A Scenario

- You with your two friends are going to have a one-week vacation at another friend’s house, who will not be at her house.
- This house is in Çamlıhemşin, and none of you have been there before.
- You have just parked your car in front of a supermarket in Rize;
  - There is half an hour before it closes.
  - There is no such supermarket in Çamlıhemşin, and it is an arduous journey from there to Rize and back.
  - You do not expect to find many of your needs in small “bakkals” in Çamlıhemşin.

Questions About the Scenario

- How is this shopping different from your regular weekly trips to your favorite supermarket in Istanbul?

- What should you do now?

Napolyon’s 1812 March to Moscow

Defining a Project

- One needs to understand why projects are different from other operations in order to see the reason for having a different management process for projects.

Some Examples of Projects

- Traditional application areas of project management
  - construction
  - U.S. defense contracts (weapon development, …)
  - Movie making
- Now
  - new product development
  - business process restructuring
  - information systems upgrade

New Product Development

New Automobile Development Performance (1980’s)

<table>
<thead>
<tr>
<th></th>
<th>Japanese</th>
<th>American</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average development time (months)</td>
<td>46.2</td>
<td>60.4</td>
</tr>
<tr>
<td>Average project team size</td>
<td>485</td>
<td>903</td>
</tr>
<tr>
<td>Proportion of late products</td>
<td>1 / 6</td>
<td>1 / 2</td>
</tr>
<tr>
<td>Prototype development time (months)</td>
<td>6.2</td>
<td>12.4</td>
</tr>
<tr>
<td>Time to reach normal quality level (months)</td>
<td>1.4</td>
<td>11</td>
</tr>
</tbody>
</table>
Defining a Project

What are the special characteristics of project?

The Project Life Cycle

- The project life cycle:
  - A generic one: definition, planning, execution, delivery
  - Software development project: definition, design, code, integration/test, maintenance

- Life cycle of a project recognizes that projects have a limited life-span and that there are predictable changes in level of effort and focus over the life of the project.

The Project Life Cycle

- Definition
  1. Goals
  2. Specifications
  3. Tasks
  4. Responsibilities
  5. Teams

- Planning
  1. Schedules
  2. Budgets
  3. Resources
  4. Risks
  5. Staffing

- Execution
  1. Status reports
  2. Changes
  3. Quality
  4. Forecasts

- Delivery
  1. Train customer
  2. Transfer documents
  3. Release resources
  4. Reassign staff
  5. Lessons learned

Importance of Planning

Level of effort

Definition: Planning: Execution: Delivery:

5. Teams 5. Staffing 5. Lessons learned

The Project Manager

- Is unique because she/he manages temporary, nonrepetitive activities.
- Frequently acts independently of the formal organization.
- Provides direction, coordination and integration to the project team, which is often made up of part-time participants loyal to their functional departments.
- There is potential risk of responsibility with too little authority.
- Usually has limited technical knowledge.
- Works more like a conductor of an orchestra.

Modern Project Management

- Integrated Management of Projects
  - Selection and management of projects must support the strategic plan of the firm.
  - Strategies are often implemented through projects.
  - There are often more project proposals than can be handled by the available resources.
    - Thus must select the set of projects that make the largest and most balanced contribution to the objectives and strategies.
Modern Project Management

- The process of project management has two dimensions (“science” and “art” of project mgmt):
  - technical: defining, planning and controlling
  - sociocultural:
    - stimulating teamwork and personal motivation
    - identifying and resolving problems
    - shaping customer expectations
    - sustaining political support of top management
    - monitoring subcontractors
    - negotiating with functional managers

The Technological and Sociocultural Dimensions

Barriers to Success

- Based on a survey done by Gobeli and Larson (1986) barriers identified by project managers:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Barrier</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Planning</td>
<td>Unclear definition</td>
<td>%16</td>
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<tr>
<td></td>
<td>Poor decision making</td>
<td>%32</td>
</tr>
<tr>
<td></td>
<td>Bad information</td>
<td>%6</td>
</tr>
<tr>
<td>Scheduling</td>
<td>Tight Schedule</td>
<td>%18</td>
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<tr>
<td></td>
<td>Not meeting schedule</td>
<td>%6</td>
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<tr>
<td>Controlling</td>
<td>Poor followup</td>
<td>%7</td>
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<tr>
<td></td>
<td>Poor monitoring</td>
<td>%6</td>
</tr>
<tr>
<td></td>
<td>No control system</td>
<td>%6</td>
</tr>
<tr>
<td></td>
<td>No recognition of problems</td>
<td>%6</td>
</tr>
</tbody>
</table>

Barriers to Success

<table>
<thead>
<tr>
<th>Activity</th>
<th>Barrier</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>staffing</td>
<td>Inadequate personnel</td>
<td>%5</td>
</tr>
<tr>
<td></td>
<td>Incompetent project manager</td>
<td>%4</td>
</tr>
<tr>
<td></td>
<td>Project member turnover</td>
<td>%2</td>
</tr>
<tr>
<td></td>
<td>Poor staffing process</td>
<td>%1</td>
</tr>
<tr>
<td>organizing</td>
<td>Lack of responsibility or accountability</td>
<td>%5</td>
</tr>
<tr>
<td></td>
<td>Weak project manager</td>
<td>%5</td>
</tr>
<tr>
<td></td>
<td>Top management interference</td>
<td>%1</td>
</tr>
<tr>
<td>directing</td>
<td>Poor coordination</td>
<td>%9</td>
</tr>
<tr>
<td></td>
<td>Poor communication</td>
<td>%6</td>
</tr>
<tr>
<td></td>
<td>Poor leadership</td>
<td>%6</td>
</tr>
<tr>
<td></td>
<td>Low commitment</td>
<td>%6</td>
</tr>
</tbody>
</table>