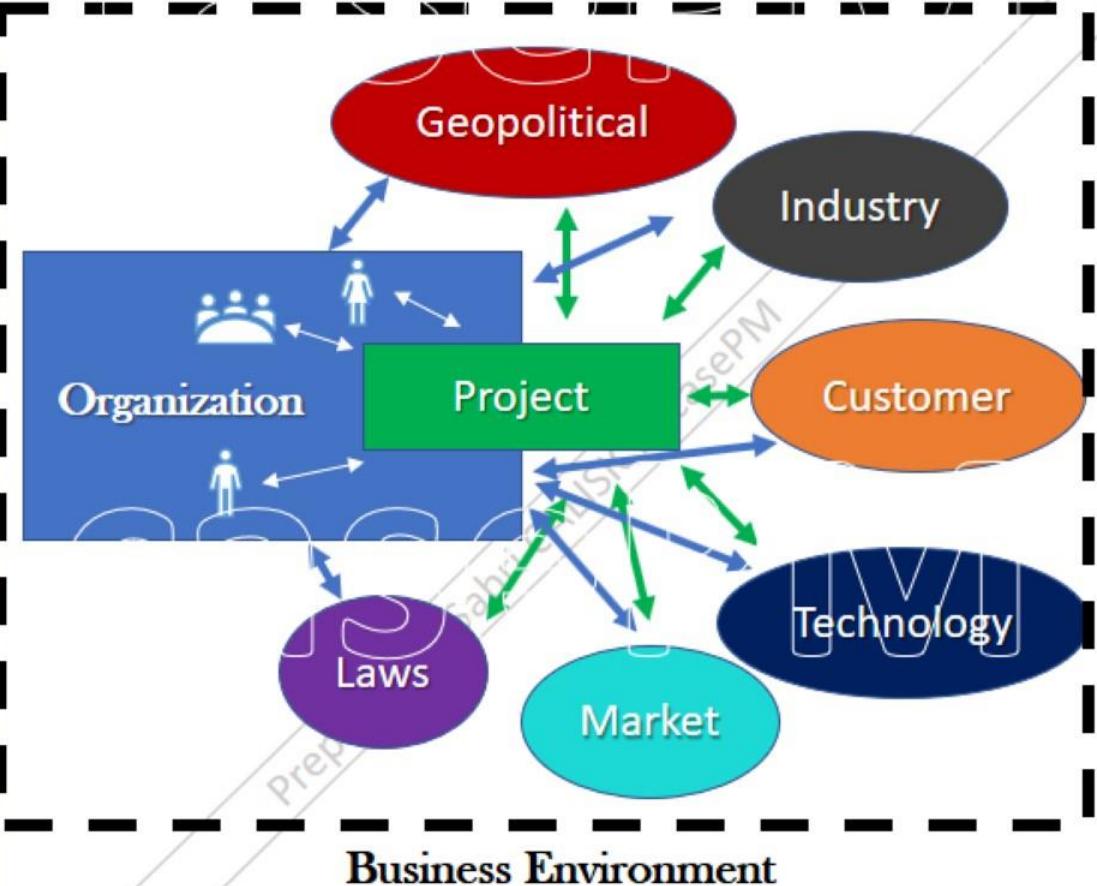


# **CONSIDERING THE BUSINESS ENVIRONMENT**

## **Introduction**

# CONSIDERING THE BUSINESS ENVIRONMENT

## Introduction



# CONSIDERING THE BUSINESS ENVIRONMENT

## Introduction

### Business Environment tasks:

- ➔ Plan and manage project compliance
- ➔ Evaluate and deliver project benefits and value
- ➔ Evaluate and address external business environment changes for impact on scope
- ➔ Support organizational change

Prepared by Sabri CALISICI - casePM

# **CONSIDERING THE BUSINESS ENVIRONMENT**

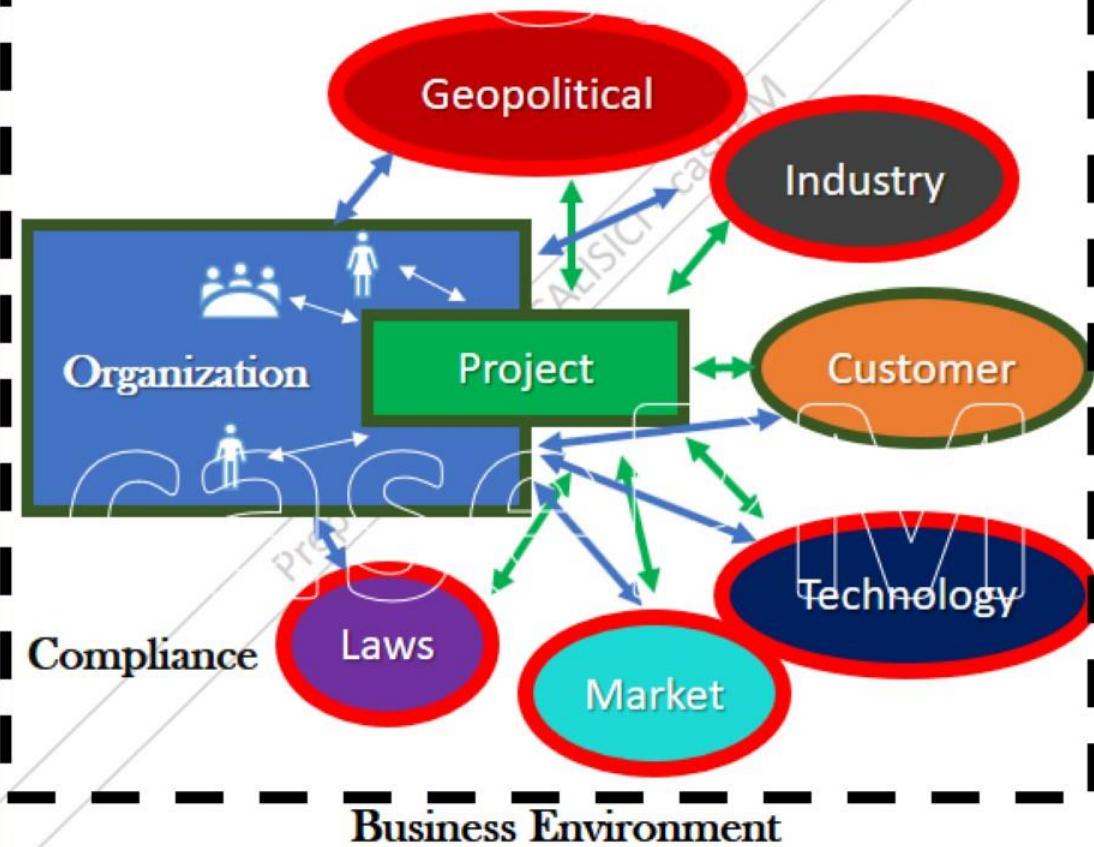
## **How to Manage Compliance?**

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

**Compliance** → We use this term to explain to satisfy regulations, laws, and other requirements.

- No matter how big or small the Project is, we need to put enough amount of effort into managing Compliance.



# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

**Compliance** → We use this term to explain to satisfy regulations, laws, and other requirements.

- No matter how big or small the Project is, we need to put enough amount of effort into managing Compliance.
- To manage Compliance, consider to:
  - Identify Risks
  - Conduct Audits
  - Provide Documentation
  - Establish a Council



- ➔ Members are subject matter experts like lawyers, engineers, architects, consultants, etc.
- ➔ The council members will involve in compliance activities like compliance audits, risk identification, etc.

# CONSIDERING THE BUSINESS ENVIRONMENT

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  - Conduct Audits
  - Provide Documentation
  - Establish a Council
  - Define Responsibilities



→ The Project Manager coordinates the team members who are responsible for the various Compliance activities.

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

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- Conduct Audits
- Provide Documentation
- Establish a Council
- Define Responsibilities

Provides input to the WBS

Supports Compliance Goals



→ High-level Compliance Goals need to be listed in the Project Charter!

# **CONSIDERING THE BUSINESS ENVIRONMENT**

## **How to Manage Compliance?**

### **Managing Compliance:**

- Compliance Requirements need to be identified/confirmed
- Compliance Requirements need to be grouped
- Compliance Risks are identified
- Effects of Noncompliance are analyzed
- Compliance activities are verified
- Compliance is measured
- Compliance activities are supported

Prepared by Sabri CALISICI - casePM

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

### Managing Compliance:

- **Compliance Requirements need to be identified/confirmed**
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- Compliance activities are supported

#### **Compliance Requirements need to be identified/confirmed**

- Some of the Compliance requirements might be identified by the Customer
- Some others might be identified by our Organization
- We may have some other Compliance requirements which are not identified by the Customer or our Organization.

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

### Managing Compliance:

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### Compliance Requirements need to be grouped

- Categorizing the Compliance Requirements helps us to better manage and control the Compliance

### Ex:

- Health and safety requirements
- Quality management requirements
- Legal requirements
- Social responsibility
- Etc.

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

### Managing Compliance:

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### Compliance Risks are identified

- Compliance Requirements may include Risks

### Ex:

- Regulations can be changed in the future
- We might have new regulations to consider in the future
- There might be errors in the measurements
- Etc.

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

### Managing Compliance:

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- **Effects of Noncompliance are analyzed**
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### Effects of Noncompliance are analyzed

- Noncompliance is a Risk and its effects need to be analyzed
- Noncompliance may cause rework, delays, extra costs, penalties, customer dissatisfaction, etc.

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

### Managing Compliance:

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- **Compliance activities are verified**
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### Compliance activities are verified

- Compliance Audits (Quality Audit) are conducted to verify the compliance
  - Compliance Audits are planned events
  - An audit team (internal or external) conducts the Compliance Audits
  - As a result of the Compliance Audits:
    - Compliance practices are checked
    - Nonconformities are detected
- ➔ Results can be used to:
- Improve the Compliance activities
  - Learn new lessons

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

### Managing Compliance:

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- Compliance activities are verified
- **Compliance is measured**
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### Compliance is measured

- Variance Analysis can be conducted as a tool and technique to measure the Compliance

### Ex:

**Compliance Requirement:** Increase the energy efficiency by 30%

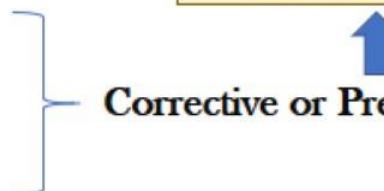
**Measurement:** 20% increase

$$\text{Variance} = 30\% - 20\% = 10\%$$

**Reasons:**

- Reason 1
- Reason 2
- ...

We need to consider  
the tolerances!



Corrective or Preventive Action?

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

### Managing Compliance:

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- Compliance Risks are identified
- Effects of Noncompliance are analyzed
- Compliance activities are verified
- Compliance is measured
- **Compliance activities are supported**

### Compliance activities are supported

- By supporting the above activities, we can satisfy the compliance requirements
- When making decisions, we can consider the variance analysis results, tolerances and other parts of the performance reports

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Manage Compliance?

### Final Notes

- The compliance requirements are added to the Requirements Documentation
- Compliance Risks are added to the Risk Register
- Qualitative and Quantitative (if it is needed) Risk Analysis are conducted
- The Compliance Risks are managed just like other Project Risks
- We can use the Quality Management processes to ensure the compliance
- The information about how to manage the Compliance is found in the Quality Management Plan
- We will conduct Quality Assurance and Quality Control activities to ensure compliance according to the Quality Management Plan

## **CONSIDERING THE BUSINESS ENVIRONMENT**

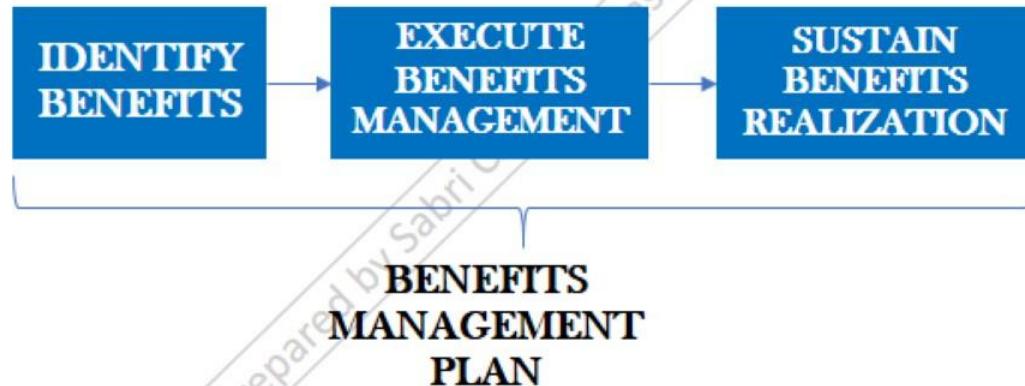
**How to Realize Benefits and Gain Value?**

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Realize Benefits and Gain Value?

- We always need to keep the benefits and the business value in mind
- We need to ensure these benefits are realized
- We need to have Benefits Management processes in action
- Benefits can be managed at the Program and Project level

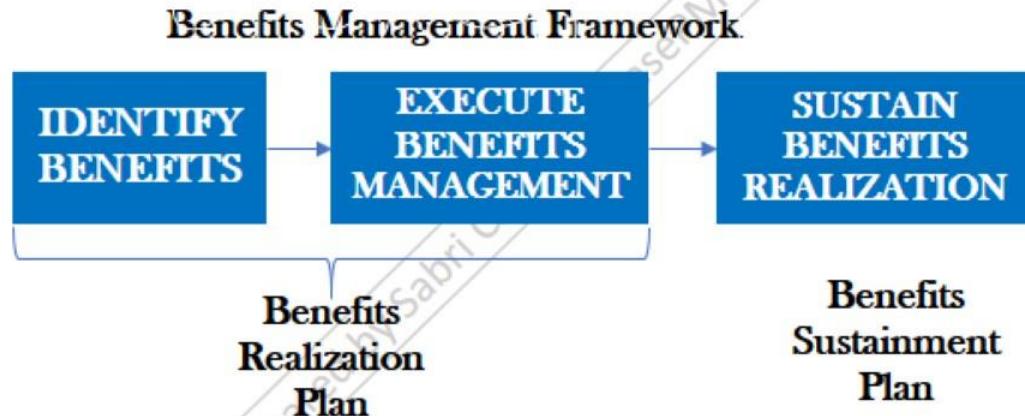
### Benefits Management Framework.



# CONSIDERING THE BUSINESS ENVIRONMENT

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# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Realize Benefits and Gain Value?

### Benefits Management Framework

- Identify Benefits
- Execute Benefits Management
- Sustain Benefits Realization

Responsibility



Product Manager

Prepared by Sabri CALISICI - casePM

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Realize Benefits and Gain Value?

### Benefits Management Framework

- Identify Benefits
- Execute Benefits Management
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Responsibility



Product Manager

### Identify Benefits

→ We need to consider the Strategic Goals of the organization



#### Benefits:

- You can make phone calls
- You can send and receive instant messages
- ~~You can take pictures~~
- You can connect to internet
- Etc.

# CONSIDERING THE BUSINESS ENVIRONMENT

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### Identify Benefits

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### Benefits:

- You can make phone calls
- You can send and receive instant messages
- You can take the finest pictures in the market
- You can connect to internet
- Etc.

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Realize Benefits and Gain Value?

### Benefits Management Framework

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Product Manager

#### Identify Benefits

- ➔ We need to consider the Strategic Goals of the organization
- ➔ The Benefits we identify in the Benefits Management Plan should be aligned with the Benefits in the Business Case
- ➔ We need to define how we will measure the Benefits (**Key Performance Indicators (KPI)**) and other metrics can be used)

#### Key Performance Indicators (KPI)

- ➔ Metrics used to measure the actual performance against planned

*ps. KPIs can be used in various different areas to measure performance*

**Benefit:** Taking the finest pictures in the market

**KPI:** Peak Signal-to-Noise Ratio (PSNR)

# CONSIDERING THE BUSINESS ENVIRONMENT

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- The Benefits we identify in the Benefits Management Plan should be aligned with the Benefits in the Business Case
- We need to define how we will measure the Benefits (Key Performance Indicators (KPI) and other metrics can be used)
- We need to define who owns which Benefits
- We need to determine when we expect the Benefits will be realized (**Benefits Realization Roadmap** can be used)

	Q1			Q2		
	Jan	Feb	Mar	Apr	May	Jun
Benefits	Benefit 1			Benefit 2		

# CONSIDERING THE BUSINESS ENVIRONMENT

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- ➔ We need to define how we will measure the Benefits (Key Performance Indicators (KPI) and other metrics can be used)
- ➔ We need to define who owns which Benefits
- ➔ We need to determine when we expect the Benefits will be realized (Benefits Realization Roadmap can be used)
- ➔ Once the Benefits Management Plan is created, it needs to be signed by the key Stakeholders (including the Benefits Owners)
- ➔ The Communications Management Plan should include information about how to inform the Stakeholders about the progress of the Benefits (Benefits Register can be used)

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Realize Benefits and Gain Value?

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Responsibility



Product Manager

#### Identify Benefits

- We need to consider the Strategic Goals of the organization
- The Benefits we identify in the Benefits Management Plan should be aligned with the Benefits in the Business Case

#	Benefit	Benefit Category	Benefit Owner	Metrics	Start	Finish	Notes
1	Benefit 1						
2	Benefit 2						
3	Benefit 3						
4	Benefit 4						

realized (Benefits Realization Roadmap can be used)

- Once the Benefits Management Plan is created, it needs to be signed by the key Stakeholders (including the Benefits Owners)

- The Communications Management Plan should include information about how to inform the Stakeholders about the progress of the Benefits (**Benefits Register** can be used)

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Realize Benefits and Gain Value?

### Benefits Management Framework

- Identify Benefits
- **Execute Benefits Management**
- Sustain Benefits Realization

Responsibility



Product Manager

### Execute Benefits Management

- We need to measure the progress against what is planned in the Benefits Realization Roadmap
- We need to ensure the Stakeholders are informed about the progress of the Benefits

### Personas

Picture & Name	Details	Goal
 <b>Alex Peterson</b>	<p>Works as Product Manager</p> <p>Holds PMP Certification</p> <p>Has managed X Project successfully</p>	<p>Needs to be informed about the Organizational Strategy</p>

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Realize Benefits and Gain Value?

### Benefits Management Framework

- Identify Benefits
- **Execute Benefits Management**
- Sustain Benefits Realization

Responsibility



Product Manager

### Execute Benefits Management

- ➔ We need to measure the progress against what is planned in the Benefits Realization Roadmap
- ➔ We need to ensure the Stakeholders are informed about the progress of the Benefits
- ➔ We need to ensure the Project Team Members clearly understand how the Project work will contribute to the Project's Benefits
- ➔ If there is a change in the business environment, some of the Benefits can be modified or new Benefits can be identified
- ➔ We may need to make changes in the Project if there is a variance between the actual and planned benefits
- ➔ Risk Management processes have crucial importance when managing Benefits Realization

# CONSIDERING THE BUSINESS ENVIRONMENT

## How to Realize Benefits and Gain Value?

### Benefits Management Framework

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Responsibility



Product Manager

### Sustain Benefits Realization

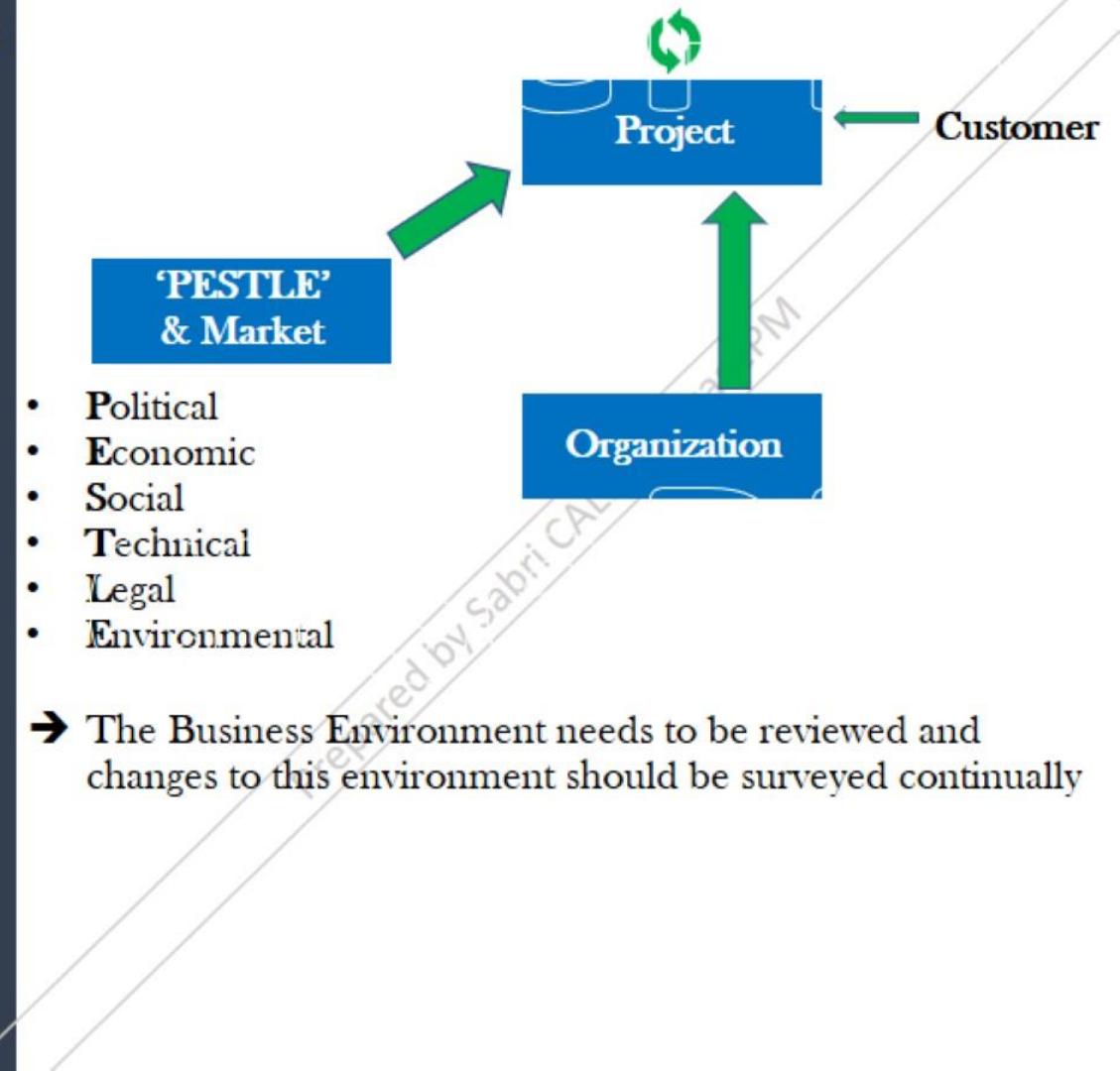
- Continuity of Benefits Realization is ensured
- Ensure the Benefits are measured against the plans
- Check whether the Benefits Realization is in parallel with Benefits Realization Roadmap or not
- Ensure the lessons learned are documented and Stakeholders are being informed about them
- Continuous improvement should be facilitated
- Listen to the Customer about their needs
- During project closure, realized and unrealized (which will get realized in the future) Benefits should be reported
- Benefits are transitioned to and approved by the Key Stakeholders (Project → Operation)

## **CONSIDERING THE BUSINESS ENVIRONMENT**

**Change Within the Business Environment**

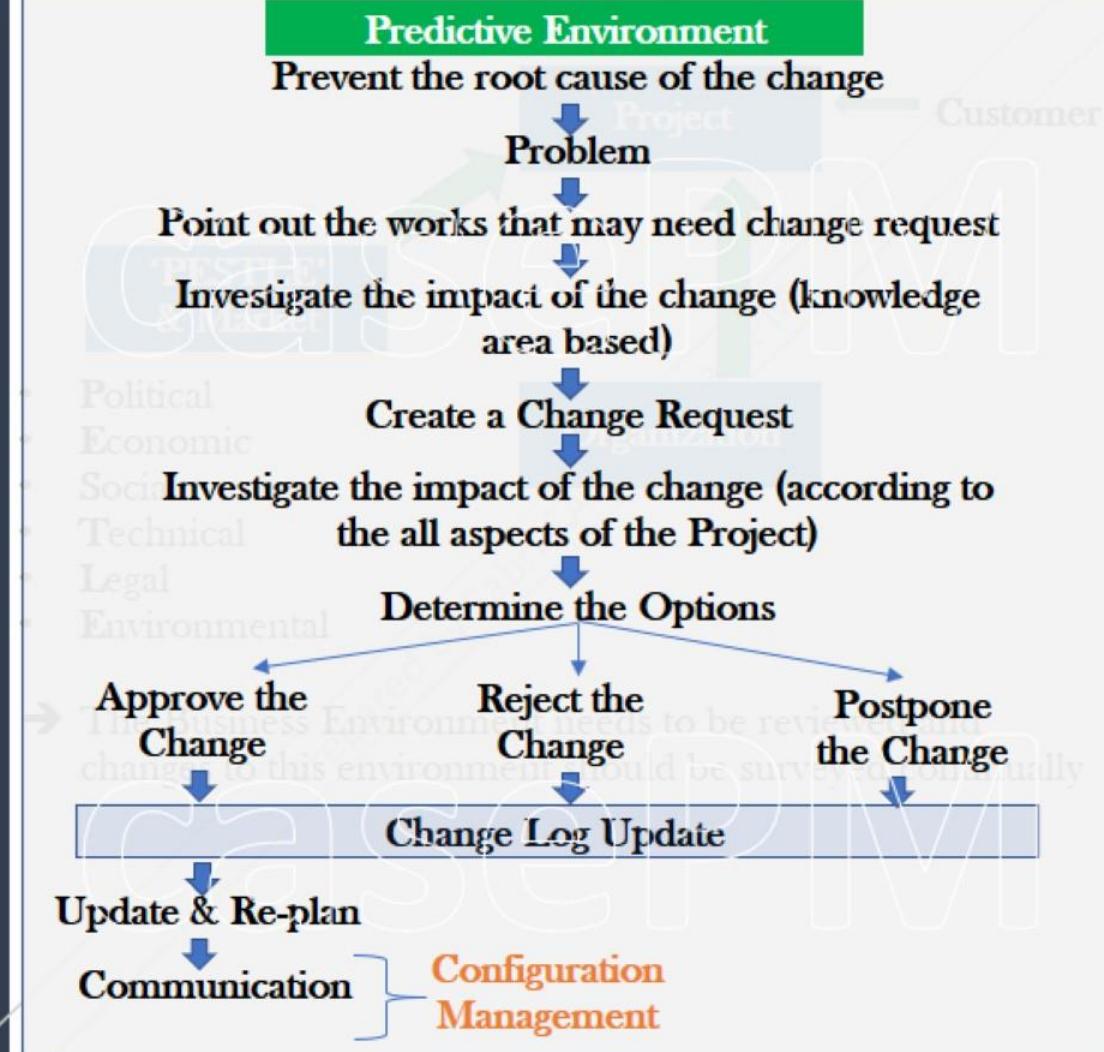
# CONSIDERING THE BUSINESS ENVIRONMENT

## Change Within the Business Environment



# CONSIDERING THE BUSINESS ENVIRONMENT

## Change Within the Business Environment

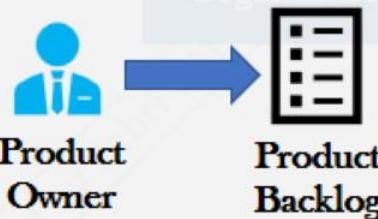


# CONSIDERING THE BUSINESS ENVIRONMENT

## Change Within the Business Environment

### Adaptive Environment

- Define the need for a change
- Analyze the impacts of the change
- Determine the options
- Backlog Refinement
- Plan the following iteration and apply the change

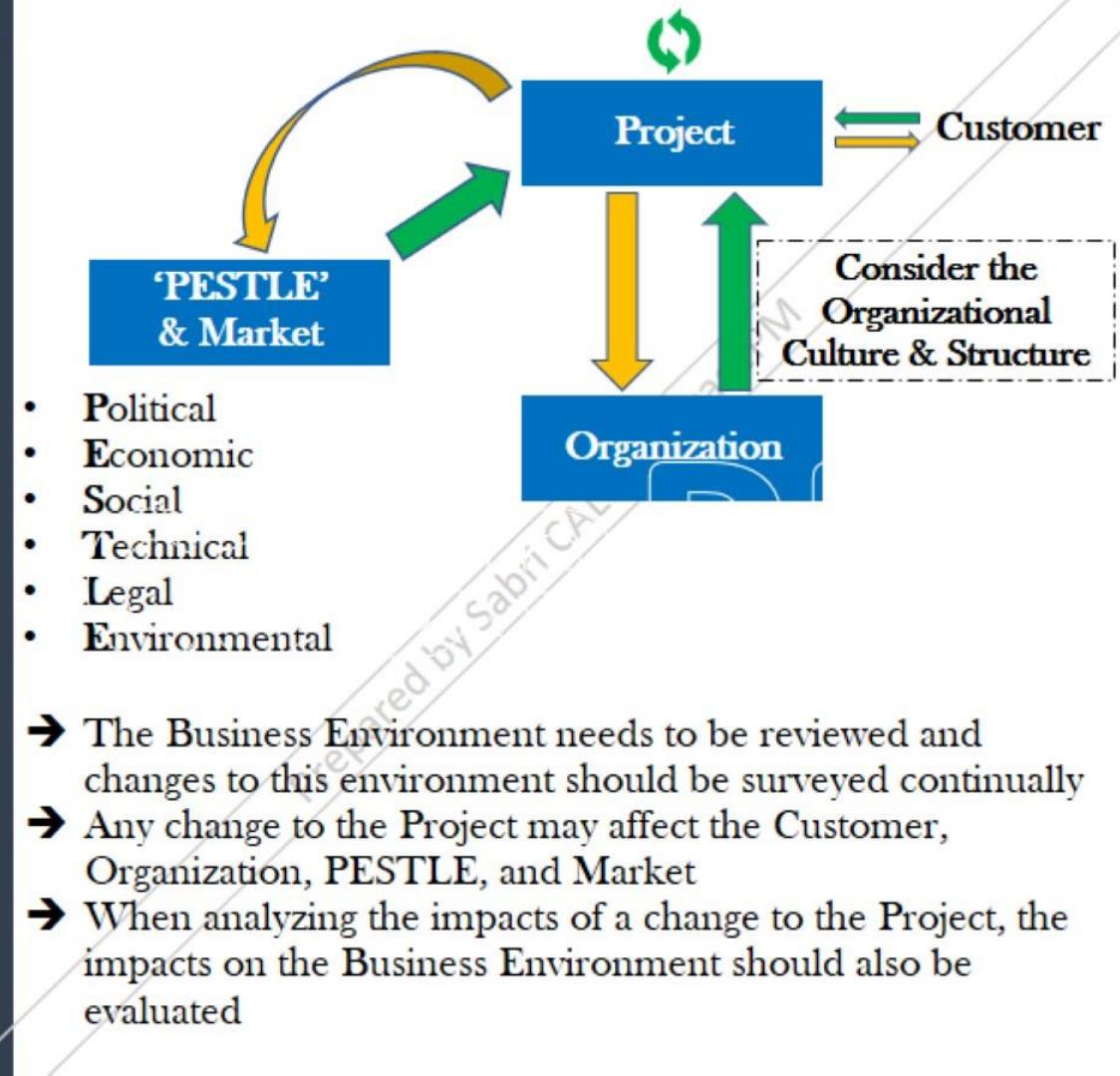


#### Backlog Refinement

→ The Business Environment needs to be reviewed and changes to this environment should be surveyed conanually

# CONSIDERING THE BUSINESS ENVIRONMENT

## Change Within the Business Environment



# CONSIDERING THE BUSINESS ENVIRONMENT

## Change Within the Business Environment

Changes Related to the 'Agile – Predictive' Contradiction



Project

Customer



'PESTLE'  
& Market



Organization

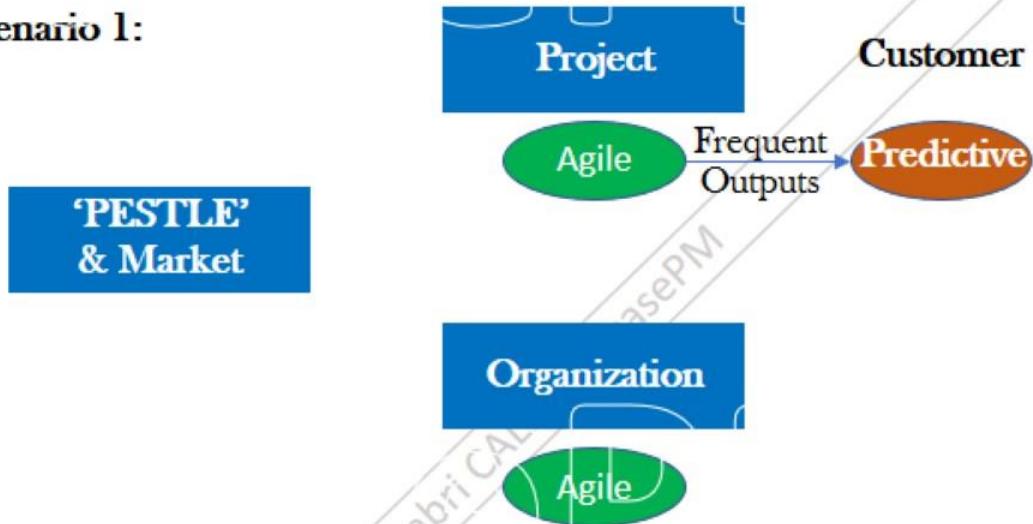
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CasePM

# CONSIDERING THE BUSINESS ENVIRONMENT

## Change Within the Business Environment

### Changes Related to the 'Agile – Predictive' Contradiction

Scenario 1:

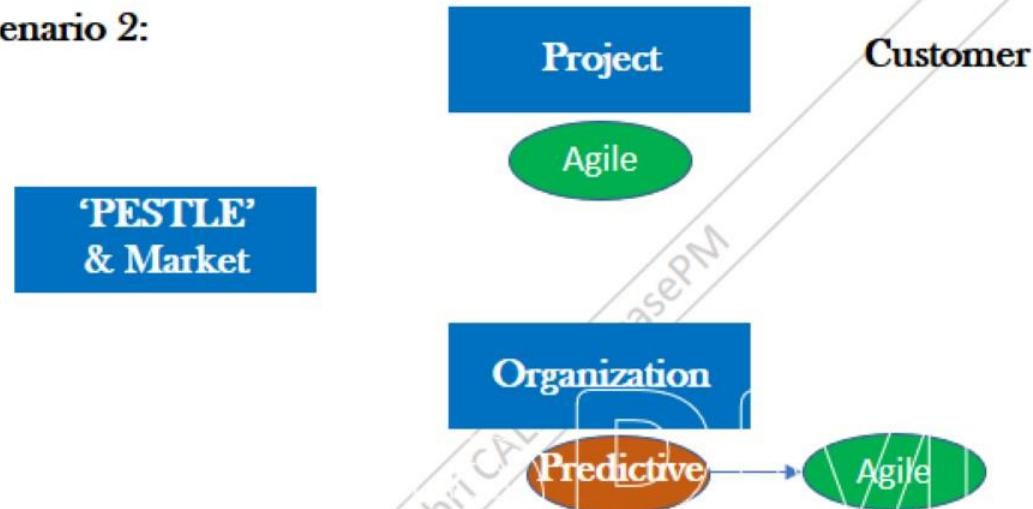


# CONSIDERING THE BUSINESS ENVIRONMENT

## Change Within the Business Environment

### Changes Related to the 'Agile – Predictive' Contradiction

Scenario 2:



Prepared by Sabri CAE

# CONSIDERING THE BUSINESS ENVIRONMENT

## Change Within the Business Environment

- Making the changes incrementally can help us to apply better change management
- Kanban can be helpful to manage the changes incrementally

