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MIDOCEAN
UNIVERSITY
BY EVERYONE'S SMART UNIVERSITY

Overview of Project Management

Lecture 2

PMG 101

Foundations of Project Management

Learning Objectives

- Project Life Cycle.
- Important concepts.
- Understand the process of managing stakeholder engagement and how to use an issue log effectively.
- Explain methods for controlling stakeholder engagement.

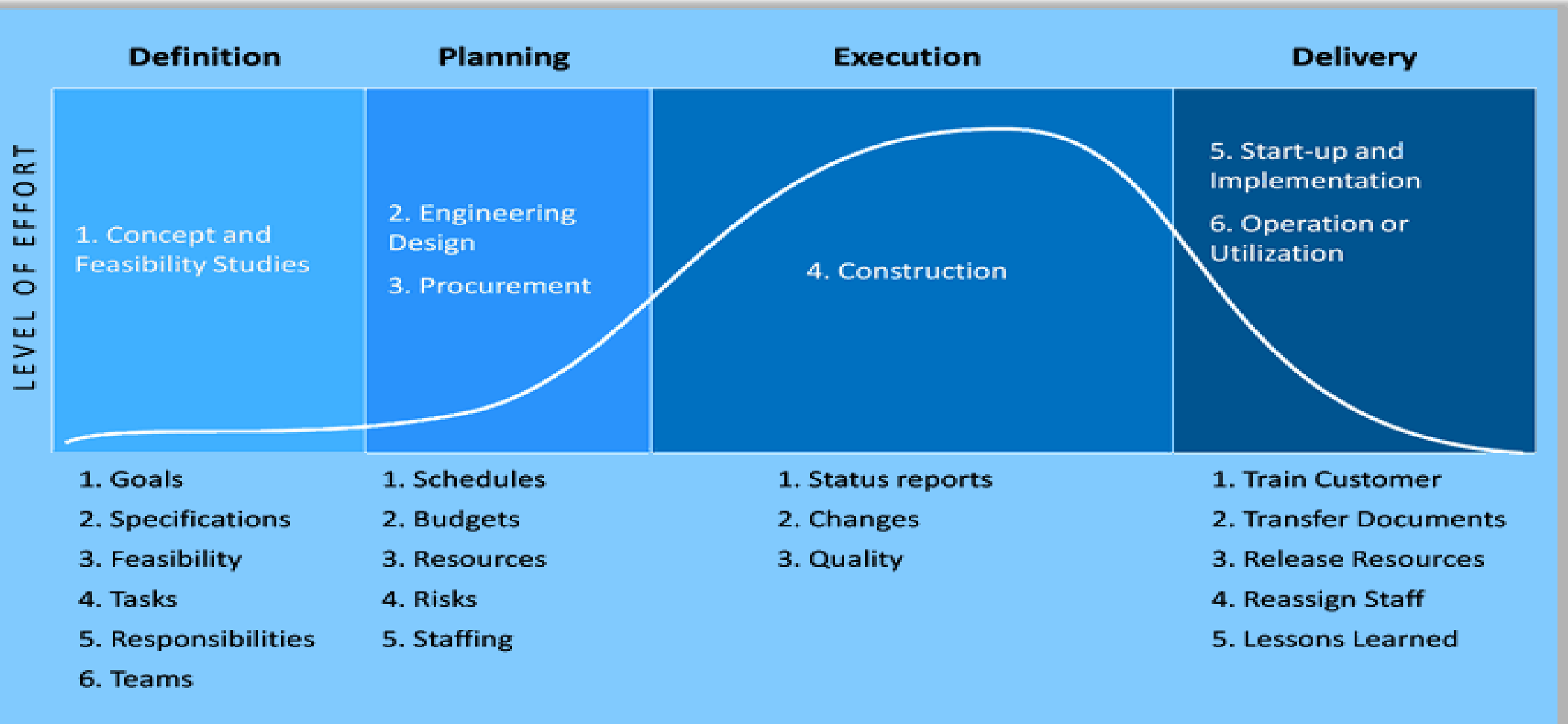
Project Life Cycle

like organic entities, projects have life cycles. From a slow beginning they progress to a buildup of size, then peak, begin a decline, and finally must be terminated. Some projects end by being phased into the normal, ongoing operations of the parent organization.

A standard **project** typically has the following four major phases (each with its own agenda of tasks and issues): initiation, planning, implementation, and closure. Taken together, these phases represent the path a **project** takes from the beginning to its end and are generally referred to as the **project “life cycle.”**

PROJECT LIFE CYCLE

Phases of the Project Life Cycle



Important concepts

1. Overlapping of Activities

Projects often interact with other projects being carried out simultaneously by their parent organization; but projects always interact with the parent organization's standard, ongoing operations. Although the functional departments of an organization (marketing, finance, manufacturing, and the like) interact with one another in regular, patterned ways, the patterns of interaction between projects and these departments tend to be changeable.

Marketing may be involved at the beginning and end of a project, but not in the middle. Manufacturing may have major involvement throughout. Finance is often involved at the beginning and accounting at the end, as well as at periodic reporting times. The project manager must keep all these interactions clear and maintain the appropriate interrelationships with all external groups.

2. Conflict

More than most managers, the PM lives in a world characterized by conflict. Projects compete with functional departments for resources and personnel. More serious, with the growing proliferation of projects, is the project versus project conflict for resources within multi-project organizations. The members of the project team are in almost constant conflict for the project's resources and for leadership roles in solving project problems.

3. Delivery and deliverables

There is a word that project managers and people involved regularly in projects use all the time; it is delivery. **Delivery** in the context of projects simply means getting the things done you set out to do. The role of a project manager is therefore to deliver the project.

Deliverables are what is delivered by a project, deliverables from the respective projects are such as a new house, a new computer system or a new product. In a project the deliverables wanted are defined at the start of the project, and your success as a project manager is in delivering them in the planned time and to the expected cost.

4. Project dependencies

Every project has dependencies, which is defined as the “relationships between products or tasks”, i.e., tasks that require input from other tasks to be completed, or activities that can’t start until a previous activity is done. There are often several sequences to a task, and they’re all dependent on each other.

There are four types of dependencies in project management which define the relationships between tasks:

Finish-to-Start – the first task needs to be completed before the second task can start.

Finish-to-Finish – the second task can't be completed until the first task has been done.

Start-to-Start – the second task can't commence until the first task has started.

Start-to-Finish – the first task has to start before the second task can be completed.

5. Stakeholders

A project is successful when it achieves its objectives and meets or exceeds the expectations of the stakeholders. A stakeholder is a party that has an interest in a company and can either affect or be affected by the business. The primary stakeholders in a typical corporation are its investors, employees, customers, and suppliers. However, with the increasing attention on corporate social responsibility, the concept has been extended to include communities, governments, and trade associations.

NOTE: Key stakeholders can make or break success of a project. Even if all the deliverables are met and the objectives are satisfied, if your key stakeholders aren't happy, nobody's happy.

Key stakeholders like top management which may include the president of the company, vice-presidents, directors, division managers, the corporate operating committee, and others. These people direct the strategy and development of the organization.

Politics of Projects

Many times, project stakeholders have conflicting interests. It's the project manager's responsibility to understand these conflicts and try to resolve them. It's also the project manager's responsibility to manage stakeholder expectations. Be certain to identify and meet with all key stakeholders early in the project to understand all their needs and constraints. Project managers are somewhat like politicians. Typically, they are not inherently powerful or capable of imposing their will directly on coworkers, subcontractors, and suppliers. Like politicians, if they are to get their way, they must exercise **influence** effectively over others. On projects, project managers have direct control over very few things; therefore, their ability to influence others – to be a good politician – may be very important.

Importance of Project Stakeholder Management

Stakeholder management is so important to project success.

The purpose of project stakeholder management is to identify all people or organizations affected by a project, to analyze stakeholder expectations, and to effectively engage stakeholders

Projects Often Cause Change

- Projects often cause changes in organizations, and some people may lose their jobs when a project is completed. Project managers might be viewed as enemies if the project resulted in job losses for some stakeholders
- By contrast, they could be viewed as allies if they lead a project that helps increase profits, produce new jobs, or increase pay for certain stakeholders
- In any case, project managers must learn to identify, understand, and work with a variety of stakeholders.

Project Stakeholder Management Processes

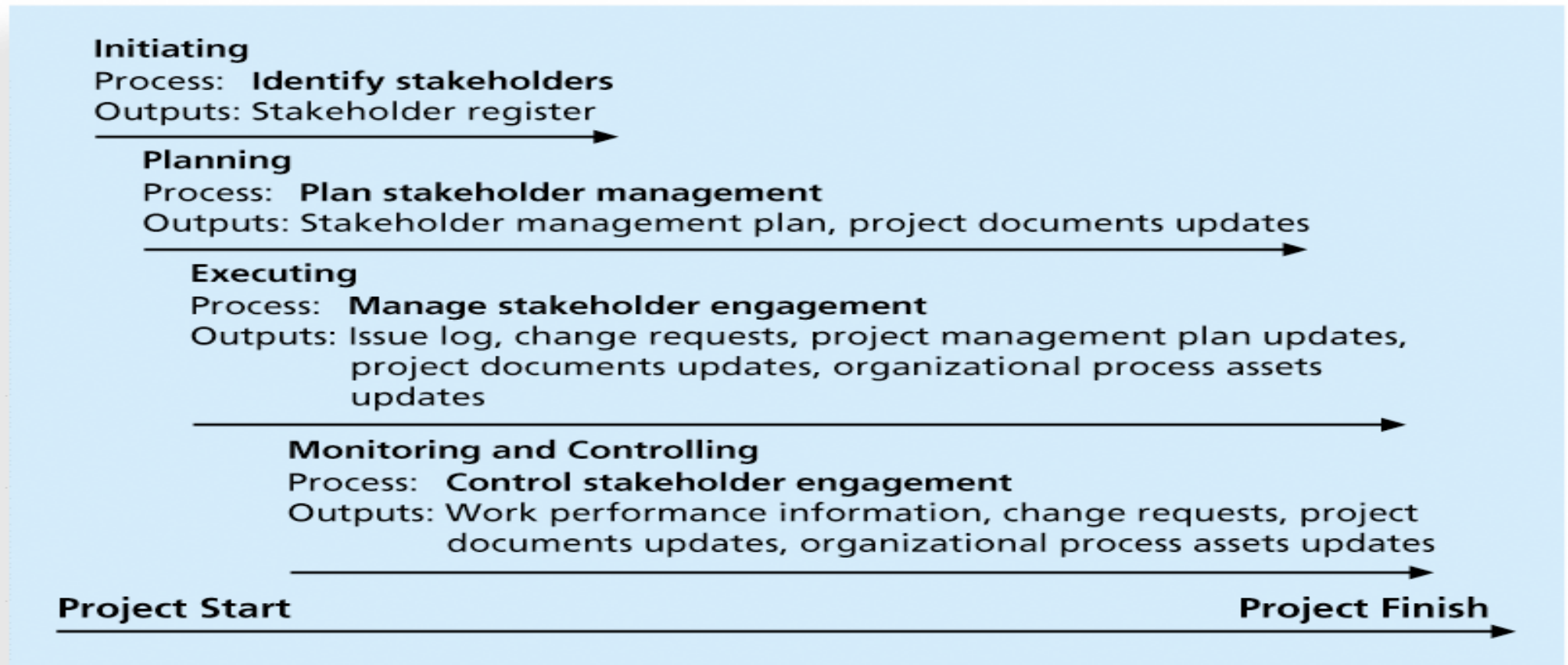
Identifying stakeholders: Identifying everyone involved in the project or affected by it and determining the best ways to manage relationships with them.

Planning stakeholder management: Determining strategies to effectively engage stakeholders.

Managing stakeholder engagement: Communicating and working with project stakeholders to satisfy their needs and expectations, resolving issues, and fostering engagement in project decisions and activities.

Controlling stakeholder engagement: Monitoring stakeholder relationships and adjusting plans and strategies for engaging stakeholders as needed.

Figure 1. Project Stakeholder Management Summary



1. Identifying Stakeholders

Internal project stakeholders generally include the project sponsor, project team, support staff, employees, and internal customers for the project. Other internal stakeholders include top management, other functional managers, and other project managers.

External project stakeholders include the project's customers (if they are external to the organization), competitors, suppliers, and other external groups that are potentially involved in the project or affected by it, such as government officials and concerned citizens.

Stakeholder Register

A stakeholder register includes basic information on stakeholders:

- Identification information: The stakeholders' names, positions, locations, roles in the project, and contact information.
- Assessment information: The stakeholders' major requirements and expectations, potential influences, and phases of the project in which stakeholders have the most interest.
- Stakeholder classification: Is the stakeholder internal or external to the organization? Is the stakeholder a supporter of the project or resistant to it?

Table 1. Sample Stakeholder Register

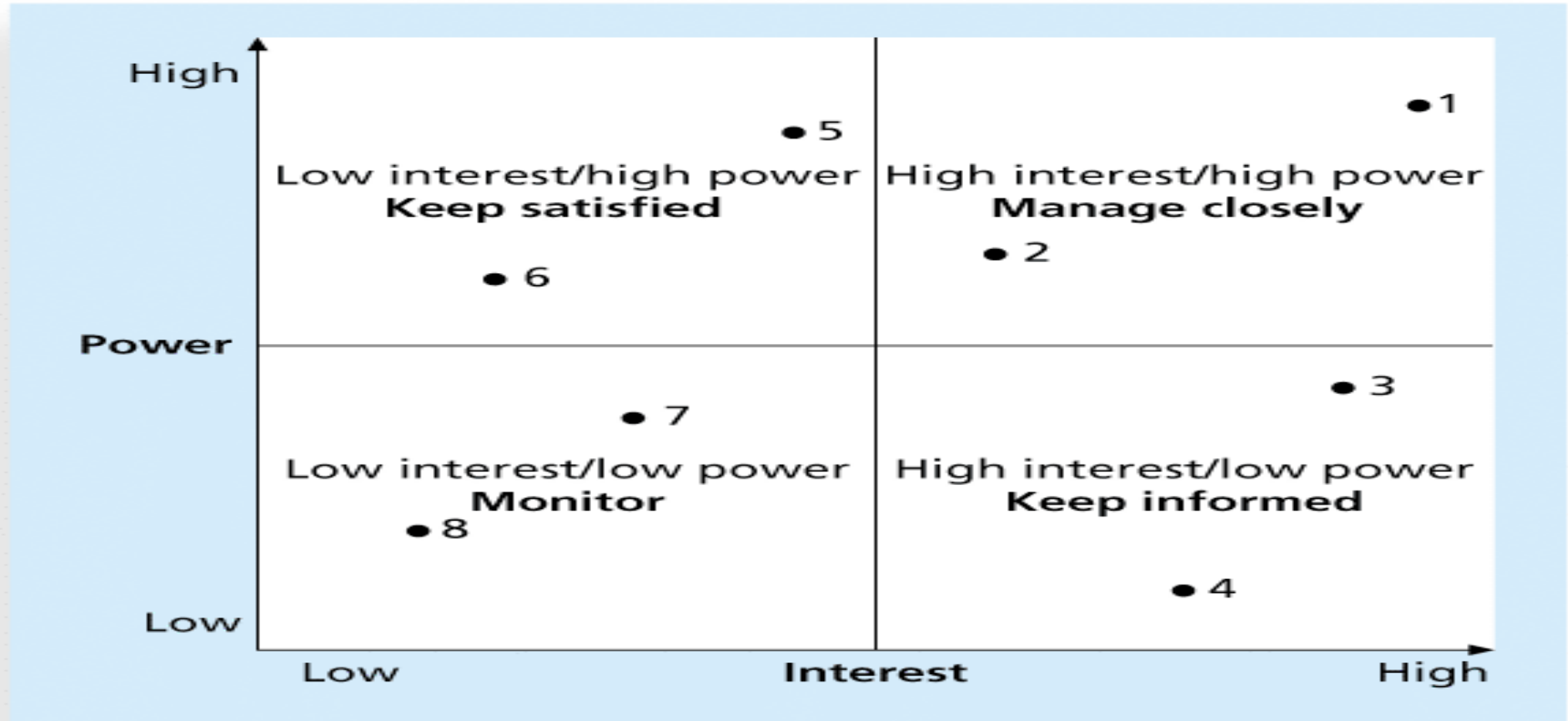
Name	Position	Internal/ External	Project Role	Contact Information
Stephen	VP of Operations	Internal	Project sponsor	stephen@globaloil.com
Betsy	CFO	Internal	Senior manager, approves funds	betsy@globaloil.com
Chien	CIO	Internal	Senior manager, PM's boss	chien@globaloil.com
Ryan	IT analyst	Internal	Team member	ryan@globaloil.com
Lori	Director, Accounting	Internal	Senior manager	lori@globaloil.com
Sanjay	Director, Refineries	Internal	Senior manager of largest refinery	sanjay@globaloil.com
Debra	Consultant	External	Project manager	debra@gmail.com
Suppliers	Suppliers	External	Supply software	suppliers@gmail.com

Classifying Stakeholders

After identifying key project stakeholders, you can use different classification models to determine an approach for managing stakeholder relationships.

A **power/interest grid** can be used to group stakeholders based on their level of authority (power) and their level of concern (interest) for project outcomes.

Figure 2. Power/Interest Grid



Stakeholder Engagement Levels

Unaware: Unaware of the project and its potential impacts on them.

Resistant: Aware of the project yet resistant to change.

Neutral: Aware of the project yet neither supportive nor resistant.

Supportive: Aware of the project and supportive of change.

Leading: Aware of the project and its potential impacts and are actively engaged in ensuring the success of the Project.

What Went Right?

- Instead of just saying “no” when your project sponsor asks for something unreasonable, it is better to explain what is wrong with the request and then present a realistic way to solve the problem at hand.
- For example, Christa Ferguson, a project portfolio manager and independent program manager in San Francisco, described how she handled a request from a project sponsor to deliver a new tablet device in two months when she knew she would need more time. Based on her experience, she knew the request for quotation (RFQ) for the effort alone would take almost a month. Christa quickly researched the facts to propose a realistic delivery schedule.
- The project sponsor reset expectations once he learned what it took to produce the tablets.

2. Planning Stakeholder Management

- After identifying and analyzing stakeholders, project teams should develop a plan for management them.
- The stakeholder management plan can include:
 - Current and desired engagement levels.
 - Interrelationships between stakeholders.
 - Communication requirements.
 - Potential management strategies for each stakeholder.
 - Methods for updating the stakeholder management plan.

Sensitive Information

- Because a stakeholder management plan often includes sensitive information, it should not be part of the official project documents, which are normally available for all stakeholders to review.
- In many cases, only project managers and a few other team members should prepare the stakeholder management plan.
- Parts of the stakeholder management plan are not written down, and if they are, distribution is strictly limited.

Table 2. Sample Stakeholder Analysis

Name	Power/ Interest	Current Engagement	Potential Management Strategies
Stephen	High/high	Leading	Stephen can seem intimidating due to his physical stature and deep voice, but he has a great personality and sense of humor. He previously led a similar refinery upgrade program at another company and knows what he wants. Manage closely and ask for his advice as needed. He likes short, frequent updates in person.
Chien	High/ medium	Resistant	Chien is a very organized yet hardheaded man. He has been pushing corporate IT standards, and the system the PM and sponsor (Debra and Stephen) like best goes against those standards, even though it's the best solution for this project and the company as a whole. Need to convince him that this is okay and that people still respect his work and position.
Ryan	Medium/ high	Supportive	Ryan has been with the company for several years and is well respected, but he feels threatened by Debra. He also resents her getting paid more than he does. He wants to please his boss, Chien, first and foremost. Need to convince him that the suggested solution is in everyone's best interest.
Betsy	High/low	Neutral	Very professional, logical person. Gets along well with Chien. She has supported Debra in approving past projects with strong business cases. Provide detailed financial justification for the suggested solution to keep her satisfied. Also ask her to talk to Chien on Debra's behalf.

3. Managing Stakeholder Engagement

- Project success is often measured in terms of customer/sponsor satisfaction.
- Project sponsors often rank scope, time, and cost goals in order of importance and provide guidelines on how to balance the triple constraint.
- This ranking can be shown in an expectations management matrix to help clarify expectations.

Table 3. Expectations Management Matrix

Measure of Success	Priority	Expectations	Guidelines
Scope	1	The scope statement clearly defines mandatory requirements and optional requirements.	Focus on meeting mandatory requirements before considering optional ones. In this case, following corporate IT standards is optional.
Time	1	There is little give in the project completion date. The schedule is very realistic.	The project sponsor must be alerted if any issues might affect meeting schedule goals.
Cost	3	This project is crucial to the organization. If you can clearly justify the need for more funds, they can be made available.	There are strict rules for project expenditures and escalation procedures. Cost is very important, but it takes a back seat to meeting schedule and then scope goals.
Technology/standards	2	There are several potential solutions available, but only one that meets all of the sponsor's technical requirements, especially for accounting.	While corporate IT standards are important, an exception makes sense in this case.

Issue Logs

- Understanding the stakeholders' expectations can help in managing issues.
- Issues should be documented in an **issue log**, a tool used to document, monitor, and track issues that need resolution.
- Unresolved issues can be a major source of conflict and result in stakeholder expectations not being met.
- Issue logs can address other knowledge areas as well.

Table 4. Sample Issue Log

Issue #	Description	Impact	Date Reported	Reported By	Assigned To	Priority (H/M/L)	Due Date	Status	Comments
1	Need requirements categorized as mandatory and optional	Cannot do much without it	Feb. 4	Ryan	Stephen	H	Feb. 8	Closed	Requirements clearly labeled
2	Need shorter list of potential suppliers—no more than 10	Will delay evaluation without it	Feb. 6	Debra	Ryan	H	Feb. 12	Open	Almost finished; needed requirements categorized first
Etc.									

Best Practice

- Project managers are often faced with challenges, especially in managing stakeholders
- Sometimes they simply cannot meet requests from important stakeholders
- Suggestions for handling these situations include the following:
 - Be clear from the start
 - Explain the consequences
 - Have a contingency plan خطة طوارئ
 - Avoid surprises
 - Take a stand أخذ موقف من شيء

4. Controlling Stakeholder Engagement

- You cannot control stakeholders, but you can control their level of engagement.
- Engagement involves a dialogue حوار in which people seek understanding and solutions to issues of mutual concern.
- Many teachers are familiar with various techniques for engaging students.
- It is important to set the proper tone at the start of a class or project.

Example of Engaging or Not Engaging Students (or Other Stakeholders)

- If a teacher (or manager) does nothing but lecture on the first day of class (or at meetings) or criticizes the first person who offers a comment, students (or workers) will quickly decide that their best strategy is to keep quiet and maybe not even attend the class (or meetings).
- On the other hand, if the teacher (or manager) uses a lot of activities to get all participants to speak or use technology to participate, they will expect to be active participants in future classes (or meetings).

Ways to Control Engagement

- Key stakeholders should be invited to actively participate in a kick-off meeting rather than merely attending it.
- The project manager should emphasize that a dialogue is expected at the meeting, including texts or whatever means of communication the stakeholders prefer. The project manager should also meet with important stakeholders before the kick-off meeting.
- The project schedule should include activities and deliverables related to stakeholder engagement, such as surveys, reviews, demonstrations, and sign-offs.

يجب أن يتضمن الجدول الزمني للمشروع الأنشطة والمخرجات المتعلقة بإشراك أصحاب المصلحة ، مثل الاستطلاعات والمراجعات والعروض التوضيحية والتوقيعات.



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Thank You

