

# Example of essay on economic justification

[Business](#), [Management](#)



Every project that is undertaken must lead to a worthwhile return on investment whether if in financial terms or otherwise. The organizers and managers of a project need to understand the benefits that are expected to accrue from a project before they even embark on the project. In case it's clear that there shall not be any significant benefits from a particular project, then it's worthwhile that the funds intended for use in this project are channeled elsewhere.

The second principle is that anyone involved in the project life cycle must have a clear role and responsibility. Each one needs to understand the nature of the task that they shall be undertaking, the reporting lines of responsibility and the general contribution each role will have in the entire project outcome. This ensures an orderly and more efficient execution of the project deliverables (Lock, 2007).

Proper planning for the project is of paramount importance. A project will surely fail if no proper planning is done before commencement of the project. The project costs, resources and time requirements need to be agreed upon at the onset of the project. This definitely enables the project manager to avoid cost over runs and also ensure an expeditious completion of the project. Poor project planning is to blame for the stalling of many ambitious projects.

The whole project must be viewed as a sum of the different segments of the full project. This allows for the monitoring and decision making by the project manager so as to ensure that the whole project is progressing on well.

Failure to subdivide the project into smaller stages or deliverables sometime

leads to the omission of important details and by extension the failure of the project (Schwalbe, 2008).

User participation-It's very advisable that the input of the users of each particular project be taken into consideration when executing a project. This ensures that the project users are more aware of their expectations concerning the project and also helps minimize chances of resistance to change in the implementation of the project.

Any project that is undertaken must be tailored to meet the environment and the needs of the users. Regardless of the methodology provided, the project manager cannot afford to blindly follow the a methodology while not being able to adapt the procedures that meet the demands of the users as this would be detrimental.

Availability of resources- projects require resources in form of time, money and materials etc, adequate resources must be allocated to a project otherwise the project would surely fail. The project specialist will always help in determining the type of materials and resources that are necessary in completing a particular project.

The project managers skills and experience is also a major factor that determines the success or otherwise of a project. A project manager must possess the right technical knowhow and the relevant leadership skills and attitude so as to be able to lead and motivate his team towards an expeditious completion of a project. Lack of these skills could be a sure recipe for a failed project

The managements support is also a key issue in determining the success or failure of a project and its viability. Managers must support the projects either financially or even in their good will otherwise the project is not likely to succeed without managements support (Meredith, 2011).

Proper planning as earlier mentioned is a key element of project success. Getting this right in the first instance is better than having to reorganize everything In the process of project execution. Proper planning also ensures that the right team is assembled and also the right resources are availed for the project. This ensures project success

Project risk- One very key issue that project managers and sponsors need to consider is the project risks. In most cases, projects are marred with risks that if not foreseen, may limit the success of a project. This needs to be looked into before committing funds into a project.

Other issues that need to be addressed as they could lead to project failure or determine the success of a project include user input participation, clearly defined goals and objectives, proper communication channels and management support.

### **The methods that could be used to measure project performance include,**

Schedule Variance (SV)-This is a parameter that measures whether the project is being completed as planned or there is a time budget overrun. If the scheduled variance is zero, then it appears that the project will be completed quite on track, if its greater than zero, then the manager is making a saving on this project. A less than zero variance indicates a time budget over run.

Cost Variance- with a cost variance of zero, we derive that the project is perfectly on budget. Just like the scheduled variance, a greater cost variance indicates that the project is saving in terms of cost while a negative cost variance indicates that more resources may have to be channeled towards this project if it has to be completed on time.

Schedule Performance Index (SPI): this indicates how close the project is towards properly utilizing the available time and resources; an SPI of 1 shows a perfect utilization of resources, no savings or over runs( Lewis, 2011).

Cost Performance Index (CPI): A CPI of 1 is supposed to indicate that the project will be on a perfect cost budget as there shall be no additional resources that shall be necessary in completing this project.

Project management systems are tools that assist a project manager to organize and moderate a project throughout its whole cycle. Basically, most project management tools assist managers to perform the tasks outlined below.

Resource visibility- this is a property of project management tools and shows the resources available in a project thus allowing the managers to properly prioritize and distribute work to the staff in place.

Metric visibility- this is a property of project management software's that allows for the manager to view certain elements of the project visa viz the end goal of the project in other words. It helps in monitoring the progress of the project

## **Conclusion**

Project management is a subject that has drawn substantial debate in the recent past especially as pertains to its principles. Most scholars argue that projects are different in their nature and also depending on their purpose therefore it would not be easy to have universal principles while others argue in the affirmative. The factors that lead to the success or failure of projects also need to be underscored so as to guarantee project success after avoiding the failing pitfalls.

It's also important for a project manager to ensure that they master the methodology for determining project performance so that they can do a proper self evaluation and decide how successful or otherwise they have been in their projects.

The use of information technology in project management in the form of project management software's is a welcome gesture as many businesses strive to increase the efficiency in project management while at the same time ensuring an expeditious execution of a project

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