### Chapter 3: Project Integration Management

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### **Learning Objectives**

- Describe an overall framework for project integration management as it relates to the other PM knowledge areas and the project life cycle
- Explain the strategic planning process and apply different project selection methods
- Explain the importance of creating a project charter to formally initiate projects

### Learning Objectives (continued)

- Describe project management plan development, understand the content of these plans, and review approaches for creating them
- Explain project execution, its relationship to project planning, the factors related to successful results, and tools and techniques to assist in project execution
- Describe the process of monitoring and controlling project work

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### Learning Objectives (continued)

- Understand the integrated change control process, planning for and managing changes on information technology projects, and developing and using a change control system
- Explain the importance of developing and following good procedures for closing projects

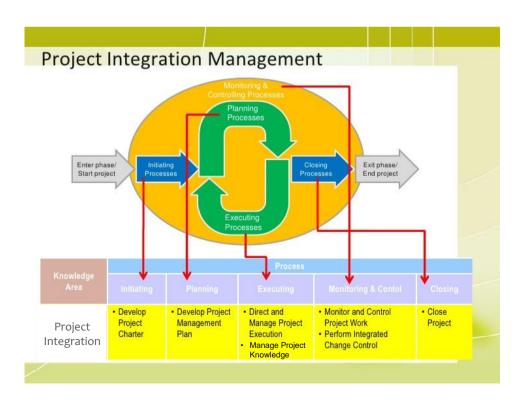
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# The Key to Overall Project Success: Good Project Integration Management

 Project managers must coordinate all of the other knowledge areas throughout a project's life cycle



 Many new project managers have trouble looking at the "big picture" and want to focus on too many details (see opening case for a real example)



# Project Integration Management Processes

- \* 4.1 Develop the project charter: working with stakeholders to create the document that formally authorizes a project—the charter
- \* 4.2 Develop the project management plan: coordinating all planning efforts to create a consistent, coherent document—the project management plan
- 4.3 Direct and manage project execution: carrying out the project management plan by performing the activities included in it

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# Project Integration Management Processes (continued)

- 4.4 Manage project knowledge: using existing knowledge and creating new knowledge to achieve the project's objectives and contribute to organizational learning.
- \* 4.5 Monitor and control the project work: overseeing project work to meet the performance objectives of the project
- 4.6 Perform integrated change control: coordinating and evaluating changes that affect the project's deliverables

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# Project Integration Management Processes (continued)

\* 4.7 Close the project or phase: finalizing all project activities to formally close the project or phase

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### **Project Pre-initiation**

- Lay the groundwork for a project before it officially starts
- Senior managers often perform several pre-initiation tasks, including the following:
  - \* Determine the high-level scope, time, and cost constraints for the project
  - \* Identify the project sponsor
  - \* Select the project manager
  - \* Develop a **business case** for a project (see Table 3-2 for an example)
  - \* Meet with the to-be project manager to review the process and expectations for managing the project
  - \* Determine if the project should be divided into two or more smaller projects
  - \* Obtain the authorization so the financial resource is committed

#### 4.1 Develop Project Charter Agreement when applicable e.g. contract, Memorandums of Understanding – MOUs, Service Level Agreement -4.1 Develop SLA, etc.) **Project Project Charter** Project Statement of Work (SOW) Charter **Business Case** Enterprise Environment **Facilitation Techniques** Factors (EEF) e.g. Brainstorming, problem solving, **Organizational Process** meeting etc. Assets (OPA) **Expert Judgment** Expertise provided by people with specialized knowledge in technical and management details

### **Project Charter**

A **project charter** is a document that formally recognizes the existence of a project and provides the project manager with the authority to apply organizational resources to project activities.

 Key project stakeholders should sign a project charter to acknowledge agreement on the need and intent of the project; a signed charter is a key output of project integration management

### **Tools and Techniques**

- \* Facilitation Techniques
  - \* e.g. Brainstorming, problem solving, meeting, etc.
- \* Expert Judgment
  - \* Such judgment and expertise are applied to any technical and management details
  - \* Such expertise is provided by any group or individual with specialized knowledge or training, and is available from many sources.

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# 4.2 Develop Project Management Plan

\* Develop Project Management Plan is the process of defining, preparing, and coordinating all subsidiary plans (from the other 9 knowledge areas) and integrating them into a comprehensive project management plan. The key benefit of this process is a central document that defines the basis of all project work.

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# 4.2 Develop Project Management Plan

- \* What to do on planning?
  - \* Generally plan before you plan
  - \* Communicate (make sure people know where they are in)
  - \* Implement Process (Process to have a standardized documented ways to do planning)
  - \* Setup your repository (where to store and place)
  - \* Get your sign-offs, when and how
  - \* All the time know who doing what and where

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#### 4.2 Develop Project Management Plan Project Charter Output from Planning 4.2 Develop Processes (all 23 processes) Project **Project Management** Enterprise Plan Management **Environmental Factors** Plan **Organizational Process** Assets Expert Judgment **Facilitation Techniques**

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### Project Management Plans

A **project management plan** is a document used to coordinate all project planning documents and help guide a project's execution and control

- Plans created in the other knowledge areas are subsidiary parts of the overall project management plan
- \* Provide a **baseline** for progress measurement and project control.
- \* Subject to change as necessary
  - \* A **Baseline** is the defined requirements (plus approved changes) confirmed by relevant people, which are used in validating certain aspects of the project.

### Project Management plan



9 subsidiary management plans



#### **3 Baselines**

- Scope baseline
- Schedule baseline
- Cost baseline

### 4.3 Direct and Manage Project Work

- \* The process of leading and performing the work defined in the **project management plan** and implementing approved changes to achieve the project's objectives.
- The majority of time and money is usually spent on execution

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### Coordinating Planning and Execution

- Project planning and execution are intertwined and inseparable activities
- \* Those who will do the work should help to plan the work
- Project managers must solicit input from the team to develop realistic plans

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# Project Execution Tools and Techniques

- Expert judgment: experts can help project managers and their teams make many decisions related to project execution
- \* Project management information systems: there are hundreds of project management software products available on the market today, and many organizations are moving toward powerful enterprise project management systems that are accessible via the Internet
- See the What Went Right? example of Kuala Lumpur's Integrated Transport Information System on p. 159

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### 4.4 Manage Project Knowledge

- \* The process of using existing knowledge and creating new knowledge to achieve the project's objectives and contribute to organizational learning.
- \* The key benefits of this process are that prior organizational knowledge is leveraged to produce or improve the project outcomes, and knowledge created by the project is available to support organizational operations and future projects or phases.

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### 4.4 Manage Project Knowledge

- Project management
- Project documents
  - Lessen learned register
  - Project team assignments
  - Resource breakdown structure
  - Source selection criteria
  - Stakeholder register
- Deliverables
- EEP, OPA

- 4.4 Manage Project Knowledge
- Expert Judgment
- Knowledge management
- Information management
- Interpersonal and team skills

- Lessens learned register
- Project management plan
- OPA updates

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### 4.5 Monitor and Control Project Work

- \* The process of <u>tracking</u>, <u>reviewing</u>, and <u>reporting</u> project progress against the performance objectives defined in the **project management plan**.
- Changes are inevitable on most projects, so it's important to develop and follow a process to monitor and control changes
- Monitoring project work includes <u>collecting</u>, <u>measuring</u>, and <u>disseminating</u> performance information

### 4.5 Monitor and Control Project Work

- Project management
- Work performance information
- Schedule forecasts
- Cost forecasts
- Validated changes
- EEF, OPA

- 4.5 Monitor and Control Project Work
- Expert Judgment
- Project management plan updates
- Change requests
- Work performance reports

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# 4.6 Perform Integrated Change Control

\* The process of <u>reviewing</u> all change requests; <u>approving</u> changes and <u>managing</u> changes to deliverables, Organizational Process Assets, project documents, and the project management plan; and communicating their situations.

### Change Control on Information Technology Projects

#### Former view:

- The project team should strive to do exactly what was planned on time and within budget
- Problem: stakeholders rarely agreed up-front on the project scope, and time and cost estimates were inaccurate

#### Modern view:

- project management is a process of constant communication and negotiation
- Solution: changes are often beneficial, and the project team should plan for them

### Change Control Board (CCB)

- \* There must be a system (policies) to govern how changes are handled and authorized.
- A formal group of people responsible for approving or rejecting changes on a project
- \* CCBs provide guidelines for preparing change requests, evaluate change requests, and manage the implementation of approved changes

### 4.7 Closing Projects and Phases

- \* The process of finalizing all activities across all of the Project Management Process Groups to formally complete the phase or project.
- \* Major things to do:
  - \* Delivery of final product, service or result
  - \* Final acceptance of the project
  - \* Procurement contract closure
  - \* Human resources returned
  - \* Equipment and facility returned
  - \* Lessen Learnt (into Organizational Process Asset)

### 4.7 Close Project or Phase

- Project management Accepted deliverables

- 4.7 Close Project
  - or Phase
- **Expert Judgment**
- Analytical techniques
- Meetings

Final product, service **OPA** updates

# Chapter 3 Project Integration Management (Part II)

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# The Project Management Documents

- SoW (Statement of Work)
- **Business Case**
- NPV (Net Present Value), ROI (Return On Investment), Payback Analysis
- SLA (Service Level Agreement)
- Project Charter
- Project Management Plan
- Stakeholder Register

### SoW (Statement of Work)

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### **Project Statement of Work (SOW)**

A **Statement of Work (SOW)** is a narrative description of products, services or results to be delivered by the project.

- \* Source of SOW:
  - \* Internal:
    - Projects Sponsor provides the SOW based on business needs, product, or service requirements
  - \* External:
    - SOW can be received from the customer as part of a bid document (or tenders)
  - \* SOW can help define below:
    - \* Business needs, strategic plan (in Biz case)
    - \* Product scope description (requirements, characteristics etc.)

### **Contents of SOW**

- \* Objective
  - \* Why are we doing this project? A purpose statement attempts to answer this?
- \* Scope of work
  - \* This describes the works to be done and specifies the hardware and software involved.
- \* Location of work
  - \* This describes where the work is to be performed, including the location of hardware and software and where people will meet to do the work.
- \* Deliverables schedule
  - \* This part lists and describes what is due and when

It answers the question "WHAT to do?".

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### Contents of SOW (cont.)

- \* Applicable standards
  - \* This describes any industry specific standards that need to be adhered to in fulfilling the contract.
- \* Acceptance criteria
  - \* This specifies how the buyer or receiver of goods will determine if the product or service is acceptable, usually with objective criteria
- \* Payment schedule
  - \* A breakdown of payments by whether they are up-front or phased will usually be negotiated in an early stage, esp. for a project with long period.

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### **Business Case**

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### **Business Case**

A **Business Case** provides the necessary information from a business standpoint to determine whether or not the project is worth the required investment.

- \* The business case is created as a results of one or more of the following:
  - Market demand, Organization needs, Customer needs, Customer requests, Technological advance, Legal requirements, Ecological impact, Social needs

It answers the question "WHY to do it?".

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#### TABLE 3-2 JWD Consulting's business case

#### 1.0 Introduction/Background

JWD Consulting's core business goal is to provide world-class project management consulting services to various organizations. The CEO, Joe Fleming, believes the firm can streamline operations and increase business by providing information related to project management on its intranet site, making some information and services accessible to current and potential clients.

#### 2.0 Business Objective

JWD Consulting's strategic goals include continuing growth and profitability. The project management intranet site project will support these goals by increasing visibility of the firm's expertise to current and potential clients by allowing client and public access to some sections of the intranet. The project will also improve profitability by reducing internal costs by providing standard tools, techniques, templates, and project management knowledge to all internal consultants. Because JWD Consulting focuses on identifying profitable projects and measuring their value after completion, this project must meet those criteria.

#### 3.0 Current Situation and Problem/Opportunity Statement

JWD Consulting has a corporate Web site as well as an intranet. The firm currently uses the Web site for marketing information. The primary use of the intranet is for human resource information, such as where consultants enter their hours on various projects, change and view their benefits information, and access an online directory and Web-based e-mail system. The firm also uses an enterprise-wide project management system to track all project information, focusing on the status of deliverables and meeting scope, time, and cost goals. There is an opportunity to provide a new section on the intranet dedicated to sharing consultants' project management knowledge across the organization. JWD Consulting only hires experienced consultants and gives them freedom to manage projects as they see fit. However, as the business grows and projects become more complex, even experienced project managers are looking for suggestions on how to work more effectively.

#### 4.0 Critical Assumptions and Constraints

The proposed intranet site must be a valuable asset for JWD Consulting. Current consultants and clients must actively support the project, and it must pay for itself within one year by reducing internal operating costs and generating new business. The Project Management Office manager must lead the effort, and the project team must include participants from several parts of the company, as well as from current client organizations. The new system must run on existing hardware and software, and it should require minimal technical support. It must be easily accessible by consultants and clients and be secure from unauthorized users.

#### 5.0 Analysis of Options and Recommendation

There are three options for addressing this opportunity:

- 1. Do nothing. The business is doing well, and we can continue to operate without this new project.
- Purchase access to specialized software to support this new capability with little in-house development.
- Design and implement the new intranet capabilities in-house, using mostly existing hardware and software.

Based on discussions with stakeholders, we believe that option 3 is the best option.

#### 6.0 Preliminary Project Requirements

The main features of the project management intranet site include the following:

 Access to several project management templates and tools. Users must be able to search for templates and tools, read instructions for using these templates and tools, and see examples of how to

- apply them to real projects. Users must also be able to submit new templates and tools, which should first be screened or edited by the Project Management Office.
- 2. Access to relevant project management articles. Many consultants and clients sense an information overload when they research project management information. They often waste time they should be spending with their clients. The new intranet should include access to several important articles on various project management topics, which are searchable by topic, and allow users to ask the Project Management Office staff to find additional articles to meet their needs.
- 3. Links to other, up-to-date Web sites, with brief descriptions of the main features of the external
- 4. An "Ask the Expert" feature to help build relationships with current and future clients and share knowledge with internal consultants.
- 5. Appropriate security to make the entire intranet site accessible to internal consultants and certain sections accessible to others.
- 6. The ability to charge money for access to some information. Some of the information and features of the intranet site should prompt external users to pay for the information or service. Payment options should include a credit card option or similar online payment transactions. After the system verifies payment, the user should be able to access or download the desired information.
- 7. Other features suggested by users, if they add value to the business.

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#### 7.0 Budget Estimate and Financial Analysis

A preliminary estimate of costs for the entire project is \$140,000. This estimate is based on the project manager working about 20 hours per week for six months and other internal staff working a total of about 60 hours per week for six months. The customer representatives would not be paid for their assistance. A staff project manager would earn \$50 per hour. The hourly rate for the other project team members would be \$70 per hour, because some hours normally billed to clients may be needed for this project. The initial cost estimate also includes \$10,000 for purchasing software and services from suppliers. After the project is completed, maintenance costs of \$40,000 are included for each year, primarily to update the information and coordinate the "Ask the Expert" feature and online articles.

Projected benefits are based on a reduction in hours that consultants spend researching project management information, appropriate tools, and templates. Projected benefits are also based on a small increase in profits due to new business generated by this project. If each of 400 consultants saved just 40 hours each year (less than one hour per week) and could bill that time to other projects that generate a conservative estimate of \$10 per hour in profits, then the projected benefit would be \$160,000 per year. If the new intranet increased business by just 1 percent, using past profit information, increased profits due to new business would be at least \$40,000 each year. Total projected benefits, therefore, are about \$200,000 per year. Exhibit A summarizes the projected costs and benefits and shows the estimated net present value (NPV), return on investment (ROI), and year in which payback occurs. It also lists assumptions made in performing this preliminary financial analysis. All of the financial estimates are very encouraging. The estimated payback is within one year, as requested by the sponsor. The NPV is \$272,800, and the discounted ROI based on a three-year system life is excellent at 112 percent.

#### 8.0 Schedule Estimate

The sponsor would like to see the project completed within six months, but there is some flexibility in the schedule. We also assume that the new system will have a useful life of at least three years.

#### 9.0 Potential Risks

This project carries several risks. The foremost risk is a lack of interest in the new system by our internal consultants and external clients. User inputs are crucial for populating information into this system and realizing the potential benefits from using the system. There are some technical risks in choosing the type of software used to search the system, check security, process payments, and so on, but the features of this system all use proven technologies. The main business risk is investing the time and money into this project and not realizing the projected benefits.

#### 10. Financial Cos-Benefit analysis

Using NPV (Net Present Value) method

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### Methods for Selecting Projects

- There are usually more projects (options) than available time and resources to implement them
- \* Methods for selecting projects include:
  - Focusing on broad organizational needs with strategic planning
  - Performing Net Present Value or other financial analyses
  - Using a weighted scoring model

# Strategic Planning and Project Selection

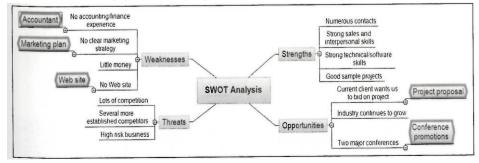
- Strategic planning involves determining long-term objectives, predicting future trends, and projecting the need for new products and services
- \* Organizations often perform a SWOT analysis
  - \* Analyzing Strengths, Weaknesses, Opportunities, and Threats
- \* As part of strategic planning, organizations:
  - \* Identify potential projects
  - \* Use realistic methods to select which projects to work on

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### Figure 4-2. Mind Map of a SWOT Analysis to Help Identify Potential Projects

For example, a group of 4 people who want to start a new business in the film industry perform a SWOT analysis to help identify potential projects.



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### Weighted Scoring Model

- A weighted scoring model is a tool that provides a systematic process for selecting projects based on many criteria
  - \* Identify criteria important to the project selection process
  - Assign weights (percentages) to each criterion so they add up to 100%
  - \* Assign scores to each criterion for each project
  - Multiply the scores by the weights and get the total weighted scores
- \* The higher the weighted score, the better

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	A	В	С	D	E	F
	Criteria	Welght	Project 1	Project 2	Project 3	Project 4
2	Supports key business objectives	25%	90	90	50	20
	Has strong internal sponsor	15%	70	90	50	20
	Has strong customer support	15%	50	90	50	20
	Uses realistic level of technology	10%	25	90	50	70
,	Can be implemented in one year or less	5%	20	20	50	90
	Provides positive NPV	20%	50	70	50	50
	Has low risk in meeting scope, time, and cost goals	10% 20	50	50	90	
	Weighted Project Scores	100%	56	78.5	50	41.5
	Weighted So	core b	y Proj	ect		
1 2 3 4	Weighted So	core b	y Proj	ect		
0 1 2 3 4 5 6	Project 4	core b	y Proj	ect		
1 2 3 4 5 6		core b	y Proj	ect		
1 2 3 4 5	Project 4 Project 3	core b	y Proj	ect		
	Project 4	core b	y Proj	ect		
1 2 3 4 5 6 7 8	Project 4 Project 3 Project 2	core b	y Proj	ect		
	Project 4 Project 3	core b	y Proj	ect		
	Project 4  Project 3  Project 2	core b	y Proj	ect		
	Project 4 Project 3 Project 2 Project 1	core b	y Proj	ect 80	1	1000
	Project 4 Project 3 Project 2 Project 1				1	000

### NPV (Net Present Value), ROI (Return On Investment, Payback Analysis

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### Financial Analysis of Projects

- Financial considerations are often an important consideration in selecting projects
- \* Three primary methods for determining the projected financial value of projects:
  - \* Net present value (NPV) analysis
  - \* Return on investment (ROI)
  - \* Payback analysis

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### Net Present Value Analysis

- Net present value (NPV) analysis is a method of calculating the expected net monetary gain or loss from a project by discounting all expected future cash inflows and outflows to the present point in time
- Projects with a positive NPV should be considered if financial value is a key criterion
- \* The higher the NPV, the better

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	Figu	re 4-	4. N	et Pr	eser	it Va	lue E	xample
	A	В	С	D	E	F	G	
1	Discount rate	10%						
2								
3	PROJECT 1	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	
4	Benefits	\$0	\$2,000	\$3,000	\$4,000	\$5,000	\$14,000	
5	Costs	\$5,000	\$1,000	\$1,000	\$1,000	\$1,000	\$9,000	
6	Cash flow	(\$5,000)	\$1,000	\$2,000	\$3,000	\$4,000	\$5,000	
7	NPV	\$2,316						
8		Formula =npv(b1,b6:f6		6:f6)				Note that totals are
9								equal, but NPVs are
10	PROJECT 2	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL	not because of the time value of mone
11	Benefits	\$1,000	\$2,000	\$4,000	\$4,000	\$4,000	\$15,000	
12	Costs	\$2,000	\$2,000	\$2,000	\$2,000	\$2,000	\$10,000	V
13	Cash flow	(\$1,000)	\$0	\$2,000	\$2,000	\$2,000	\$5,000	
14	NPV	\$3,201						
15		Formula:	=npv(b1,b	13:f13)				
16								
17								

Examples of NPV, ROI and Payback period						
Discount rate:	8%					
	Year 1	Year 2	Year 3	Year 4	total	
Costs	140,000	40,000	40,000	40,000		
Discounted Costs	129,630	34,294	31,753	29,401	225,078	
Benefits	0	200000	200000	200000		
Discounted Benefits	-	171,468	158,766	147,006	477,240	
Discounted Net	- 129,630	137,174	127,013	117,605	252,163	
Cumulative Net	- 129,630	7,545	134,558	252,163		
Doubook in year 2						

Payback in year 2

ROI = (Discounted Benefits - Discounted Cost) / Discounted Costs

ROI = (477240 - 225078) / 225078 = 112%

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### **NPV Calculations**

- Determine estimated costs and benefits for the life of the project and the products it produces
- \* Determine the discount rate (check with your organization on what to use)
- \* Calculate the NPV (see text for details)
- Notes: Some organizations consider the investment year as year 0, while others start in year 1; some people enter costs as negative numbers, while others do not
  - \* Check with your organization for their preferences

### Return on Investment

 Return on investment (ROI) is calculated by subtracting the project costs from the benefits and then dividing by the costs

ROI = (total discounted benefits - total discounted costs) / discounted costs

- \* The higher the ROI, the better
- \* Many organizations have a required rate of return or minimum acceptable rate of return on investment for projects
- \* Internal rate of return (IRR) can be calculated by finding the discount rate that makes the NPV equal to zero

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### Payback Analysis

- Another important financial consideration is payback analysis
- \* The payback period is the amount of time it will take to recoup, in the form of net cash inflows, the total dollars invested in a project
- Payback occurs when the net cumulative discounted benefits equals the costs
- Many organizations want IT projects to have a fairly short payback period

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### Service-Level Agreement (SLA)

- \* An official agreement between service provider and end users, which defined specific and measurable aspects of quality, availability and responsibility of deliverable services.
- \* Ex. Internet service providers usually provide SLA with the level of downtime, say less than 100 min (or 0.05%) of downtime within one year. Besides, mean time to recovery, throughput, data rates...

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### **Project Charter**

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### Project Charter

- \* It should addresses following information
  - \* High-level project description
    - \* The purpose of the project or justification
  - \* High-level requirements
    - \* Describe the product your project has to make
  - \* Assigned project manager and authority level
  - \* Key scheduled milestone
    - \* A list of dates that your project needs to meet
  - \* Summary of budget
  - \* Project approval requirements
  - \* Name and authority of the sponsor

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## Table 4-1. Project Charter for the DNA-Sequencing Instrument Completion Project

Project Title: DNA-Sequencing Instrument Completion Project

Date of Authorization: February 1

Project Start Date: February 1 Projected Finish Date: November 1

#### **Key Schedule Milestones:**

- Complete first version of the software by June 1
- Complete production version of the software by November 1

Budget Information: The firm has allocated \$1.5 million for this project, and more funds are available if needed. The majority of costs for this project will be internal labor. All hardware will be outsourced.

Project Manager: Nick Carson, (650) 949-0707, nearson@dnaconsulting.com

Project Objectives: The DNA-sequencing instrument project has been underway for three years. It is a crucial project for our company. This is the first charter for the project, and the objective is to complete the first version of the software for the instrument in four months and a production version in nine months.

Main Project Success Criteria: The software must meet all written specifications, be thoroughly tested, and be completed on time. The CEO will formally approve the project with advice from other key stakeholders.

#### Approach:

- Hire a technical replacement for Nick Carson and a part-time assistant as soon as possible.
- Within one month, develop a clear work breakdown structure, scope statement, and Gantt chart detailing the work required to complete the DNA sequencing instrument.
- · Purchase all required hardware upgrades within two months.
- · Hold weekly progress review meetings with the core project team and the sponsor.
- · Conduct thorough software testing per the approved test plans.

#### ROLES AND RESPONSIBILITIES

	Name	Role	Position	Contact Information
	Ahmed Abrams	Sponsor	CEO	aabrams@dnaconsulting.com
	Nick Carson	Project Manager	Manager	nearson@dnaconsulting.com
ì	Susan Johnson	Team Member	DNA expert	sjohnson@dnaconsulting.com
	Renyong Chi	Team Member	Testing expert	rchi@dnaconsulting.com
	Erik Haus	Team Member	Programmer	ehaus@dnaconsulting.com
	Bill Strom	Team Member	Programmer	bstrom@dnaconsulting.com
	Maggie Elliot	Team Member	Programmer	melliot@dnaconsulting.com
	Sign-off: (Signature Ahmed Abrams Susan Johnson Exik Haus Maggie Elliot	s of all the above stak	seholders) Nich Carson Renyong Chi Bill Strom	

Comments: (Handwritten or typed comments from above stakeholders, if applicable)

"I want to be heavily involved in this project. It is crucial to our company's success, and I expect everyone to help make it succeed" — Ahmed Abrams

"The software test plans are complete and well documented. If anyone has questions, do not hesitate to contact me." —Renyong Chi

### Project Management Plan

### Project Management Plans

A **project management plan** is a document used to coordinate all project planning documents and help guide a project's execution and control

- Plans created in the other knowledge areas are subsidiary parts of the overall project management plan
- \* Provide a **baseline** for progress measurement and project control.
- \* Subject to change as necessary
  - \* A **Baseline** is the defined requirements confirmed by relevant people, which are used in validating certain aspects of the project.

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# Common Elements of a Project Management Plan

- \* Overview of the project
- \* Description of how the project is organized
- \* Subsidiary management plans
- \* Baselines
- \* Additional components

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### The Common Elements (detailed)

#### \* Overview of the project

- \* project name
- \* Brief description of the project and the need it addresses
- \* Sponsor's name and contact
- \* Names of the PM and key team members
- \* Deliverables

#### \* Description of how the project is organized

- \* Org Chart
- \* Project responsibilities (who responsible for what)

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### The Common Elements (detailed) cont.

#### \* Subsidiary management plans

- \* Scope management plan
- \* Requirements management plan
- \* Schedule management plan
- \* Cost management plan
- \* Quality management plan
- \* Resource management plan
- \* Communications management plan
- \* Risk management plan
- \* Procurement management plan
- Stakeholder management plan

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### The Common Elements (detailed) cont.

- \* Baselines
  - \* Scope baseline
  - \* Schedule baseline
  - Cost baseline

#### \* Additional components

- \* Change management plan
- \* Project life cycle
- \* Development approach (Predictive, Iterative, Adaptive)
- \* etc.

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### 13.1 Identify Stakeholders

\* Project Stakeholder Management includes the processes required to identify the people, groups, or organizations that could impact or be impacted by the project, to analyze stakeholder expectations and their impact on the project, and to develop appropriate management strategies for effectively engaging stakeholders in project decision and execution.

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# Stakeholder Register

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### 13.1 Identify Stakeholders

- EEF / OPA
- Project Charter
- Procurement doc

13.1 Identify Stakeholders Stakeholder Register

- Meeting
- Expert Judgment
- Stakeholder analysis

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### **Identify Stakeholders**

- \* The Identify stakeholders is the process of identifying the people, groups or organizations that could impact or impacted by the project, and documenting relevant information regarding their interests, involvement, interdependencies, influence and potential impact on project success.
- Identify the stakeholders early, and to analyze their levels of interest, expectations, importance and influence

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### Stakeholder Register

- \* This document contains:
  - \* Identification information
    - \* Name, Organization position, location, roles in the project
  - \* Assessment information
    - \* Major requirements, main expectations, potential influence
  - \* Stakeholder classification
    - \* Internal / External, supporter/natural/resistor
  - \* Stakeholder management strategy
    - $\ast\,$  Define an approach to increase the support and minimize negative impacts.
    - \* Key Stakeholders who can significantly impact the project
    - \* Level of participation in the project desired for each identified stakeholder
    - \* Stakeholder groups and their management

### Table 3-4. Stakeholder Register

Name	Position	Internal/ External	Project Role	Contact Information
Joe Fleming	CEO	Internal	Sponsor	joe_fleming@jwdconsulting.com
Erica Bell	PMO Director	Internal	Project manager	erica_bell@jwdconsulting.com
Michael Chen	Team member	Internal	Team member	michael_chen@jwdconsulting.com
Kim Phuong	Business analyst	External	Advisor	kim_phuong@client1.com
Louise Mills	PR Director	Internal	Advisor	louise_mills@jwdconsulting.com

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# Table 3-4. Stakeholder Management Strategy

Name	Level of Interest	Level of Influence	Potential Management Strategies	
Joe Fleming	High	High	Joe likes to stay on top of key projects and make money. Have a lot of short, face-to- face meetings and focus on achieving the financial benefits of the project.	
Louise Mills	Low	High	Louise has a lot of things on her plate, and she does not seem excited about this project. She may be looking at other job opportunities. Show her how this project will help the company and her resume.	

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### **Chapter Summary**

- \* Project integration management involves coordinating all of the other knowledge areas throughout a project's life cycle
- \* Main processes include:
  - \* Develop project charter
  - \* Develop project management plan
  - \* Direct and manage project execution
  - \* Monitor and control project work
  - \* Perform integrated change control
  - \* Close the project or phase