



PDHonline Course P103D (12 PDH)

Basic Project Management

Instructor: William J. Scott, P.E.

2020

PDH Online | PDH Center

5272 Meadow Estates Drive
Fairfax, VA 22030-6658
Phone: 703-988-0088
www.PDHonline.com

An Approved Continuing Education Provider

PROJECT MANAGEMENT ASSOCIATES, INC

*2100 Southwinds Circle
Birmingham, Alabama 35244*

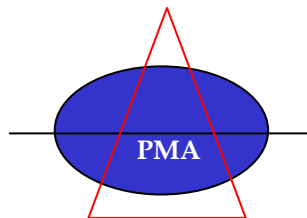
Presents

Basic Project Management

Via

WEB BASED LEARNING

Author: William J. Scott, PMP, PE



MODULE # 2:

Organizational Role Responsibilities for the Project Management Process
and How to Cope with Various People Problems.

Structuring

The Traditional Organizational Structure (Functional)

1. It is not processed focused.
2. It creates silos.
3. It is slow in response.
4. It is inflexible.
5. Power and communication flows vertically.
6. Work flows horizontally.

The Matrix Organizational Structure

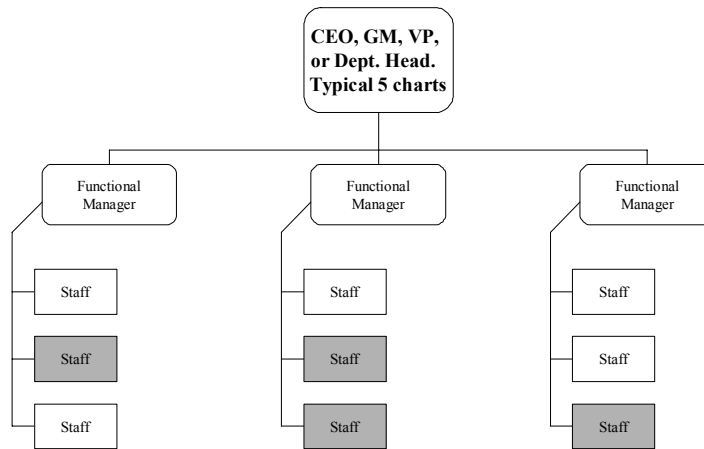
1. It is process and customer focused.
2. It promotes teamwork.
3. It is rapid response.
4. It is flexible.
5. Power, communication and workflow are aligned.


ORGANIZATIONAL CHARACTERISTICS

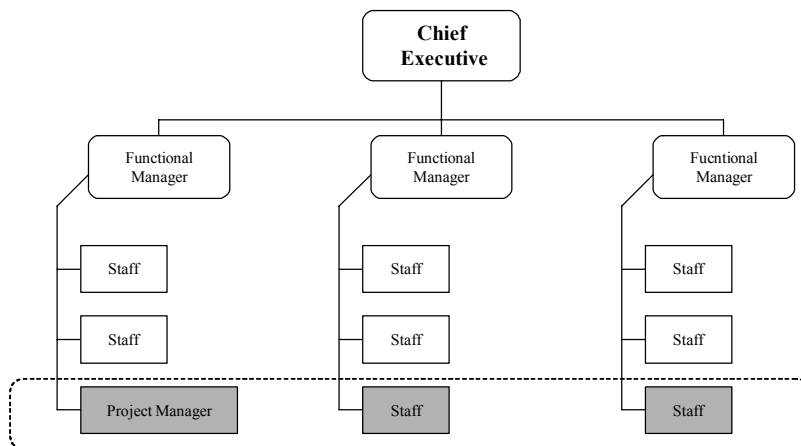
ORGANIZATION TYPE					
Project Characteristics	Functional	Matrix			Projectized
		Weak Matrix	Balanced Matrix	Strong Matrix	
Project Manager's Authority Level	Little or None	Limited	Low to Moderate	Moderate to High	High to Almost Total
Personnel Assigned Full-time to Project Work	Virtually None	0-25%	15-60%	50-95%	85-100%
Project Manager's Role	Part-time	Part-time	Full-time	Full-time	Full-time
Common Titles for Project Manager's Role	Project Coordinator/ Project Leader	Project Coordinator/ Project Leader	Project Manager/ Project Leader	Project Manager/ Program Manager	Project Manager/ Program Manager
Project Management Administrative Staff	Part-time	Part-time	Part-time	Full-time	Full-time


You can see from the above chart and the next five organizational charts how projects are handled in various types of organizations. The Project Manager's authority level, who is assigned to projects, the project manager's role, common titles for project managers and source and amount of support staff are also outlined. The "Functional Organization" is the traditional organization. The "Projectized Organization" executed the "Bolder Dam" type of projects. Remember one size does not necessarily fit all. You and your organization have to decide what's the right structure for your business.

Functional Organization



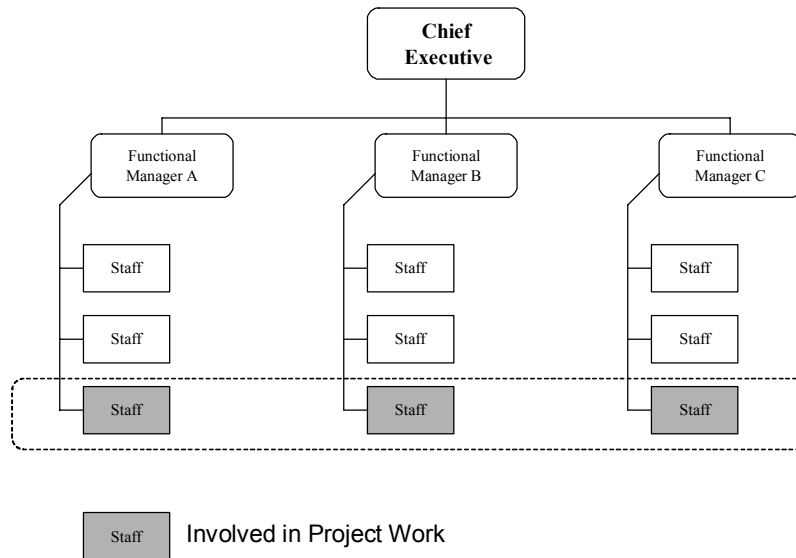
 Staff Involved in project work



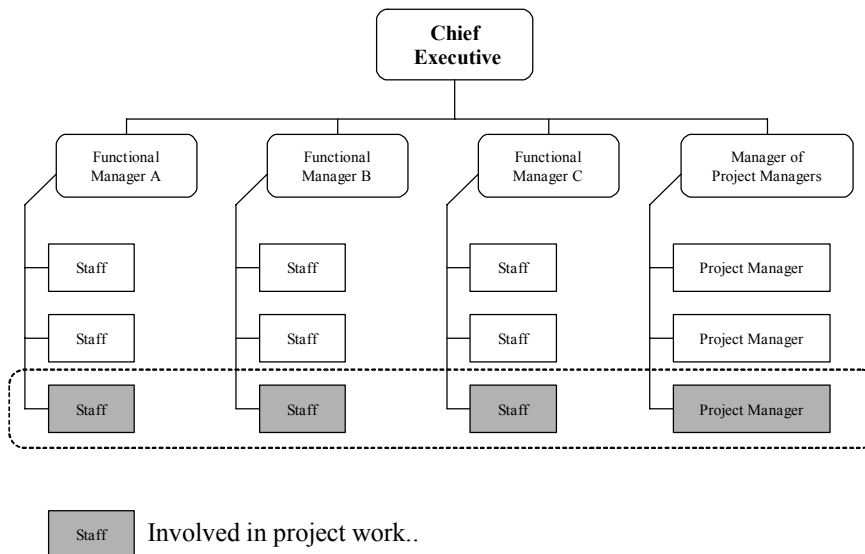
 Staff Involved in project work.

Weak Matrix Organization

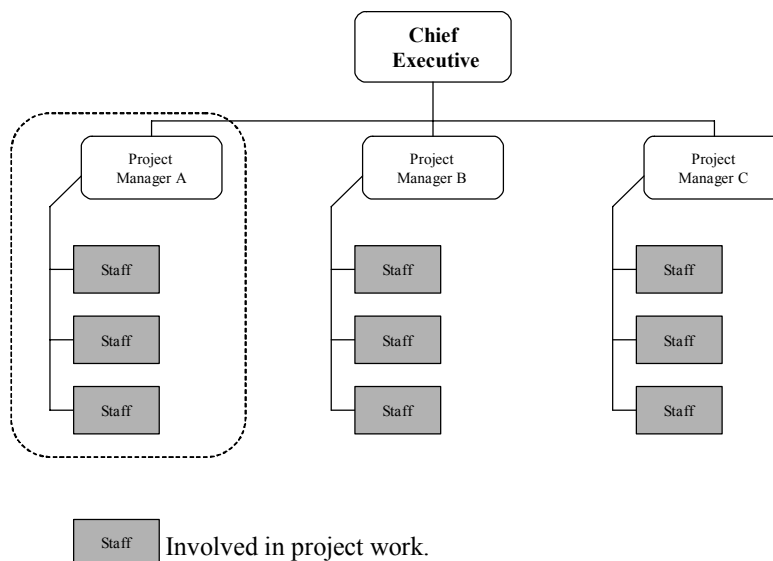
Balanced Matrix Organization



Strong Matrix Organization



Projected Organization



Role Responsibilities

Top Management (CEO, VP, GM, Directors)

1. Provides overall vision, policy, standards, mission definition, objectives and strategy.
2. Empowers others with authority to perform.
3. Approves and shows support for The Project Management Process.
4. Assures adequate resources are available to support objectives.
5. Sets priorities.
6. Resolves conflicts.

Functional Managers:

These people always think they are losers when a Project Management System is initiated. But, nothing really changes for them. They still decide who does the work, how the work gets done, etc. They also:

1. Retain direct line authority over employees while functioning as a supplier to the Project Management Process.
2. Set functional standards.

3. Are **RESPONSIBLE** for who, how, and how well the project sub-tasks are performed.
4. Empowers the project team members.
5. Assures that the team members obtain technical and resource assistance when it is needed.

So, other than not being the project manager, what has really changed for the functional manager? Nothing really.

Project Manager (Leader)

1. Is the single focal point interface and commitment to the customer.
2. Functions as the initiator and integrator of the total Project Management System and project process.
3. Initiates the process of planning and controlling of the project assignment.
4. Establishes customer/supplier partnerships.
5. Negotiates and contacts with all suppliers and customers (internal and external).
6. Manages by contract (hopefully written).
7. Accomplishes the project contract objectives.
8. Measures and reports performance.
9. Manages change.

The Project Manager

1. Is, without exception, accountable for everything pertaining to the project.
2. Assures the clarity and documentation of role responsibility (contract) for all functional groups (suppliers) and each of its members.
3. Is responsible for the project's technical and economical progress and end results.
4. Strives to increase customer satisfaction through performance and relationships.
5. Tries continuously to enhance technical and schedule performance, and to reduce cost.
6. Makes certain that interpretation and changes to all agreements are adequately documented.
7. Knows and acts upon all opportunities and threats to the projects.

Project Team Members

1. They divide the project work into discrete and manageable pieces.
2. Each team member is responsible for and manages their piece of the total project.
3. Everyone is a customer and everyone is a supplier in the process.
4. Everyone is involved in change.
5. Everyone is a change manager.
6. Everyone is, therefore, a project manager for their part.

An Effective Project Manager Must:

1. Function as a project general manager with full P&L accountability.
2. Identify and quantify all potential risks, identify what we do not know and establish contingency plans.
3. Maintain a “Helicopter View” of the project while having the ability to “bore into” any details...to question and challenge.
4. Be able to delegate and to know when to call on experts.
5. Be able to relate well to all people.... customers, superiors, and subordinates.
6. Have a strong personal sense of commitment to safety, quality, schedule and cost performance.

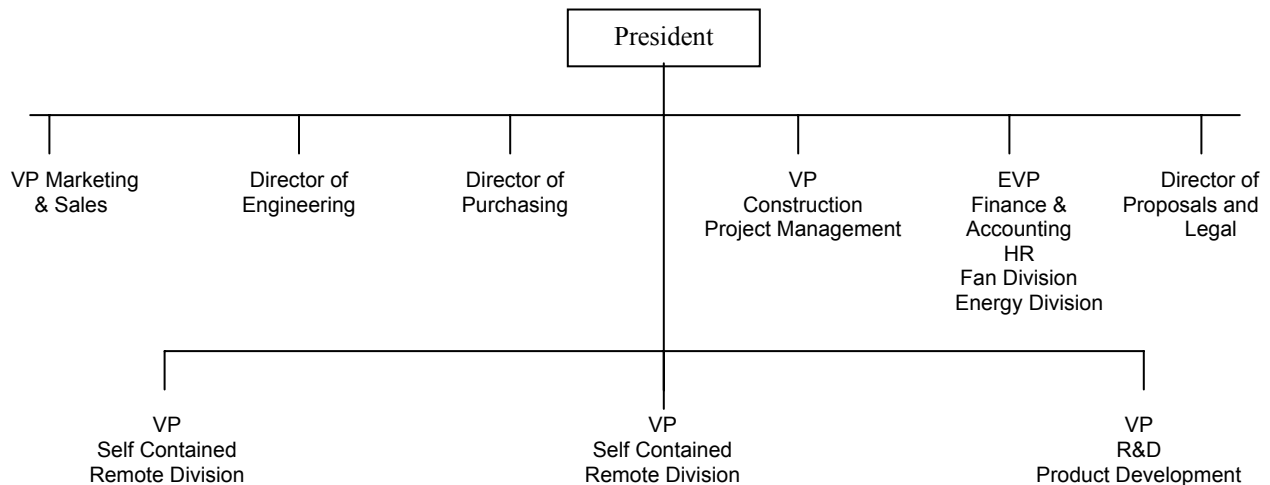
An Effective Matrix Manager Must:

1. Develop a willingness to confront and openly discuss differences.
2. Does not try to force his/her ideas on matrix colleagues.
3. Avoids overuse of appeals up the chain of command to settle differences.
4. Remembers that the objective of the matrix is to obtain optimum decisions in the face of competing interests.
5. Represents his/her point of view with clarity and vigor, listen carefully to others.
6. Concentrates on developing collaborative relationships with his/her matrix colleagues.

Structuring: XYZ Organizational Structure

I reported for work on Monday morning, it was my first day as President of XYZ Company in Houston, Texas. After I was shown my office, I took a tour of the facilities, was introduced to the employees and my staff.

After all the hoopla died down, I took out the company’s organizational chart and studied it. It was a typical functional organization, which looked like:



I immediately saw three things wrong with the above organizational structure (I had significant previous experience within this industry.)

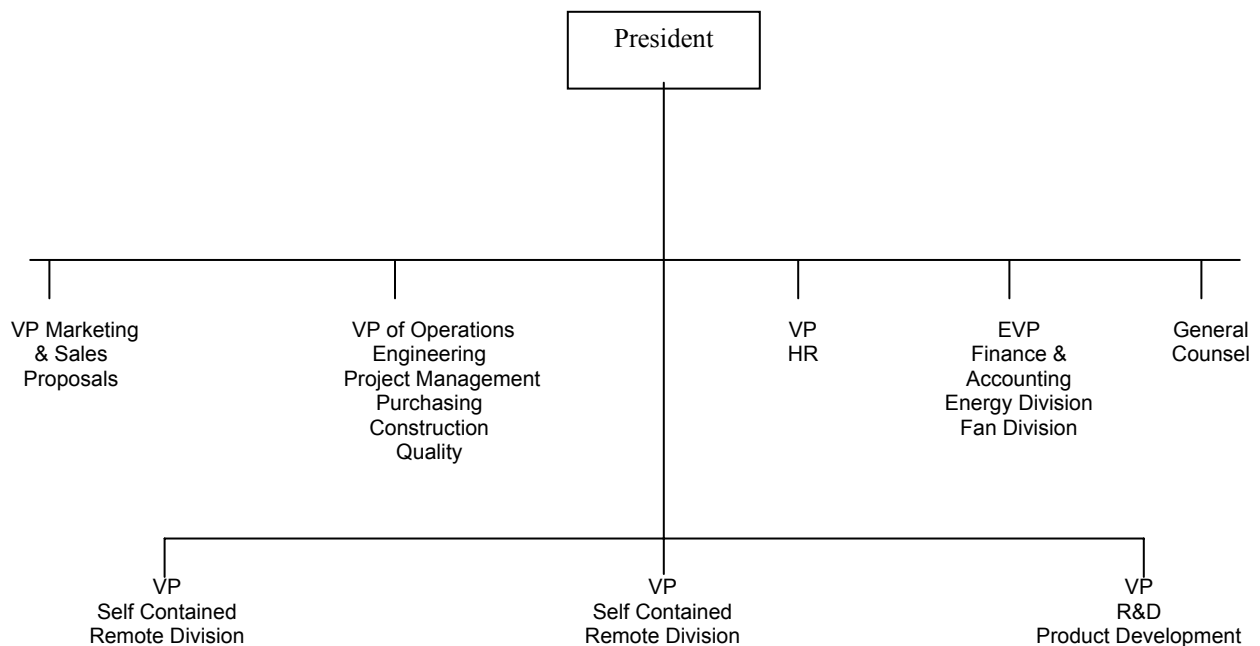
What do you think I saw?

The first thing was that HR was buried deep within the financial organization. This was extremely unusual. I had always felt that people were one of our key resources and that HR's function always needed to report to the very top. So, I took HR out of Finance and made the HR manager a director and had him report to me.

The second thing I saw was that marketing, sales and proposals were fragmented. Most of the time it took a combination of marketing, sales, proposals, and sometimes engineering, project management, purchasing, etc., to work as a team to secure an order. The way the current structure was, the only person accountable for all of those activities was I, the company President. While I was very used to being accountable for all that goes on within the company (whether I knew about it or not), I was uncomfortable not having one person I could delegate these responsibilities to and give them the authority to book new business.

So, I moved proposals under the VP of Marketing and Sales and made him accountable to me to book new business per the business plan.

The third area that drew my attention was the lack of an "Operations Group" (accountable for executing the new business that marketing/sales/proposals brought in. So, I combined project management, purchasing, engineering, construction and created a quality function and called this group "Operations." I hired an outside person to become VP of Operations, and I also hired a General Counsel. The new organization looked like:



Accountabilities and Responsibilities were rearranged as follows:

Now accountable for orders:
President and VP Marketing/Sales/Proposals

Now accountable for execution:
President and VP of Operations

Now accountable for HR:
President and VP of HR

Now accountable for Legal:
President and General Counsel

Now accountable for Finance/Accounting:
President and EVP Finance/Accounting

MANAGING CONFLICT

Conflicts and disagreements will invariably arise during project process implementation. If we are aware of the major causes of disagreements, there is a greater likelihood that the detrimental aspects of these potential conflict situations can be avoided or at least minimized. Major contributions to project conflict are:

1. **TEAM DIVERSITY**
The greater the diversity of expertise on the team, the greater the potential for conflict.
2. **PERCEIVED POWER**
The lower the perceived power of the Project Manager to reward and penalize, the greater the potential for conflict.
3. **UNCLEAR OBJECTIVES**
The less the customer's requirements are understood, the greater the potential for conflict.
4. **ROLE AMBIGUITY**
The greater the role ambiguity plays among the team, the greater the potential for conflict.
5. **OWNERSHIP**
The less the agreement on team member objectives, the greater the potential for conflict.
6. **SELF-INTEREST**
Often, the more that the functional team members perceive that the implementation of a project management process will change their traditional roles, the greater the potential for conflict.
7. **LEVEL OF INDEPENDENCE**

The lower the need for interdependence among the organizations supporting the project, the greater the potential for conflict.

8. **POLITICS**

- a. The higher the managerial level within the project or functional area, the more likely it is that conflicts will be based on deep-seated political and territorial issues.
- b. The higher the professionalism within the team, the less likely it is that conflict will occur.

MODES FOR HANDLING CONFLICT

1. **CONFRONTATION**

Facing the conflict directly in a non-threatening way and involving a problem solving approach whereby the affected parties work through their disagreements.

2. **COMPROMISING**

Bargaining and searching for solutions that bring some degree of satisfaction to each of the parties in dispute (Characterized by a 'give and take' attitude, or Win-Win).

3. **FORCING**

Exerting one's viewpoint at the expense of another (Often characterized by competitiveness and Win-Lose).

4. **WITHDRAWAL**

Retreating or withdrawing from an actual or potential disagreement (Lose-Lose).

5. **SMOOTHING**

De-emphasizing or avoiding areas of difference and emphasizing areas of agreement.

By conscientious use of confrontation and compromising techniques, the conflict usually result in a consensus. Group consensus means that every participant can "buy-into" (live with) the decision, it does not mean that everyone believes the solution is the best, or the optimum, but that everyone is at least somewhat satisfied.

PRORITIES IN CONFLICT RESOLUTION ARE:

1. Impact on project performance must be the **FIRST** priority.
2. Always try confrontation first and compromise only if agreement cannot be reached by confrontation.
3. Conflict should be dealt with at the **LOWEST** possible level.
4. If there is a significant project performance issue, higher level authority should be used, if **and only if**, the conflict cannot be resolved at the lower level.
5. If there is no significant impact, compromise or withdrawal are acceptable solutions.

PROJECT ORGANIZATION AND DAILY ACTIVITIES

1. Clearly define the roles/responsibilities of the project leader and each of the team members.

2. Have someone in charge of building the project right and someone else in charge of building the right thing. These are two different functions.
3. Make it easy for team members to communicate problems. The earlier problems are identified and solved, the better.
4. Close problems quickly. Keep them at the lowest level.
5. Treat all team members with equality.
6. Meet the requirements for the project. Do it well and do it on time!
7. Schedule project review meetings on Tuesday, Wednesday or Thursday, never on Monday or Friday, which are high traffic days.
8. Reward good performance.
9. Behave as if you have the authority to match your responsibility. After all, when was the last time you were reprimanded for exceeding your authority?
10. Forget consensus and democracy. Be a benevolent dictator. You get further with a kind word and a sword than a kind word alone. Don't be too soft.
11. Do not escalate issues until the team has failed to resolve them.

ROLE AND RESPONSIBILITIES – BIDDING **PROJECT MANAGER AND PROJECT ENGINEER**

Project Manager

1. Provides customer/sales with standard specifications, engineering packages, commercial terms, etc.
2. Responds to all customer/sales questions.
3. Ensures that key meetings with customer are documented.
1. Chairs all internal meetings and documents.
2. Coordinates all bid preparation activities

Project Engineer

1. Assembles engineering package.
1. Answers technical questions.
2. Provides budget estimates.
3. Prepares preliminary Bill of Material.
4. Participates in all meetings.

ROLE AND RESPONSIBILITIES – CONTRACT EXECUTION **PROJECT MANAGER AND PROJECT ENGINEER**

Project Manager

1. Single focus point for all project execution activities.
2. Reviews contract for acceptance (doable, schedule, commercial, etc.)
3. Acknowledges order.
4. Chairs internal kickoff meeting.
5. Coordinates customer kick off meeting.
6. Drives overall project schedule.

Project Engineer

1. Focal point for all technical issues.
2. Reviews contract for technical compatibility.
3. Drives engineering schedule.
4. Prepares Bill of Material.
5. Coordinates technical review of purchase packages.

7. Controls cost.
8. Prepares final forecast.
9. Chairs periodic project meetings:
 - ~ Status.
 - ~ Problem solving.
10. Prepares reports for management.

PROBLEMS THAT PROJECT MANAGERS HAVE TO DEAL WITH ON A ROUTINE BASIS ARE:

1. High work loads and time management.
2. Staff inexperience
3. Lack of correct information
4. Lack of qualified scheduling staff.
5. An ineffective Project Management System (real time cost and schedule data).
6. Client relations.
7. Communications.
8. What was sold/promised.
9. Scope change management.

THE PROJECT MANAGER MUST ALWAYS:

1. Ensure team members work together to understand all of the customer's needs.
2. Listen to and hear the members to best understand and use their strengths.
3. Ensure team members feel a sense of involvement and ownership.
4. Ensure that each team member clearly knows what is expected of them.
5. Provide consistent information and encourage sharing and coordination.
6. Provide clean, clear and timely progress feedback.
7. Establish both the mechanics and dynamics to reward performance or correct failure.
8. Make decisions and resolve conflicts where circumstances require.
9. Pitch in and personally help when things get rough.
10. Be firm, but fair and truthful, even when it hurts.

INFLUENCING AND MOTIVATING BEHAVIOR
In order for Project Managers to do their best, they:

1. Must know what they are supposed to do, preferably in terms of an end product.
2. Must have a clear understanding of what their authority is and of its limits.
3. Must know their relationship with other people within the organization.
4. Should have real time feedback as to how they are doing.
5. Must be shown concrete evidence that there are just rewards for work well done.
6. Should know where and when they are falling short.
7. Must be made aware of what can and should be done to correct unsatisfactory results.
8. Must feel that **their** managers have an interest in them as individuals.

9. Must feel that **their** managers believe in them, trust them, have high expectations of them, and are anxious for them to succeed and progress.

Company Software Purchase – TeamWork
Not Sizing Someone Else’s Tiger
(Based on a true story)

I was the general manager of an industrial drying company in Tennessee several years ago. It was during that time that most businesses were beginning to embrace the computer and word processing.

One day, my secretary came into my office and told me I needed to make a decision on the type of word processing software package the company should use and standardize on. Since I was not computer, word-processing or software literate at the time, I thought she was kidding or talking to someone else. When I looked around and saw that no one else was behind me, it dawned on me that she was talking to me.

I asked her, why me? I told her that I was probably the least qualified person in the building to make this decision.

My secretary told me that since the company intended to standardize on the software package and this decision spanned multiple departments, only I could make this decision.

I again explained that I didn’t know one software package from another and that surely there was someone else better qualified to make this decision. As she shook her head no, a thought came to me.

So I told her why don’t you get all the users together, you chair the meeting and let the people who will have to make it work and use it daily make a recommendation for me to “approve”.

I knew that if the people who had to make the software work and use it on a daily basis made this decision, it could never turn out to be the wrong decision. Those people would make the software package they chose work and using it and they would feel good about being involved in the decision.

So the group got together and discussed the pros and cons of the various choices. They considered technical, commercial and cost. They recommended we buy and standardize on Word Perfect. I, of course not knowing any better, approved the decision and away we went.

Now, as time has passed, it has become obvious that while Word Perfect was not the correct long-term solution, at the time it was the correct short-term solution. In addition, we had a happy set of secretaries and administrative assistants who never badmouthed Word Perfect, no matter how difficult it turned out to be. They always made it work with a smile on their face

When people have a say in the decision and you get their “buy in”; the decision hardly ever turns out “wrong”.