Preface to the First Edition

Project management has gained increasing attention from various industries recently. I am involved in a large number of training programs and consultancies to illustrate my opinions and researches about project management. As my opinions are acknowledged by lots of project management practitioners, they encourage me to write a book for them. Therefore, this book is written for them in the first place. Project managers are in general facing enormous pressure. I hope this book helps them find ways of relieving pressure and enjoy the achievability of successful project management. Moreover, I would be honored if this book could provide value to you.

Before I start writing this book, I have been thinking about what project managers need and what’s most valuable to them.

As effective project managers, they should have three fundamental competencies, including the competency of understanding project information, the competency of identifying and integrating project resources, and the competency of transforming conceptions into project deliverables. To possess the three competencies, project managers should have effective ways of project management thinking.

Many managers would like me to provide specific methods and tools of project management for them. However, in my opinion, the effective ways of project management thinking are more useful to project management practitioners. In fact, it is common that various project tools (e.g. Critical Path Management, Work Breakdown Structure, and Earned Value) are not applied in projects even though project managers have learned these tools. In worse cases, some project managers even have doubts about these tools. Why would project managers learn methods and tools which they do not employ and do not even trust? As each project is unique, the knowledge and expertise would ordinarily lose efficacy. It is useless to master the best tools and methods, when we do not know what we should do. Under such circumstance, only the effective ways of project management thinking could help us handle the changing environment and identify the principles of managing different projects.
This book covers main aspects of project management. Accordingly, key ways of thinking and action strategies are provided to manage various issues. To facilitate project managers’ reading and understanding, this book has a popular way of expression. Some fables and games abound in the text. In fact, this style of expression is welcomed by project managers attending my training sessions. And I hope you would enjoy it as well when you read this book.

There are 16 project management templates in the appendix; however, only when you understand how to apply project management thinking appropriately would these templates work.

It is not my intention to cover everything useful to project managers in this book. However, I hope everything covered in this book is useful to project managers. This is not a textbook or encyclopedia for project management, nor is it intended for those without any experience related to project management.

I would like to appreciate the following people for their contributions to this book.

The 7-year management consultant experience at CVIC SE helped me a lot to form my own ways of project management thinking. Many viewpoints of this book come from the process of facilitating project management in CVIC SE. Therefore, I would like to acknowledge Mr. Xinhai Jing (Chairman), Ms. Jianping Cheng (Vice Chairman) and other colleagues for their efforts to promote project management in the company.

Some ideas of this book are derived from my collaborative research with Professor Tiqin Zhang. It is not exaggerated that he has devoted himself to helping me accomplish this book. I learned a lot from his dedication to teaching and research as well as from caring colleagues.

Besides, a great deal of ideas of this book is derived from a large number of project management practitioners such as project managers, entrepreneurs, and researchers. In particular, I have learnt a lot of expertise and experience from project managers. It is definitely not a coincidence if some of the viewpoints or even ways of expression are derived from you. And do not be surprised if some of the viewpoints in this book are not in accordance with yours because it is normal that different people have different ideas about management after all. Anyway, I would like to acknowledge all the project managers and researchers who provided reference materials for this book.

My postgraduate students, Yanan Sun and Zongxing Wang, helped to compile my record materials on my training courses which are the foundation of completing this book. I would like to thank them for their endeavors.

In addition, I would like to acknowledge colleagues from the military electronic office of the PLA General Armament Department. They provided me with a comfortable workplace so that this book could be completed successfully.

My wife and my son provided irreplaceable support as well. At the same time, I would like to apologize to them for not sparing much time to accompany them. This book is dedicated to them too.
At last, I would like to acknowledge Ms. Shucha Chang. Without her passionate support, it would have taken much more time for this book to be published.

Wuyi Mountain Villa, Fujian
June 2004
The first edition of the book *Key Project Management Based on Effective Project Thinking* has been printed five times since it was published in 2004. It has been widely recognized by readers and was awarded the “Gold Medal Book” by China Machine Press in 2006, and its traditional Chinese version was published twice by Illinois International Press in Taiwan in the same year. The past decade witnessed a number of events such as Beijing Olympic Games, Shanghai World Expo, launch of Shenzhou spacecraft, Global financial crisis, Wenchuan earthquake, etc. From a professional perspective, both positive and negative changes provide opportunities for project management theories and practices, and these changes present significant challenges to researchers and practitioners in the field of project management. For me, the most direct task is to produce the second edition of the book.

Driven by demand as well as practitioners’ efforts, project management has gained growing attention on a global scale. Project management is widely applied in enterprises, public investment activities, and even in Chinese family plan departments and kindergartens. Some people even assert that “everything is a project” and “everything can be managed in a projectized way”. These brought both happiness and anxiety to me. On one hand, I am happy as a wider community eventually recognizes the value of project management; however, on the other hand, I am concerned as project management might become a vague and general concept sooner or later due to a lot of misleading reorganization. As a result, the true value of project management is undermined.

Some misunderstandings on project management do exist, which are the main reasons that the average success rate of projects has still remained around 30% during the past two decades. There are three aspects of these misunderstandings: perceptual aspect, organizational aspect, and methodological aspect. In terms of perception, people, especially decision makers, perceive that project management is the project manager’s business. The management of a project decision-making process and a project environment is largely overlooked. As a result, project managers have to take those responsibilities that they should not and are not able to
take. In many cases, project managers become the scapegoat of project failures. In terms of project organization, a common misunderstanding that exists is that project organizations are equal to project management teams, which lack in efforts to make stable departments to be outcome-oriented rather than function-oriented; role-oriented rather than position-oriented; process-oriented rather than functional structure-oriented. In addition, a project needs cooperation between various organizations/enterprises, which is largely overlooked. As a consequence, a narrow vision limited within the project team emerges, and it is difficult to find solutions to project problems. Misunderstandings regarding methodologies lie in that the current methodologies emphasize talent of people rather than systems, hard technologies rather than soft leadership, economics rather than management, etc. These misunderstandings lead to an imbalance between management science and management art.

To deal with these misunderstandings, this book is updated as follows:

1. Expanded the readers. The first edition of this book mainly catered to project managers while the second edition serves senior executives of enterprises and organizations. Accordingly, more contents are added on an understanding of enterprise itself, how to establish a beneficial environment for project management (e.g., project governance), how to make project decisions, and how to ensure the feasibility of a project with feasibility study. In particular, efforts were made to analyze why senior executives who do not trust management could work for their enterprises’ development and improvement. These contents were drawn from Executive Master of Business Administration (EMBA) and Executive Developing Program (EDP) classes at various universities such as Shandong University, Tsinghua University, Peking University, Hunan University, Dalian University of Technology, Shanghai Jiao Tong University, Southwest Jiao Tong University, Politecnico di Milano, Heriot-Watt University, and Macau University of Science and Technology, as well as interviews with a number of senior managers from enterprises and governmental agencies. As an Award Management Board member of International Project Management Association (IPMA) and a Team-Leader-Assessor (TLA) of its Project Excellence Award (PE Award), I visited many projects in different industries and different countries, learned a number of lessons from them and put these lessons in this book. They should provide valuable references for senior executives.

2. Supplemented the project life cycle. In the first edition, the project life cycle is covered from initiation to closure. Such a life cycle focuses on the duties of project managers rather than on aims of enterprises. In the second edition, contents of project decision-making and other top management responsibilities are added. The starting point of the project life cycle is expanded for exploring and acquiring business opportunities. Similarly, the project closure is expanded to the maximization of an enterprise’s profit through complementing the project and gaining project outputs (e.g., deliverables and knowledge). In other words, the second edition places greater focus on the life cycle of project management than that of a project in the first edition. As a result, projects are not independent of other operations
of the enterprise anymore and project management is therefore not isolated from functional management. These supplements can truly reflect real enterprise operations and can provide more useful references and proposals for project management practices.

(3) Made some additions to the scope of project management. The first edition is based on nine knowledge areas (Project Management Body of Knowledge, PMBoK) specified by the Project Management Institute (PMI). PMBoK basically aims at individual and independent projects and project managers are their responsibility takers. Such assumption is not much valid in real projects. The second edition addressed this issue by recognizing the background that multiple projects exist in the same enterprise and that—projects needs multiple enterprises to cooperate with each other. Some corresponding contents are added such as constructing the project governance infrastructure and the core competence of an enterprise. As a result, project management is integrated with enterprise management. These contents were derived from the project management practices of my team in diverse sectors and enterprises. This book attaches importance to illustrating the way of thinking for project management and critical success factors, while a number of specific and proved methods and tools are provided as well. I hope these supplemental contents would help readers to understand better the entire system of project management via the lens inside and outside of the project.

(4) Deleted the templates in the appendix in the first edition. I have emphasized in the first edition that the templates would not be beneficial to readers until the fundamental principles of this book are fully understood by them. However, many readers ignored my advice and used these templates without proper understanding of these principles, which is detrimental to the project management performance. Therefore, all those templates are removed from this edition.

(5) Updated the data and information. The world is changing rapidly. Some data and information presented in the first edition are not accurate or appropriate anymore. They are rectified in the new edition. Similar efforts will be made for future editions as well.

(6) Added postscript. This book has been adopted as a key reference for MBA, EMBA, CEO class, and Master of Project Management. A common question from students is how to put project management knowledge into practice effectively. Therefore, a postscript is added in this edition, which shows my professional experience of project management in research, teaching, and practices, and provides a guide on learning and developing project management theories.

Writing a book by typing one word after another is like bringing up a child. It seems a kid has become an adult suddenly when he will leave the parents, however, his growing up is actually under the parents’ care, one second by another. Ms. Shucha Chang is the accoucheuse of the first edition of this book, and without her encouragement this second edition would have taken much more time to be completed. I would like to acknowledge Dr. Tao Sun, Mr. Shukuan Zhao, Dr. Yueping Fa, Dr. Yanwei Wang, Dr. Xingzhi Liu, Dr. Hua Sun as well as my postgraduate students, Ning Zhang and Jin’An Wang. Your support to my teaching
and research was essential for me to write this book. I also acknowledge Prof. Antonio Calabrese from the Politecnico di Milano. My discussion with Prof. Antonio Calabrese forms the structure of this book. My gratitude is extended to all students enrolled in the Master of Strategic Project Management European (MSPME) at the Politecnico di Milano. They provided valuable writing topics and suggestions for this book during the class discussions. I also gained support from numerous enterprises, governmental agencies, universities, research institutes, and colleagues.

Some contents of this book were shown in the journal of Project Management Technology and other journals/magazines. These contents are systematically integrated into the structure of this book. Readers can also refer to my other book Project Governance: Achieving controllable innovations (published by the Publishing House of Electronics Industry in 2008) for more information.

This book is dedicated to my wife and my son. They are the motive power of my work. My wife has to look after the family matter apart from hard work at the workplace. She is the genuine effective project manager at home. My son was only five-years old during the first edition of this book. He is now 14-years old, and I wish this book could be used as a reference for his learning management. No matter which industry he is going to work for in the future, it is necessary for him to have a management, especially based on effective project thinking.

Have a happy reading.

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