



**PDHonline Course P102C (8 PDH)**

---

# **Project Management for Managers/Executives**

*Instructor: William J. Scott, P.E.*

**2012**

**PDH Online | PDH Center**

5272 Meadow Estates Drive  
Fairfax, VA 22030-6658  
Phone & Fax: 703-988-0088  
[www.PDHonline.org](http://www.PDHonline.org)  
[www.PDHcenter.com](http://www.PDHcenter.com)

An Approved Continuing Education Provider

**PROJECT MANAGEMENT ASSOCIATES, INC**

*2100 Southwinds Circle  
Birmingham, Alabama 35244*

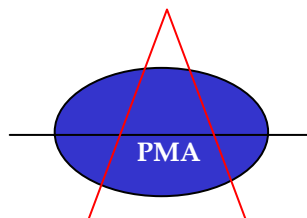
**Presents**

**Project Management for  
Managers/ Executives**

Via

**WEB BASED LEARNING**

*Author: William J. Scott, PMP, PE*



## **Module # 2**

### **Organizational Role Responsibilities and a Profile of an Effective Project Manager**

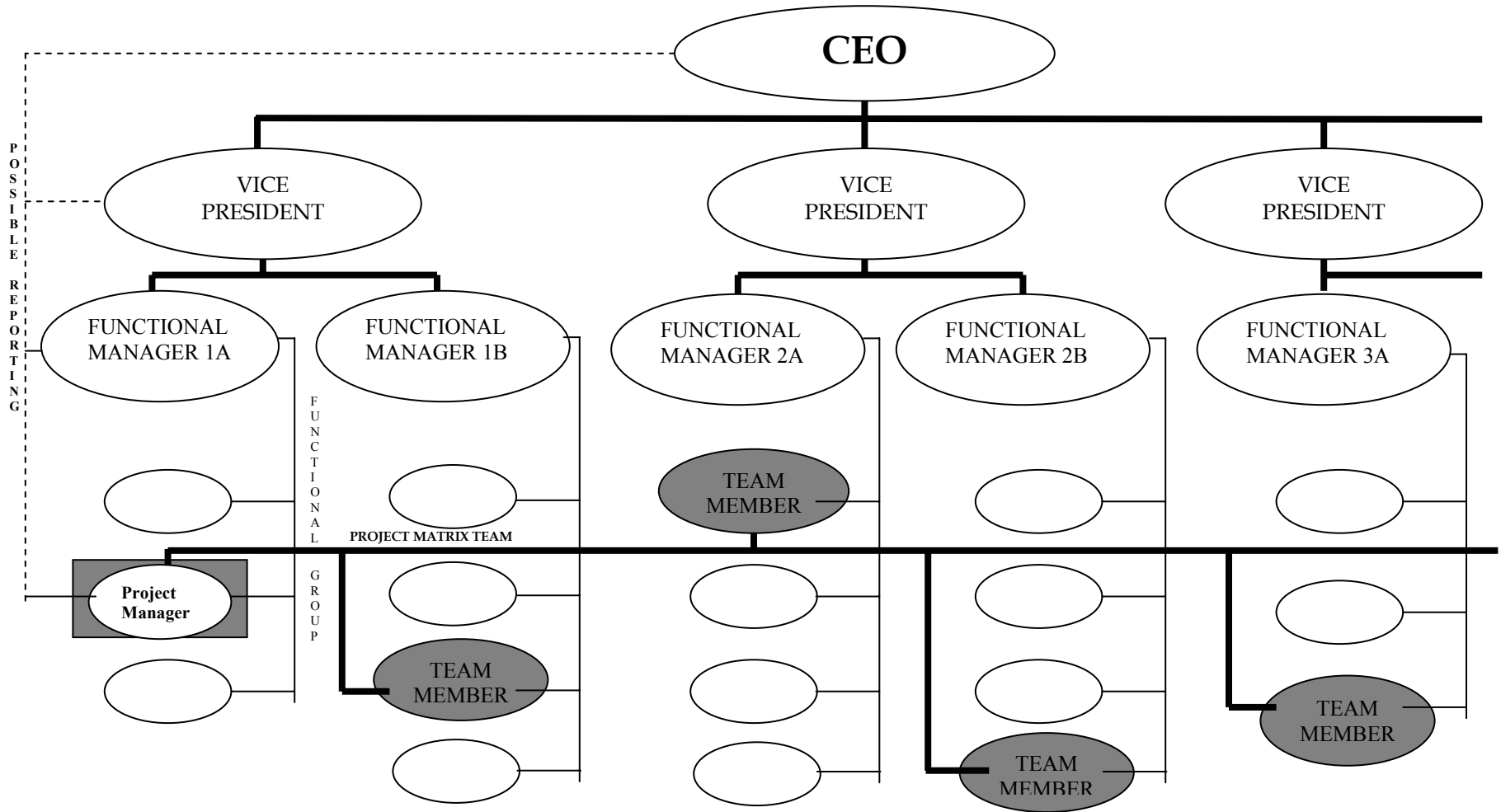
#### **Structuring**

##### **The Traditional Structure (Functional Organization)**

1. It is not process focused.
2. It creates silos.
3. It is slow in response.
4. It is inflexible.
5. Power and communication flows vertically.
6. Work flows horizontally.

##### **The Matrix Structure**

1. It is process and customer focused.
2. It promotes teamwork.
3. It is rapid in response.
4. It is flexible.
5. Power, communication and workflow are aligned.



PROJECT MANAGEMENT MATRIX STRUCTURE

## Role Responsibilities

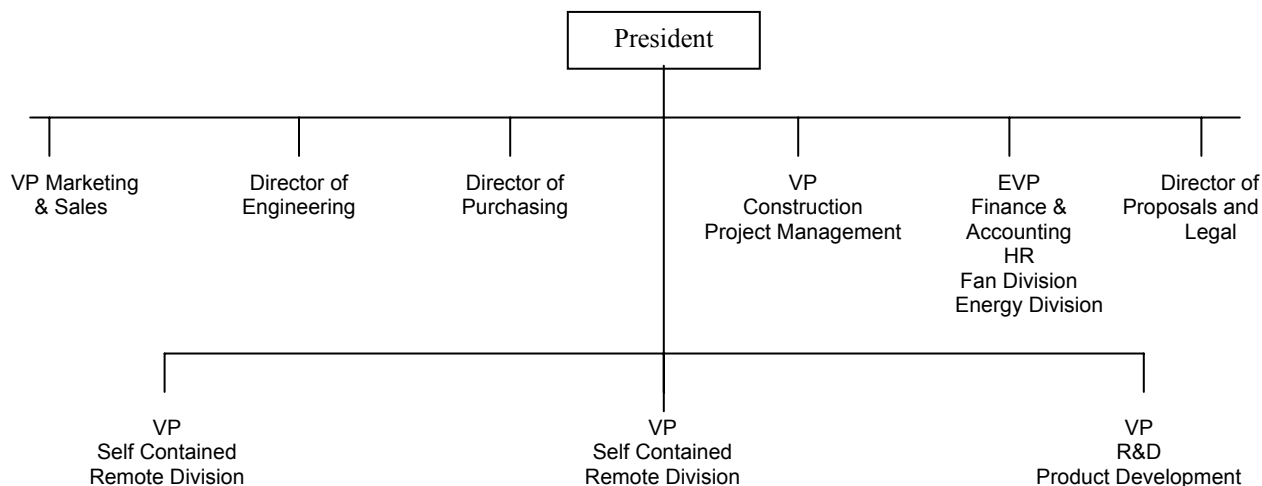
### Top Management (CEO, VP, GM, Directors)

1. Provides overall vision, policy, standards, mission definition, objectives, and strategy for the business.
2. Empowers others with authority to perform.
3. Approves and shows support for The Project Management Process.
4. Assures adequate resources are available to support objectives.
5. Sets priorities.
6. Resolves conflicts.

### Structuring: XYZ Organizational Structure

I reported for work on Monday morning, it was my first day as President of XYZ Company in Houston, Texas. After I was shown my office, I took a tour of the facilities, was introduced to the employees and my staff.

After all the hoopla died down, I took out the company's organizational chart and studied it. It was a typical functional organization, which looked like:



PROJECT MANAGEMENT MATRIX STRUCTURE

I immediately saw three things wrong with the above organizational structure (I had significant previous experience within this industry.)

What do you think I saw?

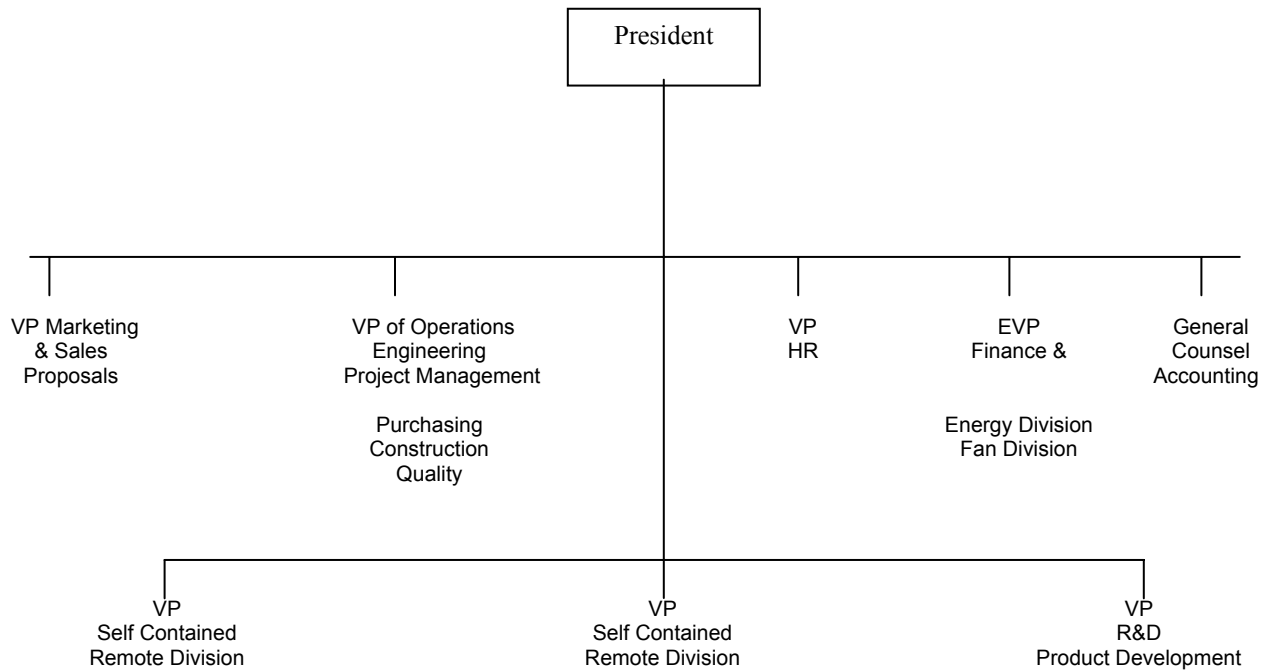
The first thing was that HR was buried deep within the financial organization. This was extremely unusual. I had always felt that people were one of our key resources and that HR's function always needed to report to the very top. So, I took HR out of Finance and made the HR manager a director and had him report to me.

The second thing I saw was that marketing, sales and proposals were fragmented. Most of the time it took a combination of marketing, sales, proposals, and sometimes engineering, project management, purchasing, etc. to work as a team to secure an order. The way the current structure was, the only person accountable for all of those activities was I, the company President. While I was very used to being accountable for all that goes on within the company (whether I knew about it or not), I was uncomfortable not having one person I could delegate these responsibilities to and give them the authority to book new business.

So, I moved proposals under the VP of Marketing and Sales and made him accountable to me to book new business per the business plan.

The third area that drew my attention was the lack of an "Operations Group" (accountable for executing the new business that marketing/sales/proposals bring in.

So, I combined project management, purchasing, engineering, construction and created a quality function and called this group "Operations." I hired an outside person to become VP of Operations, and I also hired a General Counsel. The new organization looked like:



Accountabilities and Responsibilities were rearranged as follows:

Now accountable for orders:

President and VP Marketing/Sales/Proposals

Now accountable for execution:

President and VP of Operations

Now accountable for HR:

President and VP of HR

Now accountable for Legal:

President and General Counsel

Now accountable for Finance/Accounting:

President and EVP Finance/Accounting

### **Functional Managers:**

These people always think they are losers when a Project Management System is initiated. But, nothing really changes for them. They still decide who does the work, how the work gets done, etc. They also:

PROJECT MANAGEMENT MATRIX STRUCTURE

1. Retain direct line authority over employees while functioning as a supplier to the Project Management Process.
2. Set functional standards.
3. Are **RESPONSIBLE** for whom, how, and how well the project sub-tasks are performed.
4. Empowers the project team members.
5. Assures that the team members obtain technical and resource assistance when it is needed.

So, other than not being the project manager, what has really changed for the functional Manager? Nothing really.

### **Project Manager (Leader)**

1. Is the single focal point interface and commitment to the customer.
2. Functions as the initiator and integrator of the total Project Management System and project process.
3. Initiates the process of planning and controlling of the project assignment.
4. Establishes customer/supplier partnerships.
5. Negotiates and contacts with all suppliers and customers (internal and external).
6. Manages by contract (hopefully written).
7. Accomplishes the project contract objectives.
8. Measures and reports performance.
9. Manages change.



### **An Effective Project Manager Must:**

1. Function as a project general manager with full P&L accountability.
2. Identify and quantify all potential risks, identify what we do not know and establish contingency plans.
3. Maintain a “Helicopter View” of the project while having the ability to “bore into” any details...to question and challenge.
4. Be able to delegate and to know when to call on experts.
5. Be able to relate well to all people.... customers, superiors, and subordinates.
6. Have a strong personal sense of commitment to safety, quality, schedule and cost performance.

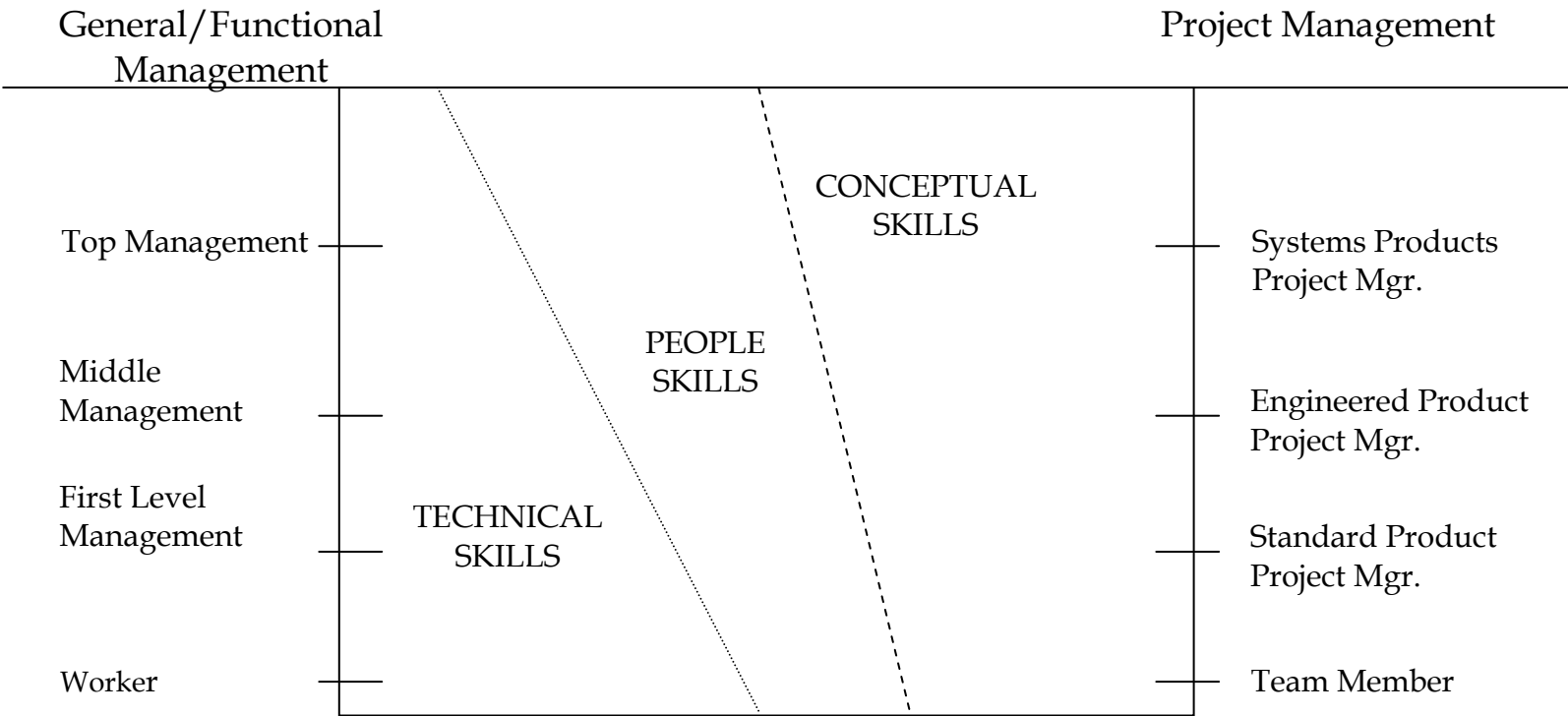
### **Skill Requirements:**

There are three areas of skills necessary for carrying out the process of management or project management:

1. **TECHNICAL SKILLS** – The ability to use knowledge, methods, techniques, equipment, etc.
2. **PEOPLE SKILLS** – The ability and judgment in working with and through people.
3. **CONCEPTUAL SKILLS** – The ability to understand the complexity of the overall organization and manage the process.

The balance of skill requirements change as we go up to the management ladder. Likewise, the skill requirements for the large complex system projects are quite different than those for smaller, standard product projects. See the chart below.

## SKILL REQUIREMENTS VERSUS MANAGEMENT LEVELS



THE COMMON DENOMINATOR THAT IS CRUCIAL AT THE  
DIFFERENT LEVELS OF MANAGEMENT AND PROJECT MANAGEMENT IS:  
**PEOPLE SKILLS**

### **Profile the Project Manager Exercise**

#### **Objective of This Exercise:**

1. Identify the qualities, skills and characteristics of an effective Project Manager.

#### **What to Do:**

1. Think.

PROJECT MANAGEMENT MATRIX STRUCTURE

2. Do not evaluate as you go.
3. Use 80/20 rule.
1. Scribe your answers.

**Deliverable:**

A list of skills, qualities and characteristics of a good project manager.

**TIME:** 10/15 MINUTES

**WRITE DOWN YOUR SOLUTION NOW**

**Project Manager Personal Skills Checklist**

**People Skills**

1. Leadership
2. Communications – verbal, written, listening, presentation
3. Interpersonal
4. Selling
5. Conflict Management
6. Negotiation
7. Facilitation
8. Delegation
9. Team Building

## Conceptual Skills

1. Process
2. Planning
3. Organizational
4. Problem solving
5. Financial
6. Time management

## Qualities That Contribute To Excellence in Project Management

1. Self-motivated, self-confident, self-directing, self-disciplined, self-commitment – sets positive example for others
2. Has ambition, drive, energy, enthusiasm, and motivation.
3. Has integrity, high values and a sense of justice – stands above organization politics and gamesmanship.
4. Has high level of deserved self-respect and self-esteem.
5. Accepts role of leader with humility, enjoys the role, and is clearly accepted and respected in the role.
6. Customer focused – action driven.
7. Is continually searching, learning, developing, expanding and above.
8. Demonstrates objectivity, as well as flexibility.
9. Is persistent, tempered with sound judgment.
10. Decisiveness avoids procrastination.
11. Is a **“WINNER”!**

## HOW DOES THE ABOVE LIST COMPARE TO YOUR LIST?

### Influencing and Motivating Behavior

#### In order for Project Managers to do their best, they:

1. Must know what they are supposed to do, preferably in terms of an end product.
2. Must have a clear understanding of what their authority is, and of its limits.
3. Must know their relationship with other people.
4. Should have real time feedback as to how they are doing.
5. Must be shown concrete evidence that there are just rewards for work well done.
6. Should know where and when they are falling short.
7. Must be made aware of what can and should be done to correct unsatisfactory results.
8. Must feel that **their** managers have an interest in them as individuals.
9. Must feel that **their** managers believe in them, trust them, have high expectations of them, and are anxious for them to succeed and progress.

#### Company Software Purchase – TeamWork, Not Sizing Someone Else's Tiger (Based on a true story)

I was the general manager of an industrial drying company in Tennessee several years ago. It was during that time that most businesses were beginning to embrace the computer and word processing.

One day, my secretary into my office and told me I needed to make a

Decision on the type of word processing software package the company should use and standardize on.

Since I was not computer, word-processing or software literate at the time, I thought she was kidding or talking to someone else. When I looked around and saw that no one else was behind me, it dawned on me that she was talking to me.

I asked her, why me? I told her that I was probably the least qualified person in the building to make this decision.

My secretary told me that since the company intended to standardize on the software package and this decision spanned multiple departments, only I could make this decision.

I again explained that I didn't know one software package from another and that surely there was someone else better qualified to make this decision. When she shook her head no, a thought came to me.

So I told her why don't you get all the users together, you chair the meeting and let the people who will have to make it work and use it daily make a recommendation for me to "approve".

I knew that if the people who had to make the software work and use it on a daily basis made this decision, it could never turn out to be the wrong decision. Those people would never resist making the software package work and using it and they would feel good about being involved in the decision.

So the group got together and discussed the pros and cons of the various choices. They considered technical, commercial, and cost. They recommended we buy and standardize on Word Perfect. I, of course not knowing any better, approved the decision and away we went.

Now, as time has passed, it has become obvious that while Word Perfect was not the correct long-term solution, at the time it was the correct short-term solution. In addition, we had a happy set of secretaries and administrative assistants who never badmouthed Word Perfect, no matter how difficult it turned out to be.

When people have a say in the decision and you get their “buy in”; the decision hardly ever turns out “wrong”.