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Key Skills of the Project Manager

LEARNING OBJECTIVES

1. Compare project management and operations management.
2. Identify necessary leadership skills required of a project manager.

Often the difference between the project that succeeds and the project that fails is the leadership of the project manager. Each project team is a group of individuals who needs motivation and coordination. Planning is vital, but the ability to adapt to changes and work with people to overcome challenges is just as necessary. A project manager must master the skills that are necessary to be successful in this environment. The unique and temporary nature of projects creates a work environment that mandates a different management approach from that used by an operations manager.

Operations Managers

One way to improve understanding of project management is to contrast project management with operations management. All
operations managers are charged with efficiently and effectively achieving the purpose of the organization. Typically, managers of economic organizations focus on maximizing profits and stockholder value; leaders of socio-religious organizations focus on effective and efficient delivery of a service to a community or constituency; and governmental managers are focused on meeting goals established by government leaders. For our purposes, each of these managers would be deemed the “operations manager”.

More effective work processes will produce a better product or service, and a more efficient work process will reduce costs. Operations managers analyze work processes and explore opportunities to make improvements. Operations managers are process focused, oriented toward capturing and standardizing improvement to work processes and creating an organizational culture focused on the long-term goals of the organization. Often, specific projects are undertaken to improve their overall operational processes.

Operations managers create a culture which focuses on the long-term health of the organization and build teams over time to standardize and improve work processes. They search for and nurture team members who will “fit in” and that contribute to both the effectiveness of the team and the team culture. Operations managers are long-term focused and oriented toward continuous improvement of existing processes over longer periods of time.

An operations manager may invest $10,000 to improve a work process that saves $3,000 a year. Over a five-year period, the operations manager improved the profitability of the operations by $5,000 and will continue to save $3,000 every year. The project manager of a one-year project could not generate the savings to justify this kind of process improvement and would not invest resources to explore this type of savings. However, the project manager might head the $10,000 project that the operations manager solicited to improve the
Project Managers

*Project managers* focus on the goals of the project. Project success is connected to achieving the project goals within the project timeline. Project managers apply project management tools and techniques to clearly define the project goals, develop an execution plan to meet those goals, and meet the milestones and end date of the project. A project manager needs a different set of skills to both define and successfully execute projects. Because projects are temporary, they have a defined beginning and end. Project managers must manage start-up activities and project closeout activities. The processes for developing teams, organizing work, and establishing priorities require a different set of knowledge and skills because members of the project management team recognize that it is temporary.

Project managers create a team that is goal focused and energized around the success of the project. Project team members know that the project assignment is temporary because the project, by definition, is temporary. Project team members are often members of organizational teams that have a larger potential to affect long-term advancement potential. They seldom report directly to the project manager and the effect of success or failure of the project might not affect their reputations or careers the same way that the success or failure of one of their other job responsibilities would. Therefore, project managers create clear goals and clear expectations for team members and tie project success to the overall success of the organization. Project managers are goal directed and milestone oriented.
While there are many skills needed by a project manager that are the same as an operations manager, because project managers generally operate in an environment that is more time sensitive and goal driven, the successful project manager requires additional knowledge, skills, and abilities.

Albert Einsiedel\(^1\) discussed leader-sensitive projects and defined five characteristics of an effective project leader. These characteristics were chosen based on some assumptions about projects. These characteristics include the project environment, which is often a matrix organization that results in role ambiguity, role conflict, and role erosion. The project environment is often a fluid environment where decisions are made with little information. In this environment,
the five characteristics of an effective project leader include the following:

- **Credibility** – the project manager is coming into an established organization and must have a reputation or presence of credibility to receive the respect and support of the client and team.
- **Creativity as a problem solver** – projects are never “business as usual”.
- **Tolerance for ambiguity** – a project manager can often be unfamiliar with the kind of work the client does and needs to be able to adapt and move the project forward, even if all aspects of the company aren’t understood perfectly.
- **Flexible management style** – a project manager is constantly dealing with new people and environments and must adjust accordingly. They do not have the luxury of an established rapport with their project associates.
- **Effective communicating** – because of the ambiguous nature of projects, good communication skills are crucial in understanding what is expected by the client and being able to convey that vision to the project team.

Hans Thamhain\(^2\) researched the training of project managers and, based on the finding, created a taxonomy wherein the qualities of a project manager are categorized into the following three areas:

- **Interpersonal skills**. These skills include providing direction, communicating, assisting with problem solving, and dealing effectively with people without having authority.
- **Technical expertise**. Technical knowledge gives the project manager the creditability to provide leadership on a technically based project, the ability to understand important aspects of the project, and the ability to communicate in the language of the technicians.
- **Administrative skills**. These skills include planning, organizing,
Traditionally, the project manager has been trained in skills such as developing and managing the project scope, estimating, scheduling, decision making, and team building. Although the level of skills needed by the project manager depends largely on the complexity of the project, the people skills of the project manager are increasingly more important. The skills to build a high-performing team, manage client expectations, and develop a clear vision of project success are the type of skills needed by project managers on more complex projects. “To say Joe is a good project manager except he lacks good people skills is like saying he’s a good electrical engineer but doesn’t really understand electricity.”

KEY TAKEAWAYS

- Operations managers are long-term focused and process oriented. Project managers are goal directed and milestone oriented.
- Project managers need the same skills as an operations manager, such as good communication, team building, planning, expediting, and political sensitivity.
- Project managers need additional skills in establishing credibility, creative problem solving, tolerance for ambiguity, flexible management, and very good people skills.


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