

Project Management

Topic 1.1 Project Concepts



FULCRUM *EDGE*, INC.

What is a Project?

- Temporary in Nature
 - Finite duration with a beginning & end
 - Does not mean short in duration
- Creates Unique Deliverables
 - Product, Service, or Artifact
 - Capability to perform a service
 - Specific outcome or document
- Usually involves progressive elaboration

Activity Triple Constraint

- **Reducing time** usually = **increased costs** and/or a **reduction in scope**.
- **Reducing costs** usually = **increased time** and/or a **reduction in scope**.
- **Increasing scope** usually = **increased time** and/or **increased cost**.

Other Project Characteristics

- Must compete for a firm's resources
- Requires resources from multiple functions
- Has a specific customer or group of customers
- Project manager usually does not have direct control of all resources

1.1.1 Roundtable Exercise



Project Examples

1. Why do individuals, groups, companies, and governments perform projects?
2. Cite Project Examples:
Home - Personal Life - Work

Share your thoughts in roundtable discussion

Learn by Doing Project Management
Pages 1-2

Projects vs Operations

Projects

Operations

Common Features

- Performed by people
 - Constrained by resources
 - Planned, executed, & controlled
- Performed by people
 - Constrained by resources
 - Planned, executed & controlled

Unique Features

- Temporary and have an end date
 - Unique
- On-going
 - Repetitive to sustain business

Project Concepts Wrap Up

Project Features

- ✓ Set time period (Temporary)
- ✓ Unique with specific deliverables (Objectives)
- ✓ Interdependent tasks
- ✓ Competes for multiple function resources
- ✓ Triple constraint (Scope, Time, Cost)
- ✓ Progressive elaboration (Uncertainty)

Project Concepts Wrap Up (Cont'd)

- In the past, most executives just wanted to know the project cost and completion date.
- Now their questions relate to 3 goals:
 - Value maximization (Stock Value)
 - Balance (Resource mix, Risk/Reward)
 - Strategic Alignment
- Projects are the basis for future profitability and sustainment of the enterprise.