

the process of project management



Project Assignment

course

International Project Management

written by

Petra Freund | Angelika Laßnig | Stefan Reindl | Stephanie Staudinger | Sin-Wei Tan

Salzburg University of Applied Sciences | EMTA 2005

Lecturer

Prof. Dr. Peisl

I Table of Figures

Figure 1: Problem Definition Worksheet.	5
Figure 2: SWOT Analysis.	6
Figure 3: Stakeholder Analysis.	6
Figure 4: Structured Generated Ideas.	7
Figure 5: Issue Tree.....	8
Figure 6: Issue Analysis Worksheet.....	10
Figure 7: Gantt Chart Work Plan.....	11
Figure 8: Budget Overview.	12
Figure 9: Pre-Engagement Memo.....	13

II Table of Contents

I	Table of Figures	1
II	Table of Contents	2
1	Preface & Problem Situation	3
2	Tools	4
2.1	Problem Definition Worksheet (PDW)	5
2.2	Generating Ideas	7
2.3	Issue Tree	8
2.4	Research	9
2.5	Workplan	11
2.6	Budget	12
2.7	Pre-Engagement Memo	13
III	Conclusion	14

1 Preface & Problem Situation

This assignment was written for International Project Management class. A realistic problem was chosen for this assignment to be a project's content and the task is to apply the various tools and techniques we have learned in class on this specific problem.

Within our project group we have discussed various topics of our daily job life. Finally we have chosen the problem of a very low number of long-term employees at a local Mc Donald's Restaurant in Salzburg.

The following pages show how we handled this specific problem and how we planned a project to solve it.

Referring to our assignment requirements we have focussed on the process of project management while the solution to the problem as a result is secondary.

All good projects follow a certain Management Process:

1. *Initiation*
2. *Execution*
3. *Wrap-Up*

Most of the tools and techniques we have applied on our problem belong to the step of Initiation.

2 Tools

We have picked seven tools out of the ones we heard about during project management class to apply on our problem.

They are the ones we have considered most important and most relevant for our specific problem situation.

The applied tools are:

- Problem Definition Worksheet
- Generating Ideas (Brainstorming)
- Issue Tree
- Research Plan
- Work Plan
- Budget
- Pre-Engagement Memo

The following pages show our result for each tool displayed in according charts.

2.1 Problem Definition Worksheet (PDW)

At the beginning we have collected the most important information about our problem and noted it down in a PDW.

PROBLEM DEFINITION WORKSHEET	
▼ Key Facts:	
<ul style="list-style-type: none"> ▪ chain restaurant system ▪ high cost orientation ▪ high level of standardization ▪ high need for training 	
▼ Need for Change:	
<ul style="list-style-type: none"> ▪ low number of long-term employees ▪ high efforts on training ▪ low motivation ▪ trainers work instead of training others 	
▼ Desired Outcome:	
<ul style="list-style-type: none"> ▪ increase of numbers in long-term employees ▪ increase of motivation ▪ higher consumer satisfaction through long term employees (=quality) ▪ more time for training 	
▼ Key Question:	
<ul style="list-style-type: none"> ▪ How to create a work-environment which motivates employees to stay with the company longer? 	
▼ Sponsor:	▼ Key Decision-Maker:
<ul style="list-style-type: none"> ▪ senior field consultant 	<ul style="list-style-type: none"> ▪ restaurant managers & assistants
▼ Criteria for Quality:	
<ul style="list-style-type: none"> ▪ engagement of assistants ▪ continuous information ▪ no disturbance of daily routine 	
▼ In Scope:	▼ Out of Scope:
<ul style="list-style-type: none"> ▪ training system ▪ internal communication 	<ul style="list-style-type: none"> ▪ increase of salary

Figure 1: Problem Definition Worksheet.

The PDW defines a general framework for the following steps in project management process.

Another important finding which is not part of the PDW is the root cause of our problem: The dissatisfaction of our employees.

In addition to the PDW we put together both, a SWOT and a Stakeholder Analysis

SWOT ANALYSIS		
	► Strengths	► Weaknesses
Opportunities	<ul style="list-style-type: none"> ▪ work exchange within EU / career ► career opportunity: management, ... ► high potential program ▪ higher interest in big/intl. companies ► big, stable, international company ▪ higher demand for "safe jobs" ► payments on time 	<ul style="list-style-type: none"> ▪ decrease in salaries (in general) ► employees already demotivated by ► low income & cost orientation ▪ higher demand of flexible working time ► hours of work vary a lot ► employees can't plan long in advance
Threats	<ul style="list-style-type: none"> ▪ less trust in small businesses ► big, global company ▪ increase of costs (e.g. for suppliers) ► cost effectiveness 	<ul style="list-style-type: none"> ▪ bad image as an employer ► less applicants ▪ low payments offered ► poorly educated applicants

Figure 2: SWOT Analysis.

STAKEHOLDER ANALYSIS						
▼ Stakeholder:	Weight	--	-	○	+	++
▪ families	5			▪ ○		
▪ friends	3			▪ ○		
▪ government	7					⊙
▪ clients	8			▪ ○		
▪ employment market	4					⊙
▪ crew	10				▪ ○	
▪ restaurant management	9				⊙	
▪ country management	8				⊙	
▪ trainers	4			▪ ○		
▪ suppliers	3			⊙		

Figure 3: Stakeholder Analysis.

2.2 Generating Ideas

We have used the brainstorming method for generating our ideas.

The chart below shows our structured results and it also includes the metrics we have chosen to measure the listed ideas' success:

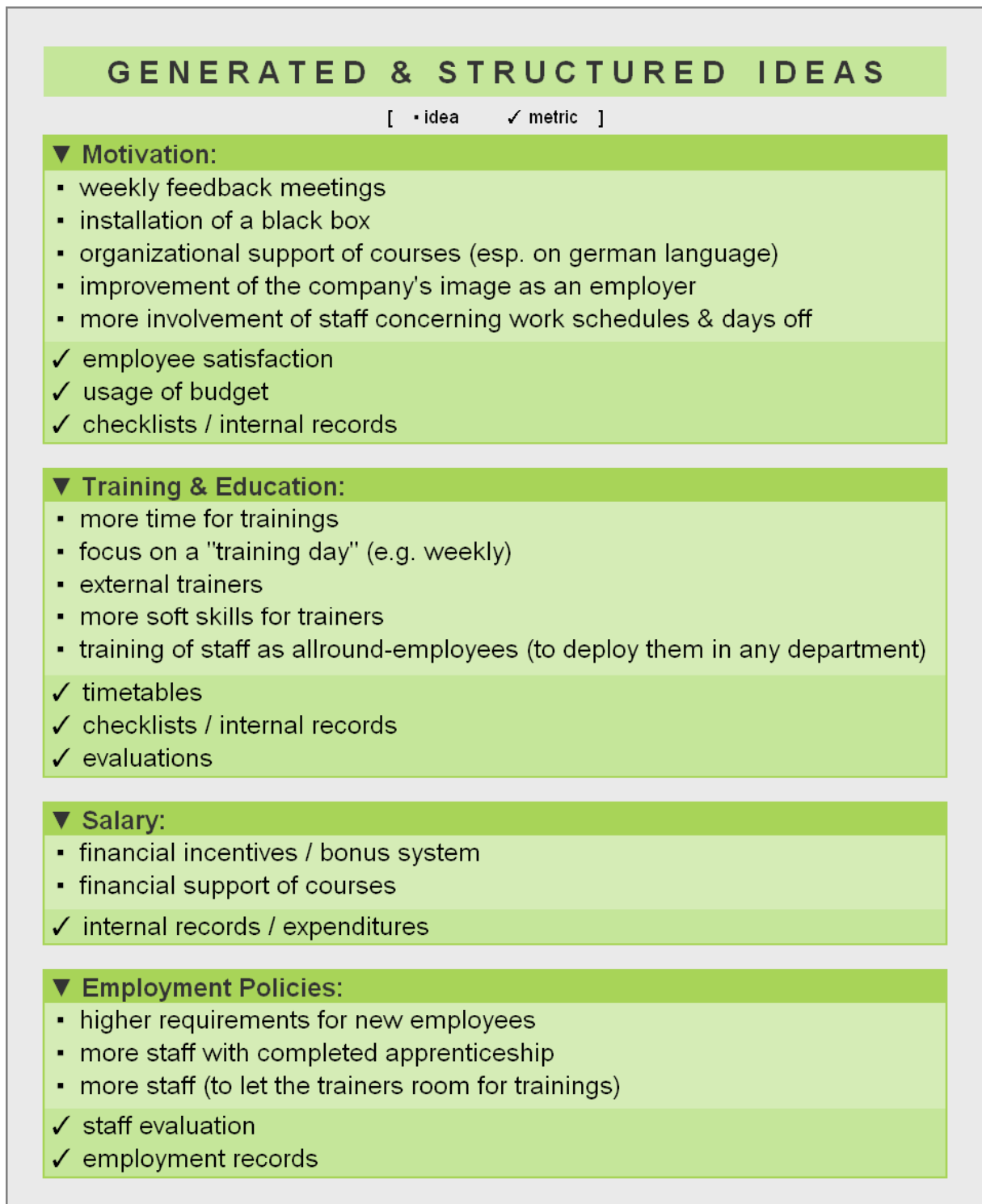


Figure 4: Structured Generated Ideas.

2.3 Issue Tree

Referring to our collected ideas we have structured them and set up an Issue Tree responding to our key question:

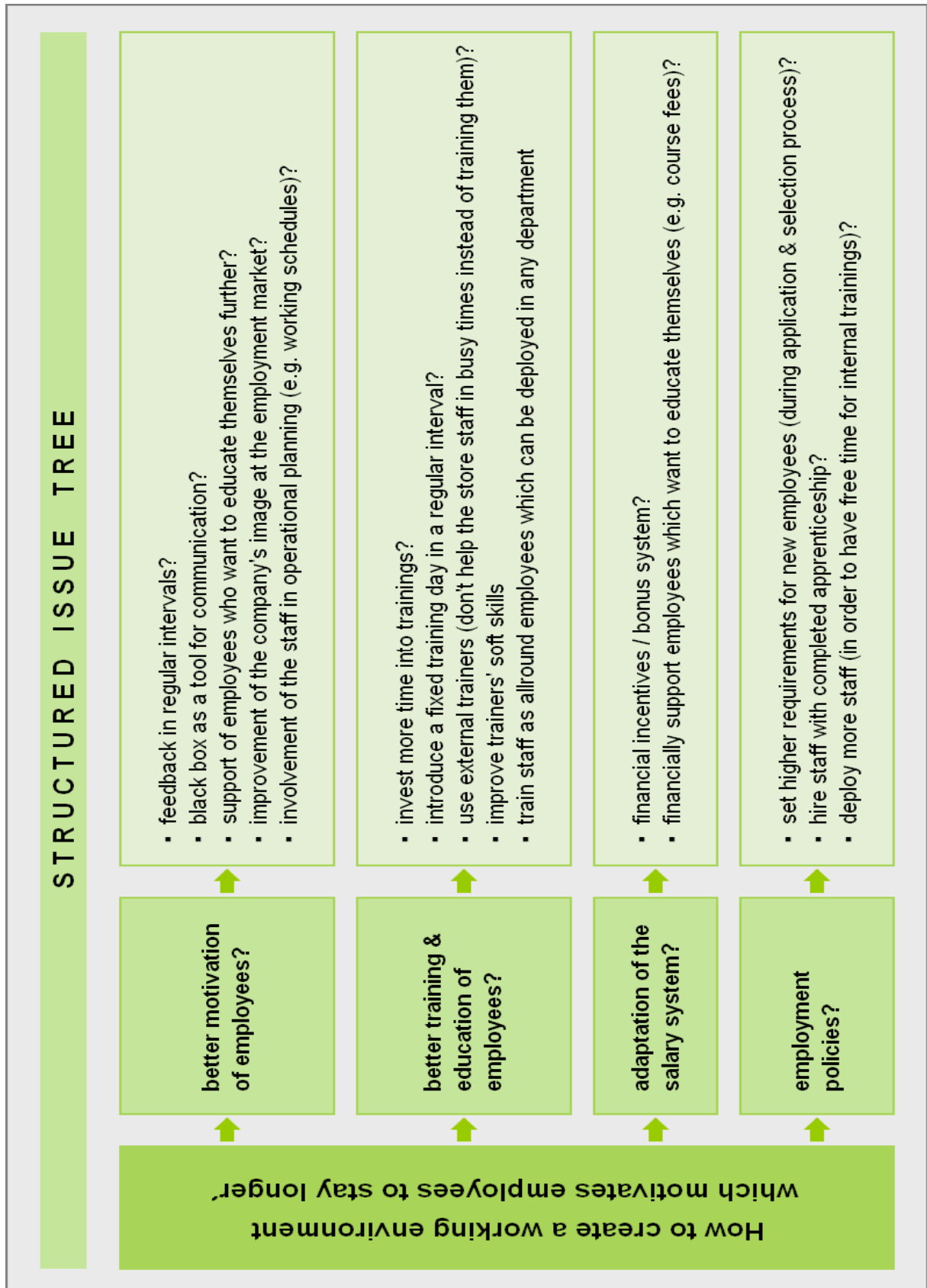


Figure 5: Issue Tree.

@ Training and Education:

- Trainings are planned daily but most of the time they are not realizable due to shortage of time and staff.
- External trainers: Currently each store has its own training staff. In busy times the trainers work at the counter instead of training the others.

@ Salary:

- Incentives: f.e.: voucher for a course on german language
- employment: f.e.: acceptance test in various fields

2.4 Research

Our research chart follows the model of an issue analysis.

As our problem situation is based on internal, organisational issues, the research part of our project is mainly based on an employee questionnaire.

The chosen research worksheet forms a bridge between the issue tree and the work plan.

The enclosed hypothesis should help the team defining possible sub projects and milestones as well as it is a measure for the project's success.

ISSUE ANALYSIS WORKSHEET

▼ Issue / Sub issue:

How to improve motivation of employees:

- By improving communication, support and training
- By improving trainers' soft skills
- By improving and broaden training and education
- By adoption of the salary system

▼ Hypothesis:

The chain restaurant can improve the work environment for its employees in a way, which motivates them to stay longer.

▼ Analysis required:

- Employees questionnaire to find out what might increase their motivation and to collect their suggestions about necessary changes.

Questioning fields:

- Current communication habits between management and employees
 - Motivating incentives for the employees
 - Improvements of the salary system
 - ...
- Benchmark with competitors

▼ Data Required & Sources:

- Fluctuation rate
- Incentive rate
- Feedback from employees
- ...

Figure 6: Issue Analysis Worksheet.

2.5 Workplan

We have decided to use a detailed Gantt Chart as our Workplan and combined related tasks:

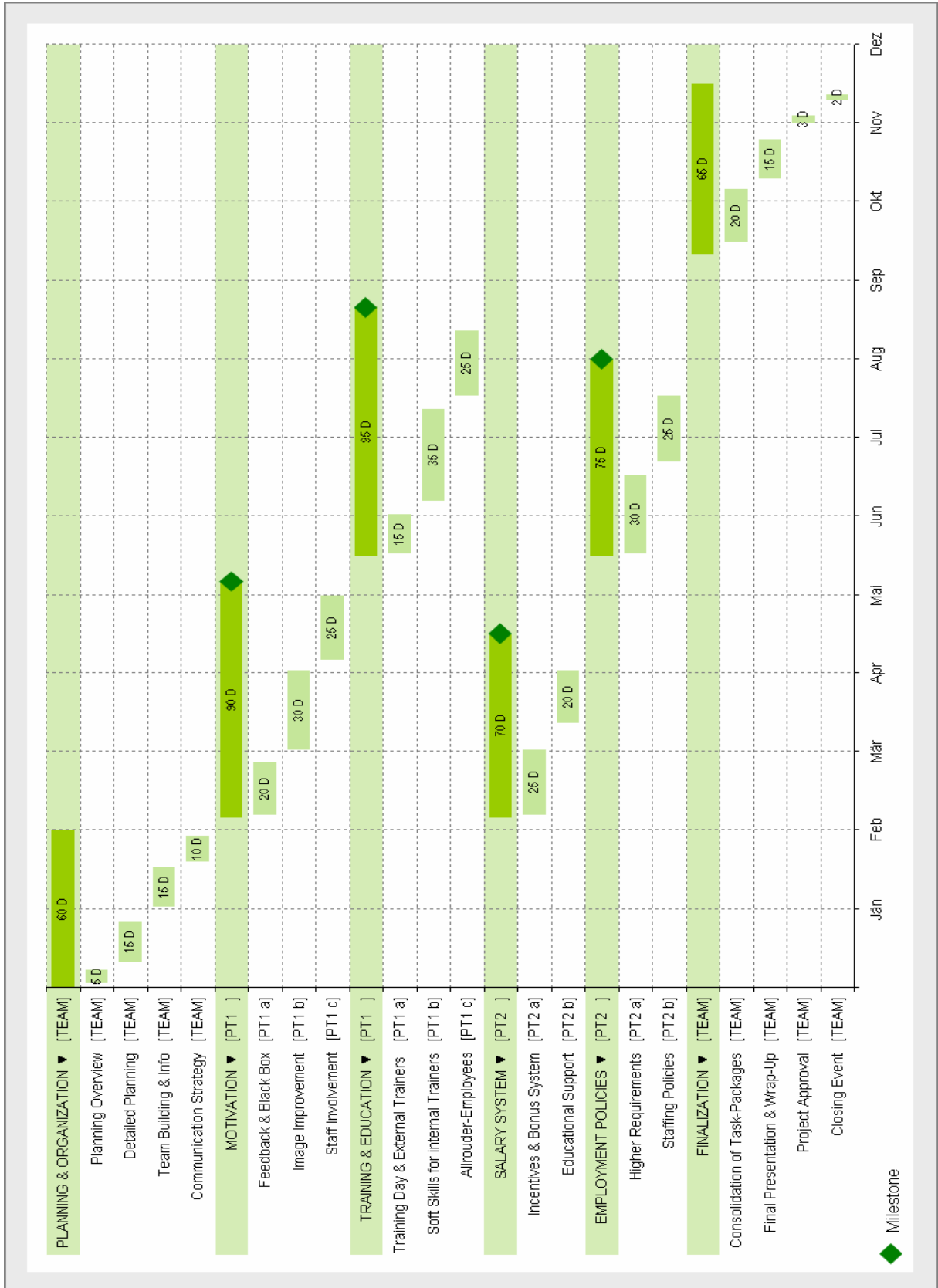


Figure 7: Gantt Chart Work Plan.

2.6 Budget

The budget plan is based on an estimated number of project working days per team.

We have divided the whole plan into the following three cost-categories:

- the whole team (enclosing the 5 members and the project leader)
- sub-team 1 (enclosing 3 members)
- sub-team 2 (enclosing 2 members)

The number of calculated days may seem quite low in comparison to the estimated durations which were listed in the Gantt-chart.

The difference results from the fact, that the Gantt-chart also encloses the planned periods which are available for each of the tasks. Over all there were roughly two working days per week planned for the teams during the project year.

Although we have planned our budget for the project on the dimension of the companies' whole stores within Austria, the project will still be done with involvement of and focus on one specific store in Salzburg to deliver first results and to be used in other stores within the company later on.

PLANNED BUDGET (PER PROJECT DAYS & TEAMS)				
▼ Project Stages	Full Team € 5.300 / day	Team 1 € 2.400 / day	Team 2 € 1.700 / day	Σ Costs per Task
▪ Planning & Organisation	13 D			€ 68.900
▪ Motivation		21 D		€ 50.400
▪ Training & Education		21 D		€ 50.400
▪ Salary System			13 D	€ 22.100
▪ Employment Policies			16 D	€ 27.200
▪ Finalisation	11 D			€ 58.300
Σ Project Days	24 D	42 D	29 D	Σ 95 D
Σ Project Costs per Team	€ 127.200	€ 100.800	€ 49.300	
Σ Project Costs :				€ 277.300

Figure 8: Budget Overview.

2.7 Pre-Engagement Memo

A Pre-Engagement Memo is both, outlining the roles of the team members as well as a clearly written dialogue, which has to be open and honest.

This memo should help defining on what the consultant team is working on and what (and how) the team wants to gain.

PRE - ENGAGEMENT MEMO

▼ Project Overview:

Our project team consists of six members who are trying to generate more long term employees in a chain restaurant. Our focus in reaching this goal is on motivation, training and education, salary system and employment policies with various subtopics each. This way we are going to create a better working environment which motivates employees to stay longer.

▼ Roles and Responsibilities:

The whole team consist of six members which will be divided into team one (with 3 members) and team two (with 2 members).

The project manager will not be part of the teams who deal with the sub projects in detail, but he is part of the whole team during planning and finalization.

The whole team will work together on a brainstorming and other issues during the planning and realization phase like a problem definition, a detailed issue tree and a gantt chart for the whole project.

For the main topics which are motivation, training and education, salary system and employment policies the team will be divided into two sub-teams.

Team one will deal with motivation and training and education. Team two will work on employment policies and the salary system.

Afterwards the whole team together will consolidate the results of each topic and finalize the project

▼ Skills and Experience:	▼ Professional Development:
<ul style="list-style-type: none"> ▪ Experiences with training staff ▪ Commitment to the topic ▪ Experiences in problem solving ▪ High level know how of problem solving ▪ Professionals in project management 	<ul style="list-style-type: none"> ▪ Realization of the project ▪ Developing motivation of employees ▪ Gain supervisory experience ▪ Realizing defined working areas (stages)

▼ Operational Guidelines:

The project manager will be in continuous contact with the restaurant management. After completion of each stage the teams will get back together for feedback and refining. That also includes reporting to the project leader in order for him to be up to date and to be able to inform the management.

Figure 9: Pre-Engagement Memo.

III Conclusion

The development of this assignment project definitely showed us as a team one thing very clearly:

It was very important for us to learn about managing projects, not only because we are confronted with them in our everyday life very often, but especially as students of a university of applied sciences which defines itself by a lot of practical project work.

Given the limited time resources this course has taught us the very basic knowledge about project management and about the most important tools to get along with project planning and organizing efficiently.

In the beginning we thought we had too little time to meet this assignment's requirements, but while working on our project we recognized that the shortage of time given was a perfectly practical and realistic experience which made us focus very much on what is the most important content of this class and this assignment: the process of project management.

Although our chosen project has very little chance to be put into practice and action, we still are sure, that the tools and techniques we have learned about and that we have applied here will help us to cope with future projects in a more appropriate and effective way.