Zürcher Hochschule
für Angewandte Wissenschaften

zh aw **School of Management and Law**

PM **Project Management**
Lesson 3 **Project Charter and Stakeholder Management / Disney case**

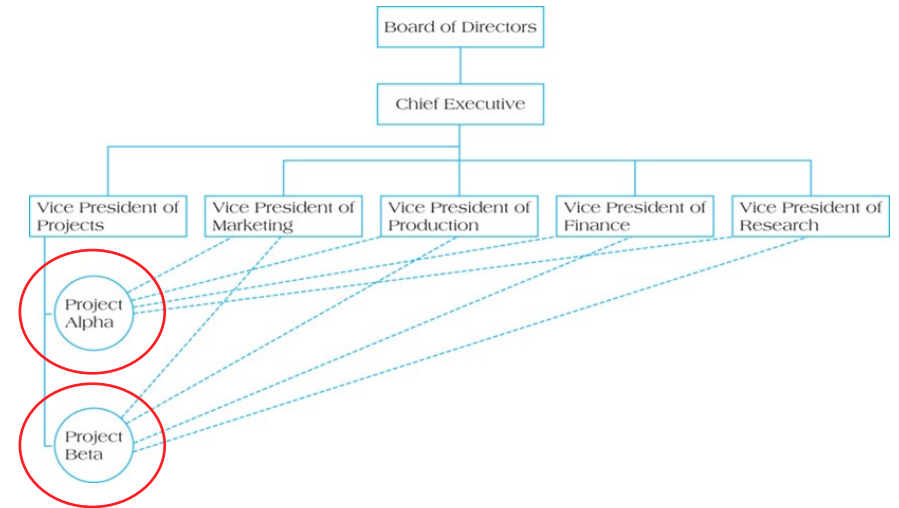**Christian Olivier Graf**
grac@zhaw.ch

October 2024

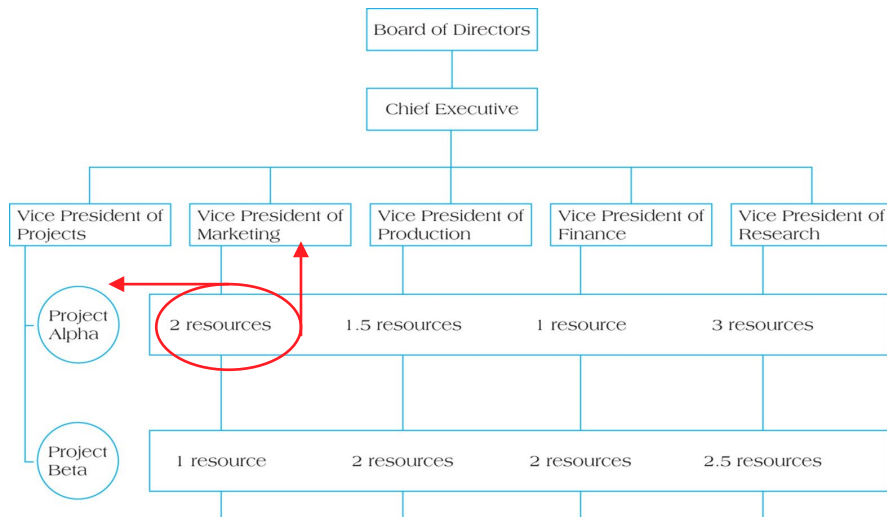# Repeat: Forms of Organization Structure

(1) Functional organizations
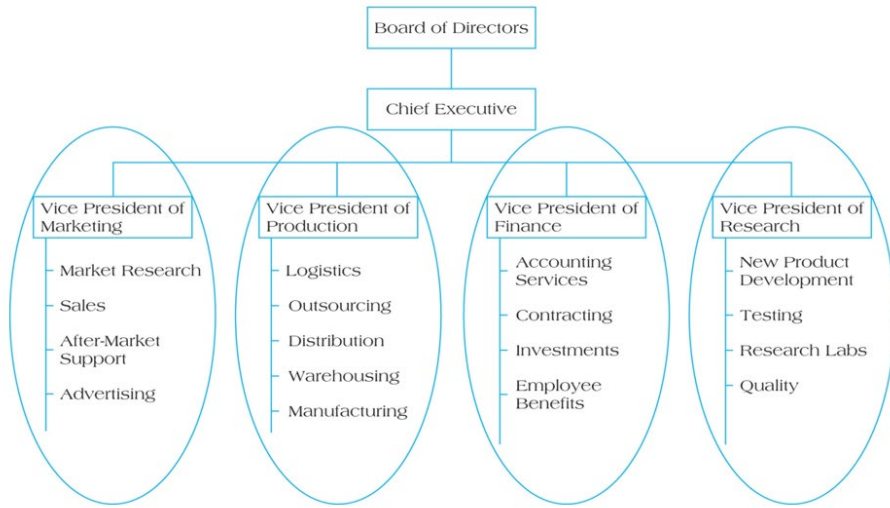
(2) Project Organizational Structure

(3) Matrix Organizational Structure

➢ The form of the organizational structure has a major impact on the project management of a company.

➢ Please reflect the pros and cons.

Repeat: Examples - Forms of Organization Structure

ZHAW

See Annual Reports

Nestlé

Organigramm ZHAW

Präsidentin des Fachhochschulrats
Regierungsrätin
Silvia Steiner

Rektor
Jean-Marc Piveteau

Hochschulleitung

Departement Angewandte Linguistik
Daniel Perrin
Direktor,
RL* Internationales
(bis August 2023)

Departement Angewandte Psychologie
Christoph Steinebach
Direktor

Departement Architektur, Gestaltung und Bauingenieurwesen
Oya Atalay Franck
Direktorin

Departement Gesundheit
Andreas Gerber-Grote
Direktor,
RL* Forschung & Entwicklung/
Dienstleistungen

Departement Life Sciences und Facility Management
Urs Hilber
Direktor,
Beauftragter Nachhaltige
Entwicklung

School of Engineering
Dirk Willhelm
Direktor,
RL* Internationales
(seit September 2023)

School of Management and Law
Reto Steiner
Direktor,
RL* Bildung

Departement Soziale Arbeit
Frank Wittmann
Direktor

Finanzen & Services
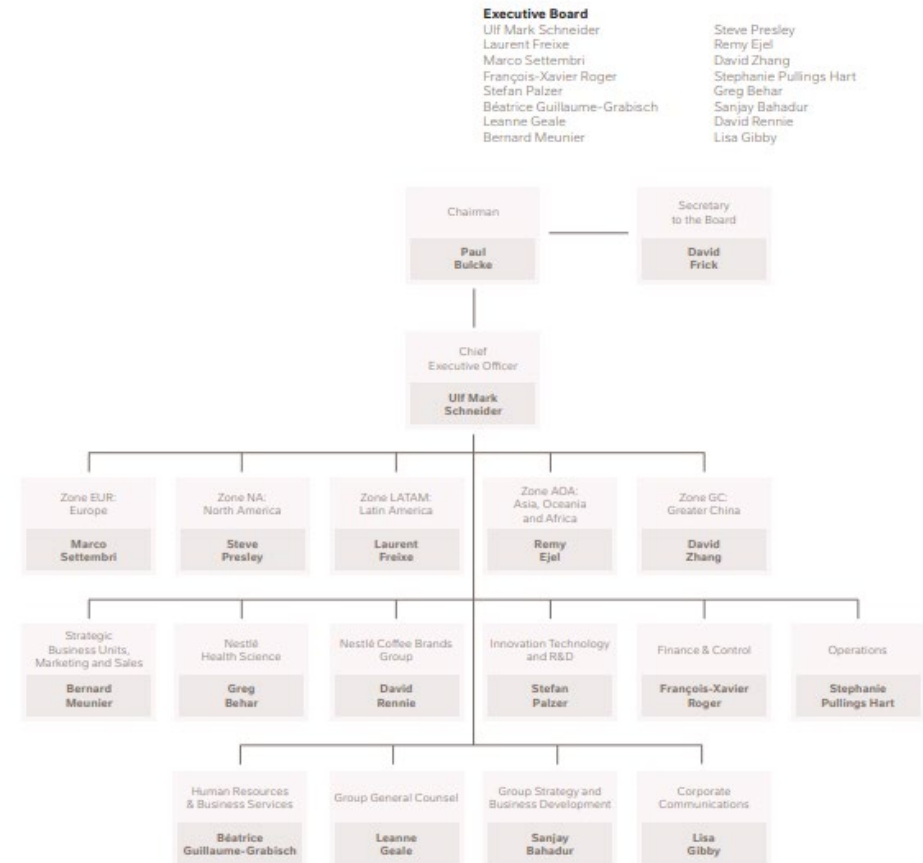Reto Schnellmann
Verwaltungsdirektor

Rektorat
Jean-Marc Piveteau
Rektor

General Organization of Nestlé S.A.
at December 31, 2023

Executive Board
Ulf Mark Schneider
Laurent Freixe
Marco Settembri
François-Xavier Roger
Stefan Palzer
Béatrice Guillaume-Grabisch
Leanne Geale
Bernard Meunier

Steve Presley
Remy Ejel
David Zhang
Stephanie Pullings Hart
Greg Behar
Sanjay Bahadur
David Rennie
Lisa Gibby

Chairman
Paul Bulcke

Secretary to the Board
David Frick

Chief Executive Officer
Ulf Mark Schneider

Zone EUR: Europe
Marco Settembri

Zone NA: North America
Steve Presley

Zone LATAM: Latin America
Laurent Freixe

Zone ADA: Asia, Oceania and Africa
Remy Ejel

Zone GC: Greater China
David Zhang

Strategic Business Units, Marketing and Sales
Bernard Meunier

Nestlé Health Science
Greg Behar

Nestlé Coffee Brands Group
David Rennie

Innovation Technology and R&D
Stefan Palzer

Finance & Control
François-Xavier Roger

Operations
Stephanie Pullings Hart

Human Resources & Business Services
Béatrice Guillaume-Grabisch

Group General Counsel
Leanne Geale

Group Strategy and Business Development
Sanjay Bahadur

Corporate Communications
Lisa Gibby

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Repeat: Project Management Offices (PMO)

Centralized units that oversee or improve the management of projects

Resource centers for:

- Technical details
- Expertise
- Repository
- Center for excellence

(1) **Weather station** – monitoring and tracking

(2) **Control tower** – project management is a skill to be protected and supported

(3) **Resource pool** – maintain and provide a cadre of skilled project professionals

Alternative Levels of Project Offices

https://www.pmi.org/learning/library/pmo-evolution-9645
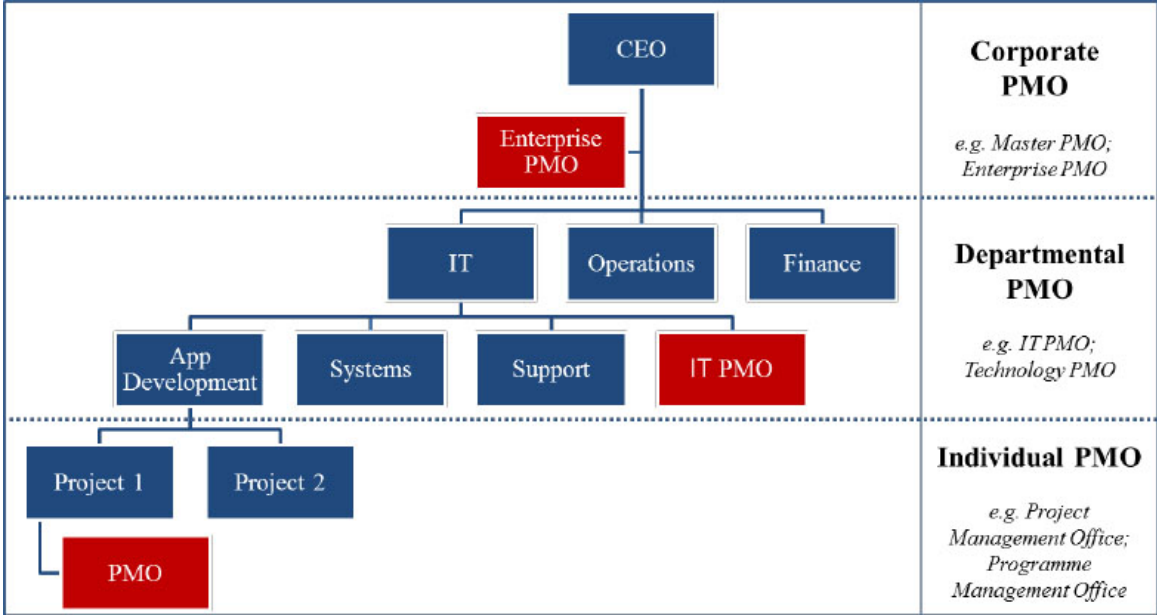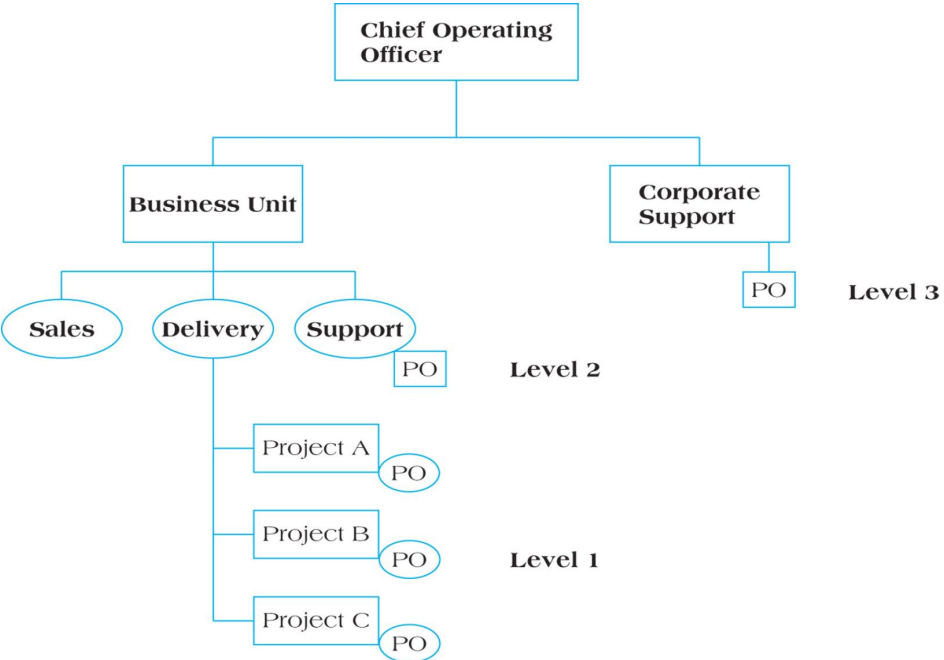
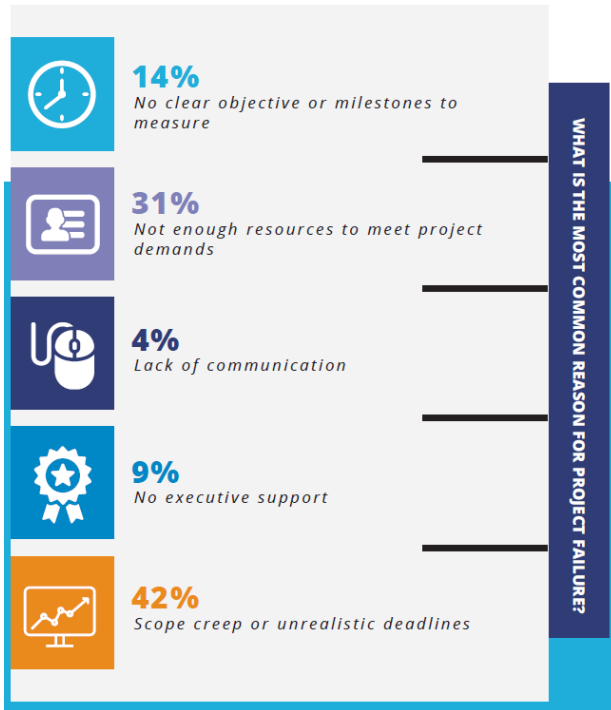# PMO events around the world in 2024

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PMO survey *(please see moodle)*

PRESENTED BY KEYEDIN

THE
PMO
OUTLOOK
REPORT

2022 EDITION

WHAT IS THE MOST COMMON REASON FOR PROJECT FAILURE?

- **14%** No clear objective or milestones to measure
- **31%** Not enough resources to meet project demands
- **4%** Lack of communication
- **9%** No executive support
- **42%** Scope creep or unrealistic deadlines

HOW DOES YOUR ORGANIZATION DEFINE PROJECT FAILURE?

- **14%** A PROJECT IS CANCELLED
- **19%** A PROJECT IS DELAYED OR OVER BUDGET
- **37%** STAKEHOLDERS ARE NOT SATISFIED WITH THE END RESULT
- **9%** PROFITABILITY GOALS WERE NOT ACHIEVED
- **9%** "SOFT" BENEFITS (USER FEEDBACK, IMPROVED EFFICIENCY, ETC.) HAVE NOT BEEN ACHIEVED
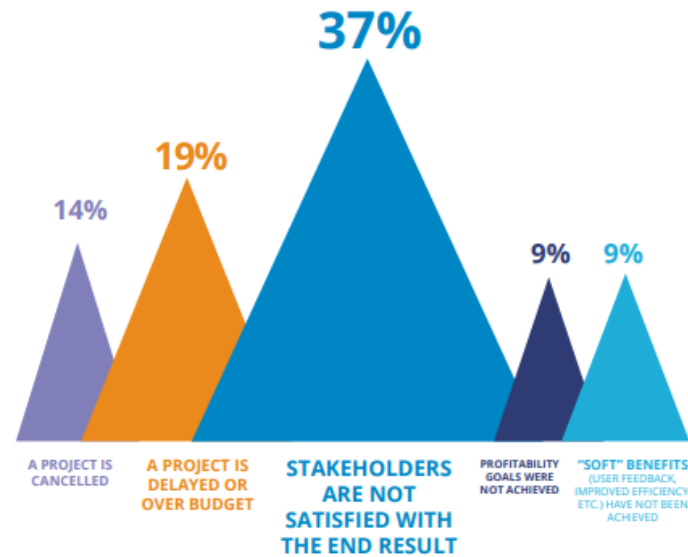
HOW WELL ALIGNED ARE YOUR PROJECTS AND RESOURCES TO STRATEGIC BUSINESS PRIORITIES?

- **6%** NOT AT ALL ALIGNED
- **13%** NOT VERY ALIGNED
- **58%** SOMEWHAT ALIGNED
- **23%** VERY WELL ALIGNED
- **0%** PERFECTLY ALIGNED
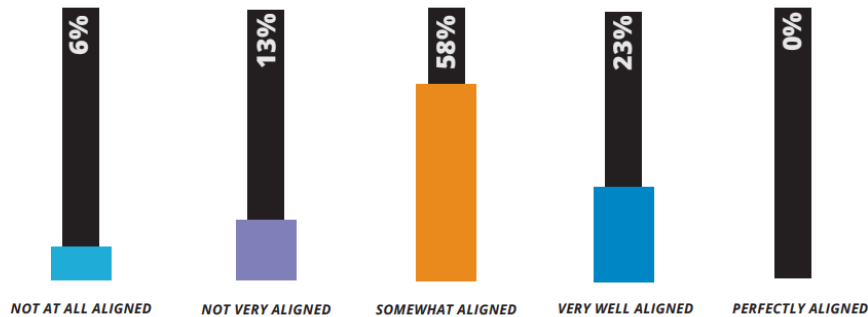
WHAT IS THE BIGGEST CHALLENGE YOU FACE TODAY WITH MANAGING YOUR PORTFOLIO OF PROJECTS?

- **16%** VISIBILITY AND REPORTING
- **48%** RESOURCE MANAGEMENT
- **31%** PROJECT PRIORITIZATION
- **5%** PROJECT FINANCIAL MANAGEMENT

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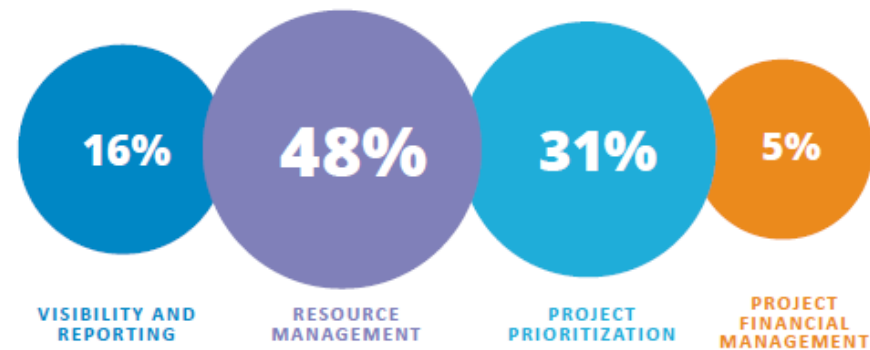
PM Project Management
Lesson 3 Project Charter and Stakeholder Management / Disney case

PROJECT CHARTER

STAKEHOLDERS

Building Competence. Crossing Borders.

How do Projects Start?

(1) Ideas

(2) Challenges

(3) Goals

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A Four Step Approach to Initiate a Project

(1) Request a project

(2) Gather information and talk to stakeholders

(3) Create a project charter

(4) Get the approval from the management

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Stakeholder – Definition

Stakeholders are **all individuals or groups** who have a **stake** in the project and can potentially impact, either **positively or negatively**, its development.

Pinto (2020)

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Stakeholder Management

Stakeholder management consists of **formulating strategies** to identify and, if necessary, **manage for positive results** the impact of stakeholders on the project.

Stakeholder Management Engagement

PROJECT NAME

Urban Park Renovation

PROJECT DESCRIPTION

This project aims to revitalize an existing urban park by improving its recreational facilities, enhancing its green spaces, upgrading its playgrounds, and improving its walking paths and lighting.

STAKEHOLDER		PROJECT PHASE			INITIATION			
ROLE	NAME	CATEGORY	INTEREST	INFLUENCE	EXPECTATIONS	COMMUNICATION APPROACH	FREQUENCY	CONCERNS
Sponsor	Krista	Internal	High	High	Financial and strategic support	Email	Daily	Return on investment
Project Lead	Melissa	External	High	Medium	Guide project success	Phone	Twice Weekly	Team coordination
Project Manager	Kovar		Medium	Low	Ensure project completion / delivery	Email	Weekly	Optimizing project efficiency
Supervisor	Roderick		Medium	Medium	Oversee task execution	Video Conference	Twice Monthly	Task completion
PMO	Suman		Medium	Low	Ensure project governance	Email	Monthly	Project alignment
IT Support Team	Ormond		Low	Medium	Resolve technical issues promptly	Email	Twice Monthly	System functionality

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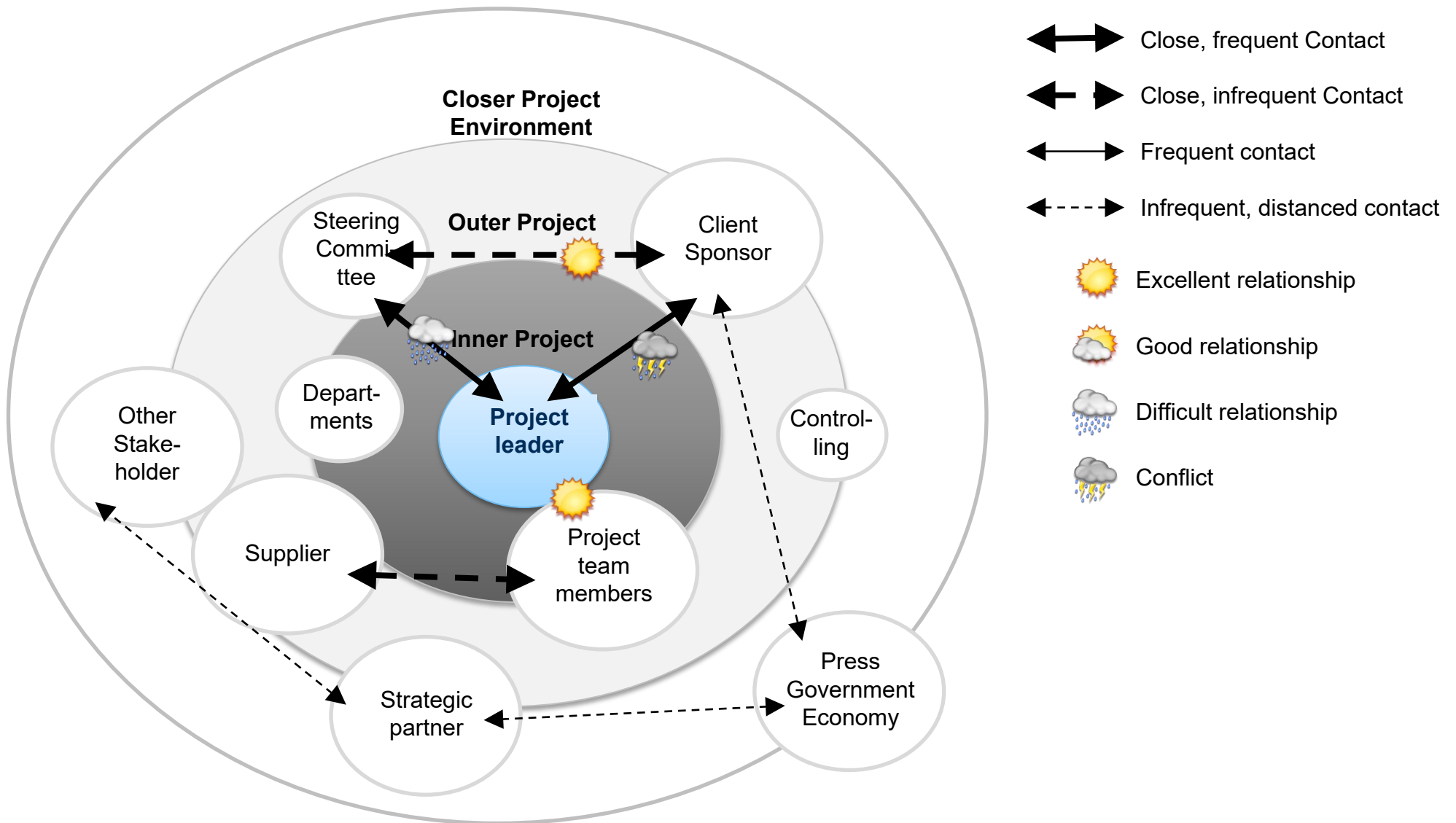
Stakeholder Management – Practical Approach
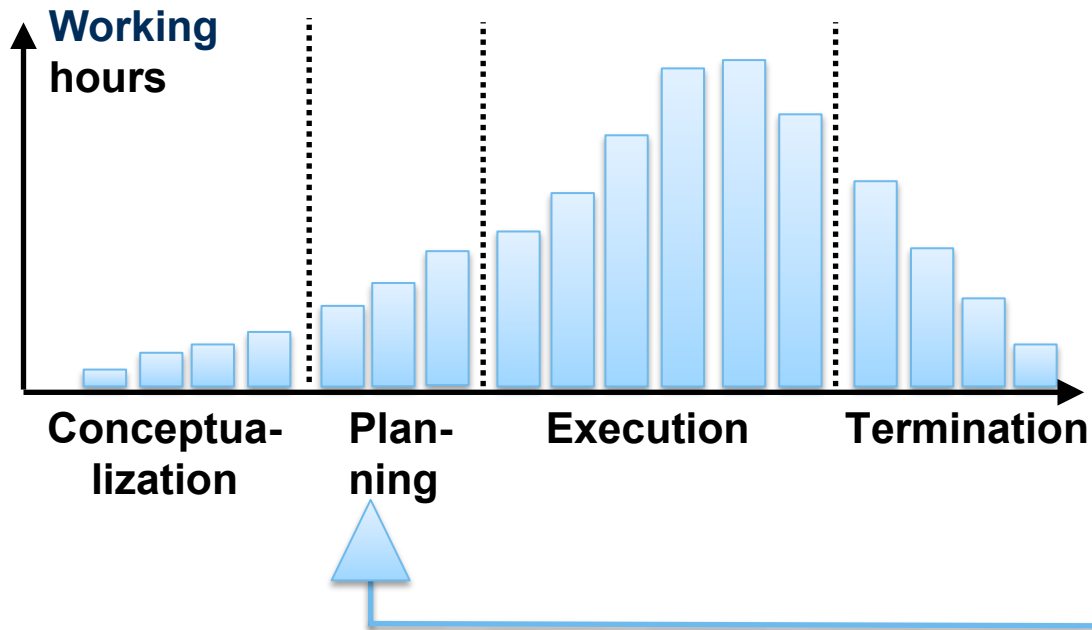# Visualize the Relationships (I)
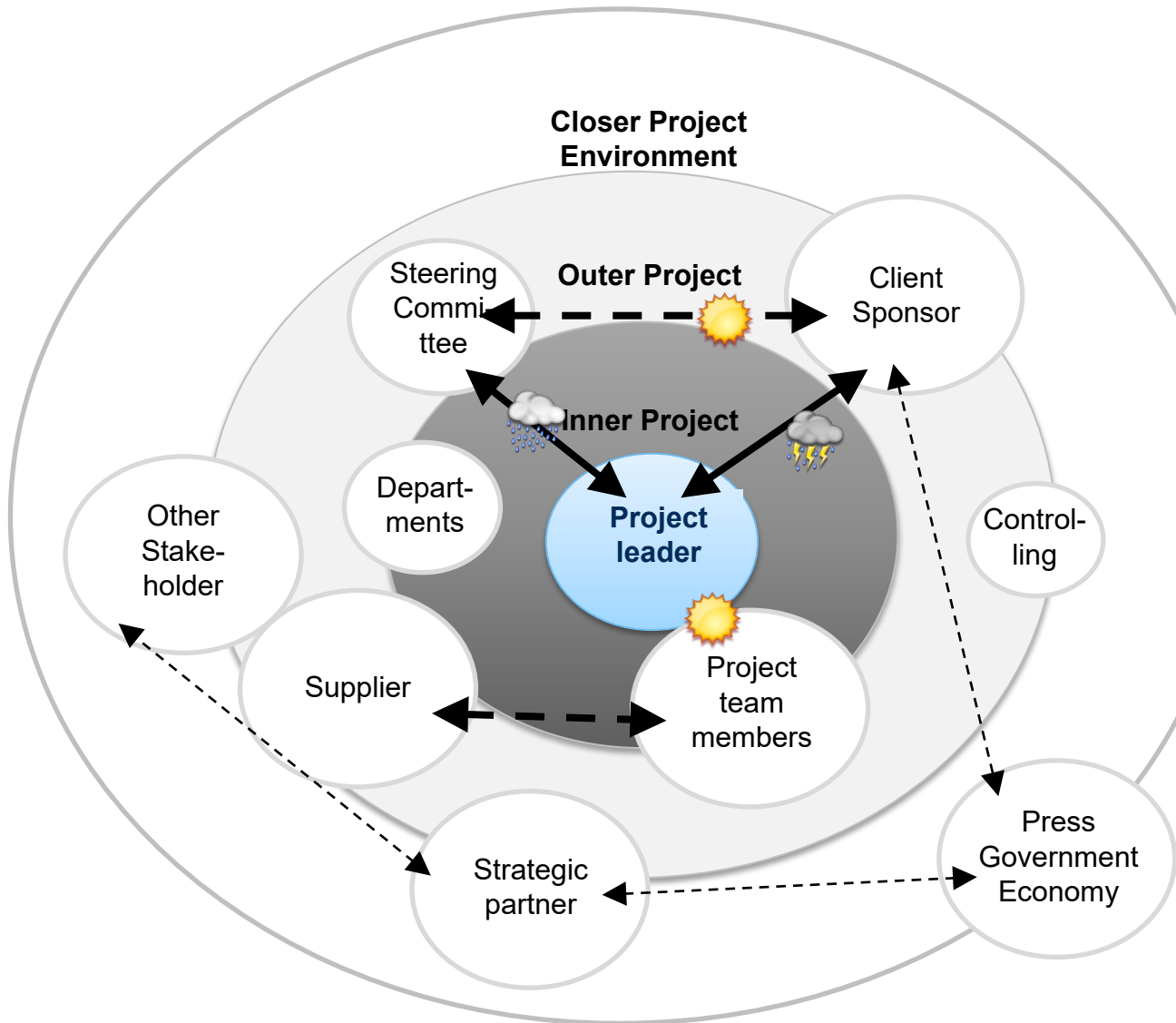
1. Identify stakeholder

2. Determine goals and demands of each one

3. Visualize relationships in a graphic

4. Analyze influence and interest

5. Develop communication and action plan

Stakeholder Management – Practical Approach
Visualize the Relationships (II)

Project Charter – a Definition

Working hours

Conceptua-lization | Plan-ning | Execution | Termination

Project charter

Project:			
Sponsor:		Project nr.:	
Author:		Date:	

1. Project description

1. 1 Initial position

- What is the reason to start this project? Why does it need to be launched?
- How does the project support the business goals?
  What value does the project add to the company?
  How does it support the business strategy?
- Which business areas are linked to the project?

1.2 Project scope

- In scope!   /   Out of scope!

1.3 Project aims

- SMART goals (specific, measurable, attractive, realistic, time-bound)
- Write sentences

1.4 Opportunities and threats

- SWOT analysis
- What are the risks associated with the project and how are the risks communicated?
- What are the opportunities of the project?

1.5 Impact on organization

- What is the impact on the structure, processes or culture of the organization?

1.6 Methods and procedure

- What are the project phases?
- What method is being used to plan the project and why was the method chosen?

1.7 Scheduling and milestones

- Estimates of the time table
- Definition of milestones

1.8 Time and effort

- Estimates of the project costs and budget
- External sponsors demand detailed figures

- A document that formally authorizes the project.

- It includes goals, deliverables, risks, etc.

- Pinto calls 'project charter' 'statement of work'.

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SMART

Goals need to be smart

- **S**pecific: What do you want to accomplish? What specific outcome do you want to achieve?

- **M**easurable: How will you measure your success? What type of data will you include? How will you evaluate it, and how frequently will you check?

- **A**ttainable: Do you have all the necessary skills and resources to achieve this goal? If not, can you obtain them?

- **R**elevant: Is this goal aligned with your other goals, or the overarching goals of your team or organization?

- **T**ime-bound: What is the timeframe for achieving this goal?

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Case Study: Disney Case Himalaya

Teaser: Disney Case

Project charter

Project:			
Sponsor:		Project nr.:	
Author:		Date:	

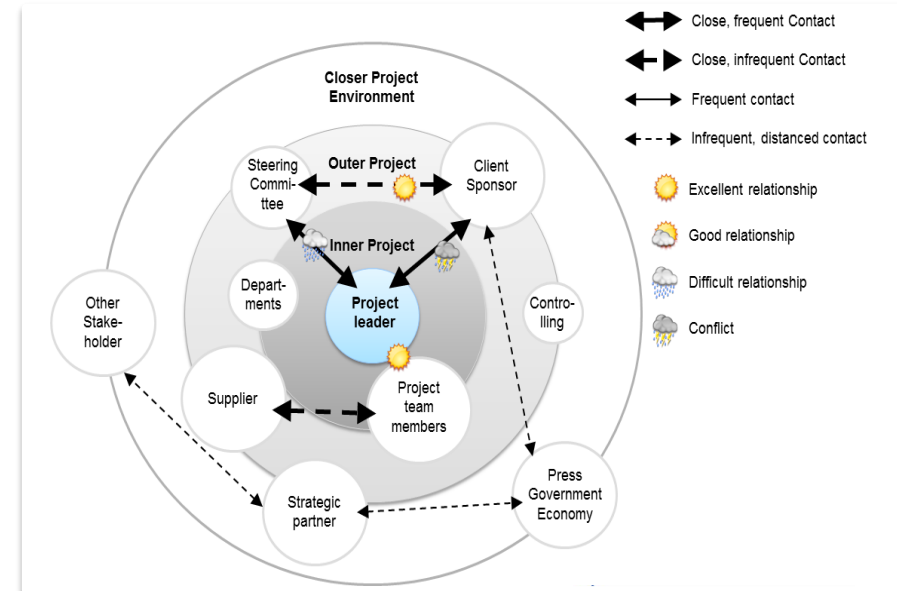### 1. Project description

1. 1 Initial position

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➔ Read case «Disney's Expedition Everest»
Pinto, 4th edition: pages 51/52
Pinto, 5th edition: pages 53/54

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Disney's Expedition Everest

- Celebrating 50th anniversary

- Newest thrill

- Connecting Disney's past with its future

- More than a roller coaster – A ride that combines unexpected twists and turns, incredible attraction to detail and impressive project management skills

Disney's Expedition Everest – Project Details (I)

- Imagineering team in order to study and capture the atmosphere of the Himalayas in Nepal.

- Skilled artists and computer-animation experts to make the ride a real experience.

- Estimation of future benefits, costs and risks linked to the project

- The sponsor of your project (Samuel) is the head of Parks and Resorts (USA). So far you have not got to know this guy.

- The imagineering and artists team come from different departments with different cultures. A colleague of yours has informed you about difficulties of them working together.

Disney's Expedition Everest – Project Details (II)

- The new roller coaster requires a large amount of space. Due to this fact, the park needs to be expanded significantly in order to start with the construction.

- Samuel has good relationships to the local press and wants to leverage those in order to market the new Everest roller coaster.

- Greenpeace has announced to increase their activities with the intention to preserve the breeding of rare birds in the area.

- The budget restriction for the new roller coaster celebrating Disney's 50th anniversary is $100 million. The Expedition Everest needs to be up and running.

- A yeti will interfere with the trains making them go backwards on the tracks.

Four questions

1) Suppose you were a project manager for Disney. Based on the information in this case, what would you say are the <u>critical success metrics (i.e., success factors)</u> they use when designing a new ride; that is, how would you prioritize the needs for addressing project cost, schedule, quality, and client acceptance? What evidence can you use to support this argument?

2) Why is <u>Disney's attention</u> to detail in their rides unique? How do they use the "atmosphere" discussed in the case to maximize the experience while minimizing complaints about length of wait for the ride?

3) Draw a <u>stakeholder map</u> and visualize the relationships between project manager and the stakeholders.

4) Write a <u>project charter</u> (start with project description: Initial position – project scope – project aims).

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Disney's Expedition Everest – Your Task

Prepare a presentation answering the four questions in your project team with focus on:

(1) Critical success factors

(2) Reason for Disney's attention to details

(3) Stakeholder map

(4) Project charter (1.1-1.3 only, see Moodle)

https://www.surfoffice.com/

Please answer the four questions in a team of four or five. The findings of the teams are presented to the class during (max. 5 min.).

You can work in the classroom or in the various lounge areas.

https://www.forbes.com

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