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| **11/30/2015** |
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**Part1:**

Project screening for selecting any project for execution involves detailed investigation of projects

technical, social and economic feasibility. Reliance on one technique can lead to wrong conclusions. In case of

Keflavik Paper company there was over reliance on net present value as sole metric for selection or rejection of a

project. As a result other aspects of project got neglected. In any industry, for a project to be successful there should

be a balance of benefit measurement techniques and non-financial analysis which are related to the overall

organizational goals. By using combination of different methods organization can be absolutely sure that best

decision is made. By considering a wide range of factors rather than concentrating on few, organization can prevent

the problem which was faced by Keflavik Paper Company. For example in a project for construction of new homes,

focusing too much on aesthetic appeal can promote brand value of the company. However ignoring parameters like

safety, construction quality, etc. can have a detrimental effect on the company and drive it out of business. Project

management team should therefore probe into strengths and weaknesses of various techniques to have a screening

that relies on multiple complementary measures for project selection.

Keflavik should use multiple criteria for evaluating new projects before adding them to current portfolio.

These should include the following, fitment with current projects being executed at Keflavik- When new projects are

accepted which are in-coherence with existing portfolio of projects, it would reduce need for new development

processes and increases organizational learning. As a result project managers can move easily from one project to

another. Evaluation on technical resources- Many of the new project undertaken at Keflavik failed because they

required significant organizational learning and new technical expertise and training. It was expensive and time-

consuming process and made projects difficult to manage. If projects are evaluated on technical resources existing

with the organization or on technical resources which can be easily acquired, it would reduce efforts required to

make project successful. Market penetration- Only those new projects should selected which can make their mark on

the market. They should offer something new which has not yet been undertaken by any other organization. It then

justifies the resources put in by the organization and gives a direction to the team for execution. Alignment with

organizations strategic mission- Often project is selected based on financial viability, ignoring other aspects which

are crucial to projects success. If new projects are measured against firms strategic mission, it would create a

coherence in the organization and lead to long term success of the organization.

Keflavik Paper had a different approach to project selection which was based on screening projects on cash

flow using net present value analysis. Projects which had positive net present value were selected by the

management without considering any other factor which might be important for consideration. It demonstrates that

accepting projects which are strong on cash flows may have negative impact on the organization because it may not

fit the organizational goals. The case also demonstrates the dangers of relying on single criterion for project

selection. It makes extremely difficult for the organization to manage the project in terms of resources- technical or

people experience. Poor screening is like using incomplete knowledge for project evaluation. It relies excessively on

one criteria or gives too much importance to some of the criteria and ignores other important factors which are

equally important. It leads to unsuccessful implementation and such projects are usually difficult to carry on and fail

mid-way without delivering results. The failure on part of Keflavik was on following parameters:

• Incompatibility with existing technical resources

• Nontransferable project management/execution skills

• Hodgepodge of projects instead of matched project portfolio

• Inconsistent Project performance

• Adherence to budgets

**Part2:**

Scoring model entails (a) strategic fit (b) probability of technical success, (c) financial risk, (d) potential

profit, and (e) strategic leverage – that provides the assessment of a project to implement with less labor costs and

downtime consensus, hence, the company resources and technical capabilities are both utilize to reaching a desired

profitable goal outcome. Try and think in terms for the project, code-named Janus, by the head of software

development as means for actual probability “over the long haul of production” compared to the other project idea,

Gemini, for supporting business applications organization with scoring in “potential profit and leverage long-term.”

NPV Model indicated a more confirming and strategic analysis on the two by indicated the project, code-

named Janus, by the head of software development b indicated 15% inflation rate overall period of time, w at $60k

initial investment, while, the other project idea, Gemini, had the support of the business applications organization

indicated a $25k. Bottom-line, the objective is to forecast the models in a way that answers the direct senior

management question, which projects will (1) cost less (2) revenue targets met in projected timeframe.

Depending on the leader, the quicker assessment outcome services the bottom-line objectives as mention

above. Thus, the project entails a straight forward assessment to the likelihood in meeting desired outcomes, for

instance, the revenue growth anticipated or required in the next few years. In which, the project leader selecting the

NPV options provides a straight forward way to examine actual desired results met or missed if pursued. Try and

consider the pros and cons over the next several years that demonstrate a lackluster formality in completing. Most

management teams strive towards lower costs in products to assure the revenue proposed generated on time and

within initial budget set for the project. However, the unexpected events can propose challenges in not meeting the

desired outcome as necessary warranted to achieve a lasting consensus. Keep in mind, the project selection is

determine by time reference to actually completing, thus, if the initial investment prose a higher entry, than the other

project is more worthier than the first. Consider the assumption, that unexpected outcomes can render lasting effects

impacting the overall project scope as management desires to avoid all scenarios. Upon discovery, the senior

management team can perhaps later on review the project left aside with newer insights (depending on the market

response and analysis on completion in a timely matter).

Try and think project selections a means for “key evaluations” and “ project assumptions for the future

outcome upon completion.” In doing so, the project selection methods offer an ingrain snapshot to the probability in

project success. Sometimes the outcome is right on target or missed by target assumptions that can lead such

projects in dire circumstances not fulfilling the longtime projected goal outcome. Therefore, the initial project

selections play a major role to meeting the demands of senior management, board members, and investments that

plays major stakeholders in project success. In most project selection models the usage in terms of costs analysis,

either by, initial investment costs or long-term costs. Remember, the project assumption is both ways (a) one with

possible higher risks leading to costs overruns (b) unexpected issues in staff, resources, and time restraints or over

time in projected completions – lead to higher costs and less future generating revenue. Focus on the core elements

required for project success and how project leaders can sufficient provide needed updates going forward to

communicate statuses to senior management. By doing so, the project selection will provide a way to effectively

communicate potential future success that serves the senior management objectives.

**Part3:**

ABC Construction Limited Construction is a diversified, full-service general contractor active in the

construction of commercial and institutional projects. With offices both in San Francisco, California, and Dallas,

Texas, the company operates efficiently throughout the West Coast and Midwest areas. ABC Construction has

become known in the industry for meeting or exceeding client’s expectations. Over the years the company has built

a reputation for the ability to be on target with preliminary estimates and to maximize a project’s quality for the least

cost. The ABC way of doing business continues to produce a growing list of repeat clients including the

Department of Defense, HUD, City and County of San Francisco, Department of Transportation, Citizens Utilities

and many more.

Simply put, what sets ABC Construction apart from others in the industry is accountability, a wealth of

experience in such strictly monitored and diverse projects. The other differentiator is the highly qualified key team

members who are all committed to upholding the company’s golden standards.

**Part4:**

**Project Background**

This is a construction project that aims to build a bridge over railway crossing in order to eliminate the condition of

traffic congestion. This project is owned by state government, but ABC Construction Limited has received the

contract of completing this project from local authority of the city. The main purpose of this project is to provide

relief from traffic jams to local during the pick hours of train crossing. A fund of $35,000,000 is allocated for this

project. Along with this, local Municipal Corporation and state government officials are also set a time period of 12

months to complete this construction project.

**Project Task**

 This project consists of several tasks. Some of these are as follow:

• Develop scope document

• Create project team

• Develop project plan

• Budgeting

• Resource Management

• Develop schedule

• Construction

• Set security equipment

• Regular inspection

• Prepare status report

• Sign-off resources

• Prepare project closure report

**Project Objectives**

 Following are the key objectives of this project:

• To construct a well designed railway over bridge

• To eliminate the situation of traffic jamming when trains crossing railway crossing

• To minimize number of accidents on railway crossing

• To save fuel and time of people

**Project Approach**

To ensure trouble-free construction activities, PRINCE2 approach will be used in this project. Under this approach,

firstly comprehensive guidelines will be developed in order to ensure cost effective, proactive and efficient

construction of railway over bridge. Along with this, a project team will be developed under supervision of an

experienced project manager to ensure smooth running and success of this project. As per PRINCE2 approach, each

phase of this project will be specified with key input sources, activities and desired results, which is significant to

manage and complete this construction project successfully (Kerzner, 2013). Apart from this, it will be divided into

seven PRINCE2 processes including project starting, initiating, directing, managing, controlling, product delivery

and closing. The use of this approach can enable the project manager to ensure success of this project (Burnett, 2012).

**Input Sources**

 Key input sources for this conduction project are mainly categorized as human resources, equipments or

machinery, capital, material etc. To construct a bridge, timber and steel, cement, concrete, composite products and

stone are some common materials that will be required to do relevant construction activities. Along with this,

drilling machine, diesel hammer, vibratory pile driver, crawler cranes, personal protective equipments etc. are also

some key inputs that will be required to build a bridge over railway crossing. At the same time, a large team of

human resources including project manager, site supervisor, crane operators, construction engineer and construction

labors will also be needed as input sources to complete this project successfully.

**Part5:**

**Work Break Down**

Work breakdown structure (WBS) is a project network framework that is useful to breakdown entire project into

work packages, tasks and subtasks to ensure successful project management. Work packages, tasks, and related sub

tasks represent three levels of a WBS, which is effective for the project manager to assign activities, develop

schedule and allocate resources in efficient manner (Heldman, 2013). A WBS for railway over bridge construction

project is presented below:

|  |  |  |
| --- | --- | --- |
| Level 1 | Level 2 | Level 3 |
| **Work Package** | **Task** | **Subtask** |
| **1. Project Initiation**  | * 1. Feasibility study
	2. Develop scope document
	3. Legal formalities
	4. Create project team
 | 1.3.1 Get approval from local state authority1.3.2 Get approval from Traffic Department 1.4.1 Hiring project manager 1.4.2 Build project team  |
| **2. Project Planning**  | 2.1 Define requirements2.2 Develop project plan2.3 Budgeting 2.4 Risk management 2.3 Resource Management 2.5 Develop schedule  | 2.1.1 Define input requirements2.3.1 Identify cost center2.5.1 Determine key project activities  |
| **3. Project Execution**  | 3.1Construction 3.2 Road construction 3.3 Electric wiring 3.4 Set security equipment  | 3.1.1 Foundation 3.1.2 Construct pillars3.1.3 Construct girders 3.4.1 Setup security room 3.4.2 Setup cameras  |
| **4. Project Monitoring**  | 4.1 Regular inspection 4.2 Monitor load capacity 4.3 Test strength of road 4.4 Prepare status report  |  |
| **5. Project Closing**  | 5.1 Sign-off resources 5.2 Post project appraisal 5.3 Prepare project closure report | 5.3.1 Prepare summary of project costs 5.3.2 Summaries total payments of the project  |

**Part6:**

**Responsibility Matrix**

Responsibility matrix is a project management tool that is useful to define roles and power of individual project team members for associated work of a project (Burnett, 2012). A responsibility matrix for this project is given below:

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| --- | --- | --- | --- | --- |
| **Work Package**  | **Mr. X****Project Manager** | **Mr. Y****Civil Engineer** | **Mr. A****Crane Operator** | **Mr. B****Labor**  |
| **Planning** | A, R |  |  |  |
| **Budget Preparation** | R | C |  |  |
| **Build Project Team**  | R | I |  |  |
| **Bridge Design** | I | A, R |  |  |
| **Construction**  |  | A, R | A, R | A, R |
| **Monitoring**  | R |  |  |  |
| **Project Evaluation**  | A, R |  |  |  |

Types of responsibilities:

A – Accountable; R – Responsible; C – Consulted; I - Informed

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