic objectives
- 7009.2 Understand the elements of a project process and plan

Section mind map

There are two topics in this section as shown below. Check the subjects within each one and then continue with the areas you need to explore.



Topic 1: What is project management?

Introduction

At some point in your life you'll have been involved in a project – whether at school, home, in a voluntary capacity or at work. So what is a project and what is project management?

SR 1

Here's a useful definition of an (organisational) project by Young:

... a collection of linked activities carried out in an organised manner with a clearly defined start point and finish point, to achieve some specific results that satisfy the needs of an organization as derived from the organization's current business plans.

And now here's the CMI's definition of project management:

The co-ordination of resources to ensure the achievement of a project. Project management – also known as programme management – includes the planning and allocation of financial, material and human resources, and the organisation of the work needed to complete a project.

(A distinction may be made between 'project management' and project 'programme management' insofar as programme management allows multiple projects to be run concurrently and enables significant benefits to be generated by treating these projects as a collective.)

SR 1

Young's definition of (strategic) project management adds something extra to the one above:

... a dynamic process that utilizes the appropriate resources in a controlled and structured manner to achieve some clearly defined objectives identified as strategic needs.

Now you'll consider the key characteristics of projects and project management.

1.1 Key characteristics of projects

With reference to the definitions above, there are certain key features that strategic projects have:

- a beginning and end – so there's a timed aspect to it and it may be thought of as a 'one-off'
- a process aspect – it goes through stages to reach its end
- a requirement for resources – but in a controlled way
- the organisation of work activities – so task and team management is important

- links to specific objectives – has a systematic, planned aspect
- orientation to results – monitoring and control is therefore necessary
- change (and risk) – it's not a certain process as things may go well or go wrong, or things may emerge as you develop the strategy, needing ad hoc changes (see 'risk assessment' in Section 2, Topic 2)
- strategic focus – needs must be satisfied, namely stakeholder needs.

This final point serves to identify what makes a project strategic – when it's fundamental to the organisational purpose and direction.

Activity

Activity 1.1a

10 minutes

Think of one or two projects you've been involved with and check them off against each of the points made above to see if you agree with them. These characteristics form the basic elements of this unit.

Why carry out projects?

This may seem like a very obvious question to ask, but it's actually fundamental. People carry out projects for all sorts of ill-defined reasons. How many times have you heard remarks like this, or something similar?

- 'They've got the system so we ought to have it.'
- 'It's state-of-the-art.'
- 'There's money to spend.'
- 'Something's needed to change things round here.'
- 'The current system's out of date.'
- 'It'll revolutionise the industry.'
- 'It's my baby.'

SR 2

The fact is (and there's more about this in Section 2) a project is just as likely to fail as to succeed and one of the key reasons is the lack of the right reasons for carrying it out in the first place. Turner identifies the notion of 'beneficial change', or organisational performance improvement, as the purpose that must drive organisational projects, but this must be in a context where the benefits outweigh the costs. The diagram below explains this in terms of the project owner or project contractor interface.

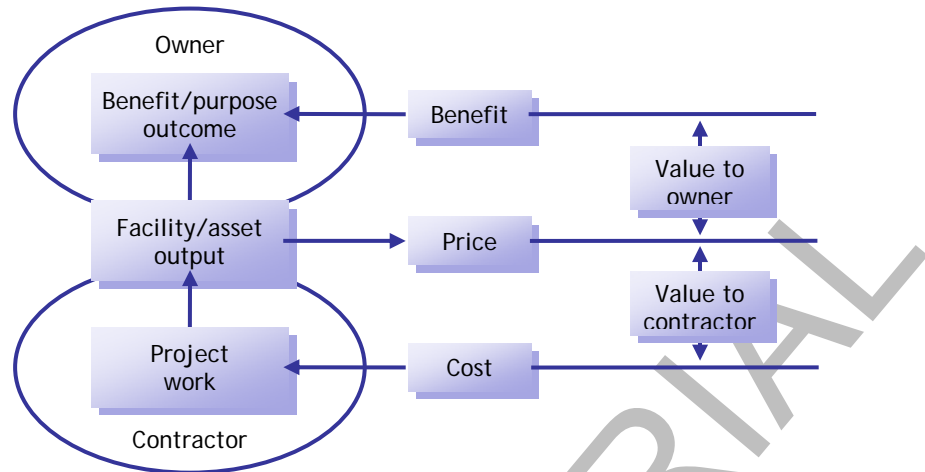


Figure 1.1a: The owner-contractor model
Source: Turner (2009)

There are two more important points to make about the reasons for projects at this stage:

- There are many different types of reasons for carrying out projects – from a process or procedural improvement to a change management initiative, from a service innovation to new product development, from solving a problem to adding value, but
- Whatever the reasons might be, they must have a strong strategic dimension. So, if you're using consultants to overhaul your disciplinary and grievance procedures, this action must be related to the improved effectiveness of the business in performing or competing in its organisational environment.

There's more about the strategic aspect of project management in Topic 2, and more about the quality of project definition after the following activity.

Activity

Activity 1.1b

15 minutes

Identify one or two projects you or your organisation has undertaken in recent times. Assess whether they were started for the right reasons in terms of improving organisational performance and linking to strategic objectives.

Identify what the wrong reasons were, as applicable.

Types of projects

There are different ways projects may be classified as follows:

- **Large or small projects:** In terms of cost, outcomes or duration, either in absolute terms or relative to the size of the organisation. The projects may deliver a strategy or simply be one small part of it.
- **Product or service projects:** A project may be based on new product development such as an innovative new electronic gadget or may be based around a new service such as an e-commerce facility.
- **Well-defined or poorly defined:** This was touched on above.

SR 2

In terms of well and poorly-defined projects, Turner uses what he calls a 'goals and methods matrix' to determine types of projects, and links it to how likely they are to succeed.

The diagram is a 2x2 matrix with 'Goals well defined?' on the horizontal axis and 'Methods well defined?' on the vertical axis. The quadrants are: Top-Left (No Goals, No Methods): Type 2 projects (Product development, Water); Top-Right (No Goals, Yes Methods): Type 4 projects (Research change, Air); Bottom-Left (Yes Goals, No Methods): Type 1 projects (Engineering, Earth); Bottom-Right (Yes Goals, Yes Methods): Type 3 projects (Systems development, Fire). A blue arrow labeled 'More likely to fail' points from the bottom-left towards the top-right. A blue arrow labeled 'More likely to succeed' points from the top-right towards the bottom-left.

Methods well defined?	No	Type 2 projects Product development Water	Type 4 projects Research change Air
	Yes	Type 1 projects Engineering Earth	Type 3 projects Systems development Fire
		Yes	No
		Goals well defined?	

Figure 1.1b: The goals and methods matrix
Source: Turner (2009)

- Type 1 projects are solid (earth) – well-defined in terms of both goals and methods, typical of engineering projects, and most likely to succeed.
- Type 2 are fluid (water) – well-defined in terms of goals, less so in terms of methods, typical of product development, where trial and error is needed to achieve success.
- Type 3 are projects that are easy to get burnt on (fire) – well-defined in terms of methods, but not so in terms of goals, typical of information systems projects.