



Information Technology

FIT2002 Week 8 Seminar



Project Quality & Procurement Management



Recap from Video 1:

- Mistakes in several mission-critical IT systems have caused deaths, and quality problems in many business systems have resulted in major financial losses.
- Important quality concepts include satisfying stated or implied stakeholder needs, conforming to requirements, and delivering items that are fit for use.
- Project quality management includes planning quality management, performing quality assurance, and controlling quality.
- Planning quality management identifies which quality standards are relevant to the project and how to satisfy them.
- Performing quality assurance involves evaluating overall project performance to ensure that the project will satisfy the relevant quality standards.

Project Quality Management Summary

Planning

Process: **Plan quality management**

Outputs: Quality management plan, process improvement plan, quality metrics, quality checklists, and project documents updates

Executing

Process: **Perform quality assurance**

Outputs: Change requests, project management plan updates, project documents updates, and organizational process asset updates

Monitoring and Controlling

Process: **Perform quality control**

Outputs: Quality control measurements, validated changes, validated deliverables, work performance information, change requests, project management plan updates, project documents updates, and organizational process asset updates

Project Start

Project Finish

Recap from Video 1: (cont..)

- The Malcolm Baldrige National Quality Award and ISO 9000 have also helped organizations emphasize the importance of improving quality.
- Strong leadership helps emphasize the importance of quality.
- Understanding the cost of quality provides an incentive for its improvement.
- Providing a good workplace can improve quality and productivity.
- Understanding stakeholders' expectations and cultural differences are also related to project quality management.
- Developing and following maturity models can help organizations systematically improve their project management processes to increase the quality and success rate of projects.

Time for polling: <https://flux.qa/6CKSE4>

Question 1:

_____ is the degree to which a set of inherent characteristics fulfills requirements.

- A. Quality
- B. Conformance to requirements
- C. Fitness for use
- D. Reliability

Question 2: **Poll Code: 6CKSE4**

What is the purpose of project quality management?

- A. To produce the highest-quality products and services possible
- B. To ensure we follow all the quality standards
- C. To ensure that the project will satisfy the needs for which it was undertaken
- D. All of the above

Recap from Video 2:

- Controlling quality includes monitoring specific project results to ensure that they comply with quality standards and identifying ways to improve overall quality.
- Many tools and techniques are related to project quality management.
- The Seven Basic Tools of Quality include cause-and-effect diagrams, control charts, check sheets, scatter diagrams, histograms, Pareto charts, and flowcharts.
- Statistical sampling helps define a realistic number of items to include in analyzing a population.
- Six Sigma helps companies improve quality by reducing defects.
- Testing is very important in developing and delivering high-quality IT products.

Question 3: **Poll Code: 6CKSE4**

The seven run rule states that if seven data points in a row on a control chart are all below the mean, above the mean, or all increasing or decreasing, then the process needs to be examined for _____ problems.

- A. random
- B. non-random
- C. Six Sigma
- D. quality

Recap from Video 3:

- Procurement, purchasing, or outsourcing and offshoring is the acquisition of goods and services from an outside source.
- Organizations outsource to reduce costs, focus on their core business, access skills and technologies, provide flexibility, and increase accountability.
- Planning procurement management involves deciding what to procure or outsource, what type of contract to use, and how to describe the effort in a statement of work.
- Fixed-price contracts involve a fixed total price for a well-defined product and entail the least risk to buyers.
- Cost-reimbursable contracts involve payments to suppliers for direct and indirect actual costs and require buyers to absorb some of the risk.
- Time and material contracts are a hybrid of fixed-price and cost-reimbursable contracts, and are commonly used by consultants.

Project Procurement Management Summary

Planning

Process: **Plan procurement management**

Outputs: Procurement management plan, procurement statements of work, procurement documents, source selection criteria, make-or-buy decisions, change requests, project documents updates

Executing

Process: **Conduct procurements**

Outputs: Selected sellers, agreements, resource calendars, change requests, project management plan updates, project documents updates

Monitoring and Controlling

Process: **Control procurements**

Outputs: Work performance information, change requests, project management plan updates, project documents updates, organizational process assets updates

Closing

Process: **Close procurements**

Outputs: Closed procurements, organizational process assets updates

Project Start

Project Finish

Recap from Video 4:

- Make-or-buy analysis helps an organization determine whether it can procure a product or service at a reasonable cost.
- A statement of work (SOW) describes the work required for the procurement in enough detail to allow prospective suppliers to determine if they can provide the goods and services and to determine an appropriate price.
- RFP (Request for proposal) and RFQ (Request for Quote)
- Conducting procurements involves obtaining seller responses, selecting sellers, and awarding contracts.
- Controlling procurements involves managing relationships with sellers, monitoring contract performance, and making changes as needed.
- Closing procurements involves completion and settlement of each contract, including resolution of any open items.

Question 4: **Poll Code: 6CKSE4**

Which type of contract has the least amount of risk for the buyer?

- A. fixed-price
- B. cost plus incentive fee (CPIF)
- C. time and material
- D. cost plus fixed fee (CPFF)

Question 5: **Poll Code: 6CKSE4**

If your college or university wanted to get information from potential sellers for providing a new sports stadium, what type of document would be required of the potential sellers?

- A. RFP
- B. RFQ
- C. proposal
- D. quote