

A Balancing Act: Network Building for the Project Manager

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Agenda

- Responsibilities & Challenges of Today's PM
- Networking
- Planning
- Time Management
- Goal Setting
- People Management
- Communication
- Mentoring
- Delegation

Responsibilities

- Scheduling & Sequencing of Construction Activities
- Managing Various Human Resources on the Project
- Managing Vendor / Subcontractor Relationships
- Ensuring Work Environment is Productive and Safe
- Controlling Costs & Ensuring Profitability
- Customer Satisfaction

Top 5 Construction Industry Challenges

1. Risk Management
2. Lack of Skilled Management
3. Getting New Work
4. Decreasing Margins
5. Lack of Skilled Craft Labor

“Best-of-Class” Project Managers

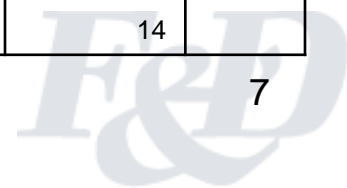
- Develop & maintain profitable customer relations
- Build & lead powerful integrated project teams
- Understand & master financial control of projects
- Plan projects to maximize profits & customer satisfaction
- Are “Entrepreneurs”—acting as if they have a *personal* stake in the business
- Maintain vendor / subcontractor relationships

Networking

- Build & maintain business relationships based on information from sales analysis
 - Owners
 - GC's
 - Subs
 - OSP (Other Service Providers)
 - Trade Associations
 - Political
- Select 25 “Winners”
- Set a goal of 3-4 meetings per year
- Measure and manage your actual activity vs. your plan

Networking

Name	Company	C	M t g	Type	A g e	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06
Palumbo, Ralph - RI						8, 14, 21	12, 24,25	5,11	5,6, 11,15	
Bucci, David - RI					4 1	14, 19	12, 24,25	5,8,19	5,6, 11,15,22	
Rossi, Brian* - RI	NE Contractors Insurance RI	C	A	Bond/Insuranc e	3 9	20, 26	13	7		
Gambino, John*	AON Risk Services			Bonding	3 5	9		2		5
Bruscini Steve - RI	Orsen& Bruscii	C		Attny-RI		1		18		
Doyle, Kelly	First Cardinal - SIGS				3 6	20			19	
McDonald, Joseph*	J.F. McDonald	C	B	Bond	5 6	6, 14				
Sousa, Randy - RI						21		5	6,14	
Bauer, Jeff - RI	Angel Pension						18		16	
Dickinson, Jeffrey	Eastern Bank			Banking	3 5	2				
Finnegan, Sean	Fleet	C	A	Banking	4 2			8		
Greenberg, David - RI	CPF				4 5			7	14	



Planning

- Project planning takes place in a project's infancy
- Entire project should be planned up front
 - Kick Off Meetings / Preconstruction Meetings
 - Saves time and money in the long run as potential problems are identified and solved while cost is still low
 - Enables accurate scheduling
 - Scheduling has a direct effect on cost as well—firms who use modern scheduling techniques finish projects on time and in a cost effective manner
 - Creates standardized procedures

Proactive vs. Reactive Planning

- Proactive
 - Plan the project in several dimensions, leaving flexibility for unexpected issues
 - “Smokey the Bear Approach” planning and communicating to prevent problems before they arise
- Reactive
 - Reaction to a project’s happenings (good or bad)
 - “Fireman Approach” extinguishing problems as they arise instead of using prevention methods

Time Management

“Effective executives, in my opinion, don’t start with their tasks. They start with their time. They start by finding out where their time goes. Then they attempt to manage their time and to cut back unproductive demands on their time.”

-Peter Drucker-

Time Management

- Best Time Saver?

PLANNING

“You Don’t Plan to Fail ----- You Fail to Plan”

“Why Don’t Contractors Plan???”

- Prioritize
 1. What creates the greatest ROI?
 2. Must
 3. Should
 4. Could

Solutions to Time Wasters

- Breakfast Meetings
 - vs. lunch/dinner meetings
- One on One Meetings
 - vs. group meetings
- Fewer Meetings
- Eliminate Clutter
- Handle Each Piece of Paper Once
- Combine Business Trips
- Radio in Car – Convert Listening Time to Call Time

Daily Schedule

- Appointment Calendar
- Daily To Do/Task List
- Daily Notes
- Phone/Address Book
- Daily Record of Events
- Review Sunday Night

Goal Setting

What tasks must be done...

Today?

This Week?

This Month?

- How will I accomplish these tasks?
- When will I accomplish? Stick your neck out and commit to a date.

Breakout Session

- What are the 3 biggest time wasters in your organization? How would you as the Owner correct them?
- How can your role as a Project Manager improve your organization's bottom line? What are the obstacles?
- How do you use technology to improve?
 - Planning
 - Time Management
 - Schedules

People Management

*“People don’t leave companies,
they leave the managers they work for.”*

- Humans are considered the most valuable assets a company can have
- Why, then do we invest more in equipment than our employees?
- Jack Welch – GE – “People Factory”

Motivating Employees

- Connect Company strategy to clearly communicated goals
- Create environment for success, quality, teamwork – Eliminate divisive personalities
- Pay employees well
- Offer competitive benefits package

Motivating Employees

- Incentives should be given on a case by case basis—as each person is motivated differently (ABCD)
- Promotion—enable promotion from within
 - Give away power and trust subordinates to take on more responsibility
 - Share the decision making process

Why Employees Leave

- Unsafe working conditions
- Inadequate supplies/materials
- Poor communication with managers
- Disrespectful treatment
- Lack of growth opportunities
- Feeling under-valued
- Lack of training
- Poor compensation
 - Cost of Replacing an Employee = 70%-200% of the Employee's Annual Salary
 - DOL – Ages 25 – 34 – ALOS w/co = 2.7% and is declining

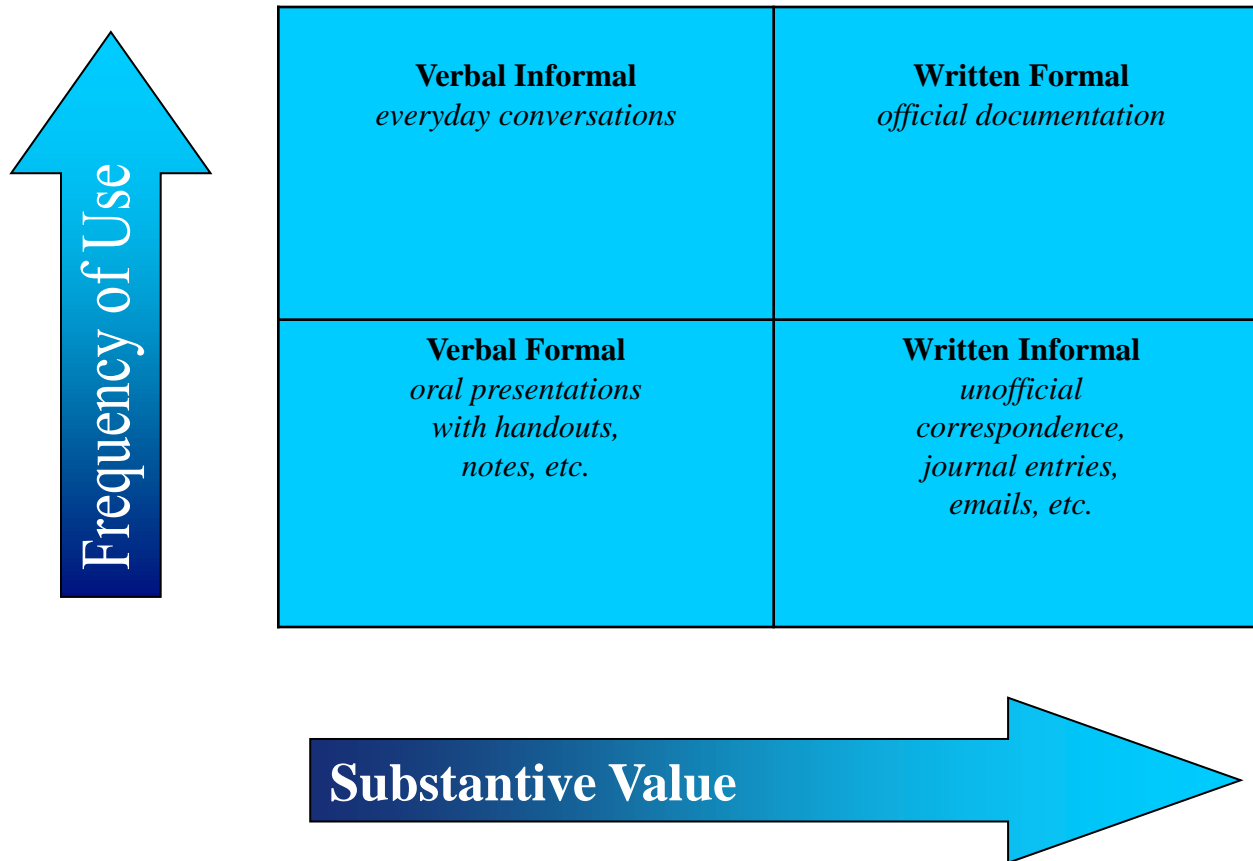
Boost Employee Morale

- Develop employees through training and educational programs
- Celebrate successes (none too small)
- Organize recognition programs to reward employees
- Allow employees to expand duties and responsibilities
- Set company standards for adherence to project deadlines, budgets and safety, and hold everyone accountable

Communication

- Common sense and communication
- The ability of a PM to lead a project successfully is based on written and verbal communication skills
- A “Best-of-Class” PM has solid presentation and persuasive skills (adaptability)
- Most firms cite the “lack of communication” as the root of most problems

Communication Concepts



Meetings

- Should always start and end on time
- Each member should have the opportunity to express their opinions / participate
- “Don’t assume that anyone knows anything. Over communicate.”
- Who to Invite?
 - Only those necessary to accomplish objectives should be invited to attend (risk losing effectiveness if too many people are invited)
 - Small Number = Added Interest & Participation
- Need follow up in **WRITING** / Don’t waste peoples’ time
 - Need follow up and have “To Dos”

Project Reporting

- PM is responsible for establishing and maintaining formal written reports that are an accurate and timely reflection of the project's budget, cost, performance and forecasts
- Permits PM's and senior management to determine project status, enable management to identify and respond to problem areas sooner, and provides accurate historical performance data for similar future work
- Use of technology

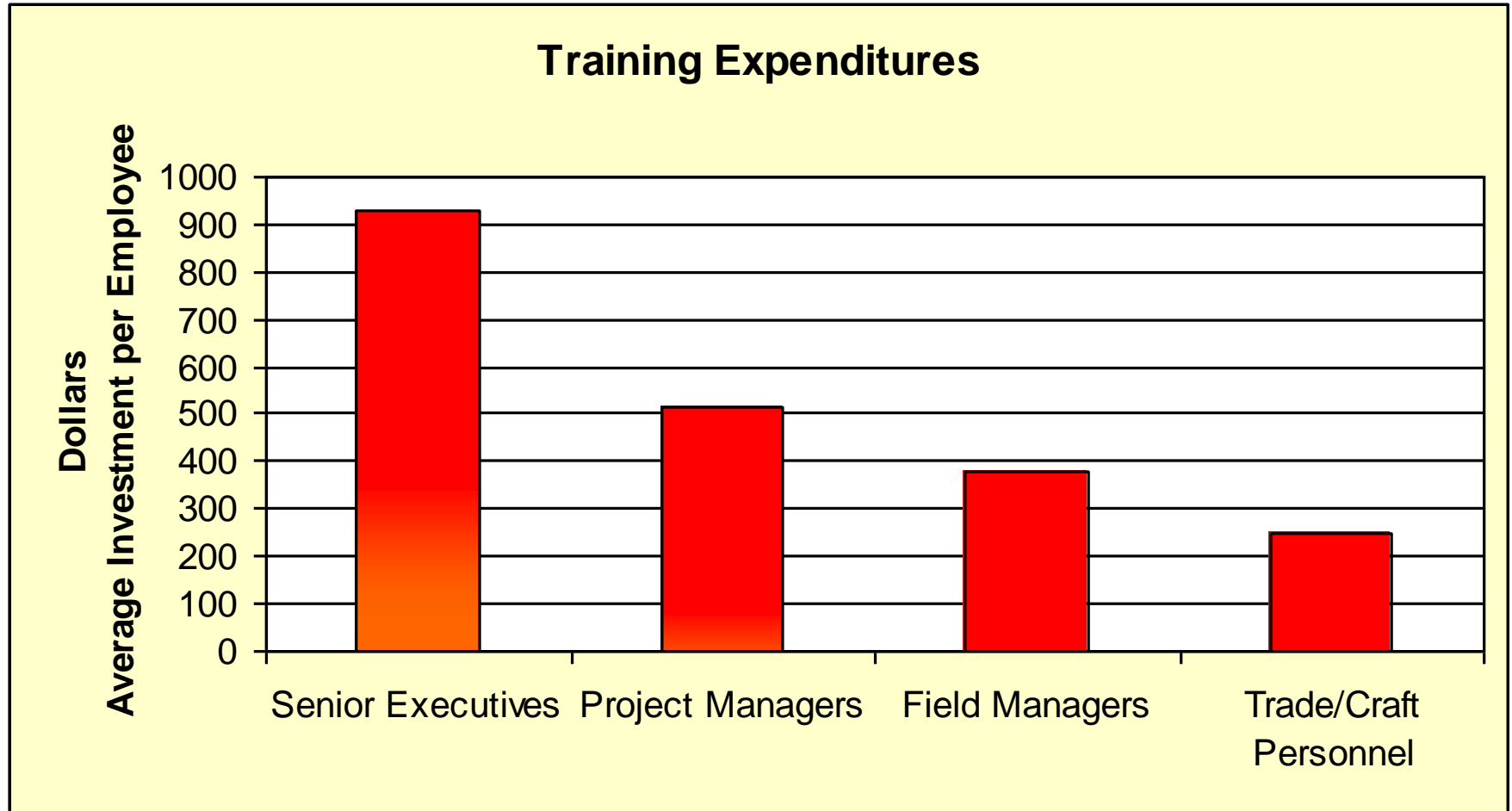
Project Status Report

Project Status Report			Month, Year
Bid Schedule:		Completion Schedule: Deviation:	
Bid Units:		Performance Units: Deviation:	
Bid Quantities:		Actual Quantities: Deviation:	
Change Order Status w/ Owner & Subs (Pending):			
Non-Budgeted Expenses:			
Owner/Engineer Relationships:			
Disputes/Claims w/ Subs/Owners:			
Stability of Subs:			
Anticipated Cost to Complete:			

Mentoring

- Cost effective and practical method to help employees develop and expand skills
- Promotes specific development individually and promotes firm-wide goals
- Reduces status differences and barriers
- Allows senior employees to transfer knowledge and best practices to newer, less experienced employees; mentors also learn new ideas and methods from the young staff

Construction Training Expenditures



Goals of Mentoring

- Institute a continuity of management
- Groom middle management for higher positions
- Assimilate and retain young employees
- Impart knowledge to provide guidance
- Measure / Manage that the Winners have the appropriate “Mentors”

Delegation

- What do I need to do that no one else can do?
- What can be handled by others?
- Delegate.....Follow Up
Delegate.....Follow Up

Effective Delegation

- Define assignments
 - Let them decide how to achieve the goals
- Set standards of performance / deadlines
- Maintain open lines of communication
- Establish paper controls
- Reward effective delegation and successful assumption of authority
- Make use of the “Rule of Exception”
- Flow of accountability

Breakout Session

- How has your company utilized technology to improve communications?
 - Internally / Externally
- What are 3 suggestions to improve employee morale to implement in your organization?
 - Grow your own!
- How does your company try to improve morale and mentor employees?

Questions?

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