Project Management
Session 6.1

Project Planning
IT PAYS TO PLAN CORRECTLY!
MOST PROJ MANAGERS DO NOT LIKE PLANNING DUE TO THE FOLLOWING:

* It takes time.
* You have to think.
* It involves paper work.
* You are bound to systematic procedures.
* You are committed to achieve a specific result within a specified time period.
Effective Planning

* **Explicit** - stated in detail, leaving nothing merely implied.

* **Intelligible** - it must be understood and be comprehensible.

* **Flexible** - capable of accepting change.

* **Controllable** - capable of being monitored for control purposes.
Reasons for Planning

- To eliminate or reduce uncertainty
- To improve efficiency of the operation
- To obtain a better understanding of the objectives
- To provide a basis for monitoring and controlling work
Planning Fundamentals

- If the task is well understood prior to being performed, much of the work can be preplanned.

- If the task is not understood, then during the actual task execution more knowledge is gained that, in turn, leads to changes in resource allocations, schedules, and priorities.

- The more uncertain the task, the greater the amount of information that must be processed in order to ensure effective performance.
Planning questions

* Who plans the project?
* Who executes the project?
* Who is responsible for monitoring work and controlling work?
* Who is responsible for providing feedback regarding the planning and execution phases of a project?

The Line Manager(s) ?
The Project Manager ?
Both Parties ?
Project Manager’s Responsibility

- Project Manager will define:
  - Goals and objectives
  - Major milestones
  - Requirements
  - Ground rules and assumptions
  - Time, cost, and performance constraints
  - Operating procedures
  - Administrative policy
  - Reporting requirements
Line Manager’s Responsibility

- Line manager will define:
  - Detailed task descriptions to implement objectives, requirements, and milestones
  - Detailed schedules and manpower allocations to support budget and schedule
  - Identification of areas of risk, uncertainty, and conflict
Senior Management’s Responsibility

- Senior management (project sponsor) will:
  - Act as the negotiator for disagreements between project and line management
  - Provide clarification of critical issues
  - Provide communication link with customer’s senior management
Planning/Scheduling Tools
Reasons why plans fail

- Corporate goals not understood lower down in the organization/company
- Plans encompass too much in too little time
- Poor financial estimates
- Plans based upon insufficient data
- Poor staff requirements
- Insufficient time allocated for project estimating
- No attempt made to systemize the planning process
- Planning was performed by a planning group
Other reasons why plans fail

- No one knows the ultimate objectives
- No one knows the major milestone dates
- Project estimates are best guesses and are not based on any standards, or history
- No one bothered to see if there would be personnel available with the necessary skills
- People not working towards the same specs
- Constant shuffle of personnel in and out of the project with little regard for the schedule
- Change of management and their objectives.
- Change(s) in the macro environment
Knowing When To Pull The Plug
Stopping Projects

- Final achievement of the objectives
- Poor initial planning and market prognosis
- A better alternative is found
- A change in the company interest and strategy
- Allocated time is exceeded
- Key people leave the organization
- Personal whims of management
- Problem too complex for the resources available
Behavioral Stoppages

- Poor morale
- Poor human relations
- Poor labor productivity
- No commitment by those involved in the project

Termination Problem Areas

- Worker morale
- Reassignment of personnel
- Adequate documentation and wrap-up
Ways to Terminate

- Orderly planned termination
- The “hatchet” (withdrawal of funds and removal of personnel)
- Reassignment of people to higher priority efforts
- Redirection of efforts toward different objectives
- Burying it or letting it die on the vine (i.e., not taking any official action)
Planning For Project Completion
Planned Closure

- Transferring responsibility
- Completion of project records
  - Historic reports
  - Post project analysis
- Documenting results to reflect “as built” product or installation
- Acceptance by sponsor/user
- Satisfying contractual requirements
Planned Closure (Continued)

- Releasing resources
  - Reassignment of project office team members
  - Disposition of functional personnel
  - Disposition of materials

- Closing out work orders (financial closeout)

- Preparing for financial payments
Managing Changes
Change Management

- You cannot manage your customer without managing your project management process.

- When your customer initiates a change request, you must be able to predict immediately the impact on schedule, cost and technical performance.
Cost of Corrections

Definition: $1
Preliminary Planning: $5
Detailed Planning: $25
Execution: $100
Implementation/Conversion: $1000
### Unmanaged vs. Managed Changes

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<tr>
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<th>Where TIME is invested</th>
<th>How ENERGY is invested</th>
<th>Which RESOURCES are used</th>
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<tbody>
<tr>
<td><strong>Unmanaged Change</strong></td>
<td>• Back-end</td>
<td>• Rework</td>
<td>• Senior Management and key players only</td>
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<td>• Enforcement</td>
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<td>• Compliance</td>
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<td>• Supervision</td>
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<td><strong>Managed Change</strong></td>
<td>• Front-end</td>
<td>• Education</td>
<td>• Stakeholders (internal)</td>
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