


PROJECT LIFE CYCLE & ORGANIZATION

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Key Concepts

- **Project Phases:** as projects are unique they involve a degree of uncertainty accordingly to minimize the risk involved & have better control on them, projects are divided into phases.
- **Project life Cycle:** the sum of all project phases constitute the project life cycle.
- **Deliverable:** it is a tangible & verifiable work product that is resulted at the completion of each phase. Each end phase can have one or more deliverable.
- **Phase exits, stage gates or kill points:** are the reviews that are done to verify
 - the phase deliverable
 - the phase performanceTo decide
 - Whether the project should continue or be terminated
 - Detect & correct errors cost effectively

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Project Life Cycle

- Projects divided into phases to provide better management control with appropriate links to the ongoing operations. Collectively, these phases are known as the project life cycle.
- Most Project life cycles share a number of common characteristics:
 - ❖ What is the work to be done
 - ❖ When the work is to be done
 - ❖ Who will do the work
 - ❖ How to control, verify & approve the work.

Project Life Cycle (cont'd)

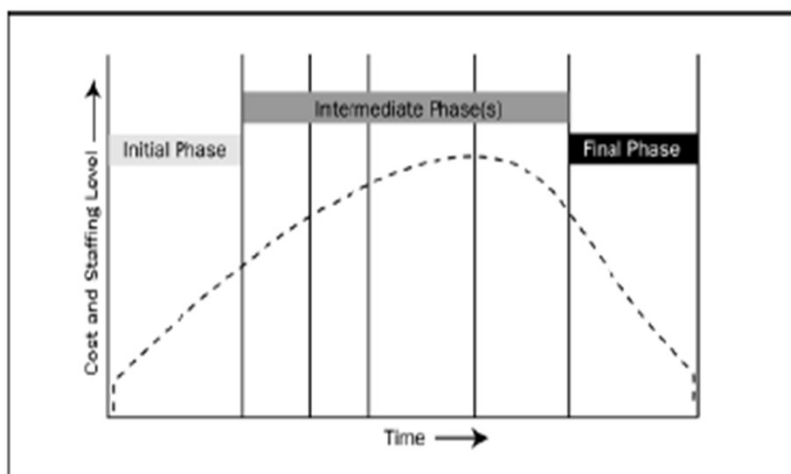


Figure 2-1. Typical Project Cost and Staffing Level Across the Project Life Cycle

Project Life Cycle Common Characteristics

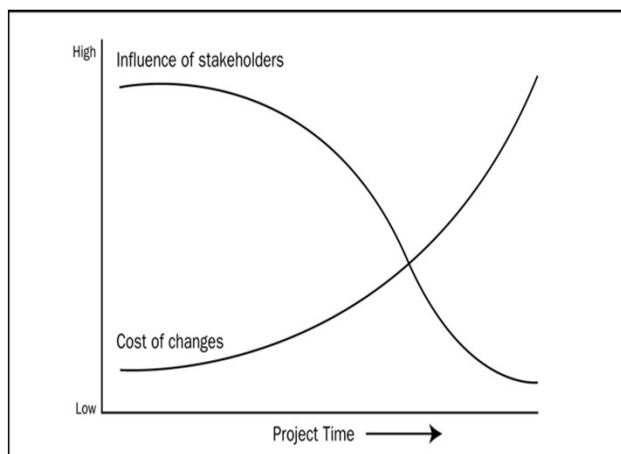
- Phases are generally sequential and are usually defined by some form of technical information transfer or technical component handoff.
- Cost and staffing levels are low at the start, peak during the intermediate phases, and drop rapidly as the project draws to a conclusion
- The level of uncertainty is highest and, hence, risk of failing to achieve the objectives is greatest at the start of the project. The certainty of completion generally gets progressively better as the project continues.
- The ability of the stakeholders to influence the final characteristics of the project's product and the final cost of the project is highest at the start, and gets progressively lower as the project continues. Correcting errors generally increases as the project continues.

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Project Life Cycle Common Characteristics (cont'd)

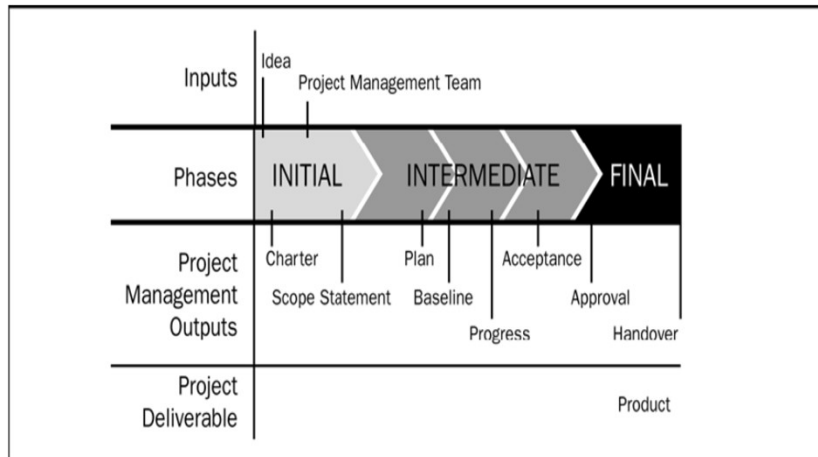


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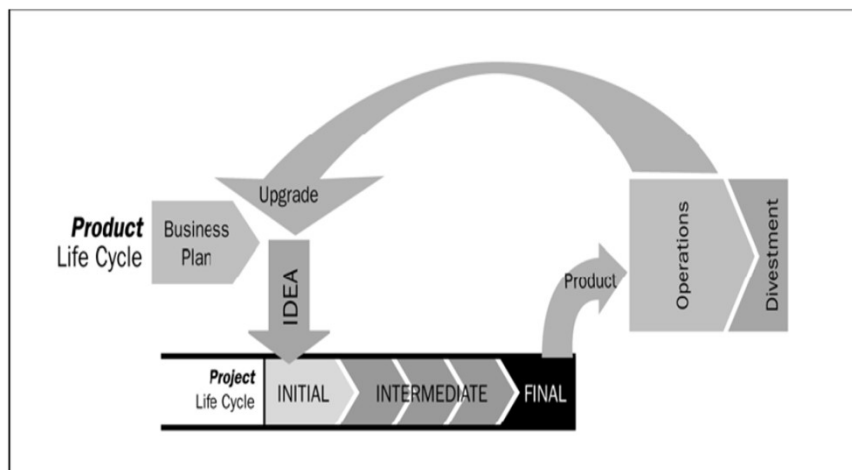
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Typical Project Phase



Relationship between Product Life cycle and Project Life cycle.



Project Stakeholder

A stakeholder is someone whose interests may be positively or negatively impacted by the project. They may also include those who may exert influence over the project but would not otherwise be considered stakeholders

- **Project manager.** The person responsible for managing the project.
- **Customer/user.** The person or organization that will use the project's product. There may be multiple layers of customers.

Project's Stakeholders (cont'd)

- **Performing organization.** The enterprise whose employees are most directly involved in doing the work of the project.
- **Project team members.** The group that is performing the work of the project.
- **Project management team.** The members of the project team who are directly involved in project management activities.
- **Sponsor.** The person or group that provides the financial resources, in cash or in kind, for the project.
- **Influencers.** People or groups that are not directly related to the acquisition or use of the project's product, but due to an individual's position in the customer organization or performing organization, can influence, positively or negatively, the course of the project.
- **PMO.** If it exists in the performing organization, the PMO can be a stakeholder if it has direct or indirect responsibility for the project outcome

Line Managers or Functional Managers

- **The PM does not control any of the resources directly actually he controls them (which are temporarily loaned to them) through the line managers this requires:**
 - ❖ **A good daily relationship between the project manager & those line managers who directly assign the resources to projects.**
 - ❖ **The ability of functional employees to report vertically to line managers at the same time that they report horizontally to one or more PM.**
 - ❖ **The resources are:**
 - Money
 - Manpower
 - Equipment
 - Facilities
 - Materials
 - IT

Defining The Line Managers' Role

- Define how the task will be done & where the task will be done (i.e. technical criteria)
- Provide sufficient resources to accomplish the objectives within the project constraint (who will get the job done)
- Responsibility for the deliverables.
- Functional employee is expected to:
 - ❖ Accept the responsibility for accomplishing the assigned deliverables within the project constraint
 - ❖ Periodically inform both the PM & Line managers of the project status
 - ❖ Bring problems to the surface quickly for resolution
 - ❖ Share information with the rest of the project team.

Defining The Executives' Role

- Objective setting
- Project planning
- Conflict resolution
- Priority setting
- Project sponsor

Organizational Cultures & Styles

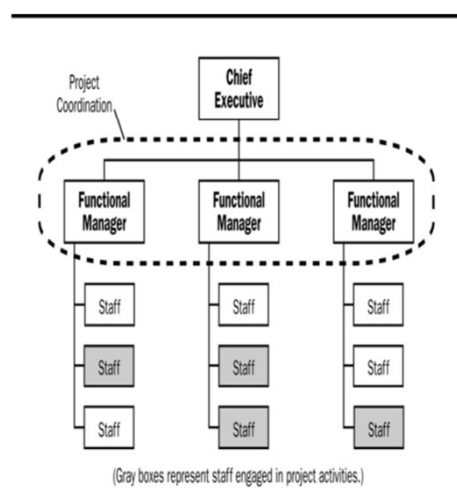
Most organizations have developed unique and describable cultures. These cultures are reflected in numerous factors, including, but not limited to:

- Shared values, norms, beliefs, and expectations
- Policies and procedures
- View of authority relationships
- Work ethic and work hours.

Organizational Forms

- PMI talks about five types of organizational structure, based upon project manager's level of authority.
- Organizational structure can be characterized as scanning a spectrum from functional to projectized as follows:
 - ❖ Functional Organization
 - ❖ Weak, Balanced and Strong Matrix Organization
 - ❖ Projectized Organization

Functional Organization

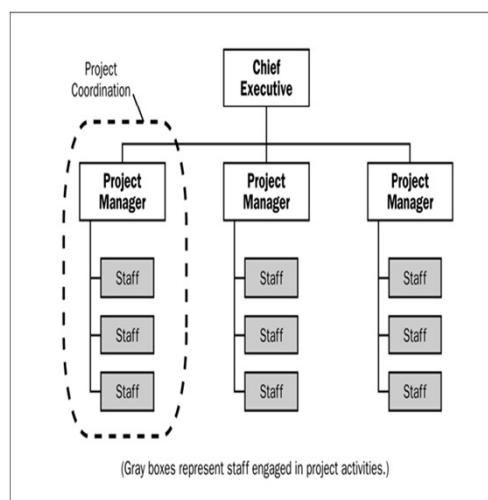


This is the most common form of organization. The organization is grouped by areas of specialization within different functional areas (e.g., accounting, marketing and manufacturing).

Advantage & Disadvantage Of Functional Organization

- **Easier Management of specialists**
- **Team reporting to 1 supervisor**
- **Similar resources are centralized and grouped by specialty.**
- **Clear career path in areas of specialty**
- **Job security is guaranteed.**
- **More focus on the specialty than over the concern for the project success.**
- **No career path in PM.**
- **PM has no authority.**

Projectized Organization



All organization is run by projects. The Project Manager has total control of projects. Personnel are assigned and report to a Project Manager.

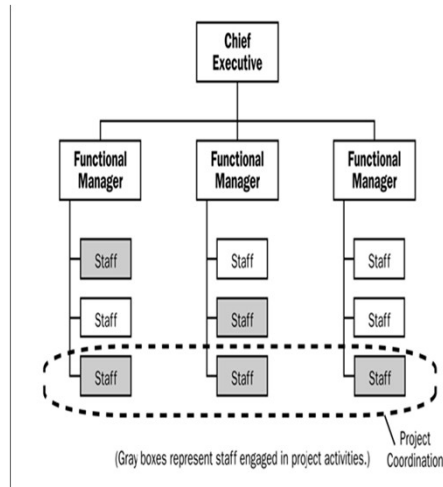
Advantage & Disadvantage of Projectized Organization

- Participants work directly for the PM.
- Strong communication channels
- Staffs can maintain expertise on a given project without sharing key personnel
- Very rapid reaction time is provided.
- Flexibility in determining time, cost & performance trade offs.
- Upper-level management maintains more free time for executive decision-making.
- Personnel demonstrate loyalty
- to the project; better moral with product identification
- Unprofitable product lines are easily identified & can be eliminated.
- Higher cost due to duplication of efforts, facilities & personnel; inefficient usage.
- A tendency to retain personnel on a project long after they are needed.
- Lack of opportunities for technical interchange between projects.
- Lack of career continuity & opportunities for project personnel.
- No strong functional group.

Matrix Organization

- This form is an attempt to maximize the strengths and weaknesses of both the functional and project forms.
- In a strong matrix, power rests with the Project Manager. In a **weak matrix**, power rests with the functional manager. In a **balanced matrix**, the power is shared between the functional manager and the Project Manager.

Weak Matrix Organization



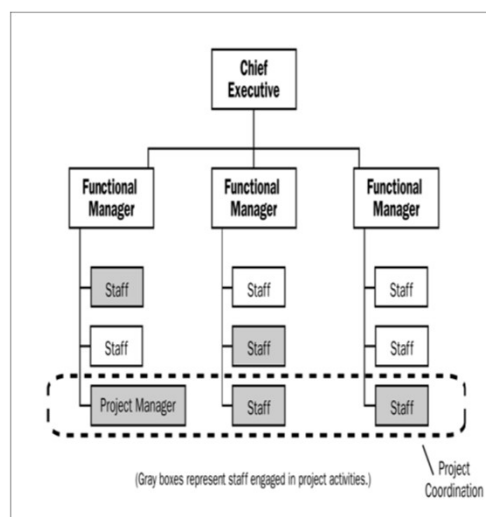
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- **In** this form of organization, the project expeditor acts primarily as a staff assistant and communications coordinator. The expeditor cannot personally make or enforce decisions.

Balanced Matrix Organization

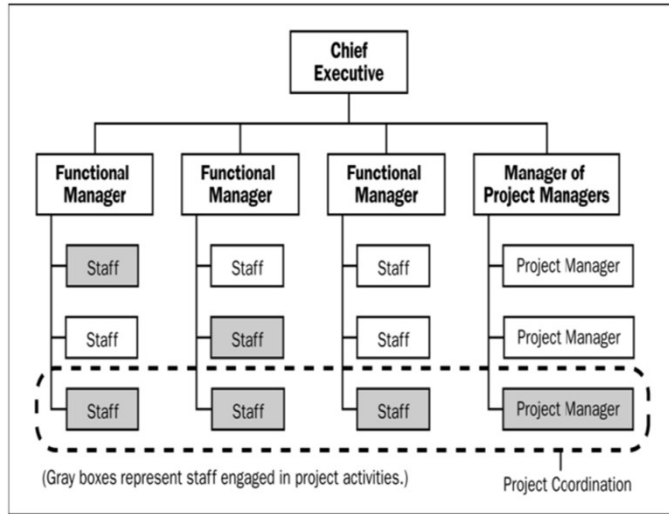


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- This form of organization is similar to the **Weak Matrix** Organization, except that the coordinator has some power to make decisions, some authority, and reports to a higher-level manager.

Strong Matrix Organization

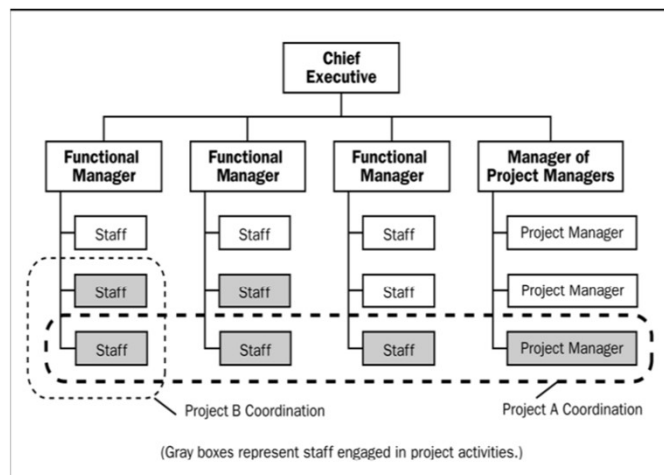


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Composite Organization



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Organizational Structure Influences on Projects

Project Characteristics	Organization Structure	Functional	Matrix			Projectized
			Weak Matrix	Balanced Matrix	Strong Matrix	
Project Manager's Authority	Little or None	Limited	Low to Moderate	Moderate to High	High to Almost Total	
Resource Availability	Little or None	Limited	Low to Moderate	Moderate to High	High to Almost Total	
Who controls the project budget	Functional Manager	Functional Manager	Mixed	Project Manager	Project Manager	
Project Manager's Role	Part-time	Part-time	Full-time	Full-time	Full-time	
Project Management Administrative Staff	Part-time	Part-time	Part-time	Full-time	Full-time	

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The Role Of PMO In Organizational Structures

- The PMO can exist any organizational structure mentioned above
- The authority of the PMO may vary from simple recommendations & follow up role to a mentoring, monitoring & controlling role
- In a projectized organization the PMO will be in the layer between the Chief Executive & the Pm as the latter would directly report to the PMO.

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Project Management Systems

- The project management system is the set of tools, techniques, methodologies, resources, and procedures used to manage a project.
- It can be formal or informal and aids a project manager in effectively guiding a project to completion.
- The project management plan describes how the project management system will be used. If a PMO exists in the performing organization, one of the functions of the
- PMO would typically be to manage the project management system, in order to ensure consistency in application and continuity on the various projects being performed.