



Project Human Resource Management

Learning Outcomes

By the end of this unit the learner will be able to:

- ✓ Discuss knowledge areas for project human resource management
- ✓ Determine human resource constraints of a project.
- ✓ Discuss different approaches to conflict resolution.
- ✓ Discuss staffing management plans for a project

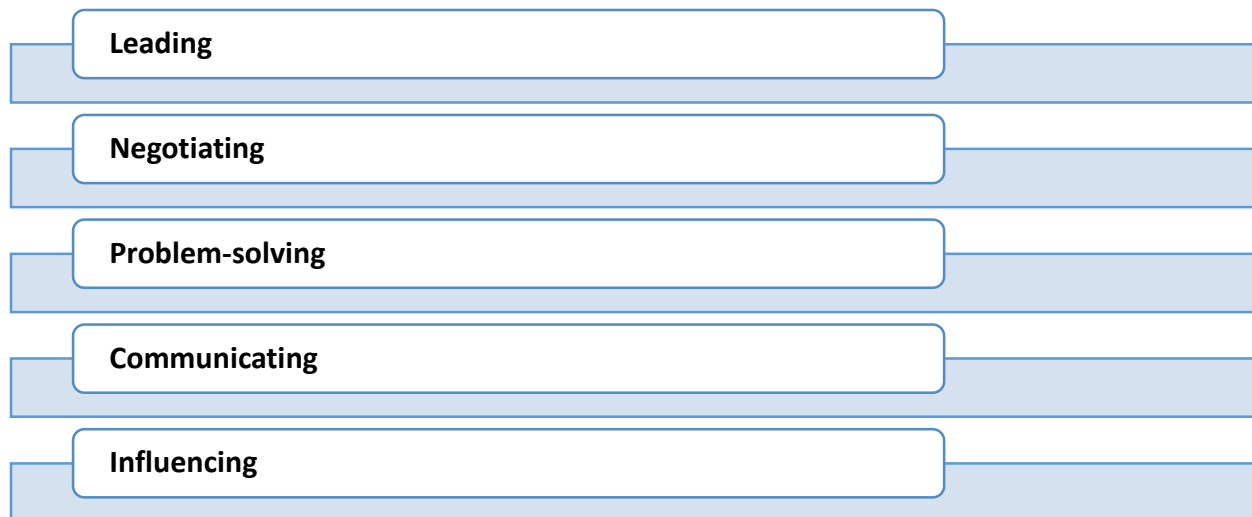
Project Human Resource Management

Project Management Human Resource involves all aspects of people management and personal interactions including leading, coaching, dealing with conflict, and more. Stakeholders, team members and customers are among the project participants on whom you will be able to practise these skills. Each requires the use of different communication styles, leadership skills, and team-building skills according to the situation. A good project manager knows when to employ certain skills and communication styles.

Project human resource management is multi-faceted. It is the ability to lead, direct and orchestrate the customers, project partners, contributors, the project team, and any other stakeholders to achieve the desired results for the project purpose.

Project managers cannot, and must not, do everything. They must rely on the project team to complete the project work. Have you ever worked on a project where the project manager wanted to do all the work, or completed the activities with the highest exposure, or assigned the mundane tasks to the project team and did the most important activities himself? This is not good. Project managers must delegate activities.

Project human resource management relies on the general management skills:



Project managers must find ways to motivate the project team to complete the work. In many projects, there is a tendency for the project team to be very excited about the project at the start; however, as the project moves toward completion, the excitement wanes. The project manager must coach and mentor to develop the project team to ensure that the willingness, dedication and enthusiasm devoted to the project work continues.

The project manager will have to address project team retention, performance appraisals, labour relations and, depending on the nature of the project work, health and safety issues throughout the

project. As most projects are new and temporary, so too are the relationships between the project team members and the project manager.

The number of stakeholders in the project may change as the project progresses. The project manager and the project team will need to be aware of the coming flux of stakeholders and how this change may affect the dynamics of the project work and the project team. Depending on the stakeholders who have become involved, a particular approach to project human resources may work well in one phase of the project but not in another.

Project human resource management may not lie completely in the hands of the project manager. The performing organization's HR department may have control over the majority of the assignment and recruitment of the project team, but the project manager will need some knowledge of the responsibility, power, and autonomy in order to comply with the organization's policies.

The Project Human Resource knowledge area contains the following processes: Organizational Planning, Staff Acquisition, and Team Development.

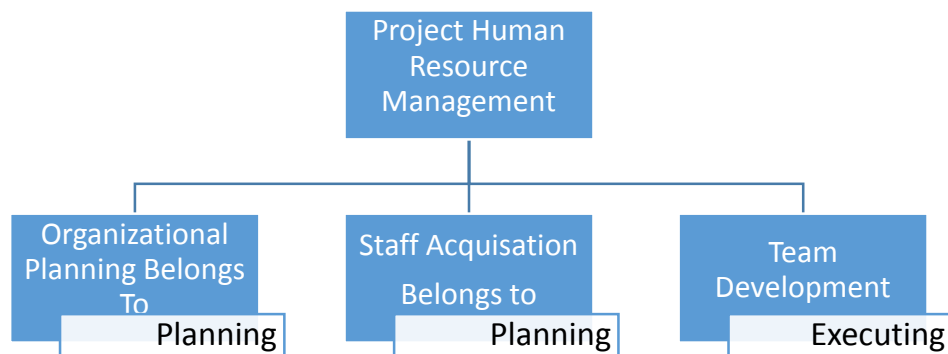


Fig: 1.1 Project Human Resource Management

Preparing for Organizational Planning

Organizational planning does not mean planning to create an organization. It is the process of mapping the project's roles, reporting relationships and responsibilities to the appropriate people or groups of people. Organizational planning identifies the people involved with the project and determines their role in it, the people to whom they report—or from whom they receive reports—and what overall influence they exert on the project work.

For example, consider a project to create a community park. The project manager works for a commercial entity that will complete the project work. He/she identifies the people responsible for activities within his/her organization: engineers, installers, management, the designers, and so on. Functional managers will also be needed to coordinate employees' availability, financing to arrange procurement of resources needed for project completion, and senior management to report the status of the project work.

The project manager will also work and communicate with government officials for approval of the design, change requests, and overall schedule of the project. There will be landscaping questions, safety issues, and other concerns that arise as the project progresses.

Finally, the project manager is likely to communicate with stakeholders who are not internal to the organization—for example, the people who live in the community and enjoy the park, and various government officials. To ensure it satisfies the community's needs, these stakeholders will need to be involved in the planning and design of the park.

As you can see, organizational planning can involve both internal and external stakeholders. In most projects, organizational planning occurs early in the project planning phase—but it should be reviewed and adjusted as the environment changes. Organizational planning is all about ensuring that the project performs properly in the environment in which it is working.

Identifying the Project Interfaces

Project interfaces are the people and groups with whom the project manager and the project team will work to complete the project. There are three types of interfaces:

- **Organizational interfaces:** These are the personnel within the performing organization with whom the project team will work to complete the project work. For example, a project to install a centralized, real-time database for customer orders and manufacturing will require the involvement of the Sales, Finance, Manufacturing, and Information Technology organizational units. The different organizational units may all be involved throughout the project life; alternatively, their level of involvement may fluctuate depending on the project needs.
- **Technical interfaces:** The technical interfaces describe the relationship between the project and the technical disciplines' input in the project. Consider a project to create a new building. The technical interfaces would include architects, mechanical engineers, structural engineers, and others. These interfaces would be involved throughout the project phases—and also between project phases for inspections, change requests, and so on.
- **Interpersonal Interfaces:** Interpersonal interfaces describe the reporting relationships among the people working on the project. Depending on the nature of the project and the information to be shared, the communication may be informal, such as a hallway meeting, or formal, such as a variance report. We will discuss formal and informal communications in the next module.

Identifying the Staffing Requirements

Every project needs people to complete the work. Staffing requirements are the identified roles needed on a project to complete the assigned work. For example, a project to install a new telephone system throughout a campus would require a menagerie of workers with varying skill sets: hardware and software 'gurus', telephony experts, electricians, installers, and others. The identified staff would be

taken from the resource pool. Any skills gaps would need to be addressed through staff acquisition, additional training, or procurement.

Identifying the Project Constraints

In terms of human resource constraints, the project manager will deal with any factors that limit options for project completion. This is where creativity comes into play: the project manager must find a way to creatively acquire, schedule, or train the required resources to complete the project. Common constraints include the following:

- **Organizational structure:** Recall the organizational structures: functional, strong matrix, weak matrix, balanced matrix, and projectized. The project manager's authority in the organization is relevant to the organizational structure in which he/she is required to work.
- **Collective bargaining agreements:** A constraint on the project may be the contractual agreements between employee groups, unions, or other labour organizations. There may be additional reporting relationships on the project status, work, and performance of project team members in such situations.
- **Procurement:** When a particular qualification, skill, or person is requested as part of the project requirement, this requirement becomes a constraint on the project.
- **Project Management Preferences:** If a project manager has previously been successful in the organization and in his/her management of a project team, he/she will probably want to recreate that success by following the same model in the future. Successful historical projects should be emulated by current projects.
- **Staffing:** The assignments to activities are created based on the competencies and talent of the project team. Workflow, project organization, and scheduling are often dependent on the abilities of the project team.

Completing Organizational Planning

Organizational planning requires the project manager to consider the requirements of the project and the stakeholders involved and to work out how the project manager and the project team should interact with the stakeholders depending on the nature of the project. Additionally, the project manager has to consider the project team itself and how the team will be managed, led, and motivated to complete the project work according to plan. Identifying and planning for the constraints and opportunities brought about by the nature of the project work is the goal of organizational planning. It also caters for the demands of the performing organization and stakeholders, and the team's competence. Many books have been written on organizational planning, theory, and project team motivation.

Relying on Templates

All projects are somewhat different, but some may resemble historical projects. This resemblance allows the project manager to use proven plans as templates for current projects. Specifically, in the light of organizational planning, the project manager might use the roles and responsibility matrixes and the reporting structures of historical projects as a model for the current project. As a heuristic, current projects should emulate successful historical projects.

Applying Human Resource Practices

The performing organization will probably have policies and procedures for the project manager to follow. The HR department should specify:

- Job responsibilities
- The project manager's role and autonomy
- Policies regarding project team member discipline
- The definitions of customized organizational terms such as coach, mentor, or champion
- Reporting structures

Relating to Organizational Theories

There are many different organizational theories upon which a project manager might rely to guide the project team, identify weakness and strengths, and move the project forward.

Herzberg's Theory of Motivation

According to Frederick Herzberg, a psychologist and authority on the motivation of work, there are two catalysts for success with people:

1. Motivating agents are the elements that motivate people to excel. They include responsibility, recognition, the chance to excel, education, appreciation of work, and other opportunities associated with work other than financial rewards.

2. Hygiene agents are elements expected by all workers: clean and safe working conditions, a sense of belonging, job security, a paycheck, civil working relationships, and other basic attributes associated with employment.

This theory states that the presence of hygiene factors will not motivate people to perform, as these are expected attributes. However, the absence of these elements will demotivate performance. For people to excel, motivating factors must be present.

Maslow's Hierarchy of Needs

According to Maslow, people work to take care of a hierarchy of needs. Self-actualization is the pinnacle of their needs. People want to contribute, prove their work, and use their skills and ability.

Maslow's five layers of needs, from the bottom up, are as follows:

1. **Physiological:** The necessities to live: air, water, food, clothing, and shelter.
2. **Social:** People are social creatures and need love, approval, and friends.
3. **Esteem:** People strive for the respect, appreciation, and approval of others.
4. **Safety:** People need safety and security; this can include stability in life, work, and culture.
5. **Self-actualization:** At the pinnacle of needs, people seek personal growth, knowledge, and fulfillment.

McGregor's Theory of X and Y

McGregor's Theory states that management believes there are two types of workers, good and bad.

1. X is bad. These people need to be watched all the time, micromanaged, and distrusted. X people avoid work and responsibility, and have no ability to achieve.
2. Y is good. These people are self-led and motivated, and they can accomplish new tasks proactively.

Expectancy Theory

Expectancy Theory states that people will behave based on what they expect as a result of their behaviour. This means that people will work in relation to the expected reward for the work. They will work to receive the reward if the attractiveness of the reward is desirable to them. In other words, people expect to be rewarded for their effort.

Ouchi's Theory Z

William Ouchi's Theory Z is based on the participative management style of the Japanese. It states that workers are motivated by a sense of opportunity, advancement, and commitment. Workers in an organization subscribing to Theory Z learn the business by moving up through the ranks of the company. The idea of "lifetime employment" is credited to Ouchi's Theory Z. Until they retire, workers will stay with one company because they are dedicated to the company, which is in turn dedicated to them.

Completing Stakeholder Analysis

The project manager must make all efforts to identify all of the project stakeholders. Stakeholder analysis is the process of

- Identifying the project stakeholders
- Identifying stakeholders' ability to contribute to the project
- Prioritizing stakeholder demands for project completion
- Creating a communications methodology to gather and disperse information to the appropriate stakeholders when needed.
- Identifying and documenting stakeholders' needs and concerns for the project

Organizational Planning Results

Organizational planning is part of the overall planning processes; therefore it, too, is iterative. To ensure completeness and accuracy, the outputs of organizational planning should be reviewed periodically throughout the project. Should events, people, or stakeholders change throughout the project, the following outputs of organizational planning should be updated to reflect the changes.

Creating the Role and Responsibility Assignments

There are strict definitions of roles and responsibility:

- **Role:** Who does what
- **Responsibility:** Who decides what

The actions that the project manager, project team member, or individual contributor will take in the project are determined by the assignment of the roles and responsibilities. Roles and responsibilities generally support the project scope since this is the required work of the project.

Creating a Staffing Management Plan

How project team members will be brought into the project and excused from it is detailed by the staffing management plan. This subsidiary plan documents the process the project manager is expected to complete to bring new project team members on board based on the conditions of the project.

For example, a project may require an application developer in its third phase. The project manager may have to complete a job description stating what the application developer will be responsible for, how long the role is needed in the project, and how his/her time will be used. HR or other functional managers may have to approve the request.

Each performing organization will probably have policies and procedures that should be documented and followed in order to bring resources to the project team. In addition, the organization may have similar ways of excusing project team members from a project once their contribution has been completed.

Management may elect to delay the launch of a project depending on the requirement for resources and the conflict with business cycles or other projects with higher priorities within the organization. The staffing management plan should

- Detail how project team members are brought into and released from the project
- Use employees as needed
- Remove or reduce worries about employment by communicating the expected need for resources
- Account for employees' time on the project

Creating an Organizational Chart

An organizational chart can help the project manager and the project teams identify the reporting relationships among the project team, management, and other key stakeholders. The organizational chart can help the project manager identify the relationships between team members and contributors in a smaller project. Organizational charts can also identify what communication protocols are used in a large project. An organizational breakdown structure (OBS) is also an organizational chart. This tool, however, identifies the organizational units or departments and the work packages for which they are responsible within the project.

The details that influence project decisions should be documented. These supporting details allow the project manager and management to reflect on why decisions were made. Supporting details may include the following:

- **Job descriptions:** These position descriptions define the job requirements, authority, responsibilities, and other details about the positions within the project team.
- **Organizational impact:** The project manager should identify the reasoning behind the decisions that were made. If alternatives were identified, the project manager should explain specifically why the alternatives were not selected in lieu of the plans that were created. Should management need to know the rationale behind the project manager's decisions later in the project, this information may prove valuable.
- **Training needs:** If the project team needs training in any area to complete the required work of the project scope, the project manager should identify and document the needs of the project team. Information on the type of training needed, modality, the cost, and rationale for the choice of training should be included in this documentation.

Managing Staff Acquisitions

Have you ever managed a project where the required resources were unavailable? Or have you managed a project where the resources assigned to you were not the best resources to complete the project work? The process of obtaining the necessary resources for the project team to complete the project work is called Staff Acquisition. It focuses on working within the policies and procedures of the performing organization to obtain the required resources to complete the project work. Communication, negotiation, and political savvy are key to obtaining the desired resources for the project team.

Referring to the Staffing Management Plan

The project manager will rely on the staffing management plan as an input to acquiring project team members. The staffing management plan details how project team members will be brought into the project and excused from the project as conditions within the project demand. The staffing management plan is a subsidiary plan that documents the staffing requirements of the project.

Examining the Staffing Pool

The project manager has little or no say on the project team assignments in some organizations. In other organizations, project managers have the ability to recruit, or at least influence, the project team assignments. The project manager should ask questions about the following:

- **Experience:**What is the experience of the project team members? Have they done similar work in the past—and have they done it well?
- **Characteristics:**How will the individual team member work with other project team members?
- **Availability:**Will the project team members desired for the project be available? Project managers should confer with functional managers on the availability of potential team members.
- **Knowledge:**What is the competency and proficiency of the available project team members?
- **Interest level:**Are the project team members interested in working on this project?

Acquiring the Necessary Staff

A project needs a project team. Their competency, experience and availability will directly influence the success of the project. Armed with this notion, the project manager merely relies on a few different tools and techniques to obtain the required project team resources.

Recruiting Project Team Members

The project manager has to follow the rules of the organizations involved in the project. For example, an organization may forbid a project manager from approaching a worker directly to discuss their availability and desire to work on a project. The project manager may instead have to speak with the employee's functional manager to obtain the resource.

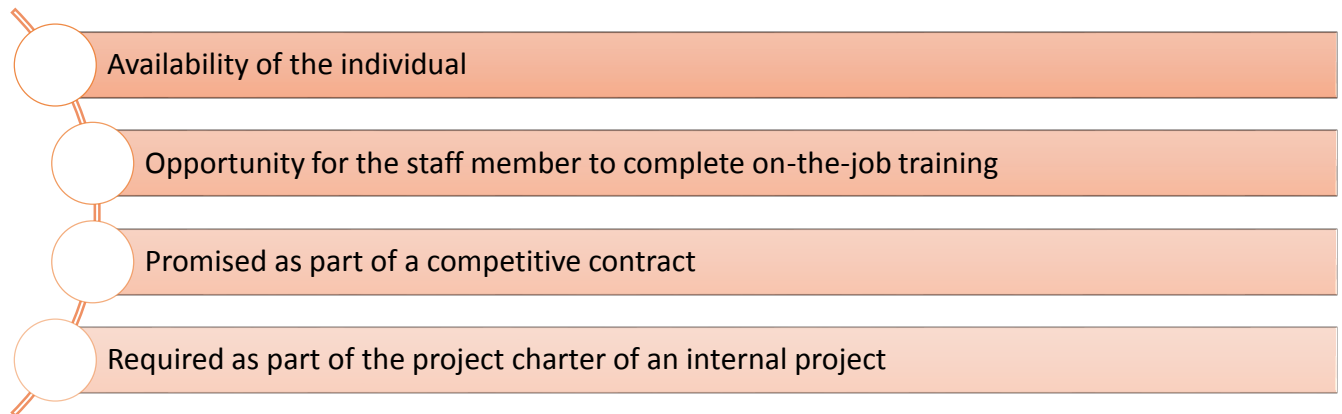
Negotiating for Resources

Most projects require the project manager to negotiate for resources. The project manager will have to negotiate with functional managers to obtain the necessary resources to complete the project work. The functional managers and the project manager may struggle over an employee's time due to demands of on-going operations, other projects, and effective utilization of resources. In other instances, functional managers may want to assign under-utilized resources on projects to account for their employee's time.

In order to share required resources among projects, project managers may also have to negotiate with other project managers. To ensure that both/all projects are completed successfully, the scheduling of the required resources between the project teams will need to be coordinated. An organization's politics certainly come into play with staff acquisitions. Functional managers may want project managers to carry extra resources on the project in exchange for key personnel, added deliverables to the project, or other "favours" for the manager.

Working with Pre-assigned Staff

Project team members are often pre-assigned to a project for a number of reasons:



Whatever the reasoning behind the assignment of the staff to the project, the project manager should evaluate the project team for skills gaps, expectations of the project team members, and their availability to complete the project work. Any discrepancies between the requirements of the project work and the project team's ability to complete the work must be addressed by the project manager.

Procuring Staff

In some situations, the project manager may have no alternative but to procure the project team or individuals to complete the project work. In regard to project team procurement, reasons why the project manager might use this alternative include, but are not limited to, the following:

- The performing organization lacks the internal resources with the required skills to complete the project work.
- The project team members are present within the organization, but they are not available for the current project.
- The project team members are present within the organization, but they cannot complete the necessary work due to other project assignments.
- It is more cost-effective to procure people for the work.

Assembling the Project Team

Congratulations! The project team has been recruited or assigned to the project. After the project team has been assembled, the project manager can continue planning, assigning activities, and managing the project progression. Project team members can be assigned to the project on a full- or part-time basis depending on the project conditions. A project team directory should be assembled once the project team is built. The project team directory should include:

The project team members' names	
Phone numbers	
Mailing addresses if non-collocated	
Contact information for key stakeholders	
E-mail addresses	
Any other relevant contact information for each team member, such as photos, web addresses, and so on.	

Developing the Project Team

Throughout the project, the project manager will have to work to develop the project team. The project manager may have to develop the ability of the individual team members to enable them to complete their assignments. The project manager will also have to work to develop the project team as a whole in order that the team might work together to complete the project.

The project team members are accountable to the project manager and their functional managers in matrix organizations. The development of the project team may prove challenging since the project team members may feel pulled between multiple bosses. The project manager must strive to involve and develop the project team members as individuals completing project work—and as team members completing the project objectives together.

Preparing to Develop the Project Team

The project manager will rely on several pieces of information to prepare for team development:

- **Project plan:**The project plan defines the expectations of the project team, how the team will operate, and how the team will be expected to communicate, function, and perform.
- **Staff assignments:**The assignments of the project team members define the skills of the project team members, their need for development, and their ability to complete the project work as individuals, and as part of the collective team.
- **Performance reports:** As the project team completes work, performance reports will reflect on the quality, timeliness, and success of the project team.
- **Staffing management plan:**Recall that the staffing management plan details how project team members will be brought into the project and excused from it.
- **External Feedback:**When project team members encounter problems, stakeholders are often happy to tell the project manager. In some instances, the project manager must query stakeholders and organizational interfaces on the performance of the project team members.

Leading Project Team Development

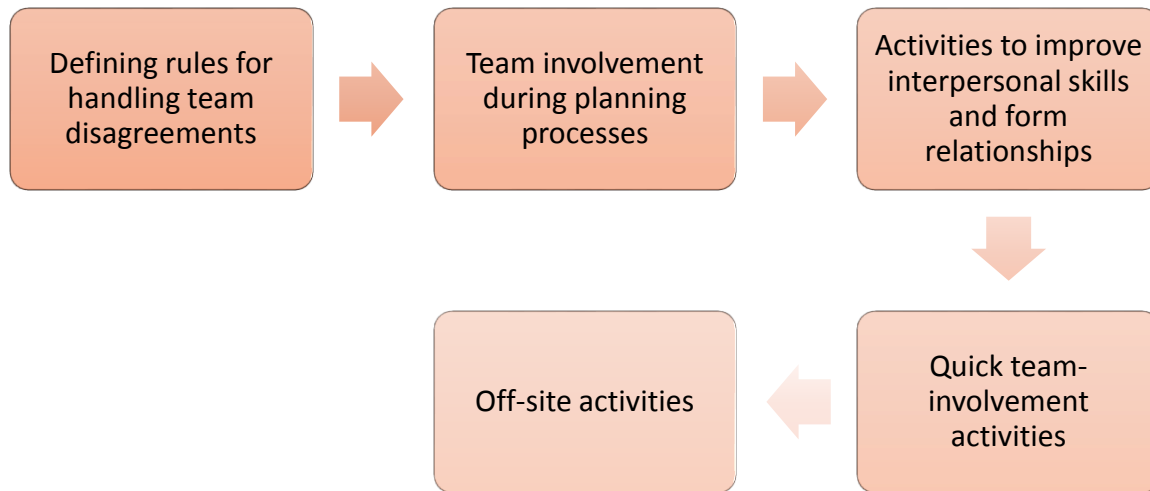
It can be difficult for a group of strangers to come together, form relationships, and immediately create a successful project, due to the temporary and short-term nature of most projects. Team development is the guidance, direction, and leadership offered by the project manager to influence a project team.

The project managers are the power on the project team. While there may be some resistance among the project team to cooperating with the project manager, completing assigned duties, or participating as requested, the project team should realize that the project manager is the project authority. The project manager wields five types of power:

- **Formal:**The project manager has been assigned by senior management and is in charge of the project. This is also known as positional power.
- **Coercive:**The project manager has the authority to discipline the project team members. This is also known as “penalty power.” When the team is afraid of the project manager, this power is coercive.
- **Expert:**The authority of the project manager comes from his/her experience with the technology on which the project is focused.
- **Reward:**The project manager has the authority to reward the project team.
- **Referent:**The project team members know the project manager personally. It may also mean that the project manager refers to the person who assigned him to the position—for example, “The CEO assigned me to this position so we’ll do it this way.” This power may also mean that the project team wants to work on the project or with the project manager due to the high priority and impact of the project.

Creating Team-Building Activities

Team-building activities are approaches to developing the team through facilitated events. Events can include:



Dealing with Team Disagreements

In most projects, there will be instances when the project team, management, and other stakeholders disagree on the decisions, proposed solutions, and progress within the project. It is essential for the project manager to keep calm, lead, and direct the parties to a sensible solution that is best for the project. Here are seven possible causes of conflict, in order from the most common to the least common:

- Schedules
- Priorities
- Resources
- Technical beliefs
- Administrative policies and procedures
- Project costs
- Personalities

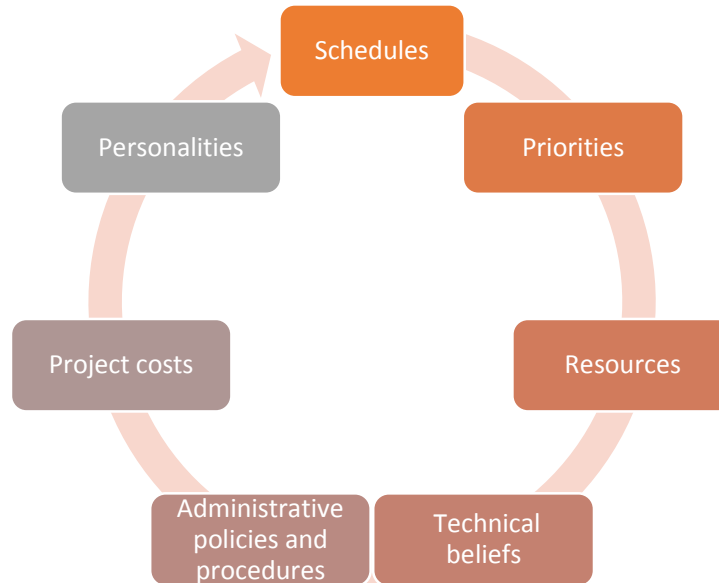


Fig. 1.2

Hence, how might a project manager deal with all the potential for strife in a project? There are five different approaches to conflict resolution:

Problem-solving: This approach is the preferred method of conflict resolution, which confronts the problem head-on. You may see this approach as “confronting” rather than problem-solving. Problem-solving calls for additional research to find the best solution for the problem, and it should be a win-win solution. It also serves to build relationships and trust. It should be used if there is time to work through and resolve the issue.

Compromising: This approach requires both parties to concede something. The final decision is a blend of both sides of the argument. It is considered a lose-lose solution because neither party really wins. This approach can also be used to avoid a conflict. The project manager can use this approach when the relationships are equal and no one can truly “win.”

Forcing: The person with the power makes the decision. The decision made may not be the best decision for the project, but it is fast. As expected, this autocratic approach does little for team development and is a win-lose solution. It is used when the stakes are high and time is of the essence, or if relationships are not important.

Smoothing: Smoothing “smooths” out the conflict by minimizing the perceived size of the problem. It is a temporary solution but can calm team relations and boisterous discussions. The project manager can use smoothing to emphasize areas of agreement between disagreeing stakeholders and thus minimize areas of conflict. It is used to maintain relationships and in situations where the issue is not critical. Smoothing may be acceptable when time is of the essence or when any of the proposed solutions will not currently settle the problem. This can be considered a lose-lose situation since no one really wins in the longterm.

Withdrawal: This is the worst conflict resolution approach since one side of the argument walks away from the problem, usually in disgust. The conflict is not resolved and it is considered a yield-lose solution. The approach can be used, however, as a cooling-off period, or when the issue is not critical.

Relying on General Management Skills

Part of project management relies on general management skills. Specifically, the project manager relies on the following:

- **Leading:** Leading is the art of establishing direction, aligning people, and motivating the project team to complete the project work.
- **Problem-solving:** Project managers must have the ability to confront and solve problems.
- **Influence:** Project managers use their influence to get things done.
- **Communicating:** Good project managers are good communicators. Remember, half of communicating is listening.
- **Negotiating:** Project managers will probably negotiate for scope, cost, terms, assignment, and resources.

Rewarding the Project Team

A reward and recognition system encourages, emphasizes, and promotes good performance and behaviour by the project team. The reward and recognition system should be a formal, achievable approach for the project team to perform and be rewarded for their outstanding performance. The project team should be rewarded for good work and not for bad. For example, a project team should not be rewarded for completing a crucial assignment on schedule if the work is unacceptable due to quality issues.

The relationship between the power to achieve and the requirements for the reward should not be limited. In other words, if the project manager is rewarded for completing a project by a given date, he/she needs the autonomy to schedule resources and make decisions to ensure that the goal is achievable.

Finally, the culture in which the project is taking place should also be considered. It may be inappropriate to reward individual team members over an entire group, or vice versa. The project manager should be aware of the cultural differences and operate within the customs and practices of the environment to reward the project team without causing offence.

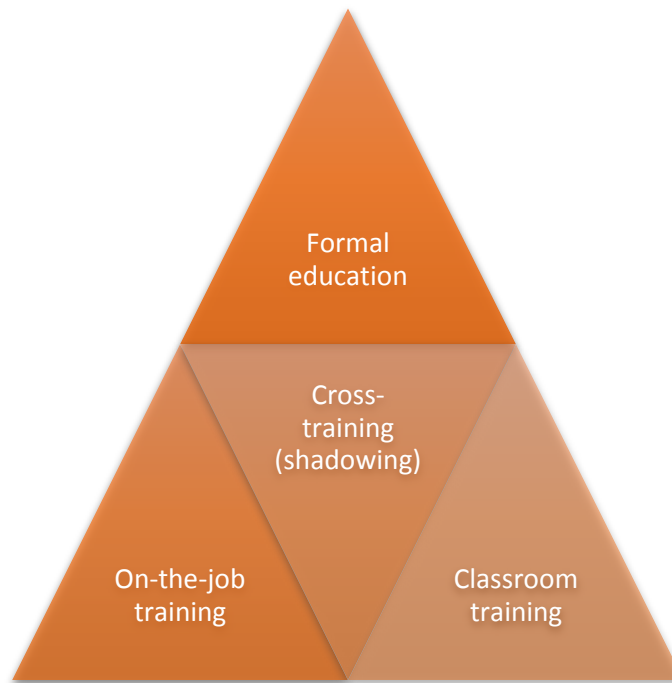
Dealing with Team Locales

Teams that work geographically close together to improve team dynamics and team relations are called Collocated Teams. It may be particularly valuable to bring all of the project team members together to a central location to work collectively on the project, especially on large projects. A project headquarters or 'war room' may be ideal.

When collocation is not feasible, the project manager must attempt to bring the project team together for team interaction, face-to-face meetings, and other avenues of communication to bolster relations.

Training the Project Team

The project team may require training to function as a project team, complete the project work, or participate in management skills such as finance or formal communications. Training can include:



Examining On-going Team Development

Team development is an on-going process. The primary goal of team development is to improve project team performance. Optimum team performance does not occur on the first day of the project, but it should do so well before the final day of the project. Improvements may include the following:

- **Individuals:** These improvements to individual skill sets may allow the individual to complete his/her assigned work better, faster, or with more confidence.
- **Team:** These improvements to the project team may allow the team to perform with a focus on technical requirements, project work, and working together (in harmony) to complete the project work.
- **Individuals and team:** These improvements to either team members or the project team as a whole may enhance the project. This is achieved by finding better ways of completing the project work. Input to performance reviews of the project team members is another result of team development. If all goes well, the project manager will be able to report successful, willing, and

cooperative team members. Honesty is paramount in reporting the performance of project team members.

Further Reading:

- ✓ *John Rodney Turner, Martina Huemann, Anne E. Keegan, (2008), Human Resource Management in the Project-Oriented Organization*
- ✓ *Karin Bredin, Jonas Söderlund, (2011), Human Resource Management in Project-Based Organizations: The HR Quadriad Framework*