Effective Project Management for a Projects-Based Business

Cathie Hernandez
AllCom Global Services
What are the objectives of this discussion?

✔ A thorough understanding of a proven approach to project management within a project-based business

✔ A thorough understanding of the benefits of Project Manager Accountability and Empowerment

✔ Leave here with an opportunity to improve your return on the project manager position
Where do we begin?

• Who am I?
• AllCom Global Services Project Management Past and Present
  • What was working?
  • What wasn’t working?
We went back to the fundamentals…so let’s all go back to basics….briefly….
Let’s start with some definitions:

What is project management?

- Wikipedia defines project management as “the discipline of initiating, planning, executing, controlling, and closing the work of a team to achieve specific goals and meet specific success criteria”
What is a project?

- Wikipedia defines a project as: “a temporary endeavor designed to produce a unique product, service or result with a defined beginning and end (usually time-constrained, and often constrained by funding or deliverable) undertaken to meet unique goals and objectives, typically to bring about beneficial change or added value.”
What is a Project Manager?

- Wikipedia defines a project manager as: “a professional in the field of project management. Project managers have the responsibility of the planning, procurement, and execution of a project. Project managers are first point of contact for any issues … This individual seldom participates directly in the activities that produce the end result, but rather strives to maintain the progress, mutual interaction and tasks of various parties in such a way that reduces the risk of overall failure, maximizes benefits, and minimizes costs.”
Note: for this purpose: Project = job = work
Project Management in any company starts with the handoff.
• When does the handoff to the PM take place in your business?
  • When the person is identified as the PM?
  • When the bid goes in?
  • When the PO is awarded?
  • When the work starts at the project site?
• There simply needs to be a point in the project lifecycle where the PM takes the reins
What are the primary aspects of Project Management?

The Project

- Communication
- Technician/Subcontractor Management
- Task Management
- Performance Management
- Financial Management
- Materials Management
What are the primary aspects of Project Management?

The 360 Degree Approach to Project Management:

- PM Owns the full circle of responsibilities relative to the project
- One-throat to choke/one hand to shake
• Open Communication with internally and with Customer
• Communicating attainment of pre-established key milestones
• “no surprises” philosophy
• Regular updates of current aspects of the project – weekly calls are typical / daily or weekly reports
Materials Management

• Working with Engineering to ensure Materials List is accurate
• Approving the Materials List
• Presenting ordering list / PR / ETC to Purchasing
• Obtaining tracking information
• Recording materials as they arrive on site
• Ensuring the receiving process is performed as materials show up at job site
• Re-order / replacement / additional materials as needed
• Errors/damage/backorders
Task Management

- Realistic and attainable dates
- Meet / exceed customer expectations
- Set key milestone commitments
- Doesn’t matter what the medium is for task management
- Rather, what the customer expects
- MS Project, Spreadsheet, Primavera
  - Determined by customer in most cases
Financial Management

- Hardest piece to implement
- Education on financial aspects of a project
- Works closely with Accounting team but owns the management
- Accountable for cost allocations / approvals
- Initially establishes the cost budget / reviews cost to budget allocation regularly (daily/monthly)
- WIP reporting
- Approves vendor invoices for payment via receiving process
- Approves Customer invoices prior to delivery to customer
- Ultimately accountable for financial performance of project
Field Technician/Subcontractor Management

- Day-to-day management of project site crew
  - Technicians and Subcontractors
- Site Manager / Lead on site / PM remote....possibly
- Ensures the right mix of skillsets are provided on project
- Provide information of project requirements
- Review material requirements and timeline of arrival
- Ensure work is performed with accuracy, quality and speed
- Ensures productivity is consistently maintained
- Quality review completed at intervals on the job
- Daily/Weekly reports provided from jobsite
Performance Management

- Milestone Attainment
- Quality, accuracy, speed
- Revenue / Margin attainment
- Productivity of onsite crew maintained
- Critical that there is accountability here!

- **CUSTOMER SATISFACTION leads to repeat business!!**
So, back to the Project Manager……

• Why does this approach make sense?
  • Accountability
  • Empowerment
  • Responsibility
  • Control

We call the Project Manager the “CEO” of the project
How to Implement this approach in your business to ensure success?

- Assess your current Project Manager / Project Coordinator roles within your company
- Determine if these are the right people for the job
- If yes, it is critical to obtain buy-in from the people to make this successful. They have to want to take on the responsibility of each of the areas.
- Accountability and Empowerment are the keys to Success
- Incent the Project Manager position through Key Performance Indicators
- Recognize milestone attainment through reinforcement of the common goals
Here’s what you learned:

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