ENGINUITY TUTORIAL

Making Project Manager Decisions

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Making Project Manager Decisions

Project managers are concerned with the overall planning and co-ordination of a project from inception to completion aimed at meeting the client's requirements and ensuring completion on time, within cost and to the required quality standards.

A project manager with well-matched experience for a particular type of job will handle available resources more efficiently, and improve the productivity of the labour on site, whilst a project manager with inappropriate experience will impair contract efficiency.

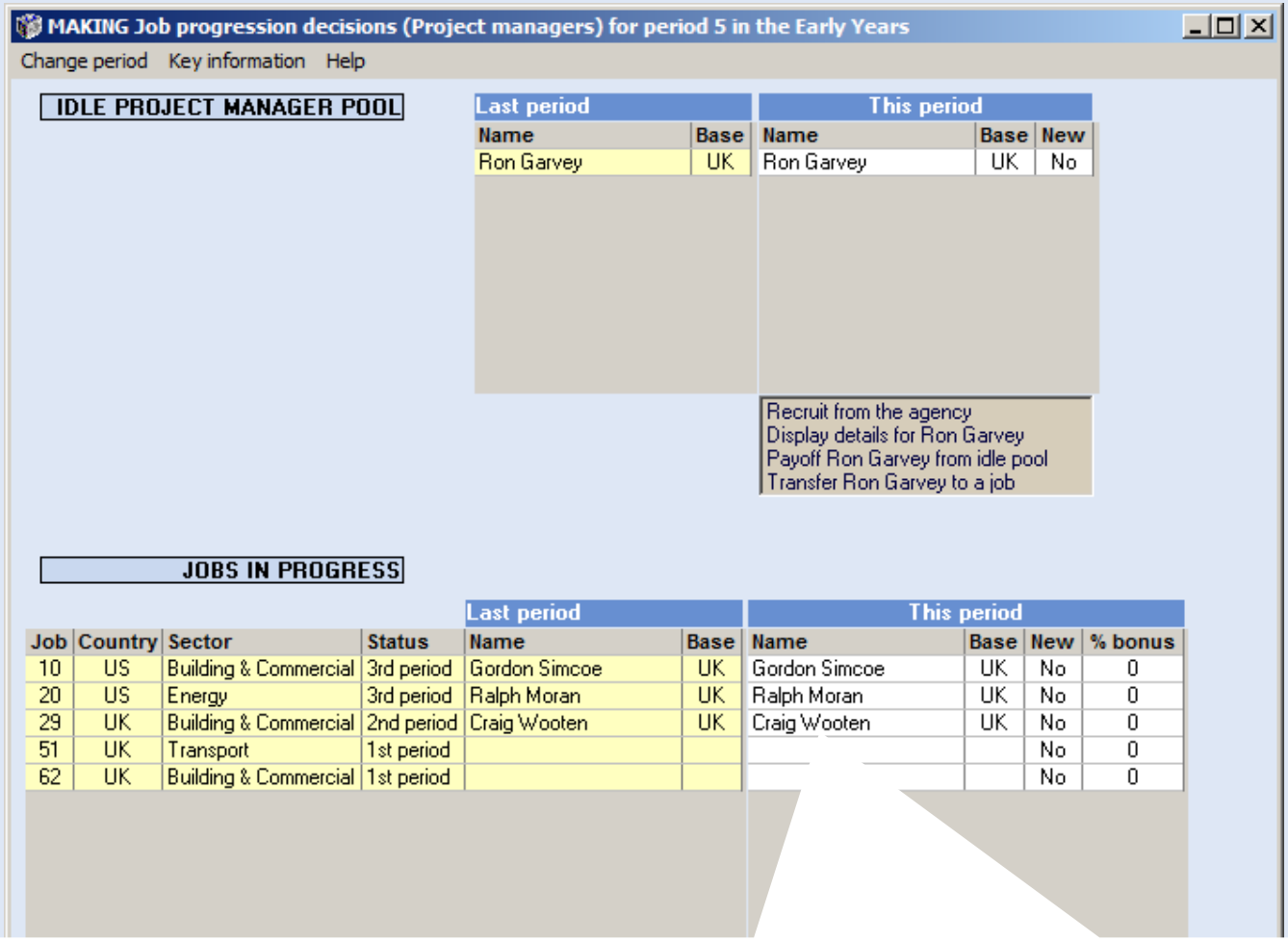
Project Managers employed by the company are either :-

- In the **idle pool** awaiting a placement on site; once a job finishes the project manager on site is placed in the idle pool. Idle project managers still have to be paid, so its far more cost-effective to have them working on site than doing nothing.
- Allocated to a **specific job in progress**.

Decisions need to be made about :-

- Which idle project managers to payoff.
- Allocating suitable project managers to jobs in progress, especially those that don't currently have one, or have a poorly performing one. The project manager can come from the idle pool, another job or from the market (a list of available ones who have registered with the recruitment agency).

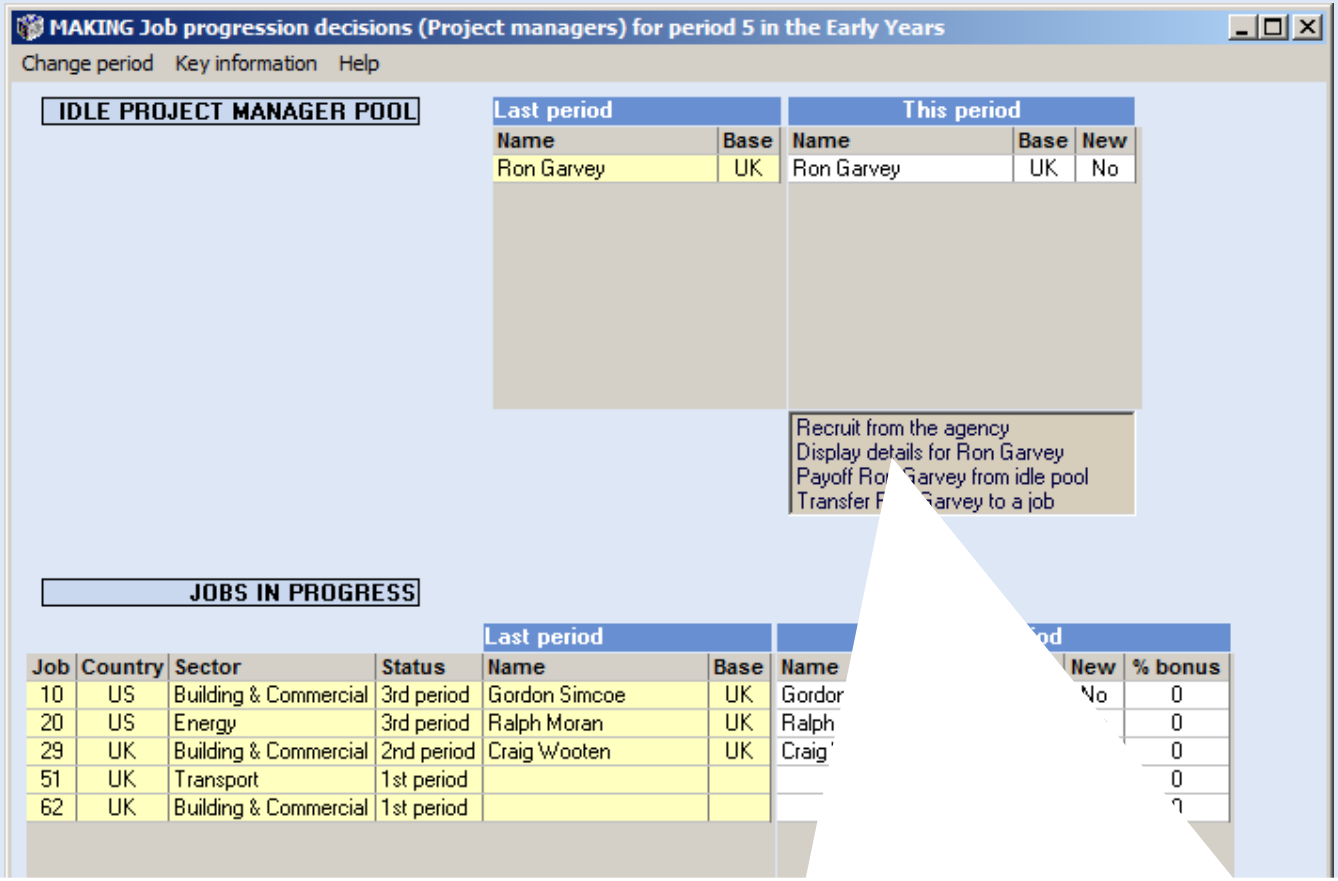
Making Project Manager Decisions



At the start of period 5 the company employs the following project managers :-

- Ron Garvey in the idle pool
- Gordon Simcoe on job 10
- Ralph Moran on job 20
- Craig Wooten on job 29

Making Project Manager Decisions



If possible the idle project manager, **Ron Garvey**, should be placed on a suitable job, and there are 2 jobs at the beginning of this period that do not have a project manager, both of which have just started :-

- Job 51, a Transport job
- Job 62, a Building and Commercial job

Is Ron Garvey suitable for either of the jobs ?

We can determine suitability by using the **Display details** option.

Making Project Manager Decisions

Project Manager Details

Gradings

RON GARVEY

Based in: United Kingdom

Age: 45

Profile: On graduating, Ron spent a very rewarding 4 years working for a consultancy specialising in energy contracts. This was followed by 6 years as senior planning engineer on the construction of a nuclear power plant in Cumbria, a project that earned numerous awards. Since then he has progressed into site management, working for a variety of contractors throughout the UK, and recently on some wind farm projects on the East Coast.

Ron is very conscientious, but one failing though is that he sometimes cuts corners to get the job done, which resulted in disciplinary action a few years ago, and this has excluded him from working for some high profile clients. Ron is married with two children, and still a keen rugby player, although he only turns out for the veterans these days.

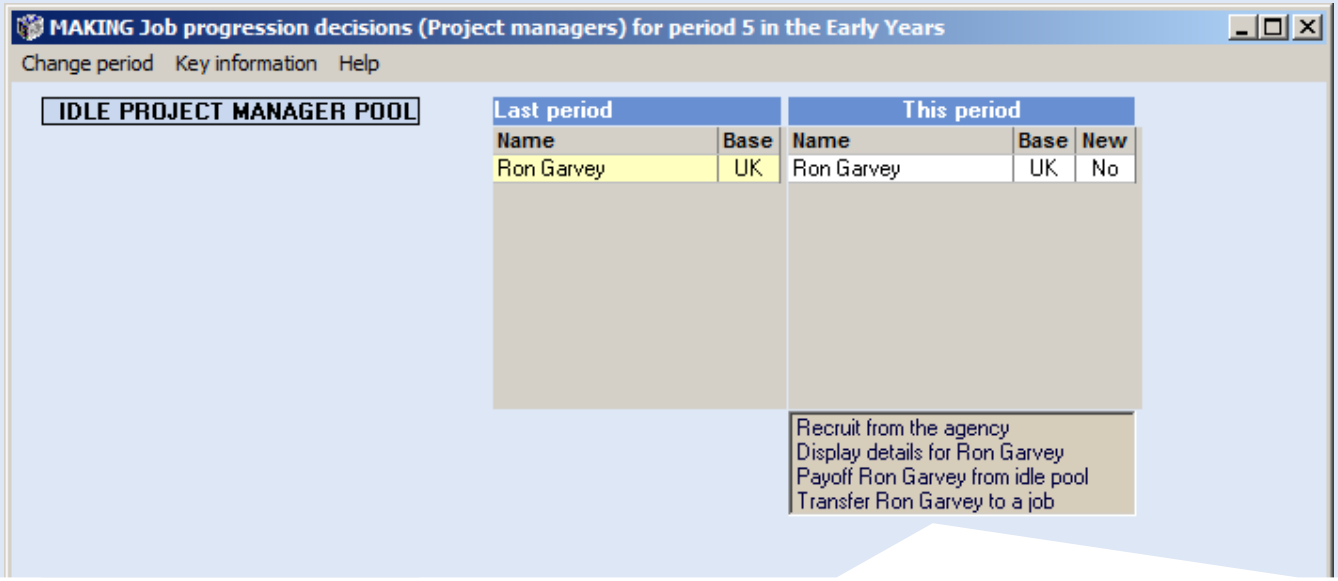
Qualifications: BEng Building Engineering, MCIOB

Salary: 52,000 per annum

Where used							Improvement factors					Deterioration factors			
								Bonus payments in the period							
Per	Status	Job	In	Sector	BIM	Basic grading	Affect of time with the company	%	Expectation level	Affect of bonus payment	Affect of job location	Affect of taking over from another	Overall grading	Reason for leaving
3	On Job	7	SYR	Energy	No	very good	none	4 %	History Level	reasonable	reasonable	none	very good	
4	On Job	7	SYR	Energy	No	very good	marginal	4 %	History Level	reasonable	reasonable	none	excellent	

Ron Garvey's **profile and past history** with the company indicate project management experience in the Energy sector, so he is not suitable for either job 51, the Transport contract, or job 62, the Building and Commercial contract.

Making Project Manager Decisions



As Ron Garvey is not suitable for either job 51 or 62, we can either :-

1. **Pay him off** from the company (**Payoff from idle pool** option).

   OR

2. **Leave him in the idle pool** if we are bidding for jobs in the current period that he may be suitable for next period, in this case Energy contracts. Although this still incurs a salary cost each period, for the right people it may be a price worth paying because paying them off **may be risky** as there is no guarantee they will be available again in the following period.

The company is intending to bid for an Energy job in the current period, so we will leave Ron in the idle pool for now in the hope that the Energy job is secured, and Ron can be used on the job.

KEY POINTS

If an idle project manager is suitable for a job in progress, the **'Transfer ??? To a job' option** should be used to move the project manager from the idle pool to the appropriate job.

Making Project Manager Decisions

MAKING Job progression decisions (Project managers) for period 5 in the Early Years

Change period Key information Help

IDLE PROJECT MANAGER POOL

Last period		This period		
Name	Base	Name	Base	New
Ron Garvey	UK	Ron Garvey	UK	No

Recruit from the agency
Display details for Ron Garvey
Payoff Ron Garvey from idle pool
Transfer Ron Garvey to a job

JOBS IN PROGRESS

				Last period		This period			
Job	Country	Sector	Status	Name	Base	Name	Base	New	% bonus
10	US	Building & Commercial	3rd period	Gordon Simcoe	UK	Gordon Simcoe	UK	No	0
20	US	Energy	3rd period	Ralph Moran	UK	Ralph Moran	UK	No	0
29	UK	Building & Commercial	2nd period	Craig Wooten	UK	Craig Wooten	UK	No	0
51	UK	Transport	1st period					No	0
62	UK	Building & Commercial	1st period					No	0

Display details for job 62

Recruit from the agency onto job 62

We still need to find suitable project managers for jobs 51 and 62.

We will start with job 62, the Building and Commercial contract by using the **Recruit from the agency** option to find a suitable project manager from the **PROJECT MANAGER RECRUITMENT AGENCY**.

Making Project Manager Decisions

Project Manager Recruitment Agency

Display project managers where the profile contains the phrase: building

United Kingdom | Available

Details					Status details
Name	**Base country**	**Age**	**Qualifications**	**Annual salary**	**Status**
Corina Ward	United Kingdom	29	MEng Building Management	31,000	Available
Danny Maguire	United Kingdom	28	HND Civil Engineering	27,000	Available
Darren Siller	United Kingdom	39	Time-served joiner, BTech	53,000	Available
Daz Turley	United Kingdom	31	BEng/PHd Building Engineering, MCIOB	32,000	Available
Deidre Dooley	United Kingdom	27	MEng Construction Management, MCIOB	30,000	Available
Henry Rock	United Kingdom	33	MEng Civil Engineering	43,000	Available
Kevin Mycroft	United Kingdom	38	BSc (Hons) Building Surveying , MCIBSE	47,000	Available
Royston Gibbs	United Kingdom	35	City and Guilds certificated	42,000	Available
Sole Jaminski	United Kingdom	31	MEng Civil Engineering, CEng	44,000	Available
Yi Zhou	United Kingdom	33	BSc Land Surveying	46,000	Availab'

Select

The **Status** column shows the availability of project managers in the agency.

Project managers may be **unavailable** for a number of reasons :-

- They may already be allocated to a job in progress
- They may be off work for personal reasons, such as illness.
- If they have previously resigned from the company, or have been paid off, they may bear a grudge and be unwilling to work for the company again for a while.

Bearing in mind that job 62 is a Building and Commercial contract in the UK, we **use the filters** to narrow down the list to find a suitable project manager whose profile indicates that they :-

- Work in the Building sector
- Are based in the United Kingdom
- Are available

Making Project Manager Decisions

Project Manager Recruitment Agency

Display project managers where the profile contains the phrase: building

United Kingdom | Available

Details					Status details
Name	**Base country**	**Age**	**Qualifications**	**Annual salary**	**Status**
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Daz Turley	United Kingdom	31	BEng/PHd Building Engineering, MCIOB	32,000	Available
Deidre Dooley	United Kingdom	27	MEng Construction Management, MCIOB	30,000	Available
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Royston Gibbs	United Kingdom	35	City and Guilds certificated	42,000	Available
Sole Jaminski	United Kingdom	31	MEng Civil Engineering, CEng	44,000	Available
Yi Zhou	United Kingdom	33	BSc Land Surveying	46,000	Available

Select

DARREN SILLER

Darren has worked for the same private contracting company in Ipswich since leaving school. He gained his apprenticeship in joinery, and was immediately thrown in at the deep end, working on numerous large office refurbishment contracts in and around Suffolk. This was followed by a number of years in a more senior role as foreman on some prestigious structural and finishing contracts. For the last 12 years he has been site manager, overseeing various industrial and building contracts, and he has often been given responsibility for several contracts at the same time.

Darren has earned tremendous respect for hard work and his ability to work under pressure. Rarely has one of his contracts not run smoothly. Sometimes he can be bad-tempered, and is known to push colleagues hard in pursuit of perfection. In his private life he spends most of his spare time on the riverbank, and is going through a bitter divorce.

The key to finding the right person is to is to review the profile (or curriculum vitae), which covers both work and personal details, both of which may be important.

As well as relevant experience for the job, **project manager location** is one of the other factors that affects project manager performance. There is an adverse impact on performance if the project manager is not based where the job is, although this is **only a minor consideration in relation to the expertise of the project manager**.

Making Project Manager Decisions

Project Manager Recruitment Agency

Display project managers where the profile contains the phrase: building

United Kingdom | Available

Details					Status details
Name	**Base country**	**Age**	**Qualifications**	**Annual salary**	**Status**
Corina Ward	United Kingdom	29	MEng Building Management	31,000	Available
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Daz Turley	United Kingdom	31	BEng/PHd Building Engineering, MCIOB	32,000	Available
Deidre Dooley	United Kingdom	27	MEng Construction Management, MCIOB	30,000	Available
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Yi Zhou	United Kingdom	33	BSc Land Surveying	46,000	Available

Select

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Darren has earned tremendous respect for hard work and his ability to work under pressure. Rarely has [illegible] not run smoothly. Sometimes he can be bad-tempered, and is known to push colleagues hard in pursuit of perfection. In his private life he s[illegible] on the riverbank, and is going through a bitter divorce.

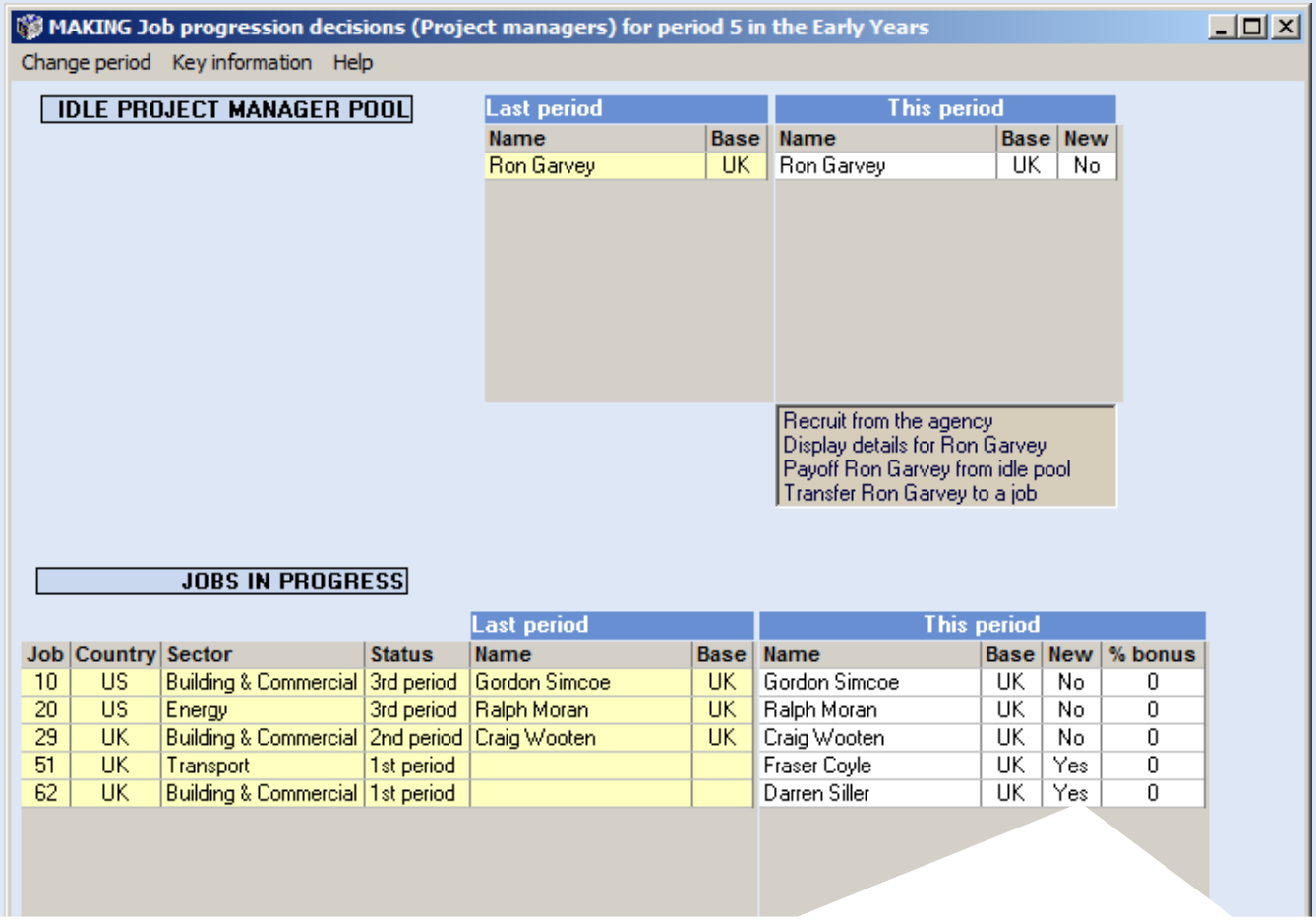
On closer examination **Darren Siller** appears an ideal candidate, having extensive project management experience on Building and Commercial jobs, and also being based in the UK, where job 62 is located.

The **Select** option is used to choose Darren.

KEY POINTS

The list of project managers signed up to the **Project Manager Agency** is dynamic, and can change from period to period.

Making Project Manager Decisions



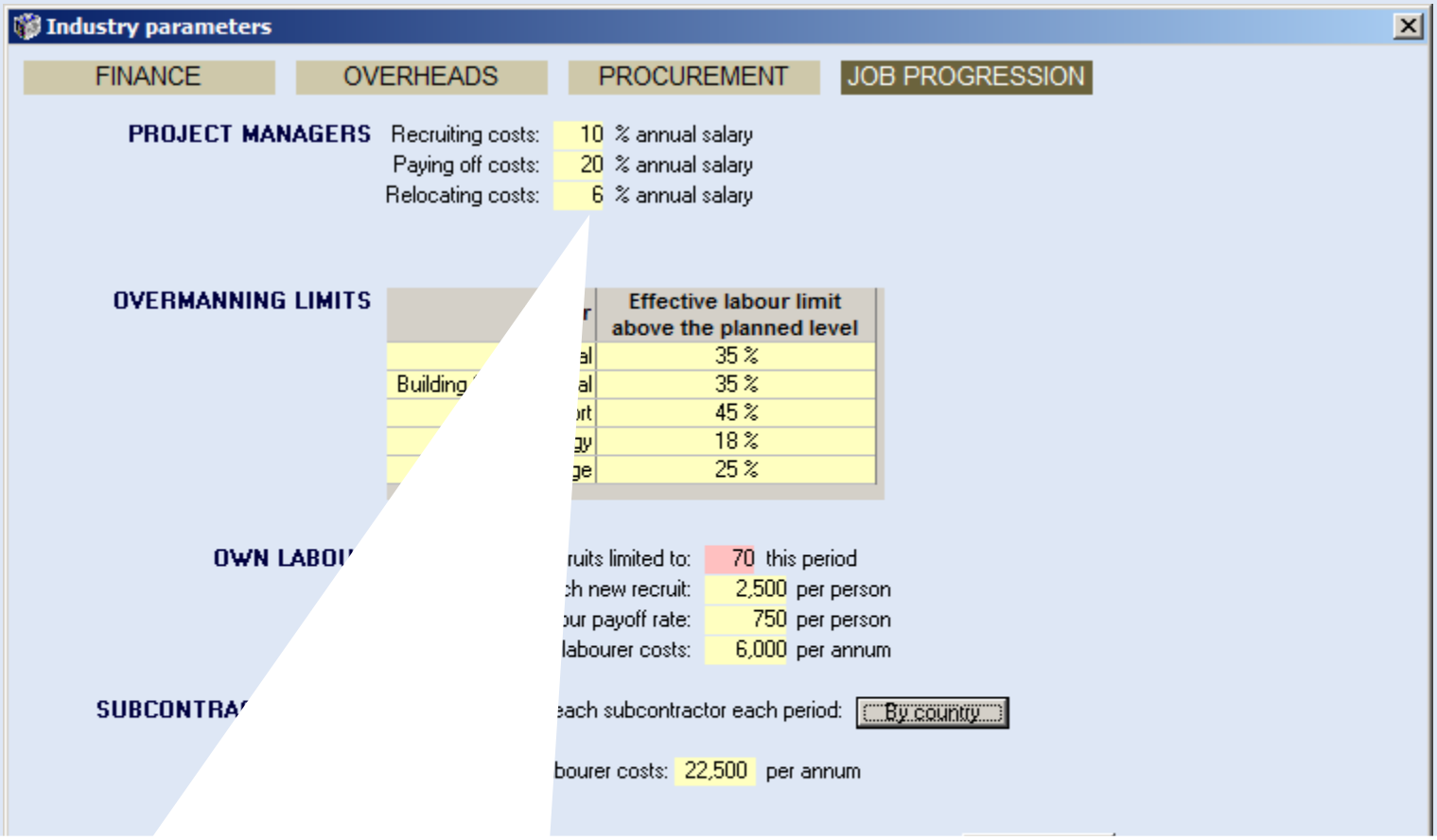
A suitable project manager is also recruited onto job 51 from the Project Manager Recruitment Agency.

Project managers newly recruited in the current period have a **"New"** status of **"Yes"**.

KEY POINTS

Although we have now allocated appropriate project managers to the jobs that did not already have one, it may be worth using the **Display details** option for the jobs that already have project managers to determine if they were the most suitable ones for the jobs. If not, they could be replaced.

Making Project Manager Decisions



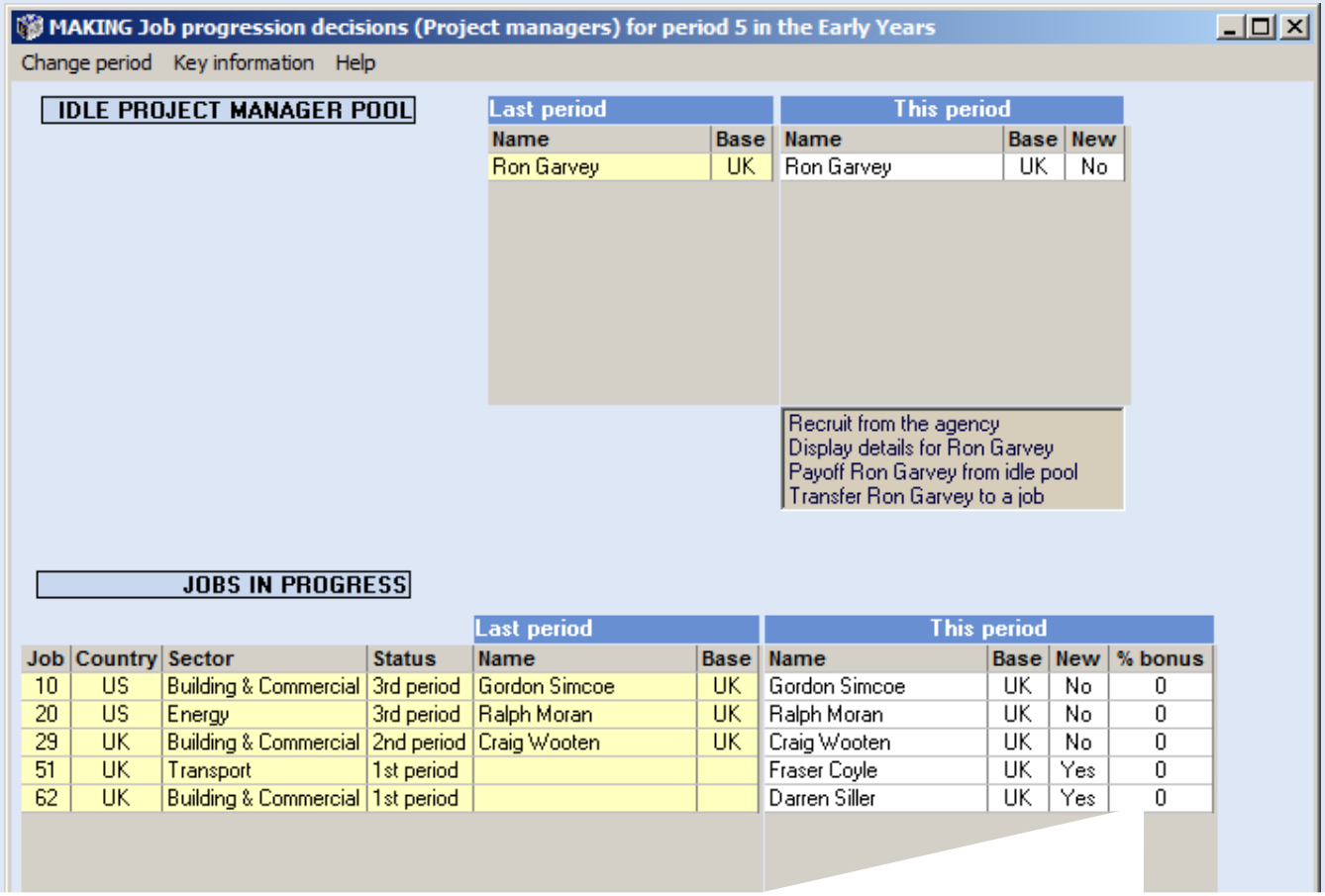
As well as recruiting project managers from the agency, there are a **number of options** available for moving project managers between the idle pool and jobs in progress.

In addition, there are a number of **charges** incurred for :-

- Recruiting a project manager from the agency
- Paying off a project manager from either the idle pool or a job in progress
- Relocating a project manager from one job to another

The costs are shown in the **Industry parameters**.

Making Project Manager Decisions



PROJECT MANAGER BONUS

The performance level of project managers can be improved by paying them a **bonus**. This is a **%** of their salary for the period (quarterly salary).

KEY POINTS

Project manager **expectations** can change as the operating performance of the company changes, and may be higher or lower than the History level. This will affect the affect bonus levels have on performance.

Making Project Manager Decisions

Project Manager Hist

Navigate to "Main menu/Making decisions/Job Progression Decisions (Project Managers)/Key information/Project manager history"

Gradings

		Where used							Improvement factors	Bonus payments in the period			Deterioration factors			
Name	Base	Per	Status	Job	In	Sector	BIM	Basic grading	Affect of time with the company	%	Expectation level	Affect of bonus payment	Affect of job location	Affect of taking over from another	Overall grading	Reason for leaving
Craig Wooten	UK	4	On Job	29	UK	Building & Commercial	Yes	excellent	none	5 %	History Level	noticeable	none	none	excellent	
Gordon Simcoe	UK	3	On Job	10	US	Building & Commercial	Yes	very good	none	4 %	History Level	reasonable	reasonable	none	very good	
		4	On Job	10	US	Building & Commercial	Yes	very good	marginal	4 %	History Level	reasonable	reasonable	none	excellent	
Ralph Moran	UK	3	On Job	20	US	Energy	No	excellent	none	5 %	History Level	[illegible]	reasonable	none	excellent	
		4	On Job	20	US	Energy	No	excellent	marginal	5 %	History Level	[illegible]	reasonable	none	excellent	
Ron Garvey	UK	3	On Job	7	SYR	Energy	No	very good	none	4 %	History Level	[illegible]	able	none	very good	
		4	On Job	7	SYR	Energy	No	very good	marginal	4 %	History Level	[illegible]	[illegible]	none	excellent	

But how do we know the affects that different levels of bonus have on performance ?

The clues lie in the **Project manager history**, which shows the level of bonus paid for each period a project manager has worked for the company (on site), and the affects.

We will try and boost the performance of Gordon Simcoe considerably by paying him an 8% bonus, double the previous amount paid that produced a reasonable improvement in performance.

We will also review the performance of the other project managers, and pay appropriate bonuses to boost performance, and keep them happy.

KEY POINTS

- If too much bonus is paid it, it may be money down the drain, because there comes a point when the performance does not improve no matter how much bonus is paid; **the trick is to find the level**.
- The **affects of bonus payments** are the same for all project managers.

PROJECT MANAGER RESIGNATIONS

Project managers can **resign** from the company for a number of reasons :-

- Good project managers whose **average bonus over the time** they are working on a particular job is below a certain level may resign because they do not feel they are being **adequately rewarded**, and the average level can vary for each project manager. In such a case the project manager may bear a grudge, and may not be available again for some time in the future.
- The top performing project managers can be **poached** by rival companies regardless of the level of bonus they are paid, although paying a good bonus will help to lesson the chance of this happening. Once poached, a project manager will not be available again.

Project managers resign from a job at the end of the period, providing that the job is still in progress.

KEY POINTS

Project managers never resign in their first period on a job.

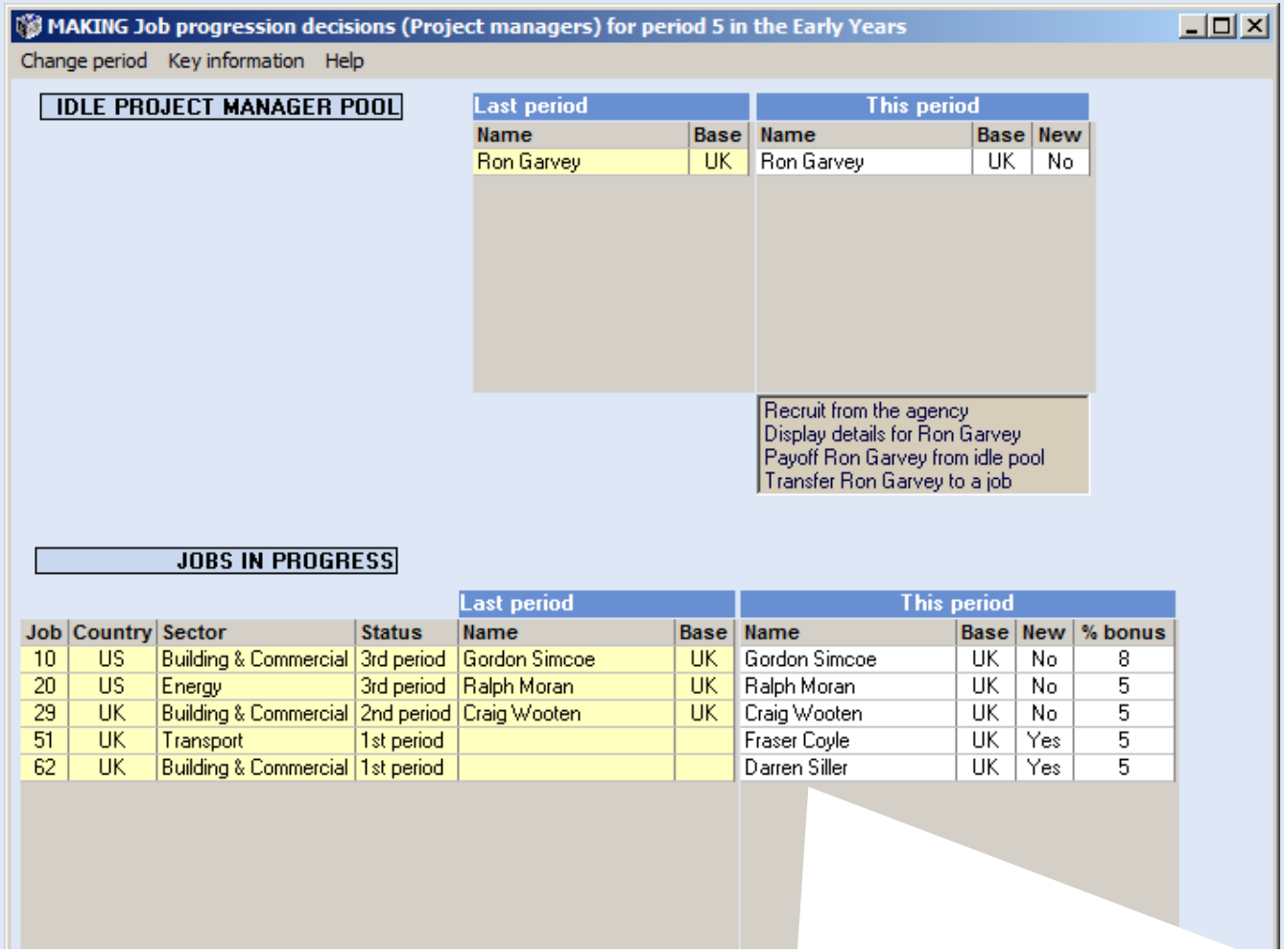
JOBS IN PROGRESS

				Last period		This period			
Job	Country	Sector	Status	Name	Base	Name	Base	New	% bonus
10	US	Building & Commercial	3rd period	Gordon Simcoe	UK	Gordon Simcoe	UK	No	8
20	US	Energy	3rd period	Ralph Moran	UK	Ralph Moran	UK	No	5
29	UK	Building & Commercial	2nd period	Craig Wooten	UK	Craig Wooten	UK	No	5
51	UK	Transport	1st period			Fraser Coyle	UK	Yes	5
62	UK	Building & Commercial	1st period			Darren Siller	UK	Yes	5

Display details for job 62

Recruit from the agency onto job 62
Display details for Darren Siller
Payoff Darren Siller from the job
Transfer Darren Siller to the idle pool
Transfer Darren Siller to another job

Making Project Manager Decisions



Appropriate project managers have now been allocated to all the company's jobs in progress, and next period the **Project manager history** can be used to review the performance of each project manager.

The **Project manager recruitment agency** is dynamic, and project managers can come and go from the agency. This makes is essential that it is reviewed each period to ensure that the best possible project managers are being used by the company.