# Chapter 8

# Project Human Resource Management

# Hand Out # 8

# Learning Objectives

After reading this chapter you should be able to:

1. Explain the importance of good human resource management on projects, especially on information technology projects for which experienced professionals are in high demand
2. Define the major processes involved in human resource management
3. Summarize crucial theories of human resource management, including the contributions of Abraham Maslow, Frederick Herzberg, and Douglas McGregor on motivation, H. J. Thamhain and D. L. Wilemon on influencing workers, and Stephen Covey on how people and teams can become more effective
4. Discuss organizational planning and be able to create a responsibility assignment matrix
5. Understand key issues involved in project staff acquisition and explain the concepts of resource loading and resource leveling
6. Explain some of the tools and techniques that assist in team building

7. Describe how software can assist in project human resource management

# Chapter Outline

**Importance of Human Resource Management**

Current State of Human Resource Management

Implications for the Future of Human Resource Management

**What is Project Human Resource Management?**

**Keys to Managing People**

Motivation Theories

Influence and Power

Improving Effectiveness

###### Organizational Planning

**Issues in Project Staff Acquisition and Team Development**

Staff Acquisition

Resource Loading and Leveling

Team Development

Training

Team Building Activities

Reward and Recognition Systems

General Advice on Teams

**Using Software to Assist in Human Resource Management**

# Lecture Notes

## Importance of Human Resource Management

Many corporate executive have said “People are our most important asset”. People determine the success and failure of organization and projects. Project manager agree that managing human resources effectively is one of the toughest challenges they face.

Problems in the human resource and communications areas often demand the most attention. The IT labor shortage and the need for good IT project managers due to high market demand are really problems.

The main point is that project managers must learn to deal with all types of people and focus on meeting project and business goals.

## What is Project Human Resource Management?

Project human resource management deals specifically with organizational planning, staff acquisition, and team development, to make the most effective use of the people involved with a project. On human resource management, there are unique aspects of managing people in a project environment. Human resource management includes the following four processes:

1. **Human resource planning** involves identifying and documenting project roles, responsibilities, and reporting relationship.
2. **Acquiring the project team** involves getting the needed personnel assigned to and working on the project.
3. **Developing the project team** involves building individual and group skills to enhance performance.
4. **Managing the project team** involves tracking team member performance, motivating team members, providing timely feedback, resolving issues and conflicts, and coordinating changes to help enhance project performance.

## Managing People

In this section it is important to analyze and discuss motivation theories, influence & power, and improving effectiveness.

***Motivation Theories***

## Two approaches in this regard:

1. Intrinsic motivation causes people to participate in an activity for their own enjoyment. For example read, write or play an instrument because it makes them feel good.
2. Extrinsic motivation causes people to do something for a reward or to avoid a penalty. For example some young children would prefer not to play an instrument but they do because they receive a reward or avoid a punishment for doing so.

***Influence and Power***

People are free to change jobs but with certain conditions. Nine influence bases available to project managers;

1. Authority: the legitimate hierarchical right to issue orders
2. Assignment: the project manager’s perceived ability to influence a worker’s later work assignments
3. Budget: the project manager’s perceived ability to authorize others’ use of discretionary funds
4. Promotion: the ability to improve a worker’s position
5. Money: the ability to increase a worker’s pay and benefits
6. Penalty: the project manager’s perceived ability to dispense or cause punishment
7. Work challenge: the ability to assign work that capitalizes on a worker’s enjoyment of doing a particular task, which taps an intrinsic motivational factor
8. Expertise: the project manager’s perceived special knowledge that others deem important
9. Friendship: the ability to establish friendly personal relationships between the project manager and others

There are five main powers:

1. Coercive power: involves using punishment, threats or other negative approaches to get people to do things they do not want to do. Such type of power called penalty.
2. Legitimate power: is getting people to do things based on a position of authority. This type is similar to influence.
3. Expert power: involves using personal knowledge and expertise to get people to change their behavior.
4. Reward power: involves using incentives to induce people to do things. Rewards include money, status, recognition, promotions, special work assignments, or other means of rewarding someone for desired behavior.
5. Referent power: is based on an individual’s personal charisma.

It is important for PM to understand what types of influence and power they can use in different situations.

***Improving Effectiveness***

## Stephen Covey, author of the 7 habits of Higher Effective People. Project Manager can apply as follows:

1. Be proactive: the ability to be proactive and choose responses to different situation.
2. Begin with the end in mind: people focus on their values, what they really want to accomplish
3. Put first things first: time management system and matrix to help people prioritize their time
4. Think win/win: PM should strive to use a win/win approach in making decision, especially in competitive situation they must use a win/win paradigm
5. Seek first to understand then to be understood: PM can really understand their stakeholders’ needs and expectations
6. Synergize: A project team can synergize by creating collaborative products that are much better than a collection of individual efforts.
7. Sharpen the saw: PM must make sure that they and the team have time to retain, reenergize and occasionally relax.

## Human Resource Planning

Human resources planning for a project involve identifying and documenting project roles, responsibilities and reporting relationships. For the project and staffing and their roles and responsibilities are explained in a responsibility assignment matrix (RAM).

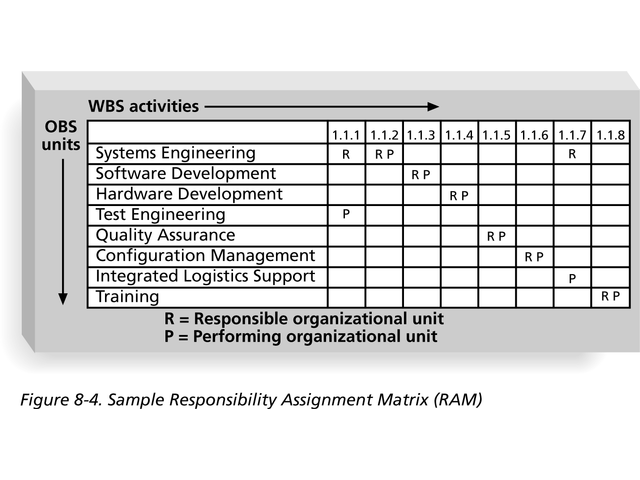
## Project Organizational Planning

Most are familiar with organizational charts, but few have seen project organizational charts or heard of a responsibility assignment matrix as shown in Figure 8.2.

## 

## Responsibility Assignment Matrices

A responsibility assignment matrix (RAM) is a matrix that maps the work of the project to the people responsible for performing the work. Figures 8-4 show an example of a RAM.



Some organizations use responsibility, accountability, consultant and informed (RACI) roles for project stakeholders, as shown in Table 8.1.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Table 8.1: Sample RACI Chart** |  |  |  |  |  |
|  | Group A | Group B | Group C | Group D | Group E |
| Test Plans | R | A | C | C | I |
| Unit Test | C | I | R | A | I |
| Integration Test | A | R | I | C | C |
| System Test | I | C | A | I | R |
| User Acceptance Test | A | I | C | R | A |

RACI chart lists tasks vertically, individuals or group horizontally, and each intersecting cell contains an R, A, C, and I. Each task may have multiple A, C, or I entries, but there can be only one R entry to clarify which particular individual or group has responsibility for each task.

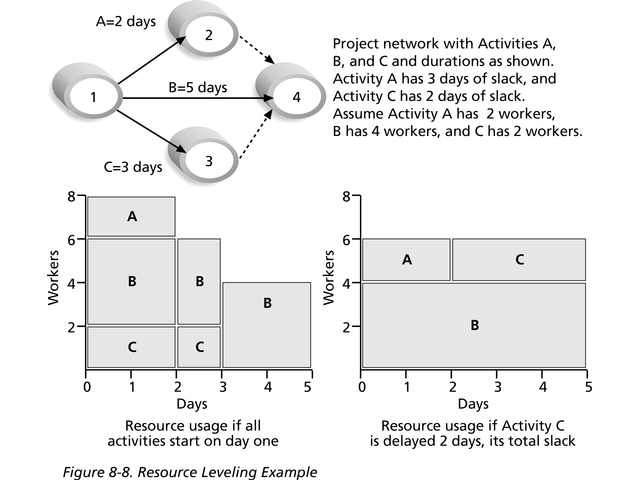
## Staffing Management plans and Resources Histograms

Also discuss the sample resource histogram in Figure 8-6 and how this tool helps to ensure adequate staffing on projects. You may want to show a simpler resource histogram and stack the bars to show the total number of people needed for each time period.



## Acquiring the Project team and Team Development

Resource loading and leveling are important concepts in project human resource management. Most can understand resource loading and interpret a resource histogram. Resource leveling, on the other hand, is more challenging to explain and understand. In Figure 8-8 familiarity with the Tetris game, most are able to understand the goal of resource leveling. Activities A, B and C can all start at the same time. Activity A has duration of 2 days and will take two people to complete; Activity B has duration of 5 days and will take four people to complete; and Activity C has duration of 3 days and will take three people to complete.



The histogram on the lower left shows the resource usage if all activities start on one day. The histogram on the lower right shows the resource usage if activity C is delayed two day, its total slack allowance. Notice that the lower right histogram is flat or leveled. Resources are also used best when they are leveled.

## Developing the Project Team

## Even if a PM has successfully recruited enough skilled people to work on a project, must ensure that people can work together as a team to achieve project goals. The main goal of team development is to help people work together more effectively to improve project performance. The following are 5 stages of team development:

1. Forming involves the induction of team members either at the initial of the team or as a new members are introduced
2. Storming occurs as team members have different opinions as to how the team should operate
3. Norming is achieved when team members have developed a common working method
4. Performing occurs when the emphasis is on reaching the team goals rather than working on team process
5. Adjourning involves the breakup of the team after they successfully reach their goals and complete the work

## Training

## PM often recommend that people take training courses to improve individual and team development. It is very important to provide training in a just-in-time fashion. Several organizations that have adopted six sigma principles have taken a unique and effective approach to training.

## Team Building Activities

## Many organizations provide in-house team building training activities, and many also use specialized services provided by external companies that specialize in this area. Two common approaches include using physical challenges, e.g., to develop a team for military and psychological preference in mental team building activities in which they learn about themselves, each other and how to work as a group most effectively.

The Mayers Biggs Type indicator (MBTI) includes 4 dimensions of psychological type:

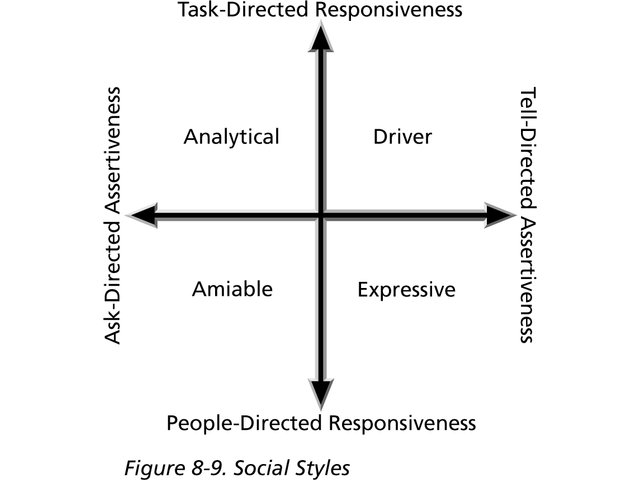
1. Extrovert/Introvert (E/I): This determines if you are generally extroverted or introverted. The dimensions draw their energy from other people; extroverts, or from inside themselves; introverts.
2. Sensation/Intuition (S/N): This relates to information gathering. Sensation or sensing type take in facts, details and reality and describe themselves as practical. Intuitive type people are imaginative, ingenious, and attentive to hunches or intuition. They describe themselves as innovative and conceptual.
3. Thinking/Feeling (T/F): This dimension represents judgments. Thinking judgment is objective and logical, and feeling judgment is subjective and personal.
4. Judgment/Perception (J/P): Judgment type people like closer and task completion, they intend to establish deadlines and take them seriously, expecting others to do the same. Perceiving types prefer to keep things open and flexible.

## Social Style Profile

Many organizations also use the Social styles Profile in team building activities. People are perceived as behaving primarily in one of four zones based on their assertiveness and responsiveness.

1. Drivers: are proactive and task oriented.
2. Expressives: are proactive and people oriented.
3. Analytical: are reactive and task oriented.
4. Amiables: are reactive and people oriented.

Figure 8.9 shows these four social styles and how they relate to assertiveness and responsiveness. PM understand why certain people may have problems working together. For example, drivers are often very impatient working with amiable and analytical often has difficulties understanding expressive. PM can use their facilitation skills to help all type of people communicate better with each other and focus on meeting project goals.



***Reward and Recognition Systems***

* Team-based reward and recognition systems can promote teamwork
* Focus on rewarding teams for achieving specific goals
* Allow time for team members to mentor and help each other to meet project goals and develop human resources

***General Advice on Teams***

* Focus on meeting project objectives and producing positive results
* Fix the problem instead of blaming people
* Establish regular, effective meetings
* Take care of team members and encourage them to help each other
* Acknowledge individual and group accomplishments

***Management the project team***

* Project managers must
  + Treat people with consideration and respect
  + Understand what motivates them
  + Communicate carefully with them
* Goal is to enable project team members to deliver their best work