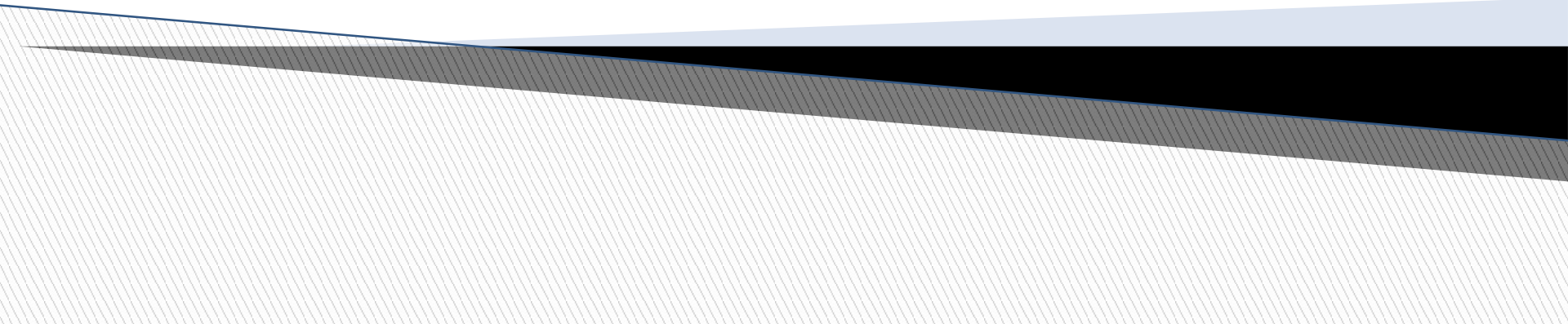


Lesson 3: Initiating Projects



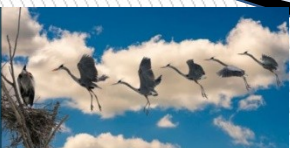
Learning Objectives

- ▶ Describe the five project management process groups, define a project life cycle, map the process groups to knowledge areas, discuss other project management methodologies, explain the concept of agile project management, and understand the importance of top management commitment and organizational standards
- ▶ Discuss the initiating process, including pre-initiating activities
- ▶ Prepare a business case to justify the need for a project
- ▶ Identify project stakeholders and perform a stakeholder analysis
- ▶ Create a project charter and assumption log
- ▶ Describe the importance of holding a good project kick-off meeting



Project Management Process Groups

- ▶ **Project management process groups** progress from initiating activities to planning activities, executing activities, monitoring and controlling activities, and closing activities
- ▶ A **process** is a series of actions directed toward a particular result



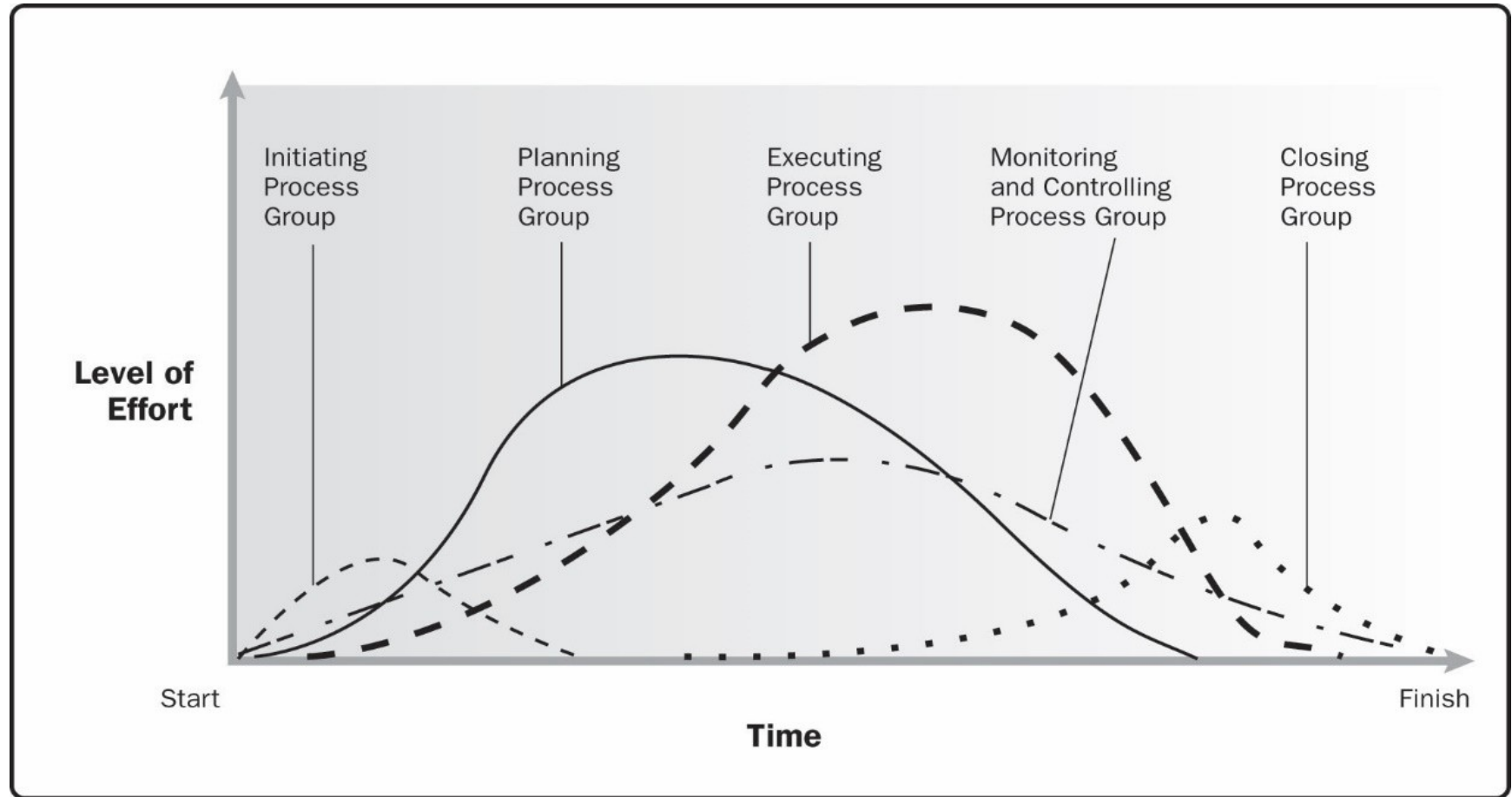
Description of Process

Groups

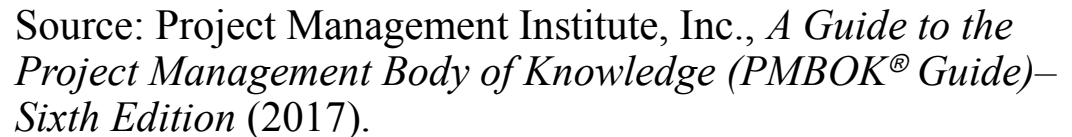
- ▶ **Initiating processes** include actions to begin projects and project phases
- ▶ **Planning processes** include devising and maintaining a workable scheme to ensure that the project meets its scope, time, and cost goals as well as organizational needs
- ▶ **Executing processes** include coordinating people and other resources to carry out the project plans and produce the deliverables of the project or phase.
 - A **deliverable** is a product or service produced or provided as part of a project
- ▶ **Monitoring and controlling processes** measure progress toward achieving project goals, monitor deviation from plans, and take corrective action to match progress with plans and customer expectations
- ▶ **Closing processes** include formalizing acceptance of the project or phase and bringing it to an orderly end



Example of process group interactions within a project or phase



Source: Project Management Institute, Inc., *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)– Sixth Edition* (2017).




Predictive, Adaptive, Hybrid Life Cycles

- ▶ A predictive life cycle, also called plan-driven, is used when the requirements can be well defined at the beginning of a project.
- ▶ An adaptive life cycle is used when requirements are not well defined up front. Adaptive approaches can be iterative, incremental, or agile.
- ▶ A hybrid or combination of approaches can be used when the nature of different deliverables calls for different approaches.



The continuum of project life cycles

			
Predictive	Iterative	Incremental	Agile
Requirements are defined up-front before development begins	Requirements can be elaborated at periodic intervals during delivery	Requirements are elaborated frequently during delivery	
Deliver plans for the eventual deliverable. Then deliver only a single final product at end of project timeline	Delivery can be divided into subsets of the overall product	Delivery occurs frequently with customer-valued subsets of the overall product	
Change is constrained as much as possible	Change is incorporated at periodic intervals	Change is incorporated in real-time during delivery	
Key stakeholders are involved at specific milestones	Key stakeholders are regularly involved	Key stakeholders are continuously involved	
Risk and cost are controlled by detailed planning of mostly knowable considerations	Risk and cost are controlled by progressively elaborating the plans with new information	Risk and cost are controlled as requirements and constraints emerge	

Source: Project Management Institute, Inc., *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)– Sixth Edition* (2017).



Other Methodologies

- ▶ ***Projects IN Controlled Environments (PRINCE2)***: Originally developed for IT projects, PRINCE2 was released in 1996 by the U.K. Office of Government Commerce – now used in over 50 countries
- ▶ ***Rational Unified Process (RUP) framework***: iterative software development process that focuses on team productivity and delivers software best practices to all team members
- ▶ ***Six Sigma***: Used to improve quality and processes. Six Sigma's target for perfection is the achievement of no more than 3.4 defects, errors, or mistakes per million opportunities
- ▶ ***Agile***: See following slides

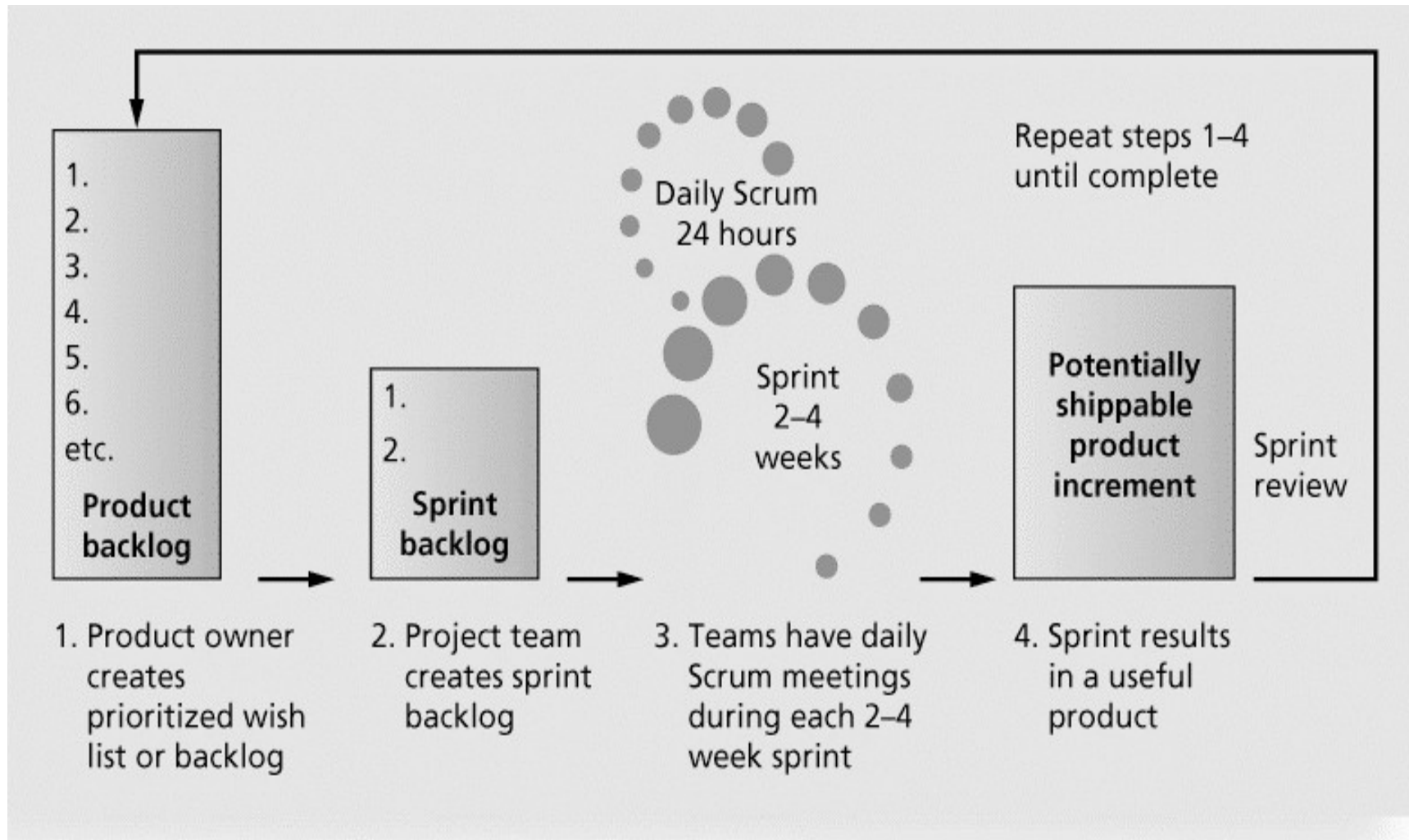


Agile

- ▶ Many software development projects use agile methods, meaning they use an iterative workflow and incremental delivery of software in short iterations
- ▶ Popular agile approaches include Scrum, extreme programming, feature driven development, and lean software development.
- ▶ In 2011, PMI introduced a new certification called Agile Certified Practitioner (ACP) to address the growing interest in agile project management.
- ▶ Note that agile can also be applied to project planning, as described in Chapter 2, as well as many other areas, including manufacturing and even education.



Scrum Framework



Schwalbe Information Technology Project Management, Revised Seventh Edition, 2014

Video Highlights

<https://www.youtube.com/watch?v=R8dYLbJiTUE>



The Importance of Top Management Commitment

- ▶ Without top management commitment, many projects will fail
- ▶ Some projects have a senior manager called a **champion** who acts as a key proponent for a project
- ▶ Projects are part of the larger organizational environment, and many factors that might affect a project are out of the project manager's control



How Top Managers Can Help Project Managers Succeed

- ▶ Provide adequate resources
- ▶ Approve unique project needs in a timely manner
- ▶ Encourage cooperation from people in other parts of the organization and deal with political issues
- ▶ Mentor and coach them on leadership issues
- ▶ Develop and enforce organizational standards
- ▶ Support a **project management office (PMO)**



Project Management Office (PMO)

- ▶ A **project management office (PMO)** is an organizational entity created to assist project managers in achieving project goals
- ▶ A PMO can help development standards and methodologies, provide career paths for project managers, and assist project managers with training and certification

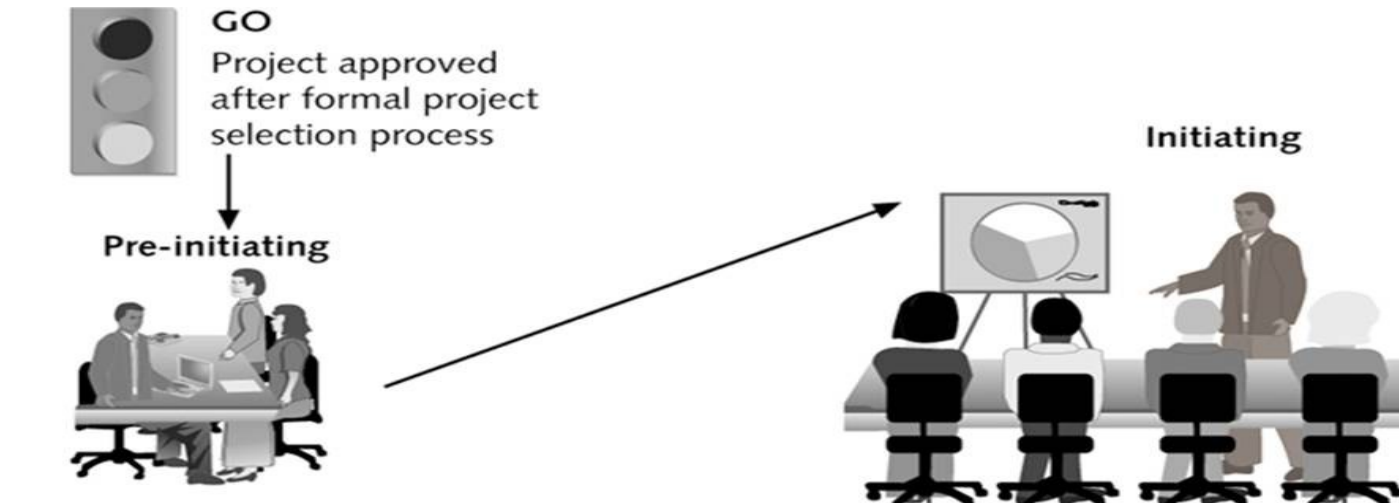


Best Practice

- ▶ It is very important to follow best practices while initiating projects, especially to avoid major scope problems. Senior management must take an active role in following these best practices:
 - Keep the scope realistic
 - Involve users from the start
 - Use off-the-shelf hardware and software whenever possible
 - Follow good project management processes



Initiating Process Summary

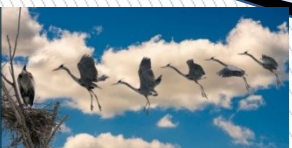


Senior management work together to:

- Determine scope, time, and cost constraints
- Identify the project sponsor
- Select the project manager
- Develop a business case for the project
- Review processes/expectations
- Determine if the project should be divided into two or more smaller projects

Project managers lead efforts to:

- Identify and understand project stakeholders
- Create the project charter and assumption log
- Hold a kick-off meeting



Business Case for a Project

- ▶ A **business case** is a document that provides financial justification for investing in a project
- ▶ **Typical contents:**
 - Introduction/Background
 - Business Objective
 - Current Situation and Problem/Opportunity Statement
 - Critical Assumptions and Constraints
 - Analysis of Options and Recommendations
 - Preliminary Project Requirements
 - Budget Estimate and Financial Analysis
 - Schedule Estimate
 - Potential Risks
 - Exhibits



- ▶ <https://www.youtube.com/watch?v=ebam1HZOWag>



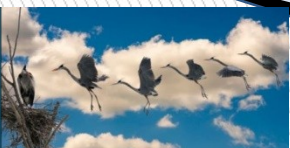
Initiating Processes and Outputs (*PMBOK® Guide - Sixth Edition*)

Knowledge area	Initiating process	Outputs
Project integration management	Develop project charter	Project charter Assumption log
Project stakeholder management	Identify stakeholders	Stakeholder register Change requests Project management plan updates Project documents updates



Identifying Stakeholders

- ▶ **Project stakeholders** are the people involved in or affected by project activities
 - Internal project stakeholders generally include the project sponsor, project team, support staff, and internal customers for the project. Other internal stakeholders include top management, other functional managers, and other project managers
 - External project stakeholders include the project's customers (if they are external to the organization), competitors, suppliers, and other external groups that are potentially involved in or affected by the project, such as government officials and concerned citizens

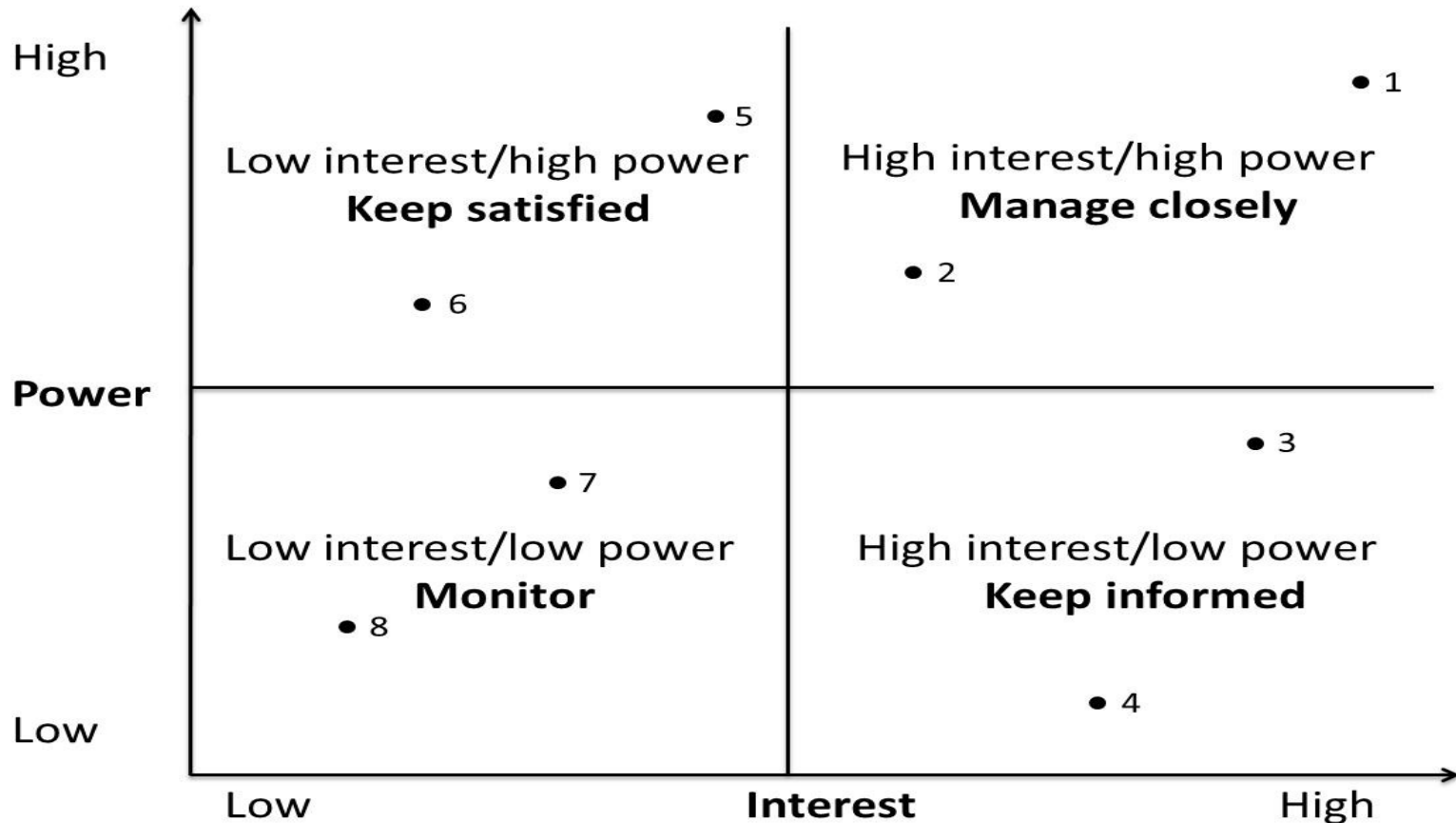


Stakeholder Register and Stakeholder Analysis

- ▶ A **stakeholder register** is a document that includes details related to the identified project stakeholders - usually available to many people, so it should not include sensitive information
- ▶ A **stakeholder analysis** is a technique for analyzing information to determine which stakeholders' interests to focus on and how to increase stakeholder support throughout the project



Sample Stakeholder Analysis Power/Interest Grid



Creating a Project Charter and Assumptions Log

- ▶ A **project charter** is a document that formally recognizes the existence of a project and provides a summary of the project's objectives and management
- ▶ It authorizes the project manager to use organizational resources to complete the project
- ▶ Ideally, the project manager will play a major role in developing the project charter
- ▶ Instead of project charters, some organizations initiate projects using a simple letter of agreement or formal contracts
- ▶ *A crucial part of the project charter is the **sign-off** section*



Contents of a Project Charter

- ▶ The project's title and date of authorization
- ▶ The project manager's name and contact information
- ▶ A summary schedule or timeline, including the planned start and finish dates; if a summary milestone schedule is available, it should also be included or referenced
- ▶ A summary of the project's estimated cost and budget allocation
- ▶ A brief description of the project objectives, including the business need or other justification for authorizing the project
- ▶ Project success criteria or approval requirements, including project approval requirements and who signs off on the project



Contents of a Project Charter (continued)

- ▶ A summary of the planned approach for managing the project, which should describe stakeholder needs and expectations, overall project risk, important assumptions and constraints, and should refer to related documents, such as a communications management plan, as available
- ▶ A roles and responsibilities matrix
- ▶ A sign-off section for signatures of key project stakeholders
- ▶ A comments section in which stakeholders can provide important comments related to the project



Holding a Project Kick-off Meeting

- ▶ Experienced project managers know that it is crucial to get projects off to a great start.
- ▶ A **kick-off meeting** is a meeting held at the beginning of a project so that stakeholders can meet each other, review the goals of the project, and discuss future plans.
- ▶ The project champion should speak first and introduce the project sponsor and project manager
- ▶ There is often a fair amount of work is done to prepare for the meeting.
- ▶ If it cannot be held face-to-face, try to include audio and/or video to engage and understand participants.



SUPPLIMENTAL INFORMATION



Sample Project Charter

Project Title: Just-In-Time Training Project

Project Start Date: July 1
later)

Projected Finish Date: June 30 (one year

Budget Information: The firm has allocated \$1,000,000 for this project. Approximately half of these costs will be for internal labor, while the other half will be for outsourced labor and training programs.

Project Manager: Kristin Maur, (610) 752-4896, kmaur@globalconstruction.com

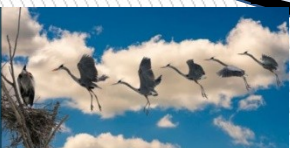
Project Objectives: Develop a new training program that provides just-in-time training to employees on key topics, including supplier management, negotiating skills, project management, and software applications (spreadsheets and Web development). Develop an approach for measuring productivity improvements from this approach to training on an annual basis.

Success Criteria: This project will be successful if it reduces training cost per employee by 10% or \$100/employee/year. It should also be completed on time, be run professionally, and meet all of the requirements. The project sponsor will fill out a customer acceptance/project completion form at the end of the project and give the project at least a 7 out of 10 overall rating.



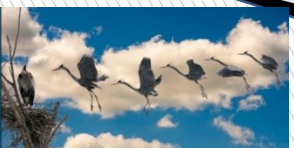
Sample Project Charter (continued)

- ▶ Approach section (partial)
 - Terminate all internal training courses except the Six Sigma training once new courses are developed
 - Communicate to all employees the plans to improve internal training and let them know that tuition reimbursement will continue as is.
- ▶ Roles and Responsibilities
- ▶ Comments (partial)
 - “I want to review all of the information related to providing the supplier management training. We need to make something available quickly.” Tim



Contents of An Assumptions Log

- ▶ An assumption log is a document used to record and track assumptions and constraints throughout the project life cycle.
- ▶ It aids in communicating information to key stakeholders and avoids potential confusion.
- ▶ Most projects include several assumptions that affect the scope, time, cost, risk, and other knowledge areas.
- ▶ It is important to document and validate these assumptions.



Sample Assumptions Log

ID	Assumption Description	Category	Owner	Due Date	Status	Actions
108	Supplier management training should be completed first	Time	Kristin	Sep. 1	Closed	Scheduled first
122	Employees will take some of the training during non-work hours	Human resources	Lucy	Nov. 1	Open	Meet with dept. heads to discuss



Sample Kick-Off Meeting Agenda

Just-In-Time Training Project

Kick-off Meeting

July 16

Meeting Objective: Get the project off to an effective start by introducing key stakeholders, reviewing project goals, and discussing future plans

Agenda:

- Introductions of attendees
- Review of the project background
- Review of project-related documents (i.e., business case, project charter, assumptions log)
- Discussion of project organizational structure
- Discussion of project scope, time, and cost goals
- Discussion of other important topics
- List of action items from meeting

Action Item	Assigned To	Due Date

Date and time of next meeting:



Sample Stakeholder Register

Name	Position	Internal/ External	Project Role	Contact Information
Mike Sundby	VP of HR	Internal	Project champion	msundy@globalconstruction.com
Lucy Camerena	Training Director	Internal	Project sponsor	lcamerena@globalconstruction.com
Ron Ryan	Senior HR staff member	Internal	Led the Phase I project	rryan@globalconstruction.com



Categorizing Engagement Levels of Stakeholders

- ▶ *Unaware:* Unaware of the project and its potential impacts on them
- ▶ *Resistant:* Aware of the project yet resistant to change
- ▶ *Neutral:* Aware of the project yet neither supportive nor resistant
- ▶ *Supportive:* Aware of the project and supportive of change
- ▶ *Leading:* Aware of the project and its potential impacts and actively engaged in helping it succeed

