PROJECT MANAGEMENT CYCLE

Projects by definition are temporary endeavors made up of a related set of activities undertaken to create a unique product or service within specified requirements. This specific nature of projects makes it easy to stay isolated from it environment focusing solely on the delivery of activities. It is not unusual to see project working hard to accomplish all the tasks and activities designed on the logframe while ignoring the subtle changes that are occurring around its environment.

Development Projects must operate in a broader environment, and project managers need to consider projects within this greater context. To be effective at managing complex situations, project managers need to take a holistic view of the project and understand how it is situated within the larger environment. By taking this holistic view of projects, project managers are better prepared to understand the external factors that will impact the project.

A Project is like a "system" is a dynamic and complex whole, interacting as a structured unit with information flowing between the different elements that compose the system.

Using a system approach for project management is a holistic and analytical approach to solve the complex problems a project will face. As such, the project is a system that has a set of interdependent and temporally interacting phases, all working within an environment to fulfill a purpose. Project management uses system analysis as a problem solving approach, it requires defining the scope of the project, dividing it into its component parts, and identifying and evaluating its problems, opportunities, constraints and needs. The analysis then examines the possible solutions for improving the current situation, identifies an optimum solution and an action plan; and finally, it continuously examines the plan against any changes in the environment.

Traditional methods involve a linear cause and effect relationships. By taking a systems approach, projects can see the whole complex of bidirectional interrelationships. Instead of analyzing a problem in terms of an input and an output, we look at the whole system of

inputs, processes, outputs, feedback, and controls. This larger picture provides more useful results than traditional methods, and allows the project to see change as a continuous process.

The Project Management Ecosystem

Projects don't exist in isolation they are influenced by two strong factors, the internal and external environment. A project depends on three basic components: processes, people and tools, all integrated and influenced by the internal environment (the organization) and an external environment (the world), this is the project ecosystem. The graphic below shows the tight interdependency among these elements:
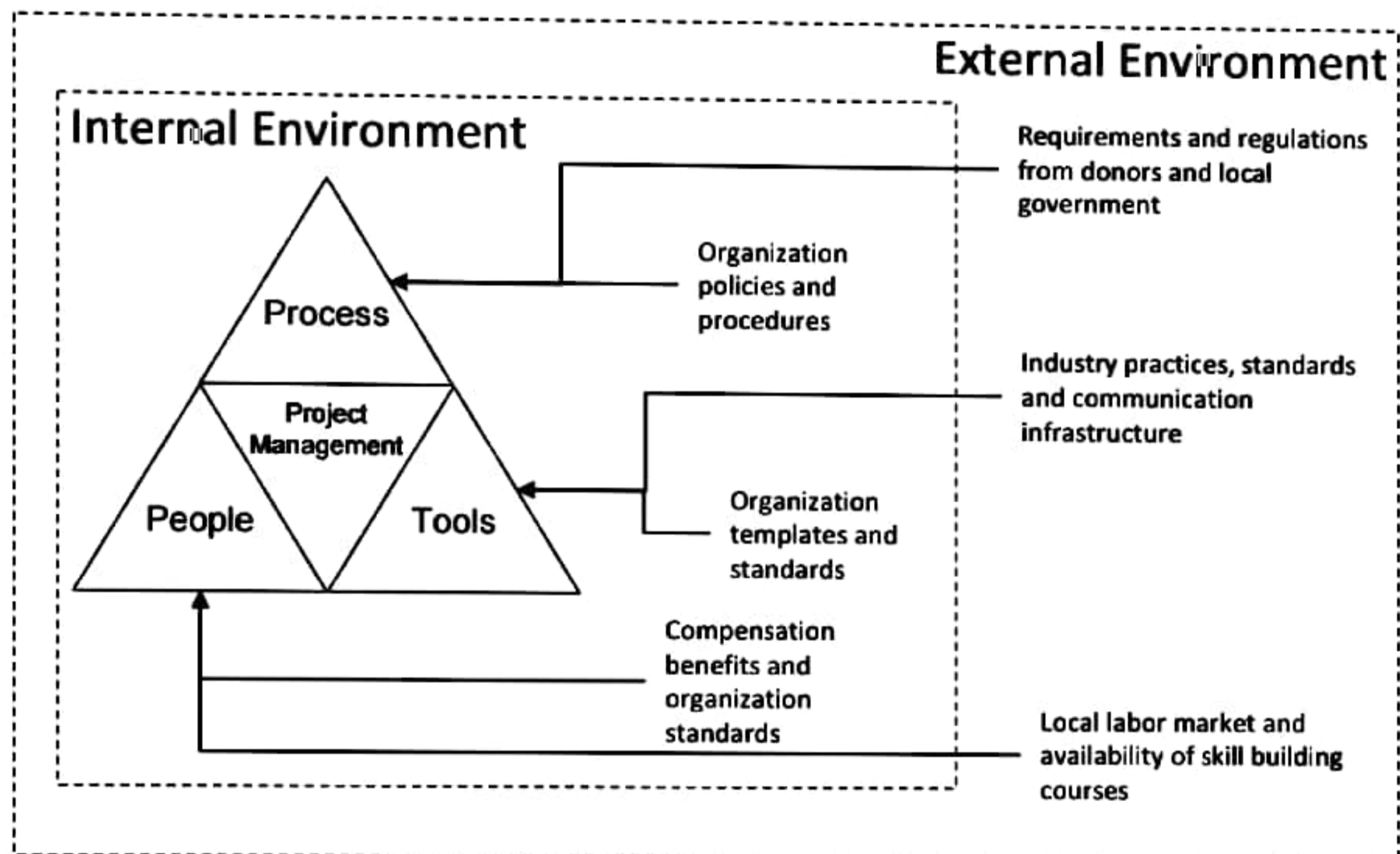

Figure 3.1: The Project Management Ecosystem

Process: the development activities defined in the policies and procedures and the roles and responsibilities required in managing development projects, these include government and donor regulations which heavily influence the project. Processes determine the work that needs to be accomplished which drives the requirements for people skills.

People, the skills and capabilities of the people in charge of managing the project, who need to follow the processes and procedures to ensure quality of the services provided by the organization. The people component is influenced by the compensation and values of the organization and by the external labor market that sets conditions to find qualified staff.

Tools, the techniques and devices selected by the organizations with the aim to facilitate the management of the project, meet its objectives and facilitate its contractual obligations. Among the tools are techniques to control budgets, track project progress and evaluate performance. Tools include the technology available to manage the information the project generates and improve its analysis to allow the project to make the right decisions.

The success of project management depends on the equilibrium of the three components, when one of them fails or doesn't receive the adequate funding or support, the whole system fails. It doesn't do any good to have the tools and processes if the people have not being trained in their use; or vice versa, have the people with the right skills but not provide them with the right tools.