MANAGING PROJECTS.

Checklist 035

» INTRODUCTION

The management of a project is recognised as distinct from steady-state management or business as usual. Traditionally, the focus of project management has been the completion of defined tasks or activities within given time constraints and cost limits with a defined resource, and delivering final outputs to the customer at the required standard of quality. In the 21st century organisations of all kinds are increasingly relying on projects to implement business strategy and deliver desired outcomes. Managers are being asked to take on the management of specific projects and deliver project outcomes alongside their ongoing job responsibilities and the ability to manage projects effectively has come to be seen as a key capability for managers. Managers responsible for projects need to draw on a wide range of skills including planning, budgeting, team leading, delegation and people management. They must also be able to manage relationships with project team members and stakeholders.

A range of specialist methodologies and techniques are used in the delivery of projects, Prince II being perhaps the most widely known. This checklist, however, provides a generic framework for undertaking a project and offers a synthesis of current practice, incorporating elements from various approaches to project management. It outlines the major steps in the life cycle of a project and gives practical advice on the process of initiating, scheduling, executing and evaluating a project.

» DEFINITION

Project management involves the co-ordination of resources to complete a project within planned time and resource constraints and to meet required standards of quality. It includes planning and allocation of resources and may make use of specialised management techniques for the planning and control of projects. Projects are usually considered successful if they meet pre-determined targets, complete the intended task, or solve an identified problem without exceeding time, cost and quality constraints.

The project sponsor is the person responsible for the project and accountable to the business for its success. He or she chairs the project board.

The project board is the guiding or steering body that sets the standard for the project and makes the required resources available. It also monitors the delivery of the project outcomes. At each project milestone the project board also decides whether the project remains viable or whether the situation has changed and any re-direction is needed.

The project manager is the person responsible for the day to day running of the project and leading the project team. He or she reports to the project board.

» ACTION CHECKLIST

1.   Define the objectives

Fundamental to the successful management of any project is a clear understanding of and agreement on certain factors by both the project sponsor and the project manager are.

These are:

› the aims and scope of the project
› the required outcome or result to be delivered
› dates and budgets for the completion of the project.

The lack of clearly stated project objectives and scope that are agreed and understood by all stakeholders will doom the project from the beginning. Time and resource may need to be given to this before making a final decision as to whether the project should go ahead and will be a cost-effective means of achieving organisational aims.

2. Appoint the project manager

The project manager must be someone who has a proven track record, can command the respect of a mix of people at different levels in the organisation, motivate them to action and get results. He or she should be able to:

› plan and communicate all aspects of the project
› create a work breakdown structure (WBS) clearly identifying the constituent tasks of the project
› identify the resource required to deliver the desired outcome by creating an organisation breakdown structure (OBS)
› designate the right people for the right task at the right time
› motivate with integrity, sensitivity and imagination
› gain trust and enhance productivity through shared decision-making
› lead both by example and by taking a back seat when appropriate
› monitor costs, efficiency and quality without excessive bureaucracy
› get things done right first time without being a slave-driver
› use both technical and general management skills to control the project
› see clear-sightedly through tangled issues
› have the ability to recognise and resolve risks and potential difficulties.

3. Establish the terms of reference

The terms of reference for the project should specify the objectives, scope, time-frames and initial scale of resource required and clearly identify project and payment milestones. They should also clarify any risks, constraints or assumptions already identified. It is important to make early allowances for cost escalation or plans veering off course, and to build in a level of contingency, such a safety margin and control measures to minimise this risk. This information should be incorporated into a Project Initiation Document. Further information on conducting a risk assessment for a project can be found in our related checklist. (See Additional resources below.)

4. Select and develop the project team

When assessing the resources needed to execute the project, personnel requirements should be at the forefront. If an existing team is to carry out the project, check whether they have the knowledge and skills needed. Is it necessary to second or appoint additional staff or to arrange training? If a new team is being brought together you will want to ensure that you have the right mix of skills and experience. Consider also Meredith Belbin's work on the roles played by different team members. See our related Management Model and Thinker (Under Additional resources below) for more on this.

Remember that it will take time for the members of a new team to develop good working relationships and start to perform at their best. (See our related model, Tuckman's stages of team development under Additional resources below and our related checklist on successful team building.) By monitoring how relationships are developing, keeping an eye out for potential problems, and taking action to pre-empt or

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resolve conflicts the project manager can create the right climate for the successful completion of the project. It is vital for responsibilities to be clearly allocated: this will avoid duplication of effort and reduce the potential for disputes over who does what.

5.   Determine the activities needed to create the component elements of the project

Having established what the project should achieve and drawn up a WBS, consider how to execute the work. Activities need to be sequenced so that they can be integrated into the final output of the project. The resources needed to achieve each element of the work should be identified as this will assist in drawing up schedules, taking into account the inevitable resource constraints. The resulting schedule (or Gantt chart – see Additional Resources below) then becomes the basis for implementation.

6.   Plan for quality

By planning for quality early in the project, major risks, costs and reputational damage can be avoided later in the lifecycle of the project. Planning for quality requires both paying attention to detail and ensuring that the project output or outcome does what it is supposed to, or is 'fit for purpose'. Planning for and assuring quality at every stage helps ensure that that the final output from the project is also of a suitable quality standard. Quality measures (systematic inspections against established standards) should be built into the process from the beginning, not later when things (may) have started to go wrong. Use the formula below:

Establish standards > Monitor performance > Take corrective action

This can run as a continuous sequence throughout the duration of the project. The key is to ensure effective quality assurance which acts preventatively rather than as a cure, and enables you to get things right first time.

7.   Plan costs

This is a key area, as the most frequent error in project management is the under-estimation of costs. Typical cost elements include:

›   staff time and wages - usually the most substantial cost item of all
›   overheads - employer on-costs
›   materials and supplies - the raw materials
›   equipment - the pros and cons of leasing or purchasing and the depreciation factor
›   administration - purchasing, accounting, record-keeping.

Among the enabling functions of good budgeting are the monitoring of costs while a project is in progress, and the setting of appropriate levels of contingency as described in (3) above.

8.   Set the project schedule

In order to calculate the shortest time (critical path) necessary to complete the project you need to know:

›   the earliest time a stage or unit can start
›   the duration of each stage
›   the latest time by which a stage must be completed

Gantt charts, Programme Evaluation and Review Techniques (PERT) and Critical Path Analysis (CPA) are popular project management techniques which can help with the effective prioritising and scheduling of activities.

9.   Monitor and report progress to stakeholders

Monitoring of in-progress costs, time-scales and quality is a vital factor and should be carried out constantly throughout the duration of the project. Quality is the hardest area to measure and, as such, is often at risk of neglect. The key point about monitoring progress is that reports must be accurate, timely and provide the right sort of management information to keep the project sponsor and other stakeholders fully informed. This will ensure that key decisions can be made when necessary.

The management of threats can have a strong bearing on the success of a project. Early identification of risks and problems can provide a basis for mitigation and, where required, for contingency planning, and cab help to ensure the delivery of successful projects.

10.   Deliver the output

Steps preceding the delivery of the project outcome may include the compilation of instructional documentation or training packages. The penultimate stage before project completion is ensuring that the outcome of the project is acceptable to the customer or sponsor. As customer, you should consider whether the report or other outputs will be understood by and acceptable to the intended audience, such as senior managers within the organisation who will have to sign off the project or agree to implement its recommendations.

11.   Evaluate the project

By building in a final stage of evaluation it is possible to gain a measure of the project's success, and see what lessons can be learned; ideally there should be evaluations after each major phase of a project. Once again, the three key areas for review are quality, time and costs. Others include:

›   staff skills gained or identified
›   mistakes not to be repeated
›   tools and techniques that were valuable
›   what should be tackled differently next time.

Organisations can benefit by developing a central resource containing project evaluations and lessons learned, although these documents need to be open and candid about failures as well as successes, if they are to be useful to the managers of future projects.

»   POTENTIAL PITFALLS

Managers should avoid:

›   taking too little time to clarify objectives, terms of reference and delivery schedule
›   forgetting to build in quality checks
›   failing to monitor and report on progress to all stakeholders
›   allowing the project to exceed time and budgetary limits
›   neglecting to monitor small changes and assess the possible implications
›   allowing 'project creep' whereby the scope of the project is allowed to expand without a clear decision making process.

»   ADDITIONAL RESOURCES

BOOKS

The project management book, Richard Newton
Harlow: Pearson, 2013

Effective project management, 2nd ed., John Carroll
Leamington Spa: In Easy Steps, 2012

Effective project management, Paul Roberts
London: Kogan Page, 2011
This book is available as an e-book**.**

Fast track to success: project management, Patrick Harper-Smith and Simon Derry
Harlow: Pearson, 2009
This book is also available as an e-book.

This is a selection of books available for loan to members from CMI's library. More information at:
www.managers.org.uk/library

JOURNAL ARTICLES

Heed the warning signs, Larry Bograd
Training Journal, Feb 2014, pp12-16

Getting the right people on the right projects, Julian Birkinshaw
Business Strategy Review, Fall vol 22 no 3 2011, pp 7-10

This journal article is available for members to download from CMI's library. More information at:
www.managers.org.uk/library

RELATED CHECKLISTS

088   Steps in successful team building
197   Participating in projects
235   Feasibility studies
241   Conducting a risk assessment for projects

RELATED MODELS

Project life cycle
Elbeik and Thomas's successful project requirements
Gantt chart
PERT diagrams
Belbin's team roles
Tuckman's stages of team development

RELATED TEMPLATES

Project management checklist
Project initiation document
Project plan
Project report
Project highlight report
Change control form

INTERNET RESOURCES

ProjectSmart: www.projectsmart.co.uk
Free British-based resource offering white papers and other resources.

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ORGANISATION

Association for Project Management
Ibis House, Regent Park, Summerleys Road, Princes Risborough, Bucks. HP27 9LE
Tel: 0845 4581944 Web: www.apm.org.uk

Major Projects Association
John Eccles House, Robert Robinson Avenue, Oxford, OX4 4GP
Tel: 01865 338070 Web: www.majorprojects.org

» **NATIONAL OCCUPATIONAL STANDARDS FOR MANAGEMENT & LEADERSHIP**

This checklist has relevance for the following standards:

- › Unit FA5 Manage projects
- › Unit DB1 Build teams
- › Unit DB2 Allocate work to team members

» **MORE INFORMATION**

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