

Project Management: Process, Technology, and Practice

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Chapter 4 Project Initiation

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Project Initiation

Learning objectives

- Select projects and set priorities
- Select a project manager and project team
- Write a project charter
- Gather requirements for a project
- Prepare and write a project scope

- ① project selection
- ② PM Selection
- ③ project team
- ④ stakeholder analysis
- ⑤ Requirement Gathering
- ⑥ project scope

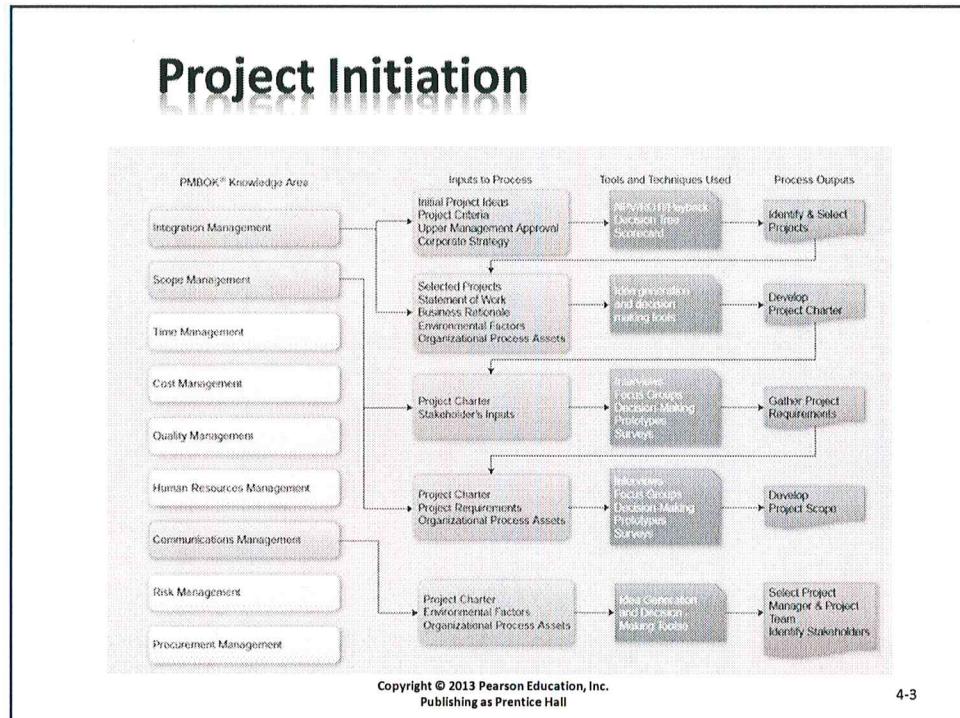
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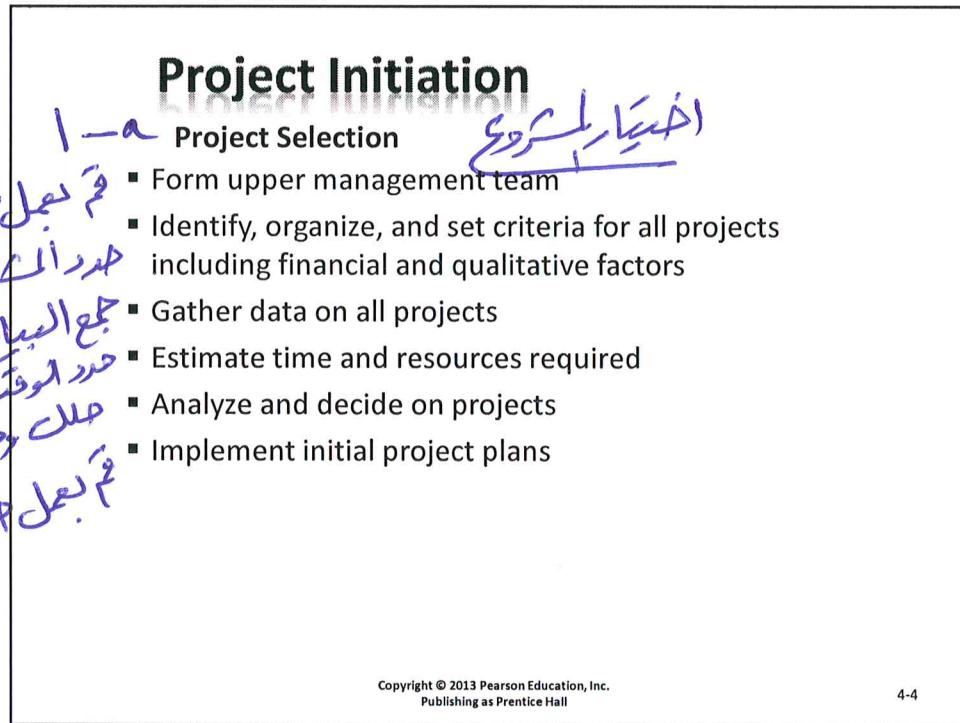
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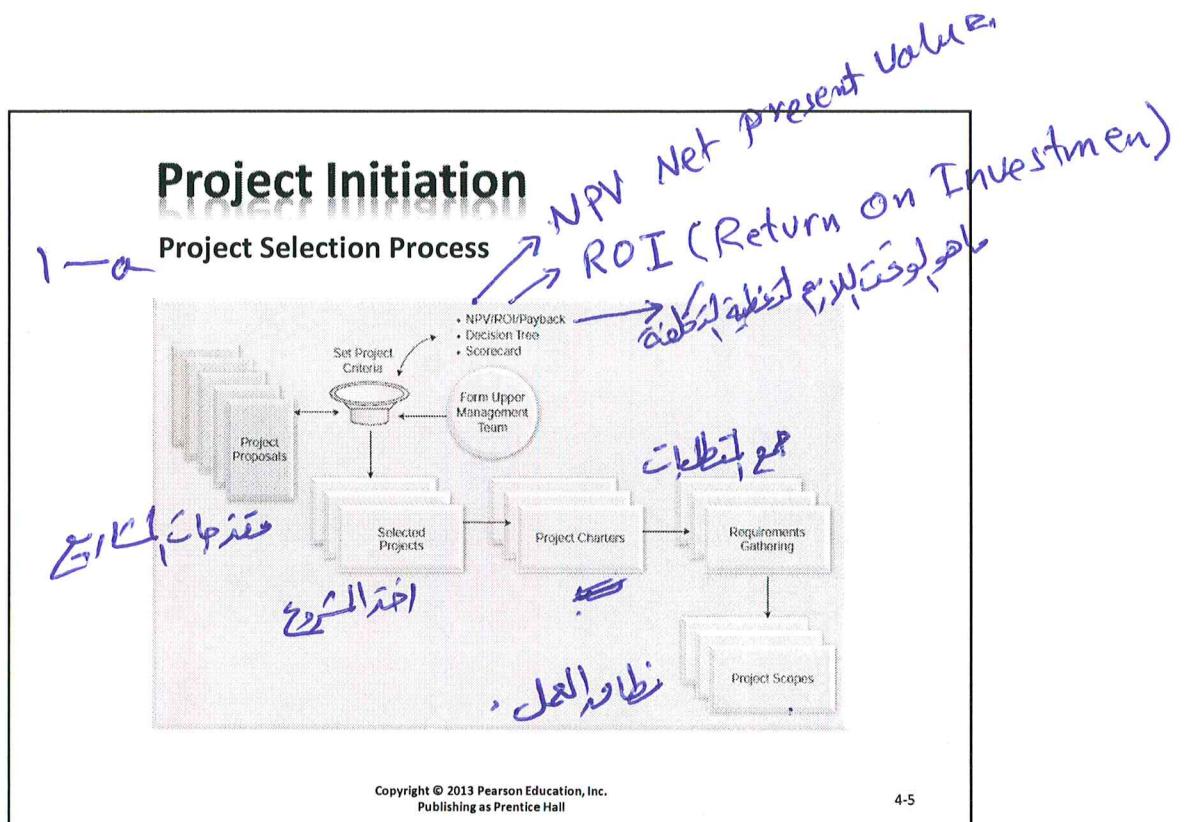
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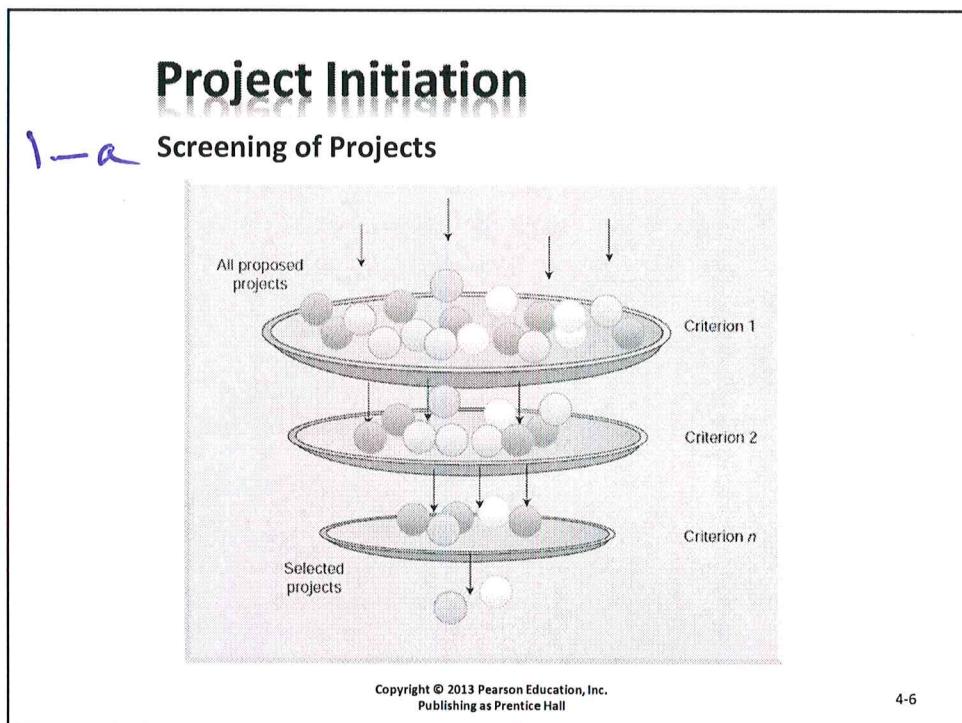
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1-a Project Selection

- Projects can be categorized as one of the following:
 - Compliance: Projects that are essential to meet new requirements imposed by internal and external entities
 - Internal entities may be executive management
 - External entities may be government regulations and requirements
 - “Must do” projects; if not implemented, may face penalties
 - Emergency: Projects that are needed to meet emergency conditions; may be “must-do” projects; if not implemented, organizations may not be fully operational to fulfill their core competencies

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1-a Project Selection

- Mission Critical: Critical to the mission of a company
 - If not completed, would cause immediate, unacceptably negative impact to business
- Operational: Projects that are needed to support current operations
 - Increase process efficiency
 - Reduce product cost
 - Improve performance and other metrics
- Strategic: Projects that are essential to support long-range mission (increase revenue, increase market-share)

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1 - b

Project Strategy

- Provides the intellectual frameworks, conceptual models, and governing ideas that allow managers of an organization to identify opportunities for bringing value to customers and for delivering that value for a profit
 - The way an organization defines its business for a better future
 - Organizations need to take advantage of the opportunities that projects represent.
 - Dynamically guides project actions and decision making as the project environment changes
 - Projects need to be chosen and fielded to help achieve strategic intent. It is important to note that projects must deliver a product, service, or process that will provide the competitive advantage or value envisioned by the strategies of organizations.

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Project Strategy

- In many projects, value cannot be attained without the use of new technologies.
 - Technology poses many risks and managers need to evaluate such perceived risks well before the beginning of projects.
 - The skill requirements of using such technologies need to be analyzed before project initiation as well.
 - All risks need to be evaluated for future projects in order to select the projects. Projects provide future opportunities and opportunities mean more uncertainty and greater risk.

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1-b Project Strategy and Value

- Project strategic value is defined as the impact a project will have on external entities like customers and suppliers.

- Economies of scale الإconomies of scale
- Product differentiation فرعية المنتج في السوق
- Capital Requirements احتياجات الموارد المالية
- Access to distribution channels الوصول إلى القنوات
- Cost disadvantages independent of scale عيوب التكلفة غير مترابطة بحجم
- Government policies السياسات الحكومية
- Perceived competitive reactions in the market, and ردود الأفعال المنافسة في السوق
- Price of organization's products and services. مقدار المنتجات والخدمات

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1-b Project Strategy and Value

- Value of a project can be determined by cash benefits (both magnitude and its timing).
- Magnitude and timing of cash benefits when compared to investments made on the projects have to be evaluated in project selection as well.
- If a project is not expected to bring some benefit to the organization, then there is no point in implementing this project.

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I-b Scorecard analysis (Qualitative)

Project Name/Number: <i>Underline</i>		Project Scorecard	
External Environment Map <i>Executive Sponsor</i>		Strategic Scorecard <i>Strategic Initiatives</i>	
Strategic Chapter (25% of total)		Strategic Initiatives	
Project has been identified by management in the CEBM™ as critical to business unit strategic objectives. 30 project items have first working on this could cause significant business disruption between 12 and 24 months. Every major threat identified in the external environment map has been addressed in the project plan.		Strategic Initiatives	Project Initiatives
The project reduces the threat that competitors will now introduce products or services. The project reduces the threat of increasing power of customers.		Strategic Initiatives	Project Initiatives
Technological Planning (25% of total)		Strategic Software	
1. The project aligns with company's technological strategy (100%). 2. Company has access to the code and required to make available complete and current version of all software it owns. 3. All of the technology that this project employs has been successfully used by more than 10 corporations for at least 12 years. 4. Most devices and/or location the user set required for successful completion of project must carry no less than 8 hours of battery life. 5. Successful completion of the project requires minimum computer pieces (over 100 hours) with internal memory (4GB minimum). 6. All of the technology that this project employs has been successfully used by more than 10 corporations for at least 12 years. 7. All of the technology that this project employs has been successfully used by more than 10 corporations for at least 12 years. 8. All of the technology that this project employs has been successfully used by more than 10 corporations for at least 12 years.		Strategic Software	Project Software
Project Value (25% of total)		Technology Software	
Magnitude: Costs: Project cost is or greater than 10 % of investment within 12 months of completion. Time: Project duration is or greater than 5K but less than 30K of investment within 12 months of completion. Scope: Project scope is or greater than 25% but less than 45% of investment. Risk: Project risk is or greater than 50% investment.		Technology Software	Project Software
Planning: New users: New users are added in current cycle, and cannot be known. Old users: Old users are added in current cycle, and are not yet available + known or not.		Value Initiatives	Project Initiatives
Project Risk (15% of total)		Value Initiatives	
Project Data: 1. The planned resource requirements are greater than 1,000 hours. 2. The planned resource requirements are greater than 1,000, but less than 5,000 hours. 3. The planned resource requirements are greater than 5K, but less than 15K hours. 4. The planned resource requirements are less than 15K hours.		Value Initiatives	Project Initiatives
Process: 1. The business processes and applications are similar to your chosen application. 2. The business processes and applications are similar to your chosen application. 3. One business process is new and requires an approach that is different.		Value Initiatives	Project Initiatives
From Technology Initiatives: 1. The resources do not require specific knowledge to successfully complete the project. 2. The resources do not require specific knowledge to successfully complete the project. 3. The business process is new and requires an approach that is different.		Value Initiatives	Project Initiatives
Other Initiatives: 1. The project does not require specific knowledge to successfully complete the project. 2. The project does not require specific knowledge to successfully complete the project. 3. The business process is new and requires an approach that is different.		Value Initiatives	Project Initiatives
Total IRI Project Score: 100			

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I-c Project Charter

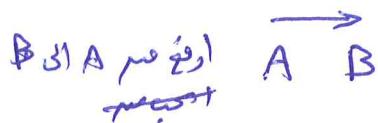
مقدمة المشروع

- A project charter is a document that formally recognizes a project, includes a problem statement, project objectives, benefits, process owners, and a project sponsor or a champion.
- Project purpose or justification
- Project objectives
- Project success criteria
- Project description
- Project risks at a high level
- Key milestones
- Budget information

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1-C Project Charter

- High level requirements of the project
- Project approval requirements
- Roles and responsibilities of the project manager and the project team
- Level of authority of the project manager
- Sponsor and authorizing persons of the project charter

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2 - PM selection

- The challenges for an organization to recruit effective project managers include:
 - Ensuring that only qualified individuals are assigned to project management positions.
 - Ensuring that an internal policy is designed, instituted, and followed to foster professional growth and development of such project management positions.
 - Providing proper authority and accountability to project managers.
 - Providing necessary management support.
 - Ensuring that necessary resources are available for projects.

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PM characteristics

Personal الشخصية

- Is honest and has integrity
- Assertive and confident
- Friendly and optimistic
- Enthusiastic and motivated
- Has a high energy level
- Has a sense of humor

Professional الخبرات

- Able to work under uncertainty
- Adaptable to situations
- Well organized
- Understands business issues

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2 - PM characteristics

Relational الاجتماعي

- Team player
- Good written and oral communication skills
- Able to listen actively
- Able to present outcomes effectively
- Able to work effectively in teams
- Able to be a facilitator
- Respected by others
- Patient and shows perseverance
- Able to motivate and bring out the best in others

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2 - PM Skills

Relational.

- Satisfying end user and customer requirements
- Performing flawlessly *صواب*
- Satisfying a myriad of technical performance criteria
- Being user friendly and cost effective
- Designing and implementing with quality
- Providing great value to an organization, its suppliers, and its customers
- Making sure that products are easily maintainable and services are easily accessible

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PM qualifications

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- Ability to plan project activities effectively
- Ability to schedule meetings, take copious notes, distribute meeting notes, and communicate effectively in meetings
- Good people skills
- Knows how to solve disputes
- Knows how to deal with people from varied cultural and technology backgrounds
- Knows how to motivate team members to achieve milestones
- Ability to manage scope and ensure that the project scope does not grow beyond negotiated requirements
- Great attitude and enthusiasm

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PM qualifications

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- Ability to manage change and exceptions in projects effectively
- Ability to build teams
- Ability to maintain stakeholder satisfaction, especially customer satisfaction
- Ability to monitor and control all the six factors of success
- Very familiar with financial and budgeting processes
- Manages time well
- Trained in project management principles

التركيز
Focus
التجدد
Directed
الرعاية
Nurtured
التفاعل
Engaged
الاتصال
Connected
القيمة
Valued

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Project Team

- 3 -
- The size of a project team depends upon the size, the complexity, and the duration of a project.
 - The scope of a project will determine the composition of the team.
 - Technology employed in projects also determines the project team member selection.
 - High visibility projects with big budgets may involve project managers with many dedicated team members from various functions.

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3 - Project Team

- These big projects have to be equipped with team members with technical, functional, administrative, business, and financial skills.
- Functional skills include knowledge in various functions inside the organization as well as processes, practices, and procedures.
- Business skills may include contract management, marketing skills, financial, cost accounting, and other skills that are needed to run the business portion of a project.

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④ Stakeholder analysis

- Stakeholder characteristics
- The positions that may be taken by the stakeholders that includes whether they are for or against the project
- Level of interest of the stakeholders in the specific project
- Level of influence of the stakeholders in the organization
- Association of the stakeholders with the members of upper management
- Potential alliances of stakeholders with other stakeholders

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4 - Stakeholder analysis

- Possible support by stakeholders for any changes in the project
- Ability to affect the project policies through power and/or leadership
- Ability to help the project team eliminate potential obstacles
- Ability to help mitigate the project risks

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4 - Stakeholder register

ID	Stakeholder	Roles and Expectations	Influence level	Level of Interest
A	Project Sponsor or Project Champion	CIO; Looks for value, profits, and ROI in projects; Expects that the project is beneficial to the firm	High	High
B	CFO	Looks for IRR payback and overall profits of the organization; Expects to meet the scope, budget, and schedule	High	Neutral
C	Functional Manager 1	Looks for the most popular projects to allocate resources to; Expects to use resources efficiently	High	Neutral

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4 - Stakeholder register

ID	Stakeholder	Roles and Expectations	Influence level	Level of Interest
D	Functional Manager 2	Looks for the performance of the project; Interested in quality of the project	Neutral	Neutral
E	Customer 1	Looks for the best value for the money	High	High
F	Customer 2	Looks for the quality of the delivered project	Low	High
G	Users	Look for ease of use and doing their jobs with minimum effort	Neutral to high	High
H	Project Management Office	Policies have to be followed; CEO and CFO are in favor of the this office	High	High

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4 - Stakeholder register

ID	Stakeholder	Roles and Expectations	Influence level	Level of Interest
J	Project Manager and Project Team	Young, energetic, and optimistic crew; PM is knowledgeable about project management techniques	High	High
K	Public	Does not care about this project; Not a very high-profile project	Low	Low

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5 - Requirements gathering

- A requirement is a capability of a system, product, or service to include the quantified and documented needs and expectations of the sponsor, customer, and other stakeholders

- Tools used: الأدوات المستخدمة

- Brainstorming
- Delphi technique
- Mind mapping
- Affinity Diagrams
- Interviews, Focus Groups
- Facilitated workshops, and Nominal Grouping Technique

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5 - Requirements gathering

- Joint Application Design/Development (JAD) is a process used in prototyping to collect requirements while developing new information systems.
- Joint Requirements Planning (JRP) is a structured group meeting of stakeholders to gather requirements by actively involving the stakeholders to replace individual interviews.
- Document analysis is a technique used in creating requirements from "as-is" process documents.

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Requirements gathering

- A use case is a technique used in software projects to document the potential requirements of a new system or software by conveying how the system should interact with the end user or another system to achieve a specific business goal graphically.
- Interface analysis reviews various points where two or more systems interact with each other.
- A prototype is a sample or a model built usually to test a concept, a process, a system, or a product.

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Requirements gathering

- The Requirements Traceability Matrix is a table captured to map all the requirements of all stakeholders in order to track them until the project is complete.

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Project Scope

- How much can be achieved in the current project?
- When must the project be completed?
- When and for how long will resources (people, facilities, equipment, etc.) be available?
- Project scope description
- Project acceptance criteria
- Project deliverables
- Project exclusions and constraints
- Project assumptions

Scope creep: Scope creep is the addition of scope after it is defined in the scope document.

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