“Project Management connected to Creativity and Entrepreneurship”

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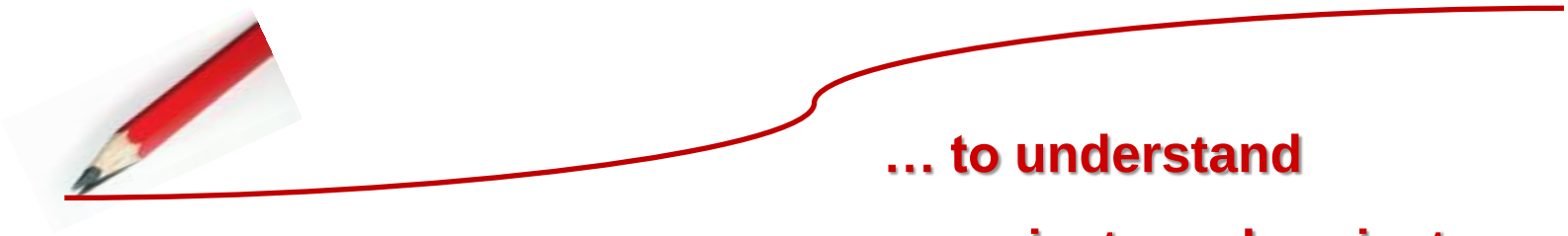
Interaction human - material

”… a close connection between the type of knowledge possessed by the personnel of the firm and the services obtainable from its material resources.” (Penrose, 1959)

Projects Management in Organisations

A logical starting point



… to understand

projects and project managers

- **Speed: Time to market**
- **Quality: Cross funtional project teams**
- **Cost reduction**
- **Complexity of knowledge**
- **Downsizing and outsourcing**
- **Multiproject environment**

A Portfolio Management System for the Case

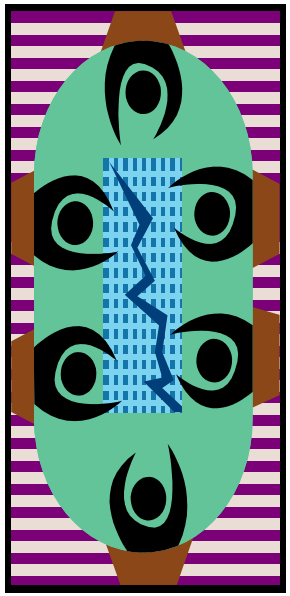
- **Selection Criteria**
  - **Financial:** payback, net present value (NPV), internal rate of return (IRR)
  - **Non-financial:** projects of strategic importance to the firm.
- **Multi-Weighted Scoring Models**
  - Use several weighted selection criteria to evaluate project proposals.

Applying Selection of Projects

- **Project Classification**
  - How well does the project fit the organization's strategy?
- **Selecting Projects**
  - Reduces the number of wasteful projects
  - Helps identify proper goals for projects
  - Helps everyone involved understand how and why a project is selected

Project Portfolio Matrix Dimensions

- Bread-and-butter Projects
  - Involve evolutionary improvements to current products and services.
- Pearls
  - Represent revolutionary commercial opportunities using proven technical advances.
- Oysters
  - Involve technological breakthroughs with high commercial payoffs.
- White Elephants
  - Showed promise at one time but are no longer viable.

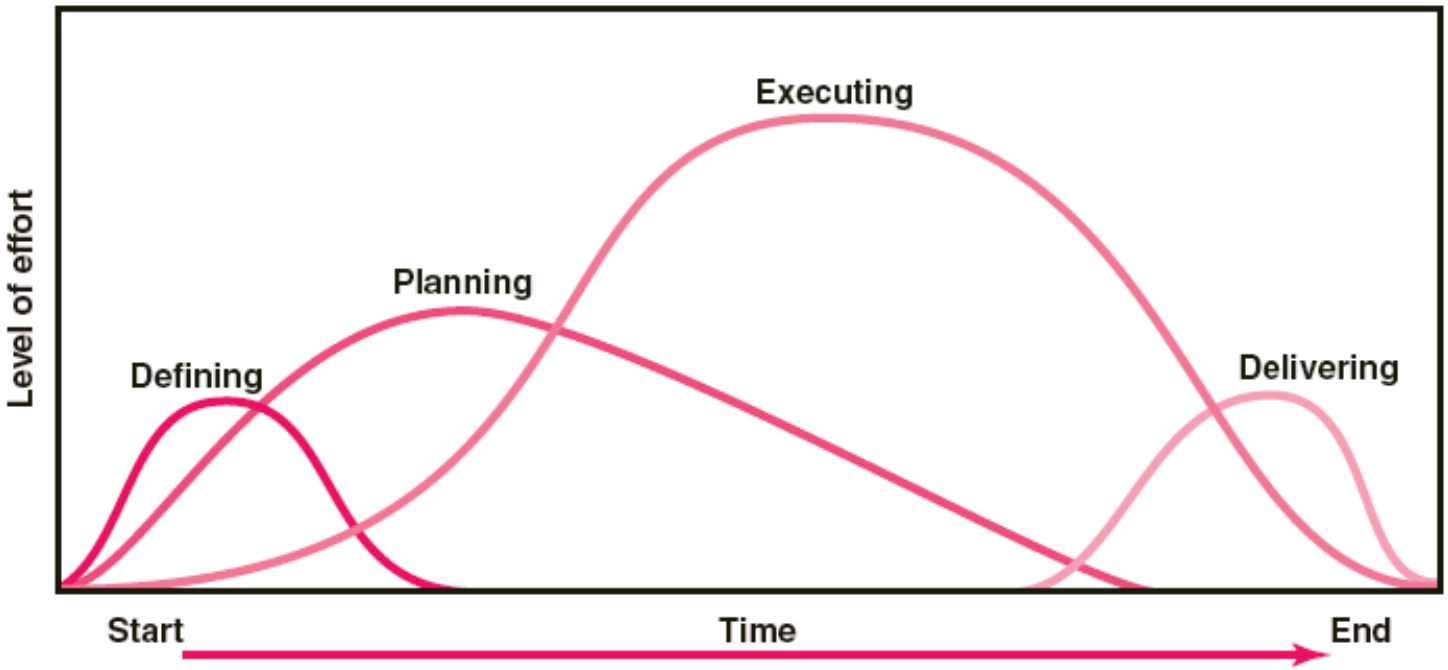


What is a Project?

- **It has a defined objective - a purpose**
- **It has a defined endpoint**
- **It requires a variety of specialists working together**
- **It is non routine**
- **Specific time, cost and performance is required**
- **It requires daily operations**

  …but differs from everyday work
- **Its life cycle shows different level of effort and focus**

Project Life Cycle



Defining	Planning	Executing	Delivering
1. Goals	1. Schedules	1. Status reports	1. Train customer
2. Specifications	2. Budgets	2. Changes	2. Transfer documents
3. Tasks	3. Resources	3. Quality	3. Release resources
4. Responsibilities	4. Risks	4. Forecasts	4. Release staff
	5. Staffing		5. Lessons learned

Modern Project Managers

The entire organizational staff can benefit from being trained in project management

… to plan, schedule, motivate, and control

… to create a team

… to decide what and how things should be done

… to meet challenges

… to maintain the link to creativity

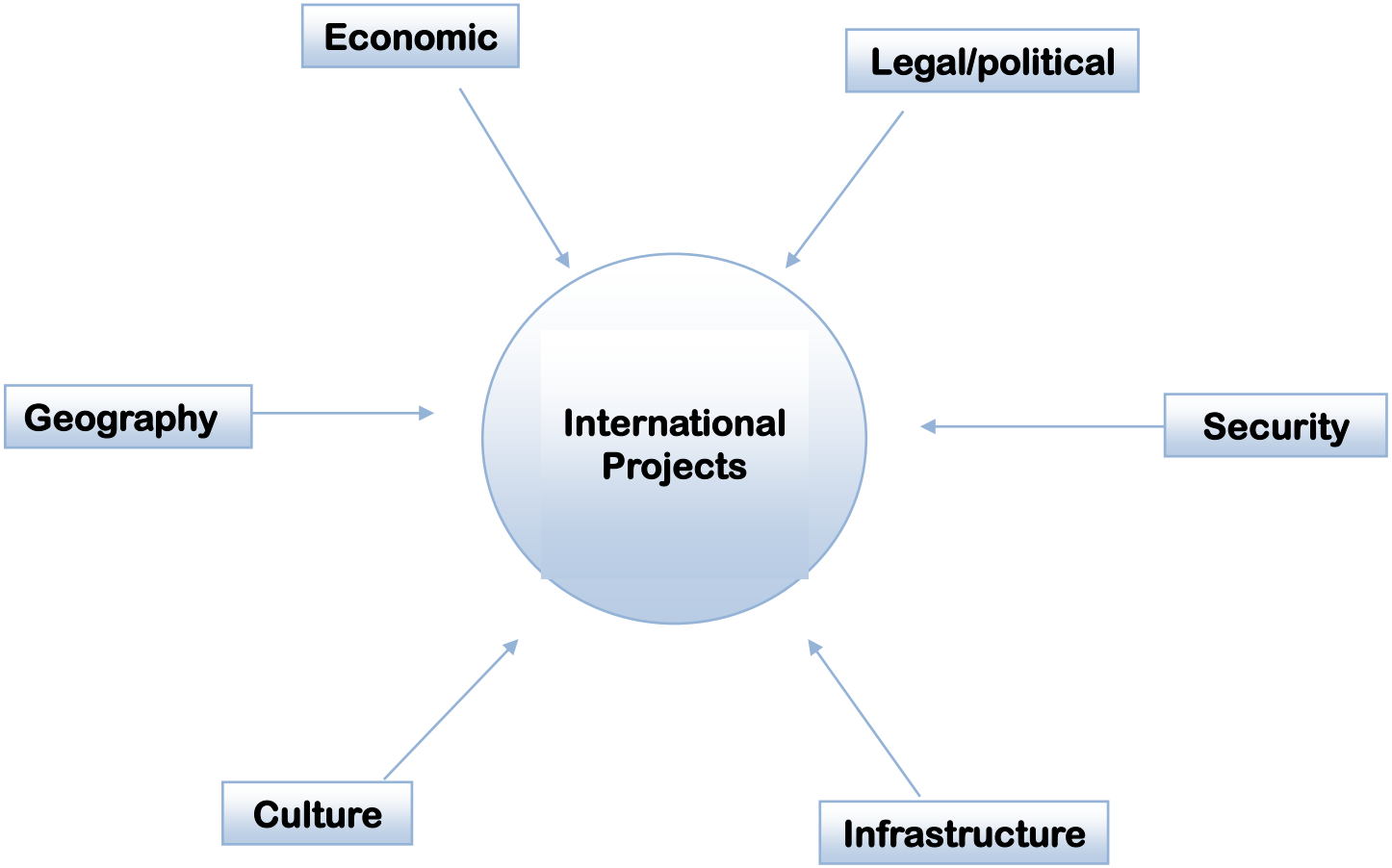
… to remain alert to opportunities

… and even to oversee the dissolution of a completed project

Managing Projects in the Film Industry

1. Start and end with the film producer
2. The film producer is a dealmaker
3. Multi-task business: development, production, distribution
4. Add value to the project
5. Executive producer responsible for fund raising
6. International or local distributors
7. Other practitioners
   - Creative staff
   - The crew
   - Third-party financiers
   - Services

International Projects: Environmental Factors



Navigating Organizational Cultures

- Interacting with the culture of the parent organization
- Interacting with clients or customer organizations
- Interacting with other organizations connected to the project

Kluckhohn-Strodtbeck Cross-Cultural Framework

Try to discover differences in values among your colleges!

Cultural issue		Variations	
Relationship to Nature	Domination	Harmony	Subjugation
Time orientation	Past	Present	Future
Activity Orientation	Being	Doing	Controlling
Nature of People	Good	Evil	Mixed
Relationships among people	Individualist	Group	Hierarchical

Dimensions of Hofstede's Framework

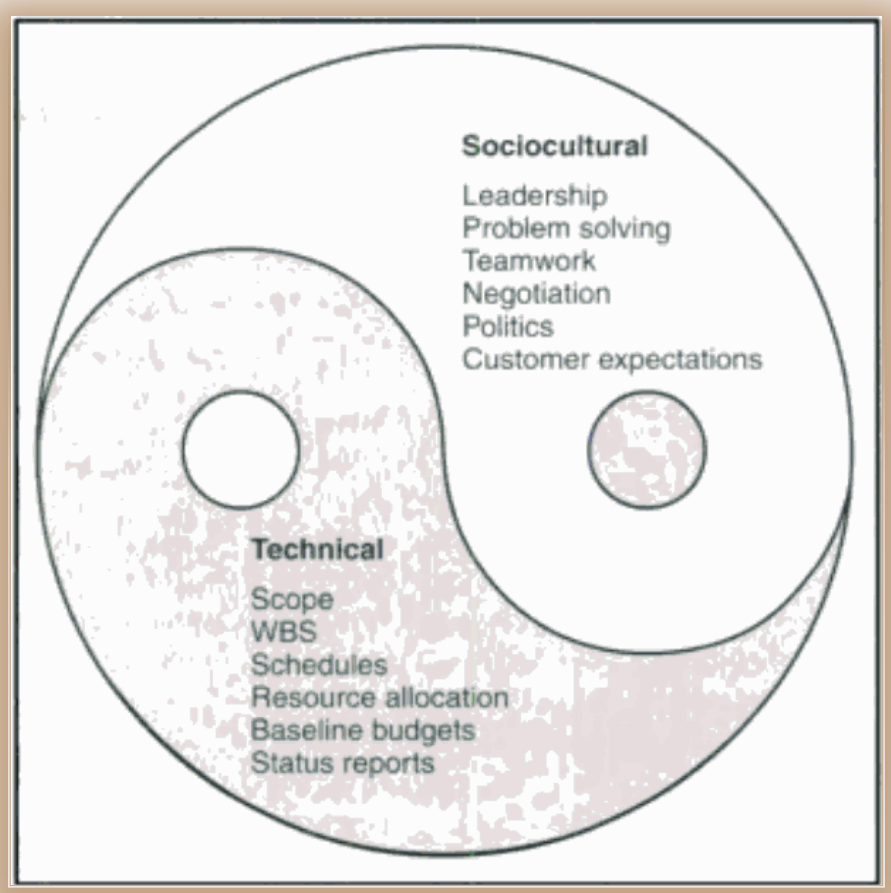
- **Individualism vs. Collectivism**
  concerns responsibility for each member's welfare

- **Power Distance**
  describes the acceptance of status (equal vs. hierarchial)

- **Uncertainty Avoidance**
  a culture's willingness to accept ambiguity

- **Masculinity vs. Femininity**
  focus on achievement vs. relationship orientation

Dimensions of the Project Management Process



Training approach

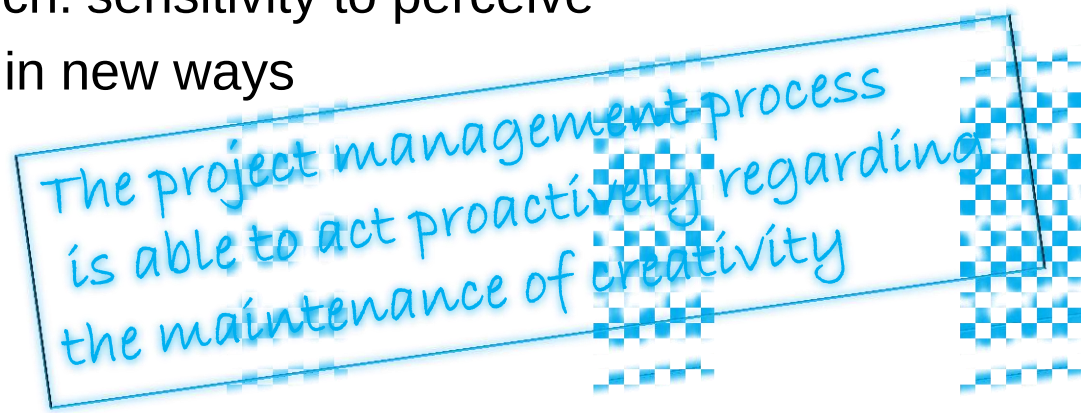
Information-giving approach learning from lectures

Affective approach learning from cases and role-playing

Experimental approach from realistic simulations or scenarios

Creativity links to Entrepreneurial Behaviour

- Opportunity identification: superior search and scanning
- Social networks: related and unrelated contribution of others
- Prior knowledge: work experience and education
- Information on trends and changes
- Alert and active search: sensitivity to perceive
- Connection the dots in new ways
- Mode of thinking
- Firm commitment



… links to Modern Project Management

Get the team to buy into time and cost

- Highly motivated team
- Culture that allows errors without incriminations
- Top-down estimates
- Bottom-up estimates
- Estimates for each work package
- Learning curves
- Time and costs estimating database
- Defining objectives, scope, and specifications
- Team climate
- Organization culture and structure

Why Estimating Time and Cost

- to support good decisions
- to schedule work
- to determine how long the project should take
- to determine its cost
- to decide whether the project is worth doing
- to estimate cash flow needs
- to control the progress of the project
- to develop time-phased budgets
- to establish project baseline

Past experience

– the best starting point for estimates

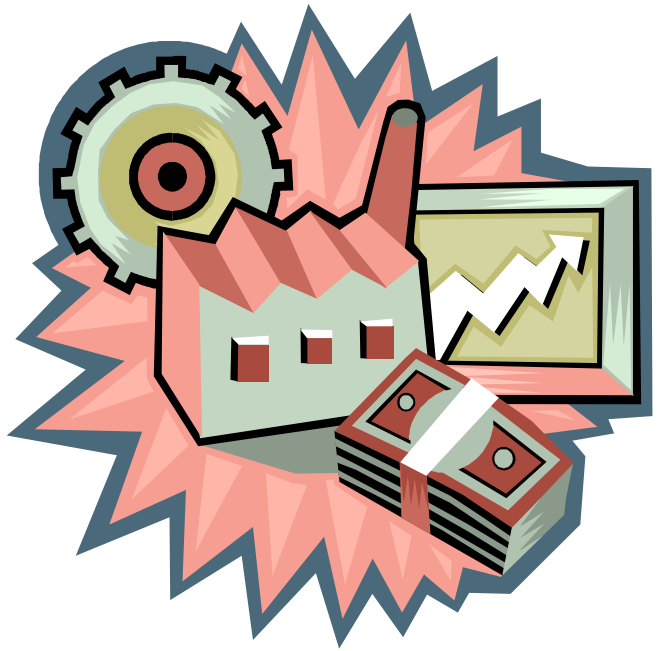
– the bedrock of project control

Estimating Projects

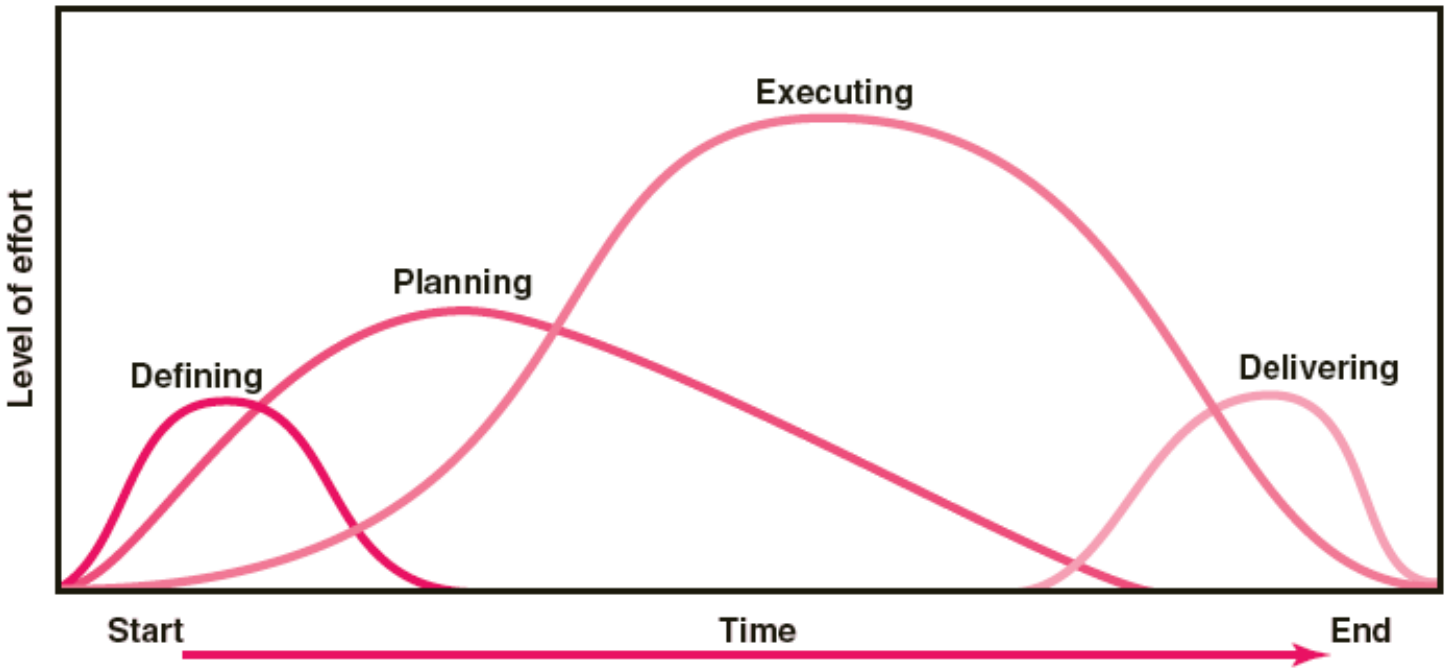
- The process of forecasting or approximating the time and cost of completing project deliverables
- The task of balancing the expectations of stakeholders and the need for control while the project is implemented

Kinds of Resource Constraints

- **People**
- **Materials**
- **Equipment**
- **Working Capital**



Project Life Cycle



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Development and Pre-production

Scope and "Out of Scope"

Project Priorities

Work Breakdown Structure WBS

Responsibility Matrix RAM

Budget

Network AON

Critical Path CPM in the Gantt Chart

Project Priorities

Relative importance

- **Budget–Cost**
- **Schedule–Time**
- **Performance–Scope**

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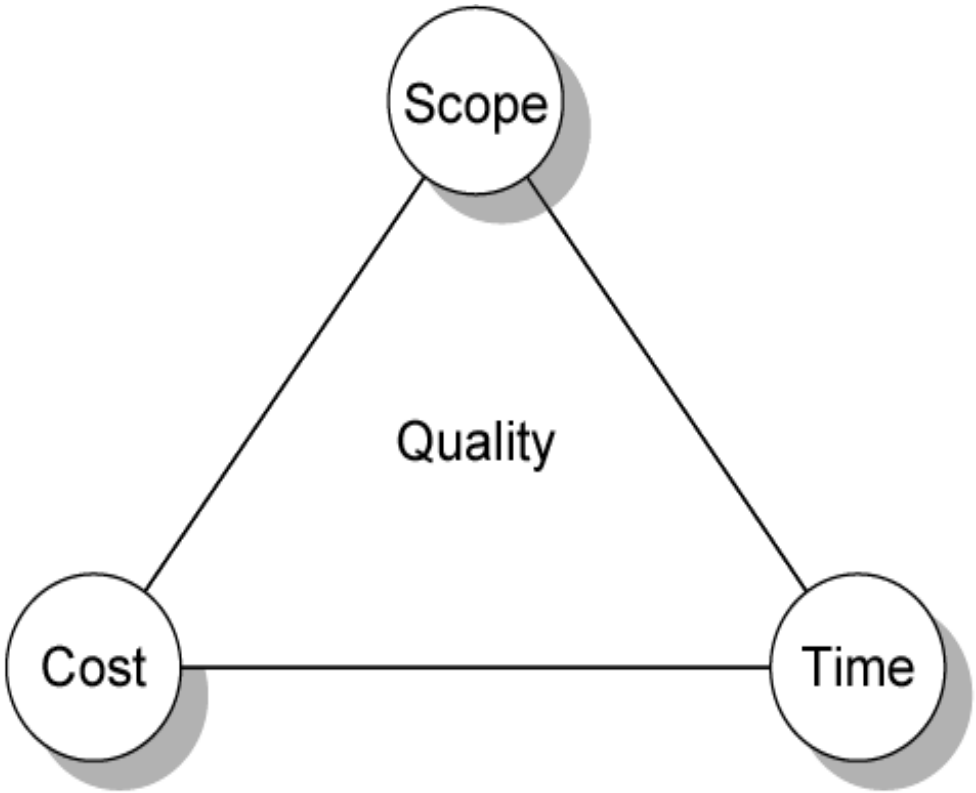
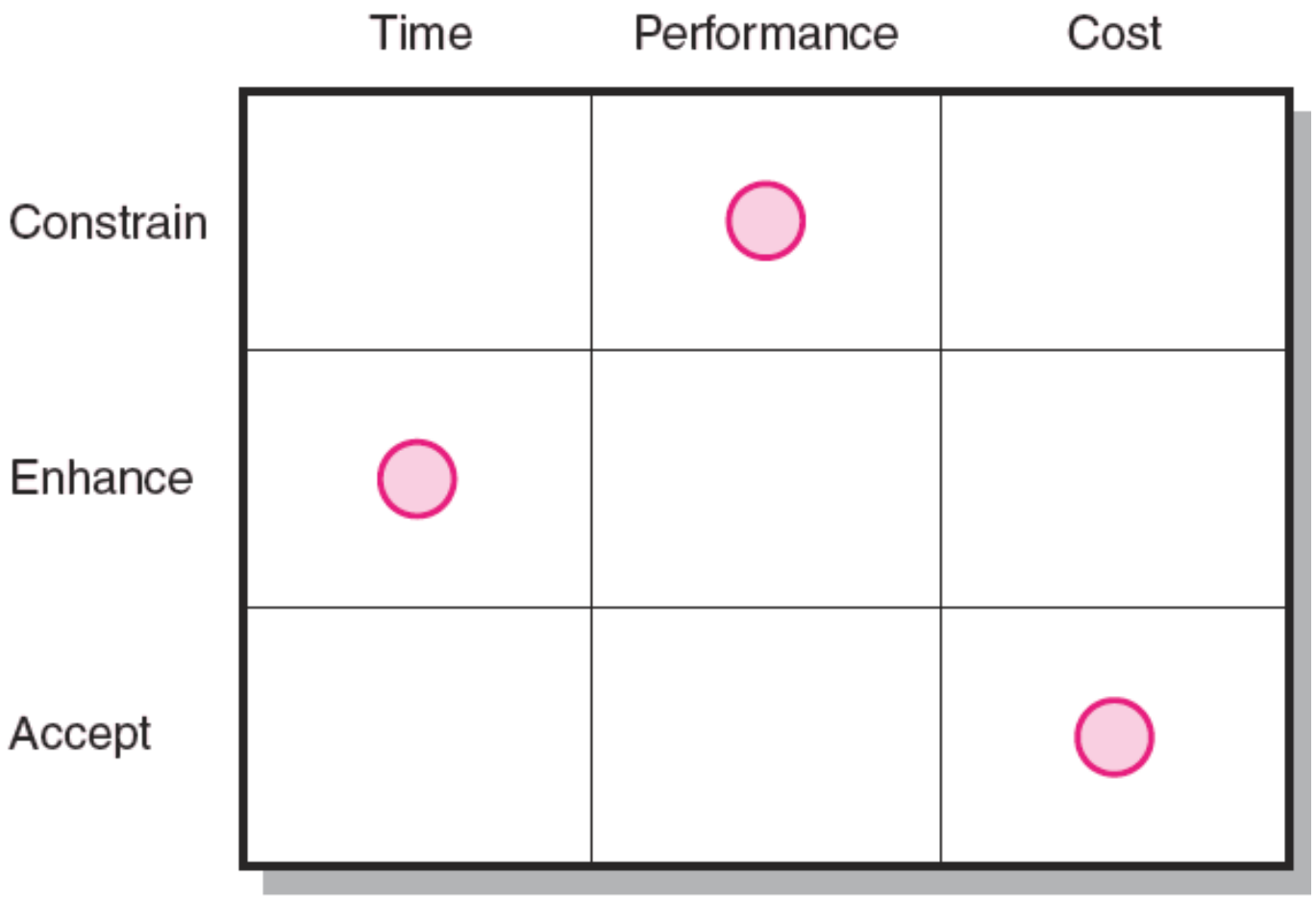


Project Priority Matrix



Work Breakdown Structure WBS

- Facilitates evaluation of cost, time, and performance
- Provides information
- Assigns responsibilities
- Helps manage plan, schedule, and budget
- Defines communication channels
- Assists in coordinating

Responsibility Matrix

	Project Team				
Task	Richard	Dan	Dave	Linda	Elizabeth
Identify target customers	R	S		S	
Develop draft questionnaire	R	S	S		
Pilot-test questionnaire		R		S	
Finalize questionnaire	R	S	S	S	
Print questionnaire					R
Prepare mailing labels					R
Mail questionnaires					R
Receive and monitor returned questionnaires				R	S
Input response data			R		
Analyze results		R	S	S	
Prepare draft of report	S	R	S	S	
Prepare final report	R		S		

R = Responsible
S = Supports/assists

Cost budget

COST BUDGET		elisabeth.kjellstrom@fek.lu.se		FILM YSTAD
Project			Date: May 2011	
Descriptions		Cost in $	Units	Total in $
Development				**$0,00**
Script		$	No. of People	**$0,00**
	Writing	0,00	0	$0,00
	Meeting	0,00	0	$0,00
Pre-/Production				**$180,00**
Catering		$	No. of People	**$80,00**
Meals				
	Day 1	10,00	8	$80,00
	Day 2	0,00	0	$0,00
	Day 3			$0,00
Incidentals				
	Day 1	0,00	0	$0,00
	Day 2	0,00	0	$0,00
	Day 3 etc.	0,00	0	$0,00
Photography				**$100,00**
Equipment		$ Per Day	No. of Days	
	Camera Hire	50,00	2	$100,00
	Storage (tape, disks)	0,00	0	$0,00
	Other Camera	0,00	0	$0,00
	Other Camera	0,00	0	$0,00
	Consumables			$0,00
	Digibeta	0,00	0	$0,00
	DAT	0,00	0	$0,00
Wages		$ Per Day	No. of Days	
	DOP	0,00	0	$0,00
	Focus Puller	0,00	0	$0,00
	Other (itemise)	0,00	0	$0,00
Lighting Department				**$0,00**
Equipment		$ Per Day	No. of Days	
	Lights	0,00	0	$0,00
	Stands	0,00	0	$0,00
	Other (itemise)	0,00	0	$0,00
	Consumables	0,00		$0,00
	Globes	0,00	0	$0,00
	Other (itemise)	0,00	0	$0,00
Wages		$ Per Day	No. of Days	
				$0,00
	Gaffer	0,00	0	$0,00
	Other (itemise)	0,00	0	$0,00
Audio Department				**$0,00**
Equipment		$ Per Day	No. of Days	
	Mics.	0,00	0	$0,00
	Boom Mic.	0,00	0	$0,00

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Types of Costs

- **Direct Costs**
  - clearly chargeable to a specific work package.
    - Labor, materials, equipment, and other
- **Project Overhead Costs**
  - directly tied to an identifiable project.
    - Salary, rents, supplies, specialized machinery
- **General and Administrative Overhead Costs**
  - organization costs indirectly linked to and apportioned to the project

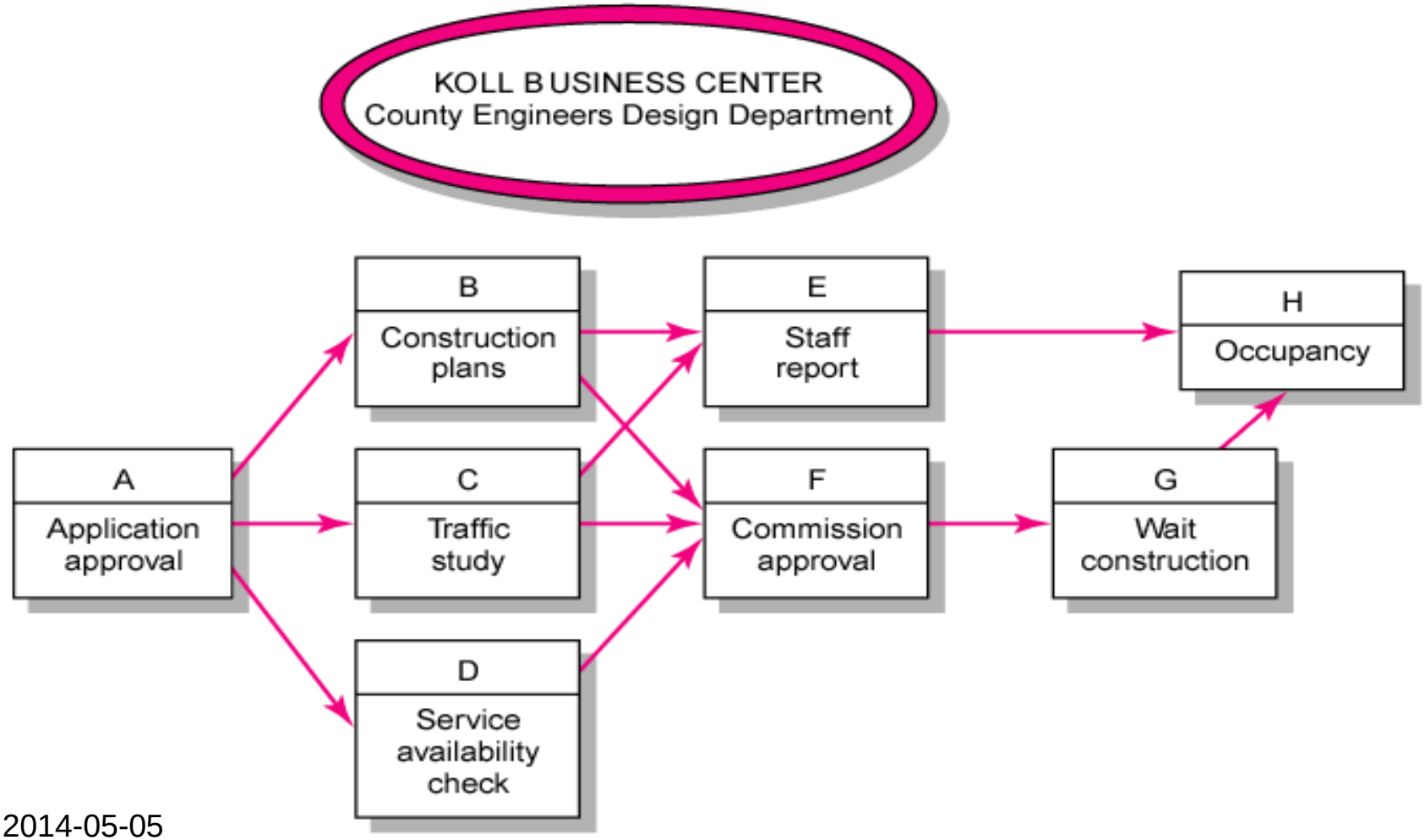
Three Views of Cost

Network Information

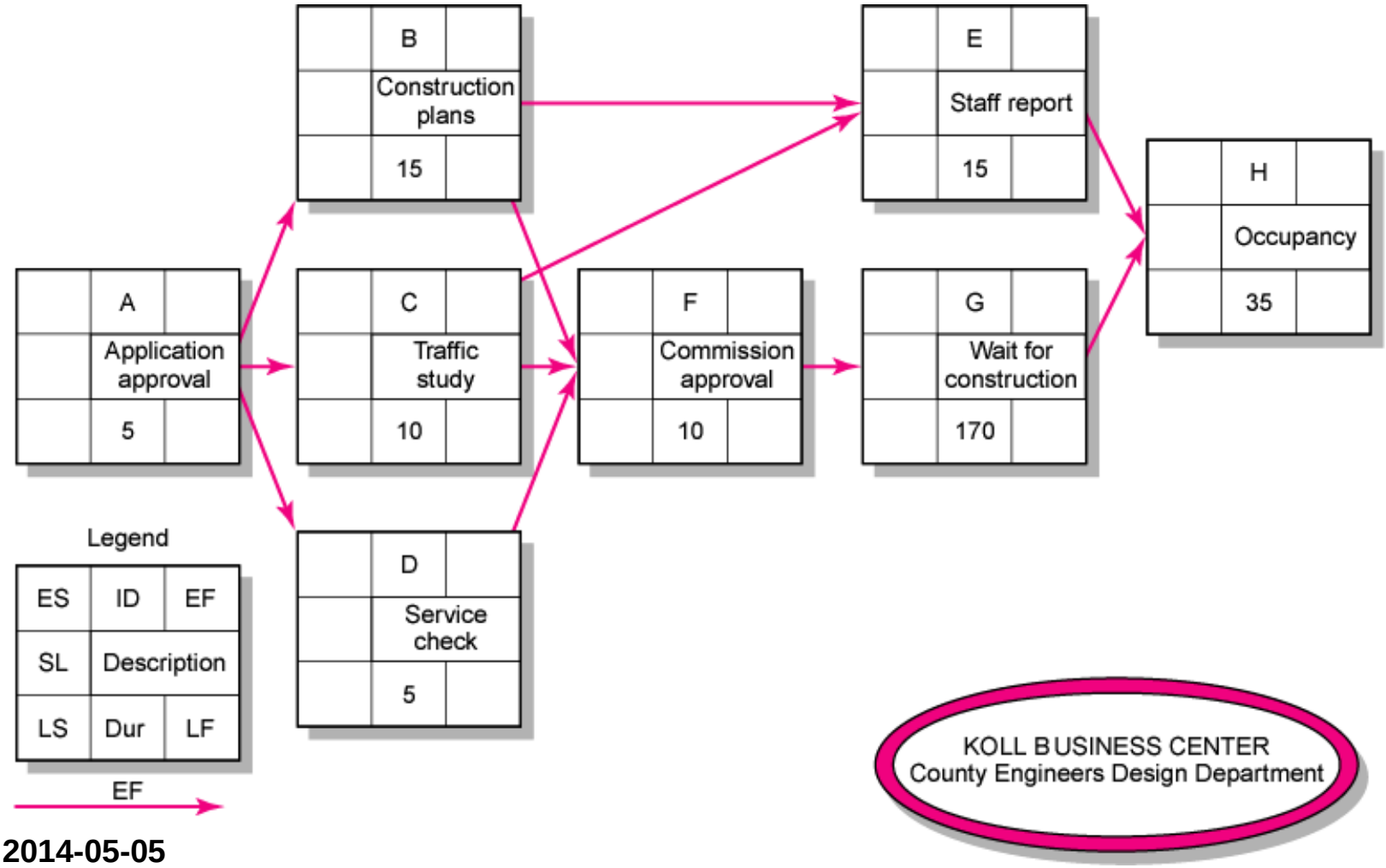
KOLL BUSINESS CENTER
County Engineers Design Department

Activity	Description	Preceding Activity	Activity Time
A	Application approval	None	5
B	Construction plans	A	15
C	Traffic study	A	10
D	Service availability check	A	5
E	Staff report	B, C	15
F	Commission approval	B, C, D	10
G	Wait for construction	F	170
H	Occupancy	E, G	35

Complete Network



Activity-on-Node Network



The Gantt Chart

ID	Duration	Task Name	Start	Finish	Late Start	Late Finish	Free Slack	Total Slack
1	2 days	Order review	Tue 1/1/05	Wed 1/2/05	Tue 1/1/05	Wed 1/2/05	0 days	0 days
2	15 days	Order vendor parts	Thu 1/3/05	Thu 1/17/05	Wed 1/16/05	Wed 1/30/05	13 days	13 days
3	10 days	Produce other standard parts	Thu 1/3/05	Sat 1/12/05	Mon 1/21/05	Wed 1/30/05	18 days	18 days
4	13 days	Design custom parts	Thu 1/3/05	Tue 1/15/05	Thu 1/3/05	Tue 1/15/05	0 days	0 days
5	18 days	Software development	Thu 1/3/05	Sun 1/20/05	Wed 1/23/05	Sat 2/9/05	20 days	20 days
6	15 days	Manufacture custom hardware	Wed 1/16/05	Wed 1/30/05	Wed 1/16/05	Wed 1/30/05	0 days	0 days
7	10 days	Assemble	Thu 1/31/05	Sat 2/9/05	Thu 1/31/05	Sat 2/9/05	0 days	0 days
8	5 days	Test	Sun 2/10/05	Thu 2/14/05	Sun 2/10/05	Thu 2/14/05	0 days	0 days