

Course Name -Project Management: Planning, Execution, Evaluation and Control

Professor Name - Prof. Sanjib Chowdhary

Department Name - Department of Vinod Gupta School of Management

Institute Name - IIT Kharagpur

Week – 08

Lecture - 39

Welcome to the course Project Management Planning, I am Professor Sanjeev Choudhury from Indian Institute of Technology Kharagpur. Today we will be covering module 14 that is Project Oversight. In this lecture, we will be covering what are the oversight activities and what are the generally the oversight levels. So the concepts that will be covered in this lecture are project oversight, what is oversight and what is its purposes, then oversight activities and what are the different levels of oversight. And we also will discuss about project management and system integration that is portfolio project management and program management office. This we will be covering in this lecture, in the subsequent lecture we will be covering the rest of this module.

So to start with as I told you what is project oversight? Project oversight or the project governance it has gained importance today in the project management organizations. It is actually this project oversight are nothing but a set of principles and processes to guide and improve the management of project like a an organization which is having multi generally operate project management operations with multiple projects and all. So they must be having a guidelines and the principles processes that will that will lead to the improvement of the management of the projects all the projects that guides that. In essence you can say that then what is the purpose of oversight? The purpose of oversight is that the project objectives should meet the need of the organizations through standards, procedures, resource allocation, then other principles of the organization.

So in nutshell we can say that purpose is to ensure projects meet the needs of the organization as I told you through standards, procedures, accountability, efficient allocation of resources and continuous improvement in the management of projects. Besides that oversight that committee they also support the project manager in many ways because project manager may require say allocations of fund additional fund resources or they may be short of resources. So this project oversight committee they look at all the projects they prioritize the project and the mobilize the fund from one place to another that way also this project manager also gets chance to put his case in each of the phases of the project that is the life cycle of the project that is will be

covering more on that in the phase gate methodology or phase gate process when we will be in the next lecture, we will be covering that. So these are the purpose of the oversight project oversight. So there are two levels of project oversight one is the at the organization level that is the top level the senior manager, senior management and all they form an oversight committee and the other is the at the project level I will come one by one.

At the organizational level what happens it is the senior peoples and all they form this committee and what are their main roles and responsibilities of this oversight committee this organization level oversight committee looks after the criteria for project selection they set it so that it is transparent and this is criteria may be they may be put it as the what should be the percentage of new projects or the strategic project operational project or the compliance project so that it is balanced you know that risk is spread to different group of project. Similarly this is part of the portfolio management so they in effect they balances the risk and all of different portfolios. So we will be talking about more on these after sometime. So project selection portfolio management they give the set the overall what should be the criteria what should be the principle so that there is transparency and there is no politicking and also the powerful people pushing through their projects and all sacred cow project those are stopped. Then improve management of projects like they push for adopting the best practices of the of project management and that way and develop the culture of those improvement organizational learning so all these leads to the improve of management of projects.

Then assessing and elevating maturity level we will talk about the project management maturity level in the next lecture in that you will find the organization project management organization is at which stage you know this maturity level indicates the progress of the organizations or the for adopting the best practices and which level of maturity that it is a measuring stick and not for the ensuring the success of the project what stage of the maturity the organization is in. So that also this organizational level oversight committee looks at it and there is balanced scorecard approach to review progress it is also looked after by the this organizational level oversight committee. What is this balanced scorecard approach? Balanced scorecard approach as you know it is for the macro or the long term that macro measurement suppose this is generally done that effect of the project how do they contributing to the benefit of the of the customers or community what or the target audience or target customer how do they do it this is done generally after 5 to 10 years of completions of the project whether the project has achieved the its intended benefit or not that is the that project has obtained its strategic mission or the strategic goals strategic objectives that was for the intended for it to achieve the organizational all this this strategic goals strategic objectives then the strategic missions of the organizations these are obtained through the project. So

whether the objectives of this project that was intended to that has been achieved or not so it is a long term and it takes care of the it is unlike the project selection project selection is more specific and you do it say but this is a macro it is not very specific and these also is have like balanced scorecard have 4 perspectives. So this is measured this effect of the project for the future is measured through this 4 different perspective namely financial perspective, customers perspective, internal process perspective and learning and growth perspective whether it has got its intended desired benefit or not.

So these are the functions of the organizational level oversight committee then the another committee the oversight committee is called project level committee these are more of operational this is say what do they do they do their main functions are review projects objectives then they decide on issues which the project manager is raises and project managers or the project teams are facing so they those issues and all raise to the that this project level oversight committee they try to sort it out and if not it goes to the higher level that is the oversight committees and all then they track and resolve bottle necks because the a multi project organizations and all they may be having bottle neck for resources, bottle neck for equipment's, bottle neck for the specialist people so they try to try to resolve that then they review the status and they are the basically the linkage from the with the senior management and the project manager. So they raise the issues to the to the to the higher level they audit and review lessons learnt we talked about in the last class that is retrospective lessons learnt and all these are project teams they along with this this this project level oversight committee they audit and review it then any projects say scope creep occurs or the deviations from the original scope that it is being done they it is to be done through the this project level oversight committee they also they all authorize this major deviations of the from the original scope or they also even kill the project so that is cancelling the project. So these are the main functions of the project level oversight committee. So now we will be talking about project management and system integration as we know that the project management the portfolio project management because the we have dealt this in the module 2 the selections of project. So what is portfolio project management there in we have discussed it is nothing but a centralized management of projects.

So project to oversee the allocation of resources to projects which is directed to the to the to the two to contribute the greatest benefit and value to the organization goals. So this is essentially an essentially a centralized body through we a body for the project oversight that allocates resources so that the project the so that the project that will get the maximum benefit or value to the organization that will get the priority that they do it. So what are the functions of this of this project portfolio management we have also we also discussed it in the module 2 that senior executive oversight committee what do they do because this project portfolio management systems is always looked after by the

organization level oversight senior level. So they reviews project options available by type what is that that I have already told you that by type means they reviews the project option that is the how many will be say strategic project strategic project what how many or what percentage of fund will be devoted to operational project or the compliance project new project. So different types marketing project this that that they will decide so they review the option so one year it is this the next year if it needs to be changed they will do that then they will try to do prioritize the project by linking the project with the organization strategy because we have already told projects are the modus operandi of achieving the organizations goals and objective.

So the projects which are contributing more to achieve that goals and objective will have higher priority so they try to do that then they try to balance the risk of all project like as I told you here if you do if you if you just do it for this allocate it this way means you are not keeping all your eggs in one basket you are spreading it once you spread it means you are hedging the risk so you balances the overall risk of the organization. So you selections of project then prioritizing of project all those things will and the balancing of the risk that they ensure and they further try to ensure the availability of resources and manpower experience competencies that required for different projects may require different level of expertise so they try to ensure that and this they do it they set the macro time cost and requirement because these are the high level oversight committee they never go for the micro level micro level is done by the project manager and the project team so they sets the macro level strategies and also they review the project gate system what is project gate system that we will be discussing in the next lecture till that you hold on this is essentially there are different phases in a project life cycle to go from one life one phase to another phase there is a gate then only it can go through so these will be these are all the these decisions are also taken by this project portfolio management and all so this is for the for the key responsibilities of project portfolio management. Then there is another program or project management office PMO we also have discussed about PMO who in the in the module 2 so we will not go further on this but we will just refresh briefly so we have already discussed that what is PMO? PMO is a unit responsible for continued support of consistent application of selection criteria standards and processes training and general assistance to project manager and continuous improvement and use of best practices so in essentially we have seen this what are the responsibilities of this project management offices they generally is the link between the senior management and the project manager and they are the eyes and ears of the of the of the senior management they support the project teams and all to adopt the best practices in say in project portfolios and all they as I told you serve as a link between the senior management and project manager so that the problems and all can be can be speedily resolved if any then they also supports the selections of project and also the closure project closure and the lessons learned and all those things it also

they are also be the part along with the project team and they facilitated it and the future lessons and all they future project those lessons learned to be applied or mandating to use those lessons learned and the library archiving library and all they try to ensure its use and they also help for attaining the higher level of project management maturity that maturity project management maturity as I told you we will discuss more in the next class so all of you are aware of all this to summarize what we have discussed in this lecture is that project oversight is a set of principles and processes to guide and improve the management of projects this module discusses the purpose and importance of oversight function there are mainly two levels or types of oversight activities namely at organization level that is at the higher level and that of at the project level so oversight functions basically tries to ensure that projects meet the organizational needs through standards procedures accountability efficient allocation of resources and continuous improvement in the management of projects portfolio project management gov project governance project management office etc. are part of oversight activities now the references you may you should go through these references these will give you in further information about project oversight and you can in enrich your knowledge so thank you very much for attending today's lecture