



# COMP3219 Week 6.2 Project Planning

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# Text book

- Pinto, J (2019) Project Management: Achieving Competitive Advantage. 5th ed. Harlow: Pearson ---- Chapter 2, p66; Chapter 5; Chapter 7

# Project Stakeholders

- Internal
  - Top management
  - Accounting
  - Other functional managers
  - Project team members
- External
  - Clients
  - Competitors
  - Suppliers
  - Environmental, political, consumer and other intervenor groups

# Stakeholder Management

- Identify who they are
- Analyse their level of power and interests
- Plan communication based on the analysis outcome
- Engage with the stakeholders
- When the stakeholders are disengaged, it will be difficult to gain the trust and engage with them again.

# Project Scope

- Project scope is everything about the project – work content as well as expected outcomes
- Project scope consists of naming all activities to be performed, the resources consumed, and the end products that result, including quality standards.
- Project scope includes a project's goals, constraints and limitations.

# Scope Management – The Statement of Work (SOW)

- The statement of work (SOW) is a detailed narrative description of the work required for a project.
- Some elements in an effective SOW include:
  - Introduction and background
  - Technical description of the project
  - Time line and milestones

The elements in a comprehensive SOW can be found in Table 5.2 on Page 185 of Pinto (2019).

# Scope Management – The Scope Statement

- Key steps in the scope statement process include:
  - Establishing the project goal criteria
  - Developing the management plan for the project
  - Establishing a Work Breakdown Structure (WBS)
  - Creating a scope baseline.
- A generic hierarchy for the WBS:
  - Level 1 (highest) – Project – The overall project under development
  - Level 2 – Deliverable – The major project components
  - Level 3 – Sub deliverable – Supporting deliverables
  - Level 4 (lowest) – Work package – Individual project activities



## Scope Management – The Responsibility Assignment Matrix (RAM)

- Various RAM formats exist to document team member roles and responsibilities, the most common form is the RACI matrix: Responsible; Accountable; Consulted; Informed.

	Student	Supervisor	Client	Second Examiner
Project proposal	R, A	C	C	I
Project plan	R, A	C	C	I
Meeting client	R, A	I	R, A	
Meeting supervisor	R, A	R, A		

# Project Risk

- An uncertain event or condition that, if it occurs, has a positive or negative effect on one or more project objectives. ---- in modern sense
- An estimate of the probability of loss from a large population of unwanted circumstances. --- in the past
- Event Risk = (Probability of Event)(Consequences of Event)

# Risk Management

- Risk management is to deal with “what if...” scenarios
- A four-stage process:
  - Risk identification
  - Analysis of probability and consequences
  - Risk mitigation strategies
  - Control and documentation

# Risk Management – Risk Identification

- Financial risk
- Technical risk
- Commercial risk
- Execution risk
- Contractual or legal risk

# Risk Management – Risk Identification

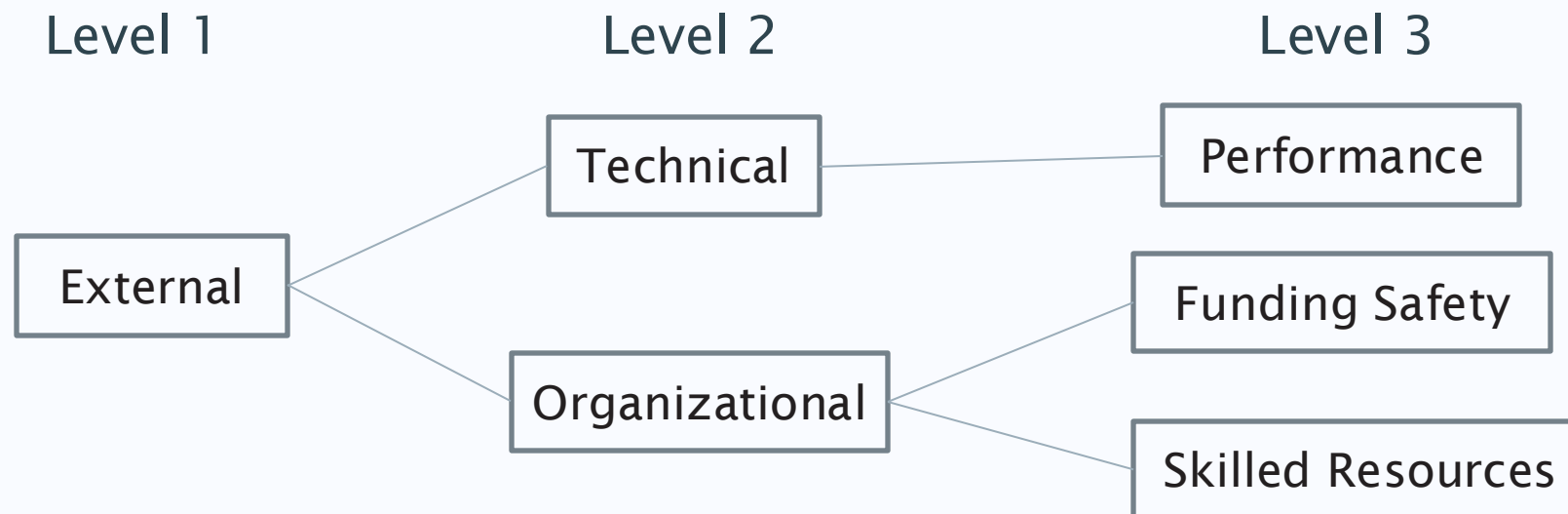
- Common forms of risk in projects:
  - Absenteeism
  - Resignation
  - Staff being pulled away by management
  - Additional staff/skills not available
  - Training not as effective as desired
  - Initial Specifications poor or incomplete
  - Work or change orders multiplying due to various problems
  - Enhancements taking longer than expected

# Risk Management – Risk Identification

- Risk identification methods (qualitative and quantitative)
  - Brainstorming meetings
  - Expert opinion
  - History
  - Multiple (or team-based) assessments

# Risk Management – Risk Breakdown Structure (RBS)

- RBS is a useful tool in identifying and categorizing project risks, which is a source-oriented grouping of project risks that organises and defines that total risk exposure of the project.
- Similar as the Work Breakdown Structure (WBS), RBS creates a hierarchical representation of the project risks.



# Risk Management – Analysis of Probability and Consequences

- Risk Impact Matrix

	Consequences	
	Low	High
Likelihood	High	
	Low	

	Consequences		
	Low	Medium	High
Likelihood	High		
	Medium		
	Low		



# Risk Management – Risk Mitigation Strategies

- Accept risk
- Minimize risk
- Share risk
- Transfer risk
- Use of contingency reserves
  - Task contingency
  - Management contingency
  - Insurance
  - Workarounds

# Risk Management – Control and Documentation

- Change/risk control
  - User driven --- hold end user accountable
  - Specification change --- off set by supplier
- Change/risk documentation
  - Yes do it
  - Defer --- need more information
  - No cannot do it