

Team **Green** Session 9

Recommendations for organizational Project Management

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FPD Drinking Metrics Project (FPDDM)

AGENDA

- FPDDM – Present State
- Original Plan
- Compression Schedule to Achieve Five Months Timeline
- Feasibility and Risk Review
- Recommendation
- Decision

PRESENT STATE

Schedule/Budget/Risk

FPD DM Project status Amber (over budget / on schedule)

- 50% complete (3 months to completion)
- Budget overrun due to unavoidable resource conflicts
- No major risks/issues

Walmart Concerns

Walmart has escalated concerns over FPD reliability for on-time delivery

- Concerns raised directly with VP Sales
- Proposed re-assessment of performance in 2 months (Jun 1, 2019)
- Required improvements include:
 - Timeliness (JIT delivery +/- 2 hrs) and accuracy of shipments; SLA of 99.9%:
 - Order fulfillment (no further delays); 24 hour turnaround SLA
 - Evidence of implemented, org-wide change to be shared with them by June 1
- Walmart advise FPD are operating at 10% below their preferred supplier status
 - Estimate value of preferred status to be \$5M p.a.

Response

- FPD do not currently have visibility to verify/counter Walmart issues
- Potential remedy: demonstrate investment in working, AI-driven Dashboards as proof of change

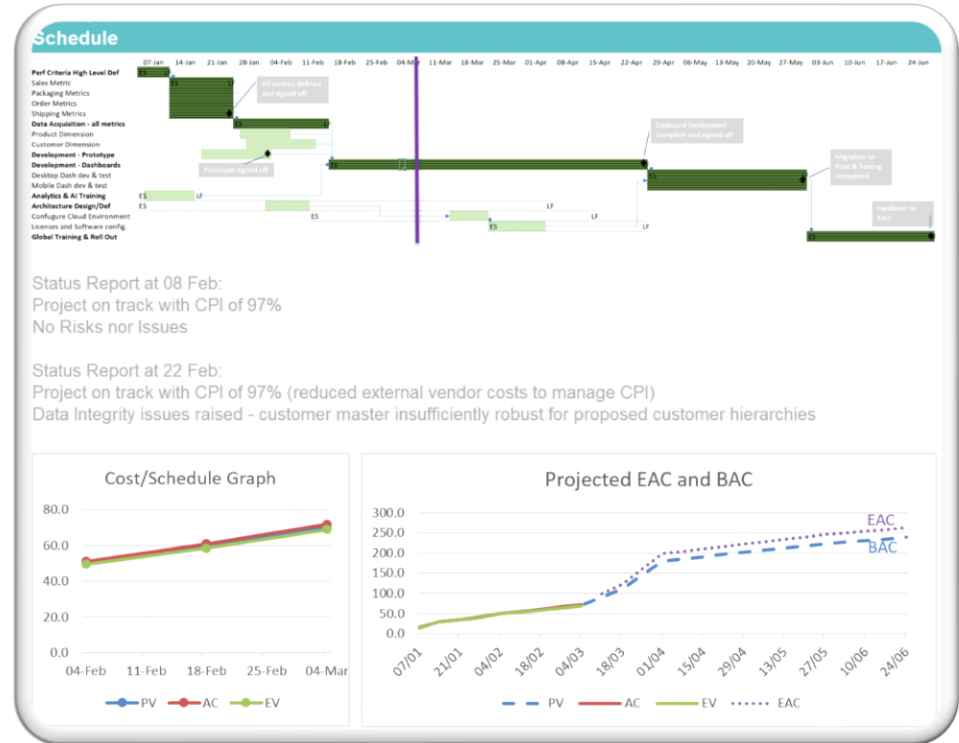
BASE CASE

Project Status - AMBER

- Last EOC Status Report Mar 4
 - CPI 97%
 - EAC \$269k (incl. contingency)
- Completion of Production Testing – 6/03
- Roll Out & Training scheduled for 6/03 – 6/28
- Issues: Resource conflicts with other high priority projects
- Risks:
 - Escalation of resource conflicts
 - Data integrity issues (currently low)

Walmart deadline – 6/1

- Dashboards complete but not rolled out
- Risk: insufficient proof of change



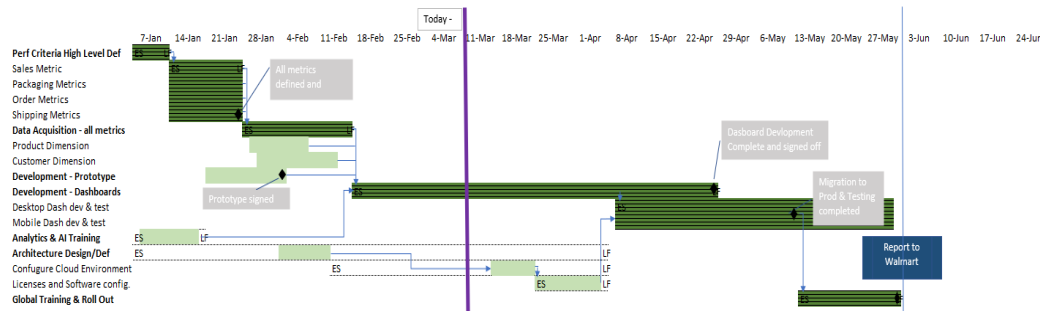
OPTION 1: Crash Project A

Accelerate Plan

- Parallel development and testing reduces schedule by 4 weeks
- Requires 4* it consultants at additional cost of \$27k (\$296k total budget)
- Consultants are Immediately available

Walmart Update – 6/1

- Invite Walmart to FPD HQ for Demo of investments in FPD DM



No other change to plan

- Roll out & Training to complete end June

Pros

- Maximum confidence for positive demo of value of FPD DM investments
- Minimizes risk to Walmart relationship

Cons

- Risk to testing/QA (Medium)
- Training time reduced, may require repeat later in year

OPTION 2: Crash Project B

Accelerate Plan

- Parallel development and testing reduces schedule by 6 weeks from base plan
- contract 5 vendor programmer + 1 additional vendor tester. Total contract personnel over base plan = 6
- Begin testing 1 week after programming commences
- Consultants are Immediately available

Walmart Update – 5/13 – Project complete 5/27

- Invite Walmart to FPD HQ for Demo of investments in FPD DM
- Roll out & Training to complete by June 6



Pros

- Front-loading as much of the programming and testing as possible. If anything is to slip then there is still 2 weeks to meet the Walmart ultimatum.

Cons

- Additional cost beyond budget
- Additional persons (6) add complexity leading to errors

RECOMMENDATION: OPTION 1

Summary

- Estimate value of Walmart preferred status to be **\$5M** revenue per annum
- Additional cost to FPD DM: \$27k
- Full project, incl. roll out & training complete by 5/20
- Opportunity to re-build trust and confidence with Walmart through fully transparent demonstration of FPD DM investments
 - Including opportunity to involve customer more deeply with future initiatives -> potential growth of relationship

Feasibility & Risks

- Assumes vendor has skilled personnel available
- Risk of missing deadline minimized by front loading as much of the programming and testing as possible. If anything is to slip then there is still 3 weeks to meet the Walmart update meeting.



NEXT STEPS

Approval requested for either option 1 or option 2 (recommended)

- Approval deadline : 15th March 2019
- Approved proposal will come into affect by : 20th March 2019

Change Request and Budget Approvers:

- CEO
- CFO
- COO
- Project Partner
- EOC committee

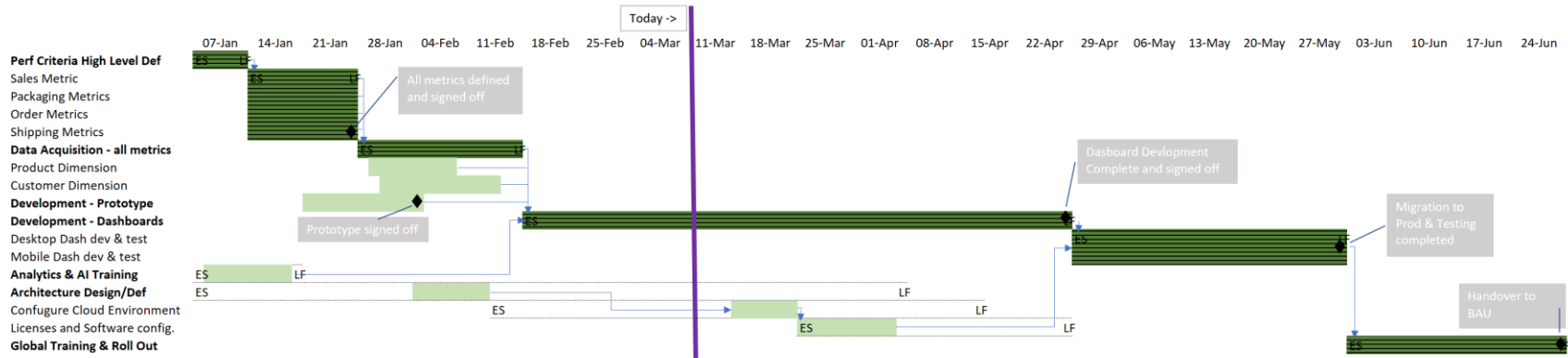
Important client dates

- Deadline to communicate to Walmart about the amended plan : 22nd March 2019
- Final demo to Walmart : 1st March 2019



Appendix

BASE PLAN FOR 6 MONTHS (25 WEEKS)



COMPRESSED PLAN FOR 5 MONTHS (21 weeks)

