



Project Management

A PROVEN  
PROCESS FOR  
SUCCESS

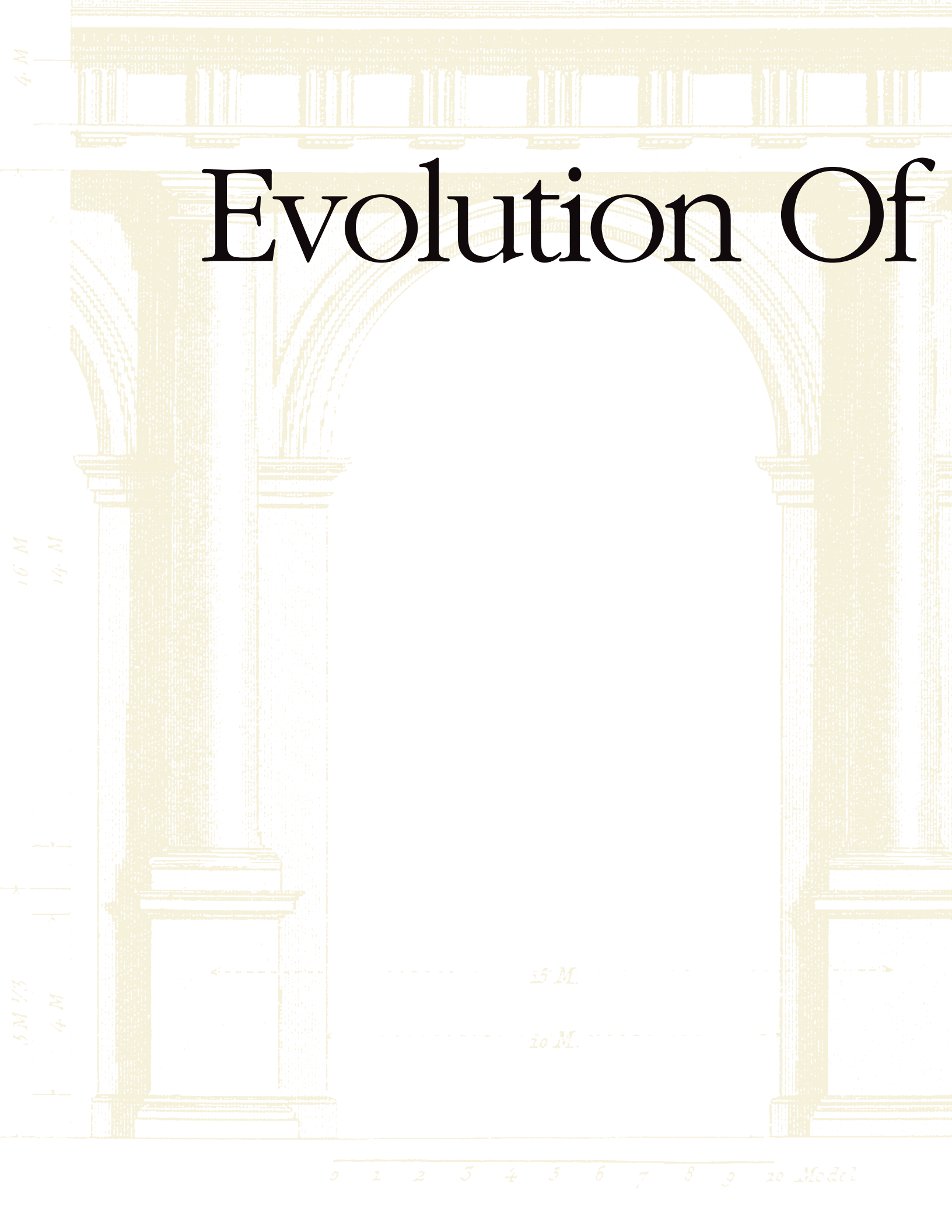
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**PMI**

Project Management Institute

# Evolution Of



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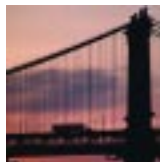
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# An IDEA

**P**eople have been planning and managing projects since the dawn of time. Whenever and wherever civilizations took root, there were projects to manage: buildings to erect, roads to pave, laws to write. Without the advanced tools, techniques and methodologies we have today, people created project timelines, located materials and resources and weighed the risks involved.

Over time, people realized that the techniques for cost control, timeline development, resource procurement and risk management were applicable to a wide range of projects, whether erecting bridges, rotating crops or deciding how to govern themselves. These early ideas were the precursors to a set of management techniques we now know as “modern project management.”

Modern organizations are finding that project management provides many advantages – not the least of which is improving the bottom line! Savvy customers demand more and better products and faster services. Time-to-market pressures force greater efficiency. Professional project management has found its place in today’s competitive, global business arena.





# What is a PPR

**A** project is a temporary endeavor undertaken to achieve a particular aim. Every project has a definite beginning and a definite end. While projects are similar to operations in that both are performed by people, both are generally constrained by limited resources, and both are planned, executed and controlled, projects differ from operations in that operations are ongoing and repetitive while projects are temporary and unique.

Projects are created at all levels of an organization. They may involve a single person or thousands. Their time spans vary greatly. They may involve a single department of one organization or cross organizational boundaries.

Project management can be applied to any project regardless of size, budget or timeline. Some examples are:

- *Developing a new product or service*
- *Designing a new vehicle*
- *Running a political campaign*
- *Building a bridge*
- *Sending a probe to Mars*
- *Setting up an e-commerce internet site*





# PROJECT?

## What is PROJECT MANAGEMENT?

According to *A Guide to the Project Management Body of Knowledge* —2000 Edition, [Project Management Institute (PMI®) December 2000], project management is the application of knowledge, skills, tools and techniques to a broad range of activities in order to meet the requirements of the particular project. Project management knowledge and practices are best described in terms of their component processes. These processes can be placed into five Process Groups – Initiating, Planning, Executing, Controlling and Closing – and nine Knowledge Areas – Project Integration Management, Project Scope Management, Project Time Management, Project Cost Management, Project Quality Management, Project Human Resource Management, Project Communications Management, Project Risk Management, and Project Procurement Management.

The project team manages the work of the project, and the work typically involves:

- *Balancing competing demands for: project scope, time, cost, risk and quality*
- *Satisfying stakeholders with differing needs and expectations*
- *Meeting identified requirements*

The term “project management” is sometimes used to describe an organizational approach to the management of ongoing operations. This approach treats various aspects of ongoing operations as projects in order to apply project management techniques to them. Project management focuses critical attention on the interdependent nature of complex tasks – an action, or failure to take action, in one area will usually affect other areas.



# A Proven Process

**P**roject management helps organizations meet their customers' needs by standardizing routine tasks and reducing the number of tasks that could potentially be forgotten. Project management ensures that available resources are used in the most effective and efficient manner. Project management provides senior executives insight into "what is happening" and "where things are going" within their organization.

"THE TRANSITION to E-business depends on successful project management. More than ever, this success is directly tied to effective involvement of business executives and the speed at which decisions and actions are taken. Today's project management best practices must act as the catalyst for communication and decision-making right up to the board room level."

**William Smillie, Partner**  
Programme and Project  
Management Services  
PricewaterhouseCoopers, LLP

Many organizations around the world such as NASA, IBM, AT&T, Siemens, Chiyoda Corporation, PricewaterhouseCoopers, Singapore Computer Society, and the State Government of Oregon (USA), utilize project management to enable innovative processes, to plan, organize and control strategic initiatives, to monitor enterprise performance, analyze significant deviations and forecast their impact on the organization and project(s).

The application of project management principles enables senior executives to:

- *Establish measures of success*
- *Quantify value commensurate with cost*
- *Incorporate quality principles*
- *Ensure fast time-to-market*
- *Enable customer focus and alignment*
- *Optimize the use of organizational resources*
- *Put strategic plans into practice*

Project management also has gained popularity over the last several decades because of significant changes in the workplace. Some of these changes include:

- *Downsizing (i.e. fewer people to do more tasks)*
- *Projects and services have grown larger and more complex*
- *Fierce global competition*
- *Easier access to information through vast communications networks*
- *More sophisticated customers demanding higher quality goods and services*
- *Exponential technological growth*
- *Multinational organizations seeking to establish uniform practices for managing projects*

# for SUCCESS

Project management can be found in many industries today, from construction and information systems to healthcare, financial services, education and training. With this expansion, people who lead projects now come from a variety of backgrounds and bring varying levels of experience to their positions as practitioners working in the project management profession. To prepare for the role of project manager or project team member, individuals should gain a basic understanding of the processes and knowledge areas that are common to all projects.

“WE STARTED our State Project Management program over two years ago due to many failed projects and a directive from our legislature. To date, we have graduated over 300 employees. Project Management is becoming a part of our culture and is adding tremendous value to the state and local agencies as well as Oregon citizens.”

**Julie Pearson, Manager**  
*Statewide Technical Education  
Program Services  
Department of  
Administrative Services*

## A Thriving & DYNAMIC PROFESSION

**M**odern project management began in the late 1950s and early 1960s when the size, scope, duration and resources required for new projects began to demand more than a flow chart and a conference table. At the same time, literature on the subject of “management by projects” began to emerge. The phrase “project management” crept into the vernacular, although it was mostly limited to the engineering and construction industries.

Today, project management is used globally by multi-billion-dollar corporations, governments and small nonprofit organizations alike. Project management leadership is a highly sought-after skill as global competition demands that new projects and business development be completed on time and within budget. Professionals working in project management will drive the successful development of exciting new business enterprises in the 21st century.



**E**stablished in 1969 and headquartered outside Philadelphia, Pennsylvania, USA, the Project Management Institute is the world's leading project management association. Further information about PMI may be obtained by calling its headquarters at +610-356-4600 or by visiting its Web site at [www.pmi.org](http://www.pmi.org)



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