



CASES

Course title: International Project
Management

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Project Management Process Groups

- Project management can be viewed as a number of interlinked processes
- The project management process groups include
 - *initiating processes*
 - *planning processes*
 - *executing processes*
 - *controlling processes*
 - *closing processes*

Figure 1. Overlap of Process Groups in a Phase

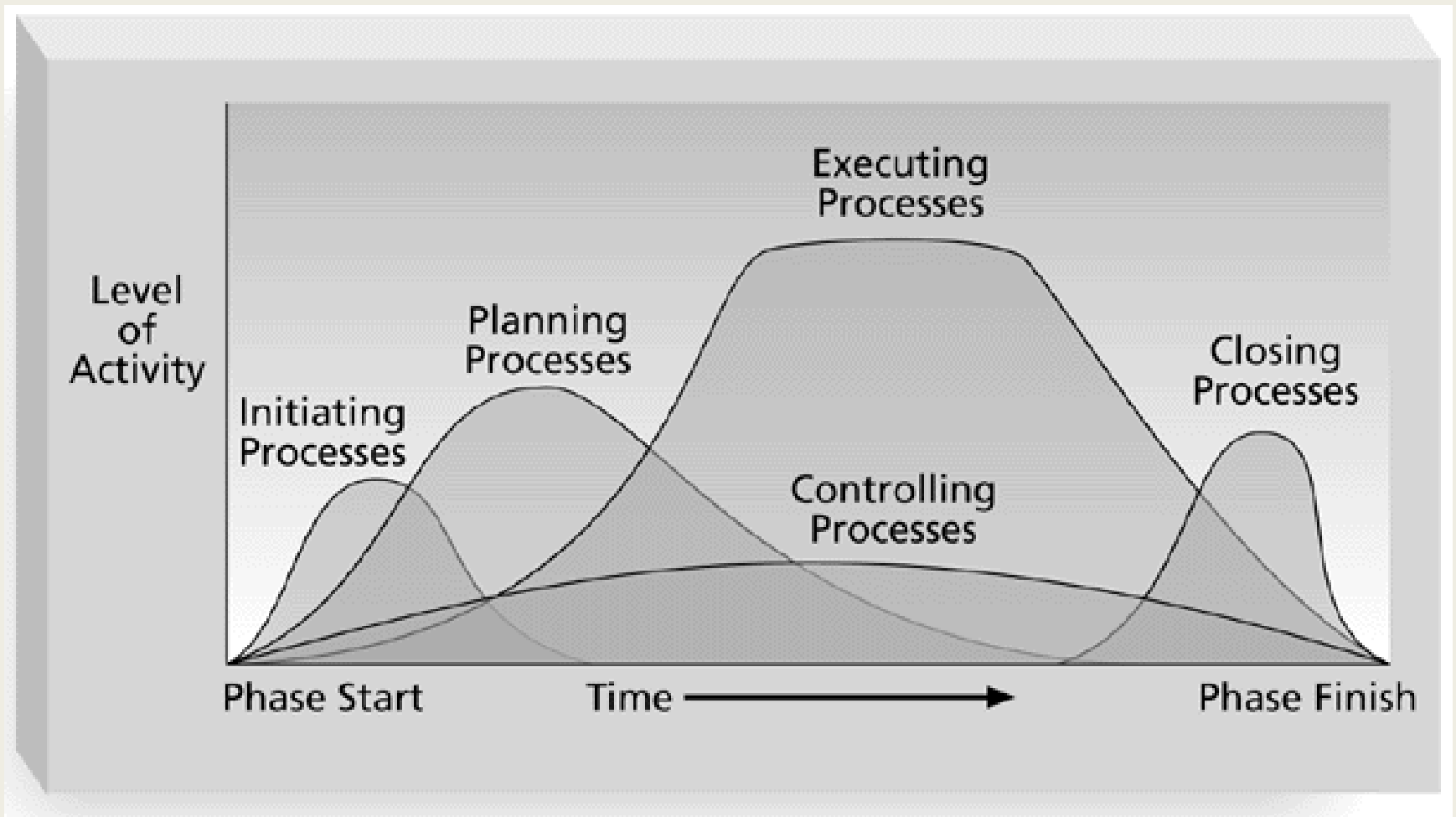


Table 1. Relationships Among Process Groups and Knowledge Areas

Knowledge Areas					
KNOWLEDGE AREA	PROJECT PROCESS GROUPS				
	INITIATING	PLANNING	EXECUTING	CONTROLLING	CLOSING
Integration		Project plan development	Project plan execution	Integrated change control	
Scope	Initiation	Scope planning		Scope verification	
		Scope definition		Scope change control	
Time		Activity definition		Schedule control	
		Activity sequencing			
		Activity duration estimating			

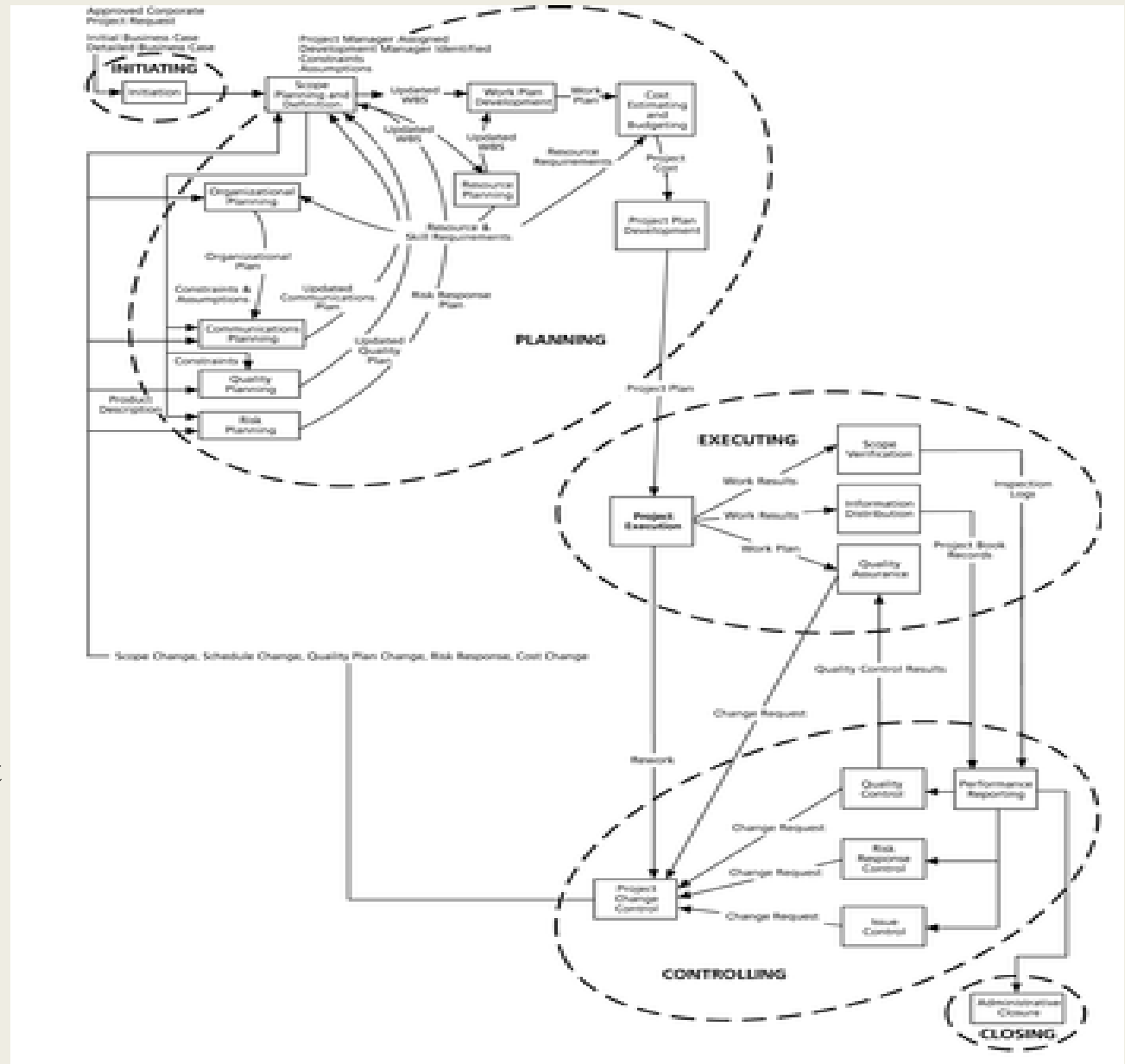
Table 1. Relationships Among Process Groups and Knowledge Areas

KNOWLEDGE AREA	PROJECT PROCESS GROUPS				
	INITIATING	PLANNING	EXECUTING	CONTROLLING	CLOSING
		Schedule development			
Cost		Resource planning		Cost control	
		Cost estimating			
		Cost budgeting			
Quality		Quality planning	Quality assurance	Quality control	
Human resources		Organizational planning	Team development		
		Staff acquisition			
Communications		Communications planning	Information distribution	Performance reporting	Administrative closure
Risk		Risk management planning		Risk monitoring and control	
		Risk identification			
		Qualitative risk analysis			
		Quantitative risk analysis			
		Risk response planning			
Procurement		Procurement planning	Solicitation		Contract close-out
		Solicitation planning	Source selection		

Developing an IT Project Management Methodology

- Just as projects are unique, so are approaches to project management
- Many organizations develop their own project management methodologies, especially for IT projects
- Blue Cross Blue Shield of Michigan used the PMBOK as a guide in developing their IT project management methodology

Figure 2. ITPM Methodology



See figure in text. Note that many parts of this approach map to the PMBOK, but some activities have been changed to meet the needs of the organization.

Case Study: JWD Consulting's Project Management Intranet Site

- This case study provides an example of what's involved in initiating, planning, executing, controlling, and closing an IT project
- You can download templates for creating your own project management documents from the companion Web site for this text
- Note: This case study provides a big picture view of managing a project. Later chapters provide detailed information on each knowledge area.

Project Initiation

- Initiating a project includes recognizing and starting a new project or project phase
- Some organizations use a pre-initiation phase, while others include items like developing a business case as part of initiation
- The main goal is to formally select and start off projects
- Key outputs include:
 - *Assigning the project manager*
 - *Identifying key stakeholders*
 - *Completing a business case*
 - *Completing a project charter and getting signatures on it*

Project Initiation Documents

- Business case: See pages 74-76
- Charter: See pages 77-78, also shown on next two slides
- Note: Every organization has its own variations of what documents are required for project initiation. It's important to identify the need for projects, who the stakeholders are, and what the main goals are for the project

JWD's Project Charter

Table 3-4: Project Charter

Project Title: Project Management Intranet Site Project

Project Start Date: May 2, 2005 **Projected Finish Date:** November 4, 2005

Budget Information: The firm has allocated \$140,000 for this project. The majority of costs for this project will be internal labor. An initial estimate provides a total of 80 hours per week.

Project Manager: Erica Bell, (310) 889-5896, erica_bell@jwdconsulting.com

Project Objectives: Develop a new capability accessible on JWD Consulting's intranet site to help internal consultants and external customers manage projects more effectively. The intranet site will include several templates and tools that users can download, examples of completed templates and related project management documents used on real projects, important articles related to recent project management topics, article retrieval service, links to other sites with useful information, and an "Ask the Expert" feature, where users can post questions they have about their projects and receive advice from experts in the field. Some parts of the intranet site will be accessible free to the public, other parts will only be accessible to current customers and/or internal consultants, and other parts of the intranet site will be accessible for a fee.

Approach:

- Develop a survey to determine critical features of the new intranet site and solicit input from consultants and customers.
- Review internal and external templates and examples of project management documents.
- Research software to provide features such as security, managing user inputs, and the article retrieval and "Ask the Expert" capability.
- Develop the intranet using an iterative approach, soliciting a great deal of user feedback.
- Determine a way to measure the value of the intranet site in terms of reduced costs and new revenues, both during the project and one year after project completion.

JWD's Project Charter

Table 3-4: Project Charter (continued)

ROLES AND RESPONSIBILITIES:			
NAME	ROLE	POSITION	CONTACT INFORMATION
Joe Fleming	Sponsor	JWD Consulting, CEO	joe_fleming@jwdconsulting.com
Erica Bell	Project Manager	JWD Consulting, manager	erica_bell@jwdconsulting.com
Michael Chen	Team Member	JWD Consulting, senior consultant	michael_chen@jwdconsulting.com
Jessie Faue	Team Member	JWD Consulting consultant	jessie_faue@jwdconsulting.com
Kevin Dodge	Team Member	JWD Consulting, IT department	kevin_dodge@jwdconsulting.com
Cindy Dawson	Team Member	JWD Consulting, IT department	cindy_dawson@jwdconsulting.com
Kim Phuong	Advisor	Client representative	kim_phuong@client1.com
Page Miller	Advisor	Client representative	page_miller@client2.com

Comments: (Handwritten or typed comments from above stakeholders, if applicable)
 "I will support this project as time allows, but I believe my client projects take priority. I will have one of my assistants support the project as needed." —Michael Chen
 "We need to be extremely careful testing this new system, especially the security in giving access to parts of the intranet site to the public and clients." —Kevin Dodge and Cindy Dawson

Project Planning

- The main purpose of project planning is to *guide execution*
- Every knowledge area includes planning information (see Table 3-5 on pages 79-80)
- Key outputs include:
 - *A team contract*
 - *A scope statement*
 - *A work breakdown structure (WBS)*
 - *A project schedule, in the form of a Gantt chart with all dependencies and resources entered*
 - *A list of prioritized risks*
- See sample documents on pages 83-90, and refer to them later in the course

JWD's Project Gantt Chart

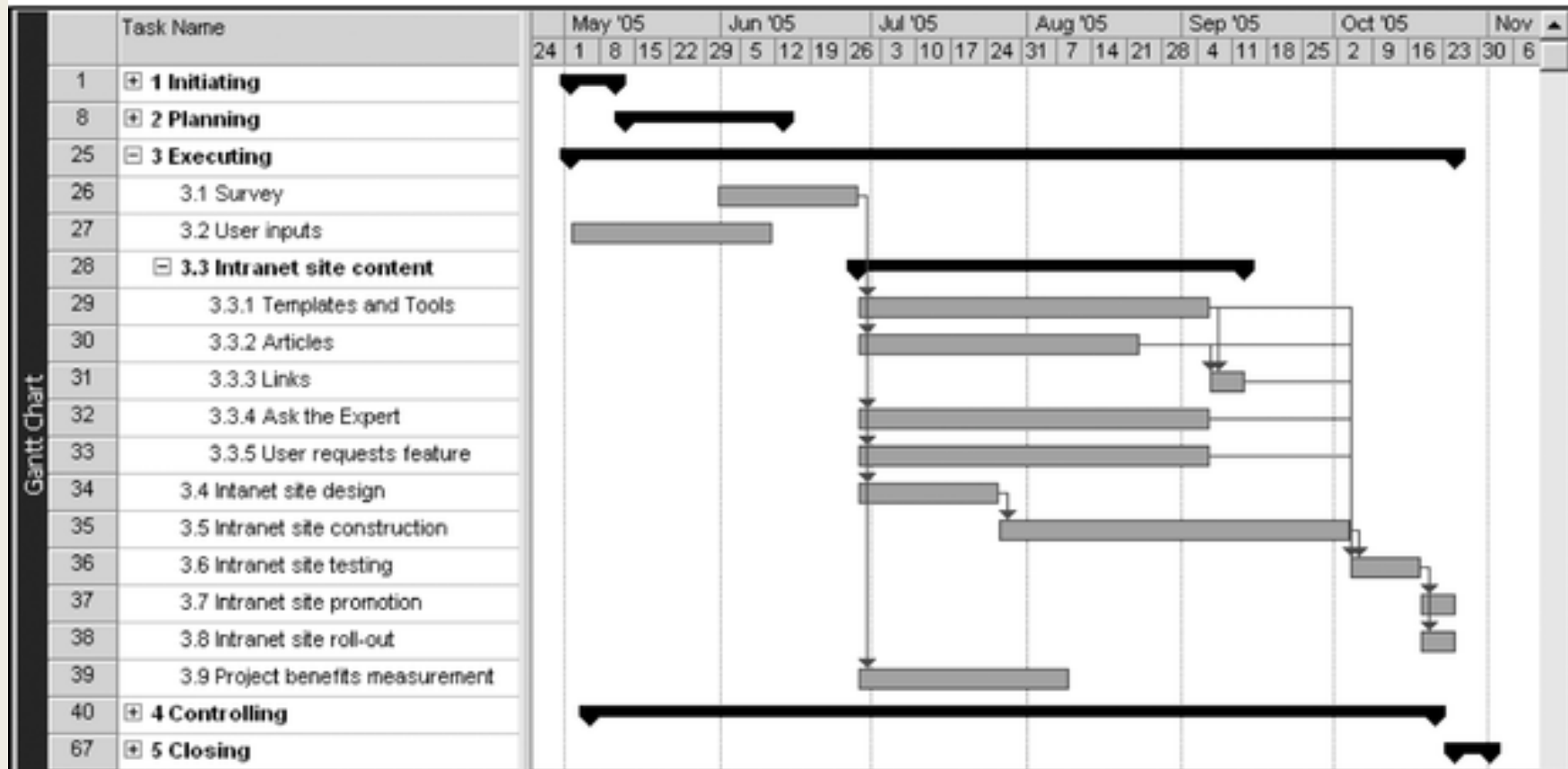


Figure 3-4. JWD Consulting Intranet Site Project Baseline Gantt Chart

JWD's List of Prioritized Risks

Table 3-8: List of Prioritized Risks

RANKING	POTENTIAL RISK
1	Lack of inputs from internal consultants
2	Lack of inputs from client representatives
3	Security of new system
4	Outsourcing for the article retrieval and "Ask the Expert" features
5	Outsourcing for processing online payment transactions
6	Organizing the templates and examples in a useful fashion
7	Providing an efficient search feature
8	Getting good feedback from Michael Chen and other senior consultants
9	Effectively promoting the new system
10	Realizing the benefits of the new system within one year

Project Executing

- It usually takes the most time and resources to perform project execution since the products of the project are produced here
- The most important output of execution is work results
- Project managers must use their leadership skills to handle the many challenges that occur during project execution

Project Controlling

- Controlling involves measuring progress toward project objectives, monitoring deviation from the plan, and taking corrective actions
- Controlling affects all other process groups and occurs during all phases of the project life cycle
- Status and progress reports are important outputs of controlling

Project Closing

- The closing process involves gaining stakeholder and customer acceptance of the final product and bringing the project, or project phase, to an orderly end
- Even if projects are not completed, they should be closed out to learn from the past
- Project archives and lessons learned are important outputs. Most projects include a final report and presentations

Post-Project Follow-up

- Many organizations have realized that it's important to review the results of projects a year or so after they have been completed
- Many projects project potential savings, so it's important to review the financial estimates and help learn from the past in preparing new estimates

Business Case Template

The template ensures required information is provided, but does not dictate format.

- Sponsors & collaborators
- Executive Summary
- Project Description
- Alternative Analysis
- Risks
- Contingencies & Dependencies
- Cost Estimates
- Funding
- Return on Investment
- Staffing
- Funding
- Who will need training
- Success Evaluation

Sponsors and Collaborators

- Strategic leaders:
 - CFO, CAO, CIO, Dean, Enrollment *Manager*, HR Director, President....
 - Commitment from those who will provide personnel and funds.
- IT resources, functional leaders, procurement.



Sponsor/Collaborator Activities

- Articulate the challenge or opportunity.
- Describe requirements.
- Conduct informal vendor consultations and presentations.
- Consult with peer institutions.
- Consider different ways to solve the problem, or achieve the opportunity.

Executive Summary

- Identifies the challenge or opportunity.
- Recommends the solution.
- Explains why the solution is needed now.
- Tells how it aligns with strategic mission.
- *Tip* - Make it compelling, clear, and concise.

Alternative Analysis

- Examples:
 - Manual
 - Hire
 - Modification
 - Upgrade
 - Business process reengineering
 - Buy new

Examples of Risks

- Lack of resources.
- Lack of stakeholder engagement.
- Length of time to complete.
- Lack of adoption.



Cost Estimates

- One-time costs such as license fees and implementation fees.
- Anticipated annual maintenance or licensing fees for the duration of contract.
- Value of personnel and/or IT effort spent on the project and on-going support.
- Cost of organizational impact.
- Infrastructure investments:
 - One-time and on-going

Facilities Project Cost Estimates

▪ Consultants/Project Manager	\$350,000
▪ Hardware Licensing	\$11,879
▪ Software Licensing	\$314,325
▪ Vendor Travel and Living Costs	\$145,200
▪ UMS Staff Travel Costs	\$10,000
▪ Vendor charge for Interface with PeopleSoft	\$46,400
▪ Vendor charge for SciQuest Integration	\$50,000
▪ Business Process Design/Standards Development/Planning	\$159,800
▪ Data Conversion	\$102,000
▪ ITS Support	\$492,199
▪ Initial Training	\$70,100
▪ Setup and Configuration	\$153,800
▪ Testing	\$37,600
▪ Report Creation	\$32,000
▪ Staff augmentation	\$50,000
▪ Contingency	\$197,993
Total Implementation Costs	\$2,223,296
Total Ongoing Costs	\$319,228

Return on Investment

- Reduced manual effort? Reduced employee FTE?
- Anticipated retention: retain 1% more students?
- Years to recover cost?
- Reduced maintenance on multiple systems, upgrades, hardware?
- Reduced integrations?
- Increased enrollment?

Example of Recruitment System ROI

Goal: Increase applications by 100.

- Yield: 28%
- Instate/Out of State Ratio: 10 to 1
- Instate Tuition: \$253 per credit hour
- Out of State Tuition: \$665 per credit hour
- Number of credit hours used: 24 to reflect to 12 hour semesters

If USM were to increase the number of applications by 100, the expected yield would be as follows:

- Number of deposits: 28
- Number of in-state deposits: 26
- Number of out of state deposits: 2
- Total in-state tuition revenue: \$157,872
- Total out of state tuition revenue: \$31,920

- Total increase in tuition revenue: \$189,792

Success Evaluation

- What results, if achieved, would make this a successful project?
 - Increased revenue.
 - *Increased enrollment.*
 - More efficient business processes.
 - *Decreased employee FTE.*
- How will you measure success?



Success Evaluation - Example

Measurable Factor	How will this data be collected	Who will report this data?
Increase in the yield of prospects to applicants	In the recruitment system and PeopleSoft; pushed into the data warehouse for analysis.	Admission offices, Enrollment Managers and Institutional Research
Number of Applications	Collected and reported in Peoplesoft; pushed into the data warehouse for analysis.	Admission offices, Enrollment Managers and Institutional Research
Enrollment	Collected and reported in Peoplesoft; pushed into the data warehouse for analysis.	Admission offices, Enrollment Managers and Institutional Research
Increased tuition revenue	The general ledger and current reporting.	Business Officers, CFOs and Institutional Research

Review: Engagement with Stakeholders

- Idea/Opportunity/Challenge
- Alignment with institutional mission/goals.
- Description.
- Alternatives.
- Risks.
- Funding.
- ROI.
- Success Criteria.
- Signing on the dotted line.
- Commitment to integrate into on-going work.

Business Case Review & Prioritizing

- Projects that require a business case are significant.
- They require:
 - *Careful planning.*
 - *Strong commitment.*
 - *Sufficient resources (financial & human).*

Reference and source

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