WHAT ARE SOME OF YOUR CHALLENGES?
WHY PROJECTS ARE SUCCESSFUL

- User Involvement
- Executive Support
  
  *Project Sponsorship*
- Project Manager
  
  *Project Fundamentals & Leadership*

“When a project fails, it’s rarely technical.”

Jim Johnson
The Standish Group
AGENDA

- Setting the Project Structure
- Vetting the Plan
- Monitoring and Controlling
SETTING THE PROJECT STRUCTURE

PROJECT LIFECYCLE

Strategy Planning & Budgets | Project Lifecycle | Production Lifecycle | Retirement

Project Phases:
- Initiate
- Plan
- Execute
- Implement
- Close
GOVERNANCE

- Project oversight is about good governance
- Good governance sets the stage for a successful project
SOME KEY DIFFERENCES …..

- **Project environment**
  - It is a change of the status quo
  - Time limited (defined start and end dates)
  - It has a budget
  - Typically has dedicated skilled resources (proven ability)
  - Distinct phases and deliverables
  - Specific outcome tied to a commitment
  - Task focus

- **Line environment**
  - Long-term support of company strategy
  - Employee development & growth
  - Doing as much as can be done within a given budget year
  - Service-minded
  - Directional focus
  - Operational in nature
A Typical Project Organization Structure

FUNCTIONAL SUPPORT
- Contracts
- Training
- Human Resources
- Project Office
- Architecture Group
- Other

PROJECT SPONSOR

PROJECT STEERING COMMITTEE

Project Oversight

PROJECT MANAGER

BUSINESS LEADER

TECHNICAL LEADER

Subject Matter Expert(s) (SME)

THIRD PARTIES
- Vendor
- Regulator
- Customer

Project Team

Ethier Associates
Organizational Structure Comparison

PROJECT ORGANIZATION

CEO / CHAIRMAN

PRESIDENT or COO

VP

VP

COMPANY ORGANIZATION

BOARD

STEERING COMMITTEE

PROJECT SPONSOR

PROJECT MANAGER

BUSINESS LEADER

TECHNICAL LEADER
Roles and Responsibilities

**Sponsor**
- Project governance
- Business outcomes
- Business value

**Project Manager**
- Execution
- Scope, Schedule & Budget

Effective Working Relationship
Remember that as a Sponsor, your Project Manager must be your best ally
Take time to build the relationship
Make sure the project manager is in tune with your needs
Ensure you have the necessary confidence in your project manager
The Sponsor is usually the senior person from the company’s business area for whom the solution is being implemented and will most likely be the major recipient or beneficiary of the derived business benefits.
SPONSOR RESPONSIBILITIES

- Sets the vision
- Chairs the Steering Committee
- Selects Steering Committee members
- Appoints the project manager
- Approves project budget and plan
- Monitors project execution
- Deals with escalated issues and changes to the plan
- Champions the project in the organization
- Provides project governance
A Good Sponsor Is ……

Committed

Empowered

Business Focused

Credible

Communicator

Consistent

Decisive

Demanding

Mine Sweeper

Visionary

A Good Sponsor Is ……
STEERING COMMITTEE

ROLE

- Members of the SC, assist the Sponsor with his/her duties
- Stakeholders are usually present or at least adequately represented on the SC
- The SC provides project governance
Members of the SC, through the Sponsor, provide high level business and technical guidance, direction and advice to the Project Manager so as to ensure the project delivers the maximum overall benefit to the company.
STEERING COMMITTEE CONSIDERATIONS

- Project size, reach and impact
- Risk
- Knowledge
- Authority
The PM is responsible for planning, leading, organizing, directing, monitoring and controlling the project execution along with delivering a quality result on time and within budget according to the parameters set out in the project plan and any subsequent approved changes to the scope, schedule and budget.

The PM reports to the Sponsor.
PROJECT MANAGER
RESPONSIBILITIES

- Develops the project framework
- Develops the work plan
- Determines resources, schedule and budget
- Obtains approval for the baseline plan
- Manages and controls the project execution
- Provides regular progress updates
**PROJECT MANAGER RESPONSIBILITIES**

**Plan a Project**

<table>
<thead>
<tr>
<th>Project Framework</th>
<th>Develop Work Plan</th>
<th>Resource Requirements</th>
<th>Develop a Schedule</th>
<th>Prepare Budget</th>
<th>Develop Project Controls</th>
<th>Approve &amp; Baseline Plan</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Identify Stakeholders</td>
<td>• Specify Activities and Tasks</td>
<td>• Determine Personnel Resource Requirements</td>
<td>• Assign Tasks to Resources</td>
<td>• Establish Project Standards</td>
<td>• Establish Project Reporting</td>
<td>• Document Issue Resolution Process</td>
</tr>
<tr>
<td>• Determine Objectives</td>
<td>• Determine Best Estimate</td>
<td>• Determine Hardware/Software Requirements</td>
<td>• Put on Calendar w/ Milestones</td>
<td>• Document Change Mgmt Process</td>
<td>• Define Scope</td>
<td>• Identify Constraints</td>
</tr>
<tr>
<td>• Define Scope</td>
<td>• Determine Order of Tasks</td>
<td>• Determine Space, Other Requirements</td>
<td>• Identify Stakeholders</td>
<td>• Determine Approach</td>
<td>• Develop Key Deliverables</td>
<td>• Develop Risk Management Plan</td>
</tr>
</tbody>
</table>

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20

**Ethier Associates**
PROJECT MANAGER
SKILLS

- Project management competencies
- Leadership
- Communication
- Track record
PROJECT MANAGER
SKILLS

Project management competencies

- Planning
- Estimating
- Organizing
- Delegating
- Decisive
- Judgment
- Interpersonal
- Tools
- Track record
- Business savvy

Professional designation?
Leadership skills/styles

- Collaborative
- Demanding
- Fair
- Consistent
- Situational
- Teamwork
- Honest

Learning experience?
Excellent and mature communication

- Verbal
- Written
- Presentation
- Concise
- Clarity
- Unambiguous
- Accurate, honest and complete
- Audience sensitive
Track record

- Previous experience on similar projects
- Success and failures

Subject matter expertise?
PROJECT MANAGER
ATTRIBUTES

- Initiative
- Motivation
- Perseverance
INITIATE PHASE
ESSENTIAL QUESTIONS

Establish the relative priorities

Schedule
Scope
Cost
INITIATE PHASE
ESSENTIAL QUESTIONS

Project Reviews

- Set up
- Progress
- Lessons
- Use them
- Plan for them
INITIATE PHASE
ESSENTIAL QUESTIONS

- Is the vision clear?
- Is my organization structure correct?
- Are the roles defined?
- Are the responsibilities clear for each role?
- Do I have the right project manager for the project?
- Do I have the right skills and knowledge represented on the steering committee?
- Are the lines of communication between roles clear and understood by everyone?
- Are there any conflicts of interest?
- Do I have confidence in the project manager?
- Do I trust the project manager?
- Have I delegated the right authority to the project manager?
- Does the delegated authority align with the project manager’s responsibilities?
- Is the budget and timeframe reasonable?
- Do I understand what success looks like?
- Is the project positioned for success?
- Will I fulfill my role expectations and responsibilities towards the project for the duration of the project?
- Should I instruct the project manager to plan for a project review?
VETTING THE PLAN
VETTING THE PROJECT PLAN

Project Lifecycle

- Strategy Planning & Budgets
- Production Lifecycle
- Retirement

Project Phases

- Initiate
- Plan
- Execute
- Implement
- Close
VETTING THE PLAN

TIPS:

- Ask lots of questions
- Get answers from the Project Manager that make you feel comfortable

Things to watch for...
VETTING THE PLAN

● Vision
  ◆ Who?
  ◆ Why? (Decisions, Focus, Commitment)
  ◆ Unambiguous?

● Scope
  ◆ S.M.A.R.T. (Specific, Measurable, Agreed, Realistic, Time-boxed)
  ◆ Include, exclude, dependencies, completeness?
  ◆ Is Scope controllable?
  ◆ Will we know we are done?

Watch for “Miracles”
VETTING THE PLAN

- **Objectives**
  - Explicit, Measurable, What you need?

- **Deliverables**
  - Measurable, Comfort

- **Slack time or float**
  - What is it?
  - Why have it?
  - How much?
VETTING THE PLAN

- Contingency
  - What is it?
  - How much?

- Approach
  - Alternatives considered

- Decision points and Exposure
  - How much time
  - How much money

- Estimates
  - Who was involved
  - Understand how estimates were arrived at
  - Optimistic or pessimistic or reasonable
  - Task duration

- Dependencies
VETTING THE PLAN

- Resources
  - Leveling
  - Loading
  - Availability

Is it a good thing that the project manager is “doing” as well as managing?
VETTING THE PLAN

- Success
  - Define for both Project and Company

Why do you need to define success?
VETTING THE PLAN

RISKS

ASSUMPTIONS  CONSTRAINTS
VETTING THE PLAN

- Risk probabilities are ranked (H, M, L)
- Risk impacts are ranked (H, M, L)
- Mitigation plans must exist for all H, H
Challenge the project manager and pay attention to the response you get

- If uncomfortable with the response, probe further or take action until your concerns abate
MONITORING & CONTROLLING
MONITORING & CONTROLLING

- Project Baseline
  - Schedule
  - Budget
  - Scope

- Change Management process
“No Surprises”

What is meant by this?
It’s all about trends and variances
MONITORING & CONTROLLING
MONITORING & CONTROLLING

- Oil Pressure
- Engine
- Temp
- Speed
- Battery
- Transmission
- Fuel
- Windshield
- RPM
MONITORING & CONTROLLING
MONITORING & CONTROLLING

Project Financial Summary

Cumulative $ vs. Time

- Cumulative Budget
- Cumulative Cost

Plan vs. Actual

Time
MONITORING & CONTROLLING

AS OF: 23 July 20XX

WEEK ENDING

2 9 16 23 30 6 13 20 27

Analysis

Online Screens

Test & Implement

Reports

Test & Document

Project Mgmt. & Supervision

Oct

24 1
## Milestone Schedule

<table>
<thead>
<tr>
<th>Milestone</th>
<th>Planned Date</th>
<th>Revised Date</th>
<th>Actual Date</th>
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<tbody>
<tr>
<td>User Requirements sign-off</td>
<td>March 20</td>
<td>March 25</td>
<td>April 4</td>
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<tr>
<td>Plan Approved by Steering Committee</td>
<td>April 12</td>
<td></td>
<td>April 12</td>
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<tr>
<td>Detailed Design Sign-off</td>
<td>May 30</td>
<td></td>
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<tr>
<td>............................................</td>
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</table>
## Project Name

### Project Manager

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Red (R)</th>
<th>Yellow (Y)</th>
<th>Green (G)</th>
<th>Comments</th>
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<tbody>
<tr>
<td>Schedule</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope</td>
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<tr>
<td>Budget</td>
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<tr>
<td>Technical</td>
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<tr>
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<tr>
<td>Technical Resources</td>
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<tr>
<td>Project overall</td>
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</tr>
</tbody>
</table>

### Flag Definitions

**Project overall**
- One or more Red Flags
- Three or more Yellow flags.

**Technical**
- Spending within +/-10% of approved cash flow.
- Forecast project cost is >10% over budget.

**Budget**
- Issues impacting one or more of cost, schedule, complexity and quality
- No issues affecting cost and schedule.

**Scope**
- Complexity is increasing.
- Changes will not fit within the current schedule and budget.

**Technical Resources**
- Key resources are unavailable.
- Key skills/knowledge is unavailable to the project.

**Business Resources**
- Key resources are not meeting commitments of time or content deliverables.
- Some skills and knowledge is unavailable to the project.

**Schedule**
- Progress has slipped more than 15% from the approved plan.
- Project completion date has >50% probability of being missed.

**Scope**
- Some scope changes.
- Complexity unchanged.
- Can be absorbed within current schedule and budget.

**Technical Resources**
- Spending to date has deviated more than 15% from the approved cash flow.
- Forecast project cost is >15% over budget.

**Budget**
- Spending to date within +/-15% of approved cash flow.
- Forecast project cost exceeds +10% budget tolerance
- Spending within +/-10% of approved cash flow.
- Project cost within 10% budget tolerance.

**Scope**
- Issues exist.
- Resolution identified.
- Issues may impact cost and schedule.

**Technical Resources**
- Skills unavailable. Resolution in progress.
- Inadequate resources. Resolution identified.

**Budget**
- Defined and stable.
- Issues exist.
- Issues are impacting one or more of cost, schedule, complexity and quality
- Issues may impact cost and schedule.

**Technical Resources**
- Skills are unavailable.
- Inadequate resources to meet the plan.

**Business Resources**
- Project has resource levels, skills and knowledge to meet the project plan.
- Project has resource levels, skills and knowledge to meet the project plan.
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**Schedule**
- Progress within +/-15% of approved plan.
- Some interim milestones will be late.
- Final completion date will be met.

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- Progress within +/-10% of approved plan.
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Issues and Changes

- Log

- Sponsor & Steering Committee responsibilities
  - Review escalated issues
  - Resolve escalated issues
  - Timely action
Report frequency considerations

- Size
- Profile
- Risk
- Phase
- Performance
MONITORING & CONTROLLING

ESSENTIAL QUESTIONS

It’s all about trends

- Budget
- Schedule
- Forecast to completion
- Assumptions and Risks
- Issues (number, open and/or resolved)
- Scope changes (number, timing)
- Water cooler talk
IMPLEMENTATION
IMPLEMENTATION

Project Lifecycle

- Strategy Planning & Budgets
- Production Lifecycle
- Retirement

Project Phases

- Initiate
- Plan
- Execute
- Implement
- Close
IMPLEMENTATION

If you and the project manager have been fulfilling your responsibilities

- Your staff are on side and supportive
- Your staff are trained
- The project team starts dissolving and moves into a transitional support role
- The line organization takes operational ownership

...and it should be relatively seamless
CLOSING THOUGHTS

- Planning is a means to an end not an end unto itself
- Effort doesn’t disappear – it merely moves earlier or later in the project lifecycle
- Done or not done

Take time to do it right the first time, avoiding taking more time later to control damage and increase the risk to the business results.
CLOSING THOUGHTS

- If not evident (written down), assume it doesn’t exist
- Use judgment balanced with your comfort tolerance
- Be consistent in expectations
- Project manager reacting rather than anticipating
**CLOSING THOUGHTS**

What will you be doing differently?

- Ask more questions
- Expect more definitive answers
- Fulfill your role obligations
- Make sure the PM gives you what you need when you need it
- Understand what you’re given
- .....
CLOSING THOUGHTS

It’s all about – fundamentals
- Project Management Skills
- Clarifying Roles & Responsibilities
- Setting and managing expectations
- Good governance

It’s all about – leadership
- Effective relationships
- Focusing effort wisely
- Dealing with issues
- Standing up for your principles

Finally – nothing covered today should be viewed as optional for disciplined execution and consistent, predictable, successful outcomes to projects.
Project management
Business process innovation
Business systems analysis

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Business improvement through
people and technology