

Chapter 9

Project Human Resource Management

Introduction

- PMI® splits human resources into administrative and behavioral management.
- Be careful about roles and responsibilities
- Most of the answers to human resource questions should come from your everyday knowledge and work experience.
- People must be compensated for their work and that people should be rewarded.

Purpose of HR

- Identifying and documenting:
 - project roles,
 - responsibilities, and
 - reporting relationships, as well as
- Creating the staffing management plan

Definition

- Project Human Resource Management includes the processes required to make the most effective use of the people involved with the project.
- It includes all the project stakeholders—sponsors, customers, partners, individual contributors, and Others.

Processes

Human Resource Planning: Identifying and documenting project roles, responsibilities and reporting relationships, as well as create the staffing management plan.

Acquire Project Team: Obtaining the human resources needed to complete the project.

Develop Project Team: Developing individual and group competencies to enhance project performance.

Manage Project Team: Tracking individual and team performance, provide feedback, resolve issues and coordinate changes to enhance project performance

Managing People on the project

- Select techniques that are appropriate for personal and organizational relationships that are temporary
- The nature and number of project stakeholders will often change as the project moves from phase to phase.
- Choose techniques that are appropriate to the current needs of the project
- Team must be sufficiently aware of HR administrative requirements to ensure compliance

Hierarchical Type Charts (cont'd)

- The organizational breakdown structure (OBS) :
looks similar to the WBS, but instead of being arranged according to a breakdown of project deliverables, it is arranged according to an organization's existing departments, units, or teams. The project activities or work packages are listed under each existing department.

Hierarchical Type Charts (cont'd)

- The resource breakdown structure (RBS):
is another hierarchical chart. It is used to break down the project by types of resources. The RBS is helpful in tracking project costs, and can be aligned with the organization's accounting system. The RBS can contain resource categories other than human resources.

Matrix Based Charts

- Responsible, accountable, consult & inform.

RACI Chart	Person				
Activity	Ann	Ben	Carlos	Dina	Ed
Define	A	R	I	I	I
Design	I	A	R	C	C
Develop	I	A	R	C	C
Test	A	I	I	R	I

R = Responsible A = Accountable C = Consult I = Inform
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Networking

- Human resources networking activities include proactive correspondence, luncheon meetings, informal conversations, and trade conferences.
- Informal interaction with others in an organization or industry is a constructive way to understand political and interpersonal factors that will impact the effectiveness of various staffing management options.
- While concentrated networking can be a useful technique at the beginning of a project, carrying out networking activities on a regular basis before a project begins is also effective.

Organizational Theory

- Organizational theory provides information regarding the ways that people, teams, and organizational units behave.

Powers Of the PM

Project managers almost always have difficulty getting people to cooperate and perform, especially if they are working in a matrix organization. Therefore, it is important for the project manager to understand what they can do to get people to perform.

Powers of the Project Managers are as following:

- o FORMAL (legitimate) - Power based on your position. "Do the work because I have been put in charge!"
- o REWARD - Giving rewards.

“ I understand that you have been wanting to participate in the acceptance testing of this project because of your performance, I will assign you as part of that team! ”

Powers Of the PM

- o PENALTY (coercive) - Being able to penalize team members. "If this does not get done on time, I will remove you from the group going to Hawaii for the customer meeting!"
- o EXPERT - Being the technical or project management expert. "We should listen to what the project manager suggests. She is the world authority on this technology!"
- o REFERENT - Based on the project manager's personality or knowledge or referring to the authority of someone in a higher position. "The vice-president has put me in charge of this project. We will therefore do it this way!"

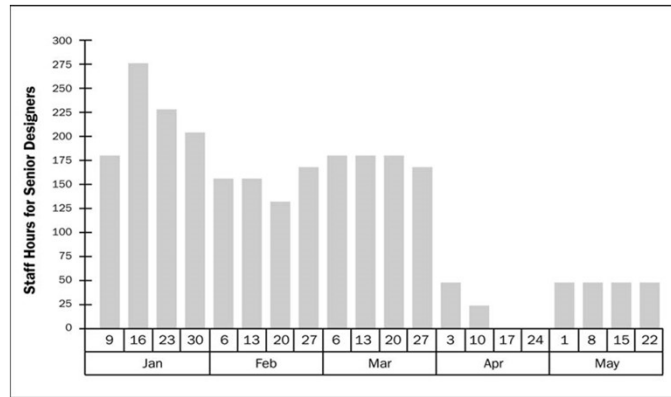
NOTE: PMI® say that the best forms of power are EXPERT and REWARD. Penalty is the worst choice. PMI® also says that FORMAL, REWARD, and PENALTY are powers derived from the project manager's position in the company. EXPERT power is earned on your own.

Staffing Management Plan

- The staffing management plan, a subset of the project management plan describes when and how human resource requirements will be met. The staffing management plan can be formal / informal, highly detailed / broadly framed, based on the needs of the project and includes:
 - **Staff acquisition**

Staffing Management Plan (Cont'd)

Timetable (Resource Histogram)



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17

Staffing Management Plan (Cont'd)

Release criteria.

Determining the method and timing of releasing team members benefits both the project and team members. When team members are released from a project at the optimum time, payments made for people who are finished with their responsibilities can be eliminated and the costs reduced. ***Morale is improved when smooth transitions to upcoming projects are already planned***

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18

Negotiating Skills

Negotiation: conferring with others in order to come to terms or reach an agreement

Key negotiation skills

- Planning and Preparing thoroughly before a negotiation
- Awareness of the various strategies and techniques of negotiation
- Use the appropriate strategies and techniques during the negotiation
- Deal with aggressive negotiators smartly and emotionally.
- Persuade opponents to adopt the proposed course of action.
- Enhance power of your team in the negotiation process.
- Reach constructive, win-win deals
- Evaluate the effectiveness of a negotiation

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Negotiation Skills (cont.)

- Negotiations for:
 - Scope, cost and schedule
 - Changes to scope, cost and schedule
 - Contract terms and conditions
 - Assignments
 - Resources



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Negotiation Skills (cont.)

- Types of Negotiation:
 - Distributive (win-lose)
 - One part's gain is the other's loss
 - Integrative (win-win)
 - Seek solutions where both parties win
 - Both parties show flexibility, trust and are motivated to solve problems
 - Lose-Lose
 - Both parties take an extreme positions



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Key General Management Skills

- Leading
- Communicating
- Negotiating
- Problem Solving
- Influencing the organization



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22

Key General Management Skills

- Some of many topics include:
 - **Leading** - establishing direction, aligning people, motivating, and inspiring
 - **Communicating** - reporting project performance; deciding how, when, in what form, and to whom
 - **Negotiating** - conferring with others in order to come to terms or reach an agreement
 - **Problem solving** - defining the causes of problems, analyzing the problems to identify viable solutions, and selecting the best one
 - **Influencing the organization** - understanding the formal and informal structures and the mechanics of power and politics and using this knowledge to get things done

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Team building

- Stages of Team Building
 1. Forming
 2. Storming
 3. Norming
 4. Performing

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Team building—Forming

- First stage in team building
- Involves the transition from individual to team
- Individuals get acquainted
- Members generally have positive expectations
- Little work is actually accomplished
- Project manager must provide direction and structure
- Individuals do a lot of questioning:
 1. What is our purpose?
 2. Who are the other team members?
 3. What are they like?

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Team building—Storming

- Second stage in team building
- Members start to work on their assigned tasks
- Members begin to test the limits and flexibility of the project manager
- Conflict and tension increase
- Motivation and morale are low
- Members express their individuality not team allegiance
- Project managers should:
 1. be somewhat directive
 2. not become defensive or take issues personally
 3. provide an understanding and supportive environment

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Team building—Norming

- Third stage of team building
- Relationships become settled
- Interpersonal conflicts have been resolved
- Cohesion begins to develop
- Project manager minimizes directiveness
- Work performance accelerates and productivity increases

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Team building—Performing

- Final stage of team building
- Team is highly committed and eager to achieve the project objective
- Level of work performance is high
- Communication is open. Members collaborate and help each other
- The project manager:
 - fully delegates responsibility and authority
 - concentrates on project performance
 - acts as a mentor

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Motivation

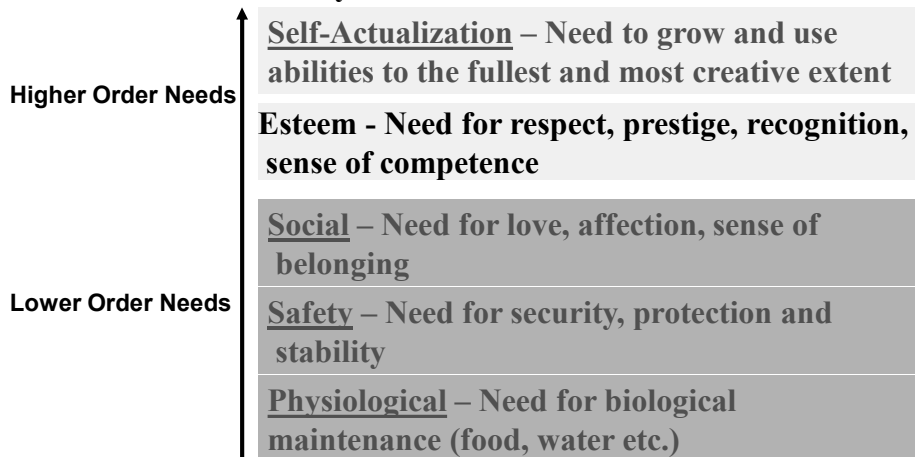
- Project Managers must find ways to motivate the project team to complete the work.
- There is a tendency for the project team to be very excited about the project at the start and as the project moves toward completion.
- The Project Manager must ensure that the excitement, willingness, and dedication to the project work continues in the project team.
- People want to contribute, prove their work, and use their skills and ability.



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Motivation

Maslow's hierarchy



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Motivation

Hertzberg's motivation theory

Motivators

The Job

- Responsibility
- Appreciation of work
- Recognition of accomplishment
- Challenging work
- Increased responsibility
- Growth and development

Hygiene Factors

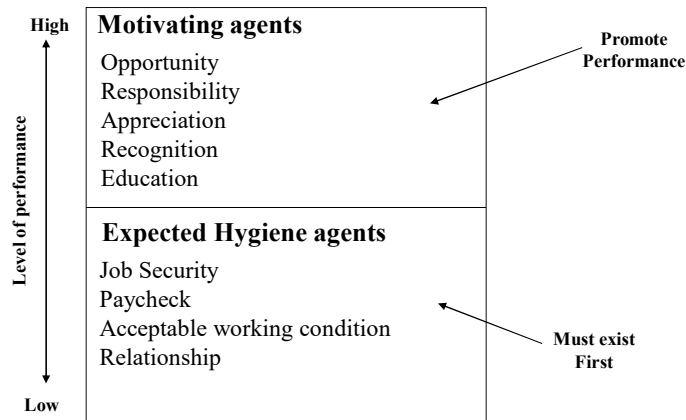
Work environment

- Policies and administration
- Job security
- Supervision
- Working conditions
- Interpersonal relations
- Money, status, security

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Motivation

Hertzberg's motivation theory (cont.)



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Motivation

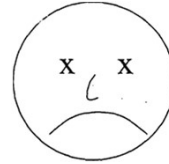
- McGregor's theory

- Theory X

- Traditional view of management; top-down

- **Managers:** Control the people

- **Workers:** Viewed as inherently self-centered, lazy



- Theory Y

- **Workers:** Viewed as willing and eager to accept responsibility

- **Managers:** Create environment that aids workers in achieving goals



- Ouchi

- Theory Z

- Assumes that trust and commitment on part of organization will yield higher motivation and performance by employees

- Rooted in Japanese culture

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Motivation

- Expectancy theory

- People will behave based on what they expect as a result of their behavior.

- People will work in relation to the expected reward of the work.

- If the attractiveness of the reward is desirable to the worker, they will work to receive the reward.

- People expect to be rewarded for their effort

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Conflict Management

- There can be many questions on conflict on the exam, especially situational conflict questions. Read over all areas of conflict carefully.
- Although many of us think conflict is bad, it actually presents opportunity for the project to improve. This is another situation where the understanding of many project managers differs from accepted research. Read this carefully and make sure your basic thinking is on the new side and not the old.

Changing Views of Conflict

Old View:

1. Conflict is dysfunctional and caused by personality differences or a failure of leadership
2. Conflict is to be avoided.
3. Conflict is resolved by physical separation or the intervention of upper management.

Changing Views of Conflict

New View:

1. Conflict is an inevitable consequence of organizational interactions.
2. Conflict can be beneficial.
3. Conflict is resolved through identifying the causes and problem solving by the people involved and their immediate manager.

How to avoid Conflict?

- Conflict is unavoidable because:
 - Nature of projects
 - Limited power of the project manager
 - Necessity for obtaining resources from functional managers
- Conflict can be avoided through the following techniques:
 - Informing the team:
 - Exactly where the project is headed
 - Project goals and objectives
 - All key decisions
 - Changes
 - Clearly assigning tasks without ambiguity or overlapping responsibilities
 - Making work assignments interesting

Seven Sources of Conflict

- Many project managers think that the main source of conflict on a project is personality differences. They may be surprised to learn that this is rarely the case. It only becomes personal if the root cause of the problem is not resolved. The Principles book describes seven categories of conflict and lists their actual order of frequency as:
 - Schedules
 - Project priorities
 - Resources
 - Technical opinions
 - Administrative Procedures
 - Cost
 - Personality
- The exam may ask for the top sources of conflict, so it would be useful to memorize the top four. Since many project managers think that number one is personality conflict, you can expect the exam to include questions with that choice.

Conflict Resolution Techniques

- **PROBLEM SOLVING (CONFRONTING)** - Solving the real problem. "It seems that the real problem here is not lack of communication but lack of knowledge of what needs to be done and when. Here is a copy of the project schedule. It should let you understand what you need to know."
- **COMPROMISING** - Finding solutions that bring some degree of satisfaction to both parties. "Let us do a little of what both of you suggest."
- **WITHDRAWAL** - Retreating or postponing a decision on a problem. "Let's deal with this issue next week."
- **SMOOTHING** - Emphasizing agreement rather than differences of opinion. "Let's calm down and get the Job done!"
- **FORCING** - Pushing one viewpoint at the expense of another. "Do it my way!"

Some Definitions

ARBITRATION: The hearing and resolution of a dispute performed by a neutral party.

PERQUISITES (perks): The giving of special rewards to some employees such as assigned parking spaces, corner offices, and executive dining.

FRINGE BENEFITS: The "standard" benefits formally given to all employees such as education benefits, insurance, and profit sharing.

Some Definitions

HALO EFFECT: The tendency to rate high or low on all factors due to the impression of a high or low rating on some specific factor. This can also mean, "You are a great programmer so, therefore, we will make you a project manager and also expect you to be great."

WAR ROOM: The project team is located in one room. It is used to create a project identity for the project team and management in a matrix organization.

Question 1

- **All the following are forms of power derived from the project manager's position EXCEPT:**
 - A. Formal
 - B. Reward
 - C. Penalty
 - D. Expert

Answer D

- **When someone is given the job of project manager, they will have formal, reward and penalty power. But just having the position does not make the project manager either a technical or project management expert.**

Question 2

- **The highest part of Maslow's hierarchy of needs is:**
 - A. Psychological satisfaction
 - B. Attainment of survival
 - C. Need for association
 - D. Esteem

Answer D

- **This question is asking which of the FOLLOWING is the highest. Self actualization is not listed, so the next best choice is esteem.**

Question 3

- **The "halo effect" refers to the tendency to:**
 - A. Promote from within
 - B. Hire the best
 - C. Move people into project management because they are good in their technical field
 - D. Move people into project management because they have had project management training

Answer C

- **Just because a person is good in his technical field does not mean he will also be a good project manager.**

Question 4

- **An obstacle to team building in a matrix organization is :**
 - A. Problem solving
 - B. Forcing
 - C. Withdrawal
 - D. Compromising

Answer B

- **Team members are harder to motivate if their loyalty is to the functional organization rather than to the project team.**

Question 5

- **All of the following are typical concerns of matrixed team members EXCEPT?**
 - A. Wondering who will handle their evaluations.
 - B. Serving multiple bosses.
 - C. Developing commitment.
 - D. Computing fringe benefits when working on multiple projects.

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51

Answer D

- **In a matrix organization, each team member reports to the project manager and the functional manager. Team members may therefore be worried about choices A, B and C. Since the same fringe benefits are given to all employees no matter what work they do, choice D is the exception.**

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52