

Scheduling and project management

Engineering, Project Management



Scheduling and Project Management Introduction Wal-Mart started in 1962 with a single store in Rogers, Arkansas, and has grown into a multinational giant retail company with nearly 9,000 retail outlets across the United States and over 15 countries in the world. Wal-Mart's success is attributable to its competitive pricing strategy and a diversity of friendly facilities that include super-centers, neighborhood markets, discount stores and Sam's club warehouses (Wal-Mart Corporate, n. d.) This paper examines the influence of project management on other functions in Wal-Mart and the difficulties involved in implementing PERT and CPM in the organization.

Influence of Project Management on Other Functions in the Organization

A project is a temporary and unique activity that is performed by people, limited by resources, and is controlled in terms of time and cost. (Duncan, 1996, pp. 4-5) Project Management involves balancing a number of competing demands on time, cost, and quality, and meeting the expectations of various stakeholders. Although several aspects of project management such as PERT/CPM planning are unique to it, there are other areas that overlap with other functional areas of management such as organizational behaviour, financial forecasting, and contracting. (Duncan, 1996, p. 8) In order to take care of these activities, project management needs an organization structure. The commonly employed organizational structures are functional, project, and matrix structures. Under functional structure, all similar functional activities such as finance or HR are grouped together under one common head. In a project specific structure, the project manager has different functional experts under her. Matrix structures are those in which there is dual control. Wal-Mart, being primarily a retail giant,

is unlikely to have a purely project specific management structure. This means that the project manager will have to get things done through functional heads. As stated earlier, Wal-Mart believes in aggressive pricing of its products. This calls for concerted efforts by marketing, finance and human resources. Finance and Accounts departments will need to keep a constant watch over expenses and costs. Human Resources management will need to ensure maximum performance and motivation of the employees. Under such a situation, the demands from new projects are likely to disturb the focus of these departments. They may resist or delay in giving the necessary support to the project team. Projects are also likely to increase interpersonal conflicts both among the various functional departments, and between the departments and the project team. Functional managers regard the project manager's authority as a threat and encroachment on their power. Conflicts also arise about whether some of the tasks related to the project need to be performed. (Sutterfield, Friday-Stroud & Shivers-Blackwell, 2007) Thus, the functional managers are likely to resent the project manager's demands, particularly in view of the primary focus in Wal-Mart on efficient delivery of goods to the customer at the lowest possible price. Additionally, Human Resources may need to deal with more problems of motivation and conflict resolution. Finance managers may find it challenging to keep costs under control in an already tight situation created by tight margins. Operations may find it difficult to provide the necessary support to the project manager, given the need to optimize their own resources.

Difficulties and Limitations for Implementing PERT/CPM in Wal-Mart The limitations of implementing PERT/CPM in Wal-Mart are apparent from the

above discussion of the influence of projects on the functional departments. PERT/CPM techniques need reasonably accurate estimates of the time required for performing various activities. In a situation in which the project manager is dependent on other functional heads for support, it might be difficult to estimate the time for several activities, and even more difficult to complete the activities within the planned timeframes. Even without these complications, project managers face a difficult task. It has been found that even when project managers make reasonably good estimates, implementation suffers because of oversight and the failure to ensure that all activities are included. (Dinsmore & Cabanis-Brewin, 2006, p. 456) In an organization such as Wal-Mart, this is more likely, because the people who provide the inputs and estimates to the project manager are likely to be preoccupied with other responsibilities of their own. PERT and CPM strive to achieve the best possible schedules so that the project can be completed at the earliest, keeping costs reasonable and within control. This requires not only a simple scheduling of the activities but also scheduling of the resources required. This can become a complex exercise even with dedicated resources. (Howes, 2001, pp. 179-181) In the case of Wal-Mart, most of the resources are likely to be shared. This will make it even more difficult to implement PERT/CPM in Wal-Mart.

References

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