Conceptualizing & Initializing the IT PROJECTS

Aris J. Ordoñez, DIT

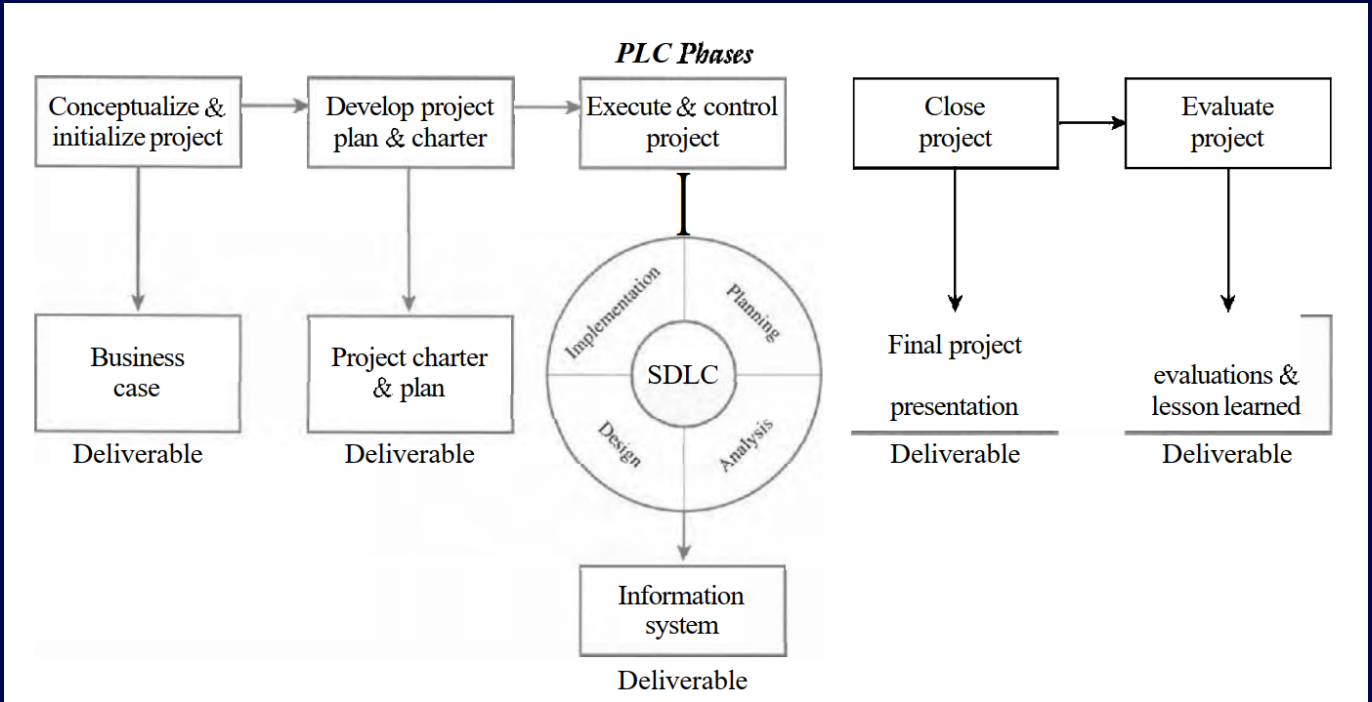
LECTURE OBJECTIVE

- **This lecture will describe how IT projects are conceptualized and initialized. After studying this chapter, you should understand and be able to:**
  - Define what a methodology is and describe the role it serves in IT projects.
  - Identify the phases and infrastructure that make up the IT project methodology
  - introduced in this chapter.
  - Develop and apply the concept of a project's measurable organizational
  - value (MOV).
  - Describe and be able to prepare a business case.
  - Distinguish between financial models and scoring models.
  - Describe the project selection process as well as the Balanced Scorecard
  - approach

Project Methodology

- A **Methodology** provides a strategic-level plan for managing and controlling IT projects. It is a template for initiating, planning, and developing an information system. Information system is the product, and not necessarily the process, of managing the project that makes them different.
- Methodology recommends the phases, deliverables, processes, tools, and knowledge areas for supporting an IT project. The key word is recommends because different types of projects, such as electronic commerce (EC), customer relations management (CRM), or data warehousing applications, may require different tools and approaches.

PLC Phases


PLC Phases
Conceptualize & initialize project
Develop project plan & charter
Execute & control project
Close project
Evaluate project
Business case
Project charter & plan
Implementation
Planning
SDLC
Design
Analysis
Final project presentation
evaluations & lesson learned
Deliverable
Deliverable
Deliverable
Deliverable
Information system
Deliverable

IT Project Management Foundation

PM Processes:	Initiating, Planning, Executing, Controlling, Closing
PM Objectives:	Scope, Schedule, Budget, Quality
Tools:	Project Management, IS Development
Infrastructure:	Organizational, Project, Technical
PMBOK Areas:	Integration, Scope, Time, Quality, Human Resource, Communications, Risk, Procurement Management

IT Project Methodology

- Methodologies provide the project team with a game plan for implementing the project and product life cycles
- Methodology also provides a common language that allows the project team, project sponsor, and others within the organization to communicate more effectively
- By standardizing a methodology throughout the organization, management can compare different projects more objectively because each project's planned and actual progress is reported the same way.
- This will allow management to make better-informed and more objective decisions with respect to which projects get selected and whether funding should continue to support a particular project.

Phase 1: Conceptualize & Initialize

- The first stage of the IT project methodology focuses on defining the overall goal of the project. A project is undertaken for a specific purpose, and that purpose must be to add tangible value to the organization.
- Defining the project's goal is the most important step in the IT project methodology. The project's goal aids in defining the project's scope and guides decisions throughout the project life cycle. It will also be used at the end of the project to evaluate the project's success
- Alternatives that would allow the organization to meet its goal must be identified.

Phase 1: Conceptualize & Initialize

- The costs and benefits, as well as Feasibility and risk, of each alternative must be analyzed. Based upon these analyses, a specific alternative is recommended for funding.
- The project's goal and the analysis of alternatives that support the goal are summarized in a deliverable called the business case. Senior management will use the business case during the selection process to determine whether the proposed project should be funded.

Phase 2: Develop the Project Charter & Detailed Project Plan

- The project charter is a key deliverable for the second phase of the IT project methodology. It defines how the project will be organized and how the project alternative that was recommended and approved for funding will be implemented.
- The project charter provides another opportunity to clarify the project's goal and defines the project's objectives in terms of scope, schedule, budget, and quality standards.

Phase 2: Develop the Project Charter & Detailed Project Plan

- The project charter identifies and gives authority to a project manager to begin carrying out the processes and tasks associated with the systems development life cycle (SDLC).
- The project plan provides all the tactical details concerning who will carry out the project work and when

The Project Charter and Plan

The Project Charter and Plan answer the following questions:

- Who is the project manager?
- Who is the project sponsor?
- Who is on the project team?
- What role does everyone associated with the project play?
- What is the scope of the project?
- How much will the project cost?
- How long will it take to complete the project?

The Project Charter and Plan

The Project Charter and Plan answer the following questions:

- What resources and technology will be required?
- What approach, tools, and techniques will be used to develop the information system?
- What tasks or activities will be required to perform the project work?
- How long will these tasks or activities take?
- Who will be responsible for performing these tasks or activities?
- What will the organization receive for the time, money, and resources invested in this project?

Phase 3: Execute and Control the Project

- Carrying out the Project Plan to deliver the IT Product and managing the project's processes to achieve the project's goal
- The project team uses a particular approach and set of systems analysis and design tools for implementing the System Development Life Cycle

Required project Support

- Acquisition of people with the appropriate skills, experience, and knowledge
- The technical infrastructure for development
- IS development methods and tools
- A proper work environment
- Scope, schedule, budget, and quality controls
- A detailed risk plan
- A procurement plan for vendors and suppliers

Required project Support

- A quality management plan
- A change management plan
- A communications plan
- A testing plan
- An implementation plan
- A human resources system for evaluation and rewards

Phase 4: Close Project

- After the information system has been developed, tested, and installed, a formal acceptance should transfer control from the project team to the client or project sponsor. Project team should prepare a final project report and presentation to document and verify that all the project deliverables have been completed as defied in the project's scope.
- This gives the project sponsor confidence that the project has been completed and makes the formal approval and acceptance of the project go more smoothly

Phase 4: Close Project

- At this time, the final cost of the project can be determined. Subsequently, the consultant may invoice the client for any remaining payments, or the accounting department may make any final internal charges to appropriate accounts.
- The project manager and team must follow a set of processes to formally close the project. These processes include such things as closing all project accounts, archiving all project documents and files, and releasing project resources.

Phase 5: Evaluate Project Success

- The final phase of the methodology should focus on evaluating four areas:
  - 1) Postmortem, or final project review, should be conducted by the project manager and team. This review should focus on the entire project and attempt to assess what went well and what the project team could have done better. Subsequently, the lessons learned from the project team's experience should be documented and shared with others throughout the organization. In addition, the project manager and team should identify bcst practices that can be institutionalized throughout the organization by incorporating them into the methodology. As a result, the methodology evolves and better suits the organization's processes, culture, and people

Phase 5: Evaluate Project Success

- 2) The second type of evaluation should take place between the project manager and the individual project team members. Although this performance review may be structured in terms of the organization's performance and merit review policies and procedures, it is important that each member of the team receive honest and useful feedback concerning his or her performance on the project. Areas of strength and opportunities for improvement should be identified so that plans of action can be developed to help each person develop to his or her potential.

Phase 5: Evaluate Project Success

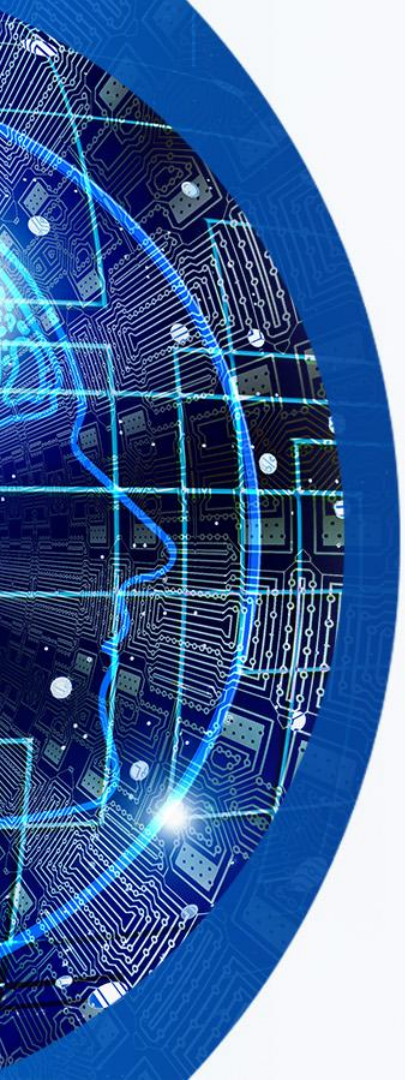
- 3) In addition, an outside third party should review the project, the project manager, and project team. The focus of this review should be to answer the following questions:
  - What is the likelihood of the project achieving its goal?
  - Did the project meet its scope, schedule, budget, and quality objectives?
  - Did the project team deliver everything that was promised to the sponsor or client?
  - Is the project sponsor or client satisfied with the project work?
  - Did the project manager and team follow the processes outlined in the project and system development methodologies?

Phase 5: Evaluate Project Success

- What risks or challenges did the project team face? And how well did theyhandle those risks and challenges?
- How well did the project sponsor, project team, and manager work together?
- If there were any conflicts, how well were they addressed and managed?
- Did the project manager and team act in a professional and ethical manner?

Phase 5: Evaluate Project Success

- 4) Lastly, the project must be evaluated in order to determine whether the project provided value to the organization. The goal of the project should be defined in the first phase of the project. In general, the value an IT project brings to the organization may not be clearly discernable immediately after the project is implemented. Therefore, it may be weeks or even months before that value is known. However, time and resources should be allocated for determining whether the project met its intended goal or not.



Thank You!

Next Topic

IT Project Management Processes