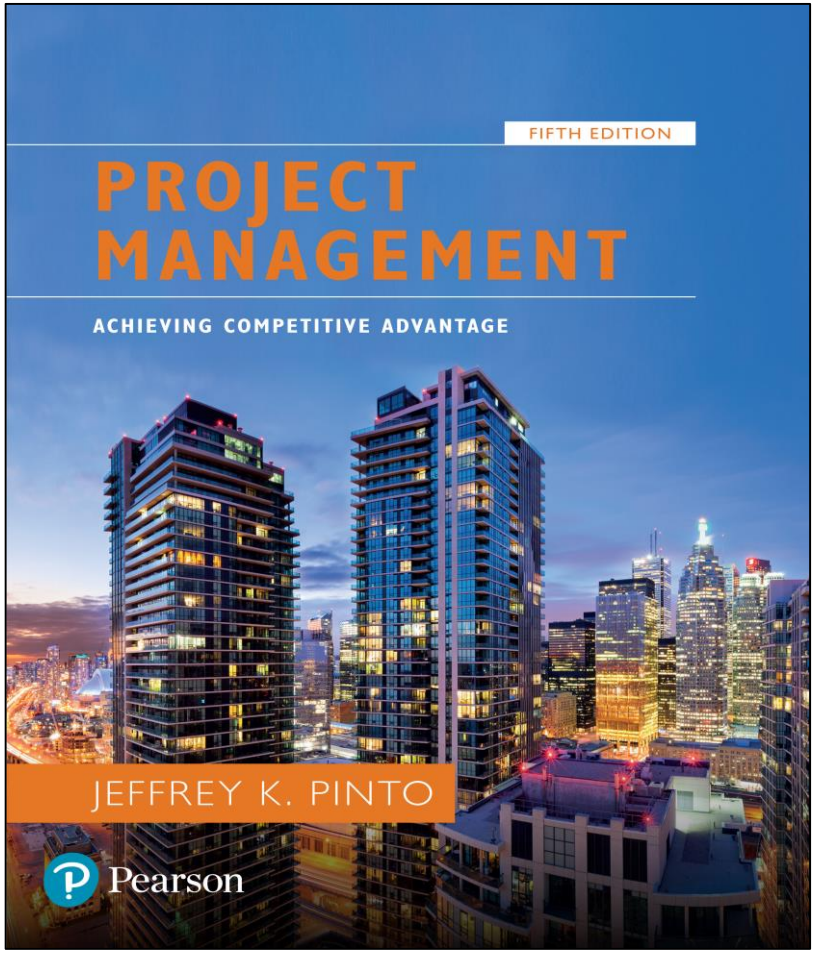
Project Management: Achieving Competitive Advantage

Fifth Edition



Chapter 5

Scope Management

Learning Objectives (1 of 2)

5.1 Understand the importance of scope management for project success.

5.2 Understand how conceptual development serves as a critical first stage in scope management.

5.3 Identify the steps in developing the scope statement.

5.4 Understand the work authorization phase of scope development.

Project Scope

Project scope is **everything about a project—**work content as well as expected outcomes.

Scope management is the function of **controlling a project** in terms of its goals and objectives and consists of:

1. Conceptual development
2. Scope statement
3. Work authorization
4. Scope reporting
5. Control systems
6. Project closeout

1. Conceptual Development

The **process** that addresses **project objectives** by finding the best ways to meet them.

Key steps in information development:

- Problem or need statement
- Requirements gathering
- Information gathering
- Constraints
- Alternative analysis
- Project objectives
- Business case

A. Statement of Work (SOW)

A SOW is a **detailed narrative description** of the work required for a project.

Effective SOWs contain:

1. Introduction and background
2. Technical description of the project
3. Timeline and milestones

Sample Statement of Work

B. Project Charter

- Many organizations establish the project charter after the SOW.
- A **document** issued by the project initiator or sponsor formally sanctioning existence of the project and authorizes the project manager to begin applying organizational resources to project activities.
- Is created once project sponsors have done their “homework” to verify that:
  - there is a business case for the project
  - elements of project are understood
  - company-specific information for the project has been applied
- It demonstrates formal company approval of the project.

2. Scope Statement

- The **scope statement** details the **project deliverables** and describes the major objectives. The objectives should **include** measurable success criteria for the **project**.
- **Deliverables** is a term for the quantifiable goods or services that will be provided upon the completion of a **project**.

- **Deliverables** can be tangible or intangible parts of the development process.

Scope Statement

1. Establish project **goal criteria** to include:
   a. cost
   b. schedule
   c. performance
   d. deliverables
   e. review and approval “gates”
2. Develop **management plan** for project
3. Establish a **Work Breakdown Structure**
4. Create a **scope baseline**

A. Work Breakdown Structure (WBS)

The WBS is a **hierarchical decomposition** of the total scope of work to be carried out by the project team to accomplish the project objectives and create the project deliverables. Each deliverable is decomposed, or broken down, into specific “bite-sized” pieces representing work to be completed.

Work Breakdown Structure Purpose

WBS serves six main purposes:

1. Echoes project objectives
2. Organization chart for the project
3. Creates logic for tracking costs, schedule, and performance specifications
4. Communicates project status
5. Improves project communication
6. Demonstrates control structure

B. Defining a Work Package

- Lowest level in WBS
- Deliverable result
- One owner
- Miniature projects
- Milestones
- Fits organization
- Trackable

C. Responsibility Assignment Matrix

- Assigning each task to a team member.

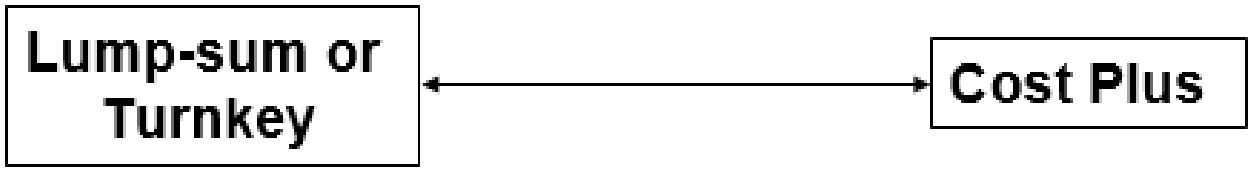
Work Authorization

The formal **“go ahead”** to begin work.

Contractual documentation possesses some key identifiable features:

- Contractual requirements
- Valid consideration
- Contracted terms

Contracts range from:



Scope Reporting

Determines **what** types of information reported, **who** receives copies, and **when** and **how** information is acquired and disseminated.

Typical project reports contain:

1. Cost status
2. Schedule status
3. Technical performance status

Types of Control Systems

- Configuration control-check whether objectives are being adhered to.
- Design control- check whether initial design is being followed
- Trend monitoring-check cost and schedule against resources required

Types of Control

- Document control-check compilation and dissemination of documentation.
- Acquisition control- checks on project equipment, materials and services
- Specification control-project specification has been clearly prepared and communicated to all parties.

Project Changes (Variation)

Occur for one of several reasons:

- Initial planning errors, either technological or human
- Additional knowledge of project or environmental conditions
- Uncontrollable mandates
- Client requests

Project Closeout

The job is not over until the paperwork is done . . .

Closeout documentation is **used to**:

- Resolve disputes
- Train project managers
- Facilitate auditing

Closeout documentation **includes**:

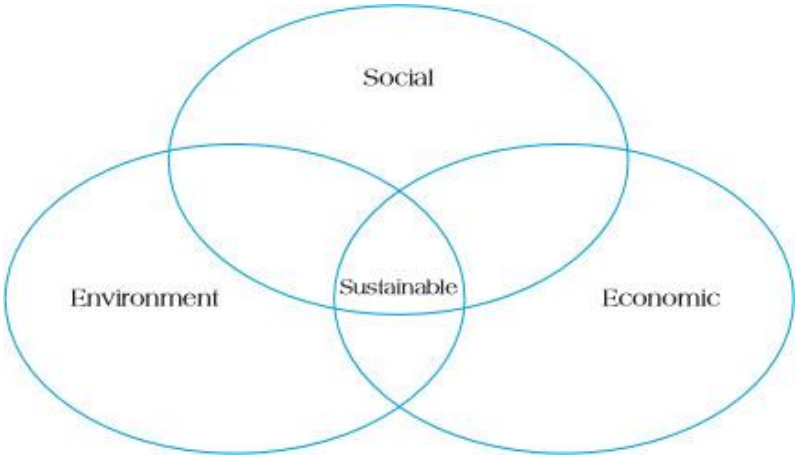
- Historical records
- Post-project analysis
- Financial closeout

Sustainability

Sustainable development involves efforts to promote harmony among human beings and between humanity and nature.

Sustainability involves efforts to promote the triple bottom line of social sustainability, environmental sustainability, and economic sustainability.

Figure 5.12 The Triple Bottom Line of Sustainability



Sustainability Concepts

Sustainability is about:

- Harmonizing the triple bottom line
- Integrating short-term and long-term
- Consuming income, not capital
- Including local and global perspectives
- Values and ethics
- Transparency and accountability
- Stakeholder participation
- Risk reduction
- Waste elimination

Sustainable Project Management Practices

Project management sustainable practices include:

- Engaging in sustainable projects that will not cause harm to the planet or its inhabitants
- Employing sustainable practices while undertaking the projects themselves
- Developing sustainable supplier practices
- Emphasizing sustainability in project design

Sustainable project management practices require organizations to pay attention to all aspects of the project life cycle from conceptualization through termination.

Thank you