

**Task:** Analyze the concept of value in project management and its different forms.

**Topic:** What Is Value In Project Management?

**Type:** Analytical Essay

**Length:** 6 pages

**Formatting:** N/A

**Requirements:**

Give a detailed analysis of value in project management and different ways it can go in terms of adjustments and methodology.

What Is Value In Project Management?

Name:

Course + Code:

Professor:

Institution:

City + State:

Date:

### Understanding Value in Project Management

Projects offer an important means for firms to implement their strategies. Entities that realize the benefits of the projects they have implemented are regarded as successful. The benefits highlighted are the results of value arising from a successful execution of a project. Organizations adopt and implement project management with a view of enhancing control and achieving intended objectives within a specific period. Traditionally, costs determined the effectiveness of project management; projects that were implemented within budgets were deemed as successful. However, in the current business environment, cost management is not the only factor that successful organizations use to determine whether value was created. The emphasis has shifted to other values that guarantee success in the long run. The paper examines the significance and the overall impact of considering the aspect of value from a project, program and portfolio perspective (Chapman & Ward, 1996, 90).

In evaluating a project, valuation is considered to be the most important aspect since it provides a foundation for successful implementation of this project. In valuation two categories are taken into account; the tangible and intangible values. (J. Thomas, M. Mullaly, 2008, 74). Tangible values are usually measurable and can be computed during the process of project management. The tangible values are more inclined to the determining the value that is to be achieved by providing the input and the output costs the difference between the two gives the project implementation team the tangible value on question. Some of the beneficial tangible

values of project management include the budgetary savings and cost savings. They can be quantified hence can give a physical value.

However, the intangible values in project execution process comprise of the activities to be carried out in an attempt to ensure that the tangible values have been achieved. For tangible values to be achieved, there must be strategies improvised for success to be manifested in this field of the process management. These intangibles are given value through the financial discipline and behavior that directly benefits the process of tangible values' successful implementation. Therefore, the latter are a step stone to reaching the goals set in project management in terms of tangible values. Learning and growth of an entity, customer and stake holders' satisfaction, process outcome and organizational behavior comprise of the intangible values that exist in this discipline.

Creating and realizing value from projects entails formulating and appraising of the intended benefits. In any case, identifying intended project targets is vital in business as it forms the basis of project funding and guides management decisions on prioritization. It is important to note that there exists no single strategy or mechanism under which all entities can create and realize value. Despite organizations being unique in their nature of value creation and delivery, there exist integrated solutions that can be adopted by differing institutions in project management (Kerzner, H. R., 2013, 61). Entities must observe the following four steps in creating project value: identifying the values, selecting an objective measure to prove the benefits, collecting the baseline measure and deciding on how, when and who will collect the value measures. These steps are aimed at achieving provisional solutions in system integration,

operational services delivery, business consultation and financial discipline resulting on high yields.

As earlier indicated, value created depends on the organization's approach. Though most organizations have shifted value creation approach to customers, there are other values that can be pursued. Growth and learning of an organization's personnel highlights another significant value that entities constantly pursue. Project management requires organizations to effectively and efficiently use their resources to achieve specific goals. Employees are an important resource because of their input in executing daily plans to achieve the overall objective. By working together to achieve a common objective, an entity enhances the bond of its human assets (Datta et al., 2005, 56).

Value creation is an aspect that is observed and considered in the overall process of business management implementation. When observing it from the perspective of customer, a project can not at all be successful if the customer, as well as, the end user are not given a place and during the whole process and in the future. Customers and end users also have a great deal in giving value to projects set to be on operation. Their involvement is crucial since they are the consumers and the market demand creators.

An end product of a project is designed to have market base and acceptable if the customer has been involved in determining the preference and features of identification. However, value should be majorly based on the project and program of a business because customer value is only based on the immediate problems. Therefore, the root cause of the problems is not well defined in the customer's point of view and the best way to handle these

issue is by providing solutions that regard the root causes of the problems (Kerzner, H. R., 2013, 44). Hence, executing the valuation of a project is vital in the context of the program to be implemented at the end and the problems that are to be solved. As a result decision-making is to be done in a more multidimensional approach of customer, end user, project execution process and the program to be offered rather than the single-dimensional approach.

Value differs in the various sectors. The sectors that do exist in project management are the public, private and the non-profit organizations. In the public sector valuation of projects and the end programs are is subject to federal taxes. The taxes can ensure the sustainability of the project since they are obtained from the public money whereby the end services and products are redirected to at the end. The citizens, therefore have an upper hand in enjoying the use of these services. On the side of private owned entities, project valuation the owners have the mandate not the public to make decisions that help in business success.

Shareholders also ought to be considered in value creation and realization. As the owners of a business entity, they provide funds to run the operations of the business. Creating value requires firms to commit funds; this can only be done with permission from the shareholders. In some cases, an entity may require shareholders to fund activities that will achieve specific values. Shareholders also reserve the right to hire and fire employees especially when such employee are deemed incompetent. Failure to communicate and partner with shareholders in pursuing values other than financial benefits may lead to termination of employment for an executive. An organization's management must, therefore, convince

shareholders of the value that an entity will gain by pursuing non-financial benefits (Meredith & Mantel, 2012, 46).

In conclusion, value creation is unique and exclusive to every entity. The process of value creation requires resources that are unique to every entity. The human resource, for instance, differs across all organizations, and any entity's management must factor the attribute in drawing plans. Currently, most businesses focus on the customer for value creation. The process of value creation requires adequate planning and execution. An entity's management must identify the unique values they intend to achieve according to their strategic plans.

References

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**Overall Impression**

The author is the Superman of bad punctuation, and the Batman of awkward phrasing. Sometimes it was hard to understand what he or she meant just because there were absolutely no commas between clauses. But anyways, at least you can guess where a comma should or should not be, and insert it yourself when reading. As for the phrasing... I am not even sure what to say. It's as if you had a bad day in the office, and fell off your bicycle, and your dog ate your dinner, and you were nervous and wanted to write an essay about it all, but suddenly forgot how to write properly. I disapprove.