



AI 2025 – Project Management Final Case

SOHINI CHINTALA

SOW

PROJECT CHARTER
ROLE OF IT GROUP
MEASURE OF SUCCESS
INFORMATION GAPS
FEE STRUCTURE

Project Charter

General Project Information	
Project Name	AI 2025 - Global Demand Forecasting Solution
Project Champion	Helen, Liz
Project Sponsor	Murat
Project Manager	Sohini Chintala
Stakeholders	Internal (Project Manager, Sponsor, Champion, Executive Board, HR, Business Unit Leaders, Development Team)
	External (Customers, Investors)
Expected Start Date	1/1/25
Expected End Date	12/09/25 (245 Days)

Project Charter

Project Details	
Current Situation and Background	The company aims to develop a unified, worldwide AI tool that automates the prediction of consumer demand for its products. The organization aims to prioritize the objectives of cost reduction, enhancing the accuracy of future sales estimates, and developing a visually appealing dashboard. The Company is currently in the process of recruiting TPZ to oversee and handle all aspects of AI technology development, with a proposed fixed-fee of \$10,000,000.
Project Goals	Implement a single, global AI tool to deliver accurate and reliable forecasts of consumer demand for the Company's products, thereby improving decision-making, optimizing operations, and enhancing market competitiveness.
Project Benefits	<ul style="list-style-type: none">• Accurate Forecasts• Increased Sales Accuracy• Reduced Costs• Enhanced Competitive Advantage
Scope	<ul style="list-style-type: none">• Collaborate with TPZ to implement AI 2025 and, if feasible, minimize the payroll prior to the impending closure.• Integration with existing systems• Dashboard to summarize key metrics

Project Charter

Project Details

Project Schedule

Planning phase – 1/1/25 to 1/23/25
Project Charter Completion – 1/16/25
AI Development – 1/28/25 to 5/19/25
Competitor Acquisition – 4/1/25
Dashboard – 5/20/25 to 6/16/25
Training – 6/24/25 to 10/27/25
Live Testing of AI Tool – 11/6/25 to 11/12/25
Deployment of the AI Tool – 11/13/25
Beta Launch – 11/20/25 – 11/28/25

Project Budget

Liz is offering a fee of up to \$500,000 to run a program, which includes managing the entire project, overseeing third-party vendors (TPZ), reporting, engaging internal stakeholders, and ensuring timely and budget-compliant project delivery. Additionally, Liz proposes that 10% of the fee would be contingent upon meeting Key Performance Indicators (KPIs) that contribute to the company's goals.

The current budget allocated for this program is **\$450,000**, which covers expenses related to hiring a Project Coordinator, Senior Project Manager, Project Manager, and other necessary resources.

TPZ for AI Development - Fixed-fee of **\$10,000,000**

Project Charter

Project Details			
Measures of Success/ KPIs		<ul style="list-style-type: none">• Forecast accuracy compared to previous methods.• Cost savings achieved through AI and potential workforce reduction.• Project completion within the budget and timeline.• On-time and successful Integration with existing systems.• User satisfaction and adoption rate with the new forecasting tool.	
Resources		<ul style="list-style-type: none">• Executive Board – Murat• Liz - IT Director and Helen• Project Management team – Project Lead, Project Coordinator, Project Manager, Senior Project Manager• Development team – TPZ• Testers and Trainers• HR	
Role		Signed	Date
Project Sponsor		Murat	
Project Manager		Sohini Chintala	

IT Department's Role

Collaborating with cross-functional teams to establish project objectives, scope, and deliverables.

Facilitating communication among IT departments, business units, external stakeholders, and third-party providers.

To ensure project success, **monitor progress, identify risks, and execute mitigation techniques.**

Troubleshoot problems faced by customers

Leading the AI tool's development and **implementation**, ensuring that it aligns with company goals.

Success Measurement

- ▶ Significant improvement over previous forecasting techniques, that directly aligns with the Company's target of increasing sales revenue while maintaining market share.
- ▶ On-time implementation of the AI tool on schedule and within budget.
- ▶ Positive user adoption and satisfaction across the business areas.
- ▶ Cost savings from labor reduction (including potential severance costs).
- ▶ Enhanced decision-making and operational efficiency throughout the organization.
- ▶ Positive media attention and investor confidence led by the effective adoption of the AI solution.

Information Gaps, Assumptions and Expectations

Confirmation of budget allocation for resources beyond TPZ, such as team members and possible severance fees.

Conducting stakeholder interviews and workshops to collect requirements and clarify expectations.

Conducting an in-depth risk evaluation to identify possible challenges and devise backup measures.

Engaging subject matter experts to address knowledge gaps and validate project assumptions.

New Fee Structure:



Liz is offering a fee of up to \$500,000 that includes managing the entire project, overseeing third-party vendors (TPZ), reporting, engaging internal stakeholders, and ensuring timely and budget-compliant project delivery.



Liz is paying for the resources within the current budget to hire Project Coordinator, Senior Project Manager, Project Manager, and others.



Current Budget: \$450,000















Incentives: Performance based bonus of about 10% of the fee upon meeting Key Performance Indicators (KPIs) that contribute to the company's goals.























MS Project

TASK SHEET VIEW
GANTT CHART VIEW
KEY MILESTONES
COST OVERVIEW
RESOURCE OVERVIEW











Task Sheet View - Planning

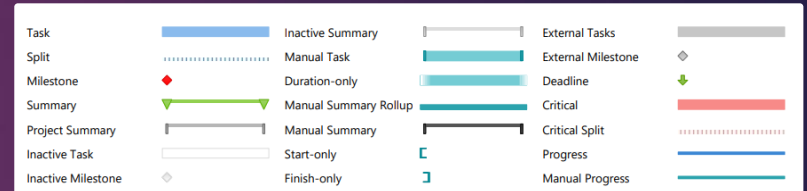
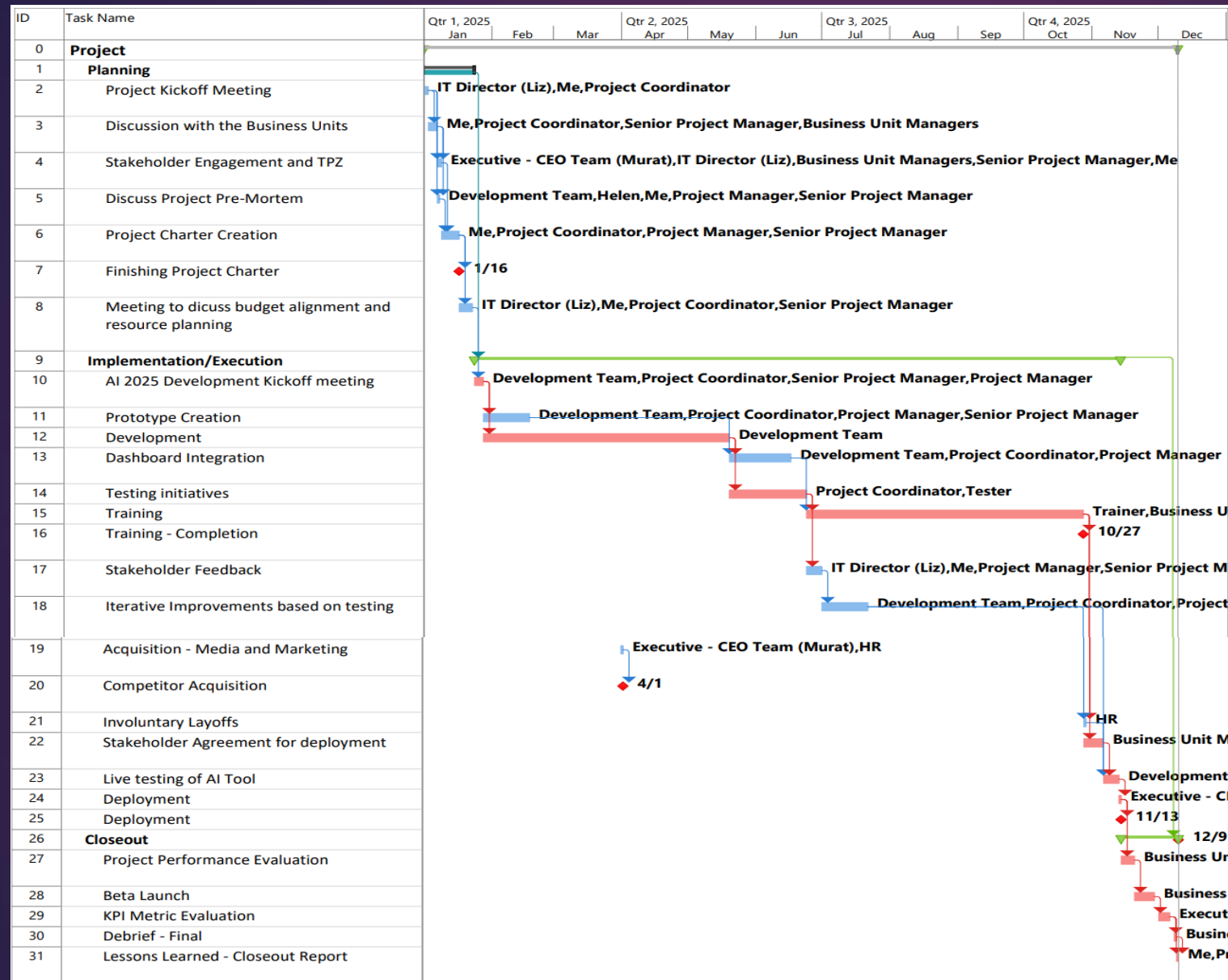
		Task ▾	Task Name ▾	Duration ▾	Start ▾	Finish ▾	Predecessor: ▾	Resource Names ▾	Cost ▾
0			▾ Project	245 days	Wed 1/1/25	Tue 12/9/25			\$425,720.00
1			▾ Planning	17 days	Wed 1/1/25	Thu 1/23/25			\$42,440.00
2			Project Kickoff Meeting	2 days	Wed 1/1/25	Thu 1/2/25		IT Director (Liz),Me,Project Coordinator	\$4,000.00
3			Discussion with the Business Units	2 days	Fri 1/3/25	Mon 1/6/25	2	Me,Project Coordinator,Senior Project Manager,Busin	\$4,000.00
4			Stakeholder Engagement and TPZ	2 days	Tue 1/7/25	Wed 1/8/25	2,3	Executive - CEO Team (Murat),IT Director (Liz),Busines	\$8,640.00
5			Discuss Project Pre-Mortem	1 day	Tue 1/7/25	Tue 1/7/25	2,3	Development Team,Helen,Me,Project Manager,Senior	\$3,560.00
6			Project Charter Creation	6 days	Thu 1/9/25	Thu 1/16/25	4,5	Me,Project Coordinator,Project Manager,Senior Proje	\$12,000.00
7			Finishing Project Charter	0 days	Thu 1/16/25	Thu 1/16/25	6		\$0.00
8			Meeting to dicuss budget alignment and resource planning	4 days	Fri 1/17/25	Wed 1/22/25	6	IT Director (Liz),Me,Project Coordinator, Senior Project Manager	\$10,240.00
9			▸ Implementation/Execution	210 days	Fri 1/24/25	Thu 11/13/25	1		\$296,040.00
26			▸ Closeout	18 days	Fri 11/14/25	Tue 12/9/25	9		\$87,240.00

Task Sheet View - Implementation

		Task	Task Name	Duration	Start	Finish	Predecessor:	Resource Names	Cost
0			Project	245 days	Wed 1/1/25	Tue 12/9/25			\$425,720.00
1			Planning	17 days	Wed 1/1/25	Thu 1/23/25			\$42,440.00
9			Implementation/Execution	210 days	Fri 1/24/25	Thu 11/13/25	1		\$296,040.00
10			AI 2025 Development Kickoff meeting	2 days	Fri 1/24/25	Mon 1/27/25	8	Development Team,Project Coordinator,Senior Project Manager	\$3,920.00
11			Prototype Creation	15 days	Tue 1/28/25	Mon 2/17/25	10	Development Team,Project Coordinator,Project Manager	\$29,400.00
12			Development	80 days	Tue 1/28/25	Mon 5/19/25	10	Development Team	\$48,000.00
13			Dashboard Integration	20 days	Tue 5/20/25	Mon 6/16/25	12,11	Development Team,Project Coordinator,Project Manager	\$28,000.00
14			Testing initiatives	25 days	Tue 5/20/25	Mon 6/23/25	12	Project Coordinator,Tester	\$16,000.00
15			Training	90 days	Tue 6/24/25	Mon 10/27/25	13,14	Trainer,Business Unit Managers	\$72,000.00
16			Training - Completion	0 days	Mon 10/27/25	Mon 10/27/25	15		\$0.00
17			Stakeholder Feedback	5 days	Tue 6/24/25	Mon 6/30/25	14	IT Director (Liz),Me,Project Manager,Senior Project Manager	\$21,600.00
18			Iterative Improvements based on testing	15 days	Tue 7/1/25	Mon 7/21/25	17	Development Team,Project Coordinator,Project Manager	\$21,000.00
19			Acquisition - Media and Marketing	1 day	Tue 4/1/25	Tue 4/1/25		Executive - CEO Team (Murat),HR	\$1,920.00
20			Competitor Acquisition	0 days	Tue 4/1/25	Tue 4/1/25	19		\$0.00
21			Involuntary Layoffs	1 day	Tue 10/28/25	Tue 10/28/25	15,18	HR	\$320.00
22			Stakeholder Agreement for deployment	7 days	Tue 10/28/25	Wed 11/5/25	15	Business Unit Managers,IT Director (Liz),Me,Project Coordinator	\$40,040.00
23			Live testing of AI Tool	5 days	Thu 11/6/25	Wed 11/12/25	18,21,22	Development Team,Project Coordinator,Tester,Project Manager	\$8,600.00
24			Deployment	1 day	Thu 11/13/25	Thu 11/13/25	23	Executive - CEO Team (Murat),IT Director (Liz),Me,Project Manager	\$5,240.00
25			Deployment	0 days	Thu 11/13/25	Thu 11/13/25	24		\$0.00
26			Closeout	18 days	Fri 11/14/25	Tue 12/9/25	9		\$87,240.00

Task Sheet View - Closeout

		Task ▾	Task Name ▾	Duration ▾	Start ▾	Finish ▾	Predecessor: ▾	Resource Names ▾	Cost ▾
0			▸ Project	245 days	Wed 1/1/25	Tue 12/9/25			\$425,720.00
1			▸ Planning	17 days	Wed 1/1/25	Thu 1/23/25			\$42,440.00
9			▸ Implementation/Execution	210 days	Fri 1/24/25	Thu 11/13/25	1		\$296,040.00
26			▸ Closeout	18 days	Fri 11/14/25	Tue 12/9/25	9		\$87,240.00
27			Project Performance Evaluation	4 days	Fri 11/14/25	Wed 11/19/25	24	Business Unit Managers,Executive - CEO Team (Murat	\$20,480.00
28			Beta Launch	7 days	Thu 11/20/25	Fri 11/28/25	27	Business Unit Managers,Executive - CEO Team (Murat	\$35,840.00
29			KPI Metric Evaluation	5 days	Mon 12/1/25	Fri 12/5/25	28	Executive - CEO Team (Murat),IT Director (Liz),Me,Pro	\$23,200.00
30			Debrief - Final	1 day	Mon 12/8/25	Mon 12/8/25	29	Business Unit Managers,Development Team,Executive	\$5,720.00
31			Lessons Learned - Closeout Report	1 day	Tue 12/9/25	Tue 12/9/25	29,30	Me,Project Coordinator,Project Manager,Senior Proje	\$2,000.00



Gantt Chart

MS Project – Cost Overview

COST OVERVIEW

WED 1/1/25 - TUE 12/9/25

COST

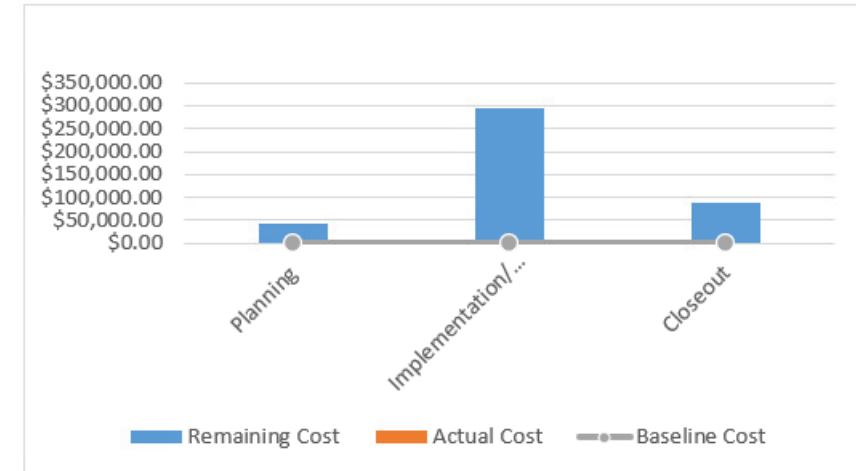
\$425,720.00

COST STATUS

Cost status for top level tasks.

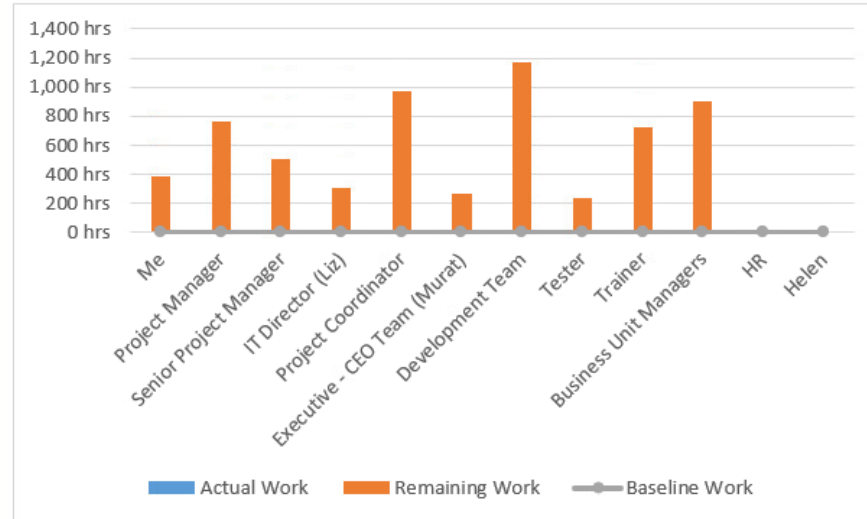
Name	Actual Cost	Remaining Cost	Baseline Cost	Cost	Cost Variance
Planning	\$0.00	\$42,440.00	\$0.00	\$42,440.00	\$42,440.00
Implementation/Execution	\$0.00	\$296,040.00	\$0.00	\$296,040.00	\$296,040.00
Closeout	\$0.00	\$87,240.00	\$0.00	\$87,240.00	\$87,240.00

COST STATUS



RESOURCE STATS

Work status for all work resources.



RESOURCE STATUS

Remaining work for all work resources.

Name	Start	Finish	Remaining Work
Me	Wed 1/1/25	Tue 12/9/25	384 hrs
Project Manager	Tue 1/7/25	Tue 12/9/25	760 hrs
Senior Project Manager	Fri 1/3/25	Tue 12/9/25	504 hrs
IT Director (Liz)	Wed 1/1/25	Mon 12/8/25	304 hrs
Project Coordinator	Wed 1/1/25	Tue 12/9/25	976 hrs
Executive - CEO Team (Murat)	Tue 1/7/25	Mon 12/8/25	264 hrs
Development Team	Tue 1/7/25	Mon 12/8/25	1,176 hrs
Tester	Tue 5/20/25	Wed 11/12/25	240 hrs
Trainer	Tue 6/24/25	Mon 10/27/25	720 hrs
Business Unit Managers	Fri 1/3/25	Mon 12/8/25	904 hrs
HR	Tue 4/1/25	Tue 10/28/25	16 hrs
Helen	Tue 1/7/25	Tue 1/7/25	8 hrs

MS Project – Resource Overview

MILESTONES DUE

Milestones that are coming soon.

Name	Finish
Finishing Project Charter	Thu 1/16/25
Training - Completion	Mon 10/27/25
Competitor Acquisition	Tue 4/1/25
Deployment	Thu 11/13/25

Key Milestones

Budget – Cost Structure – Evaluation

- ▶ **Base Fee:** \$450,000
- ▶ **Performance Bonus:** \$50,000- earned upon achieving KPIs.
- ▶ The cost budget is consistent with the cost structure described in the Project Charter, which includes \$450,000 for project management services and a \$50,000 performance-based incentive. The incentive is reliant on meeting set KPIs and measures, which ensures alignment with the company's strategic goals and objectives.

Evaluation:

- ▶ Given the exact needs and scope specified in the case study, a budget of \$450,000 appears to be enough for project management services. While \$450,000 may be sufficient for this project, there are associated risks about resource quality, employee satisfaction, and contingency planning.
- ▶ Allocating a budget slightly more than \$450,000 would enable better resource compensation, resulting in increased staff happiness and productivity. Investing in fair compensation can help create a healthy work atmosphere and attract top personnel to the project. In the end, prioritizing staff well-being improves project success and long-term consequences.

KPI Metrics and Budget Improvements

Incentive Structure based on KPI Metrics:

- ▶ Project completion within the budget and timeline (project completed by October 31st, 2025 – 270 days)
- ▶ On-time and successful Integration with existing systems
- ▶ User satisfaction and adoption rate with the new forecasting tool. - (Survey score beyond 80% within first 3-4 months of implementation)
- ▶ Forecast accuracy compared to previous methods. - (Accuracy exceeding at least 90% within 6 months of implementation)
- ▶ Cost savings achieved through automation and potential workforce reduction

Budget Improvements will be needed if:

- ▶ Unexpected expenses occur during the process.
- ▶ The implementation phase necessitates greater management support than expected.
- ▶ Team member expenses surpass the budgeted amounts.

Closeout Report

Lessons Learned

INFORMATION GAPS

PERSONALITIES AND
CONFLICTS

ROLES/
ORGANIZATIONAL STRUCTURE

OTHER ENGAGEMENT ISSUES

Information Gaps



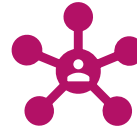
Time Scheduling and Updates

TPZ keeps their schedules and work plans internal, thus regular updates and check-ins will be required to maintain the project cadence.



Limited buy-in from business unit leaders

Despite Helen's first assessment, further contact with leaders is necessary. Their early participation in requirements gathering and decision-making would have encouraged ownership and avoided potential resistance.



Communication

The lack of clear communication channels and defined processes, and active participation of all stakeholders from the beginning.



Stakeholder Involvement

Key stakeholders, notably business unit leaders, were not fully involved, resulting in a lack of agreement on project objectives and expectations.



Personnel Layoff and Severance Plans

The impact of the AI tool on existing teams necessitates prompt action. Open communication regarding prospective layoffs and severance payments is critical for a smooth transition.

Personalities and Conflicts

- ▶ **Potential Conflict Between TPZ and Internal Teams:** Clear roles and duties for all teams will reduce friction and enable a smooth project execution.
- ▶ **Helen's departure:** Helen's responsibility towards the project is only for the first few weeks, and this might lead to some revisions in the future hierarchy in the company.
- ▶ **Conflict between Liz and Helen:** Liz and Helen have a current dispute over the way of work since Liz thinks she is not sure why Helen does not hand it off to her, as she is leaving in 6 weeks, and she should have never been in the execution role regardless.
- ▶ **Layoffs:** Involuntary Layoffs may result in low employee morale resulting in affecting a group of workers rather than an individual.
- ▶ **Interpersonal Dynamics:** Fostering a collaborative atmosphere and active listening among all stakeholders is critical for good decision-making.

Roles

Executive – CEO Team – Murat

Helen - Previous Project Head

Liz – IT Director

Project Lead

Senior Project Manager

Project Manager

Project Coordinator

Development Team

Tester

Trainer

HR

Business Unit Managers

Other Engagement Issues

Unwillingness to change and a misalignment between the company's projected vision and the current situation:

This can be solved through proactively addressing disagreement through specific change management initiatives, as well as aligning project objectives with the company's objectives, thereby increasing stakeholder support, assisting project success.

Incentive Agreement: There are no agreed-upon KPIs for which benefits will be granted. Incentive alignment and performance-based pay are critical components of any contract, and they should have been structured or negotiated correctly.

THANK YOU

SOHINI CHINTALA