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MPA 823

PROJECTS

Project Management Module 1

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Course Developer/Writer

Leon Ikpe, National Open University of Nigeria

Course Editor

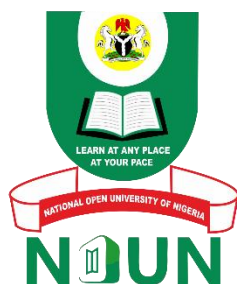
S.O. Israel Cookey, National Open University of Nigeria

Programme Leader

Dr. O. J. Onwe, National Open University of Nigeria

Credits of cover-photo: Mr. Gbenga Aiyejumo, National Open University of Nigeria.

National Open University of Nigeria - 91, Cadastral Zone, Nnamdi Azikiwe Express Way, Jabi, Abuja, Nigeria



www.nou.edu.ng centralinfo@nou.edu.ng

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Unit I The Nature and Purpose of Project Management

1.0 Introduction

Project management is assuming greater importance in both the public and private sectors of the economy. As managers in our different callings and organisations, we may be involved in the management of projects and are given assignments within a project management team. We therefore need to understand at the onset, the nature of project management.

In this unit, we will discuss the nature and purpose of project management. We shall look at the definition of project management and also the core nature.

2.0 Objectives

At the end of this unit, you should be able to:

- define and explain the nature of project management
- describe the purpose of project management.

3.0 Main Content

Project management has evolved because of the need to manage complex public and private sector activities. But before we go into our discussions on project management, we need to understand the subject matter. We also need to understand our operating terminology.

3.1 Definition of Project

Project has been defined in various ways. Some authorities see projects as mere activities while others see them as programmes of action. *Longman Dictionary of Contemporary English* defines a project as “an important and carefully planned piece of work that is intended to build or produce something new, or to deal with a problem.”

From this simple definition, we can see that a project, apart from being important, should be carefully planned so as to produce something.

Some of the things that a project seeks to produce may be tangible or intangible. A motorcycle is a tangible product but conducting a census is not a tangible product.

The following are examples of projects:

- construction of a 50-bed hospital at Ikeja by the Lagos State government.
- dualisation of the Benin-Lagos highway by the Federal Ministry of Works.
- sinking of 10 water boreholes at Ikorodu town by the local government council.

From whatever angle we see these projects, some of their features are that they will require the commitment and deployment of scarce resources. Also, the products will not manage themselves. They will be managed.

3.2 Meaning of Project Management

If we define a project as an important piece of work, project management is the planning, organising, directing and controlling of resources for a relatively short-term objective that has been earlier established to complete specific goals. For example, the construction of a 50-bed hospital at Ikeja by the Lagos State government will require a lot of resources: financial, material and labour.

There will be need for procurement of land. There will also be need for architects to design the hospital. There will be need for structural engineers, civil and building engineers and electrical engineers. Different types of equipment will be sourced for e.g. X-ray machines, laboratory equipment, etc. to equip the hospital.

There should be a way in which all these resources should be coordinated and managed for effective and time management. In situations like these, project management comes in handy to provide much needed expertise.

3.3 Purpose of Project Management

From the onset, it will be necessary to stress that many projects are very complex in nature. The complexities may be introduced by the nature of technology required to execute the project. For example, a census project is one of the most difficult and complex projects that public sector managers may face. Also, managing the 2007 election in Nigeria was another complex project.

Most projects such as we have mentioned may require elements of critical risks and uncertainty. For example, how do we predict what will happen next year? Even if we could predict the political future with a measure of certainty, predicting the movement of prices and costs of materials in Nigeria involves a lot of risks and uncertainty.

In all cases therefore, we would say that the purpose of project management is to foresee the future and associated problems and therefore, plan, organise and control key activities so that projects are completed successfully and on time too.

If we see project management from that perspective, it follows logically that project management starts even before financial resources are committed and lasts until the completion of the project.

Self-Assessment Exercise I

Explain the meaning and purpose of project management.

3.4 Types of Projects

We have discussed the meaning of project management and also the purpose. Let us go further and discuss the various types of projects that we might encounter in our different organisations as managers. Some of the types include:

3.4.1 Tangible Projects

Tangible projects are those projects whose output are tangible and can be seen with the naked eye. They may include the following:

- a civil engineering project
- a hospital building project
- a water borehole project
- an aircraft manufacturing plant
- a milk manufacturing plant
- an urban playground.

3.4.2 Intangible Projects

Intangible projects are those that require commitment of resources but whose output cannot be seen with the naked eye. In most cases, they are social projects and in some cases they may be political projects. Examples of intangible project in Nigeria include the 2007 elections and the national census.

Self-Assessment Exercise 2

Discuss five tangible projects you may find in a new and emerging city.

3.5 Projects Objectives

Projects must have objectives. It is one of the important tasks of project managers to see that the projects they manage meet their objectives. Let us now discuss the objectives of projects.

3.5.1 Completion Time

Most projects, when formulated, have completion times. A normal football match lasts for about 90 minutes. It is the duty of the referee to ensure that the football match is completed within the set time. Most public sector projects even at the time they are awarded or initiated always have a time frame attached to them. For example, the rehabilitation of the Lagos-Benin expressway may be projected to be completed in 24 months. That is the projected duration of the project. Any contractor who is given the contract for such a job should ensure that the road is completed on time.

Another point to note about completion time of projects is that late completion or delivery of an agreed project will not please the sponsor of a project. Consider, for example, that the Federal Ministry of Works awards a contract for the dualisation of the Owerri-Onitsha road to Julius Berger and the road is to be completed in 24 months under the terms of the underlying contract. If Julius Berger, the contractor, fails to complete the road project in 24 months, the Ministry of Works will not be pleased with it. Besides, time is money and if a contractor fails to operate within a time frame, inflation may set in and delay the project completion or increase the cost.

3.5.2 Performance

All projects have objectives which they set out to achieve. For example, a public hospital project should have the objective of providing safe and affordable healthcare to the community. Also, a private sector fast food project has the objective of manufacturing hamburgers, fish cake, hot dogs, etc. for its customers. This is a performance objective.

Also, apart from the performance objective, most projects have a quality objective. For example, a hospital should have the objective of providing healthcare. This is a performance objective. But the provision of the service should be safe. For example, hospital workers (nurses, doctors, etc.) while treating patients must take adequate care so as not to infect the patients with the HIV through use of unsterilised needle. This is a quality objective.

Most organisations have quality as one of their major objectives. See, for example, what Daimler Benz has done with Mercedes Benz cars.

Sony products are reputed for their amazing quality. Finally, another aspect of performance is reliability. A good product should also be reliable especially in the case of medical testing devices like PH meters.

In patient care, an unreliable thermometer may raise a false alarm concerning the health of a patient and lead to wrong diagnosis.

3.5.3 Budget

All projects involve financial outlays. The financial outlays (expenditures) attached to a project are usually controlled by the budget. The budget sets a limit as to the quantity of funds a project can consume. In most organisations, the budget for every project is usually set aside. The reason why a project should be monitored is that failure to do so in some cases may lead to exhaustion of funds and abandonment of the project in question.

We have seen that projects may have three main objectives, namely: time, performance and budget objectives. A major task facing project managers is how to balance these three objectives. What it means is that at all times the focus of managers must be on the three items. To retain our understanding of project objectives, we will go a step further to look at a simple triangle of objectives.

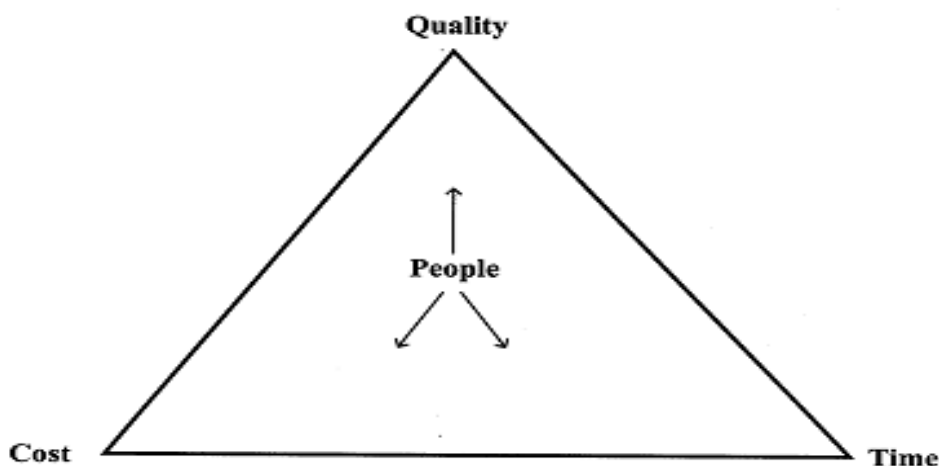


Fig. 1: The Triangle of Objectives

Self-Assessment Exercise 3

Discuss the objectives of executing a project.

4.0 Conclusion

In this unit, we have discussed the nature and purpose of project management. We looked at the definition of a project and also a working definition of project management. We also looked at types of projects and also project objectives.

5.0 Summary

This unit is a foundation unit in our study of project management. It tries to provide a starting point for our discussions on the key aspects of our study of project management.

It discusses the nature of projects and also the purpose of project management. With this background, we will now move ahead with our work.

6.0 Self Assessment Exercise

Discuss the key objectives of project management.

7.0 References/Further Reading

Belbin, R.M. (1996). *Management Teams: Why They Succeed or Fail*. Oxford: Butterworth-Heinemann.

Morris, P.W.G. (1997). *The Management of Projects*. London: Thomas Telford.

Unit 2 Project Management Organisation

1.0 Introduction

We have earlier discussed the fact that projects require the commitment of resources and people to get them executed and to meet project objectives.

It is obvious then to think that if the project objectives are to be achieved, the resources, people, communication and jobs must be organised. But there is no standard way in which projects should be organised. Organisation of project management varies significantly between organisations.

In project management organisation, we shall discuss the importance of communication in project management and also examine the types of project management organisations. This discussion will enable us to understand the fundamental organisation structures that are necessary to ensure effective management.

2.0 Objectives

At the end of this unit, you should be able to:

- discuss project management organisation
- explain the different types of project management organisation.

3.0 Main Content

3.1 Communication in Project Management

In management theory, we did learn that communication is very important in every organisation. The organisation structure helps to describe the clear lines of authority. Also, communication in an organisation is a two-way affair. Communication flows from top to bottom and then from bottom to top. Communication ensures that the jobs of information and coordination are made easy.

A problem usually encountered in a project situation is how best to structure communication flow so as not to disrupt activities in an existing set-up. For example, a local government clinic is undergoing training on the use of a new malaria drug. But the project supervisor is a community development officer from the health ministry who is much junior to the head of the local government health department. It is obvious that the malaria project will require communication between the outside parties (the community development officer) and the Local government clinic. The communication flows must be structured in such a way as not to introduce friction or mass discontent arising from loss of team spirit.

3.2 The Need for a Project Manager

In a real life situation like in a company, a project manager may be an individual who is appointed to manage a project. In some cases project managers are consulting firms of either architects or other professionals. They may be appointed to oversee very large and complex projects.

A project manager ensures that all the activities relating to the project are planned, coordinated and closely directed to meet the set objectives. The key functions of the project manager are communication and coordination. The project manager implements the project and reports routinely to the project initiator or purchaser.

Let us look at the role of a project manager in the healthcare industry. Our example is a new anti-malaria drug being developed by the Federal Ministry of Health in conjunction with the World Health Organisation.

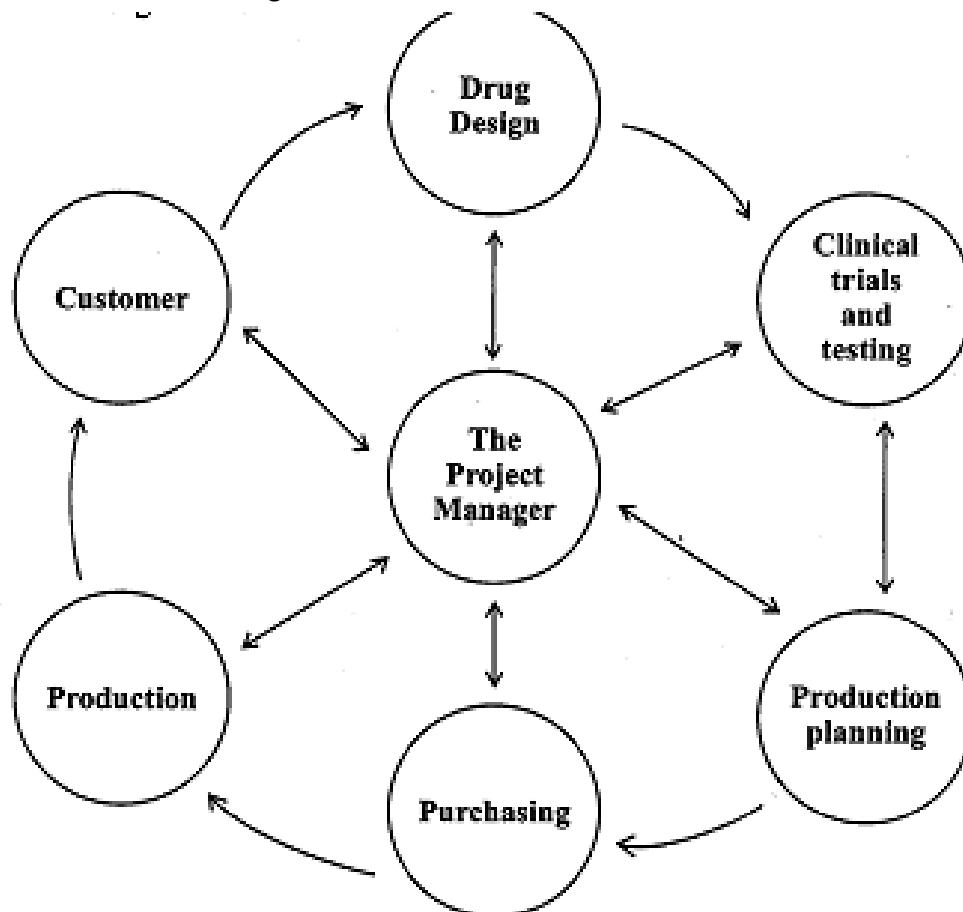


Fig. 1: A Public Sector Drug Development Project

From fig. 1, it will be observed that the project manager is involved in the total project from the drug design stage to the sale of the drug to the final consumer.

Self-Assessment Exercise I

List and discuss main functions of a project manager.

3.3 Types of Project Management Structures

We have discussed the project manager and the important roles assigned to him or her. But we did not discuss the types of structures that the project manager will be in when managing projects. We want to see how he/she relates to the existing organisation and to the new project. This leads us to a discussion on the types of structures in project management.

3.3.1 Functional Matrix

At times, it is possible for a project manager to be appointed within an organisation which has other routine activities. In such a situation, there are existing departments and work flow continues normally. The project manager when appointed within such an existing framework is usually required to pay attention to the new project. In this peculiar situation, the project manager ordinarily plays the role of a coordinator and has no direct line authority over any other manager or existing staff.

In a project management situation, this type of organisational arrangement is referred to as a functional matrix.

If, for any reason the project manager is not receiving the level of cooperation he requires, problems arise and disrupt the project management task.

Functional matrix organisations are mainly found in private manufacturing companies with single or multiple product lines.

Situations arise where many project managers exist in a firm or organisation and have different projects which they manage. They may begin to compete for the resources of the organisation resulting in conflict amongst them.

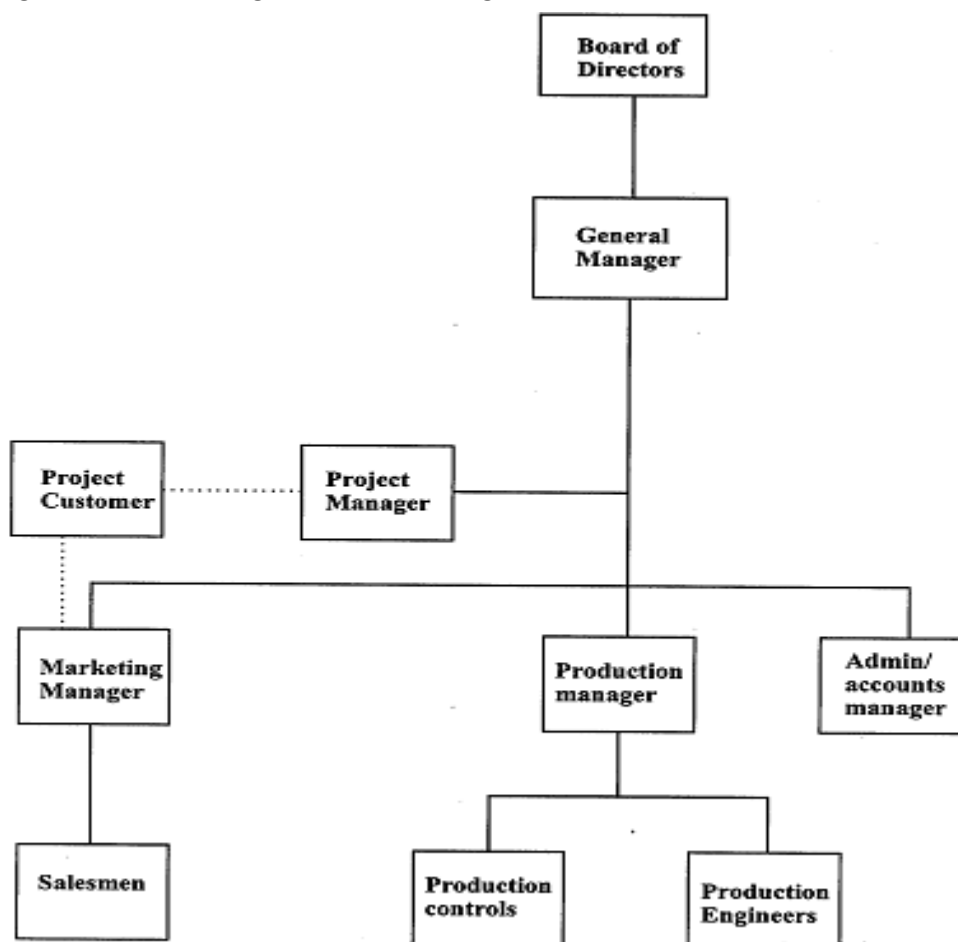


Fig. 2: A Functional Matrix for a Single Project in a Simple Manufacturing Company

3.3.2 Project Matrix

A project matrix is different from a functional matrix. In a project matrix, project managers are given greater authority over other functional managers. In this situation, it is usual for departments to contribute staff that they release to a project manager working on a particular project. For example, in the computerisation of a bank, when a project manager is appointed, staffs are handpicked from other departments or units to join the project team. In this situation, as long as the computerisation project lasts, all the project staff report to the project manager.

We will see that the project matrix situation makes room for effective project management but it also has its own limitations.

3.3 Pure Project Team Organisation

A third type of project management structure is known as the pure project team organisation. In a pure project team organisation, a work group or project team is created for each project with the project manager as head of the team. In this type of arrangement, the project manager is given absolute authority over the project team.

For example, in a community water project, a project manager might be appointed to handle the project. The team will undertake the design and construction of the necessary buildings. The team will also design the installation of the plant and machinery. The team will purchase the necessary equipment and see the water project to completion.

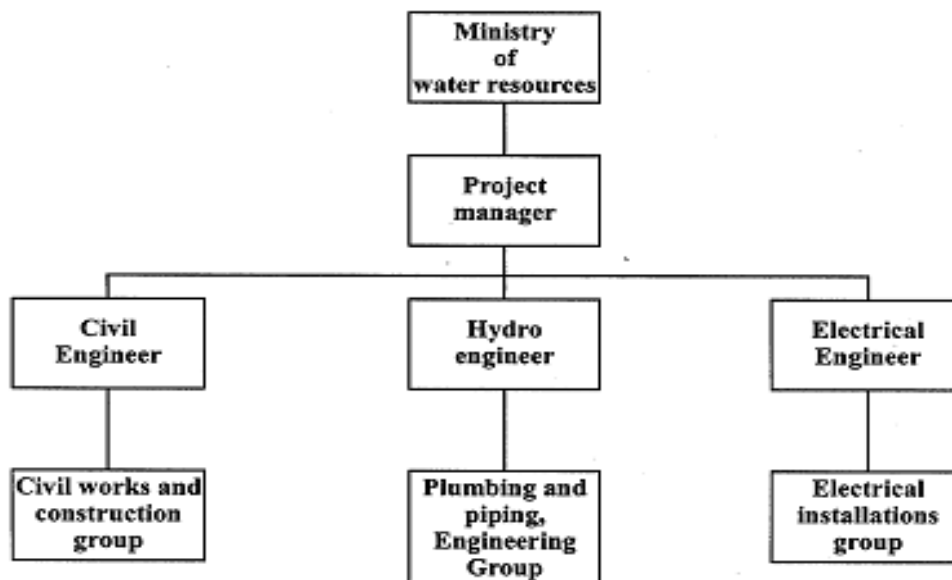


Fig. 3: Project Team Organisation

The above example shows the organisation of a team brought together to construct a local government water project.

3.3.4 Site Teams

At times, situations arise that warrant site teams to be created. This is usually where a project is located far away from an organisation's head office. An example would be a communication company like MTN trying to set up a communication mast at Calabar in Cross River State. In such a situation, it will be very appropriate to raise a site team to be deployed at Calabar under the leadership of the project team leader. The team leader supervises the project and reports day-to-day progress to the head office in Lagos.

Self-Assessment Exercise 2

Appraise the different types of project management structures.

4.0 Conclusion

In this unit, we have looked generally at project management organisation. We discussed communication in a project situation. We also examined the need for a project manager and discussed the types of project management structures.

5.0 Summary

This unit treated project management organisation which is very important in our study of project management. The knowledge gained in this unit will assist us forge ahead by providing much needed background information.

6.0 Self Assessment Exercise

With particular reference to project management structures, discuss the differences between a functional matrix and a project matrix.

7.0 References/Further Reading

Crosby, P. B. (1979). *Quality is Free: The Art of Making Quality Certain*. New York: McGraw-Hill.

Klien, R. L. & Ludin, I. S. (1992). *The People Side of Project Management*. Aldershot: Gower.

Unit 3 Administration Functions in Project Organisation

1.0 Introduction

In unit 2, we discussed project management organisation. We also discussed various project management organisation structures like the functional matrix, the project matrix, the pure project team organisation and site teams.

These are all different arrangements under which a project could be organised. In this unit, we will discuss the administration function in these different organisation types and also try to examine the merits and demerits of the various organisation types.

2.0 Objectives

At the end of this unit, you should be able to:

- discuss the nature of administration functions in project organisation
- explain the differences in administration between the various types of project organisations.

3.0 Main Content

When an organisation wants to embark on a project, some of the central questions that will arise are:

- What type of project management organisation should be adopted and why?
- Should a project team be built and over which should be placed a project manager to report to management?
- Should the organisation adopt a functional matrix? If the answer is yes, then the project manager if appointed will be held responsible for the project but has no direct line authority over the staff that he/she works within the project.

Our interest in such situations is based on the fact that the key functions of a project manager are administration and management. But we will quickly realise that the administration function will depend to a large extent on the type of project management structure that is in place.

In most cases, project managers do not select their own staff or be allowed to recruit staff. Most of the time, staff are selected and imposed on the project manager. Again, the members of a project team may not all share the general sentiments attached to a project. Some members will end up becoming passive members while others might have a sense of team spirit and contribute positively to team objectives. In each case, project managers are still faced with the task of administration.

Now let us start by discussing the administration function in a pure project team.

3.1 Administration Function in a Pure Project Team

When a pure project team has been set up, it has the primary advantage that resources and energies can be directed towards meeting the objectives set for the team. In most of pure project teams, they are independent and also have their own budgetary allocation of resources of both money and people.

An important aspect of pure project teams is the idea of motivation which invariably affects team spirit. When people are motivated, team spirit is generated and this helps in team building. So in most pure project teams, the members usually will feel a deep sense of belonging and strive to meet team goals and objectives.

Everybody working within a pure project team reports either directly to the project manager, or to another manager who reports to the project manager. It is easy for us to see that in this situation, the line of authority is very clear.

Communication flow is very easy from the top to the bottom and from the bottom to the top. Instructions move from the project manager to other managers within the project and then to other members of the project team. Let us display communication flows in a pure project team in the diagram below.

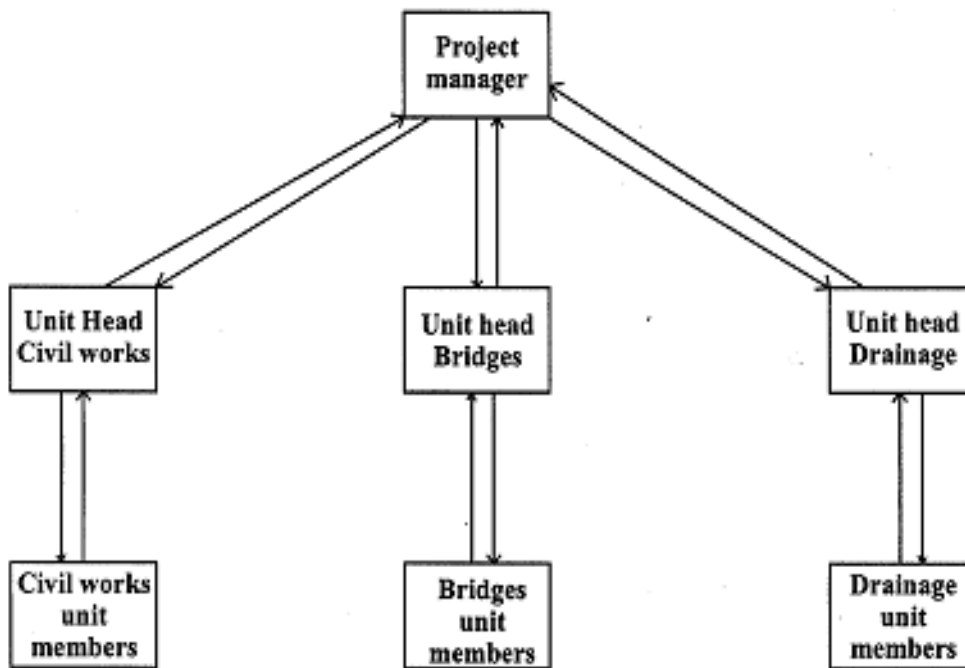


Fig. 1: Communication Flow in a State Road Maintenance Agency

Apart from the clearly defined communication lines which we have just seen in our example, you will note as managers that there are clearly defined lines of authority in a project team. The command structure is perfect.

Having discussed communication flows in a project team, let us now bring out what we see as the advantages of a pure project team in terms of administration.

3.1.1 Motivation and Leadership

A major advantage of pure project teams is the issue of motivation and leadership. In most teams, members are motivated and when people are motivated, leadership becomes easier and administration is also made much easier.

3.1.2 Good and Easier Communication

Because of the nature and structure of pure project teams, communication flows are fast and efficient. Information moves very fast within the team.

We have seen the advantages of structuring a pure project team especially in terms of administration and communication. However, there are some disadvantages that are inherent in pure project teams. Let us discuss some of the disadvantages.

Because of the way most project teams are structured, they tend to be rather rigid or inflexible. Everything within the team is defined. For example, if a project team has five engineers working on a dam project, the absence of two of the engineers may critically affect the job since it is not very easy to bring in temporary members into a structured project team.

Again, situations may arise when a medical doctor is attached to a project team of about 20 people when in the alternative the same medical doctor could treat 100 patients daily in a general hospital. When such situations arise, it is easy to notice inefficient use of scarce resources. Rigidity can also arise from the following situations:

- where the budget for the project team becomes insufficient
- where the project manager is unable to deviate from the project objectives even where this will benefit the organisation.

3.2 Administration Function in a Matrix Organisation

We have discussed the administration function in a pure project team. In this segment we will discuss the administration function in a matrix organisation. It is important that you should remember that a matrix organisation is structured along the establishment of specialist functional groups within an organisation. For example, in a university teaching hospital, you will have various functional departments.

Each of the departments will have specialists. Work is expected to continue in perpetuity as long as the teaching hospital exists. The teaching hospital may initiate several projects, but they may be of short duration.

Self-Assessment Exercise I

Discuss the merits and demerits in a pure project team like:

- medical microbiology
- pathology
- surgery
- internal medicine
- ear, nose and throat.

A major advantage which a matrix organisation has is the building of competence. For example, in the university teaching hospital set up, we will note that it is structured along

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departmental lines. In the department of surgery, there will be so many surgeons. Some will be thoracic surgeons, plastic surgeons, cardiologists, etc.

There will be formal seminars and cross-fertilisation of ideas and knowledge. Therefore, we can say that a matrix organisation encourages the build-up of skills organised along specialist lines.

For example, in an engineering firm, we will have civil engineers, mechanical engineers, electrical engineers and architects. Though they are structured along departmental lines, most members end up acquiring more skills due to cross-fertilisation of knowledge.

This type of advantage is not available to a specialist engineer deployed to supervise a particular project.

A major disadvantage that generates administration difficulties in the matrix organisation is the issue of split responsibilities which members face. For example, when a project team is raised in a teaching hospital, a medical officer in the surgery department may have two reporting lines, namely: reporting to the head of surgery department and reporting to the project team manager in the university teaching hospital.

Sometimes, organisations are either project teams or matrix organisations. They may also combine both features. Such an organisation is referred to as a hybrid organisation.

Self-Assessment Exercise 2

How can competence be built up relative to administration function in a matrix organisation?

A hybrid organisation usually has a matrix organisation but sets up various project teams when the need arises. In a hybrid organisation, the various specialist groups are arranged along functional lines each headed by a specialist. Within the specialist groups, project teams could be set up.

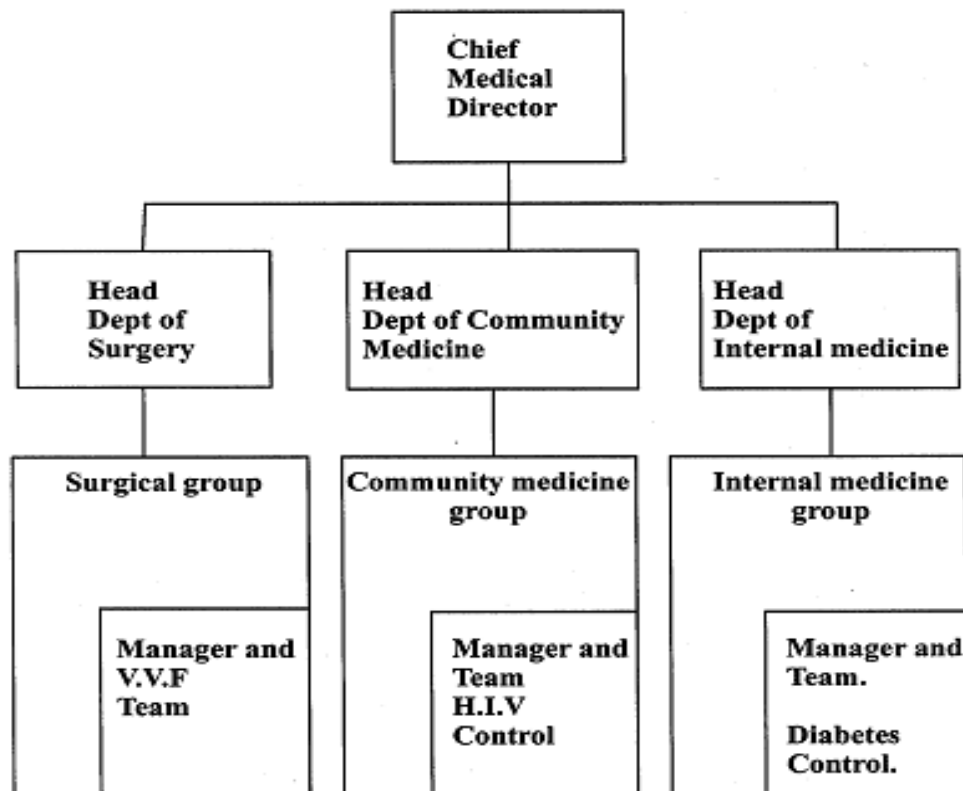


Fig. 2: Hybrid Organisation

A university teaching hospital has functional departments. Within each department is a project team.

A major advantage in administration of the hybrid organisation is that the project teams which are within the departments can count on the technical and managerial support of their department. For example, the HIV control team within the Department of Community Medicine can ask for support from the department.

Self-Assessment Exercise 3

Explain the hybrid organisation with emphasis on the advantages.

4.0 Conclusion

In this unit, we have discussed the administration function in a project management organisation. We discussed the way information flows in the pure project team and the matrix. We also learnt that some organisation combine both project team and matrix features—hybrid organisations.

5.0 Summary

This unit treats administration functions in project organisation. It tries to examine the flow of information and managerial dynamics within the various types of project organisation. The knowledge gained in this unit will be very useful to us in the near future as we progress in our study.

6.0 Self Assessment Exercise

Discuss the advantages and disadvantages in using a pure project team to execute a project

7.0 References/Further Reading

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An Outline. London: The Stationery Office.

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Unit 4 Project Definition

1.0 Introduction

In this unit, we will discuss project definition which is a very important aspect of our study as it begins to sharpen our focus on the core study of projects. Project definition is very important since it helps us to define a project under discussion.

2.0 Objectives

At the end of this unit, you should be able to:

- explain the project definition process
- discuss a project cycle.

3.0 Main Content

3.1 Meaning of Project Definition

Project definition is a process which seeks to describe a project from the idea stage to the stage when the project has been completed.

All information about the project is usually embodied in the definition of the project. Usually, before a project starts, it must be properly defined so that the parties involved properly understand their clear roles.

Discussion Case: Rehabilitation of Lagos-Ibadan Expressway

Let us use a familiar case as a discussion case. In 2005, the federal government decided to rehabilitate the Lagos-Ibadan expressway which was in a terrible state. The engineering firm of Julius Berger Nigeria PLC was chosen as the competent firm to carry out the rehabilitation work. We can describe the project by considering the various processes involved before the project was commissioned.

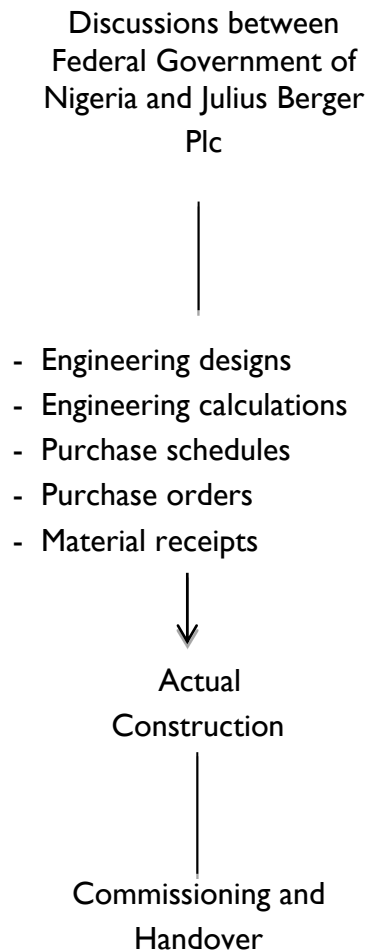


Fig. 1: The Process of Project Definition for the Rehabilitation of the Lagos-Ibadan Expressway

We have looked at a simple case of a road rehabilitation project. We will now deepen our knowledge by discussing the project cycle.

Self-Assessment Exercise I

Explain project definition?

3.2 The Project Cycle

The project cycle tries to describe the various stages that are involved from the conception of a project idea to when the project is executed or actually takes off. Understanding of a project cycle is really very important as it enables us to get the total picture of a project. Let us now examine the various stages of a project cycle.

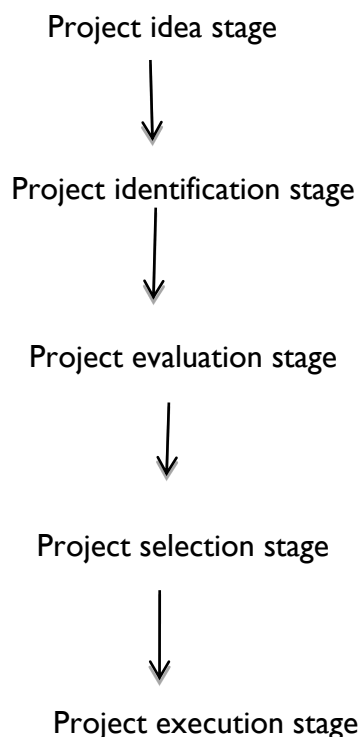


Fig. 2: The Project Cycle

3.2.1 The Project Idea Stage

The project idea stage is the first stage of a project cycle. The idea about a project arises from a variety of sources within the market place or macroeconomic environment.

New project ideas could originate from within an organisation or from outside it. In a public sector organisation, it emanates mainly from the assigned roles of the relevant body. For example, **a rural farmers' fertiliser distribution project** is most likely to emanate from a state ministry of agriculture and natural resources. The idea of a rural medical clinic is also likely to emanate from a health ministry.

In the private sector, project ideas could emanate from within an organisation or from outside. From within, it could arise out of contacts between salesmen and customers. It could also arise from outside if customers specifically request for possible bigger or better products.

New project ideas may fall into any of the following categories:

- A proposal to build a community health centre in a very remote village in Kwara State.
- A proposal to upgrade a rural medical clinic to a general hospital.
- A proposal to conduct a population census in Nigeria prior to an election.
- A proposal to build a mega railway line that will link the western part of Nigeria with the eastern part.

3.2.2 Project Identification Stage

After the project idea stage, the next stage is the project identification stage. The project identification stage consolidates the project idea stage. Project ideas are not actually useful except if they are clearly identified and put down in a systematic manner for further processing.

A government agency may conceive the idea of poverty alleviation in a particular local government area of Bauchi State. But you will realise that the concept of poverty alleviation covers a very vast area of possible interventions. So apart from simply coming up with the poverty alleviation, the government agency should go ahead to identify the mode of intervention. The poverty alleviation project could be any of the following:

- a rural women *kunu* making seminar/workshop
- a rural women micro-credit scheme
- a millet planting project.

3.2.3 Project Evaluation Stage

When a project has been identified, the next step is to evaluate the project. Project evaluation involves the estimation of the costs and benefits of a project. Costs and benefits should be measured in terms of cash flows. It will be important here for us to understand that the estimation of cash flows of a project is a very difficult task. It is difficult in the sense that cash flows which are likely to arise in the future may be difficult to estimate.

In a public sector set up, other factors come into play when evaluating a project. For example, the employment generation potentials of a project may be taken into consideration when estimating the benefits of a project. Besides, political considerations may also come into play.

3.2.4 Project Selection Stage

After the project evaluation stage, the next stage is the project selection stage. Faced with an array of projects with different values and worth, there is need to select which projects will be embarked upon. Besides, budgetary considerations will also come into play since the resources for projects are limited.

Project selection is a top management responsibility. In the selection of projects, top management usually considers the financial cost outlays involved and match them with the benefits to be derived from a project. Projects that add positive benefits to the community should be selected.

3.2.5 Project Execution Stage

The project execution stage is the final stage in the project cycle. After a project has been selected, it moves on to the execution stage. In most organisations, the responsibility for execution of projects is vested on a project management team raised by management or government. The function of the project management team is to ensure that the budget for the project is actually spent on the project and that the project is completed on schedule.

In an ideal organisation, the project management team usually prepares a monthly or quarterly budget report on projects. This is important for project monitoring and control.

Self-Assessment Exercise 2

Discuss the project cycle.

3.3 Defining a Project for Financial Appraisal

Virtually all projects involve financial expenditures but at different levels. Some aspects of a project may be ignored but there is no way that we may be able to ignore the financial aspects of a project.

Before a project is embarked upon, all aspects of financial appraisal must be conducted so that the total expenditures and inflows/benefits of the project can be estimated well in advance.

To guide us in defining a project for financial appraisal, let us draw up a checklist.

Table I: Checklist for Defining a Project for Financial Appraisal

ITEMS	YES OR NO
Cost of land and land acquisition	
Construction of building offices, etc.	
Drainage	
Perimeter fence	
Electrical power	
Water	
Sewerage	
Roads	
Cost of equipment/machinery	
Material costs	
Skilled labour	
Unskilled labour	
Operating/maintenance costs	
Local government rates and taxes	
Vehicles	
Professional fees	
Communication	
Revenue/benefits	
Projected income statement	
Projected cash flow statement	
Payback period estimation	

4.0 Conclusion

In this unit, we have discussed the concept of project definition. We also discussed the concept of the project cycle which runs from the project to the project execution stage.

5.0 Summary

This unit treated project definition. It tried to examine how a project can be defined. In doing this, we used an example of a road rehabilitation project to define a project. We also discussed the project cycle.

6.0 Self Assessment Exercise

Discuss fully the concept of a project cycle.

7.0 References/Further Reading

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Unit 5 Project Team Building

1.0 Introduction

You will recall that in unit 2, we discussed project management organisation. There we briefly discussed pure project team organisation. Here, we shall fully discuss the project team and discuss other aspects of it which we did not touch when we introduced the matter.

In a pure project team organisation, a special work group or team is created for a special project with a project manager as the head of the team.

As the case may be, the project manager may be given absolute authority over the project team. Our direction in this unit is to take a critical look at the team and discuss ways in which such a team will be made effective so as to be seen as a project team.

2.0 Objectives

At the end of this unit, you should be able to:

- explain the mechanics of project team building
- discuss the dynamics of project teams.

3.0 Main Content

3.1 Team-Based Structures

In a very large organisation including a multinational, we come across situations where there are many teams within the organisation. The teams may be created for various purposes. Let us briefly discuss some examples of teams in a practical organisation setting. To organise our thoughts we shall define team-based structures as "employee teams". It is a design where work is structured for groups. The groups are then given authority and discretion over matters such as process improvement, service development, quality management or even new product development. Team approach to management was developed mainly by Japanese companies like Toyota, Honda, Mitsubishi, Sony, and a whole lot of others. What we see today are giant Japanese firms which control a large segment of global trade?

Let us briefly discuss some of the team-based structures that are in place in some organisations.

3.1.1 Pure Project Teams

A pure project team is a specially constituted work group formed within the organisation and given a special assignment or task. The assignment could be any of the following:

- installation of a new computer system
- design of a new product
- design of a new service format.

Usually, members of a pure project team are nominated to join the team based on certain criteria. A team leader or manager is usually placed at the head of the team. In most cases, after the assignment has been completed, the team is disbanded.

3.1.2 Task Force Teams

A task force is created by top management to tackle or solve a major problem. In the Nigerian setting, we have witnessed the advent of one task force or the other. There was the task force on ports congestion.

Members of a task force are usually drawn from various organisations with a team leader as the head. Usually at the end of the assignment or when the task force loses focus, it is disbanded.

3.1.3 Quality Improvement Teams

Today, quality has become an issue that has taken the front line in business discussions. Most organisations are drawing heavily from the Japanese firms that have long imbibed quality as their watch word.

In Nigeria today, total quality management (TQM) has become an important issue and many firms are setting up internal quality teams specially empowered to address ways to improve quality.

Self-Assessment Exercise I

What do you understand by team-based structures?

3.2 Group Dynamics and Team Building

Recall that organisations grow out of the need for people to cooperate for the achievement of set goals. The coming together is based on the fact that different people have different skills. That precisely explains briefly the origin of teams or groups.

Although groups have been variously defined in the literature, our working definition is that a group is a collection of two or more people who perceive themselves as a group, share a common interest, goal, norm and a sense of belonging. They may have a leader.

Invariably, the following can be seen as groups:

- a computer steering committee
- a product launch committee.

We have just defined a group but we need to go further to examine the group content. In an ideal project team or group, there will be different people from different backgrounds and different skills. When people join a project team or group, they may lose their work identity especially if the group they joined has a work culture or ethics.

Practically, organisations use groups or teams for the following purposes:

- To distribute work along clearly defined lines. In a bank, for instance, you could find the energy group, treasury group, etc.

- To monitor and control work. After a group has been formed, the group needs to be managed and that is why every group or team should have a leader.
- Problem solving. At times, groups are used to solve organisational problems as they arise. Problems facing an organisation are many. They may be major or minor. In most cases, when major problems arise, management can set up a team to look into the problem.

3.3 Team Work

Building project teams is not the end of the task ahead. The most important task is how to build team spirit. Like we said earlier, members of the team may come from various units or departments to join a particular team set up at the head office. The critical task and which is the duty of the team leader is to ensure that the group members see themselves as members of a team and also work like a team.

If members of a team are to perform as team players and work towards team objectives, then certain things should be present in the team. Let us examine those things:

3.3.1 One Unit Goal

It is important that every member of a team perfectly understands the goals and objectives of the team. Every action of each member must be directed towards the set objectives of the team.

3.3.2 Group Cohesiveness and Support

A group is made up of a number of people with different qualities and characteristics. A good group is one in which there is that cohesiveness. This cohesiveness binds the group together and makes them act in one direction and towards the same objectives.

3.3.3 Team Spirit

Individual spirit is not the same as team spirit. Team spirit is based on group affinity and affection amongst members. Team spirit makes an individual member imbibe the spirit of a group and behave like the group.

3.3.4 High Expectations

There must be high expectations amongst the various members of a team. For example, when you form a 15-man football team to represent Nigeria, each team member usually will have high expectations arising from team dynamics and spirit.

3.3.5 Willingness

Team members must be willing to be members of the team. They should not be unwilling members because if they are, they will be frustrated and this will affect the team as a whole.

3.4 Communication within Project Team

We need to now discuss communication within a project team. In a project team, there will be a lot of people who need to communicate with each other.

Communication is the process of exchanging information between one person or another or between one person and a group of persons. Communication also conveys knowledge of or information about a subject matter. Communication is all about sharing information. Generally, in a team situation, there is the need for effective communication amongst the members. The importance of communication is that it is the life blood of any organisation and by implication the team.

Communication as a process assists management functions to be accomplished. Communication enables the team leader to communicate with other members of the team and also enables other team members to communicate with the team leader. Communication provides a link between people in a team or organisation.

The real purpose of communication is to effect change in an organisation and influence action towards organisational objectives. Communication organises the human resources in an organisation or team. Let us discuss the lines of communication in a project team.

3.4.1 Vertical Communication

Vertical communication within the project team could be from the team leader to subordinates or from the subordinates to the team leader. Vertical communication assists in passing information on policies and provides feedback mechanism through which staffs respond to communication.

3.4.2 Horizontal Communication

In a project team, communication can flow horizontally across staff at the same level in the project team. It could be communication to all the managers in the team or at the same level.

3.4.3 External Communication

Within a project team, external communication is a situation where the team or group exchanges information with the larger organisation. For example, when a team leader reports progress to the managing director, we regard the information as a form of external communication as it is outside the team.

Self-Assessment Exercise 2

There is need for communication within a project team. Discuss?

3.5 Building Good Interpersonal Relations within the Team

An organisation may possess enormous capital, good organisational structure, highly trained manpower. But if the staff do not relate properly to one another, then problems may likely

occur frequently and retard corporate performance. And so it is with a team. As discussed earlier, a team can be made up of people from different units and backgrounds.

It is therefore, very important that at all times, managers should be aware of the need to build and maintain good interpersonal relationship with their subordinates, bosses and peers within the organisation.

Put simply, interpersonal relations are the way and manner people get along with one another. It could be the relationship between one person and another or between one group of persons (e.g. staff) and another group of persons. If people are friendly and understanding, then good interpersonal relations develop and everyone performs his or her tasks properly.

3.5.1 Effects of Poor Interpersonal Relations

- Tension between staff and other fellow staff
- Tension between staff and management
- Tension amongst management staff
- Unhealthy internal rivalry between all staff
- Industrial misery and hostility
- Strike
- Corruption
- General dishonesty
- Crime in the work place
- Disloyalty to the organisation.

In a situation where there is no good interpersonal relation, obviously productivity is lowered and this gives rise to lower earnings for the organisation.

3.5.2 Principles of Interpersonal Relations

- a. Act like a member of a team. Do not let personal interest affect that of the organisation
- b. Remember that other staff come from different backgrounds and will at times behave differently from your expectations
- c. Learn to be accommodative
- d. Keep your boss informed of your movements at all times
- e. Avoid gossips in the workplace
- f. Display a positive attitude to your job
- g. Be friendly and cooperative
- h. Treat your subordinates with respect
- i. Stick to the chain of command
- j. Learn to wear a smile on your face always
- k. Show interest in other peoples' problems
- l. Always learn to say "thank you"

- m. Avoid aggressive behaviour
- n. Always learn to apologise when you are wrong
- o. Greet people in the morning, afternoon and evening
- p. Be polite
- q. Be respectful
- r. Be honest
- s. Be responsive
- t. Show good hygiene.

Self-Assessment Exercise 3

Discuss the effects of poor interpersonal relation within the team.

4.0 Conclusion

In this unit, we discussed project team building. We discussed team-based structure, pure project teams and task force teams. We also discussed group dynamics and team building, team, work and interpersonal relations. All these enabled us to properly understand project team building.

5.0 Summary

Understanding team building is a very crucial aspect of our study since most projects practically involve the setting up of project teams. It is necessary that we properly understand how to generate team spirit and cohesiveness within a project team.

6.0 Self Assessment Exercise

Discuss the importance of communication within a project team.

7.0 References/Further Reading

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