

Part

Understanding Projects and Project Management

Chapter 1: Getting to Know Projects

Chapter 2: Getting to Know Project Management

Getting to Know Projects

If your boss walks into your cubicle one day and says “I’ve got a little project for you to do,” you probably don’t even think twice. You’ve tackled your share of projects at home and at the office so you already know that quite often they’re simple, short-term assignments. When you’re finished, you wipe your hands and go back to what you normally do.

At some point, you probably think about taking a more structured approach to handling them. Perhaps you want to try your hand at bigger projects, increase your success rate on the projects you perform, or simply get them done with less drama and fewer surprises. The first thing you want to know is what makes a project a project. They come in all shapes and sizes, but projects share a few characteristics that differentiate them from day-to-day work. This chapter provides a definition of a project and describes each characteristic. It also discusses how projects differ from other types of work.

What Is a Project?

It’s tough to get through a week without working on some kind of project, at work, at home, or both. Projects span a broad range of endeavors and so you’ll meet them regardless of what line of work you’re in. If you’ve built a deck in your backyard, thrown a party, bought a house, or remodeled your kitchen, you’ve worked on projects. In the work world, producing a new marketing brochure or website, developing new products, building a new corporate campus, and

landing on the moon all represent projects. What do all these undertakings have in common? The following is one definition of a project:

A project is a unique endeavor with clearly defined objectives and deliverables, clear-cut starting and ending dates, and, most of the time, a budget.

Figure 1-1 shows how all the pieces of the project definition fit together. But what do all the components of that definition really mean? What is a unique endeavor? What are clearly defined objectives and deliverables? What are clear-cut starting and ending dates? And how does a budget fit in? The following sections discuss the various aspects of a project in more detail and provide several examples so you can identify projects when you see them.

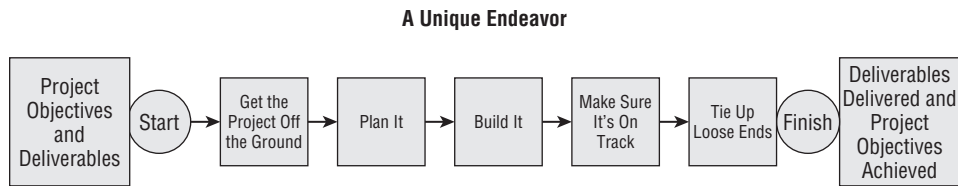


Figure 1-1: Elements of a project

EXAMPLE PROJECTS

This book uses four different projects as examples. The sections in this chapter explain why each of these examples meets the criteria for a project.

■ Backyard deck construction

Almost everyone has worked on a simple construction project, so this example acts as a link between what you're learning about project management and your experience with projects so far. Building a deck in the backyard is a simple example of a construction project.

■ New product development

Companies develop new products and services all the time, so you may run into a project like this at work. Later in this chapter, you learn how a project to develop a new product is different than actually manufacturing or providing the product to customers.

■ Exhibiting at a trade show

A trade show is like a lot of other types of events, such as parties or conferences. They require a lot of planning and preparation up front in order to make the big finale a success.

■ Training program development

Whether you want to teach your kids about money or have an assignment to develop training for your company, the development of a training program is a good example of a project.

A Project Is a Unique Endeavor

Every project is unique, although the differences can be large or small. Some projects are performed more than once, so you might mistake them for ongoing work. For example, a landscaping contractor might build dozens of backyard decks each summer, but each deck has aspects that make it unique. The variations from project to project are what make managing projects so special and interesting. Not only is every project different, but every day that you manage one is different, too. Here are some examples of how projects are unique:

- **Backyard deck construction:** Your idea of the perfect size and shape of a deck can be different than your neighbor's. You can choose from a variety of materials. The types of supports you use depend on whether the backyard is soft dirt, sand, or solid rock. The schedule could be affected by a long string of bad weather or whether you hire kids or a professional contractor.
- **New product development:** Every product is a little different from every other product, even the previous version of a product your company already sells. For example, your company's new product, the in-town hover-scooter, requires different designs, different components, and different testing procedures from a traditional scooter that has wheels on the ground.
- **Exhibiting at a trade show:** The audiences for trade shows can vary from the do-it-yourself construction crowd to professional contractors. Trade shows take place in different locations. The procedures you must follow to ship materials to the show or the crews that you use on site vary depending on the trade show organizers.
- **Training program development:** The topic of a training program can affect the way you teach and the tools you use. The materials for a course vary depending on whether it's taught in a classroom, online, or through video. Courses for adults are designed differently than those for school-age children. The duration of courses vary.

A Project Has Clearly Defined Objectives and Deliverables

Projects have a point. Otherwise, you or your organization wouldn't spend time, effort, and money doing them. Projects are run in order to achieve a goal — a problem to solve or an opportunity to take advantage of. Although you might be able to sum up the purpose of a project in a single sentence, that purpose usually represents a number of specific objectives that the project must achieve and deliverables that you must hand over to call the project complete.

Clearly defined objectives and deliverables are important because you use them to tell when a project is done. Otherwise, a project can seem to go on forever because it's never quite finished. Similarly, clearly defined objectives and deliverables help you determine whether a project has been completed successfully. When you spell out objectives and deliverables, it's easier for everyone involved to tell whether the objectives have been met and the deliverables match the description you started with.

WHO'S RESPONSIBLE FOR ACHIEVING BUSINESS GOALS?

As a project manager, you are rarely responsible for achieving the business goals that led to your project being started. Typically, your project is defined to produce deliverables and achieve intermediate objectives that business managers can use to drive the business results they want.

Vaguely defined or missing objectives lead to the demise of many a project. Without clearly defined objectives, you can end up working on a project long past its due date because you can't tell whether you're done. Or you can work longer and spend a lot more money because you didn't accomplish what you were supposed to. Yogi Berra famously said, "You've got to be very careful if you don't know where you are going because you might not get there." The same could be said for projects with poorly defined objectives.

The following are some possible objectives and deliverables for the four example projects in this book:

- **Backyard deck construction:** Your primary deliverable is a constructed stable platform for your deluxe gas grill and outdoor dining set. You might have other deliverables, such as a building permit to construct the deck and a signed inspection report confirming that the jewel you built is ready for action. But you might also have an objective for a deck built with low-maintenance materials so you can entertain more and maintain the deck less. Maybe you want to save money so you choose a simple off-the-shelf design so you can build the deck yourself over a few weekends. And you also want the deck completed in time for your annual end-of-summer barbecue.

Your objectives and deliverables enable you to assess whether the deck is done and meets your requirements. If the gas grill and furniture don't tip over, you've obtained a stable platform for your outdoor meals. The design you picked includes a list of materials and instructions, so you know you're done when you've used up the materials you purchased and the deck looks like the last picture in the how-to guide. If you don't have to sand and stain the deck, you've achieved your low-maintenance

nirvana. And you completed the deck in time for your barbecue, so you met your schedule.

- **New product development:** You might develop a new product to enter a new market, increase revenue, or to keep up with new technology. If returns or high levels of customer support have been a problem in the past, your objective might be to develop a product that's easier to maintain or more dependable. Or you could design a product to decrease manufacturing costs so you can reduce the selling price or increase your profit margin. Those business objectives drive the specifications for the product. Your project's deliverables could include a prototype that the customer and executive team approve along with the documentation that tells the manufacturing team how to build the products your organization will then sell.
- **Exhibiting at a trade show:** Vendors usually attend trade shows to reach potential new customers. You might have an ancillary objective to see what your competition is up to or find out what customers think about your new products and services. The deliverables for this project might include the booth you set up at the show and the marketing materials you pass out. You might also have an objective to spiff up the booth and marketing materials to bring them up-to-date with your company's offerings and make them look fresh.
- **Training program development:** If you work for a training organization, the deliverable could be a new course to offer to students. In a corporation, you might develop a training program to improve customer service, increase productivity, or increase quality. Another project objective might include development of new training features that improve students' comprehension of the material.

A Project Has a Beginning and an End

Projects are temporary, so they have a clear-cut beginning and a clear-cut end. Usually, the end of the project is the primary focus for the people involved in a project. The people who initiate a project want to enjoy the benefits that come when the project objectives are achieved. In addition, you, as the project manager, and the rest of the people working on the project, will be able to add it to your list of accomplishments and move on to something else.

As you learned in the previous section, the project goal and clearly defined objectives are essential to identifying the end of a project. When you've spelled out a project's objectives clearly, you can tell when you're done and bring the project to an end.

NOTE In addition to the final date for a project, you usually have a passel of intermediate deadlines to meet, whether you're trying to enclose a structure before cold weather sets in or your contract includes specific dates for milestones, which in turn trigger payments from the customer.

The following are examples of clear-cut ends to projects:

- **Backyard deck construction:** The end of the backyard deck project comes when you move the grill and dining set onto to the deck for your first barbecue. However, you might have other deadlines such as obtaining an inspection certificate from the county.
- **New product development:** The project to develop a new product is complete when you turn the product over to manufacturing.
- **Exhibiting at a trade show:** A trade show isn't over when the last attendee leaves. As a vendor, your trade show project is complete when you get your gear back to the office and wrap up the action items from the event, such as turning the list of new leads over to the sales team.
- **Training program development:** A training program is complete when the course materials are ready and the program is ready to schedule.

A Project Usually Has a Budget

Most projects don't have the luxury of a blank check for the cost or unlimited resources to get the work done. Projects usually have a financial budget that must be met, similar to the budget you follow for your personal spending. And they almost always have to work with a limited amount of resources or a finite number of hours from the people who do the work.

Here are examples of project budgets:

- **Backyard deck construction:** You decide to use this year's bonus to build a deck in the backyard, so you have \$5,000 to get the job done.
- **New product development:** The executive team in your organization determines that developing a new product has to cost less than \$200,000 in order to achieve the company's required annual return on investment of 15 percent.
- **Exhibiting at a trade show:** The director of sales has allocated \$30,000 to cover the cost of attending a trade show based on the estimated sales that will result from the event. In addition, two sales people and two marketing people have been assigned to handle all aspects of preparing for and attending the trade show.

- **Training program development:** The training program is forecast to save the company \$50,000 by the end of the first two years of training employees. Your boss has given you a budget of \$15,000 to develop the training program.

TIP Once in a blue moon, you might manage a project that doesn't have a budget, but that doesn't mean your options are unlimited. For example, a project is essential to the survival of your company so the CEO has told you to do whatever it takes to make the customer happy. You might ask the CEO for more people or submit expense requisitions for approval. However, at some point, other alternatives might make more business sense. Even if you aren't asked to work within a budget, it's a good idea to build your own budget and aim to meet it. Chapter 6, "Estimating Work and Cost," discusses building a budget.

How Do Projects Differ from Other Work?

Work that remains the same day after day, that is ongoing work or operations, is not a project. For example, delivering the mail to mailboxes on a route is ongoing. If you work in the accounting department, you might spend your days recording payments or paying bills.

Some projects might appear to represent recurring work. However, small differences make each project and the work it entails unique. The following list describes ongoing work that is similar to the four example projects:

- **Backyard deck construction:** Each deck project is a little different. The terrain of your yard, the ground you build on, and the weather can affect your project. So, you could go to your local building supply store and work with a designer to come up with the deck of your dreams. Then, you get drawings and the building materials you need to construct the deck in your backyard. On the other hand, the building supply store that stocks the building materials you use or the company that manufactures the deck components performs the same work day after day.
- **New product development:** A new product development project does just that — it develops a new product and delivers documentation about how to manufacture that product. The project also includes tasks to turn over information to manufacturing so that that team knows how to build the products correctly. But once the product is in the hands of manufacturing, the production line does the same thing every day to pump out products to sell.

- **Exhibiting at a trade show:** If your organization attends trade show after trade show, your marketing department might have a team assigned to prepare standard materials for the shows. Some members of the team spend their days gathering copies of marketing collateral and then ship the materials to their destination.
- **Training program development:** Although developing a training program is a project, teaching a course can become ongoing work. Although each class of students might be different, the overall work in presenting a class is the same. Or, if you offer online training, the ongoing work is keeping the website operational and up-to-date.

Summary

A project is work you undertake that is both unique and temporary. A project has specific goals and objectives. The good news is that a project ends when you achieve those goals and objectives. Most of the time, a project must be finished using a fixed amount of money or resources. It's important to be able to differentiate projects from ongoing, repetitive work, because projects require different management techniques.

Coach's Review

Use this section to assess what you've learned in this chapter and to apply it to a real-life project you're currently working on.

Test Your Knowledge

Test your knowledge of the material in this chapter by answering the following questions. See Appendix A for the answers.

1. What is the key characteristic that differentiates projects from other types of work?
2. Describe two ways that clearly defined objectives help a team complete a project successfully.

Project Challenge

Describe work you have done in the past or are working on now and explain why that work is or is not a project.