



Introduction to Project Management



600-101

**PROJECT MANAGEMENT
CONCEPTS:**

THE ROLE OF THE PROJECT MANAGER

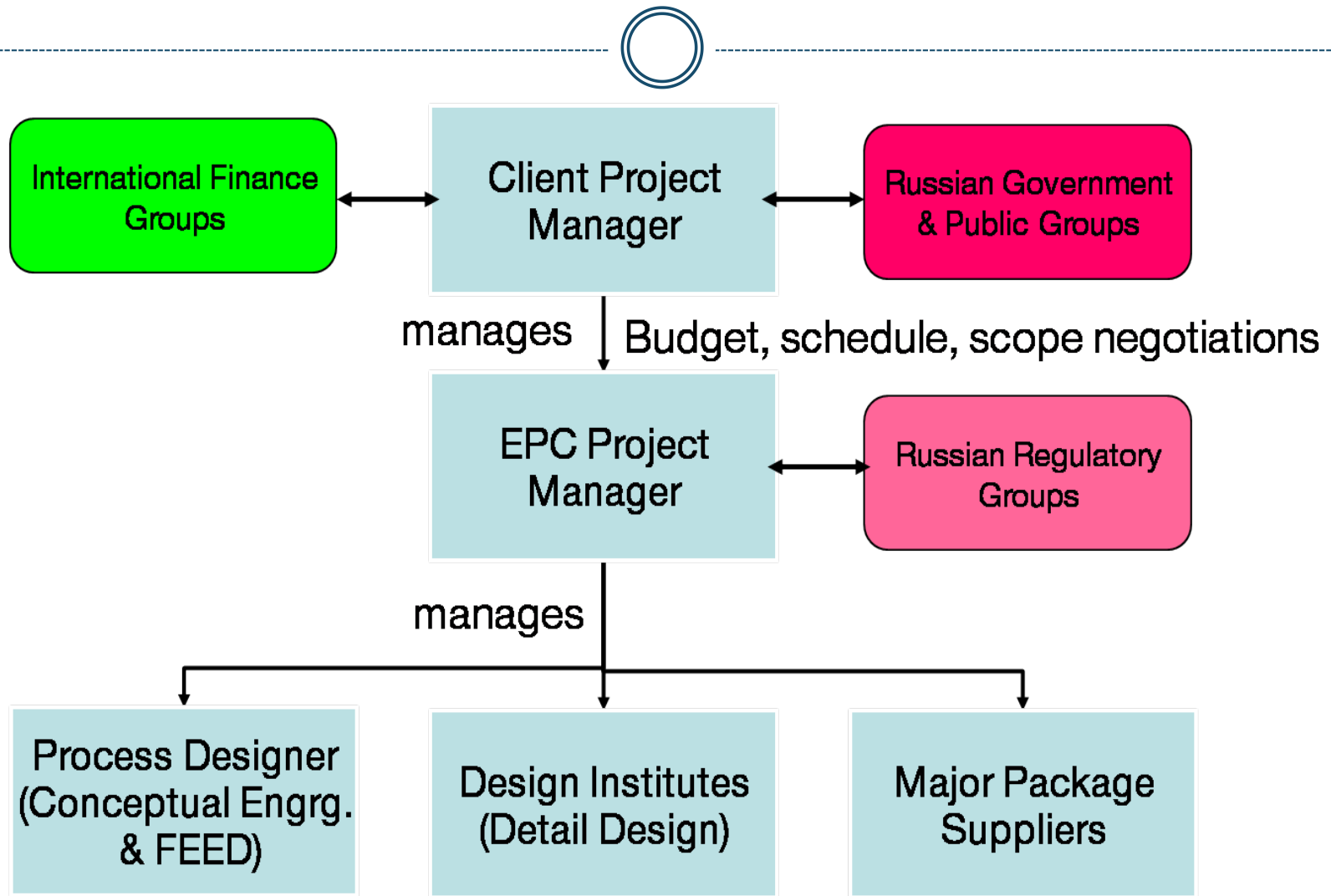


OVERVIEW



- Interfaces of Engineering (EPC) and Client PMs
- Role of Engineering (EPC) and Client PMs
- Responsibilities of PM

e PROJECT MANAGEMENT INTERFACES





PROJECT MANAGERS' ROLES



EPC Project Manager

- Manages EPC Technical Personnel
- Manages subcontractors and suppliers
- Interface with Client PM including negotiation of budget, schedule and scope changes
- Interface with technical regulators

Client Project Manager Interfaces with:

- Client's "Project Steering Committee"
- Government and Public
- Finance Groups



RESPONSIBILITIES OF THE EPC'S & CLIENT'S PROJECT MANAGER

Responsibilities	EPC	CLIENT
Establish project scope and manage changes within the project	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Establish project organization	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Establish and maintain the project execution plan	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Establish effective work processes (project procedures manual)	<input checked="" type="checkbox"/>	
Establish system for tracking and reporting project progress and costs	<input checked="" type="checkbox"/>	
Manage project costs including project contingency	<input checked="" type="checkbox"/>	
Manage Vendors and Subcontractors	<input checked="" type="checkbox"/>	
Control quality of project Deliverables and approve payments		<input checked="" type="checkbox"/>
Negotiate budget, schedule and scope changes	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Create a common vision and lead the project team to achieve this vision	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Mentor high potential individuals and encourage professional development	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

1. ESTABLISH PROJECT SCOPE & MANAGE CHANGES



Project Scope consists of:

- Scope of Facilities
- Scope of Services

Project Change Management System

- Controls expectation of “elastic” scope
- Manages funding changes and their consequent costs



2. ESTABLISH PROJECT ORGANIZATION



- “Task Force” Model (large projects)
- “Departmental” Model (small projects)
- Departmental Engineering Institutes (Traditional Russian model)
- Project Directorate (very large projects)



3. ESTABLISH AND MAINTAIN THE PROJECT EXECUTION PLAN (PEP)



- Key PM responsibility
- Key communication tool
- Size depends on project size
 - Typically 5 pages per million \$ of (TIC)
- On large projects, each discipline produces their part

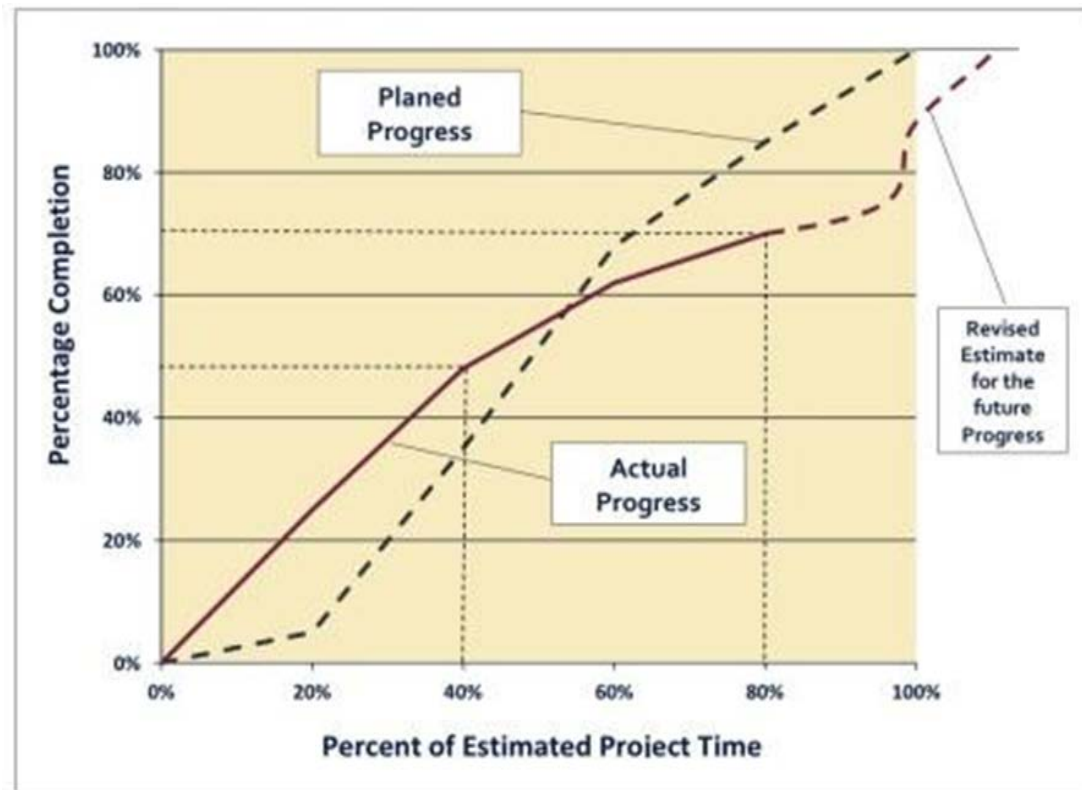
4. ESTABLISH EFFECTIVE WORK PROCESSES



- PM must establish the project procedures manual (PPM)
- On large projects, this may be delegated to the Engineering Manager
- Project Secretary is custodian of PPM and all project standards

@ 5. ESTABLISH A SYSTEM FOR TRACKING & REPORTING PROJECT PROGRESS & COSTS

On large projects, the tracking and reporting role may be delegated to a Project Controls Group



5. ESTABLISH A SYSTEM FOR TRACKING & REPORTING PROJECT PROGRESS & COSTS



- Project Controls Group tracks and reports data on large projects
- All cost and schedule tracking should be based on “Deliverables”
- Some project documents must be retained and some deleted
- Importance of project Records

6. MANAGE PROJECT COSTS INCLUDING PROJECT CONTINGENCY



- Project Manager should be responsible for:
 1. all project financial and technical decisions
 2. Contingency - determined by risk analysis

7. ESTABLISH IMPLEMENTATION PLAN

- Project Manager should establish a Project Plan including:
 1. PEP (Project Execution Plan)
 2. PPM (Project Procedures Manual)
 3. Level of Automation
 4. Project Staffing Plan



8. CREATE A COMMON VISION AND LEAD



Project Manager

- Creates a vision
- Leads the Project Team in achieving this vision
- Must be a communicator

9. MENTOR AND TRAIN



- Project Managers mentor project manager candidates with high potential
- Technical Department Managers mentor technical career path engineers