Effective Project Management for a Projects-Based Business

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What are the objectives of this discussion?

✓ A thorough understanding of a proven approach to project management within a project-based business

✓ A thorough understanding of the benefits of Project Manager Accountability and Empowerment

✓ Leave here with an opportunity to improve your return on the project manager position

Where do we begin?

- Who am I?
- AllCom Global Services Project Management Past and Present
  - What was working?
  - What wasn't working?

We went back to the fundamentals…so let's all go back to basics….briefly….

Let's start with some definitions :

What is project management?

- Wikipedia defines project management as "**the discipline** of initiating, planning, **executing**, **controlling,** and **closing** the work of a team to **achieve** specific **goals** and meet specific **success criteria**"

What is a project?

- Wikipedia defines a project as: "a temporary endeavor designed to produce a unique product, service or result with a defined beginning and end (usually time-constrained, and often constrained by funding or deliverable) undertaken to meet unique goals and objectives, typically to bring about beneficial change or added value."

What is a Project Manager?

- Wikipedia defines a **project manager** as: "a professional in the field of project management. Project managers have the responsibility of the planning, procurement, and execution of a project. Project managers are first point of contact for any issues …This individual seldom participates directly in the activities that produce the end result, but rather strives to maintain the progress, mutual interaction and tasks of various parties in such a way that reduces the risk of overall failure, maximizes benefits, and minimizes costs."

Note: for this purpose: Project = job = work

Project Management in any company starts with the handoff.

- When does the handoff to the PM take place in your business?
    - When the person is identified as the PM?
    - When the bid goes in?
    - When the PO is awarded?
    - When the work starts at the project site?
- There simply needs to be a point in the project lifecycle where the PM takes the reins
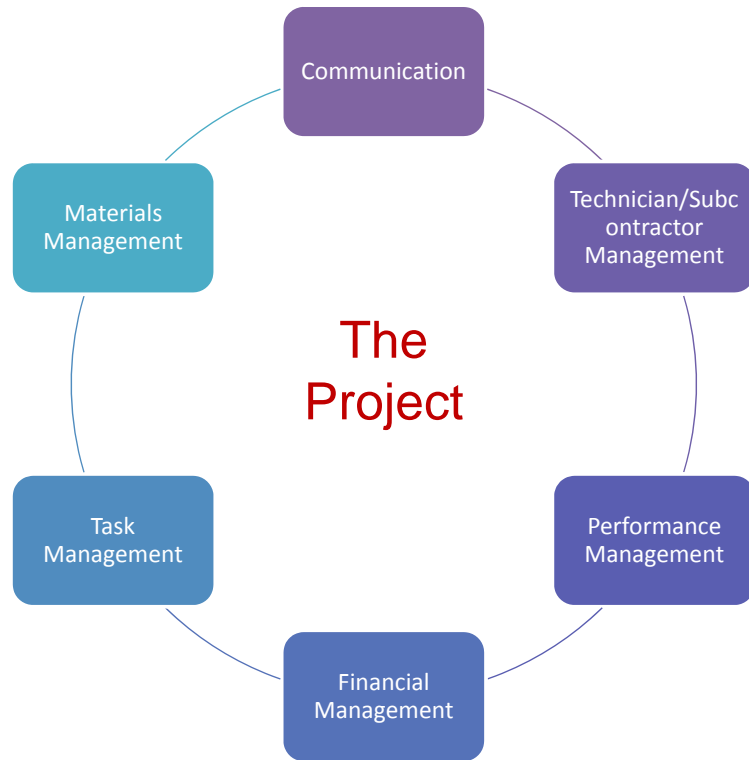
What are the primary aspects of Project Management?

- Communication
- Technician/Subcontractor Management
- Performance Management
- Financial Management
- Task Management
- Materials Management

The Project

What are the primary aspects of Project Management?

Communication

Technician/Subcontractor Management

Materials Management

The Project

Task Management

Performance Management

Financial Management

The 360 Degree Approach to Project Management ….

- PM Owns the full circle of responsibilities relative to the project
- One-throat to choke/one hand to shake

Communication

- Open Communication with internally and with Customer
- Communicating attainment of pre-established key milestones
- "no surprises" philosophy
- Regular updates of current aspects of the project – weekly calls are typical / daily or weekly reports

Materials Management

- Working with Engineering to ensure Materials List is accurate
- Approving the Materials List
- Presenting ordering list / PR / ETC to Purchasing
- Obtaining tracking information
- Recording materials as they arrive on site
- Ensuring the receiving process is performed as materials show up at job site
- Re-order / replacement / additional materials as needed
- Errors/damage/backorders

Task Management

- Realistic and attainable dates
- Meet / exceed customer expectations
- Set key milestone commitments
- Doesn't matter what the medium is for task management
- Rather, what the customer expects
- MS Project, Spreadsheet, Primavera
    - Determined by customer in most cases

Financial Management

- Hardest piece to implement
- Education on financial aspects of a project
- Works closely with Accounting team but owns the management
- Accountable for cost allocations / ***approvals***
- Initially establishes the cost budget / reviews cost to budget allocation regularly (daily/monthly)
- WIP reporting
- Approves vendor invoices for payment via receiving process
- Approves Customer invoices prior to delivery to customer
- Ultimately accountable for financial performance of project

Field Technician/ Subcontractor Management

- Day-to-day management of project site crew
  - Technicians and Subcontractors
- Site Manager / Lead on site / PM remote….possibly
- Ensures the right mix of skillsets are provided on project
- Provide information of project requirements
- Review material requirements and timeline of arrival
- Ensure work is performed with accuracy, quality an speed
- Ensures productivity is consistently maintained
- Quality review completed at intervals on the job
- Daily/Weekly reports provided from jobsite

Performance Management

- Milestone Attainment
- Quality, accuracy, speed
- Revenue / Margin attainment
- Productivity of onsite crew maintained
- Critical that there is accountability here!

- *CUSTOMER SATISFACTION leads to repeat business!!*

So, back to the Project Manager……

- Why does this approach make sense?
  - Accountability
  - Empowerment
  - Responsibility
  - Control

We call the Project Manager the "CEO" of the project

How to Implement this approach in your business to ensure success?

- Assess your current Project Manager / Project Coordinator roles within your company
- Determine if these are the right people for the job
- If yes, it is critical to obtain buy-in from the people to make this successful. They have to want to take on the responsibility of each of the areas.
- Accountability and Empowerment are the keys to Success
- Incent the Project Manager position through Key Performance Indicators
- Recognize milestone attainment through reinforcement of the common goals

Here's what you learned:

- ✓ A thorough understanding of a proven approach to project management within a project-based business

- ✓ A thorough understanding of the benefits of Project Manager Accountability and Empowerment

- ✓ Leave here with an opportunity to improve your return on the project manager position

I hear and I forget.
I see and I remember.
I do and I understand.

by Chinese proverb

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