SUPERINTENDENTS' MANAGEMENT INSTITUTE

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THINKING PATTERNS:

APPROACH PATTERNS:

- 1. <u>Improve</u> capabilities
- 2. Gain control
- 3. Create Don't adapt
- 4. Experiment
- 5. Expand conceptual grasp
- 6. Don't deadhead Keep learning
- 7. Solve problems
- 8. <u>Define</u> objectives

GLOSSARY OF TERMS USED IN

PROJECT PLANNING AND MANAGEMENT

Administrative

Usually considered to be supportive of ex'e-cutive operations in an organization. Very simply, administrative costs may be considered the cost of management.

Authority

The leverage, either vested or earned, that allows an individual in an organization to effectively carry out his responsibilities.

Business model

A graphic depiction of the elements which make up a business entity. The model usually identifies premises, objectives and implementation. It recognizes basic business functions, business activities and manager activities.

Control

Maintaining firm, fair, competent managerial direction of any given situation. Controlling leads to achievement. It is usually accomplished by the invisible use of leverage.

Critical path method

A mathematical modeling technique which allows the user to establish ranges within which resources can or must be used.

Decision table

A tabular display of information regarding a defined situation which permits alternative courses of action to be evaluated by yes or no answers to explicit questions.

Decision - to - action time span

The amount of time required from the point at which a decision is made to the point where the decision is implemented. In a management structure it is important to insure that the full span of time from decision to action is covered from shortest to longest.

Decision tree

A graphic device showing alternate courses of action from a given situation point. The decision tree is used to graphically show the impact of various possible decisions at any given point in the decision process. It can be quantified or unquantified.

Dysfunction - organizational

An organizational problem that hinders or prevents achieving objectives - may be temporary or permanent.

Early finish (EF)

The earliest possible time a task can finish in a network model if all of the tasks preceding it have been completed by their early finish dates.

Early start (ES)

The earliest possible time at which a task can begin in a network model if all tasks preceding it start at their earliest possible starting times.

Education

The teaching and learning process by which principles of doing things are conveyed to the learner.

Effective

Of a nature that accomplishes identifiable end objectives in accordance with an action plan, and achieves worthwhile peripheral goals resulting from intermediate accomplishments.

Elapsed duration

The estimated or actual amount of calendar or clock time an activity requires to accomplish considering all directly and indirectly related influences upon the task activity. This includes temporary work delays and stoppages due to influencing actions on the task.

Ex'e-cutive

The executing arm of the organization. This is the group and activities that are closest to the flow of expense and income in achieving the organization's prime objectives. It is closely related to line operations.

Fabrication facilities

Usually considered to be the physical location where materials and equipment are prepared and assembled ready for use.

Goals

Similar to objectives but quite often applied to individual effort rather than group or company effort.

Goals - dependent

Targets to be achieved, but affected by major influences beyond the manager's control. (Note: dependent goals, while beyond a manager's control, may be well within his company's ability to achieve. Lack of correlation between company and individual effort in achieving a manager's dependent goals may cause severe organizational dysfunctions.)

Goals - direct control

Targets achieved by managing conditions well within the direct influence of the manager.

Histogram

A graphic depiction of quantity plotted against various elements such as item function, item name or time.

Hygiene

The elements in a given situation that are acceptable to an individual but do not necessarily motivate him. These same factors, if unacceptable, act as negative influences upon the individual.

Interfaces

Points at which different but related activities exert direct influences upon each other. Interfaces are often the influence points where direct control goal activities contact dependent goal activities. Poor management of interface situations usually causes problems.

Late finish (LF)

The latest allowable time in a network model that a task can be completed without forcing those tasks that follow it past their latest allowable starting dates.

Late start (LS)

The latest allowable time at which a task in a network model can start without forcing the tasks that follow it past their latest allowable starting dates.

Leverage

The effective use of vested and earned authority to solve problems and achieve objectives.

Life cycle cost

The total cost of a system over its entire defined life.

Line activities

Those organizational activities that are most closely identified with the flow of basic expense and income related to the prime objectives of the organization.

Line of action

A sequential statement of the activities necessary to conceive, design, build and operate an environment.

Manage

To define, assemble and direct the application of resources.

Management by exception (MX)

A measuring and monitoring system that sounds an alarm to the manager when problems have or are about to arise, and remains silent when there are no problems. The system explicitly identifies the problem area, thus permitting the effective manager to manage the exception while leaving smoothly running operations to continue running smoothly.

Managerial grid

A numerical grid which positions a manager in a matrix by defining his concern for people as compared to his concern for production. This grid has been highly developed by Blake & Mouton and is useful in establishing managerial systems that are both desirable and needed.

Money flow

The flow of income and expense plotted in amounts of money against time.

Monitoring

Measurement of current project conditions and position against the standard of performance.

Motivation

The elements of a given situation that encourage and make effective, successful and meaningful the activities of those engaged.

Network plan

A graphic statement of the action standard of performance expected to be used in achieving project objectives.

Network planning

A graphic technique of showing the necessary and desired actions needed to achieve end, intermediate and peripheral objectives.

Objectives - end

Those objectives that are realized from and upon total completion of the project work.

Objectives - intermediate

Those objectives achieved at specific and identifiable stages of the project, i.e. partial occupancy of a building, or turn-over of a mechanical system for temporary heat.

Objectives - long range

Usually applied to organizational objectives to be achieved within a 5 to 10 year period. Sometimes called strategic objectives.

Objectives - medium range

Organizational objectives to be achieved within a 1 to 5 year period. Sometimes called tactical objectives.

Objectives - peripheral

Those objectives realized on an ongoing basis through the life of the project and achieved as an indirect result of project activities. Peripheral objectives may be personal, professional, technical, financial or social. Examples of peripheral objectives might include staff promotion, profitable subcontractor operations or specialized experience.

Objectives - short range

Organizational goals to be achieved between now and 1 year. Sometimes called operational or short term tactical objectives.

Ongoing organization

The arrangement and interrelationships of people charged with maintaining supportive actions provided by the ongoing elements of a company. Examples of functions contained in the ongoing organization are estimating, administration, legal, sales and purchasing.

Organization

The arrangement of resources (talent, skill, money, time, space, people, et al) that has evolved or been selected to accomplish the functions, activities, manager activities and goals of a business or institution.

Planning

Establishing and arranging the necessary and desired actions leading to end, intermediate and peripheral objectives.

Problem

A deviation from an accepted standard of performance.

Profiling

A selective, flexible, dynamic operable system of screening projects, people, activities and other elements of a project to achieve optimum results, as defined by established plans and objectives.

Profit - education

Company and project fulfillment of learning goals held by individuals or groups involved.

Profit - financial

Fundamentally, the difference between organizational cash income and organizational cash expense. Further definitions of financial profit are complex and often unique to an organization or project.

Profit - self actualization

Personal fulfillment realized after basic needs of shelter, safety, protection, love and freedom from hunger are achieved.

Profit - socio-economic

Company, group or individual achievement of social objectives within a financially profitable situation.

(Note: very difficult to explicitly define.)

Profit - value system

Company and project fulfillment of personal, professional, technical, social and financial values held important by individuals and groups.

Project

A set of work actions having identifiable end objectives.

Project Manager

That individual responsible for full implementation of a project through the authority and resources given him by his organization. Usually the project manager is most concerned with supportive action which brings resources to the point of effective use.

Project organization

The arrangement and interrelationships of people charged with implementing the end, intermediate and peripheral objectives of the project.

Project stages

A sequential definition of the action steps to be taken in successfully carrying out a project.

Project superintendent

The individual, usually in a construction program, who is most directly responsible for the expenditure of funds to carry out the project. The project superintendent is responsible for ex'e-cutive actions.

Question - direct

One asked with strong indications as to specifically who should reply.

Question - overhead

One asked of a group without indication as to who is to reply.

Question - relay

One passed along to someone else other than the party originally asked.

Question - reverse

One returned to the questioner by rephrasing or rewording the original question.

Relations - formal functional

Project relationships that concern distribution and use of data, information and decisions that flow along formally defined transmission lines. Formal functional communications are usually written and are normally one to many or many to one in nature. Formal relations are precisely defined and most day to day business is accomplished within the formal relation framework.

Relations - informal functional

The natural channels along which organizationally related material is most easily, comfortably and quickly transmitted. The informal relation usually exists by consent and is stimulated to maximum effectiveness by a mutual profit gained from the relation. There is little, if any, authority normally expressed in informal relations. Communication is usually oral and one to one. Often informal relations define the hidden organizational structure.

Relations - occasional or temporary

Those created when extraordinary or unusual management demands arise. The temporary relationship is, by its nature, unstable and should seldom be adopted as a permanent active arrangement. Extensive use of informal functional relationships creates business dysfunctions, breaks down morale and causes internal tensions difficult to resolve.

Relations - reporting

The official channels through which each individual conveys or is given raises, appraisals and evaluations; is fired, assigned, reassigned, and is provided professional, vocational and personal identity. Usually is a one to one communication. The true organizational superior of an employee is usually that individual with whom he maintains a reporting relation.

Relations - staff

Those business relations through which a person or group provides advisory services necessary to accomplish goals. Staff personnel usually act in a consulting capacity with little or no authority relative to those outside the staff group.

Resources

The tools of the supportive and ex'e-cutive manager. Resources can include manpower, talent, tools, equipment, time, money, experience, space, materials, as well as intangibles such as enthusiasm, morale and leverage.

Responsibility

The assignment, spoken or understood, that a person in an organization has as his part in maintaining the organization's health and continued vitality.

Schedule

A graphic or written tabulation of project activities showing where they are to start and finish. The schedule is derived from the plan of action and the network model by locking the tasks and the resources they require into a specific time position.

Span of control

The number of organizationally related individuals a manager directly controls. Span of control is signified by the number of one to one relations a manager maintains.

Staff

A supportive unit of any organization in which the basic function is usually advisory in nature. Staff functions are occasionally defined as overhead or non-production. They are considered to be the opposite of line activities.

Standard of performance

A well defined, explicitly stated, approved and accepted statement of the measurement object to be used as a gage of performance and goal achievement.

Structured organization

An arrangement of business elements that tends toward highly defined, formal functional definition. The structured organization, depending upon degree, can work exceptionally well or not at all. It tends to lead toward high overhead, excessive management layering and quite often, particularly in subsidized sectors, management paralysis. It is beneficial in that when well used, it tends to eliminate confusion and misconceptions regarding the role of the individual in the organization.

Talent

A capacity for achieving identifiable success. Usually talent is considered one of the abstract resources.

Time

The clock or calendar position assigned to activities. Usually in network systems time is measured in elapsed working days.

Total float (TF)

The amount of discretionary time available to a task in a network model. The total float is the difference between the early and late starts and finishes. It is one of the most important elements in the use of network systems.

Training

The teaching and learning processes by which specific, explicit methods and systems of doing something are conveyed to the learner.

Translation

Recasting standard of performance information and data into graphic, narrative, mental, oral or other form to insure optimum use by all involved.

Unstructured organization

An arrangement that encourages interrelations tending toward informal operations, minimal paper work, loosely defined reporting relations and high dependence upon individual initiative. It should be noted that the informal nature of this kind of organization demands continued challenge and excitement infused from the outside to maintain economic strength without being subsidized. Usually subsidization of the unstructured activity brings it to an end.

Value engineering

A simulation technique that encourages identification of the best function for the least cost (not only financial) in a given technical decision situation.

SUGGESTED BIBLIOGRAPHY OF MANAGEMENT RELATED BOOKS

Managing Yourself Creatively

Ted Pollock

Hawthorn Books, Inc. 260 Madison Avenue New York, New York

(paperback)

The Nine Master Keys of Management

Lester R. Bittel

McGraw-Hill Book Company 330 West 42nd Street New York, New York 10036

It All Depends

Harvey Sherman

University of Alabama Press University, Alabama

Management - Tasks, Responsibilities, Practices

Peter F. Drucker

Harper & Row, Publishers, Inc. 10 East 53rd Street New York, New York 10022

The Managerial Grid

Blake & Mouton

Gulf Publishing Company Houston, Texas 77001

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RALPH J. STEPHENSON, P.E. CONSULTING ENGINEER

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The Time Trap

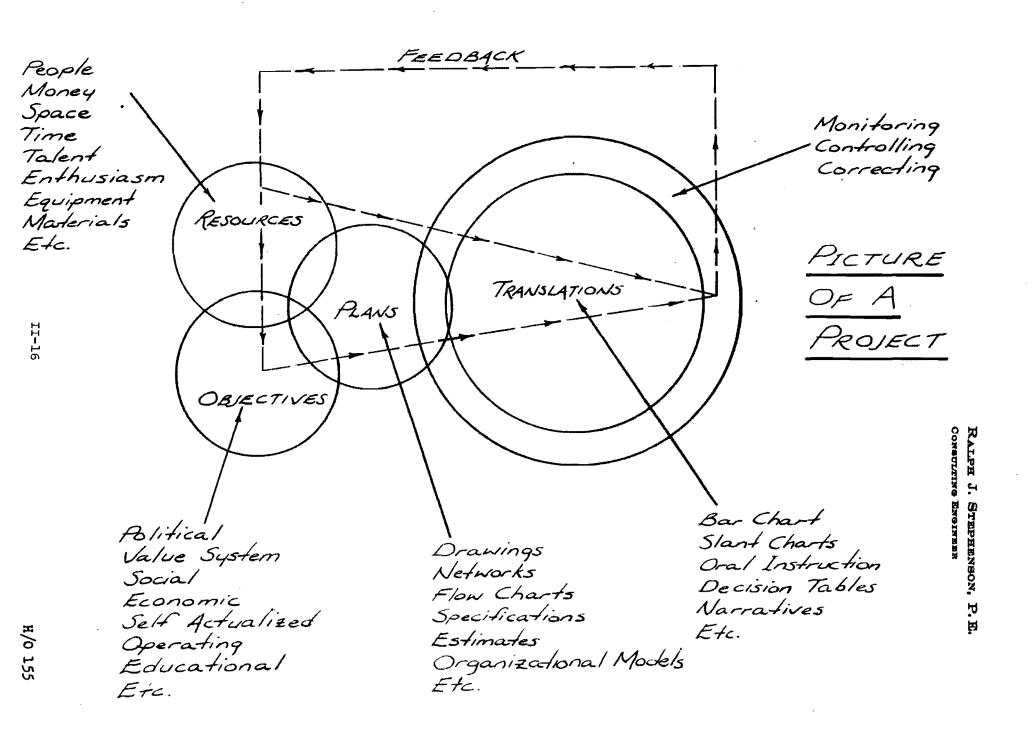
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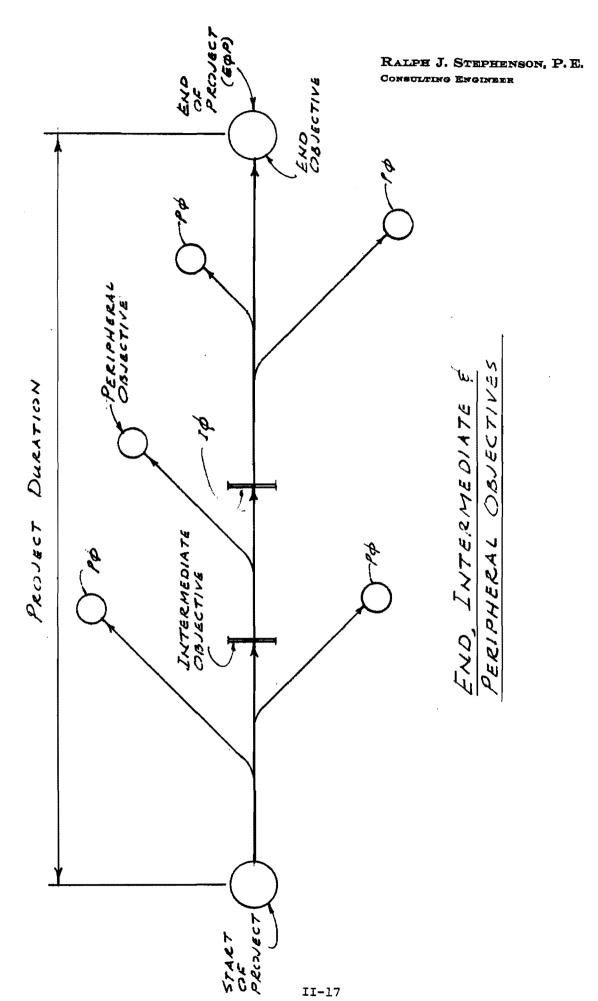
Amacom 135 W. 50th Street New York, New York 10020

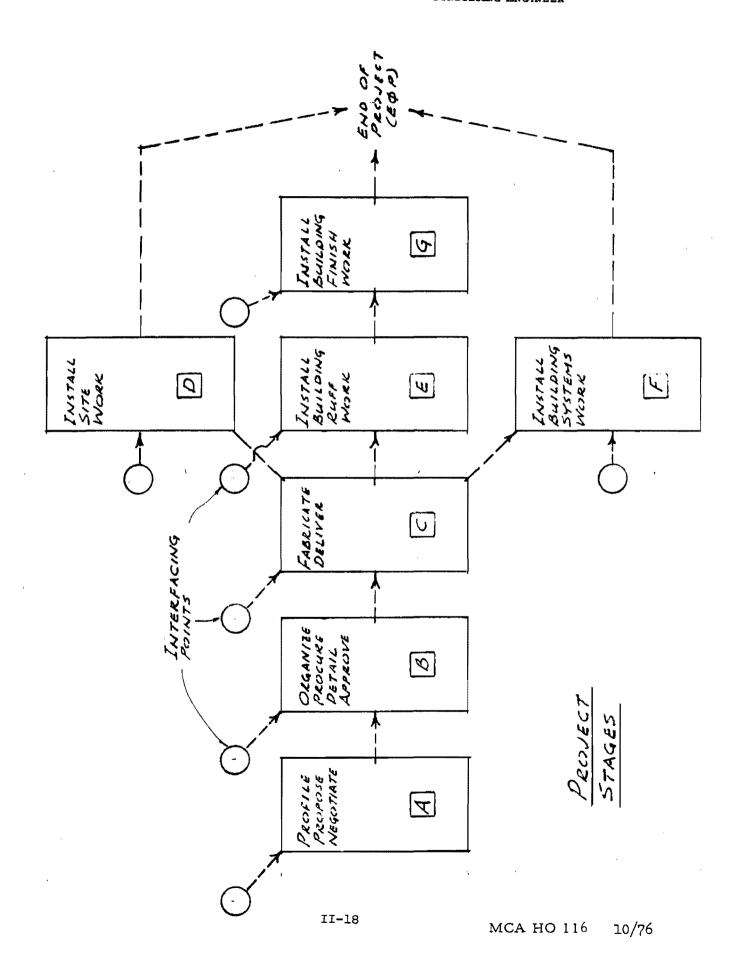
Management - Theory & Practice

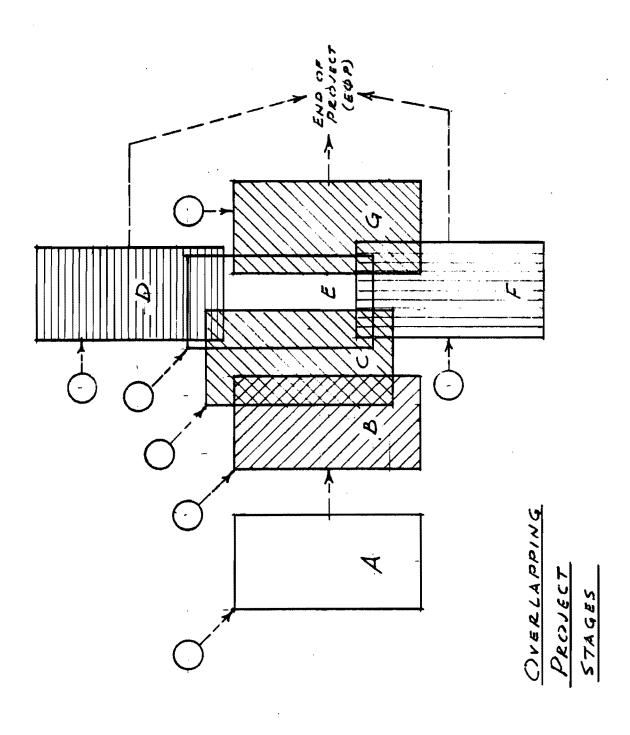
Ernest Dale

McGraw-Hill Book Company 330 West 42nd Street New York, New York 10036









ELEMENTS OF BUSINESS

FUNCTIONS

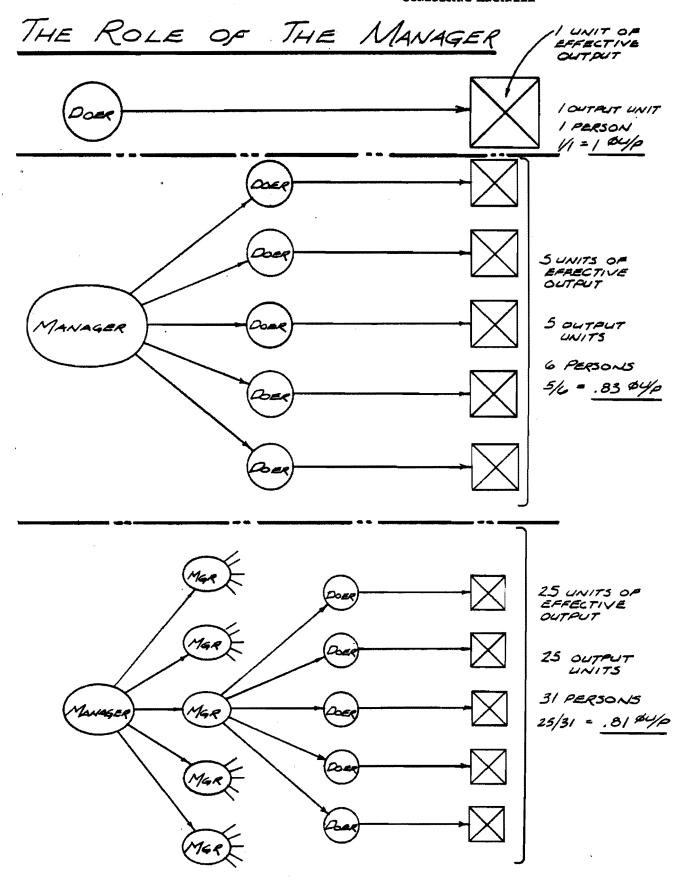
MARKETING JUNOVATION

BUSINESS Activities

SUPPORTIVE	EXECUTIVE
ADMINISTRATION NON PRODUCTION OVERHEAD STAFF ONGOING BACK UP FRONT END BURDEN	OPERATIONS PRODUCTION DIRECT LINE PROJECT ON LINE CLOSING COSTS

MANAGEMENT ACTIONS

PLANNING	P
ORGANIZING	Ø
STAFFING	5
DIRECTING	0
CONTROLLING	<i>C</i>
REPRESENTING	R
	a



PROJECT MANAGEMENT

AN EXPLORATORY LOOK

Definition:

Project

A set of work actions having identifiable objectives.

Effective

Of a nature that accomplishes identifiable objectives in accordance with the action plan, and achieves specified peripheral goals resulting from intermediate actions.

Manage

To direct the application of available resources.

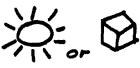
Question?:

What is different about project organization as compared to the ongoing parent organization?

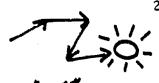
- 1. Project organization is usually temporary (relatively).
- Project organization may be on a different base than the ongoing parent organization.
- 3. Project authority positions tend to be vested first and earned later.

What is it?:

A project seems to have the following characteristics (features) and requirements.



1. Its objectives must be clearly defined.

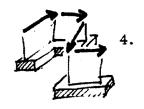


The desired course of action from start to finish is (and if it isn't, should be) explicitly stated as a standard of performance (if you can't plan it, you can't do it!)



The resources required to do each action from beginning to end are identified and made countable.

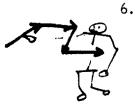
Project Management An Exploratory Look Page two



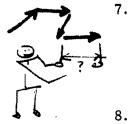
An organization structure should be (or is best) built <u>under</u> (not over) the resource framework to give the resource frame quality, continuity and monitorbility.



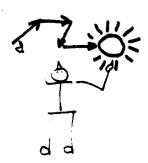
The resources needed to do the project can be assembled and put to work.



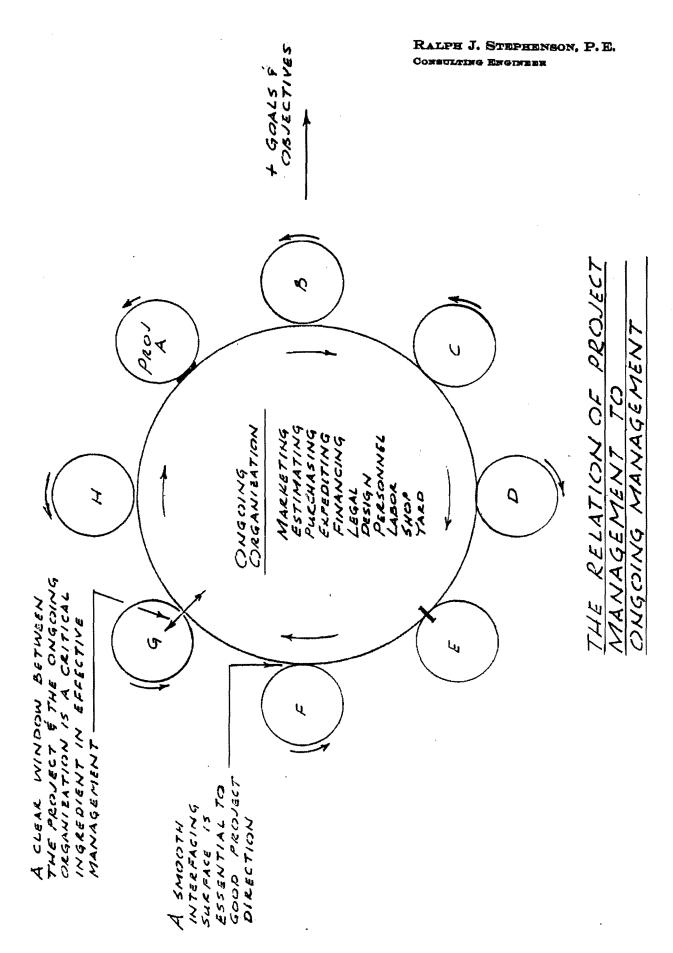
A method of isolating, identifying and correcting deviations from the standards of expected performance has to be devised and applied.



The performance should be measured to reward competence, and correct and improve lesser efforts as the project proceeds and upon its completion.



Outside management (ongoing management) usually sets both the starting and ending of the project.



WHAT FACTORS INFLUENCE PROFIT?

Business Volume

Field Efficiency (Effectiveness)

Office Efficiency (Effectiveness)

Executive Competence

Executive Interest

Diversity of Operation (Hedging)

Types of Contracts

Quality of Estimating

Unit Costs

Area Work Volume

Season of Year

Local Economy

National Economy

Governmental Policies

Caliber of Participating Contractors

Caliber of Competing Contractors

Caliber of Suppliers

Delivery Dates

Amount of Warranty Work

Caliber of Owner or Client

Type of Project

Size of Project

Quality of Dwgs & Specs

Location

Labor Relations

Caliber of Field Managers

Expediting Effectiveness

Project Planning

Project Scheduling

Withheld Amounts

Availability of Labor

Billing Procedures

Inventory Practices

Internal Education

Internal Training

Type of Business

Experience

Reputation

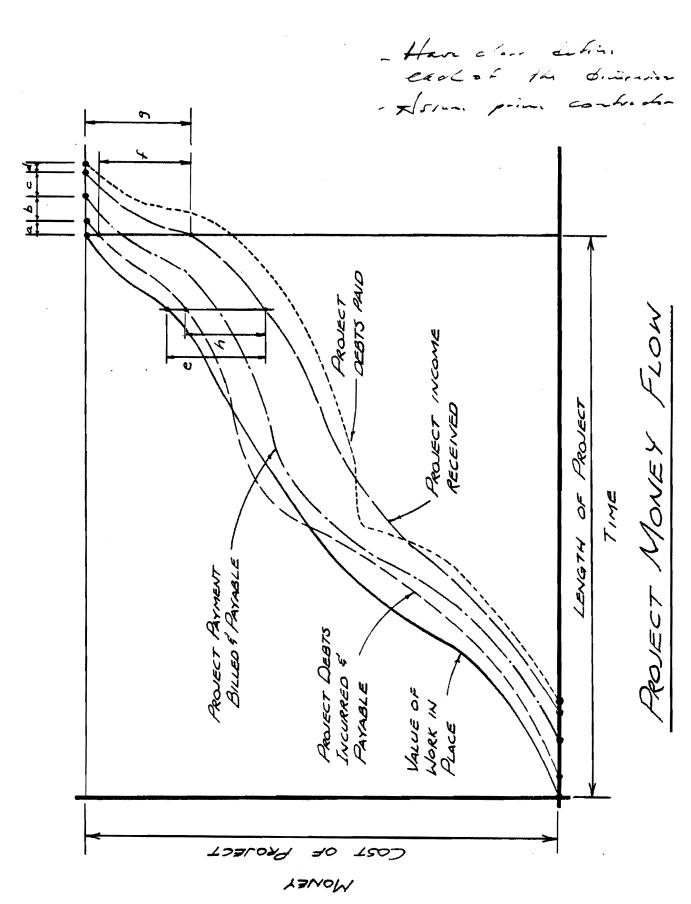
Staff Honesty

Caliber of Purchasing Skills

Profiling Procedures

Organizational Plans

RALPH J. STEPHENSON, P.E. CONSULTING ENGINEER



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H/O 147 3/77

PARETOS LAW - IN AN OBJECT/VALUE
SITUATION ONLY A FEW OF THE OBJECTS
ACCOUNT FOR THE GREATEST PART OF
THE VALUE.

TRIVIAL MANY 20% 1025% - ,5% TO 80% VALUE OR UTILITY PRICE CO37 THESE SHOULD BE PRIME DELAYS TARGETS FOR THE MUTAKES MANAGER'S HIGH PRIORITY ATTENTION PROBLEMS PROFIT REJECTS SALES SAVINGS SHIPMENTS WASTE

OBJECTS OR RESOURCES

ACTIVITIES MATERIALS

CAUSES METHODS

OCCURANCES PRODUCTS

PROBLEMS SALES CALLS

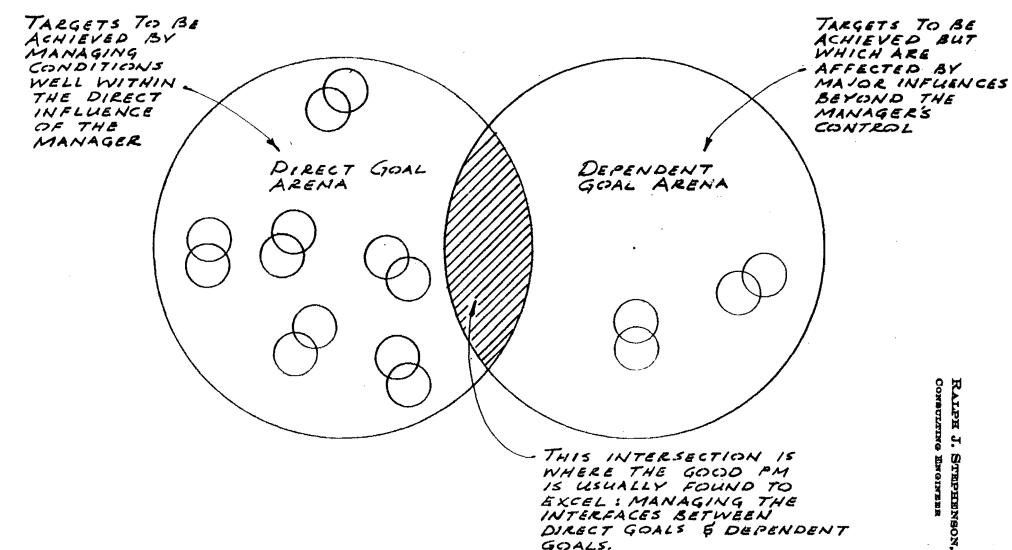
RESOURCES SERVICES

PRODUCTS STAFF

DECISIONS

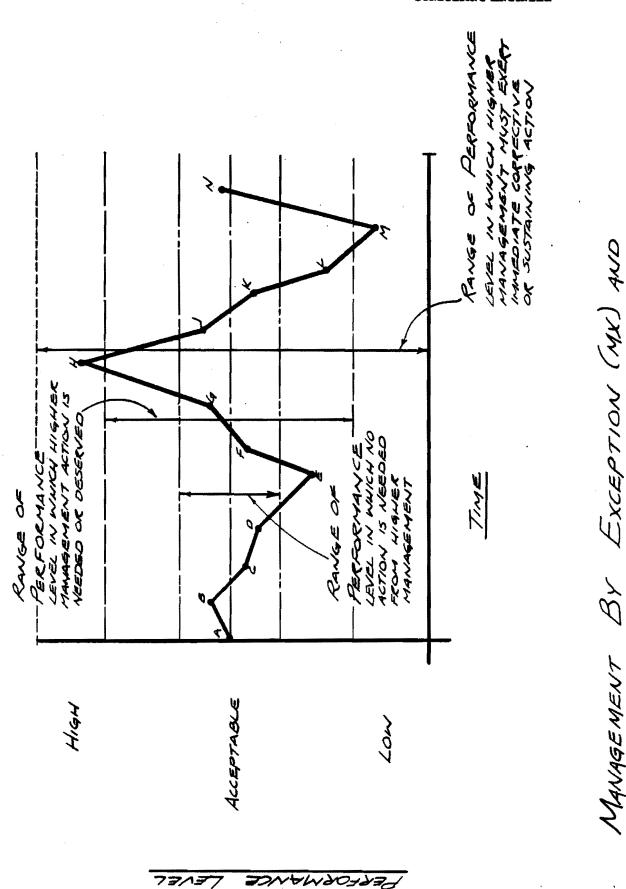
FACILITIES

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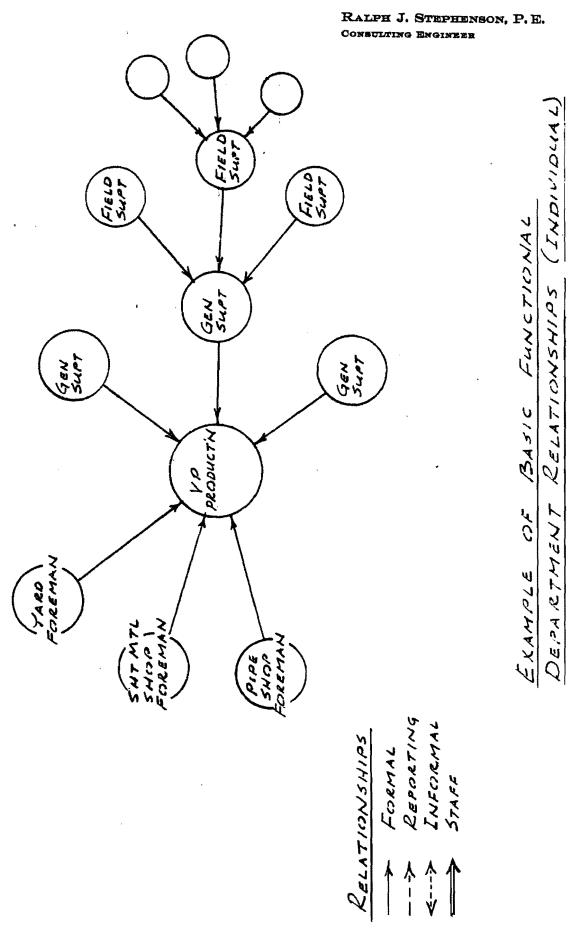


THE DIG/DEG INTERSECTION

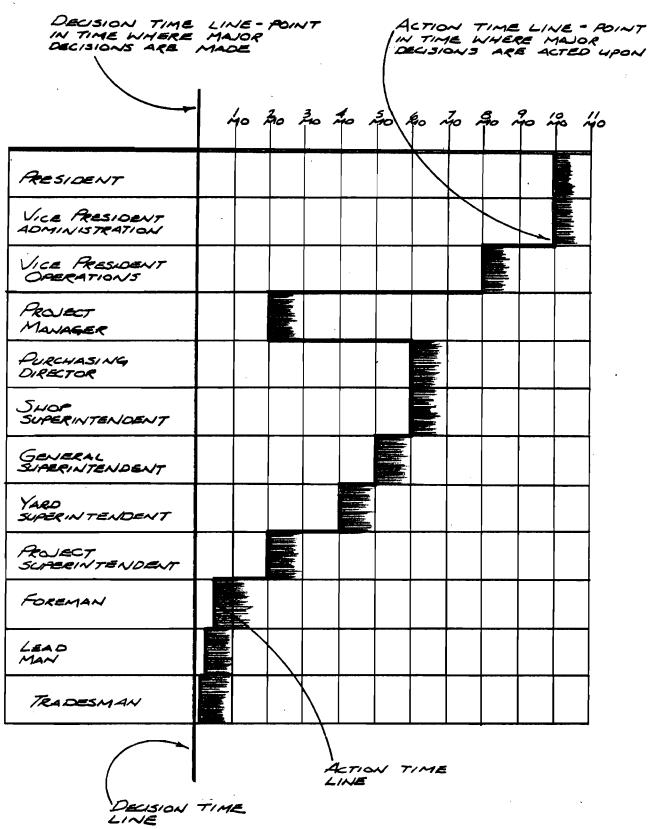
ACTIONS



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DECISION TO ACTION TIME SPAN



Claim Prone Job Characteristics

During the profiling, proposing and negotiating period, it is often possible to gain a good insight into the expected nature of a job if one is fortunate (or unfortunate) enough to be the successful proposer. The problem job is becoming increasingly serious in our business and professional lives and it should be identified early. The problem job generally results in increased costs during the construction period and quite often requires arbitration or litigation to achieve resolution of costs and damages.

Thus, it is good policy for the perceptive owner, architect/engineer and contractor to become familiar with those characteristics that early identify a job as having potential for being a trouble project.

This list of characteristics is by no means complete, nor is it meant to imply that a job having these features will necessarily be claim prone. It is, on the other hand, an honest effort to state certain unique job features that have been identified in projects that have ended up in litigation or arbitration. The list is at random with no attempt to classify or characterize the features.

Claim prone job characteristics may include:

- a. A wide spread in proposal prices.
- b. Issuance of a large number of pre-bid addenda and instructions.
- c. For subcontractors, a poor general contractor reputation if the project is being built by one prime.
- d. For projects with separate primes, poor other prime contractor reputations.
- e. More than four to six prime contractors involved (applicable on normal building work only).
- f. Poor reputation of architect/engineer preparing contract documents.
- g. Excessive how-to-do-it emphasis in contract drawings and specifications.

Claim Prone Job Characteristics (continued)

- h. Non-liable party involvement in responsible positions, i.e. non-liable construction manager.
- i. Large numbers of allowance items.
- j. Zero (or excessively small) tolerance specifications.
- k. Poorly defined authority and responsibility patterns in the offices of the architect/engineer, the owner, the general contractor or other prime contractors.
- 1. Inexperienced specialty contractors.
- m. Excessive number of pre-selected suppliers for key material and equipment.
- n. Large dollar amount or numbers of owner purchased equipment.
- o. Location in strike prone areas.
- p. Location in jurisdictionally sensitive areas.
- q. Heavy use specified for untried products and equipment.
- r. Non-liable party involvement in establishing delivery commitments, i.e. construction manager, architect/engineer, owner representative.
- s. Involvement of politically accountable owners, architect/ engineers or other contractors.
- t. Multi responsibility payment structures.
- u. Excessively long time periods to award contracts after a proposal.
 - (Note: This often occurs in public work where many non-project approvals and agencies are involved.)
- v. Poor owner reputation.

NETWORK PLANNING MINITEXT

Symbols

1. Arrow or task

A single definable action (or a single grouping of a number of definable actions) requiring resources.

2. Circle or node

The starting or ending point of a task a momentary point in time.

3. Dotted or dummy arrow ---->

A symbol representing the existence of a relationship between tasks. Dummies have no resources allocated.

Note: 95% of time a dummy goes from end of one task to start of another.

KEEP SYMBOLS SIMPLE!

Rules of Job Planning

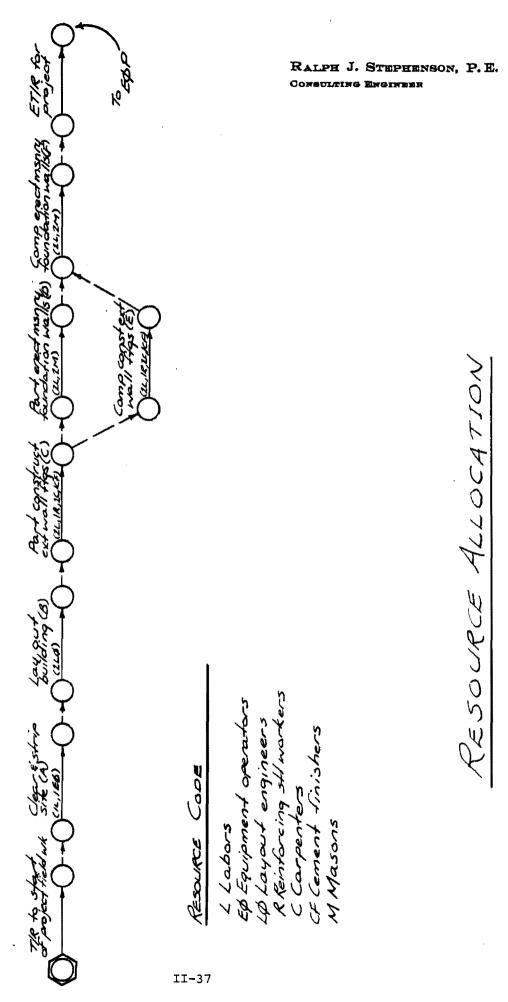
- 1. All tasks preceding any single task must be complete before that single task can start.
- 2. The logic plan represented by a series of single tasks, nodes and dummies must be explicit.

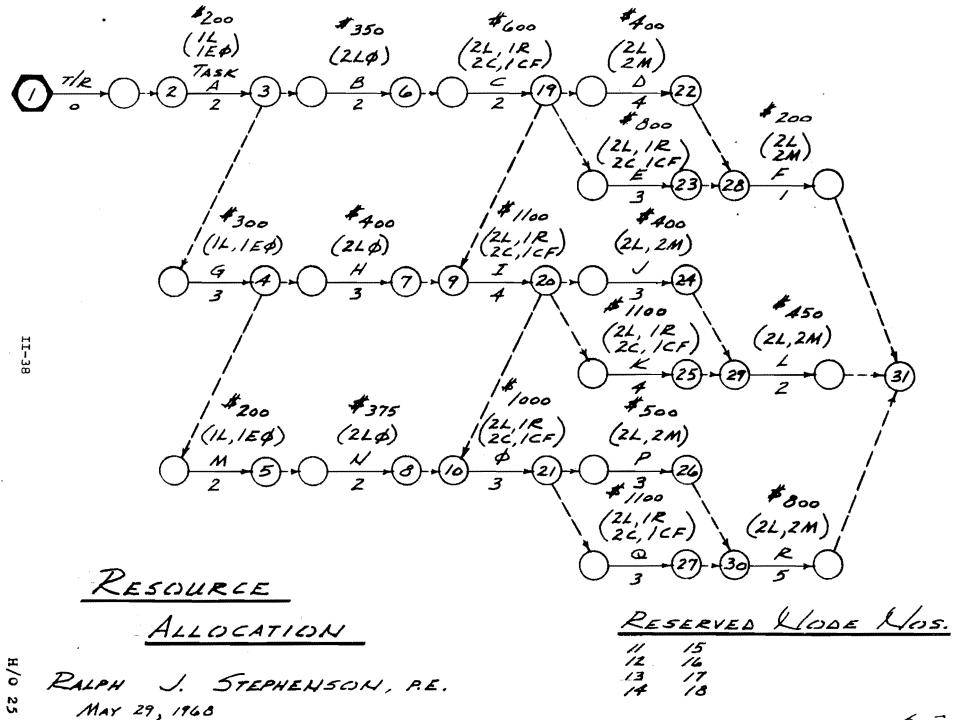
Steps in Network Planning

- 1. Define scope of work.
- 2. Draw logic plan.
- Approve logic plan.
- 4. Assign durations.
- 5. Compute ES, LF and TF
- 6. Analyze and recompute, if necessary. (May make additional resource allocation)
- 7. Issue.

Rules for Numbering Nodes

- 1. It is recommended the numbering sequence move down and to the right.
- 2. Normally, twenty numbers per hundred should be reserved for future use, and noted on diagram.
- 3. A node, having two or more arrows entering, or two or more arrows leaving, is numbered.
- 4. A node, having a single arrow entering, and a single arrow leaving, does not have to be numbered unless required by rule 5.
- 5. No more than one node in a sequence should be without a number.
- Note: Node numbers are used to identify tasks. The final measure of whether node numbers are assigned correctly is whether any task in the network can be identified uniquely (the only one in the network) by its pair of node numbers.
 - i is the initial node number designation.
 - j is the end node number designation.





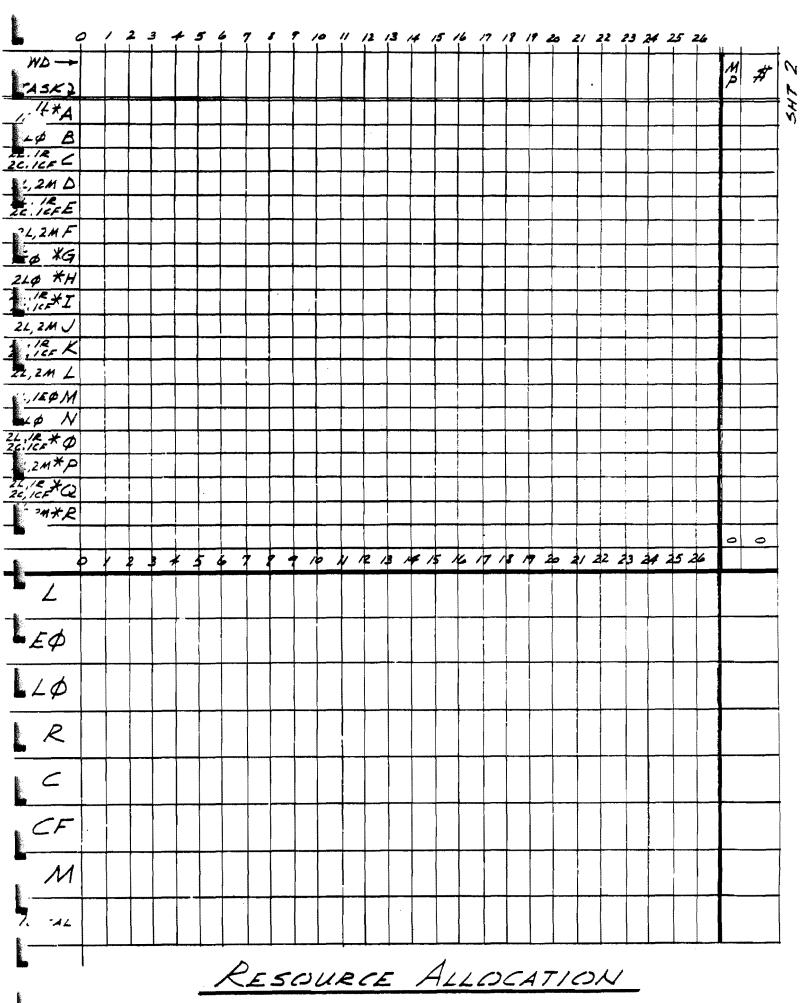
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MAY 29, 1968

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II-41 RALPH J. STEPHENSON, P.E.

Date May 10

Project: Lake City Community College

Page____

Item Code Or		Code	Lead Time Read,-wkg.dys.					Earliest		Latest		Best		Actual			
Item Code or C	Code	Detail	Approve	Fabric	Deliver	Total	DTO	DO1	DTO	DOI	DTO	DOJ	DO	DO1	Remarks		
Struct Steel	5	Frey Erectors	4	10	4	10	2	26	5/23	6/29	5/23	6/29	5/23	6/29			
Alum sash	11	Bell Bros.	9	9	5	12	2	28	6/17	7/28	6/27	8/5	6/17	7/28			_
Excavation	3	Mate Bros.	2	_	_		_	2	5/12	5/16	5/12	5/16	5/12	5/16			
Roofing	9	Cicotte Roofing	8		-	<u> </u>	_	15	6/24	7/18	7/21	8/11	6/24	7/18			
Brick	10	Richardson Inc.	6	_	-		1	1	5/13	5/16	5/16	5/17	5/13	5/16			Sample wall
Plastering	16	Robert Plastering	15	_	_	_	_	10	7/11	7/25	8/4	8/18	7/14	7/28			

Abbreviations

Fabric = Fabricate

Wkg=Working

Dys = Days

Requird = Required

DTO= Date to order (calendar)

DOJ = Date on job (calendar)

DO = Date ordered (calendar)

Purchasing Schedule Example

Project	Date	RALPH	J.	STEPHENSON
	Sht	CONSULT	ING	ENGINEER

ITEM PROCESSING SCHEDULE

Item	Date to be	shop submi	dugs	Date dwg	of sh appro	va/	Date fabrication	Date item on	
	Subm 1	submitted Subm 2 Subm.		Subm 1	5ubm 2	Subm3	complete	job site	
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