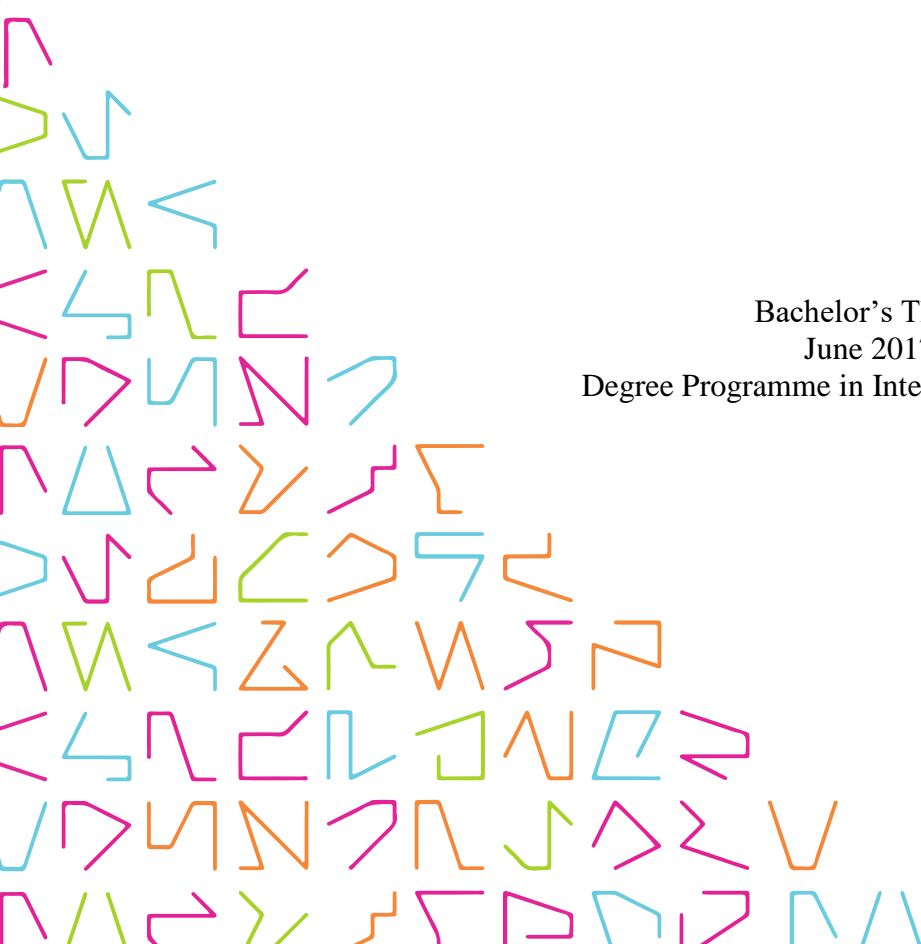


LEADERSHIP:

**The Importance of Project Management
Skills**

Aleksandr Svidkovski

Bachelor's Thesis
June 2017
Degree Programme in International Business



ABSTRACT

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This bachelor's thesis was written with the co-operation of a construction company that is specialized in project working. The name of the company is Tampereen Bitumikate Oy and it has been operating in the waterproofing and roof-working sector for over 25 years. This case company is performing projects on a daily basis and the scale of the projects varies from one man projects to eight man projects. The projects may last from couple of days to couple of years. Therefore this case company was found to be very suitable for this Thesis.

Purpose of the research was to find out which skills, qualities and abilities are needed in order to become a great project leader. In modern world it is not uncommon that wrong people are put in charge of the projects and therefore it is often forgotten which attributes are the foundation of a successful project.

This thesis consists of two parts, the theoretical research which was conducted by desk research and the practical part which was covered by interviews and discussions with the interviewees. The collected data and information from the interviews was combined and analyzed for use where the results were sorted in order from most common to less common.

Results indicate that theory is good starting point, but needs practice in order to become efficient and meaningful. Research results provided a lot of important information regarding project management and especially the skills, abilities and qualities that a great leader and manager must have. It became obvious that personality and human nature is a deciding factor in the end.

This thesis is concluded with the evaluation of the results and theory. The combination of these two creates the wholeness. Idea is to provide added value and good information for the people who are interested in becoming great project leaders. This study is a good source for subject related activities not only for beginners but also experienced leaders and managers.

Key words: bachelor's thesis, project management attributes, project leading attributes, research, interviews

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1 INTRODUCTION

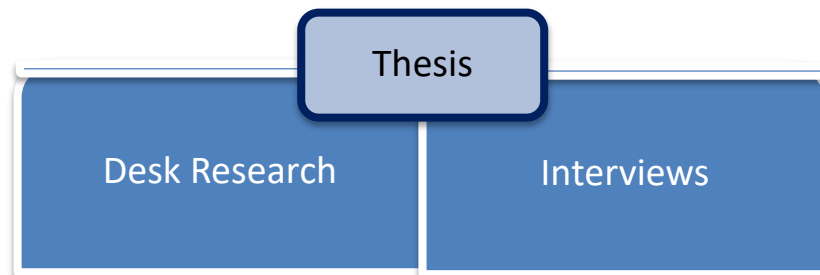
As the world is developing rapidly, the changes in working life and habits are inevitable. The automation is becoming a big part in the industries and people are forced to adapt to new circumstances. Old jobs are lost and new jobs are created and therefore the amount of entrepreneurs and self-employed people is rising. The work is becoming more and more project orientated and the target sectors are not anymore only the business world or a software development, but also the cleaning services and construction sites. The project working can be recognized nearly at any sector in modern world.

With this change when the projects are all around us, comes the need for the right people who are capable to lead in a right way. It is not difficult to follow the orders and operate in the project groups where somebody is giving instructions what needs to be done. It is however challenging for a project leader or a manager to give the correct instructions, divide the tasks and supervise the process through the entire project that may last for several years. Therefore, to be able to accomplish a successful project it is crucial that the project leaders and managers have the necessary skills and know-how.

Project management is proven to be most effective way of delivering goods and services within the given costs, inside the timeframe and without any extra resources. This allows companies and organizations to save a lot of time and resources, which of course affects the end users. However, the conflict arises when wrong people are put in charge of the projects. Even the employees that have a great amount of experience from the specific sector, are not necessarily capable of conducting a successful project. Knowing the sector is simply not enough to be a good leader and understand all the necessary aspects in a project group where the people with different backgrounds are working for a common good. A person who do not have that great amount of experience in the specific sector, but holds the correct skills and know-how for leading a project is more likely to succeed much better than the person with a great experience but no required skills and abilities. Learning the necessary factors and information about the sector can be done before hand or during the project, but being able to lead and manage is much harder to master and often involves the human nature and personality.

2 RESEARCH

This thesis consists of two parts. First part is the desk research where all the available literature such as books, articles, internet, magazines etc. will be processed for the theoretical framework. The second part of the research is face to face interviews with companies at the construction sector. The purpose is to gather more perspectives and widen the knowledge about the topic. It is unquestionable that professionals with the experience of ten to twenty years from the industry can provide practical information regarding the project leading and managing. The interviews are valuable and even crucial in creating a thorough research that is not only backed up with theory, but the practice too. It is a fact that nothing can replace the practical experience which can only be obtained with time and repeating.



The research is considered being qualitative due to its nature where the theory meets the practice. The theory and practice is combined in order to provide a more accurate result that is affected by many details. Considering the scope of the thesis, the qualitative research can provide some advantages (Project Management Body of Knowledge, 2004):

- Data depends on the human experience and therefore is more reliable,
- Findings are processed carefully paying attention to every detail,
- The collected information is expected,
- The research framework stays up-to-date with new information and findings

2.1 Background

The research will include interviews with 7 different companies that operate in the same industry. Every company will be represented by one person who has been operating within projects for at least 10+ years and especially in the role of a project leader or a manager. Every company and each representative will be asked the same questions. Purpose is to gather as much information as possible regarding the thesis subject. In the end after the collected data is processed and presented, the aim is to provide added value to the case company in this report.

2.2 Case company

The case company is Tampereen Bitumikate Oy, which is relatively small when compared to the other representatives and therefore is chosen as the case company for this thesis. Case company has been operating in the construction industry for over 25 years at the Pirkanmaa area. The main focus lies on water isolation and roof working. The meaning and purpose is to stop the water from getting in contact with objects. When isolation is done properly, the water is isolated outside and cannot create any harm. The damages can be leaking inside the buildings and/or creating mould and other bacteria which will affect the quality of air in the near future. By stopping this, the lifespan of buildings and constructions is highly increased.



Company's logo

Tampereen Bitumikate Oy employs 10-15 people depending on the season and it is considered a medium sized firm at the particular sector. At the construction industry, summer is the busiest season for building and renovating and therefore the work load is doubled or even tripled for the company during the summer. Work is 90% project based where Bitumikate Oy is one of the many contractors working within given timeframe and deadlines. Size of the projects varies, where smallest last for a day or two and biggest projects can last for as long as few years.

2.3 Research questions and objectives

The idea of the interviews were to gather additional and especially practical information regarding the topic. For that reason, the questions were adjusted in order to meet the objectives effectively. Every question had to provide a practical answer and possibly bring new ideas and perspectives on the table. Creating a clear connection between the literature and the interviews was one of the primary objectives in this research.

Following tables demonstrate the research questions that were answered during the interviews. First the open questions and later the yes/no questions.

Open Questions

1.	<i>Which company do you work for?</i>
2.	<i>What do you consider being a project?</i>
3.	<i>List 3 most important skills or abilities that a good Project Leader must have</i>
4.	<i>What Project Leader must do if the project is behind the schedule?</i>
5.	<i>How a good Project Leader ensures that the project is done on time?</i>
6.	<i>How a Project Leader ensures a good communications during the project?</i>
7.	<i>If one of the team members is not doing his/her job, what needs to be done?</i>
8.	<i>How a Project Leader maintains positive and innovative environment?</i>

Open questions will provide an opportunity for a conversation where the interviewee can describe the answers in most convenient way. Therefore, the gathered information can be more accurate due to the nature of an easygoing interview where the interviewee feels no pressure from the given questions. The discussion between the interviewer and interviewee in this particular case can also be called brainstorming where both parties are discussing the questions and evaluating the answers.

<i>Yes / No Questions</i>

1.	<i>Does a good Project Leader need to be a specialist of projects sector?</i> <i>a. Yes – why?</i> <i>b. No – why?</i>
2.	<i>To be a good Project Leader, empathy towards the team members is important?</i> <i>a. Yes – why?</i> <i>b. No – why?</i>
3.	<i>Do you consider yourself being a good Project leader?</i> <i>a. Yes –why?</i> <i>b. No – why?</i>
4.	<i>To be a great Project Leader, you must like and enjoy being one.</i> <i>a. Yes – why?</i> <i>b. No – why?</i>
5.	<i>Anyone can become a good Project Leader</i> <i>a. Yes – why?</i> <i>b. No – why?</i>

The 5 yes/no questions will provide a good basis for the interview. The yes or no choices are described and elaborated which will provide even more information for the report. The interviewees can have the identical yes/no answers, but the motivation and reasons behind the answers are different. The purpose is to gather as much information regarding the subject, combine and process it. The interviewed people will provide new interesting ideas and information regarding the subject which will create new aspects and views from the practical side of the research.

3 THEORETICAL FRAMEWORK

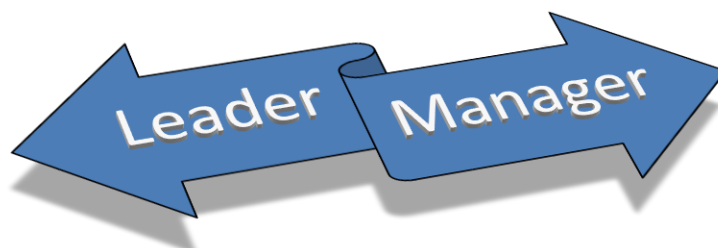
Theoretical framework sets the boundaries where the ideas are combined and then used to provide a direction and information for the research. To understand the big picture, it is necessary to establish these boundaries and discuss the framework of the theory that is used during the research and the writing of the report. (Businessdictionary.com)

Projects have been part of the world for a long time and even back in the days when the pyramids were built. Blueprints, drawings and plans were created, building materials were supplied, deadlines set, workforce acquired and everything happened within the planned budget. The only difference is that now in 21st century everything is done under contracts and behind a lot of documentation.

3.1 Difference between leading and managing

The fundamental difference between leading and managing is quite simple. While managing is often focused on deciding for employees and giving them orders to follow with almost no room of flexibility, leading is based on providing a direction and an advice that the employee can follow on his own (Forbes). These methods are used not only in project operations, but can also be found in large organizations where the managers of departments supervise and give orders to employees while receiving their orders from CEO's and higher authority managers. That to be said, it is inevitable that leadership and management is often mixed, confused or misunderstood still in 21st century.

Dwight D. Eisenhower said that said that "leadership is the art of getting someone else to do something you want done because he wants to do it". In ideal situations this is exactly what it is all about. In the other hand it is not quite that simple.



It is said that leaders visualise the future, imagine the outcome and see the possibilities that it brings. After having a clear vision, the leader is capable in communicating it to the others. If done correctly, the leader describes the goal clearly so that it can be followed. It is crucial to inspire and motivate the listeners so that those can achieve the goals and objectives by themselves, where the leader just provides the assistant and not the orders. Leaders are there to lead and let their teams to manage the work themselves without interrupting the process.

Below you will find two tables that present most common differences between the leaders and the managers. It is common that in bigger organizations leaders and managers work together while project managers are considered having the attributes of either a leader or a manager. However, sometimes both and sometimes neither. (Strategic Project Management Made Simple: Practical Tools for Leaders and Teams, 2009)

Leader attributes

• <i>Sell the ideas</i>
• <i>Set direction</i>
• <i>Inspire people</i>
• <i>Give freedom</i>
• <i>Risk-taking attitude</i>
• <i>Be involved on the background</i>
• <i>Understand external environment</i>
• <i>Be flexible and be open to new ideas</i>

The attributes describing a leader are indicating that a strong control is basically done behind the curtains. A true leader is capable in leading from the background providing his knowledge and inspiration. Giving his/her team members the freedom in operating by themselves and trusting their expertise creates an innovative and positive environment that drives the project towards the success.

Manager attributes

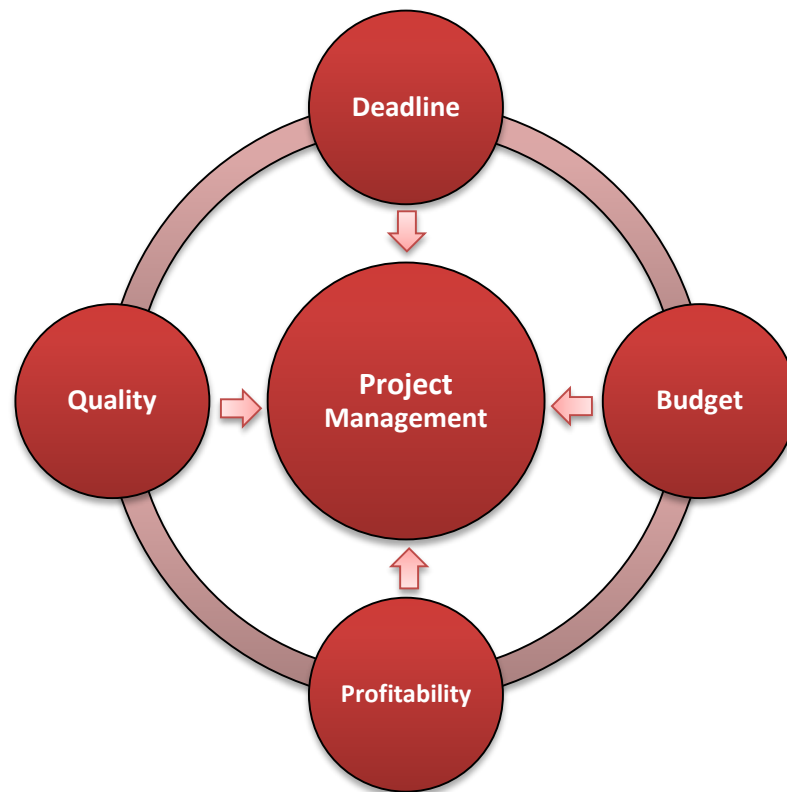
• <i>Teach the ideas</i>
• <i>Manage the process</i>
• <i>Self-discipline attitude</i>
• <i>Accept the ideas and methods</i>
• <i>Give orders and delegate tasks</i>
• <i>Be specific and follow the plans</i>
• <i>Understand how work gets done inside the project or organization</i>

Evidently it becomes obvious that leaders create a vision and managers manage the resources in order to achieve this vision. As already mentioned a good leader leaves managing of the project to its managers while those managers understand leaders vision and work with the team to achieve it. Leader stays in the background and steers the project by providing the support. Distinctly, leader can also be a manager and manager can be a leader. The attributes define the difference, but do not shut each other out.

3.2 Project management basics

Project management is all about managing all the little things and carefully paying attention to even the smallest details, because in a long run those tend to grow and might interfere with the end result. However, trying to focus on too many details at the same time can be difficult and lead to chaos. Therefore it is possible to divide the details and allocate those into most important factor groups where those can be controlled.

Therefore, the strongest focus should remain on the budget, quality, deadline and profitability. These four factors can be found in the picture below. Each one of these factors is directly connected to the “project management” and therefore affects on the overall quality and the result at every stage of the project. It is crucial to pay attention and manage this 4 main factors carefully in order to avoid the mistakes and difficulties that affect the result.



Four main influencing factors

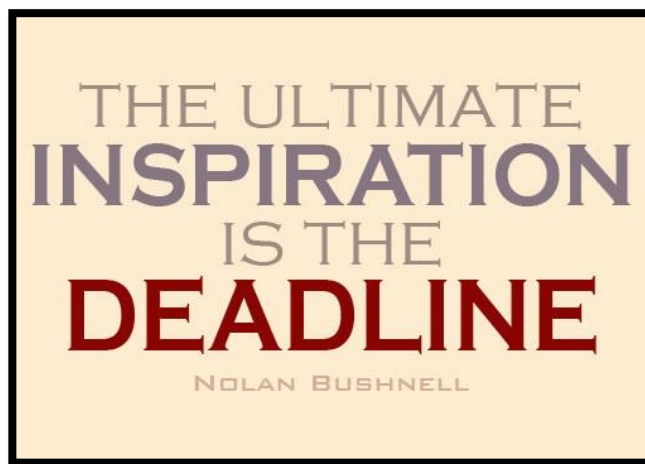
As demonstrated the project management circle is centralized and there are four most important factors that influence project management the most. Each of these are individually functioning factors, but nevertheless all four have a high impact on one another. Let's think about the budget. If the given budget is small, it means that acquiring resources needs compromising. After all, the best quality often costs more. Another example could be the profitability factor. The profitability is directly affected by the budget, quality and the deadline. When the deadline is due, the profitability suffers every single day. In addition when the budget is low, the quality can suffer and that can lead to mistakes and errors. Every mistake needs to be handled and in order to handle it, more resources must be used. The same resources that are already lacking and running low. So as it clearly indicates, even though that every factor is a factor of their own, they are still directly influencing each other directly.

In the following chapters, these most influential and important factors are described thoroughly. Their meaning, importance and direct influence is brought up in the most convenient way for the reader and therefore it is easy to identify how exactly they are connected to one another.

3.2.1 Deadline

In every project there is a start and a finish. Deadlines are important, unavoidable and even crucial not only at the construction sector, but in most operational industries too. Finishing the project behind the schedule will increase the loss and creates extra costs even after the project is over. It is important to remember that when the project is finished, the expenses from the last month are still coming in and need to be paid. This might have an impact on the upcoming project if it starts during the same month, because there are still costs to be paid from the previous one.

In the contract you can always find the terms and conditions regarding the deadline of the project and what are the consequences if the project is not completed on time. Most of the times there is a fee that needs to be paid if the deadline is not met. The fee might be a percentage of the final costs or some other sum that is negotiated during the making of a contract. In the construction projects, the fees might be even as high as 20 000€/day in Finland and in the business sector only the sky is a limit. The reason behind the high fees is to intimidate the project runners and force them into working rapidly in order to avoid the penalties.



Now, it is true that sometimes the pursue of a deadline can affect on the quality. It is not uncommon that meeting a deadline by all means has sacrificed the overall quality. The correct way to follow the schedule and watch out for the deadline is to use a project management software and follow the project plan. The project management software will help you to see the big picture and understand the division and timing for each task individually, creating an overall picture before the deadline. More about project management software can be found in Chapter 5.

3.2.2 Budget

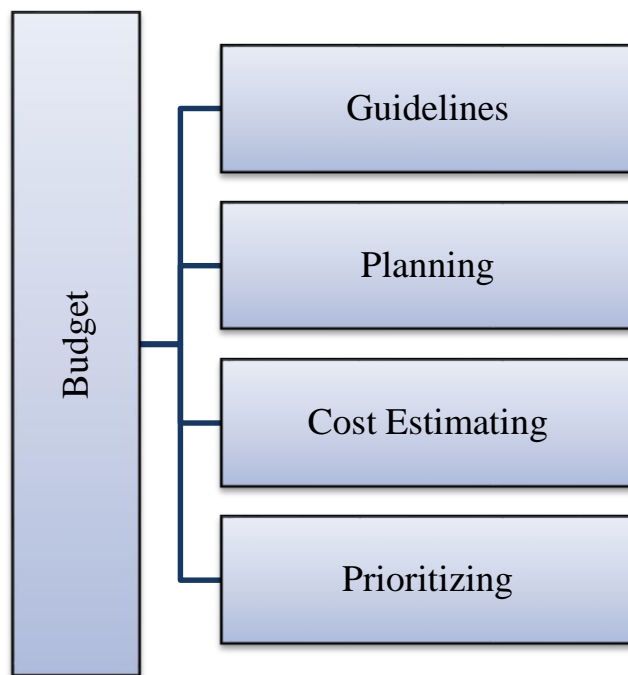
In order to reach the finish line within the specific parameters, it is important to estimate costs, revenues and resources. To be able to know exactly what can be afforded at every step of the project and what can be done if conflicts arise is a foundation of a successful project. There is always surprises and therefore it should be considered in the budget planning. In addition, budget is directly connected to the pace and the quality of the project, because it shows what can be afforded and how fast things will get done if the deadline is closing in or difficulties arise. (Gregory M. Horine 2005)

Budget is described in the budget plan before the project is started. Budget plan expresses the estimation and actual costs and expenses for each month during the whole project. These costs can be divided into separate groups such as marketing, research, sub-contractors salaries and costs and many others. There are multiple tools available online that provide budget planning for experienced managers and beginners.

Project X Budget Plan					
Budget 25 000€	Jan	Feb	Mar	Apr	Jun
Rent (€)	1000	1000	1000	1000	1000
Tools and Softwares (€)	100	20	50	0	50
Salaries (€)	3000	3000	3000	3000	3000
Sub-contracting (€)	1000	500	0	0	500
Logistics (€)	50	50	50	50	50
Equal (€)	5150	4570	4100	4050	4600
					22470

Example of a simple Budget Plan

There are quite a few advantages that budget planning brings. One of them is establishing clear guidelines for the managers. This allows establishing the most important objectives instead of focusing on everything and trying to allocate it all at once for every part of the project. It is more important to know how much can be spent at every phase of the project, instead of trying to accomplish too much at once and allocate everything immediately. Therefore cost estimating determines how much it is possible to spend on each individual phase at any given time.



Budgeting factors

The important budget related facts are demonstrated in the chart above. These are the most common points that are considered being a part of budgeting and budget planning.

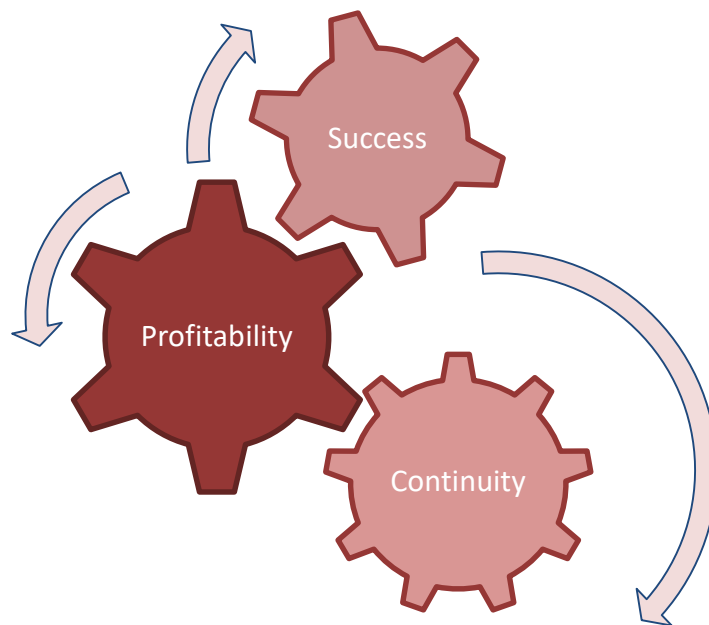
Therefore, estimating the costs leads to prioritizing. Prioritizing means that it is possible or even necessary to consider which of the tasks, assignments or phases are the most crucial for the project. Usually, prioritizing the phases that create revenue or the phases that decrease costs are the crucial ones. Sometimes, some parts of the project can only be completed if another part is on hold. This means that allocating the budget correctly is a crucial task and requires careful planning.

In addition, prioritizing tasks and phases that require renting resources will also reduce costs because those will finish sooner and therefore reduce the amount of money used for renting the equipment or workforce. (project-management-skills.com)

3.2.3 Profitability

Another extremely important basis of the project management is profitability. If there is no profitability then there is no project now or in the future. In many cases the profitability suffers and might be ruined during the project with surprises that were not part of the plan. This often leads to problems in the future where the revenues are needed for another project. One big failure can put an end to everything and one big success guarantees continuity. Therefore it is crucial to look at the things in the long-term perspective (Trevor L. Yong 2013)

In the picture next picture it is illustrated why profitability is so important.



Impact of the Profitability

As demonstrated, one bigger wheel “profitability” is spinning the “continuity” and “success” wheels. Like previously mentioned, a profitable project guarantees success and continuity. Demand grows and successful projects bring new relationships and even partnerships that are considered important for the future operations.

However, profitability can be hard to achieve if the project leader cannot see the big picture. Like mentioned in the “budget” chapter, sometimes cost estimating, planning and prioritizing can be difficult for some project leaders. There are many of those who have failed to achieve the profitability by not looking ahead and planning the costs beforehand. According to Mastering Project Management book by Scott Berkun, there are five key factors for achieving the profitability in a project. These factors are:

- 1. Defining the scope**
- 2. Estimating and planning ahead**
- 3. Identifying risks**
- 4. Recording and managing data**
- 5. Monitoring profitability at all times**

Scope definition simply points out what needs to be included and what can be excluded from the project. Some of the phases and tasks can be revised in the future when the work with higher priority is done. It is common that the sponsors and clients define the scope broader than project leaders and this can lead to conflicts and even affect the profitability.

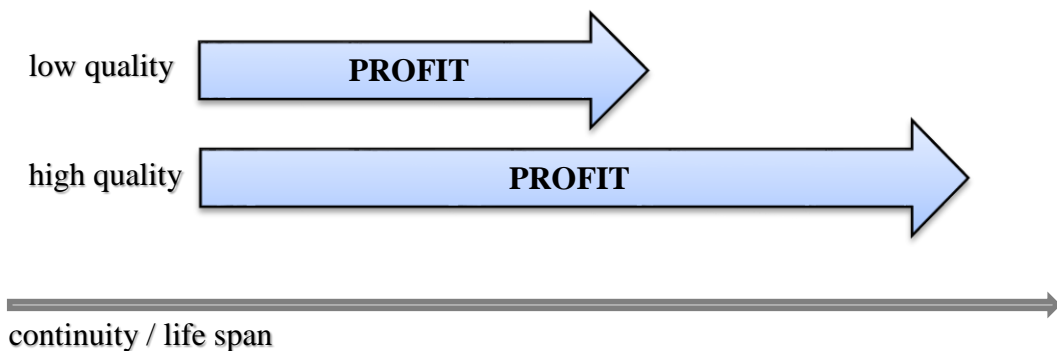
Estimating and planning ahead is a part of being able to see the big picture. Planning is easier when the structure is divided into smaller pieces. Breaking down the tasks and phases will bring clarity and point out the possible difficulties that can occur. In addition, this will help to identify risks and prepare for risk management. Not all the risks are visible in the beginning, but reducing the greatest risks is a desirable starting point.

Recording and managing data is a foundation of project management. Correctly recorded data will provide the necessary information for effective management and can will lead to profitability. Every action and interaction can be found in the recorded data and it is a matter of managing it how this will affect in the future. The existing information provides a good basis for developing and improving operation. Monitoring in the other hand, provides a live up to date information which can be affected quickly if necessary. Checking the status regularly allows to react quickly when unexpected circumstances occur.

3.2.4 Quality

Fourth basis of the project management is the quality. Based on the experience, a good quality work means that the results after the project are exactly as predicted or better, but never less than expected. There can be difficulties and bumps during the road, but it should not affect on the end-result. If the quality is poor then there will be no continuity or partnerships with the same parties and in addition the reputation suffers for future business. However, when the quality is met it is very common that the partnership between the happy parties will continue in the future.

Following chart illustrates why quality is so important.



As illustrated above, the quality directly affects the profit. Higher the quality, higher the profit. For the companies the basic understanding is that when the quality is poor it means that the pricing for products and services needs to be adjusted correctly. Therefore, lower quality means lower prices and for that reason less profit. Of course this is a general belief and does not apply for many companies and especially those that exist only online due to their low time-span and mass production which is not built on continuity and customer value. However, needless to say that quality is one of the defining factors for profitability and continuity not only for projects, but also for organizations and companies that are seeking for success in a long-term.

As a reminder from previous chapters, quality is also affected by budget and of course the deadlines. Sometimes meeting a deadline by all means can sacrifice the overall quality and this should be kept in mind. In addition, lower budget states precisely what can be done and how much money is available for services and resources per a project phase. This forces into competitive bidding and careful evaluation of what can be bought.

4 INTERVIEWS AND FINDINGS

Interviews played an important part in the research and this thesis. Where the literature provides a strong foundation and general information, the data that is discovered during the interviews is built on experience and covers the practical side of the study.

4.1 Preface

The interviews were done face to face with the representatives of every company at the construction sector. Overall amount of interviewed companies and interviewees was 7. Interviews lasted approximately 25 min. each and there was 13 questions (Ch. 2.3) that are being used in this thesis and 2 extra questions that are not part of this report. The requirements were that every interviewee had experience in being a project leading for at least 10 years. In addition, these persons had to have knowledge in billing, scheduling, budgeting and managing people. These factors considered, the interviewed people were suitable for the interviews and had a good amount of experience in operating as the project leaders in big organizations.

Following companies were represented during the interviews:

- **Tampereen Bitumikate Oy**
- **Lemminkäinen**
- **Lujatalo Oy**
- **SKANSKA**
- **SRV**
- **NCC**
- **YIT**

The questions and answers were discussed openly and therefore new ideas and more details came up during the interviews. These new findings are discussed thorough the report and will provide more value and new aspects of project leading and managing.

The following chapter will provide short introduction regarding the companies that are represented in this study.

4.2 Interviewed companies

Tampereen Bitumikate Oy is the case company for this thesis and have been already introduced previously in Ch. 2. (www.bitumikate.net)



Lemminkäinen is a construction company operating in Finland, Sweden, Norway, Denmark, Russia, Estonia, Latvia and Lithuania. It provides house- and construction building and infrastructure building. Net sales in 2016 were 1.7 billion € and it the company employed 4 700 persons. (<http://www.lemminkainen.com/lemminkainen/company>)



Lujatalo Oy is a part of Lujä concept and it operates in Finland. Their main focus is on housing, new constructions and repairing and renovation. Company's turnover was nearly 313 million € in 2016 and it employs 900 construction professionals. They strive to be a wanted workplace and a reliable partner in building. (<http://www.lujatalo.fi/>)



SKANSKA is a part of Skanska AB concern and it operates in Finland. Their services are house building, infrastructure building and machinery leasing. In 2016 company's turnover was 946 million € and Skanska AB's turnover was 15.4 billion €. It employs over 2000 people in Finland and the Skanska AB concern employs over 41 000 people. (<http://www.skanska.fi>)



SRV is offering housing construction, commercial construction, infrastructure construction and development services. SRV is a leader in the development of innovative construction. It seeks to provide excellent customer experience and be an inspiring workplace. The company operates in Finland, Russia and Estonia. Revenue in 2016 was 884 million € and it employs over 1000 people. (<https://www.srv.fi>)



NCC is a concern that operates mainly in North Europe. It provides housing construction, property development and infrastructure construction. Turnover in 2015 was 6.7 billion € and it employed over 18 000 people. Company's values are integrity, respect, trust and prospect. (<https://www.ncc.fi>)



YIT is offering house construction, repairing and renovating construction, industrial construction and infrastructure construction. This company has over 100 years of experience and its turnover was 1.8 billion € in 2016. YIT employs over 5 300 people. The company is biggest in housing construction in Finland and biggest foreign company in housing construction in Russia. It also operates in Baltic countries, Slovakia, Poland and Czech. (<https://www.yitgroup.com/fi>)



Before the interviews it was agreed that the interviewees will stay anonymous and no names will be published. Each interviewed person is just a small piece of each company and does not speak for the whole organization. This could be misunderstood and therefore the interviewees stay anonymous. However, to be mentioned all of the interviewees are in managing positions who are responsible for entire construction projects and have experience of 10-30 years in project leading and managing.

4.3 Expectations

Because the writer of this thesis have experience in project working for over 10 years and in project managing 5 years, there was some stereotypical expectations from the interviewees. Therefore the questions were straight-forward and targeted exactly the people who are in the managing and leading positions. The literature provides a lot of material regarding project managing, but the amount of information regarding “project leaders” is much lesser.

In addition, the expectations regarding the diversity of the answers were lacking. Due to the nature of the questions it was anticipated that the answers would be somehow similar and even identical. However, it became clear already after two interviews that the answers and gathered results varied from each other. The results and findings are discussed in the following chapters.

4.4 Interview results

After processing the results it became apparent that responses on yes/no questions were mostly identical. Due to the nature of people and their job functions they all answered almost the same to all but one question. However, the other questions provided a wide variety and a good amount of interesting information.

Yes/no questions:

1.	Does a good Project Leader need to be a specialist of projects sector?
2.	To be a good Project Leader, empathy towards the team members is important?
3.	Do you consider yourself being a good Project leader?
4.	To be a great Project Leader, you must like and enjoy being one.
5.	Anyone can become a good Project Leader

Yes/no answers:

1.	Yes = 3	No = 4
2.	Yes = 6	No = 1
3.	Yes = 7	No = 0
4.	Yes = 7	No = 0
5.	Yes = 1	No = 6

As it shows, two yes/no questions were answered identically. Every interviewee considered himself being a good project leader. However, all of them also informed that there is always more to learn and it is a long life lasting process to become better. In addition, question 4 confirmed the expectations regarding being a good project leader where all of the interviewees answered that in order to be a great project leader or manager it is important to love what you do. Most of the interviewees also added that this applies to most of the jobs out there.

The biggest variety came up at the first question where three persons said that you have to be the specialist of the sector where the project is conducted. They justified this by saying that it is necessary to have the basic knowledge and experience in certain tasks such as reading the plans, documenting, allocating the budget or accounting.

Four persons answered “no” and based their answers on the following facts:

- *“you can’t know everything”*
- *“you can’t do everything alone”*
- *“general knowledge and know-how about managing is enough”*
- *“you can hire the experts and professionals to do the required tasks”*
- *“it is not enough to know the sector if you don’t know what to do with it”*
- *“you will learn about the sector and the project during the first weeks”*
- *“by knowing who to ask reduces the risks of not knowing some specifics”*

It became obvious that knowing the sector is not a necessity and lack of information can be replaced by knowing who to address if there is something you do not know.

Additionally, the questions regarding empathy and anyone being a good project leader had only one different answer. Six out of seven interviewees expressed that empathy, at least at some level is important to have. People have personal lives outside the work and might have difficulties which can affect the working career. Understanding and seeing things from other peoples perspective and ability to listen are important skills that a good leader must have. One person responded that we all have our own problems and you do not bring personal issues to work.

The question regarding anyone becoming a good project leader provided good examples why in modern world not everybody is suitable for that role. All of the interviewees answered no and one of those added that it is still possible, but unlikely. The answers were explained with examples like:

- *“no motivation”*
- *“not everybody likes it”*
- *“not an organized person”*
- *“not capable in seeing the big picture”*
- *“if you are not a peoples person and you like working alone”*
- *“missing skills like time-, quality- and communication- management”*
- *“if you have difficulties to perform under pressure and take responsibility”*

To be a perfect fit for the project leader role definitely requires liking the job. In theory, it is possible to work as a project manager and be decent at your job, however to become a great one is impossible without the motivation and real interest towards that role. In addition as you can see above, there are a lot of reasons why being a project manager and especially a leader can be difficult if the person belongs in one or more of those categories. After all, not everybody enjoys working under pressure, enjoys being surrounded by different people or wants to be responsible for big decisions.

Once again the nature of a human being and personality are the factors that affect greatly on the suitability for a project leader role. During the research it becomes a fact that the necessary skills and abilities are directly connected to personality, qualities and the nature of people.

Other questions:

1.	Which company do you work for?
2.	What do you consider being a project?
3.	List 3 most important skills or abilities that a good Project Leader must have
4.	What Project Leader must do if the project is behind the schedule?
5.	How a good Project Leader ensures that the project is done on time?
6.	How a Project Leader ensures a good communications during the project?
7.	If one of the team members is not doing his/her job, what needs to be done?
8.	How a Project Leader maintains positive and innovative environment?

The answers on the questions above provided a lot of interesting information. New perspectives were brought to the table, but in addition some of the stereotypical expectations such as what is considered being a project or what to do when a team member or an employee is not doing his/her job were proven. A project is considered as one, when it involves the budget, a timeframe and multiple parties. Needless to say, the activities happen within the budget, everything must be done before the deadline and those multiple parties are involved in order to reach the finish and planned result. The questions regarding a team member or an employee not performing his/her job gathered similar responds where the interviewees all responded that talking to the person in private with confidence was the right thing to do. The best solution to this kind of situation is to discuss the problem with that person and deal with the issue. In some cases it was mentioned that asking co-workers and contacting the supervising person can be a part of the resolving this particular issue.

Noticeable, the highest variation originated from the third question where interviewees were asked which three are the most important skills or abilities that a good project leader must have. In the following table you will find all of the skills and abilities that were brought up in the order from the most common to the less common. The first three attributes in the table were mentioned by every interviewee.

1. *Controlling the wholeness, especially maintaining control in stressful situations*
2. *Seeing the big picture. Being aware of changing environment inside the project*
3. *Be a peoples person and get along with everybody*
4. *Be good in time management*
5. *Always aim for the best possible quality*
6. *Clear vision, planning and task division*
7. *Good communication skills*
8. *Good in organizing and arranging tasks and people*
9. *Be precise and accurate with plans*
10. *Be creative and have ideas*

Being aware that the project is constantly moving forward and therefore precision and time and quality management needs to be the starting priorities from the very beginning. It is crucial to understand the needs that a project demands and that inside of the project it is a constantly changing environment which leaves anyone who is not willing to follow behind.

Being a “peoples person” and easily approachable came up during the interviews, but however is not discussed in theory directly that much. It is an ability that removes many obstacles and barriers between the leader and an employee. Interviews brought out that feeling safe is a factor that affects willingness of an employee to talk to the supervisor. If an employee is feeling insecure it is most likely that he or she will avoid the discussions with the supervisor or the person in charge who in this case is a project leader.

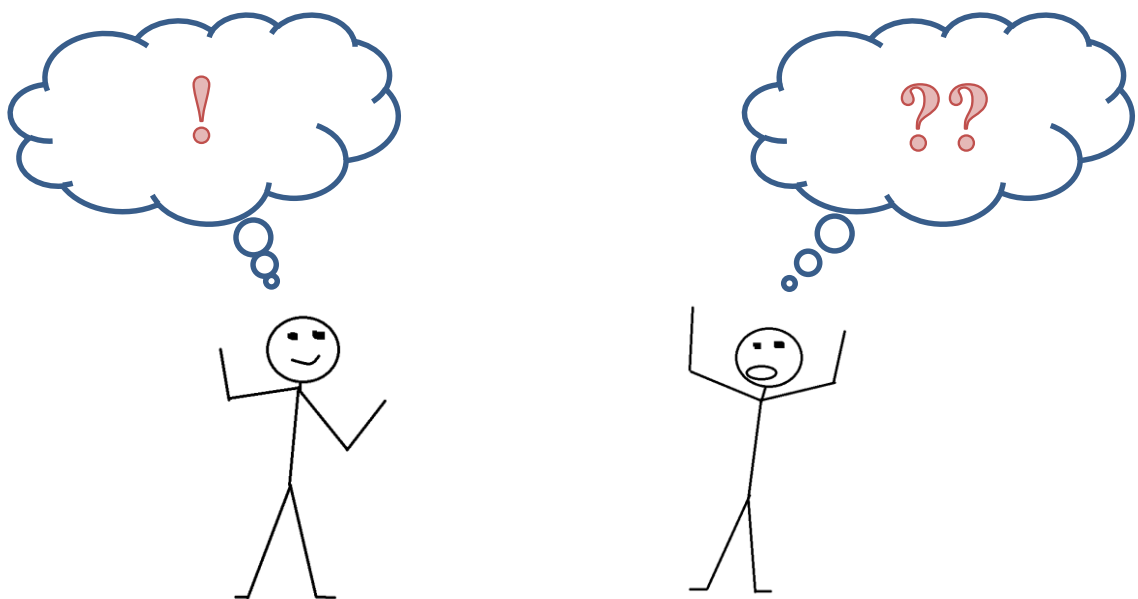
The ability to get along with everybody is a golden skill. We all know plenty of people that we cannot tolerate or imagine working with them on a daily basis. People are different and a good leader must adjust himself for the benefit of the project. This means that dealing with difficult people is a part of the job and must be handled with pride. Being likeable person is not an easy task and we all have bad days which however are not allowed to affect our work.

Having a vision and being able to communicate it to the other around as clearly as possible is not always an easy task. The interviews pointed out that clear vision is always part of planning. When done properly it will save time and resources. Warren Dennis have said that leadership is the capacity of translating vision into reality. By using the word leadership instead of management, he brought out the difference that is discussed in this thesis between the leader and the manager. A good leader always have a vision and is willing to follow it even in the most difficult times. Sometimes having a vision requires faith from the person itself, because others might not be ready for it or the change it brings.

Leadership is the capacity to translate vision into reality

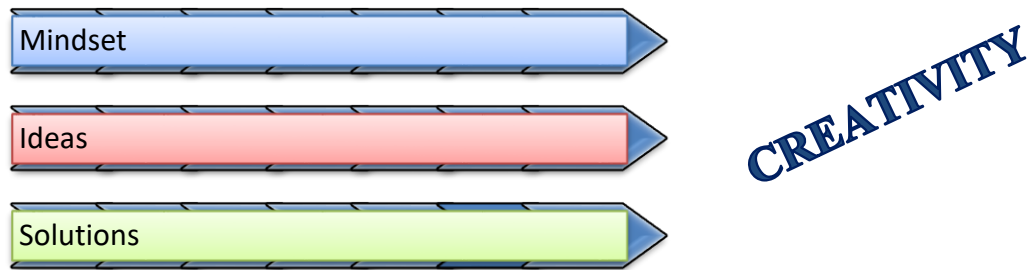
- Warren Dennis

Translating vision into reality is cornerstone of successful leading. Therefore the ability to communicate it to others is crucial and without it, others will never see what the leader sees. On top of that, communication itself is one of the key elements that helps to maintain the grip of the project. It lowers the level of risks where the team members and other employees might feel unnecessary or simply forget to communicate simple things such as change in schedule or late delivery of resources.



Leader's vision can be a blur to others

The interviews revealed that communication inside the projects is sometimes extremely difficult. Due to the nature of people, some might not understand the importance of it and some people just lack in social skills. It became obvious that maintaining the active communication inside the projects at the construction industry sometimes demands hard work. In situations like this, the project leaders role and the ability to retain the communication during the project becomes even more crucial. The interviewed people who mentioned communication skills being important said that a constant “pressure” from the project leader towards the rest of the team members is needed. By pressure they meant “forcing others into conversations in a nice way”. For example joining others during the coffee break or telling stories from personal life increased activity in conversations and therefore the communication inside the project groups.



Another important ability was being creative and have ideas. This especially came up when the interviewees addressed the fact that as long as everything goes as planned everybody is happy, but sometimes even the slightest complications may turn everything around. Therefore it was described that when the difficulties arise it is a great ability for the project leader to come up with the solutions and ideas how to fix the issues. Staying calm even in the most stressful situations and being able to fix the problem is a highly appreciated talent. For example if a delivery of resources is running late and the estimated time of arrival is several days behind the project phase, what can be done? Is it a logistical problem or manufacturing problem? Can we hire another company to perform this immediately or is possible to move the deadline for the phase? Can the delivery be handled by another company or is it possible to assign own employee to pick up the packages? These are simple examples that came up during the interviews.

Fourth question is what to do when the project is falling behind the schedule. The answers were somehow similar and 90% of the interviewees followed this question by saying: “which part of the project”? It became unambiguous that when the project was falling behind the schedule the first thing that needed to be done was find out exactly what was falling behind. After it became clear who was responsible and what was falling behind the necessary actions could be done. Reacting as soon as possible and making the adjustments regarding the upcoming schedule and deadlines. Making extra hours and creating a short-term plan in order to get back on schedule were the most important things to do. To be mentioned, falling behind the schedule at some point is not uncommon and it might sometimes happen. The important part is to catch the schedule during the following phases which will put things back in order. Outsourcing brings these kind of issues where it is not up to you or your team if things go wrong. However, it is up to the project leader what should be done in order to get back on track.

Interviewees admitted that in the beginning of their careers they had difficulties with schedule. This mostly came up with the fact that they were new at the job and had to create the network with the right connections. Finding the reliable experts who were always on time and good at their jobs happened with time and failures. Another reason for falling behind the schedule was not being able to see ahead and recognize possible delays in following phases. These are the things that come with time and experience, but knowing them beforehand will help new project leaders in performing their job.

Related to previous question, ensuring that the project was done on time it was important to retain the constant and active communication between the parties, members and employees. Some companies have a habit to update everybody during the morning coffee break, where the project leader goes through tasks, changes and the schedule. In addition, planning beforehand and acquiring beforehand saved a lot of time where the next task could start immediately after the previous was finished. Another important thing was leaving spaces for surprises and it was mentioned by half of the interviewees. It is important to remember that projects tend to have unexpected surprises that need to be addressed before being able to continue to the next phase.

To conclude the schedule question it can be said that planning ahead, active communication, project plan, daily reports and surprises are the key elements that a good project leader must remember.

How to stay on schedule

1.	Plan ahead
2.	Active communication
3.	Project plan
4.	Daily reports
5.	Room for surprises

In the end it all comes to seeing the big picture, the wholeness of the project. Ability to control especially in difficult situations and being aware of what is happening around is what a necessity for a good project leader to have.

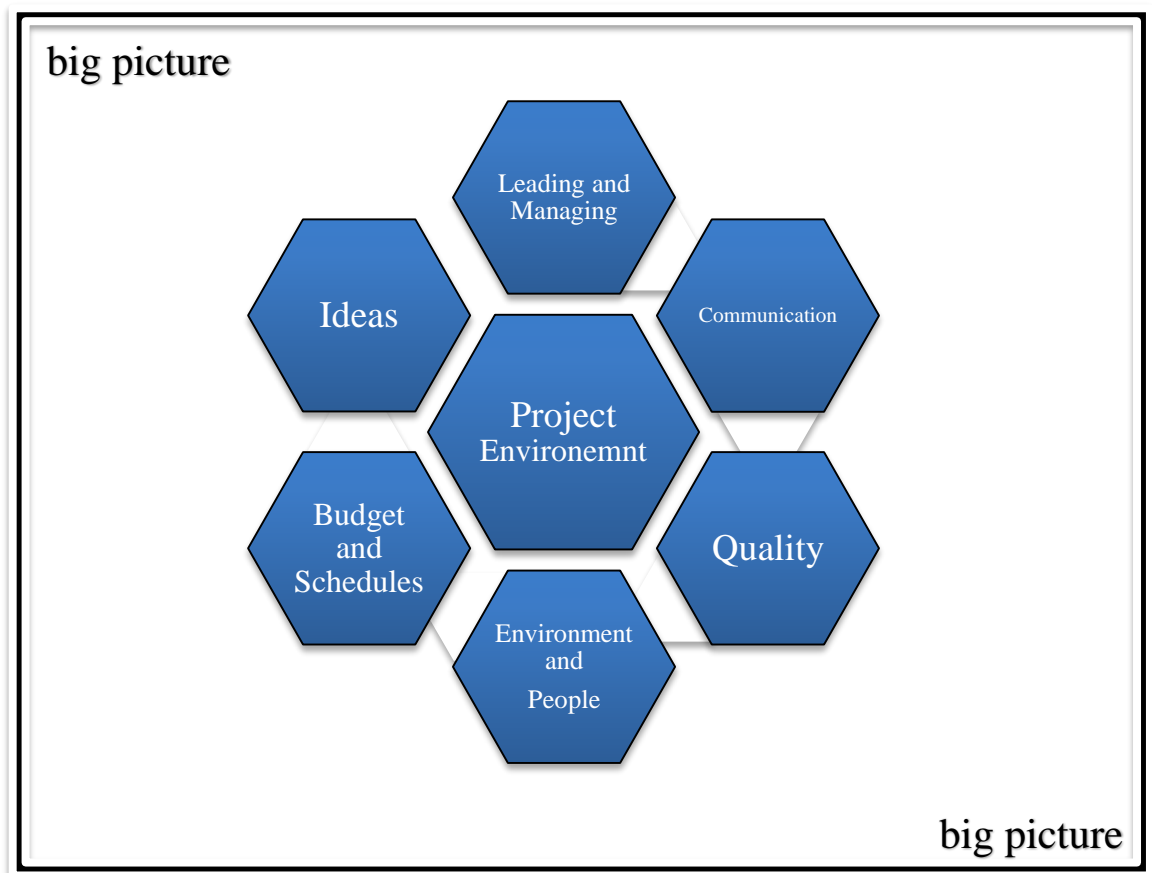


Illustration of a big picture

How to maintain the positive and innovative environment is a question that is often asked during the job interviews. Innovation has become one of the most meaningful factors that drive companies to success.

When the interviewees were asked what do they do in order to maintain a positive and innovative environment, the most common answer was “give space”. Trusting the knowledge and expertise of your team members and employees is crucial. Letting everybody do their own job without pressuring or interrupting is a rewarding way of operating. The employees feel appreciated and suddenly an innovative environment is created where everybody feels valued and knows that their ideas are welcomed. A person who feels appreciated will always do more than expected.



In addition, staying calm and encouraging others to do the same was one way of staying positive. Project leader's behaviour reflects on rest of the team and therefore it is important to maintain the coolness and never express the negativity and frustration to others – because it is contagious.

Other key elements like listening, being active, operating from the background and constructive feedback were important in accomplishing a positive and innovative environment.

Bullet points for achieving positive and innovative environment

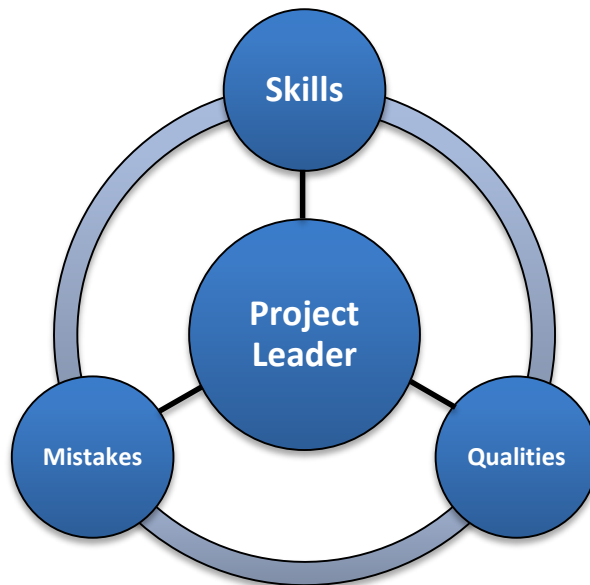
- Give space
- Trust employees and their expertise
- Listen and encourage
- Be active
- Be positive
- Control from the background
- Provide and receive constructive feedback

These important activities not only created positive and innovative environment, but additionally promoted creativity and brainstorming within the project groups. When group members feel comfortable and relaxed at work, they operate at a higher capacity. A joyful working environment gives fuel to a successful thinking where innovation brings new ideas and solutions. A true project leader inspires and encourages towards such situations.

5 COMBINING THEORY AND PRACTISE

The factors that make a good project leader will be discussed in this chapter. After reflecting theory and interviews, it became obvious which skills and qualities are important in order to become a good project leader. In addition, some common mistakes were found during the interviews which are also supported by the theory (Project Management Institute 2005).

Lower in the picture the three attributes that are connected to the project leader are the most important factors that describe a good project leader. In becoming a great project leader it is important to master these factors and avoid the mistakes that are discussed later in the report. These attributes were brought up during the interviews and can also be found in the literature. In reality there are many more details that need the attention, but it is considered that these specific three have the highest impact on the project leader and therefore on the project itself.



Project Leader Attributes

These attributes are shortly discussed in the following chapters. Additionally, there is a fourth important attribute which is experience, but it is something that is acquired by every person individually with time. Therefore it is not included in the chart above.

5.1 Project Leader skills and qualities

Attributes 1 & 2 that are connected to project leader are skills and qualities. It is undeniable that there are many skills and even more qualities when it comes to being a good project leader. Effective managing of people and processes while paying attention to technical aspects and other details is a difficult task to master. The ability of seeing more than just your own actions are the starting point of being a good project leader. Seeing the “big” picture is crucial. (Project Management Institute 2005 & Interviews)

As expected during the desk research a lists of several important skills and abilities that are needed in becoming a great project leader came up. These skills and abilities were combined with the answers from the interviews and after combing them together, five that stood out the most were chosen and can be found in the table below.

1. **Project Management Fundamentals**
2. **Business Management Skills**
3. **Technical Knowledge**
4. **Communication Skills**
5. **Leadership Skills**

1. Project Management Fundamentals

Project management fundamentals are the basic skills and the common knowledge that is required in project work. For example using a computer or understanding what is a deadline is a basic skill and knowledge. Knowing the simplest things such as what is a budget, how people communicate or who are the stakeholders in the project. In addition, experience with management tools, Microsoft tools, Outlook, Calendars, Emails and some other software are usually the basic skills that we have already learned during our lives. (Trevor L. Yong 2013 & Interviews)

Bullet points: Project Management Fundamentals

- IT-skills,
- Communication,
- Stakeholders,
- Common knowledge about project work

2. Business Management Skills

Business management skills are the same skills that a regular manager of a company should have. Good examples are budgeting, finance, organizational dynamics, team development, coaching, motivation and many more. For the project leader especially the motivation, coaching and team development are skills that are often forgotten or underestimated. During difficult moments when employees need motivation and support, a good project leader can read the situation and provide it.

In addition project leader is partly responsible for the improvement of his/her employees and the team. Providing the environment where everybody can equally develop their talents and work together is a part of project leader's function. Skills like budgeting, finance and organizational dynamics are the skills that we learn during our work career. (Trevor L. Yong 2013 & Interviews)

Bullet points: Business Management Skills

- Budgeting,
- Finance,
- Dynamics,
- Development,
- Coaching,
- Motivation

3. Technical Knowledge

Technical knowledge means the already gained experience and competence in related area of the project. This allows project leader to be more effective at his work. With the experience you obtain more creditability, learn to ask better questions, develop better solutions, help the team effectively, pay attention to small details and etcetera. During the interviews it was mentioned that a good project leader must have ideas and if there were complications find out a solution. This is a typical skill or ability that comes with experience where the person have already been in a similar situation. In addition, the interviews revealed that paying attention even to the smallest details often reduced the amount of unexpected surprises. (Trevor L. Yong 2013 & Interviews)

Bullet points: Technical Knowledge

- Creditability,
- Ask better questions,
- Develop better solutions,
- Be more effective,
- Pay attention to smallest details

4. Communication Skills

Communication skills are often taken for granted, but yet still this is the part where so many projects fail. In many cases the problems and issues arise when the project leader and rest of the team assume that everything is going as planned. It is important to communicate inside the project group as much as possible.

The project leader must maintain the active communication between the team members. The finished tasks, problems and ideas need to be discussed together so that the whole team is on the same page at all times. Communication is a head-start in resolving the issues that arise during the phases. (Trevor L. Yong 2013 & Interviews)

Bullet points: Communication Skills

- Maintain the activity,
- Lead into discussions,
- Show example,
- Demand participation

5. Leadership Skills

Leadership skills are often mixed with management skills (discussed in Ch.3). Being a leader is not the same as being a manager. Being a leader requires a different mind-set and attitude which quite often are missing from project managers. The research discovered that leadership skills include adaptability, flexibility, customer orientation, problem solving and people management. As mentioned before in the end it comes to seeing the “big” picture where personality and human nature plays a big role. (Trevor L. Yong 2013 & Interviews)

Bullet points: Leadership Skills

- Adaptability,
- Flexibility,
- Customer orientation,
- Problem solving,
- People management,
- Personality,
- Human nature

5.2 Project Leaders common mistakes

A project can fail in many ways and it is common to experience difficulties at every stage of the project. There are always surprises that cannot be avoided and therefore the way of dealing with them becomes more important. Panic is not going to help, because it often creates more mistakes. Therefore staying calm and dealing with the problem is crucial.

The research discovered most common mistakes that a project leader can do. Both, the literature and interviews pointed out the most typical mistakes that are done by project leaders and managers in the modern world. After combining the theoretical part with the interviews, the 10 most common mistakes were selected and now are presented in the list below.

1. Not saying “no”
2. Not being flexible
3. Not seeing the risks beforehand
4. Not executing the original project plan
5. Insufficient management and leadership
6. Trying to do everything alone, not delegating tasks
7. Being too optimistic about timelines and the deadline
8. Not clearly communicating who is responsible and for what
9. Not communicating effectively with all key stakeholders
10. Not obtaining the correct resources with right skills at the right time

These common mistakes are described in the following chapters. Additionally the chapters provide examples how the mistakes are done and what can be done to avoid them.

1. Importance of saying “no”

First common mistake is not being able to say “no” to ideas and suggestions. Sometimes the pressure of saying no can be stronger than making a bad decision. There are a lot of people working in organizations and projects who have difficulties in saying no due to their nature. It is however important to remember that bad decisions and ideas can complicate the project or even destroy one. Providing constructive feedback after denying an idea will leave no questions behind. Therefore saying no is a skill that needs to be learned at early stage in order to become a better leader.

An article found in entrepreneur.com discusses the importance of saying no in business life, but it also reflects on the leaders and managers who need to learn how to say no to their employees.

The article states *that receiving a no can be brutal, but saying yes to everything is not going to make up for that*. Saying yes will comfort and satisfy the receiving party, but will only stress out yourself. In addition, other people might take you for granted and expect you to agree with everything.

Once you learn how to say no to thing, you will start having more time. This time can be allocated differently and make things more efficient. In addition it will reduce the amount of stress and let you do things you like to do, while still maintaining relationships at work. It is harder than it sounds, but with a little bit of practice one can master the skill of saying no.

How to say no by *entrepreneur.com*:

- Be quick
- Be honest
- Ask for a rain check
- Suggest an alternative

The Power of Saying “No”

Being quick means providing a sharp and short answer. Decline politely right away if you know that you have no time or interest. This way there will be no room for guessing or maintaining the hope.

Being honest is the easiest way, but unfortunately sometimes it is not enough. Explaining your own tight timetable and commitment to other tasks can be difficult for others to understand. However, most of the times people believe you and take no as an answer.

Asking for a rain check might be the occasion when you would really like to do something, but simply have no time for it in the near future. Creating a plan or agreeing to come back to this matter later is a good way to say no temporarily.

Suggesting an alternative is another good way of saying no. Bringing in someone’s name who could take your place instead and offering help from the background will inform that you are not completely opposing the idea and trying to help, but have no time to do it yourself. This is a polite way to decline and say no.

2. Not being flexible

Flexibility can be misleading. Some people tend to think that being flexible simply means not following the existing plans. This is incorrect and there are still a lot of managers and supervisors in 21st century who get glued to plans and stick to those no matter what even after the environment is changing. Flexibility means being adaptive to change and even though the plans are meant to be followed, it is necessary to be open for new ideas and changes when a situation requires to do so.

In the business sector those who are capable of adapting to rapidly changing environment will survive. During the past 10 years, the technology has been developing at a high pace and this has paralyzed companies that could not follow up such evolution. Flexibility means being ready for whatever is coming and turning threat and change into an opportunity. Just like in business life, this is also true in the project leading and those leaders who can turn risks around and adapt to difficult situations will be one step ahead of others.

Additionally, flexibility can mean giving space to group members in performing their tasks. This can be difficult within new groups where the members are not yet so familiar with each other's ways of operating and therefore do not know how well someone can be trusted. However, in familiar environment a leader allows the group members to operate individually and trusts that the work is done on time. Being flexible also means that as long as the result is as expected, the working method is allowed to be different. Especially if it proves to be more efficient at planned in advance.

3. Not seeing the risks beforehand

Risk recognition is a skill or ability that comes with experience. It is normal that after failure we learn and remember. With the experience we start to recognise same kind of situations and pay more attention to them while avoiding to repeat the same mistakes. It is a good idea to introduce the plans to a bigger crowd which can reduce the risks because there are more experience involved. Recognizing and eliminating the risks that can potentially cause harm will certainly make things easier and reduce surprises and complications in the projects.

There are good ways to control the risks and some literature even considers them being the golden rules of risk management. During the interviews some good suggestions regarding risk management came up where the interviewees shared their ways of managing and addressing the risks. After combing the literature and the interviews, nine great tips were produced and can be found in the following list.

1.	Make risk management part of the project
2.	Create a risk management plan
3.	Identify risks at the early stage of the project
4.	Communicate the risks clearly
5.	Prioritise risks - weigh the threats and opportunities
6.	Response to risks
7.	Analyse risks
8.	Track and register
9.	Store and remember

The interviews revealed that when there are no problems everybody is happy. As soon as difficulties arise people start stressing and after a while it becomes visible in the working environment. In order to avoid these difficulties it is important to recognise and manage the risks so that the working environment stays healthy and positive.

It all starts with including the risk management into the project. Creating a risk management plan that identifies the risks beforehand and provides a solution when one occurs. In addition, informing the risks to team members and employees is mandatory especially when the risks are about to happen. This allows a quick response and later leads to a proper analysing of the situation which explains what exactly happened. After evaluation and recognising the mistakes it is important to register and store the data so that in the future the recognition of similar risks can be done easier.

4. Not executing the original project plan

Project plan is a document that is created before the project starts. It should include the scope of a project and the all of the objectives that need met in order to achieve the successful result. Project plan includes the activities that are done during the project and the dates when the activities start and end. The project plan is visible to everybody and must be followed in order to maintain the smooth run of the project. Staying on time is one of the most important things in project work.

Commonly used project plan in project management is the Gantt Chart (www.gantt.com). It shows activities, objectives and the timetable.



Gantt chart example

It is important to understand that planning and executing are two different things. Planning seems to be obvious, but executing the original plan can cause difficulties. As discussed above the costs, scope, duration, quality, communication, risks and resources are part of the project plan and always thought about during the planning phase. The executing phase is however often lacking in quality because of some particular risks that are not considered or thought about. The risks that affect the plan execution are:

- Bad time management
- Bad stakeholder engagement
- Missed phases and details
- Constant changes / Changing environment
- Failed tasks & assignments
- Resources delivery failures

Ergo, to be able to execute the original plan it is important to pay attention to these risks and their impact on the plan execution. Therefore, the risk management plan that was discussed in the previous chapter is once again an important factor to invest in.

5. Insufficient management and leadership

It goes without saying that people need to be managed. This is also the reason why big organizations always have HR departments. Managing projects however includes not only managing the personnel, but it also includes managing the tasks, budget and the deadlines. When project plan is executed and being followed thorough the entire project, it is crucial that correct personnel is assigned for each task in order to complete it on time and without complications.

In addition, people need to be motivated and led. They need to be heard and their ideas and suggestions must be valued. This creates positive and innovative environment which is a basis for a successful project. Therefore, it is obvious that insufficient management will lead to complications and might even ruin the project.

The most common factors in insufficient managing and leading:

1. Not trusting the team
2. Underestimating the risks
3. Not having a project plan
4. Varying methods and processes
5. Unclear goals and expectations
6. Lacking management of stakeholders
7. Lacking in experience or use of it

These seven factors are considered being most crucial in insufficient leading and managing. Therefore, it is important to learn how to avoid doing these mistakes in order to be successful in project leading and managing.

These factors are discussed and elaborated thorough this entire thesis and for that reason will be discussed only shortly in this chapter.

1. Not trusting the team

The interviews revealed that giving space and trusting the expertise of own employees and team members was a corner stone for innovative and positive working environment. A good leader recognizes this and allows his team members to do their work, providing the support from the background.

2. Underestimating the risks

Just like spotting the risks, it is also important to prepare and be ready for them. It is crucial to realise the impact of the risk and asses it thorough the whole project. Risks should be slightly overestimated which will reserve more time and resources for resolving them. However, overestimating the risks too much might create unnecessary resources that might be left unused during the project.

3. Not having a project plan

It goes without saying that project plan is a crucial part of the project and must be created. Thorough this thesis the significant importance of a project plan is discussed many times. In practice a project cannot start before the plan is created.

4. Varying methods & processes

When there are different parties and people involved in one project, it is important that everybody is capable in using the same methods and processes. Different teams and departments need to be able to communicate using same channels and each employee and a department needs to have the knowledge in using same methods and software tools that are being used by others.

5. Unclear goals and expectations

Project leader needs to understand the goals clearly. It is like having a vision. In addition it is important to be capable to communicate this vision to the rest of the team and employees as clearly as possible. When it is not sure what is expected, the end result can suffer due to the fact that it cannot be evaluated. The importance of a clear vision and expectations is discussed multiple times thorough this report.

6. Lacking management of stakeholders

The stakeholders are employees, clients, government, suppliers and other parties that are involved in the project. All of them require more or less managing depending on the role they are playing during the project. More about stakeholders and their impact will be discussed lower.

7. Lack in experience or use of it

Not having enough experience is quite normal. However, not using the previous experience is a mistake. A good leader learns and obtains new information that can be used in next project. Therefore, it is important to maintain the thirst for knowledge and learn as much as possible during each project.

6. Trying to do everything alone and not delegating

The responsibility and power that is given to the project leader can sometimes blur the vision, in which case the responsible person can try to do solely everything. It becomes easier to “just do it yourself” than waste time on explaining and delegating the work for somebody else. In addition, the project leader might think that he is more experienced to do a specific task. This unfortunately leads to difficulties where the project leader have too much to do and not enough time to do it. In addition, most of the times employees are much more experienced and better at their job.

The quality suffers and this might create a negative working environment. On top of that the team members will miss a lot of performing and therefore gain no experience at all for the future. This then affects their contribution in the future where they need to learn the tasks again, because they could not do it before.

Therefore, instead of trying to do everything alone a good project leader must remember to:

- Trust others expertise,
- Delegate and divide tasks,
- Supervise,
- Provide feedback and support

By doing those, the project leader keeps the tight connection with the assigned tasks and activities and has time to perform his own job. Delegating assignments to others requires knowing own team and trusting their expertise which sometimes can be difficult if the team is new. To avoid this mistake it is crucial to hire people with right skills and experience.

7. Being too optimistic about timeline and deadlines

As already described in “*not executing the original project plan*” chapter above, the deadlines are important and that the timeline must be followed if you do not want complications and unnecessary bumps on the road. It is not uncommon that even the projects that are given a lot of time to complete can still exceed the deadlines. If something looks good now, it does not mean that after tomorrow it is going to look the same. There are always surprises during projects and this should be taken into consideration.

When creating a project plan it is good to add extra time for every individual task. This was mentioned multiple times during the interviews where the experienced project leaders highlighted the importance of being one step ahead. This will give more time to perform next assignments and in addition it will create extra time for surprises. A good rule is to try to stay ahead of schedule at all times.

So in order to meet the deadlines on time and avoid the complications that are created by being too optimistic about the schedules, it is important to remember following things:

- Follow the timeline and deadlines,
- Be ready for surprises,
- Avoid changes,
- Stay one step ahead of schedule

8. Not clearly communicating who is responsible and for what

One of the project leaders key responsibilities is task division. Each task requires an individual who is capable in performing the job if you want the project to run smoothly. Obtaining the correct resources with right skills and time is one another important task that a good project leader needs to know how to do.

Nonetheless, after the necessary people are acquired, it is important to communicate the responsibilities as clearly as possible. Each team member should know exactly what is his/her responsibility. There might be changes in the future and therefore it is important to inform and keep the communication active thorough the whole project.

During the interviews it was mentioned that it is important that each department worked closely together. Not just one by one, but together as a group even if the work happened inside different departments. Therefore the communication was crucial in order to connect each team member and department so that those knew exactly who is responsible and for what. A good leader is capable of communicating clearly the responsibilities to each individual employee or a department, but in addition can unite the operation and make it a wholesome.

9. Not communicating effectively with all key stakeholders

Just like communicating responsibilities or any other information, it is also important to inform and keep up to date all the key stakeholders that are participating in the project. Stakeholders are legally in the position to influence directly on how the project will succeed. Some examples of stakeholders are the creditors, employees, the government, owners, suppliers and many others (businessdictionary.com). Simply put, without the stakeholders there would be no project.

Key stakeholders

➤ creditors,
➤ employees,
➤ government,
➤ owners,
➤ suppliers

Some of the stakeholders are creditors and clients so it is needless to say that those are the most important participants who need to be updated if they require so. The communication between the clients and employees need to be done separately. Mixing team members with the creditors or the government is not a right way to handle the communication. Project leader is the responsible person who operates as the link between the clients and the employees by communicating directly with the clients and then with the employees.

10. Not obtaining the correct resources with right skills and time

As discussed in the budget chapter, every project is done within a budget. Resources must be allocated correctly from the beginning in order to avoid the surprises later. This in mind, a project leader is responsible for finding the right solutions for completing the tasks. Finding people with the correct skill-set and know-how or finishing the assignments on time before continuing to the next phase are a part of a daily project managing.

Therefore the project leader is responsible for finding the right resources by researching the available options and after comparing those choosing the best for the project or the specific task.

Resources

➤ people,
➤ equipment,
➤ facilities,
➤ funding,
➤ software

So in order to get things done, the project leader needs to find the correct people and equipment. In addition, some of the phases during the projects require proper facilities where the correctly acquired people and equipment can be used at the right time. Therefore the creation of the project plan and its execution must be done precisely. At this point it is important to remind the importance of the project plan, risk management plan, budget plan and the other documents that are created at the beginning of the project. Planning beforehand and being one step ahead cannot be highlighted enough.

5.3 Successful Project

After the research it became obvious that every project is different and varies from another. The information provided in literature is standardized and general knowledge. This alone is not enough and requires practical information which comes from project execution and changing environment. As discussed previously, there are many attributes describing the successful project, but it all starts with having an excellent project leader. By having an experienced and talented project leader, the load of the project reduces significantly due to the knowledge and benefits that the project leader brings.

Second factor is the well done project plan. It is said that a “good plan is job half done” and therefore having a clear project plan removes a lot of workload. In addition, paying attention to even smallest details can reduce the amount of unexpected surprises during the project. There should be always some room for flexibility and unexpected incidents, but in any case a project plan should be followed precisely.

The third factor that was regularly appearing during the interviews and the literature was communication. What is done, when it is done and is there any problems should be the daily subjects that are discussed. When communicating is maintained every day, it becomes easier to report about the mistakes and difficulties. Continuous communication between the team members is a bonding factor and creates an open environment where team members can work together. The interviews clearly pointed out that in order to lower the barriers to communicate it was crucial for the project leader to “force” the members into discussions by actively telling stories or asking questions where the employees required to answer and participate.

A project can be successful when it is simply done on time and within the budget. However, considering the future and upcoming projects it is important to bear in mind many other factors that affect the result. This will guarantee the continuity of operations and will keep the customers and sponsors happy so that those can hire you again. From the practical perspective this is something that project leaders think about quite often, but in the literature this is hardly mentioned at all. Theory underestimates having good connections, network of experts and friendships and partnerships between people.



From an academic standpoint (Scott Berkun 2008 & Project Management Institute 2004), the project is successful when it is:

- Delivered as promised
- Completed on time
- Completed within the budget
- Delivered quality
- Met all stakeholders expectations
- Created continuity

ACADEMIC STANDPOINT

Theory is precisely on point when it comes to a single successful project. It is indeed enough to just meet the criteria above in order to have a well done project. However, in order to guarantee continuity and create partnerships you must offer even higher quality for a better price. Making sure that in the future the client will hire you and your team again is a tricky task to do and sometimes just finishing the project is not enough.

However, for us to be able to compare and later combine the most important attributes of a successful project it is necessary to reflect the theory on the practice. Therefore, from the practical standpoint (interviews and experience), the project is successful when it has:

- Talented and experienced project leader
- Well done project plan
- Effective communication maintained
- Met the budget requirements
- Met the schedule requirements
- Created valuable connections

PRACTICAL STANDPOINT

When reflecting the bullet points of academic standpoint on practical standpoint, it becomes obvious that the time and the budget are the common factors. The practical standpoint is driven with a talented and experienced project leader. This can be connected to the academic standpoints view, where the delivered quality and meeting all stakeholders expectations is affected by quality of the project leader.

The academic standpoint and practical standpoint are both clearly indicating that future is important. The continuity and valuable connections belong in the same category and therefore the definition is equally important. This clearly indicates that the information regarding successful projects in literature is partially driven by the practise. With no doubts the research confirms that theory and practice goes hand in hand when discussing a successful project. In order for literature to be accountable, it must be based on the experience and the knowledge. Therefore it became obvious that many writers are either experienced project managers themselves or using sources from those people who are. The real difference was the terminology where the literature was written in academic style and the practise obviously in the way it is discussed on a daily basis.

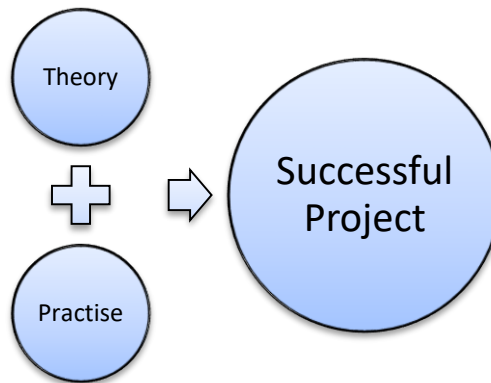
Next chapter is the final chapter of this thesis and will summarise the study, where the importance of theory and practise is once again discussed. The term “big picture” has been used many times thorough this thesis and as it becomes obvious at this point, it too consists of the theory and practise. To be able to see the big picture a great amount of talent and experience is required. However this is not enough and the knowledge that can be found in the literature and studies will provide additional strength in project leading.

Additionally the human nature and personality are the attributes that do not belong in theory or practise. Those two attributes are a mystery and in the end they define the suitability for project leader role. It is often impossible to change our human nature and personality and therefore our true talent in project leading.

6 SUMMARY

In general the theory provides a good fundamental starting point in becoming a good project manager. A lot of information regarding the leading and managing is available not only in the books, but also online where the material is often much newer. It is important to remember that the world is changing and what used to be considered as good leading fifty years ago is not necessarily considered good in 21st century. Therefore, the internet (when used correctly) provides more viable information regarding project leading and project managing. The fact is that every project is different and the companies and organizations are shifting towards a completely different culture and hierarchical structure – this demands an ability to adapt to environment and therefore update the methods and ways of conducting the projects.

In the very beginning a decent amount of good project leader qualities, skills and abilities was found in the theory. The list of these attributes and the elaboration was done in the previous chapters. The gathered data from interviews was analysed and processed when it became obvious that theory is indeed following up on the practice. A theory is a good start and interviews provide more depth into the subject.



There is no doubt that even though the theory was written many years ago, it is still strongly present in the modern world. Noticeable difference was in the terminology and where the theory mentioned just a single skill, the interviews gave an explanation or a chain of activities which can be transferred into a same abilities or a skillset.

It is inevitable that in becoming a good leader, the theory and practicality plays a role. In other words becoming a great project leader is not possible only by reading books or for that matter only by working in projects. Personality and experience cannot be taught and knowledge needs reading. Just like the interviewees said, there is always more to learn. Become better tomorrow than you are today is the driving factor for those who are passionate about leading and managing.

After the interviews it became noticeable that those who thought that knowing the project's industry was mandatory, could not however justify it unequivocally. It was described that having the basic knowledge and experience in certain task such as reading the plans and documents, allocating the budget and accounting are the necessary skills to have. However, these skills and abilities belong more into administration and not so much into construction industry. Therefore it can be said, that being a project leader at the construction industry requires more administrative knowledge than engineering. After all, the project leader acquires the experts for each task and assignment and therefore can avoid going into something he or she have no experience with.

One of the interviewees answered that the ability of feeling empathy towards employees and team members is not important. The explanation for this was that we all have our own problems and we do not bring those to work. It is strongly recommended that empathy towards co-workers and especially in managing and leading position is an ability that a project leader should have. Luckily, one of the interviewees told an example where an employee who works as a crane operator or in other similar vacancy is spending 90% of his working day alone in a closed space and suddenly in his private life something extremely bad happens. Imagine how would this person feel and be able to work, if his supervisor would simply say we all have our own problems. It is most likely that the person who experiences a trauma is not able to perform at work normally – and this can lead to accidents, mistakes and damages.

Surprising factor after the interviews was that the interviewees themselves realised that being a project leader at the construction industry did not actually require that much know-how and knowledge from the industry. It became a fact that leading and managing is a part of administrative part and in addition it is the engineers who require more information and experience in leading and managing. In addition, it became obvious that being and leading requires more than just the knowledge and know-how, but also a personality.

6.1 Conclusion

The research revealed that in the 21st century the appreciation of project leading and managing skills is dragging behind. The thought that anyone can be a project leader still exists and in many cases people from inside the organizations are often promoted from regular employees to project leaders. Often the idea of having a long career and a lot of experience leads towards these actions. It is however a crucial mistake and is done much more often than it should be. The research reveals that some people are just not suitable for leading. Quite often it is not even because they cannot do it, but because they do not want to. Engineers, coders, doctors or accountants for that matter are experts in what they do. They went to specific schools and universities to learn and become what they are. It is a mistake to believe that all of them are suitable or even capable in becoming leaders or managers without a proper education. Not to mention, many of those do not even want to do that. However if they are suitable it will require to acquire skills and abilities that great leaders and managers have, which is not as simple as you would think.

The research provides a good amount of information regarding project leading. Project leading is just a small part of the leadership and therefore it is important to remember that this thesis focuses on the information that a person must have in order to become a great project leader. The importance of necessary skills and abilities and the mistakes that are often done are thoroughly discussed in this thesis.

In the beginning of the research the idea was to provide data and information for the case company Tampereen Bitumikate Oy. However during the writing process it became obvious that this thesis will not only provide added value to the case company, but in addition to everyone who is interested in becoming a better leader. The practical side of the research went so deeply into specifics that a good project leader must have, that it became inevitable that this piece of work will serve as a good source of information to anyone who wants to acquire more knowledge regarding the topic.

6.2 Personal learning experience

Due to my own experience in project working and project managing I was expecting most of the things that the research revealed. With my experience at the construction industry I witnessed many occasions where it was obvious that people who were in the managing positions are not suitable for that job. To me it was always obvious that just knowing the industry is not enough and it requires a specific nature and personality to be a great leader.

In the beginning of the theoretical part and desk research I was skeptical regarding new information that I will find. However, at the very early stage it became clear that there was still much more to learn. My thinking was widely expanded during the theoretical research which was so different from the practical side in my opinion. I have gained all my knowledge by doing and experiencing and therefore my know-how and skill-set was something I understood and knew for a fact. Literature and the books provided my basic understanding why things are like they are and how some of the terms are discussed. The interviews allowed me to dive into the minds of those people who have been operating as project leaders for a long time. In addition, some of the interviewees were people who I have worked for in some projects and therefore it was awesome to notice that they think like I do. I knew that my nature and personality is very well suitable for a project leader role, but their responses during the interviews made me certain of it.

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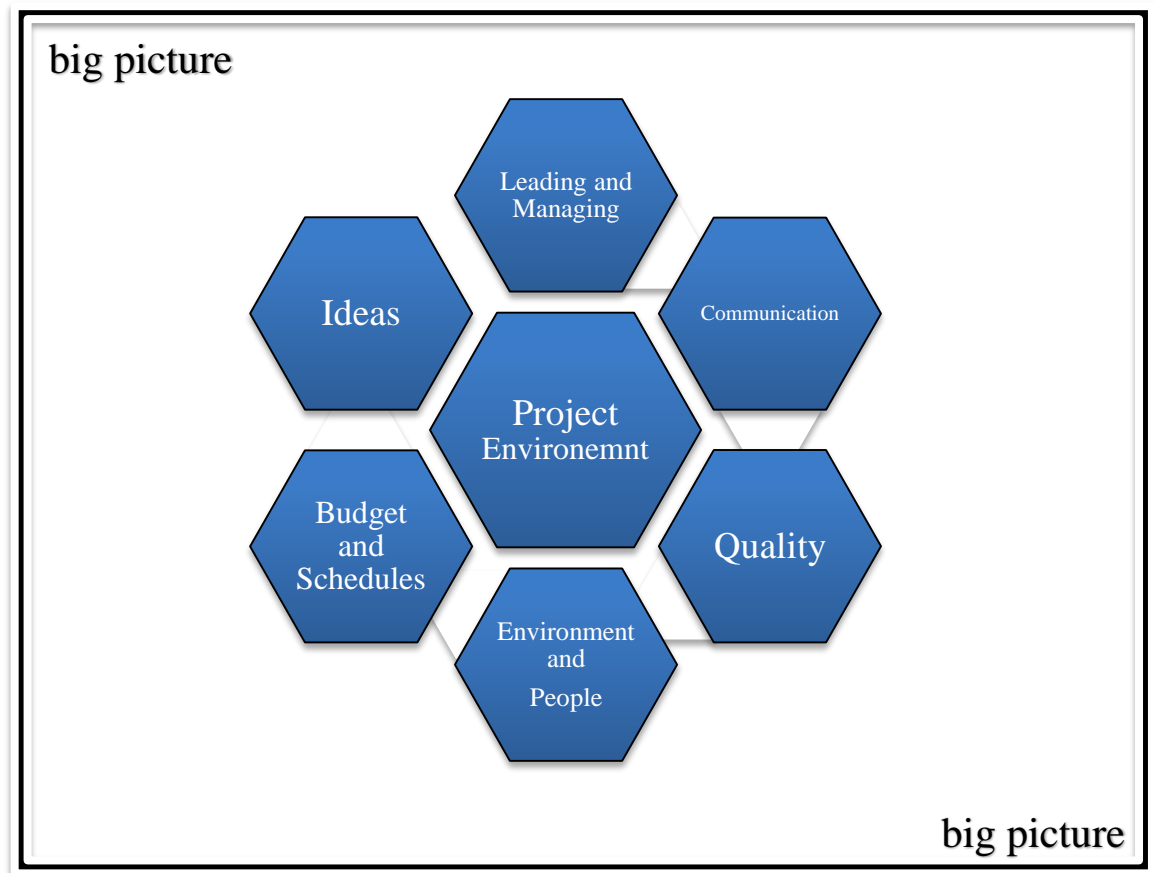
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APPENDICES

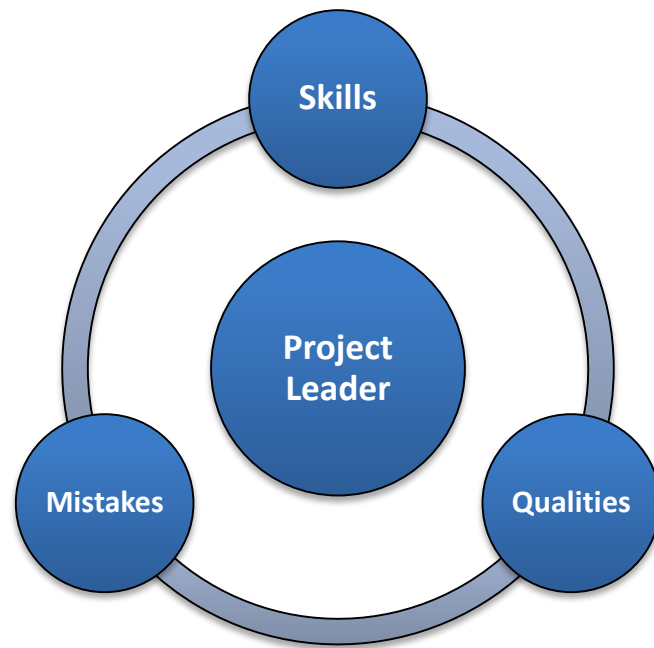
Appendix 1. Project Management Influencing Factors



Appendix 2. Big Picture Illustration



Appendix 3. Project Leader Attributes



Appendix 4. Budget Plan

Project X Budget Plan					
Budget 25 000€	Jan	Feb	Mar	Apr	Jun
Rent (€)	1000	1000	1000	1000	1000
Tools and Softwares (€)	100	20	50	0	50
Salaries (€)	3000	3000	3000	3000	3000
Sub-contracting (€)	1000	500	0	0	500
Logistics (€)	50	50	50	50	50
Equal (€)	5150	4570	4100	4050	4600
					22470

Appendix 5. Gantt Chart

