



PM CONNECT

A quarterly newsletter that brings information on modern project management methods, practices and tools to the international development community

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2. Project Governance

Project governance is defined as an organization's overall process for sharing decision rights about projects and monitoring the performance of project interventions.

Development organizations have some form of project governance, but those who have effective governance have a set of project governance mechanisms (committees, budgeting processes, approvals, etc.) that encourage a consistent behavior with the organization's mission, strategy, values, norms, and culture.

The objective of project governance is to establish clear levels of authority and decision making. It involves the people, policies and processes that provide the framework within which project managers make decisions and take actions to optimize outcomes related to their areas of responsibility.

This is achieved by defining and identifying the roles, responsibilities and accountability of

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1. Why use a Standard Methodology for Managing Projects?

A Methodology for Project Management is a strategy that increases the chances for project success; by giving a clear direction it saves time and improves the quality of the deliverables. Most development project managers use a type of methodology that was either learned by years of experience or is part of the organization's policies and methods for project management. A common benefit of a methodology is that it helps manage projects by reducing risks which improves the chances of success of a project.

What is a Methodology?

A methodology is "a set of methods, processes and practices that are repeatedly carried out to deliver projects". The key element is that by repeating the same actions on every project the organization will gain efficiencies in its approach.

What is a Standard?

A standard is defined as "a collection of knowledge areas that are generally accepted as best practice in the industry". Standards give guidance, whereas methodologies provide practical processes for managing projects. Standards are not methodologies, and vice versa. The two most popular standards used in project management worldwide are the PMBOK® (from the Project management Institute) and Prince2® (an UK standard)

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... *Project Methodology, from page 1*

What are the components of a methodology?

A project methodology should contain:

- A set of processes to manage projects.
- A set of competencies to build the required skills
- A set of tools forms and templates to standardize information



Why use a Methodology?

A methodology is not a magic wand that can be used to solve every problem in a project, but it helps by the use of a clear set of processes for managing projects that everyone in the organization understands. A good methodology that is fit to the context and environment where an organization works is able to provide a clear guidance of the what, who, when and how a project should be done. A methodology also provide a level of flexibility that ca be adapted to the special conditions of every project. For instance, for smaller projects, the organization can choose to apply a light version of the management processes. And when managing large projects, it can apply the full processes required to monitor every element of the project in enough detail to reduce risks. Organizations that can manage every project in the same way will be able to gain efficiencies; project staff will be able to work smarter and reduce waste. A methodology gives every project team a clear understanding of what is expect from them which in turn increases the chances of success.

... *Project Governance, from page 1*

all people involved in a project, including their interaction and level of coordination around internal and external dependencies.

The organization's management team is responsible for setting up and supporting the governance structure before the project initiates its activities to ensure that all key decisions are made at the right time.

The management team defines the project governance in a document that defines the roles and responsibilities for decision making in the project team; this may include the creation of a project committee and its high level operating rules.

A good project governance documents defines the procedures to follow for the escalation of issues, defines the decision making structure, assigns roles and responsibilities of each of the different processes in the project from communications to budget change authorizations.

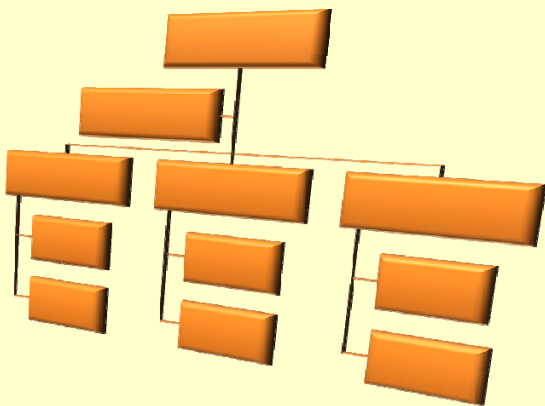
Some development organizations may choose the have a standing project governance committee that oversees all projects and defines the decision making structure for each project. In this case the committee may include decisions about project proposal approvals and supervision of the organizations' project portfolio in general, including the selection or appointment of project managers.



3. The Project Organization

A project organization is the way that the project team is organized and is directly related to the way the entire organization is structured. There are three major organization structures to manage work and people.

Program Based - In a program based organization, a project team is staffed with people from the same program unit. All the resources needed for the project team comes from the program organization. For instance, if the project is related to the health area, the project resources come from the Health Unit. In a program based organization, the projects would be broken down by organizational units and each unit would do their own part relatively independently. The biggest advantage of program based projects is that there is usually clear authority, since the project managers tend to report to or also be the program managers. There is no need to negotiate with other units for resources, since all of the staff needed for the project comes from the same program unit. A major disadvantage is that the program unit may not have all of the specialists needed to work on a project. A Health Project with an Education component, for instance, may have difficulty acquiring specialty Health resources, since the only people available will work in their own program unit.



Project Based - Advantages include clear authority, and a clear focus, since everyone on the team has only the project for their primary responsibility. One disadvantage is duplication of resources, since scarce resources must be duplicated on different projects. For instance, a large project may have its own Monitoring and Evaluation staff, which could duplicate a central M&E unit. There can also

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4. Project Management vs Project Cycle

All projects have certain characteristics in common that makes them unique from other type of work:

- They all have a beginning and an end.
- All projects are unique. They may be similar to prior projects but they are unique in terms of timeframes, resources, business environment, etc.
- Projects result in the creation of one or more deliverables.
- Projects also have assigned resources - either full-time, part-time or both.

Project management defines the overall management and control processes for the project. Just as there are common project management processes to manage most projects, there are also common models that can provide guidance on how to define the project lifecycle. These common models are valuable since they save project teams the time associated with creating the project work plan from scratch each time.

Project management is the planning, implementing, and monitoring of project activities to meet project objectives, achieved by effectively controlling and balancing the constraint of scope, schedule, and budget, in producing quality deliverables that meet or exceed the expectations of the project stakeholders.

All development organizations do most of their work through projects. Projects can be managed using a common set of project management processes. In fact, a similar set of project management processes can be utilized regardless of the type of project. For instance, all projects should be

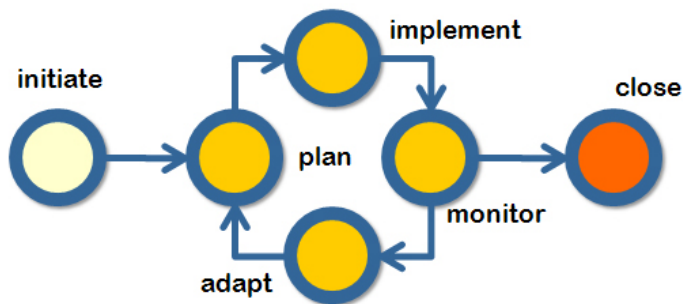
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**DOING THE RIGHT PROJECTS...
... DOING THE PROJECTS RIGHT**

....Project Management vs Project Cycle, from page

defined and planned and all projects should have processes to manage scope, risk, quality, budget, etc.

A project lifecycle provides a basic outline that can be used by any project; in other words, the detailed work to deliver the outcomes is referred to as the "project lifecycle". It basically starts with the understanding of a need, then with the designing of a solution, proposal to a donor, approval of funding, implementation and monitoring, and evaluation and closing of the project. Each of these major areas of focus is called a phase (Initiation Phase, Planning Phase, Implementation Phase, etc.) Even a small project still goes through these basic steps.



A project lifecycle also refers to a logical sequence of activities to accomplish the project's goals or objectives, as such is an approach that takes the project in distinct phases from its initiation until its completion. Different organizations have different phases and even different names for the phases. Each phase is also an opportunity for the project to stop and evaluate its progress before moving to the next phase in the cycle. This allows for opportunities to improve and reevaluate the assumptions the project makes.

Most organizations follow one type or another of a project cycle. Even donor organizations have well defined models for project cycle, but with a heavy emphasis in the funding phases to ensure the funds will be allocated to the most viable solution. The important point is that a common, scalable project management process can be used effectively on all projects.

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be concerns about how to reallocate people and resources when projects are completed.

Matrix Based - Matrix organizations allow program based units to focus on their specific development competencies and allow projects to be staffed with specialists from throughout the organization. For instance, health specialist may report to one program unit, but would be allocated out to work on various projects in other units. In a matrix it is common for people to report to one person in the program based organization, while working for one or two project managers from other units. The main advantage is the efficient allocation of all resources, especially scarce specialty skills that cannot be fully utilized by only one project. For instance, communication specialists may not be utilized full-time on a project, but can be fully leveraged by working on multiple projects. The main disadvantage is that the reporting relationships are complex. Some people might report to functional manager for whom little work is done, while actually working for one or more project managers. It becomes more important for staff members to develop strong time management skills to ensure that they fulfill the work expectations of multiple managers.

These points of view provides a summary of themes, that in PM4DEV's experience, have proved critical in the successful implementation of project management methodologies. It draws on the expertise of project management professionals and provides a guide to deliver a methodology that increases the chances of project success. For more information about PM4DEV services and resources, please contact us at info@pm4dev.com

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