

Chapter 6: Planning & Initiating Projects

Objective of the Chapter

1. Understand the concept of Project Planning & Control from the perspective of PM's responsibility.
2. Understand the functions of Integrated Project Planning & Control.
3. Understand the Project Objectives & Scope.
4. Understand the project initiation (which included Project Charter & Project Summary Plan).



Introduction

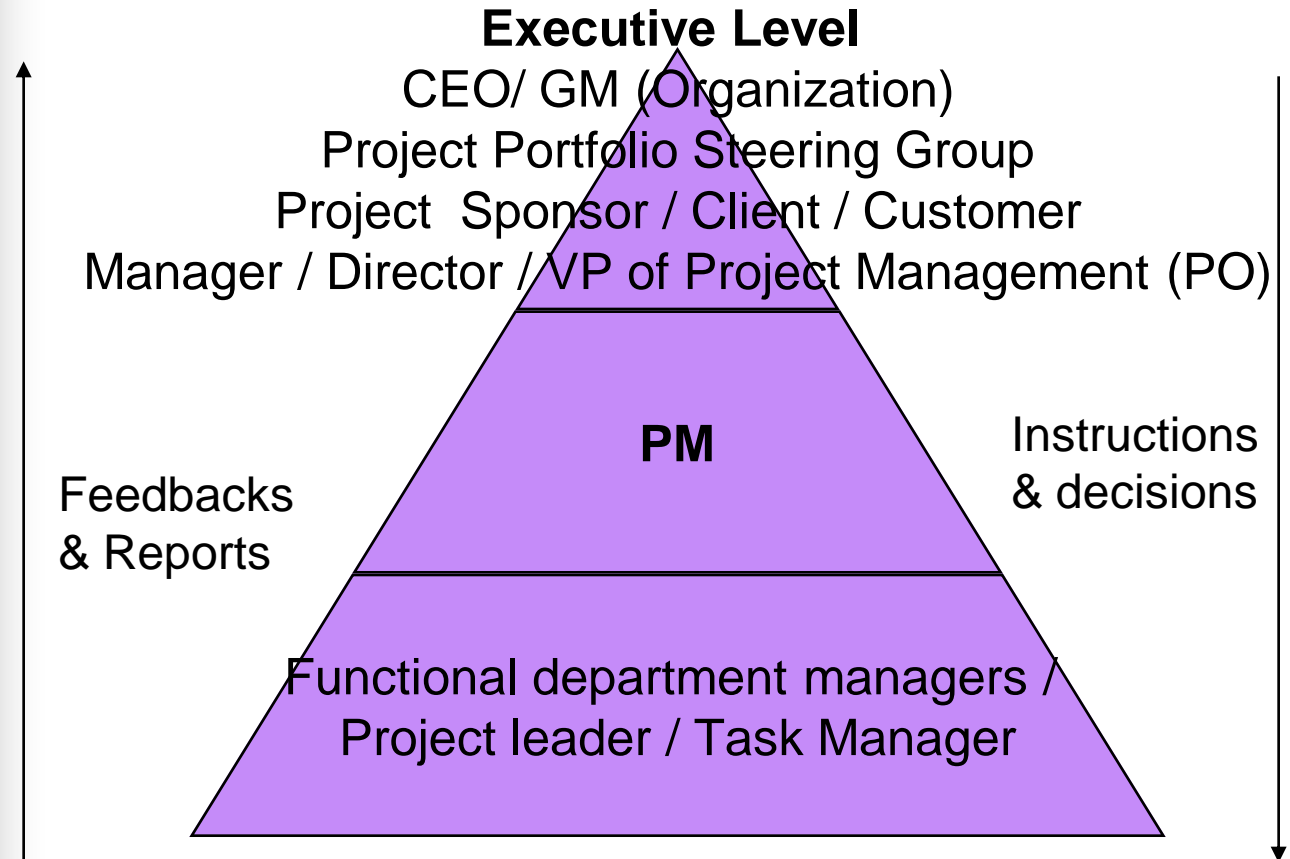
- Triad of Project Management Concepts:
 1. Identified points of integrative project responsibility.
 2. Integrative & predictive project planning & control.
 3. Identifying, managing & leading the PT to integrate the efforts of all contributors to the project.



1. Identified Points of Integrative Project Responsibility

- Several levels within organization (involved project) where persons must be identified that hold integrative responsibilities for projects.

...1. Identified Points of Integrative Project Responsibility



Hierarchical structure of an Organization consists of PO & PT

2. Integrative & Predictive Project Planning & Control

- Each project be planned & controlled on an integrated basis (organization, PO, PT) through out the project (information, time, cost, technical, risk).
- Sometimes, organizations are faced with the need to plan & execute many projects simultaneously using same common resources pools (5M).
- This need to use 1 common project planning & control system for all projects to achieve appropriate integrated & coordinated.

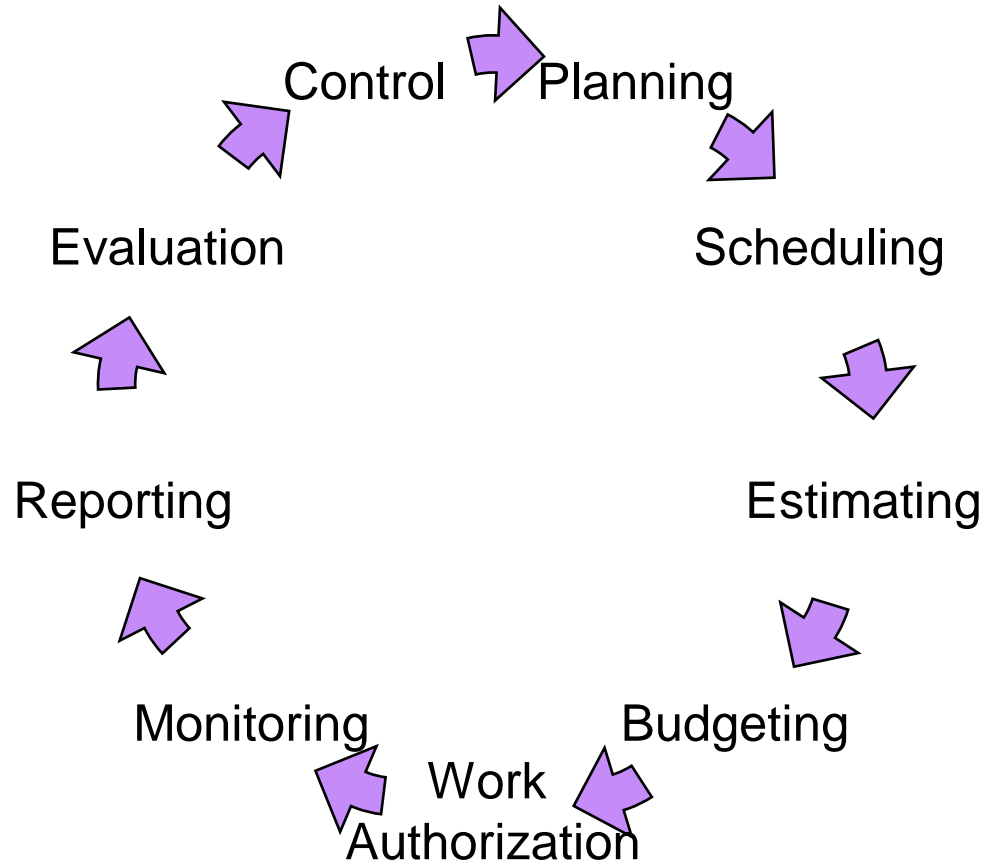
3. Identifying, managing & leading the PT

- Every individual contributing to a project is a member of PT.
- Project consists of many diverse tasks that require expertise & specialist internally or externally.

6.1 PM's Planning & Control Responsibilities

1. Understand the actual use of appropriate methods & procedures.
2. Key planning work at the master schedule level.
3. Give adequate direction to those involved in detailed planning & control work.
4. Establish & maintain effective control of project.
5. Assure all plans & schedule are adequate & valid.
6. Assure planning & control functions are perform properly.

PM's Management Skills



Integrated Planning & Control (IP&C)

- IP&C: Putting together all essential elements of information related to the products / results of the project (time, cost, 5Ms) for life cycle phases of the project.
- Obj:
 - a) Documents current plans, schedules & budget.
 - b) Compare actual results with forecasted / planned.
 - c) Continually forecast total project time & cost at completion.
 - d) Further evaluation.
 - e) Making proper & accurate decisions.
 - f) Follow up decisions made.



...IP&C

How to establish IP&C?

- Setting objectives & goals.
- Defining task to be performed.
- Planning & scheduling tasks based on required & available resources.
- Measuring progress & performance
- Taking proper corrective actions (when progress is not meeting plans / plans must be changed).
- Resolving schedule & resource conflict.

6.2 Project Planning & PLC

- Project planning begins since the early conceptual phase.
- Questions in conceptual phase:
 - a) How the project will be carried out?
 - b) How much it will cost?
 - c) When it can be accomplish?
 - d) What is the expected result?

PLC

- PLC = 4 phases of Project
- 1. Concept
- 2. Definition (proposal)
- 3. Execution
- 4. Close out

The Important of Adequate Project Planning

- “If you fail to plan, you plan to fail”
- Inadequate planning cause project failure.
- Causes of inadequate planning:
 - a) Aversion (dislike)
 - b) Reluctant
 - c) Lack of knowledge & skills
 - d) Complexity of planning methods, techniques & tools
- Comprehensive planning ensure:
 - a) Required resources assured & committed on time.
 - b) Commitment from PT.



Rules for Effective Project Planning & Execution

- Assure each PT member is personally signed on / attached to the project.
- Work out a detailed project plan involving key personnel.
- Reach agreement on the plan among PT.
- Obtain commitment from PT members.
- Obtain commitment from management.
- Define measurable milestones.
- Attract & hold good performed people.
- Establish controlling authority for each work task.
- Detect problems early.



6.3 Project Objectives & Scope

Objectives & Strategies

- Objective: Description of where we want to go.
- Strategies: Statements of how we are going to get there.
- Strategies are carried out & objectives are reached.
- Most organization have develop their long term plans, objectives & strategies.

...Objectives & Strategies

- It is important to understand not only the project objectives, but also the organizational objectives & strategies.
- This understanding can be the best trade-off decisions be made when the conflicts (time, cost, technical) occur.
- Fig 1.1 pg. 9

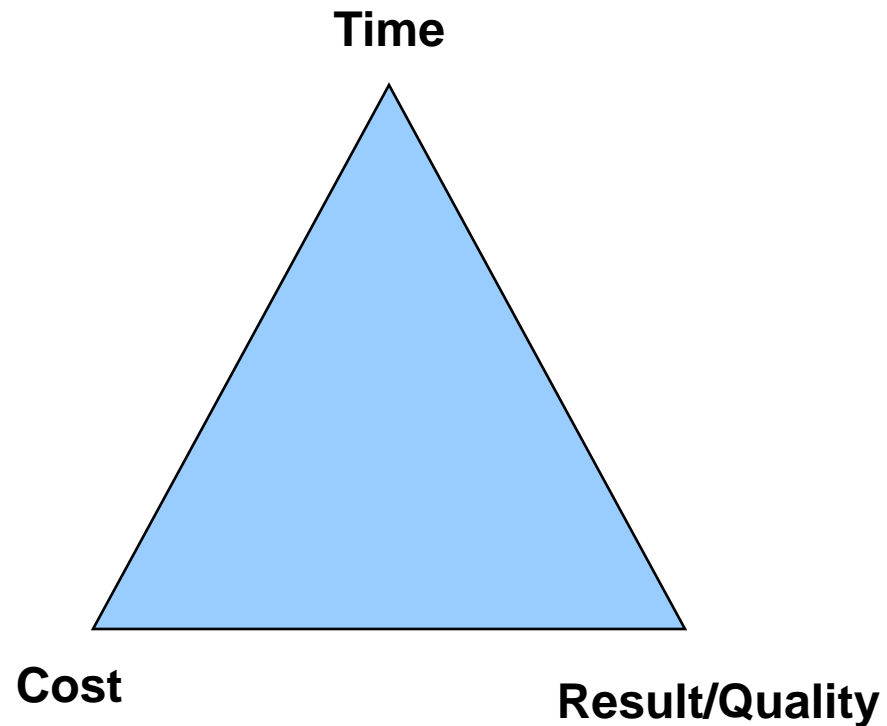
Defining Project Objectives

- It is a description of the desired outcome of the project.

Look into:

- What is proposed to be created & targeted date for its creation.
- When the results should be available.
- How much it costs in accomplishing the project

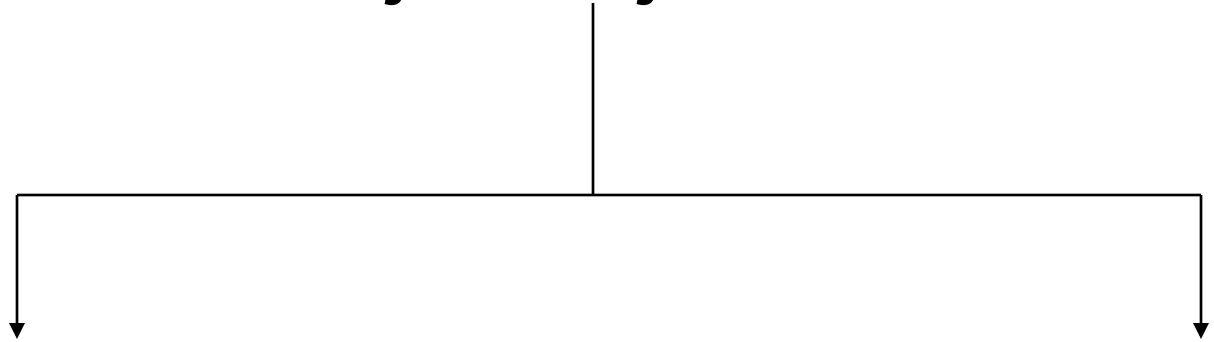
...Defining Project Objectives



- This 3 dimensions form the core of the project objectives

...Defining Project Objectives

Project Objectives



**Hard / Soft
Dimension**

**Acceptable / Excellent
Dimension**

Hard / Soft Dimension

Hard Dimension	Soft Dimension
<ul style="list-style-type: none">■ Tangible■ Measurable	<p>-How the task is accomplish</p> <ul style="list-style-type: none">■ Intangible■ Hard to measure■ Subjective■ Used in evaluating performance
Ex: Time, cost, resources, technical standard	Ex: Attitude, skills, behavior, expectation of client



Acceptable / Excellent Dimension

- Standard of the performance.
- The willingness of PT to continually strive to exceed expectation & improvement in all aspect of the project “within the limits that have been established” (time & cost).
- Ex: doing things quickly, efficiently,

Defining Project Scope

- Project Scope:
 - (a) Space / opportunity for unhampered motion, activity / thought.
 - (b) Extend of treatment, activity / influence.
 - (c) Range of operation
 - (d) A documented description of the project as to its output, approach & content



...Defining Project Scope

- The statement of scope must include:
 - (a) Project result
 - What will be created (technical performance, operating specifications).
 - (b) The Approach to be used
 - Technology (new / existing & internal / external resources)
 - (c) Content of the project
 - What is include & what is exclude in the work

6.4 Formal Project Initiation

- It is the starting stage of project.
- The document most commonly used for this is the project charter & project summary plan.



Project Charter

- It is used by project sponsor & PM to gain the needed commitment & support from PT members.
- It provides the authority needed to issue the various authorizing documents (project release, task work orders & contracts).



...Project Charter

- Project Charter: A document that formally authorizes a project.
- A good charter will include:
 - (a) Statement of project objectives & scope.
 - (b) Business case for the project.
 - (c) Higher level strategic objectives that project supports.
 - (d) Major assumptions & expectation.
 - (e) Milestone & key dates.
 - (f) Major deliverables & key performance objectives.



...Project Charter

- Functions:
 - (a) Identify the project's relationship to corporate project portfolios
 - (b) Describe the scope & limitation to PM's authority.
 - (c) Indicate specific corporate project life cycle management process that is to be applied to the project.
 - (d) Describe the major known risk & constraints to the project success.



Project Summary Plan (PSP)

- Prepared by PM prior to / at the time that work on the project is started.
- PSP should cover topics like:
 - (a) Project Scope
 - (b) Objectives (technical, profit)
 - (c) Approach (management, technical, make / buy).
 - (d) Contractual requirements (deliverable item).
 - (e) End item specification to be met.
 - (f) Target schedules.
 - (g) Required resources.
 - (h) Major contributors.
 - (i) Financial limitations & possible problems.
 - (j) Risk areas (penalties, default, act of god).

...PSP's Flow

Plan is completed

Submit to management

Approved

PM get authority to execute & control the project to completion

