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4TH EDITION

by Stanley E. Portny

Certified Project Management Professional (PMP)

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About the Author

Stan Portny, president of Stanley E. Portny and Associates, LLC, is an internationally recognized expert in project management and project leadership. During the past 35 years, he's provided training and consultation to more than 200 public and private organizations in consumer products, insurance, pharmaceuticals, finance, information technology, telecommunications, defense, and healthcare. He has developed and conducted training programs for more than 100,000 management and staff personnel in engineering, sales and marketing, research and development, information systems, manufacturing, operations, and support areas.

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Dedication

To my wife, Donna; my son, Brian; my son and daughter-in-law, Jonathan and Marci; and my granddaughter, Elena. May we continue to share life's joys together.

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Introduction

Projects have been around since ancient times. Noah building the ark, Leonardo da Vinci painting the *Mona Lisa*, Edward Gibbon writing *The Decline and Fall of the Roman Empire*, Jonas Salk developing the polio vaccine — all projects. And as you know, these were all masterful successes. (Well, the products were a spectacular success, even if schedules and resource budgets were drastically overrun!)

Why, then, is the topic of project management of such great interest today? The answer is simple: The audience has changed and the stakes are higher.

Historically, projects were large, complex undertakings. The first project to use modern project-management techniques — the Polaris weapons system in the early 1950s — was a technical and administrative nightmare. Teams of specialists planned and tracked the myriad of research, development, and production activities. They produced mountains of paper to document the intricate work. As a result, people started to view project management as a highly technical discipline with confusing charts and graphs; they saw it as inordinately time-consuming, specialist-driven, and definitely off-limits for the common man or woman!

Because of the ever-growing array of huge, complex, and technically challenging projects in today's world, people who want to devote their careers to planning and managing those projects are still vital to their successes. Over the past 25 to 30 years, however, the number of projects in the regular workplace has skyrocketed. Projects of all types and sizes are now *the way* that organizations accomplish their work.

At the same time, a new breed of project manager has emerged. This new breed may not have set career goals to become project managers — many among them don't even consider themselves to be project managers. But they do know they must successfully manage projects to move ahead in their careers. Clearly, project management has become a critical skill, not a career choice.

Even though these people realize they need special tools, techniques, and knowledge to handle their new types of assignments, they may not be able or willing to devote large amounts of time to acquiring them, which is where this book comes into play. I devote this book to that silent majority of project managers.

About This Book

This book helps you recognize that the basic tenets of successful project management are simple. The most complex analytical technique takes less than ten minutes to master! In this book, I introduce information that's necessary to plan and manage projects, and I provide important guidelines for developing and using this information. Here, you discover that the real challenge to a successful project is dealing with the multitude of people whom a project may affect or need for support. I present plenty of tips, hints, and guidelines for identifying key players and then involving them.

But knowledge alone won't make you a successful project manager — you need to apply it. This book's theme is that project-management skills and techniques aren't burdensome tasks you perform because some process requires it. Rather, they're a way of thinking, communicating, and behaving. They're an integral part of how we approach all aspects of our work every day.

So I've written the book to be direct and (relatively) easy to understand. But don't be misled — the simple text still navigates all the critical tools and techniques you'll need to support your project planning, scheduling, budgeting, organizing, and controlling. So buckle up!

I present this information in a logical and modular progression. Examples and illustrations are plentiful — so are the tips and hints. And I inject humor from time to time to keep it all doable. My goal is that you finish this book feeling that good project management is a necessity and that you're determined to practice it!

Conventions Used in This Book

I use the following conventions to help you find your way through this book:

- ✓ I use *italics* to point out new words and to alert you to their definitions, which are always close by. On occasion, I also use italics for added emphasis.
- ✓ I use **bold** text to indicate keywords in bulleted lists or to highlight action parts in numbered lists.
- ✓ I put all websites in monofont.

When this book was printed, some web addresses may have needed to break across two lines of text. If that happened, rest assured that I haven't put in any extra characters (such as hyphens) to indicate the break. So when using one of these web addresses, just type in exactly what you see in this book, pretending as though the line break doesn't exist.

What You're Not to Read

Of course, I want you to read every single word, but I understand your life is busy and you may have time to read only what's relevant to your experience. In that case, feel free to skip the sidebars. Although the sidebars offer interesting, real-life stories of my own experiences, they're not vital to grasping the concepts.

Foolish Assumptions

When writing this book, I assumed that a widely diverse group of people would read it, including the following:

- ✔ Senior managers and junior assistants (tomorrow's senior managers)
- ✔ Experienced project managers and people who've never been on a project team
- ✔ People who've had significant project-management training and people who've had none
- ✔ People who've had years of real-world business and government experience and people who've just entered the workforce

I assume that you have a desire to take control of your environment. After reading this book, I hope you wonder (and rightfully so) why all projects aren't well managed — because you'll think these techniques are so logical, straightforward, and easy to use. But I also assume you recognize there's a big difference between *knowing* what to do and *doing* it. And I assume you realize you'll have to work hard to overcome the forces that conspire to prevent you from using these tools and techniques.

Finally, I assume you'll realize that you can read this book repeatedly and learn something new and different each time. Think of this book as a comfortable resource that has more to share as you experience new situations.

How This Book Is Organized

Each chapter is self-contained, so you can read the chapters that interest you the most first — without feeling lost because you haven't read the book from front to back. The book is divided into the following six parts.

Part I: Getting Started with Project Management

In this part, I discuss the unique characteristics of projects and what project management is all about. I also show you how to identify the people who will play a role in your project, how to clearly define your project's proposed results, and how to determine your project's work.

Part II: Planning Time: Determining When and How Much

In this part, I cover how to develop the project schedule and estimate the resources (both personnel and nonpersonnel) you need. I also show you how to identify and manage project risks.

Part III: Group Work: Putting Your Team Together

In this part, I show you how to identify, organize, and deal with people who play a part in your project's success. I explain how to define team members' roles and get your project off to a strong start.

Part IV: Steering the Ship: Managing Your Project to Success

In this part, I explain how to monitor, track, analyze, and report on your project's activities. I also show you how to establish and maintain effective communications between you and all your project audiences and how to demonstrate leadership that energizes your project team. Then I discuss how to bring your project to a successful closure.

Part V: Taking Your Project Management to the Next Level

Here, I discuss how to use available technology to help you plan, organize, and control your project. I also discuss a technique for evaluating activity performance and resource expenditures on larger projects.

Part VI: The Part of Tens

Every *For Dummies* book has this fun part that gives you tidbits of information in an easy-to-chew format. In this part, I share tips on how to plan your project and how to be a better project manager.

I also include one additional nugget of information: The appendix illustrates systematic processes for planning your project and for using the essential controls that I discuss throughout this book.

Icons Used in This Book

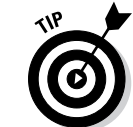


I include small icons in the left margins of the book to alert you to special information in the text. Here's what they mean:

This icon leads into actual situations illustrating techniques and issues.



I use this icon to point out important information you need to keep in mind as you apply the techniques and approaches.



This icon highlights techniques or approaches you can use to improve your project-management practices.



This icon highlights potential pitfalls and danger spots.

Where to Go from Here

You can read this book in many ways, depending on your own project-management knowledge and experience and your current needs. However, I suggest you first take a minute to scan the table of contents and thumb through the sections of the book to get a feeling for the topics I address.

If you're new to project management and are just beginning to form a plan for a project, first read Parts I and II, which explain how to plan outcomes, activities, schedules, and resources. If you want to find out how to identify and organize your project's team and other key people, start with Part III. If you're ready to begin work or you're already in the midst of your project, you

may want to start with Part IV. Or feel free to jump back and forth, hitting the chapters with topics that interest you the most.



The most widely recognized reference of project-management best practices is *A Guide to the Project Management Body of Knowledge (PMBOK)*, published by the Project Management Institute (PMI). The fifth and most recent edition of *PMBOK (PMBOK 5)* was published in 2013. The Project Management Professional (PMP) certification — the most recognized project-management credential throughout the world — includes an examination (administered by PMI) with questions based on *PMBOK 5*.

Because I base my book on best practices for project-management activities, the tools and techniques I offer are in accordance with *PMBOK 5*. However, if you're preparing to take the PMP examination, use my book as a companion to *PMBOK 5*, not as a substitute for it.

As you read this book, keep the following points in mind:

- ✓ *PMBOK 5* identifies *what* best practices are but doesn't address in detail *how* to perform them or deal with difficulties you may encounter as you try to perform them. In contrast, my book focuses heavily on *how* to perform the project-management techniques and processes.
- ✓ I've revised and updated my book so that all the tools and techniques discussed and all the terminology used to describe those tools and techniques are in agreement with those used in *PMBOK 5*.
- ✓ Where appropriate, I include a section at the end of each chapter that specifies where the topics in the chapter are addressed in *PMBOK 5*.
- ✓ *PMBOK 5* often contains highly technical language and detailed processes, which people mistakenly dismiss as being relevant only for larger projects. My book, however, deliberately frames terms and discussions to be user-friendly. As a result, people who work on projects of all sizes can understand how to apply the tools and techniques presented.

No matter how you make your way through this book, plan on reading all the chapters more than once — the more you read a chapter, the more sense its approaches and techniques will make. And who knows? A change in your job responsibilities may create a need for certain techniques you've never used before. Have fun and good luck!

Part I

Getting Started with Project Management



For Dummies can help you get started with lots of subjects. Visit www.dummies.com to learn more and do more with *For Dummies*.

In this part . . .

- ✔ Discover what project management is all about and whether you have what it takes to be a successful project manager.
- ✔ Find out how to identify people who may need to be involved in your project and decide whether, when, and how to involve them. After you know who should be involved, determine who has the authority, power, and interest to make critical decisions along the way.
- ✔ Think about the big picture of what your project is trying to accomplish (and why). Then get the scoop on writing a Scope Statement to confirm the results your project will produce and the constraints and assumptions under which everyone will work.
- ✔ Outline the work you have to do to meet the expectations for your project and find out how to break that work down into manageable chunks.

Chapter 1

Project Management: The Key to Achieving Results

In This Chapter

- ▶ Defining a project and its four stages
 - ▶ Breaking down project management
 - ▶ Identifying the project manager's role
 - ▶ Determining whether you have what you need to be a successful project manager
-

Successful organizations create projects that produce desired results in established time frames with assigned resources. As a result, businesses are increasingly driven to find individuals who can excel in this project-oriented environment.

Because you're reading this book, chances are good that you've been asked to manage a project. So, hang on tight — you're going to need a new set of skills and techniques to steer that project to successful completion. But not to worry! This chapter gets you off to a smooth start by showing you what projects and project management really are and by helping you separate projects from nonproject assignments. This chapter also offers the rationale for why projects succeed or fail and gets you into the project-management mindset.

Determining What Makes a Project a Project

No matter what your job is, you handle a myriad of assignments every day. For example, you may prepare a memo, hold a meeting, design a sales campaign, or move to new offices. Or you may make the information systems more user-friendly, develop a research compound in the laboratory, or improve the organization's public image. Not all these assignments are projects. How can you tell which ones are and which ones aren't? This section is here to help.

Understanding the three main components that define a project

A *project* is a temporary undertaking performed to produce a unique product, service, or result. Large or small, a project always has the following three components:

- ✓ **Specific scope:** Desired results or products (Check out Chapter 3 for more on describing desired results.)
- ✓ **Schedule:** Established dates when project work starts and ends (See Chapter 5 for how to develop responsive and feasible project schedules.)
- ✓ **Required resources:** Necessary number of people and funds and other resources (See Chapter 6 for how to establish whom you need for your project and Chapter 7 for how to set up your budget and determine any other resources you need.)



As illustrated in Figure 1-1, each component affects the other two. For example: Expanding the type and characteristics of desired outcomes may require more time (a later end date) or more resources. Moving up the end date may necessitate paring down the results or increasing project expenditures (for instance, by paying overtime to project staff). Within this three-part project definition, you perform work to achieve your desired results.

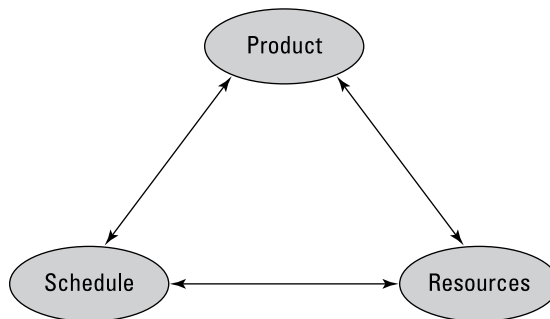


Figure 1-1:
The relationship between the three main components of a project.

Illustration by Wiley, Composition Services Graphics

Although many other considerations may affect a project's performance (see the later section "Defining Project Management" for details), these three components are the basis of a project's definition for the following three reasons:

- ✓ The only reason a project exists is to produce the results specified in its scope.

- ✔ The project's end date is an essential part of defining what constitutes successful performance; the desired result must be provided by a certain time to meet its intended need.
- ✔ The availability of resources shapes the nature of the products the project can produce.

A Guide to the Project Management Body of Knowledge, 5th Edition (PMBOK 5), elaborates on these components by

- ✔ Emphasizing that *product* includes both the basic nature of what is to be produced (for example, a new training program or a new prescription drug) and its required characteristics (for example, the topics that the training program must address), which are defined as the product's *quality*
- ✔ Noting that *resources* refers to funds, as well as to other, nonmonetary resources, such as people, equipment, raw materials, and facilities

PMBOK 5 also emphasizes that *risk* (the likelihood that not everything will go exactly according to plan) plays an important role in defining a project and that guiding a project to success involves continually managing tradeoffs among the three main project components — the products to be produced and their characteristics, the schedule, and the resources required to do the project work.

Recognizing the diversity of projects

Projects come in a wide assortment of shapes and sizes. For example, projects can

- ✔ **Be large or small**
 - Installing a new subway system, which may cost more than \$1 billion and take 10 to 15 years to complete, is a project.
 - Preparing an ad hoc report of monthly sales figures, which may take you one day to complete, is also a project.
- ✔ **Involve many people or just you**
 - Training all 10,000 of your organization's staff in a new affirmative-action policy is a project.
 - Rearranging the furniture and equipment in your office is also a project.

A project by any other name just isn't a project

People often confuse the following two terms with *project*:

- ✔ **Process:** A *process* is a series of routine steps to perform a particular function, such as a procurement process or a budget process. A process isn't a one-time activity that achieves a specific result; instead, it defines *how* a particular function is to be done every time. Processes, like the activities that go into buying materials, are often parts of projects.
- ✔ **Program:** This term can describe two different situations. First, a *program* can be a set

of goals that gives rise to specific projects, but, unlike a project, a program can never be completely accomplished. For example, a health-awareness program can never completely achieve its goal (the public will never be totally aware of all health issues as a result of a health-awareness program), but one or more projects may accomplish specific results related to the program's goal (such as a workshop on minimizing the risk of heart disease). Second, a *program* sometimes refers to a group of specified projects that achieve a common goal.

✔ Be defined by a legal contract or by an informal agreement

- A signed contract between you and a customer that requires you to build a house defines a project.
- An informal promise you make to install a new software package on your colleague's computer also defines a project.

✔ Be business-related or personal

- Conducting your organization's annual blood drive is a project.
- Having a dinner party for 15 people is also a project.



No matter what the individual characteristics of your project are, you define it by the same three components I describe in the previous section: results (or scope), start and end dates, and resources. The information you need to plan and manage your project is the same for any project you manage, although the ease and the time to develop it may differ. The more thoroughly you plan and manage your projects, the more likely you are to succeed.

Describing the four stages of a project

Every project, whether large or small, passes through the following four stages:

- ✔ **Starting the project:** This stage involves generating, evaluating, and framing the business need for the project and the general approach to performing it and agreeing to prepare a detailed project plan. Outputs