

**Project Planning and Restructure: General
Manager Report for KFH**

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Project Management Assignment Sample

Table of Contents

Project Planning and Restructure: General Manager Report for KFH.....	1
1.1. Introduction	1
1.2. Organisational Structure.....	1
1.3. Project Control and Monitoring.....	4
1.4. Qualities of a Good Manager	7
1.5. Project Team: Roles and Responsibilities	8
1.6. Project Planning	11
1.7. Project Schedule, Estimation and Cost Control.....	13
1.8. Project Performance and Change Control.....	16
1.9. Conclusion	18
References.....	19

Project Management Assignment Sample

List of Figures

Figure 1: Organisational Restructure (Author, Current Study).....	2
Figure 2: Project Control Activities (Author, Current Study)	6
Figure 3: EVA Formula (Pajares and Lopez-Paredes, 2011)	16
Figure 4: Key Performance Indicators (Author, Current Study)	17

List of Tables

Table 1: Roles and Responsibilities of Personnel	9
Table 2: Project Planning	11
Table 3: PERT - Planning.....	14
Table 4: Project Estimation	15

1.1. Introduction

The restructuring of KFH involves external and internal project redesign and management. The external level of project management is more important as it enables the identification of relationships between individuals and groups involved in the project within the parent functional departments in the organisation (Harrison and Lock, 2004). This report will present an appropriate project organisation structure to the board of KFH along with a project plan, cost and time schedule, project evaluation and role of project players.

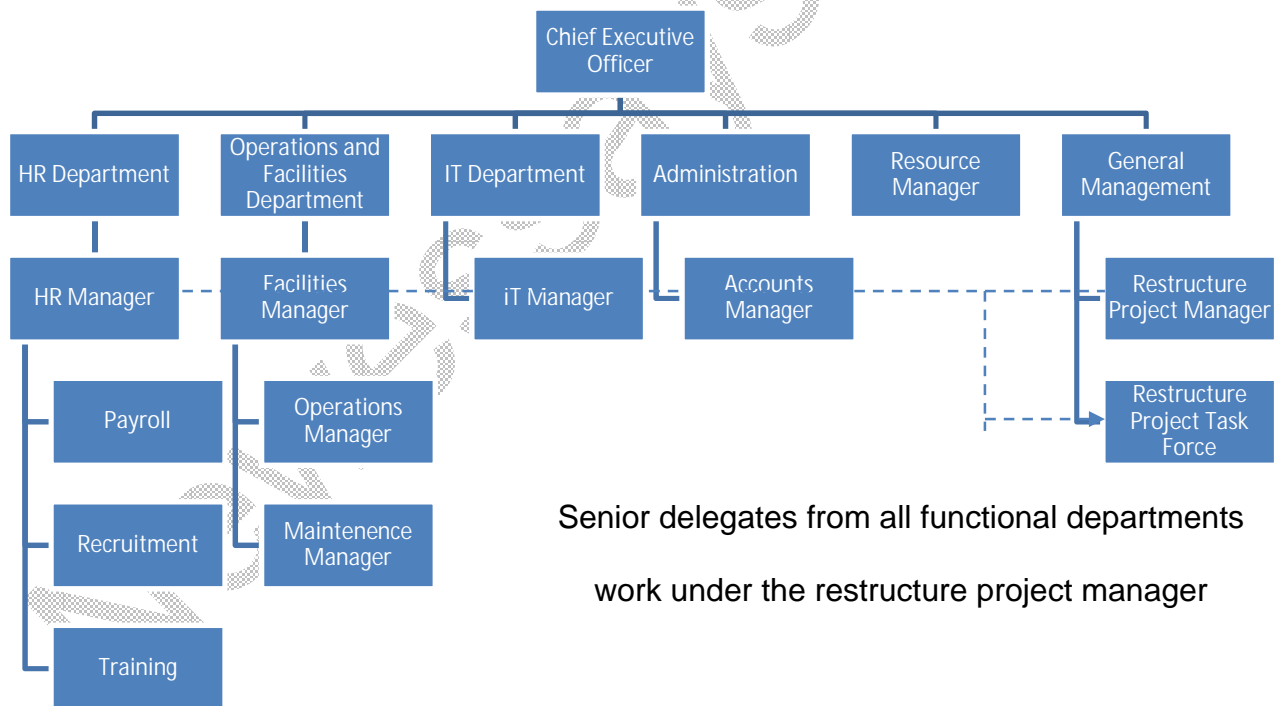
1.2. Organisational Structure

External organisational structure involves functional project management of matrix projects. Functional management involves work carried out in functional areas with each area functioning independently, while project management involves control of all areas by a single project manager (Brynjolfsson et al., 2012). This research proposes to adopt a matrix project management structure where project managers and functional managers work together to promote cross functional orientation. This research supports the promotion of a matrix organisational structure for the restructuring process, as the project manager shares the responsibility with the functional managers of the different departments to identify priorities, role clarity and resource allocation. According to Soderlund (2011), matrix organisational structure is most effective in project restructuring as authority, responsibility and communication are present at the horizontal, vertical and diagonal levels. A matrix organisational approach is promoted as

the process involves leveraging of resources, gaining functional expertise and maintaining the scope of the project.

The following Figure 1 presents the KFH organisational redesign structure, where individuals from different departments working on the project restructure are found to report to managers, functional managers and the project manager.

Figure 1: Organisational Restructure (Author, Current Study)



From the above figure, it is observed that a Restructure Project Task Force is to be established headed by the General Manager (Restructure Project Manager). Senior delegates from other departments are found to be part of this project task force; they handle the functional attributes of individual departments and report to the restructure project manager. The responsibilities of top members of the task force include:

CEO – The CEO is involved in the formation of the project task force, funding allocation and definition of project scope.

General Manager (Restructure Project Manager) – The general manager coordinates the task force by maintaining channels of communication between the functional managers (horizontal communication) and the CEO (vertical communication). The manager is involved in discussions concerning budget allocation, schedule and scope. The project manager also identifies user inputs by communicating with a representative from the Tenants Association.

HR Manager: The HR manager should perform a job analysis to understand the requirements of different employee roles as a result of the restructure process and examine the possibility of creating new roles.

Facilities Manager: The facilities manager will work with the team to identify the infrastructure recovery plan, cost allocation and integration with IT.

Accounting Manager: The accounting manager helps maintain the budget and time schedule for the restructuring process.

IT manager: The IT manager will work with the facilities manager to centralise IT operation across the organisation and develop necessary protocols for implementation.

1.3. Project Control and Monitoring

This research adopts the control and monitoring techniques proposed in PRINCE2 for managing the KFH restructure. Project control is carried out to promote the delivery of a project's products and can be promoted by adopting an event driven and time driven approach. This report suggests the adoption of a project initiation document, end stage report and exception plan, and event driven activities. Time driven control activities include progress feedback reports, including highlight reports and checkpoint reports (Turner, 2007).

- According to the Office of Government Commerce (2009), the project initiation document is the primary control of any project as it defines the scope, time and cost of the project. The document is used to ensure that an effective rationale for the project, clear defined project goals and project assessment parameters are set. Turner (2007) further indicates that the project initiation document can be used as a baseline document to help understand change management issues and progress assessment.
- On the other hand, the end stage report is used to summarise the project as a whole, including stage-wise developments and identified risks. This report is compared with the project initiation document to help identify if there is a need to revise plans, amend the scope, or stop the project due to irregularities (Turner, 2007).
- The exception plan helps control project scope by identifying possible actions required to recover from the effects of tolerance deviations. This plan is implemented if the initial project plan and the stage plans show

great deviations and, if approved, will become the baseline project plan. The purpose of the plan is to ensure that the project can be controlled even if large deviations from the project process are identified (Office of Government Commerce, 2009).

- Project checkpoint reports are presented by the project manager at defined stages in the project plan (initiation, implementation, and conclusion) in order to detail the status of work of every department involved in the project restructure. This is an internal document used for internal project control and monitoring (Hinde, 2012).
- Highlight reports are submitted to different stakeholders (internal and external) to summarise the stage status of the project and monitor the project progress (Hinde, 2012).

The following figure will summarise the project control activities adopted by KFH.

Figure 2: Project Control Activities (Author, Current Study)



1.4. Qualities of a Good Manager

The qualities of a good project manager are a well examined subject in literature. Different project management bodies propose different project management competencies and qualities of a good project manager. According to PMCD (Project Manager Competency Development), a good project manager should show high scores with respect to three dimensions including knowledge, performance and skills, each of which are grouped under eleven sub factors (PMI, 2013). IPMA (International Project Management Association), on the other hand, groups project manager competencies into three skill areas including technical competencies, behavioural competences and contextual competencies, encompassing 46 elements (Varajao et al., 2013). Three primary qualities to be possessed by a project manager are:

1. Leadership: Leadership qualities of a successful project manager include vision, imagination, communication, resource management, motivation and intuitiveness (Muller and Turner, 2013).
2. Soft competencies: Project managers should have skills relating to personality traits, social skills and conflict management among employees (Fischer, 2011).
3. Technical knowledge: Project managers should also have extensive technical skills and experience including supplier management, resource allocation, project definition and change management (Kerzner, 2013).

1.5. Project Team: Roles and Responsibilities

According to Kerzner (2013), project teams are made up of different groups of people throughout the project management life cycle. Muller and Turner (201) further argue that understanding the roles and responsibilities of the key members of the project helps identify the human resource contribution to the project and ensure project success. The KFH restructuring project management taskforce involves four functional managers, the project manager and the CEO. The roles and tasks of different project teams within the restructuring process are identified in the following table.

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Table 1: Roles and Responsibilities of Personnel

Designation	Role	Tasks	Team Members
Project Manager	The general manager coordinates the task force by maintaining channels of communication between the functional managers.	<ul style="list-style-type: none"> • Prepare project management plan • Identify specific risks and plan mitigation strategies • Monitor and control project progress • Highlight areas of correction and initiate required action • Complete specific project milestones • Coordinate with functional managers • Ensure project complies with procedures and regulations of the organisation 	
Facilities Manager	The facilities manager will work with the team to identify the infrastructure recovery plan, cost allocation and integration with IT.	<ul style="list-style-type: none"> • Prepare documents to identify areas of restructure • Investigate availability and sustainability of infrastructure options • Supervise and coordinate the work of the maintenance manager and the operations manager • Examine the feasibility of creating a new role of energy manager • Coordinate with IT department to centralise the facilities management operational system 	<ul style="list-style-type: none"> • Maintenance manager • Procurement manager • Operations manager

HR Manager	The HR manager should perform job analysis to understand the requirements of different employee roles as a result of the restructuring process and examine the possibility of creating new roles.	<ul style="list-style-type: none"> • Engage different functional manager. to identify job roles of all employees • Plan and execute programmes to ensure employee adaptation to new job roles and restructure • Act as a contributing project team member whose focus is the employee agenda rather than business agenda 	<ul style="list-style-type: none"> • Training manager • Recruitment manager
IT Manager	The IT manager will work with the facilities manager to centralise IT operation across the organisation and develop necessary protocols for implementation.	<ul style="list-style-type: none"> • Oversee ITM framework • Manage IT security • Enable centralisation of IT processes across the organisation 	<ul style="list-style-type: none"> • Technology officer • Security officer
Accounts Manager	The accounting manager helps maintain the budget and time schedule for the restructuring process	<ul style="list-style-type: none"> • Manage finance of project restructure • Account for budget spending • Provide inputs on financial risks 	<ul style="list-style-type: none"> • Budget and finance officer • Accounting officer

1.6. Project Planning

According to PMBOK, project planning involves the initiation (project charter), the scope (definition) and the work breakdown structure (determination of cost, time and human resources required) (Saladis and Kerzner, 2011). This section will present a simple project plan for restructuring the KFH IT and Facilities department. The process of project planning involves input statements (project scope statement, process assets, and requirement documentation) to arrive at the work breakdown structure and the scope baseline.

A work breakdown structure is most useful for project planning as it provides a deliverable orientated hierarchy of the different deconstructed project components and elements. The aim of this process is to ensure that the end product can be viewed by different stakeholders. The first step in project planning is the description of the different elements and identifying the different levels.

Table 2: Project Planning

Project Planning	
1.	Initiation
1.1.	Initiation Plan
1.1.1.	Identify external review committee reports
1.1.2.	Identify feasibility of plans
1.1.3.	Complete feasibility plan in one week
1.2.	Initiation Report
1.2.1.	Develop project initiation document
1.2.2.	Discuss scope, time and budget of project
1.2.3.	Complete initiation report in two weeks
1.3.	Complete initiation phase in three weeks

2. Development and Planning
 - 2.1. Development
 - 2.1.1. Present business case
 - 2.1.2. Identify project costs and time
 - 2.1.3. Identify techniques for monitoring and control
 - 2.1.4. Complete development stage in one month
 - 2.2. Planning Stage
 - 2.2.1. Propose stage plan for all functional managers
 - 2.2.2. Propose work packages for all functional managers and their respective employees
 - 2.2.3. Identify control strategy
 - 2.2.4. Complete planning stage in one month
 - 2.3. Complete development and planning in one month
3. Risk Assessment
 - 3.1. Risk Identification
 - 3.2. Risk Assessment
 - 3.3. Risk Mitigation
 - 3.4. Complete Risk Assessment
4. Implementation
 - 4.1. Implementation of Restructuring
 - 4.1.1. Implement internal restructure in specific departments
 - 4.1.2. Implement IT restructure in all departments
 - 4.1.3. Coordinate restructure in all departments
 - 4.1.4. Complete restructure in five months
 - 4.2. Implementation Report
 - 4.2.1. Highlight report
 - 4.2.2. Checkpoint report
 - 4.2.3. Complete report at the end of every month
 - 4.3. Implementation completion by six months
5. Monitoring and Control
 - 5.1. Control
 - 5.1.1. Test if project success is met at different stages
 - 5.1.2. Review test plan with team members
 - 5.1.3. Review test plan with CEO and external stakeholders
 - 5.1.4. Address issues or problems
 - 5.2. Testing complete in two months
6. Project Closing
 - 6.1. Project Closing Report
 - 6.1.1. Identify if success parameters are met
 - 6.1.2. Identify cost and time overruns
 - 6.1.3. Present recommendations for future improvement
 - 6.2. Project closing completes in two weeks
7. Evaluation
 - 7.1. Evaluation plan
 - 7.1.1. Evaluate project success and failure using specific criteria
 - 7.1.2. Identify future recommendations
 - 7.2. Evaluation complete in two weeks

1.7. Project Schedule, Estimation and Cost Control

Project Schedule

PERT (Program Evaluation Review Technique) is chosen as the most effective method to help identify the project schedule for the KFH project. According to Harrison and Lock (2004), PERT planning and scheduling involves the following stages.

1: **Identification of specific activities and milestones:** In the project planning phase, the WBS structure has identified the different tasks involved in the seven different phases of the project. Every activity (deliverable) is presented with a milestone.

2. **Construction of a network diagram:** The activity sequence of information can be used to create a network diagram to identify sequence and parallel activities and the associated milestones.

3. **Estimation of time required for every activity:** The use of PERT enables estimation of three different types of time estimates including the optimistic time, likely time and the pessimistic time. By using these attributes it is possible that the expected time for every activity is determined without bias.

4. **Determination of critical path:** The critical path is identified by adding the time for the activities in every sequence and identifying the longest path in a given project. This path helps identify the total time required for any given project.

According to McConnell (2009), the use of a PERT analysis helps in the improvement, planning and scheduling of different activities, improved forecasting of associated resource requirements and identification of any repetition in the planning pattern. The

following figure shows the PERT planning process for the facilities department restructure implementation. Similar PERT estimates need to be developed and coordinated with other activities to identify the PERT network and the critical path. In the following table, the PERT estimate provides the actual time that it would take to complete the particular task.

Table 3: PERT - Planning

ID	Task	Most Likely	Min	Max	PERT Est.
1	Job analysis in Facilities department	2.00	1.00	3.00	2.00
2	Budget review for restructuring in Facilities department	2.00	1.00	3.00	2.00
3	New role feasibility in Facilities department	3.00	2.00	4.00	3.00
4	Create Energy Management department	4.00	3.00	4.00	3.83
5	Budget review for implementing Energy Management department	1.00	0.50	2.00	1.08
6	Implement IT process restructure in Facilities department	2.00	1.00	3.00	2.00

Project Estimation

Estimation is most important in project management as it helps identify the cost of completing the project and delivering the business capability. The use of top down estimation is applicable to the current project scenario as it helps in identifying the overall cost of the project and is carried out early in the project life cycle (Sears et al., 2010). Ideally, estimation techniques should involve a top down approach during the early stages of planning (like the current report), following which a bottom up approach

needs to be carried out to identify costs at task level. Such a method is most ideal when a response to a change in business environment is required (Li et al., 2009). In this method, the top and the middle managers (CEO, project manager and functional managers) determine the project schedule and project cost. Following this, the officers in different departments are expected to break down these estimates for the individual tasks.

Table 4: Project Estimation

ID	Task	Overall time allotted (Months)	Overall budget allotted (£'000)
1	Project planning	2.00	2.00
2	Risk assessment	2.00	1.00
3	Development and assessment	3.00	2.00
4	Implementation	4.00	4.00
5	Closure	1.00	0.50
6	Evaluation	2.00	1.00

Project Cost Control

According to Kerzner (2013), a primary role of a project manager is to ensure that the cost, time and performance of the project are met. Pajares and Lopez-Paredes (2011) further argue that the probability of success is relatively less when proper tools are not available to promote cost control. This report proposes the use of earned value analysis to identify if project restructure at KFH is controlled at different stages. Before the implementation of cost control, it is important that planning, scheduling and estimating

of costs are first carried out. Earned value analysis helps in comparing the budgeted cost of work scheduled against the earned value (i.e. the percentage of work completed). It also provides the cost and schedule variance by arriving at the actual cost of work performed. This method is one of the most popular methods of cost control as it uses a standardised unit of measure of progress. The various formulae used for analysis in EVA are identified below.

Figure 3: EVA Formula (Pajares and Lopez-Paredes, 2011)

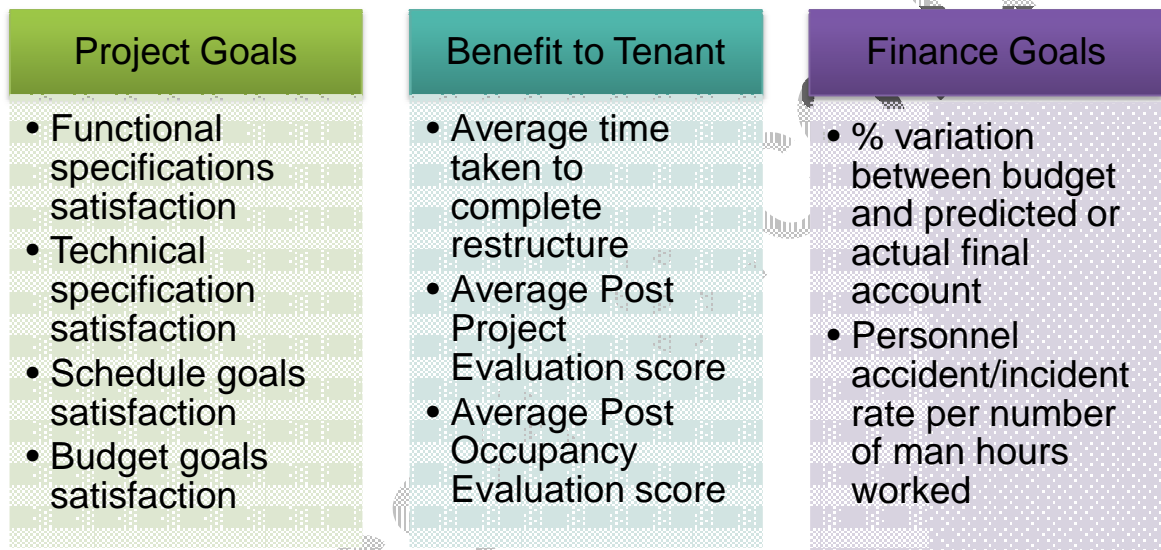
1. **Budgeted Cost of Work Scheduled (BCWS)**= this is the original base line cost of work schedule.
2. **Earn Value or Budgeted Cost of Work Performed (BCWP)** = Percentage of work complete * the original budgeted cost to complete.
3. **Actual Cost of Work Performed (ACWP)**= the actual cost to complete the work.
4. **Schedule Variance (SV)** = $BCWP - BCWS$
5. **Cost Variance (CV)** = $BCWP - ACWP$

1.8. Project Performance and Change Control

The role of performance measurement in project management is vital as it helps assess the magnitude of deviations from the original plan of the project. Brandon (2010) indicates that successful measurement or evaluation of a project is dependent on the key performance indicators which are set at the start of the project. The project management indicators should be set in a manner such that they support business goals, provide the basis for decision making and are measurable. The following Figure 4

presents some of the key performance indicators which are used to determine the project performance and arrive at an evaluation of its success.

Figure 4: Key Performance Indicators (Author, Current Study)



Change control is important in project management as it helps members of the project team modify the scope of the project by using specific controls and policies due to deviations and unavoidable circumstances (Wang et al., 2008). The process of change control has been described as part of project control in previous sections. This section will identify the steps involved in the process (Turner, 2007).

- Definition of change request: This step involves the documentation of the request for change. This document contains information on the request, reasons for the request, conditions for success and expected completion.

- Submission of change request and review: The change request is submitted to the restructure taskforce and should be approved before the change is implemented.
- Define options: Options are defined using exception plans (previously defined).
- Implementation: Options are implemented and the exception plan is adopted as the primary document for project evaluation.

1.9. Conclusion

This report has successfully identified an appropriate project organisation structure to the board of KFH along with a project plan, cost and time schedule, project evaluation and role of project players.

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