COLLEGE OF THE NORTH ATLANTIC QATAR

PROJECT MANAGEMENT:
The Need for Project Management

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What is a Project?

- A project is:

  "A temporary endeavour undertaken to create a unique product or service." (PMI)

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- **Temporary:**
  - Our effort is temporary. We'll do it for a while and then stop.
  - We have a limited amount of time to finish the job
  - We have a limited amount of money and resources to finish the job
  - We have to deliver what we promised.
  - It has to be of good quality.

What is a Project?

- A project is:

    "A __temporary__ endeavour undertaken to __create__ a __unique__ product or service." **(PMI)**

- **Create:**
  - **We are making something new.**
  - **There are always risks in doing new things.**
    - **Do we know enough to do it?**
    - **Will it work?**
    - **Will things go wrong? (Answer: YES!)**
  - **We need to have a plan before we can work together**
    - **Will the plan change (Answer: YES!)**

What is a Project?

- A project is:

    "A __temporary__ endeavour undertaken to __create__ a __unique__ product or service." **(PMI)**

- **Unique:**
  - **This is the first time.**
  - **This is something we haven't done before.**
  - **How do we do it?**
    - **Maybe we've done things *like* it?**
    - **Maybe we can research how others have done it?**
    - **Maybe we can find people with experience?**

The Definition Again…

- **A project is:**

  "A _temporary_ endeavour undertaken to _create_ a _unique_ product or service." (PMI)

Standish CHAOS Survey (1995)

- Cost Overruns & % of Responses
  - Under 20% 15.5%
  - 21 - 50% 31.5%
  - 51 - 100% 29.6%
  - 101 - 200% 10.2%
  - 201 - 400% 8.8%
  - Over 400% 4.4%
- The average across all companies is 189% of the original cost estimate. The average cost overrun is 178% for large companies, 182% for medium companies, and 214% for small companies.

Standish CHAOS Survey (1995)

- Time Overruns & % of Responses
  - Under 20% 13.9%
  - 21 - 50% 18.3%
  - 51 - 100% 20.0%
  - 101 - 200% 35.5%
  - 201 - 400% 11.2%
  - Over 400% 1.1%
- The average overrun is 222% of the original time estimate. For large companies, the average is 230%; for medium companies, the average is 202%; and for small companies, the average is 239%.

Standish CHAOS Survey (1995)

- % of Features/Functions & % of Responses
  - Less Than 25% 4.6%
  - 25 - 49% 27.2%
  - 50 - 74% 21.8%
  - 75 - 99% 39.1%
  - 100% 7.3%
- On average, only 61% of originally specified features and functions were available on these projects. Large companies have the worst record with only 42% of the features and functions in the end product. For medium companies, the percentage is 65%. And for small companies, the percentage is 74%.

Why Do We Do Projects?

- Business always needs to change:
  - Markets change—people want different products and services
  - Prices change—we need to find ways to do the same work at less cost
  - Technology changes—we need to update systems to allow new capabilities.

Projects Must Align to Business Needs

- Businesses create projects to create positive change:
  - Reduce costs
  - Improve service
  - Capture new customers
  - Supply new products or services

Project Portfolios

- A **Project Portfolio** is a collection of projects.
- Businesses usually have more projects in their portfolio than they have people or time.
- Businesses must pick the projects from the portfolio that will make the biggest positive change to their organization. (Project Selection)

What is it like to be a Project Manager?

- The best PMs have worked for years in their industry.
  - It is hard to be a PM if you don't know the jobs your team members have to do.
  - Different industries have different jobs for PMs.
- PMs must work closely with both their team and their sponsors.

- PMs must be good with software like: MS Word, MS Excel, MS Project.
- PMs must have good written and oral communication skills. They have to explain things and ask lots of questions.

- PMs must be strong and confident. They cannot be shy or quiet. They need to take charge and lead.
- PMs must be polite and respectful. They must like working with people. They should care for the people on their team.