

# Contents

## Part I Engineer-to-order Projects

<b>1 The Project Management Process</b> .....	1
1.1 Project Management: A Process-Based Approach .....	3
1.2 Operations Management and Project Management .....	7
1.3 Types of Projects .....	10
1.4 Managing Innovation .....	10
<b>2 Management of Contract Work</b> .....	15
2.1 Legal Aspects and Contract Administration .....	15
2.2 Types of Contract Work .....	16
2.3 The Life Cycle of Contract Work Orders .....	19
2.4 The Organization of ETO Companies .....	22
2.5 From Engineering to Manufacturing .....	24
<b>3 Product Design</b> .....	29
3.1 Delivering a New Product .....	29
3.2 The Stages of NPD .....	30
3.3 Managing NPD .....	33
3.4 Platform Management .....	36
<b>4 Service Design</b> .....	41
4.1 The Quality of Service .....	41
4.2 Designing Service Content .....	43
4.3 Designing Service Delivery .....	44
4.4 Process-Based Service Improvement .....	46

## Part II Managing Project Variables

<b>5</b>	<b>Managing a Project .....</b>	<b>51</b>
5.1	Breakdown Structures .....	51
5.2	Project Planning and Control .....	57
5.3	Project Risk Management .....	58
5.4	Managing a Project Portfolio .....	62
<b>6</b>	<b>Project Strategy Management.....</b>	<b>65</b>
6.1	Strategic Planning.....	65
6.2	Project Management Strategies.....	67
6.3	Project Management Performances.....	71
<b>7</b>	<b>Project Quality Management .....</b>	<b>77</b>
7.1	Designing with the Customers .....	77
7.2	Designing with the Suppliers .....	81
7.3	Design for Manufacturability .....	84
7.4	Reducing Variety.....	86
7.5	Simultaneous Engineering.....	92
7.6	Reverse Engineering.....	93
<b>8</b>	<b>Project Time Management.....</b>	<b>97</b>
8.1	Time Representation: Gantt Chart and Network Diagram .....	97
8.2	Network Techniques: CPM, MPM, PERT, GERT, VERT.....	101
8.3	CPM: Activity Scheduling and Float Analysis .....	103
<b>9</b>	<b>Project Organization and Resource Management .....</b>	<b>109</b>
9.1	Company-Wide Project Management .....	109
9.2	Organizational Structures for Project Management.....	110
9.3	The Role of the Project Manager .....	115
9.4	Definition of Responsibilities and Conflict Management.....	118
<b>10</b>	<b>Project Cost Management.....</b>	<b>121</b>
10.1	Types of Project Costs.....	121
10.2	Cost Estimating and Project Budget Calculation .....	122
10.3	Cost Budgeting: Budget Breakdown Structure, Baseline, Cost Accounts .....	125
10.4	Cost Control and Variance Analysis.....	129
10.5	Capital Budgeting: Analysis and Evaluation of an Investment Project .....	132
10.6	Project Financing.....	135

**Part III International Contracting**

<b>11 Project Initialization</b> .....	141
F. Cozzi	
11.1 The Commercial Phase.....	141
11.2 Offshore Technical Phase.....	153
11.3 Analysis of Commercial Offer .....	156
11.4 Technical Specification Analysis .....	160
11.5 Initial Planning .....	164
<b>12 Project Execution Phase</b> .....	177
F. Cozzi	
12.1 Project Manager Role.....	177
12.2 Project Monitoring .....	181
12.3 Onshore Phase .....	187
12.4 Contract Closing .....	195
<b>13 Project Risk Management</b> .....	199
F. Cozzi	
13.1 Risk Process .....	199
13.2 Risk Evaluation .....	202
13.3 Risk Monitoring .....	206
<b>14 Snapshots of PM: Pictures From PM World</b> .....	211
<b>References</b> .....	225