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**Project Summary**

**Purpose**

The purpose of this document is to propose a project plan for the implementation of an ecommerce website for the company Bazaar Ceramics. This plan should be used by the decision makers to decide if proceeding or not with the proposed project

**Working Title for the Proposed Project**

The working title for the project is theBazaar Ceramics Project.

**Objective(s)**

The objectives of the Bazaar Ceramics Project are

* To reduce marketing costs
* To increase their reach on national and internationsl markets
* To automate administrative tasks
* To improve efficiency

**Project Complexity**

The Bazaar Ceramics Project can be categorized as a low level of complexity project. The company has a light structure where the distance between the decision makers and the personnel is minimal and communication, either formal or informal, happens quickly and regularly.

The system to be implemented relies on well known technologies and models, for which ample documentation and expertise is available.

The developer has proven experience in the development of similar products and there are no outstanding features that could result in unforeseen spikes in the layer of complexity.

**Potential Benefits**

|  |  |  |
| --- | --- | --- |
| **Benefit** | **Potential** | **Measure of outcome** |
| Decrease in marketing costs | High | The current costs of marketing will be reduced over time after the implementation of the system without recording any negative impact. |
| Increased reach on remote markets | High | Sales figures for online sales from national and international market will increase |
| Instantaneous sales figures reports | High | Lower number of unsalable items produced and improved results of marketing campaigns. |
| Improved efficiency of administrative workflow | High | Increased accuracy, quantity and quality of the work produced in the same amount of time. |
| Improved efficiency of remote purchase model | High | The time to purchase items on the system will be significantly reduced compared to the actual system. |
| Reduction in the need of human resources | Medium | Tasks are accomplished in significantly less time. |
| Reduction in the cost of renting the premises | Low | Remote sales overtake local sales. |

**Feasibility Statement**

To determine the feasibility of the Bazaar Ceramics Project, there are five different factors that should be considered and compared with the organization’s capabilities.

* Economical factor: can the company afford the costs related to the implementation of the project?
* Infrastructure: does the company have access to the spaces and tools necessary to implement the project?
* Human Resources: Are there people in the company to involve in the project and eventually operate the system?
* Development: Does the company have access to the expertise necessary to develop the project?
* Time: Does the time required to implement the system fit with the business needs?

Each of these five parameters has been compared against Bazaar Ceramic’s needs and capabilities. The analysis considered what the company has already access to, what the company doesn’t have but can easily obtain and what the company doesn’t have but is likely and willing to obtain.

For the project to be considered feasible, all of the five ponts must be met with a positive answer, or the prospective of a positive answer during the project lfe cycle.

* Economical: The project cost is estimated at AU $2500.00, which is largely within the budget boundaries of the company.
* Infrastructure: The company has already inplace the infrastructure necessary to implement the project.
* Human resources: Technical staff is not currently employed at Bazaar Ceramics, but the company can either consider to hire a technologist or can have easy access to external contractors. Training on the usage of the system will be provided by the development team, to the staff currently employed.
* Development: The company relies on a qualified web developer with proven experience of development of similar systems.
* Time: For the project to be completed, one month is required. The project deliverables, including full documentation and the system ready for deployment, will be completedby the end of March 2021. This timeframe fits with the needs of Bazaar Ceramics.

All of the above considered, the Bazaar Ceramics project has been determined to be Feasible.

**Recommendation**

The decision on part of the business owner to consider the implementation of an ecommerce solution, comes from the realisation of some issues that hinder the accomplishment of Bazaar Ceramics full potential.

The problems have been assessed over the course of several meetings between the developer and the client, where the possible solutions that would be offered by the system have been discussed.

The system can effectively address most of the points raised during the meetings.

* A cheaper and more effective marketing tool
* Streamline administrative processes
* Modernize Bazaar Ceramic’s image
* Improve customers relationship management
* Simplify remote purchasing process
* Speed up reporting

Considering the above, together with the low cost of the full solution, he implementation of the system is considered reccomendable.

**Business Assessment**

**Situation Assessment and Problem Statement**

As a producer and seller of ceramics products, Bazaar Ceramics has successfully established its presence in Adelaide, expanding over the years to national and international markets with promising results.

The company’s daily operations require minimal human resources, with most of them dedicated to the design and production of the items on their catalogue.

Despite their continuous growth, figures and reports show that in the last five years there has been a constant reduction in their Return On Investmet (ROI).

The causes for this negative trend have been identified in an increase in the costs for running the company that have not been balanced by an equal increase in the margin of profit.

To invert this trend, the company needs to identify those costs that can be reduced without having negative repecussions on financial profit.

A gap analysis has been conducted to propose a clear picture of the client situation, of what client’s targets are and of the issues preventing the goals from being achieved.

|  |  |  |  |
| --- | --- | --- | --- |
| **Gap analysis – Current state and goals** | | | |
| **Currently in place** | **Objective** | **Implications** | **Reccomendation** |
| Most sales are done in the gallery | Online shop | Current system targets effectively only the local market. | Develop e-commmerce website and appropriate IT infrastructure |
| Orders are processed manually by employees | Automated process | Manual processing is laborious and prone to human error | Sales and orders recording automated by an integrated system |
| Products from remote workers need double handling | Direct shipping process | Risks of breackage and augmented costs involved in double handling. | Web application accesible online from remote workers to access customer information relevant to direct shipping. |
| Increase in prodcution, legal and operational costs is causing decrease in profits | Reduction in operational costs | Paper based promotions, processes and record keeping unnecessarily bloat the cost of operations | Significantly reduce promotional and marketing costs by incresing online presence |
| Remote orders are submitted by email or fax | Automated ordering process | Remote client can be discouraged by a cumbersome ordering process | Orders placced directly from e-commerce website |
| There is no in-house technical staff | In house technical staff to handle the new technologization of the company | The company needs to rely on costly third party contractors. | Hire in-house IT professional |
| Showroom space is limited and insufficient | Online gallery | Only a limited amount of products can be displayed to a limited local audience | The current online gallery could be integrated with an e-commerce solution. |
| Production of redundant and obsolete items | Avoid production of un-saleable items | Money wasted in creating products that do not appeal to the market | Integrated application with real time data capture and creation of current sales statistics |
| The main advertizing channel is paper based (brochures, magazines) | Online gallery | Updating brochures or buying advertizing space on magazines is costly and reach a marginal part of the market | Integrate e-commerce solution and implement an online marketing campaign |
| Competitors are taking over the market due to better online presence | Increase online presence | Disadvantage compared to competitors and negative impact on company’s image | Integrate e-commerce solution and implement an online marketing campaign |

From the analysis of above table, the following can be stated.

Bazaar Ceramics would like to:

* Increase sales on the national and international market
* offer an up-with-the-times immage to their customers
* improve communication with their customers
* reduce marketing costs
* keep brochure constantly up to date
* capture sales metrics
* showcase the entirety of their catalogue
* streamline the order process
* sell products directly online.

Bazaar Ceramics can’t:

* sustain the reduction of the ROI due to gallery and international gallery costs
* rely solely or as major source of sales, on the walk-ins customers of the art gallery
* keep relying on out-dated and error prone manual order forms
* keep updating the catalogue on paper magazines, journals and brochures
* be left behind by the competition.

To conclude, Bazaar Ceramics needs to cut some of the fixed operational costs and optimise some of their processes and procedures to maximise the benefit of their growth on local and remote markets.

**Options considered**

Option1 – No Action

For the foreseeable future, the situation would either remain the same or worsen. Costs have kept increasing over the years and there is no sign they would stop or decrese.

Sales figures may improve, but the margin of profit and the ROI are not likely to increase.

Taking no action wouldn’t simply keep the situation as it is, but it may have damaging effects on the long term.

With online shopping becoming more and more predominant, Bazaar Ceramic’s competitors are likely to lean towards digital solution themselves, which would leave the client behind in terms of public perception and competivity.

For the above mentioned reasons, option 1 is not reccomended.

Option 2 – Website builder (DIY solution)

There are several website builders on the market that provide fully automated tools to create websites, to people with little to none technical competence.

This can be a viable option to implement an ecommerce system without incurring in the costs of hiring a professional developer, but there are some considerations to be done.

The high number of solutions available, each one with its own perks and downsides, would require the company to research as many tools as necessary to find the one which is the more appropriate for the Bazaar Ceramics project.

The learning curve for some of the tools can be steep and becoming proficient in their use can be a time consuming process of trial and error.

If any of the functionalities implemented generates conflicts, an expert should be contacted anyway to solve the issue.

The code generated by website builders, although functional, is not optimized, which is likely to have a negative effect on the system performance.

There would be no documentation detailng the technical aspects of the system, resulting in a product more difficult to maintain or modify.

The product wouldn’t necessarily conform with australian standards and possibly legislation.

All of this considered, option 2 can be considered viable if the company’s decides that saving development money has priority over building a professional level solution.

Option 3 – Custom product built by a professional developer

Relying on a professional web developer is the most expensive of the three options, and for good reason.

A professionally developed solution would ensure that the product would look and function as per client expectations, with proper code optimization, scalability and security measures in place.

The same professional that built the solution and has a strong knowledge of it, can also be consulted for future changes and integrations, which would ultimately save time and money. If the same developer wouldn’t be available for any reason, the support of thorough documentation would allow any other developer to take their place to gain a deep understanding of the system and to be able to pick up quickly and effectively its intricacies.

Another advantage of hiring a professional developer is that it would ensure that the system would comply with standards, regulation and legal requirements.

Option 3 offers several advantages over both option 1 and 2, therefore is the reccomended solution.

**Consultation**

Meetings with the business owner have been held regularly to define the business requirements and discuss how the proposed solution would address them.

The first intrductory meeting served to present the company’s situation and define the reasons and needs that lead the business owner to consider the development of an ecommerce system.

With the preliminary requirments defined, a second meeting has been conducted, with the developer proposing a first prototype as a tool of reference to further specify the business owner expectations.

Following meetings went in the same direction, with the prototype reworked everytime to resemble more and more closely what the final solution should be to satisfy the criteria of the business owner.

In addition to meeting the business owner, the developer also consulted the manager of finance, the manager of marketing and sales and the manager of production in separate occasions.

The manager of marketing and sales was the first person to consider and propose the implementation of a website to the business owner.

The manager of marketing and sales mostly works at the gallery counter and absolves the customer facing tasks in the company, thus providing insights on the type of customers and what they are interested in the most.

From the meeting also emerged that the increase in the number of interstate and international customers would suggest that the company should focus on those, facilitating the purchase of items remotely.

The meeting with the manager of finance allowed to outline the company’s expenditures and to identify areas where the implementation of the ecommerce solution would allow to cut the costs and increase the profit. Marketing costs and renting of the premises are the to major costs weihting on the company’s margin of profit.

The manager of production highlighted the problems related to the current reporting methods, with the production of items being guided by misrepresented and outdated figures that cause waste of resources on the creation of unsalable products.

From this discussion it appeared that production costs, as well as the fixed costs of the company, could be optimized to favour an increase in the ROI.

All the stakeholders pronounced themselves favourably towards the project, with each of them seeing how it would benefit the company.

**Proposed Scope**

**Scope Definition**

**Table 1: Bazaar Ceramics Project Proposed Scope**

|  |  |
| --- | --- |
| **Element** | **Detail** |
| Objective | To reduce operational and marketing costs and streamline processes and procedures of Bazaar Ceramics |
| Outcome | The implementation of an ecommerce solution to serve as a marketing tool, a sale point and to optimise and streamline the collection of data and production of reports. |
| Output | * Bazaar Ceramics ecommerce website * Database * Technical specification * Testing reports * Training * User manual |
| Quality Criteria | * The system will be thoroughly tested against the identified acceptance criteria to ensure that aetethics, functionalities and performance are as per agreement between the business owner and the developer. * Documentation will be handed to the client for feedback and sign-off * The system will be coded in compliance with modern standards * Any non conformity highlighted bu testing will be corrected and the system re-tested until the acceptance criteria are met. |
| Customer(s) | * Business owner * Manager of production * Manager of finance * Manager of sales and marketing * Bazaar Ceramics customers. |

**Assumptions**

The main assumptions are:

1. The client will provide the data for the database
2. The client will provide any image, picture, logo, or content to appear on the website
3. The scope of the project will not change during the project life cycle
4. The client will guarantee their availability and involvement in the project
5. The customer will provide honest feedback
6. The client will provide the necessary IT infrastructure
7. Sufficient budget has been allocated for the completion of the project

Assumptions assessment table

|  |  |  |
| --- | --- | --- |
| **Assumption ID** | **Probability of occurrence** | **Impact on project if not met** |
| 1 | High | Database created and tested using mock data |
| 2 | High | Website created using placeholders |
| 3 | Medium | Change of project cost and deadlines |
| 4 | Medium | Client not satisfied with final product |
| 5 | High | Client not satisfied with final product |
| 6 | High | Product inoperable by the client |
| 7 | High | Project failure |

**Constraints**

The main constraints are:

* The boundaries of the project’s scope are respected
* The project will be concluded within the end of March 2021
* The project will be concluded within the initial budget set of $2500.00
* The product will comply with Australian policies and legislation
* The quality of the product delivered will be in accordance to the requirements and performance marks agreed upon
* The product will render correctly on all major browsers

**Scope of Work**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Table 2: Bazaar Ceramics Project Scope of Work** | | | | |
| **Part of the Project (Inside Scope)** | **Responsibility** | **Not Part of the Project (Outside Scope)** | **Responsibility** | **Uncertain or Unresolved** |
| Ecommerce website | Developer | Website maintainance and promotion | Business owner  Manager of marketing and sales | Timeline for completion |
| Database | Developer | Database maintenance and modification after deployment | Business owner | Custoers and products data |
| Technical specifications | Developer | Updating technical specifications | Future developer | None |
| Testing | Developer  Business owner  Management | Testing of new features implemented after first deployment | Future developer | Timeline for completion |
| Training operational staff to use the new system | Developer | Training of new staff members | Manager of marketing and sales | Timeline for completion |
| User mauals | Developer | Updating the user manuals | Future developer | timeline for completion |

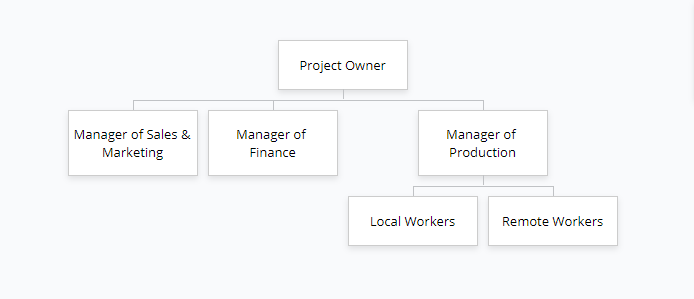
**Implementation Strategy**

The estimated resources that will be required to implement the proposed project are detailed in table 3 below.

|  |  |  |
| --- | --- | --- |
| **Table 3: Bazaar Ceramics Project Implementation Strategy** | | |
| **Element** | **Detail** | **Issues** | |
| Project Schedule | The project is expected to commence 01/03/2021 and be completed by 31/03/2021 | Any change requested to the final product may cause the shift of the completion date. | |
| Budget Estimate | The cost for the implementation of the full project is estimated at AU $2500.00  The cost for maintaing the system are estimated at less than AU $1500.00/year | Any additional feature not agreed upon between client and developer will incur in additional costs. | |
| Other Resources | Bazaar Ceramics customers to conduct user testing. | No customer may be interested in participating in user testing. | |

**Project Management Outline**

**Governance**



**Business Owner:** Kym Hayward

**Description:** Decision maker and main stakeholder for the project.

**Remuneration:** Based on profit

**Title:** Gallery director and Manager of Marketing and Sales

**Description:** Reporting to the business owner, is responsible for customer facing and customer care functions, approval of new products design and production of sales figures and reports.

**Remuneration:** Reward based on increase in sales.

**Title:** Manager of Finance

**Description:** Reporting to the business owner, is reponsible for products pricing, inventory, investments, customers account authorisation, discounts, monitoring of costs and profits and production of financial reports.

**Remuneration:** Based on Return Of Investment

**Title:** Manager of Production

**Description:** Reporting to the business owner and overseeing the operations of the production workers, is responsible for the order of raw materials, dispatch of items and coordination of the production activities.

**Remuneration:** Rewards based on high productivity and lower production costs.

**Title:** Workers

**Description:** Three local workers and three remote workers reporting to the manager of production. Local workers design and produce products. Remote workers also order raw materials and take care on their own production costs.

**Remuneration:** Base wage with commissions. Local workers higher base wage and lower commission than remote workers.

**Key Risks and Issues**

These major risks or issues will be investigated further should the project proceed:

* The budget allocated to the project runs out.
* The time allocated for the project is not sufficient.
* Low participation from the business owner and the other stakeholders
* The project exceed the agreed scope