

REMOTE DEPOSIT CAPTURE PROJECT

Part 1: Project Integration Management

Recently, several banks have started offering customers remote deposit capture. With this new service, customers do not have to physically go to banks or ATM machines to deposit checks anymore. Instead, they can send checks as a scanned image through an Internet portal provided by the bank. This technology can save banks and customers time and money making the transactions. Blue Bank is considering implementing this new service. To use it, costumers need a remote capture account with Blue Bank and a special scanner to get the necessary images to make the electronic deposit. Once the account is established in the system, customers will be able to scan all of their checks anytime and anywhere by accessing the Blue Bank service through the Internet, logging in, and scanning the checks. The service should be as easy as sending an attachment in an email. Of course, this new application has to be very reliable, secure, and easy to use. It must be integrated into the current Blue Bank Web site, and the Web site must also provide the ability for customers to purchase the special scanner. Blue Bank will set up the scanner-purchasing ability with several appropriate hardware vendors and sell the devices at its physical banks as well. Blue Bank is not sure yet what to change for the scanners or service. The Web site will also provide online technical support and instructions showing customers how to set up and use the new scanner and service. Support will be provided 24/7 via the Web site and telephone.

Tasks

1. Research information on remote deposit capture. Who is using it, and how does it work? Do you think it's an important feature to provide for banking customers? Why or why not? How much do you think customers would be willing to pay for this service? Summarize your response in a two-page paper citing at least two references.
2. Several managers at Blue Bank are not sure that they should invest in remote deposit capture. The bank prides itself on being customer-oriented, having several large bank buildings, ATMs and remote bank sites in many grocery stores, primarily throughout the Midwest. Many of its customers have banked with Blue Bank their whole lives, but less than half of them use any of its current Internet banking services. The new VP of IT was hired to prepare Blue Bank for the future and to reduce the loss of younger customers who have moved to banks that are more progressive. Based on this information and research on the current banking industry, identify three potential strengths, weaknesses, opportunities, and threats that Blue Bank may be experiencing.
3. Prepare the financial section of a business case for the Remote Deposit Capture Project. Assume the project will take 6 months to complete and cost about \$500,000 (year 0 costs). Annual operating costs would be about \$150,000 per year for three years. Estimated benefits are about \$400,000 per year for three years. Use the business case spreadsheet template to help calculate the NPV, ROI, and year in which payback occurs. Assume a 6.5 percent discount rate.
4. Prepare a project charter for the Remote Deposit Capture Project. Assume the project will take 6 months to complete and cost about \$500,000. Use the project charter

template and examples of project charters in Chapters 3 and 4 as guidelines. Assume that the project sponsor will be the new VP of IT, Harold Johnson, you will be the project manager, and you will have people from marketing and IT supporting the project on a part-time basis. The VP of Marketing, Tricia Young, is also a key stakeholder in the project and head of a project steering committee formed to oversee this project.

5. You know that people will be requesting changes to the project and want to make sure you have a good integrated change control process in place. You also know that you want to address change requests as quickly as possible. Review the template for a change request form provided on the companion Web site (change_request.doc). Write a one- to two-page paper describing how you plan to manage changes on this project in a timely manner. Address who will be involved in making change control decisions, what paperwork/electronic systems will be used to collect and respond to changes, and other related issues.

Part 2: Project Scope Management

The project steering committee has asked you to put together your project team. They suggest that you have two people from IT, two from marketing, and one person from the purchasing department all working part-time on the project. As always, you will need the services from Code Corp., the software company that has developed the entire Blue Bank Web site. Code Corp. has people working in several different countries, mostly in a virtual environment. The main contact with that company is Christian Jones. Since this new remote capture service requires the use of a special scanner, you will need to compare different scanners on the market right now. For this reason, you will be working with DevAn, a devices analysis consulting firm based in India that will help you determine which scanners to use with the new application. Alexandra will be the DevAn consultant assigned to you. An initial estimate suggests that one half of the budget will go to outsourced software and consulting services.

Tasks

1. Develop a scope statement for the project. Use the template file and the example in Chapter 3 as guides. Be as specific as possible in describing product characteristics, requirements, and deliverables.
2. Develop a work breakdown structure (WBS) for the project. Break down the work to level 2 or level 3, as appropriate. Use the template file and samples in Chapters 3 and 5 as guides. Print the WBS in list form as a Word file. Be sure to base your WBS on the project charter, scope statement, and other relevant information.
3. Use the WBS you developed in Task 2 above to create a Gantt chart in Project 2007 for the project. Use the outline numbering feature to display the outline numbers (click Tools on the menu bar, click Options, and then click Show outline number). Do not enter any durations or dependencies. Print the resulting Gantt chart on one page, being sure to display the entire Task Name column.
4. Develop a strategy for scope verification and change control for this project. Write a two-page paper summarizing key points of the strategy.

Part 3: Project Time Management

One of your duties as the project manager is to lead your team in developing a schedule. Mike and Sophie are the information technology professionals. The marketing professionals are Carlos and Joanna, and John is the purchasing specialist. Don't forget that you have only six months to complete the project and a budget of \$500,000. Dorian, the project sponsor, had told you that it is important to finish on time and within budget, but it is even more important to provide a high-quality service and avoid any potential technical or user problems after implementation. Blue Bank wants to attract new customers with remote deposit capture and avoid losing current customers, so quality and customer service is key. The team decides to focus on key milestones in developing the schedule, being sure that suppliers know their roles on this project and that adequate testing is done.

Tasks

1. Review the WBS and Gantt chart you created for Tasks 2 and 3 in Part 2 above. Propose three to five additional activities you think should be added to help you estimate resources and durations. Write a one-page paper describing these new activities.
2. Identify at least eight milestones for this project. Write a one-page paper describing each milestone using the SMART criteria.
3. Using the Gantt chart you created for Task 3 in Part 2 above, and the new activities and milestones you proposed in Tasks 1 and 2 above, estimate the task durations and enter dependencies, as appropriate. Remember that your schedule goal for the project is six months. Print the Gantt chart and network diagram.
4. Write a one-page paper summarizing how you would assign people to each activity. Include a table or matrix listing how many hours each person would work on each task. These resource assignments should make sense given the duration estimates made in Task 3 above.
5. Assume that your project team starts falling behind schedule. Describe strategies for making up lost time and avoiding schedule slips in the future.

Part 4: Project Cost Management

Harold Johnson is worried about the cost, so he has asked you to review the existing cost estimate to get a solid cost baseline to evaluate performance. Recall that your budget goal is \$500,000 for the six-month project. Also remember from previous projects that even though Code Corp. is a very reliable company, you need to work closely with them to ensure all requirements are being integrated into the software and that the project is kept on track. You need to work with DevAn to define and test scanners to ensure the application will be compatible with the devices. You also need to set up contracts with the selected scanner manufacturers to provide the scanners to customers when the remote capture software is implemented.

Tasks

1. Prepare and print a one-page cost estimate for the project, similar to the one provided in Figure 7-1 in Chapter 7. Use the WBS you created earlier, modified, if needed, to make sure you are including outsourced hardware and labor costs. Be sure to document assumptions you make in preparing the cost estimate. Assume a labor rate of \$60/hour for the project manager and \$50/hour for other project team members. Assume twice those numbers for outsourced labor.
2. Using the cost estimate you created above, prepare a cost baseline by allocating the costs by WBS for each month of the project.
3. Assume you have completed three months of the project. The BAC was \$500,000 for this six-month project. Also assume the following:
PV= \$250,000
EV= \$230,000
AC= \$300,000
Using this information, write a one- to two-page report that answers the following questions:
 - a. What is the cost variance, schedule variance, cost performance index (CPI), and schedule performance index (SPI) for the project?
 - b. Use the CPI to calculate the estimate at completion (EAC) for this project. Use the SPI to estimate how long it will take to finish this project. Sketch an earned value chart using the above information, including the EAC point. See Figure 7-5 as a guide. Write a paragraph explaining what this chart shows.
 - c. How is the project doing? Is it ahead of schedule or behind schedule? Is it under budget or over budget? Is it way off track or not? Should you alert your senior management and ask for assistance? Should you talk to your sponsor before the meeting to discuss this data?
4. You notice that several of the tasks that involve suppliers have taken longer to complete and cost more than planned. You have talked to the people in charge of those areas several times, but everyone says they are doing the best they can. Write a one-page paper describing corrective action you could take to address this problem.

Part 5: Project Quality Management

The Remote Deposit Capture Project team is working hard to ensure that the new system meets expectations. Even though you have a detailed scope statement, schedule, and so on, you want to be sure that the project will please key stakeholders, in particular Harold, the project sponsor, and Tricia, the VP of Marketing. Both of these senior managers are very aware of customers' needs, so it is important that the new service is stable, secure, and easy to use. They both want the remote deposit capture capability to be ready as soon as possible so the company can start promoting this new service. You know that you cannot meet the schedule goal and provide a high quality service. You also think you will need additional funds since both suppliers have spent more than planned already, and you are only halfway into the project.

Tasks

1. Develop a list of quality standards or requirements related to meeting the stakeholder expectations, focusing on both senior management and customer expectations. Provide a brief description of at least four different requirements. For example, a requirement might be that the new feature is available 24 hours a day, 7 days a week, and that the time it takes to properly scan one check is less than ten seconds.
2. You have decided to expand the testing program to observe several potential customers using early versions of the system to get their feedback. Write a one- to two-page paper describing how this testing might work. Try to find information on how real companies get customer feedback such as this.
3. After analyzing results of early customer testing of the new system, you decide to create a Pareto diagram to easily see what problems or suggestions users reported. Use the template for a Pareto diagram and the following information to create it.

Problems/Suggestions	# of Times Requested
Make showing check scanned image the default	18
Allow scanning multiple checks at once	30
No confirmation message after scanning check	15
Show simple checkbox to select account to make deposit into	25
Show running total for all checks scanned	9
Add video/animation for instructions	3

Part 6: Project Human Resource Management

You want to make sure that the final testing of the remote capture software goes well. You will have people from your project team and both suppliers involved in the testing. You need to clarify who needs to do what, and you need to provide proper motivation for everyone involved, including the testers. Recall that the team members include you (project manager), Mike and Sophie (IT department), Carlos and Joanna (marketing), John (purchasing department), Christian (Code Corp.), and Alexandra (DevAn). Assume you also have 20 customers involved in the final testing of the software, with five of them on-site and the rest testing remotely from their home or work Internet connections.

Tasks

1. Prepare a responsibility assignment matrix based on the following information: The main tasks that need to be done for final customer testing are:
 - a. determine the demographics for the customer testers
 - b. find the testers
 - c. develop the test
 - d. prepare the facilities for the on-site testing
 - e. create the survey and other methods for getting customer feedback

- f. analyze the results

Prepare a RACI chart to help clarify roles and responsibilities for these customer-testing tasks. Document key assumptions you make in preparing the chart.

2. Senior management has asked you to plan for the support required in the first year for the remote capture system after the project is completed. Assume that there will be two phone service people working 24-7 all year, one person providing online support 24-7 all year, four marketing people working on promotions full-time the first six months, two marketing people working on promotions the last six months, and one internal IT person providing technical support half-time all year. Create a resource histogram, similar to the one in Figure 9-6, based on this information.
3. The marketing people are having problems deciding on a promotional strategy for the new remote capture service. The two people responsible for the campaign simply cannot agree on an approach. One wants to focus primarily on an online campaign, while the other thinks a more traditional approach (having people on-site at the various banks the first week the service is available, giving away free scanners at various banks, having radio and television advertising of the service) is best. You tried meeting with them both together, but it's clear that neither of them wants to give up his/her idea. Write a one-page paper summarizing the actions you could take the way you could work with the key people involved. Be sure to address how you would understand each person's point of view while creating a realistic solution.

Part 7: Project Communications Management

You are in the fourth month of the project and several issues have arisen. Christian, from Code Corp. said that their initial labor estimate was too low because you did not provide complete specifications or mention their involvement in the final customer testing. Everyone thought that the remote capture application would be easy to develop, but now Code Corp. increased its cost estimate by \$100,000. John, the purchasing specialist, does not like the main scanner supplier selected and went straight to the project sponsor to voice his opposition. He said that recent negative press against that company would not sit well with many of the bank's conservative customers. You know that by changing the main scanner hardware, Code Corp. would have to do even more coding, increasing the cost again. Mike, one of the information technology specialists, came and told you that he feels overwhelmed on the project and doesn't understand all the work the suppliers are doing. As project manager, you have been getting short, weekly status reports from all of your team members and suppliers, but many of them did not address challenges people are obviously facing.

Tasks

1. Create an issue log for the project. List at least three issues and related information based on the scenario presented.
2. In addition to written weekly status reports, what else might you suggest to improve project communications? Summarize your ideas in a one-page paper.

3. Since many of the Code Corp.'s people work in other countries and in a virtual environment, they are used to coding applications that are very well defined and communicated by non-face-to-face methods. Research best practices for communications in this type of environment. Summarize your findings in a one- to two-page paper, citing at least two references.
4. Write a one- to two-page paper describing how you might approach two of the conflicts described above. Explain the conflict-handling mode you are suggesting and why you think it would work.

Part 8: Project Risk Management

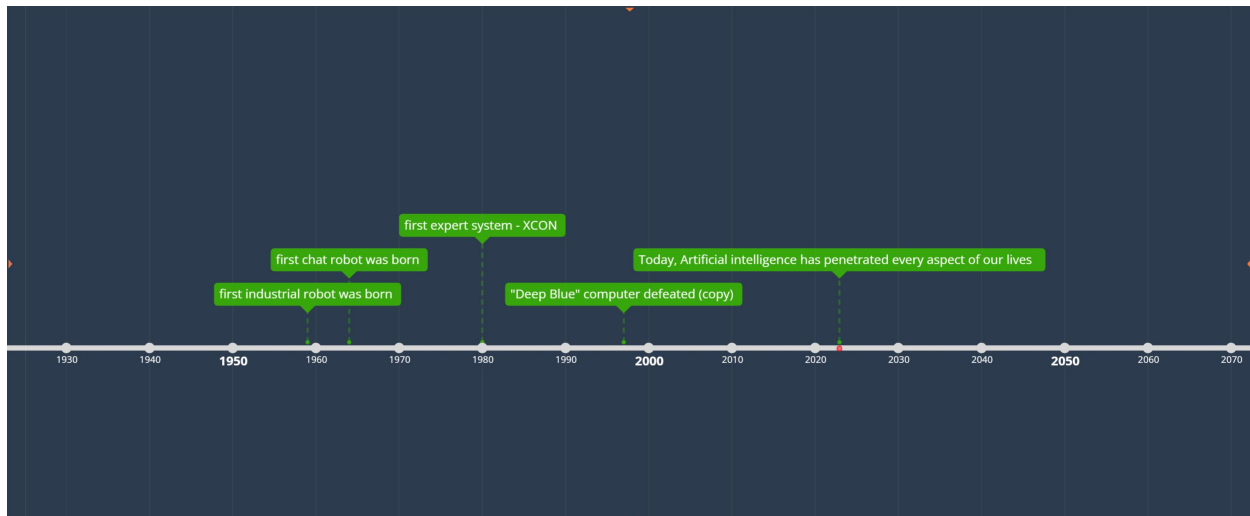
Since several problems have been occurring on the Remote Deposit Capture Project, you have decided to be more proactive in managing risks. You also want to address positive and negative risks.

Tasks

1. Create a risk register for the project, using Table 11-6 as a guide. Identify six potential risks, including at least two positive risks.
2. Plot the six risks on a probability/impact matrix, using Figure 11-6 as a guide. Assign a numeric value for the probability of each risk, and its impact on meeting the main project objectives. Use a scale of 1 to 10 to assign the values, with 1 being lowest and 10 being highest. For a simple risk factor calculation, multiply these two values (the probability score and the impact score). Enter the new data in the risk register. Write your rationale for how you determined the scores for one of the negative risks and one of the positive risks.
3. Develop a response strategy for one of the negative risks and one of the positive risks. Enter the information in the risk register. Write a separate paragraph describing what specific tasks would need to be done to implement the strategy. In addition, include time and cost estimates for each strategy.
- 4.

Part 9: Project Procurement Management

After the last monthly progress review meeting, senior management approved adding \$100,000 to the budget for the project, primarily after hearing about complaints from Code Corp. on having incomplete requirements and the problems with the main scanner supplier. Harold, your project sponsor, was not happy with this increase in costs, and he suggested that you add additional clauses to all contracts before providing additional money to any of the suppliers. He wanted to prevent any future contractual problems and try to avoid more overruns. You have also decided to try to get DevAn, the devices-analysis consulting firm, to redo part of its work since it recommended a scanner supplier with obvious business ethics problems.



Tasks

1. Research information on contract clauses, especially those that provide incentives for the supplier or seller to complete high-quality work at a reasonable price and prevent them from being paid when they do not deliver useful goods and services. Use your imagination to write what you believe would be a reasonable contract clause to both parties. Write a one- to two-page paper with your findings and opinions, and describe two particular contract clauses that might help in this situation.
2. Blue Bank needs to hire more purchasing specialists, especially people who have experience working with foreign suppliers on technical projects. Write a one-page position description for a new purchasing specialist. Be specific in terms of educational and work experience requirements, personal traits, and so on. Include a requirement that this person work closely with project teams to help them know when contractors are not living up to expectations, how they can provide evidence to support their claims, and what they can do to prevent this type of problem from occurring.
3. Prepare a lessons-learned report for what you may have learned so far as project manager for this project. Use the template provided on the companion Web site and be creative in your response.