

## Project Planning

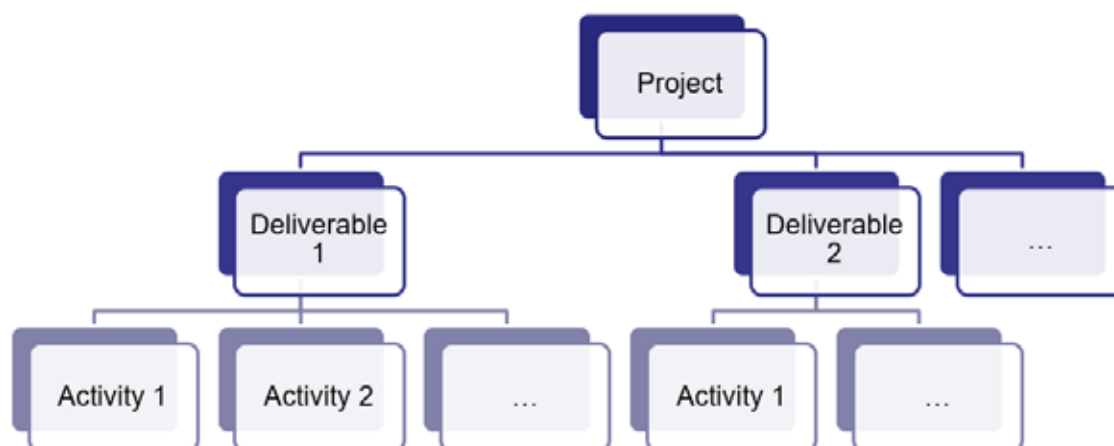
Project management is important for companies to use to make sure that their projects meet pre-established goals (cost, time, and quality objectives). Project management can use a combination of technique and systems to control, monitor and coordinate the project.

Project planning includes:

- Work breakdown structures
- Critical path analysis
- Resource needs
- Project budgets
- Communication,
- Risk assessments
- Evaluations
- Control.

**Work breakdown structure (WBS)** is where the project is divided into smaller tasks, which can be delivered by an individual. By dividing the project into smaller deliverables, the company can better understand the resources needed, and communicate better with their team.

An example of WBS:



**Critical Path analysis** is used to understand in what order the activity needs to be completed. By understanding the timings needed to complete activities (as a total and individually) the critical path can be created to provide information about which activities are crucial to be accomplished on time so that the project can be finished as planned.

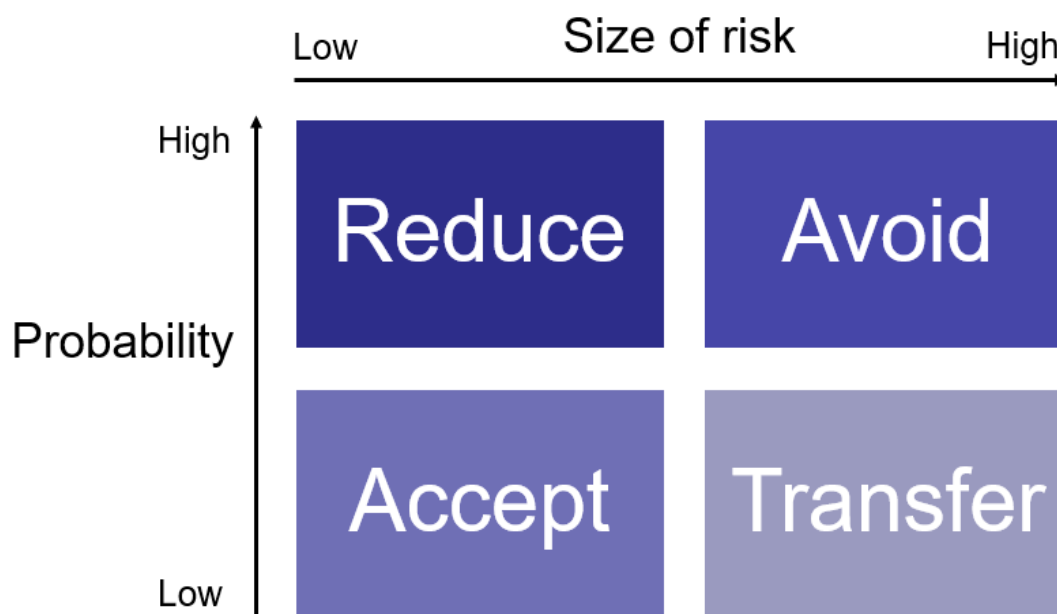
Moreover, understanding which tasks can be done outside the critical path may help in resource planning and resource movement if needed..

**Resources** needed can be the best monitored on a histogram by presenting the planned resource needed from week 1 to the end of the project and this will help in planning and scheduling the activities.

**Project budget** as any other budget is necessary to understand the expenses and planning.. It will help the company to plan the financing, cash flow and any other activities which will be an expense to the company. Some of the costs which should be included are material costs, labour consultancy, transport, and facilities.

**Communication** is vital for the project to work smoothly. All of the people engaged in the project need to understand everyone's role in the project to give help where appropriate.. The company should specify the way employees should communicate e.g. phones, skype. Moreover, the team members need to have good communication skills so that they know what, when, and in what format (how) to communicate the information. To avoid wastage of time or miscommunication..

**Risk assessment** is necessary to understand all possibilities which could impact completion of the project with the objectives planned. To do this every project should have a risk register. Foreseen activities should be classified appropriately to the matrix below and mitigating plans should be created, reviewed regularly, and updated.



Finally, **control** over the project needs to be in place. This includes the decision on what control is implemented, how things should be controlled and who would take the function of a controller.

The most common way of controlling the project is variance analysis of the actual spending versus predicted.

**Evaluation** is also important to make sure that conclusion drawn from the experiences and that this will allow for companies to learn from each project and improve moving forwards. Please contact us to form more information.

Website: [www.surreyhillsaccountancy.co.uk](http://www.surreyhillsaccountancy.co.uk)

Email: [accounts@surreyhillsaccountancy.co.uk](mailto:accounts@surreyhillsaccountancy.co.uk)

Angelina – Aug 2020