Project Integration Management

Learning Objectives

- Understand the Project Management Knowledge Areas

- Understand what comprises of Project Integration Management

- Understand Project Charter and its constituents

- Learn how to write a Project Charter

PM Knowledge Areas

- Integration Management
- Scope Management
- Schedule Management
- Cost Management
- Quality Management
- Resource Management
- Communications Management
- Risk Management
- Procurement Management
- Stakeholder Management

Project Integration Management

- Integration management is to pull all the pieces of a project together into a cohesive whole
- Integration management is the only knowledge area that has processes occurring in all process groups, throughout the project management process
- It includes Project selection based upon ROI, PV, NPV, IRR, Payback period, Cost-benefit analysis, economic value added, opportunity cost, working capital and law of diminishing return

Project Integration Management

- The first part of integration management is developing a project charter
- Creating a project charter involves;
  - Planning the project at a high level to assess whether it is feasible in the given constraints
  - Inputs: Business docs including the business case and benefits management plan are key inputs
    - Business case is justification for a project or initiative
    - Benefits Management Plan is a doc that captures the organization's desired benefits from a project
      - It also explains how these benefits could be maximized and sustained
      - It helps to determine whether project's deliverables will help the organization in meeting the strategic goals and objectives

Project Integration Management

- – Constraints and Assumption: These are included in the business case and highlighted in project charter to make sure they are considered and accepted as part of sponsor's formal approval
    - – These are also mentioned in the assumptions log
    - – These are further elaborated in the project planning phase
- – Agreements/Contracts: (E.g Memorandum of understanding)
- Project charter provides following benefits;
    - – Clarify and encourage understanding b/w sponsor & PM
    - – Formally recognizes existence of project, authorize PM to spend money & commit resources
    - – It provides objectives, high-level requirements, and success criteria for the project
    - – It uncovers and records assumptions that could be addressed later during the project planning
    - – It links the project to the ongoing work of the organization
- Assumption Log
    - – It is output of PIM (other than project charter) which contains all the assumptions and constraints related to the project
    - – This is typically added to during planning and updated throughout the project

Project Charter

Project Title and Description *(What is the project?)* Customer Satisfaction Fix-It Project

Over the last few months, the quality assurance department has discovered that it takes many customers four times longer to place orders for XYZ equipment using our online ordering system than it takes to place similar orders through our competitors' systems. The purpose of this project is to investigate the reasons for the problem and propose a solution. Development and implementation of the solution will be authorized as a subsequent project (Customer Satisfaction Fix-It Project II).

The quality control department has detailed records of their findings, which will contribute to the analysis work on this project.

Project Manager Assigned and Authority Level *(who is given authority to lead the project, and can they determine, manage, and approve changes to budget, schedule, and team assignments?)*

Victor Rojas will be the project manager for this project and will have the authority to select team members and determine the final project budget and schedule.

Business Case *(Why is the project being done? On what financial or other basis can we justify doing this project? Describe the project purpose and justification.)*

Because it takes many customers four times longer to place orders for XYZ equipment using our online ordering system than it takes to place similar orders through our competitors' systems, our company is losing potential revenue. The company has also experienced a measured decrease in customer satisfaction as a result of the problems with the online ordering system. This project is the first of two projects designed to prevent a further erosion of customer satisfaction. We expect that improved customer satisfaction will increase revenue to the company in the first year by at least $200,000 due to a decrease in service calls and incomplete orders. As a side benefit, we hope the project will generate ideas on improving customer satisfaction while determining how to address the problem with our online ordering system

Resources Preassigned *(How many or which resources will be provided?)*

Two IT analysts have been assigned and dedicated to the project because of their expertise in computer systems of this type. Other resources will be determined by the project manager during planning.

Key Stakeholder List *(Who will affect or be affected by the project [influence the project], as known to date?)*

Key stakeholders include Vihaan Gupta representing Quality Control, Benjamin Lang in Customer Service, and Sliirley Price in Marketing. These stakeholders will be available as needed.

Stakeholder Requirements as Known *(Requirements related to both project and product scope.)*

Attached to this document are the detailed specifications for the existing system along with the requirements the existing system was designed to meet. It is expected that this project will not change the existing system, but rather make a recommendation for improving it.

The project includes utilizing the data available from Quality Control.

High Level Product Description/Key Deliverables *(What are the key product deliverables that are wanted, and what will be the end result of the project?)*

Interim deliverables will include:

- Detailed customer ordering process flow
- Analysis of the time it takes to complete each step of the ordering process
- Recommended change
- Estimated time and cost of the proposed change
- WBS
- List of risks

The final deliverable will be a report that outlines what can be changed, how much it will cost, the expected decrease in the time it will take to place an order, and what work will need to be done to implement the solution.

High-Level Assumptions *(What is believed to be true or reliable in the situation? What do we believe to be the case but do not have proof or data for? See details in the assumption log.)*

- The existing requirements for the current system (aside from those relating to the speed of order entry) are sufficient and correct for an online ordering system that is four times faster than the current system.
- The current network will be able to support the program changes.
- No new hardware will be required.
- The current subject matter experts and developers have the expertise to evaluate the problem and recommend a solution that will achieve the objectives.
- Internal resources will have the time to work on the project in addition to their current responsibilitie

High-Level Constraints *(What factors may limit our ability to deliver? What boundaries or parameters will the project have to function within?)*

- WBS must be complete in two weeks.
- Risk register is due in three weeks.
- The scope is limited to identifying a solution that will reduce the time it takes to complete an online order.

Measurable Project Objectives *(How does the project tie into the organization's strategic goals? What project objectives support those goals? The objectives must be measurable and will depend on the defined priority of the project constraints.)*

The objective of this project is to develop a solution that will improve customer satisfaction rates for online orders to 95 percent by reducing the time customers spend placing orders to 25 percent of the current time. Scope and customer satisfaction are the top priorities on this project, closely followed by schedule and then cost.

- Summary milestone schedule: Due no later than September 1, 20XX
- Preapproved financial resources: $50,000

Project Approval Requirements *(What items need to be approved for the project, and who will have sign-off authority? What designates success?)*

Approvals for this project include:

- The sponsors will approve the WBS before planning efforts continue.
- The sponsors will approve the list of risks before planning efforts continue.
- The sponsors will give final project approval.

Overall Project Risks *(Overall potential threats and opportunities for the project)*

- Because this project analyzes customer satisfaction, the project may help generate ideas to improve customer satisfaction, resulting in higher levels of customer retention.
- Because we are using internal resources to analyze and propose a solution, it is possible that they may not be aware of all possible solutions, and the proposed solution may be inadequate to address the problem successfully.
- Because this problem is greatly troubling to our customers, project delay could result in lost customers, further jeopardizing the likelihood of meeting this year's sales goals.
- Because assessment of this system is difficult, implementation of the proposed solution to change the system could impact other business functions.

Project Exit Criteria *(What needs must be met so that the project manager will be able to close or terminate the project or phase?)*

A final report will include a description of the solution, how much the solution will cost, and the expected decrease in the time it takes to place an order expected to result from implementing the solution. The findings contained in the report must be agreed to by the representatives of Quality Control, Customer Service, and Marketing, in addition to the project team.

Project Sponsors Authorizing This Project

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Alexandra Guyot, Executive Vice President

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Christopher Davis, Vice President