

MSc in Project Management Thesis Oral Presentation

IMPROVE COMMUNICATION QUALITY: A
CHALLENGE IN GREEK SHIPPING COMPANIES

Aikaterini G. Liapaki

Outline *(cont'd)*

- Introduction
 - Importance of thesis topic
 - Problem statement
 - Relation to the program of study
 - Thesis goals
- Literature Highlights
- Methodology
 - Tools and procedures used
 - Sample identification
 - Problems faced and limitations
 - Validity and reliability

Outline

- Results
- Conclusion
- Recommendations
 - Actions to be done
 - Further work and study

Importance of Thesis Topic

- ❑ Shipping covers more than 90% of the global trading (WTO)
- ❑ World economic crisis influence maritime transportation
- ❑ Greek-owned maritime fleet is approx. the 20% of the world fleet capacity
- ❑ Maritime and shipping have an important role for the Greek economic growth and stability
- ❑ Communication is the key to successful project management
- ❑ Competitiveness and effectiveness demand quality

Problem Statement

- Communication quality in the operations sector in the Greek shipping has to be improved in order to increase shipment project success.

Relation to the MSPM

- Direct : Two of the PMBOK knowledge areas
 - Project Communication Management
 - Project Quality Management

- Indirect :
 - Managing people and teams
 - Leadership

Thesis Goals

- Research
 - Detect and identify factors that affect project communication quality in Greek shipping companies
 - Identify problematic areas to focus on

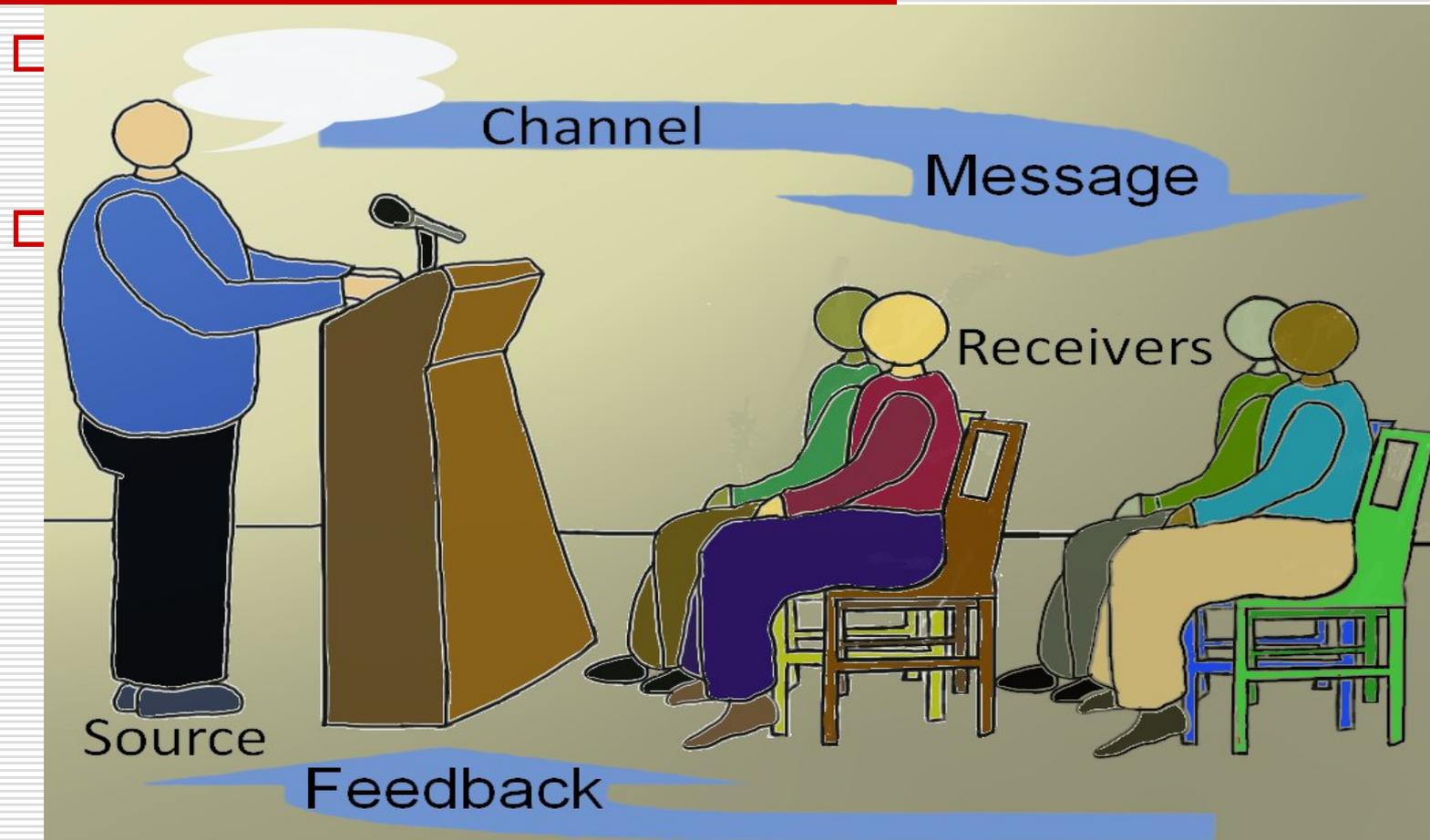
- Further personal ambition:
 - To introduce the project management philosophy into Greek maritime/shipping sector

Literature Highlights *(cont'd)*

- Communication definition
 - Communication process
 - Project communication – Importance
 - Communication channels
 - Communication in shipping

- Communication quality:
 - Information quality
 - Quality of medium
 - Communication channels quality
 - Barriers of effective communication

Literature Highlights *(cont'd)*



Literature Highlights *(cont'd)*

Project communication – Importance

Things that communicate during a project

- Project = Organization's strategy
- Project Scope
- Statement of Work (SOW)
- Mission
- Vision
- Risk Management Plan (RMP), Risk response etc.
- Project Plan (WBS etc)
- Project progress - status
- Changes
- Closing out- reporting-lessons learned
-many many others!

Communication takes **up 90%** of a project manager's time.

Literature Highlights *(cont'd)*

□ Project communication – Importance

- Project success = f (*communication*)

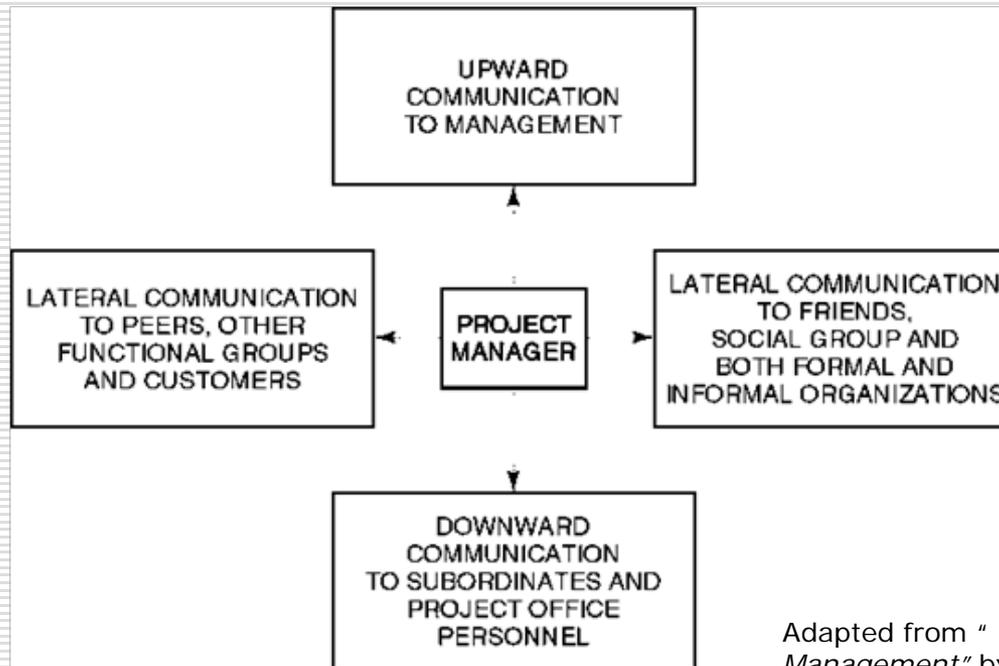
One of the five factors that affect project success is “effective communication among everyone involved in the project in order to coordinate action, recognize and solve problems, and react to changes” (Verzuh, 2008).

- In Customer Driven Project Management (CDPM) communication is the most important tool (Barkley & Saylor, 2001).
- Nearly 28% of the more than 1,000 respondents to the web poll singled out poor communications as the number one cause of project failure (CompTIA).

Literature Highlights *(cont'd)*

□ Communication channels

- The three main communication channels in project environment (Cleland & Kerzner, 1986)



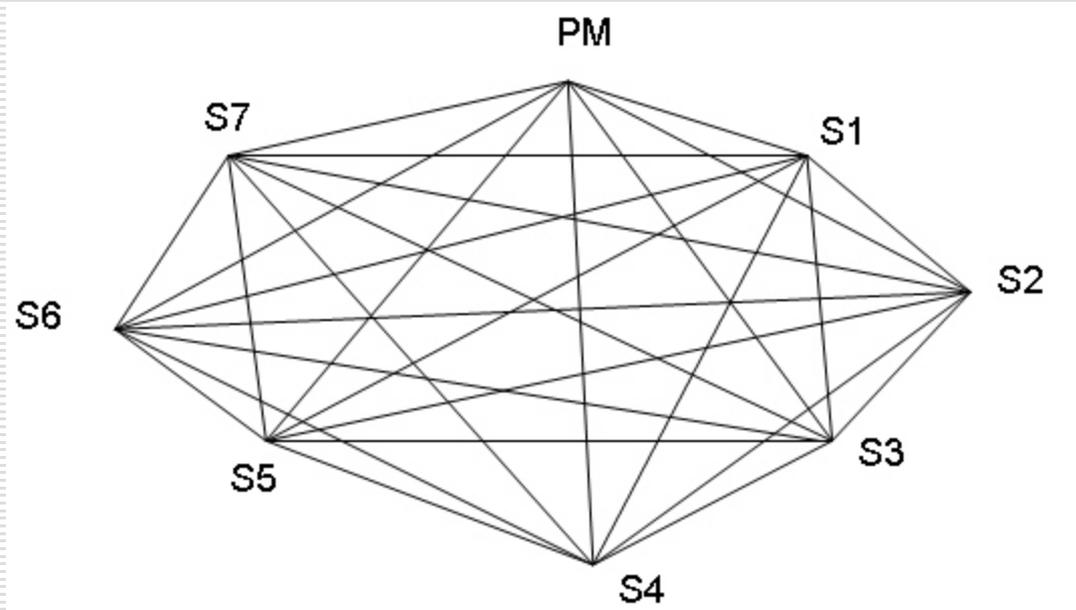
Adapted from " *Engineering Team Management*" by Cleland and Kerzner p.134.

Literature Highlights *(cont'd)*

□ Communication channels

- Calculating 2-way communication channels (N)

$$N = X(X-1)/2, \quad X: \sum_{team\ members} + \sum_{stakeholders}$$



Literature Highlights *(cont'd)*

□ Communication in shipping

Virtual Project Team

On-shore

- 1) Charterer
- 2) Supply dept
- 3) Technical dept
- 4) Broker
- 5) Operation
Manager
- 6) DPA
- 7) Agent
- 8) Cargo receiver

On-board

- 1) Master
- 2) Chief Engineer

$X=10 \rightarrow 10 \cdot 9/2 = 45$ channels *(at least)*

Literature Highlights *(cont'd)*

- Communication in shipping
 - Incongruity & multiculturalism in project team
 - Linguistic problems (SMNV, SMCP, Sea-speak)
 - jghkgj

Literature Highlights *(cont'd)*

Quality : "the degree to which a set of inherent characteristics fulfill requirements" (PMBOK, 2004).

- Communication quality $Q(co)$, accrues from:
 - Information quality, $Q(in)$
 - Quality of medium(s) , $Q(me)$
 - Communication channels quality, $Q(ch)$

$$\underline{Q(co) = Q(in) + Q(me) + Q(ch)}$$

Literature Highlights *(cont'd)*

- Information Quality , Q(in)
 - “yardsticks” for measuring information quality:
 - Accuracy
 - Clarity
 - Completeness
 - Conciseness
 - Consistency

Literature Highlights *(cont'd)*

- Quality of communication mean, Q(me)
 - Technical characteristics and supporting infrastructure → *technological maturity*
 - Select means that satisfy current project communication needs (e.g. time, importance etc)

- Quality of communication channels, Q(ch)
 - Availability
 - Audience
 - Objectives
 - Content

Literature Highlights

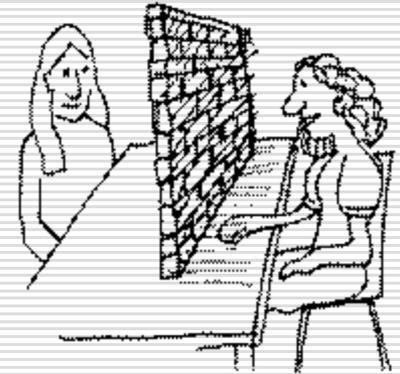
❑ Barriers to effective communication

MACRO BARRIERS

- ❑ Information overload
- ❑ Lack of subject knowledge
- ❑ Cultural differences
- ❑ Organizational climate
- ❑ Number of links

MICRO BARRIERS

- ❑ Perceptions
- ❑ Message competition
- ❑ Project jargon and terminology



Methodology *(cont'd)*

- Survey duration : 28th March – 19th May 2010
- Tools and Procedures Used
 - Questionnaire
 - Face – to –face and telephone interviews
 - SPSS software
 - Minitab15 software
 - QuestionPro software

Questionnaire: 3 sections

- 1st section: open-ended questions → characteristics of the sample
- 2nd section : multiple choice → discover the level of multiculturalism
- 3rd section: Likert Scale and Guttman Scaling (1-5)

Methodology *(cont'd)*

□ Sample Identification

- Greek Shipping companies listed in the GSD (710)
- Shipping companies whose fleet is greater or equal to 9 vessels allow to exploit economies of scale (Spruyt, 1990)
- GSD pointed out 97 from 710 companies, $p=97$
- $n = 35$

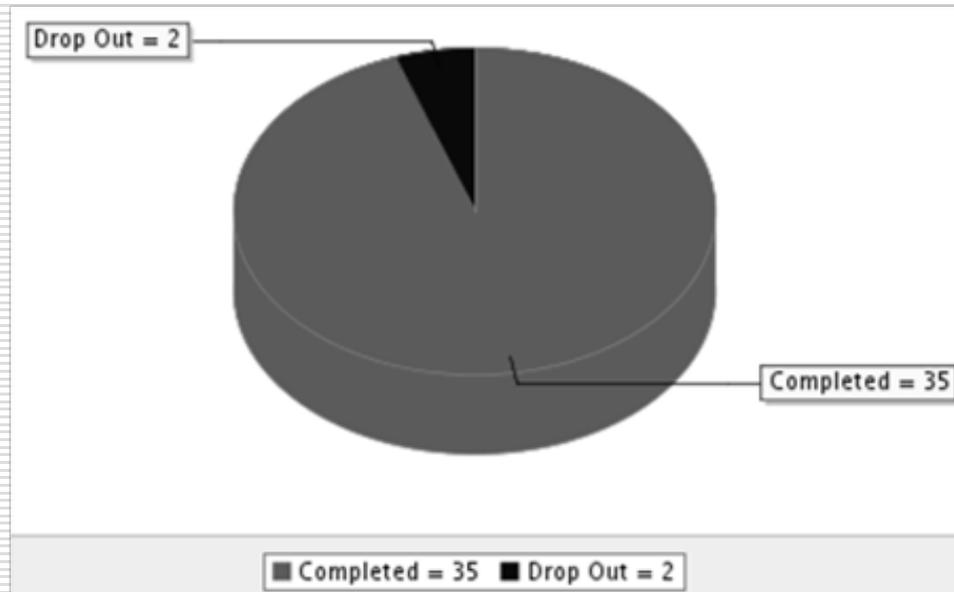
□ Problems Faced & Limitations

- Striving not to be mislead (interviews)
- Challenge to build trust (interviews)
- Junk folder – many emails lost (electr. distribution)
- Shipping companies located in Piraeus

Methodology

- Validity & Reliability
 - Confidence level @ 95%
 - F-test method examining the adequacy of the sample size
 - Voice recorder in interviews

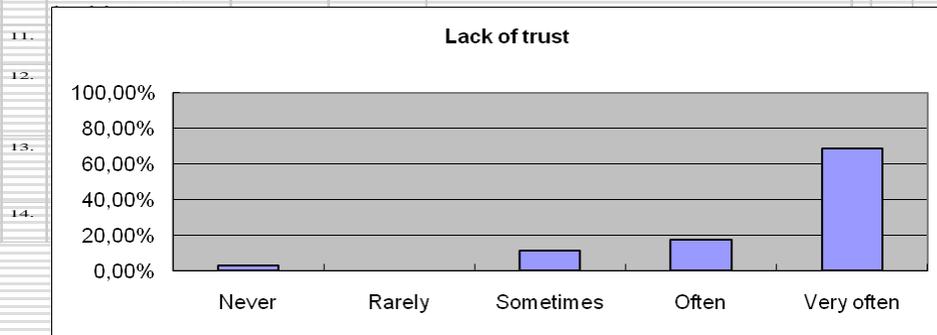
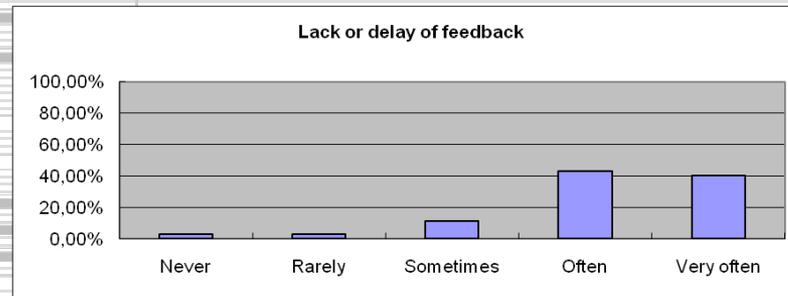
Results



Results

Overall Matrix Scorecard

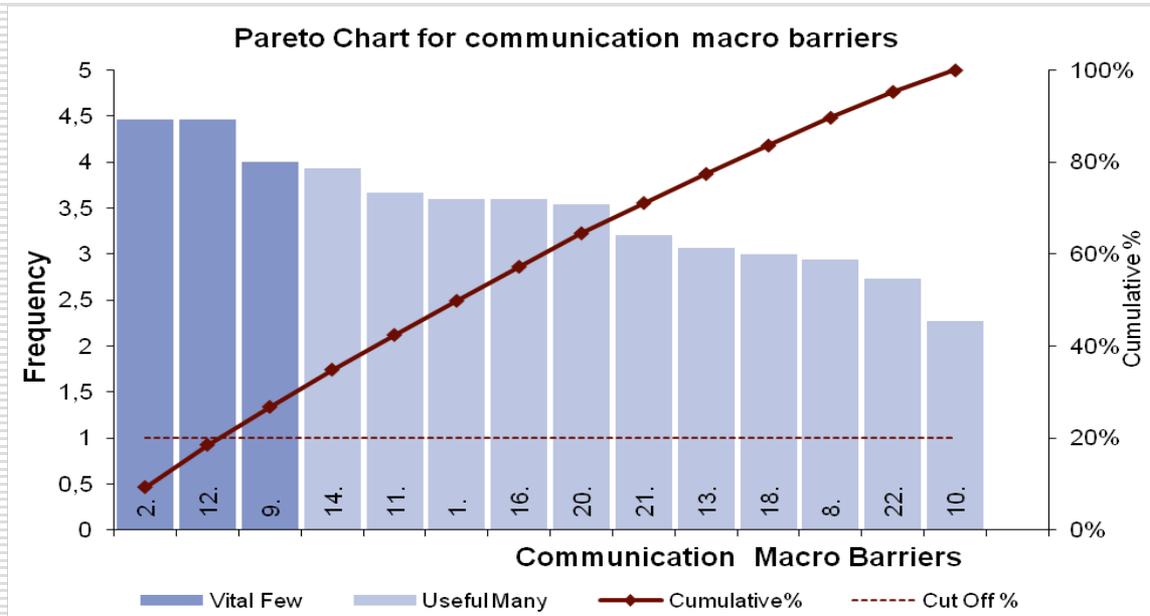
Question	Count	Score	Never	Rarely	Sometimes	Often	Very often
1. Inaccuracy information	35	3.714					
2. Laguage problems, inadequate written and verbal orders' transfer	35	4.029					
3. Customs,traditions, religion problems	35	2.914					
4. Lack of training, education, skills	35	2.914					
5. Timezone difference	35	4.371					
6. Lack of honesty	35	4.571					
7. Lack of trust	35	4.486					
8. Technological problems in means of communication	35	2.829					
9. Lack or delay of feedback	35	4.143					
10. System communications	35	2.171					



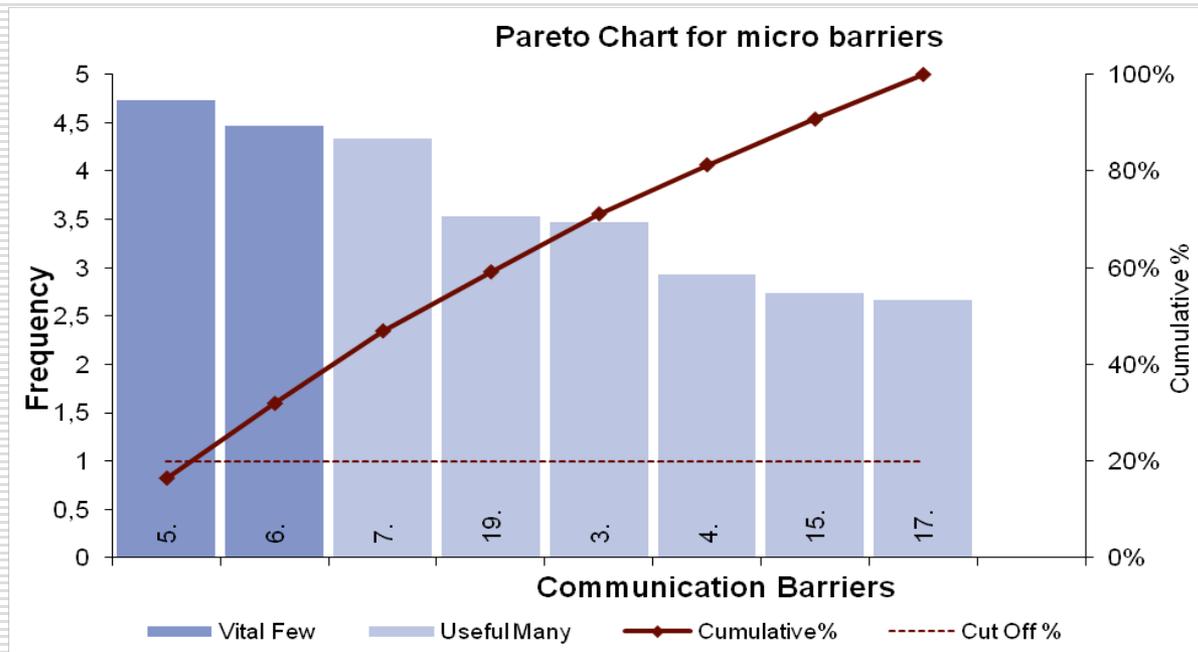
11. I need the information	35	3.257					
12. 3. Who delivers the information	35	3.600					
13. How should the information be delivered	35	2.029					
14. Every message has been transferred successfully to the client							
Average		3.514					

Recommendations

- Problematic Areas to Focus on
 - Pareto analysis- Pareto Chart
 - Wilcoxon sign – rank test (verification)



Recommendations



Questions

- Any feedback???