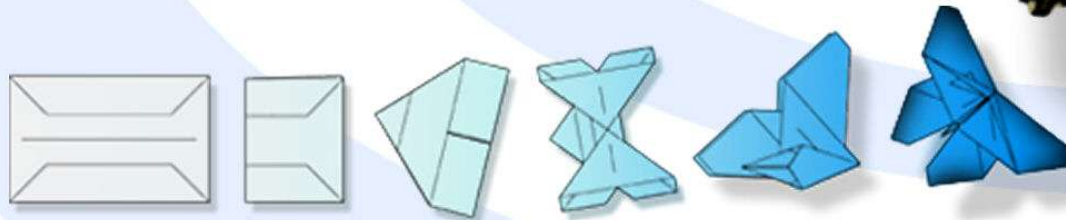




Contact to Contract

PMBOK® – Making it work

Peter Gammon
Contact to Contract



...transforming IT and technology companies

Ever heard this one?

“Every time I meet the customer I discover something new about the project.”

“Everyone seems to have different expectations.”

“It is difficult to say how far through the project we are.”

“The requirements are still evolving.”

“We are not sure what has been promised.”

“The customer wants a change but we are too busy to use change control.”



...or these?

“I am not sure when we will finish this project.”

“I am not sure who is doing what.”

“The Customer doesn't seem to understand their deadlines.”

“The project is finished apart from a bit of tidying up which we will do once we're past the panic phase.”

“Every time we do this type of project we seem to end up in this mess!”

“Every time I talk to the customer they just want one more tiny thing done.”



Project Management is important

Whether building a shed in the garden, planning a trip to the seaside, or implementing a computer system to automate the Stock Exchange, we change the world by performing projects.

Projects change the world!

Each project arises from a new and unique set of circumstances. Each IT project, over and above its technical complications, is influenced by stakeholders, resources, work methods, environments, budgets, timescales and personalities: and they are subject to change at no notice!

Every project is different

IT project management, therefore, is a difficult and demanding job. Within every project lurks the potential for disaster. At best these will lead to cost overruns, annoyed customers, and low morale. At worst they can result in disastrous losses, litigious customers, nervous breakdowns and broken careers.

Project management is a challenge!



...and the industry still gets it wrong

- The Standish Group (Chaos research) reports:
 - **31.1%** of projects will be cancelled before they ever get completed
 - Further results indicate **52.7%** of projects will cost **189%** of their original estimates
- Reasons for projects failure identified by the National Audit Office and the Office of Government and Commerce in 2002:
 - Lack of a clear link between the project and the organisation's key strategic priorities, including agreed measures of success
 - Lack of clear senior management and ministerial ownership and leadership
 - Lack of effective engagement with stakeholders
 - Lack of skills and proven approach to project management and risk management
 - Lack of understanding of, and contact with, the supply industry at senior levels in the organisation
 - Evaluation of proposals driven by initial price rather than long-term value for money (especially securing delivery of business benefits)
 - Too little attention paid to breaking development and implementation into manageable steps
 - Inadequate resources and skills to deliver the total portfolio



Most IT & Technology PM professionals are not properly certified

- A survey we conducted in 2003 with the Industry body INTELLECT showed that of the companies interviewed, only 42% of project managers were accredited
- Of the companies interviewed, 48% use a “home grown” methodology
- Those who are accredited only use a part of the theory and methodology in the workplace
- Countries have local accreditation bodies (such as Prince2 in the UK, which is commonly used by the public sector)
- There has traditionally not been a single global standard for project management accreditation
- Empirical observation suggests that most project managers are “accredited by the Institute of Life”



PMI is the emerging world standard for certification

- The Project Management Institute (PMI) is a worldwide professional body for project management, based in Philadelphia
 - Accreditation (to PMP – Project Management Professional) is based on experience and examination
 - Produces project management publications and information
 - Maintains knowledge and Wisdom electronic library (Knowledgebase)
 - Owns Project Management Body of Knowledge (PMBOK® – an ANSI standard)
- PMBOK® describes the sum of knowledge within the profession of project management
 - Generally accepted knowledge and practices (not intended as prescription for every project)
 - Common lexicon within the profession and practice
- PMI is becoming a true worldwide standard with an increase from 2003-2004 of
 - 21% in PMI membership – 36% outside of the USA
 - 26% in PMP accreditation

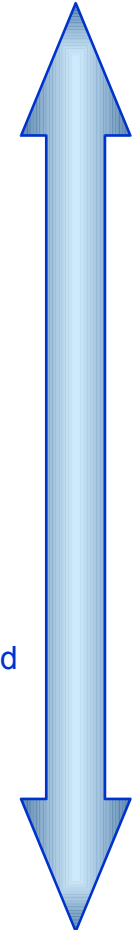


The PMI approach is based on the PMBOK®

PMI publishes the PMBOK® (Project Management Body Of Knowledge) which describes generally accepted project management knowledge and practice

Nine knowledge areas

- Project integration management
 - Processes to ensure various elements of the project are coordinated
- Project scope management
 - Processes ensure that the project includes all the elements to deliver it and nothing else
- Project time management
 - Processes to ensure timely completion of the project to accurate estimates
- Project cost management
 - Processes to ensure that the project is completed within the approved budget
- Project quality management
 - Processes to ensure that the project will satisfy the needs for which it was undertaken
- Project human resources management
 - Processes to make the most effective use of people involved with the project
- Project communications management
 - Processes to ensure timely and appropriate generation, collection, analysis, distribution and storage of project information
- Project risk management
 - Processes for identifying, analysing and responding to project risk
- Project procurement management
 - Processes for acquiring goods and services from outside the organisation to deliver the project



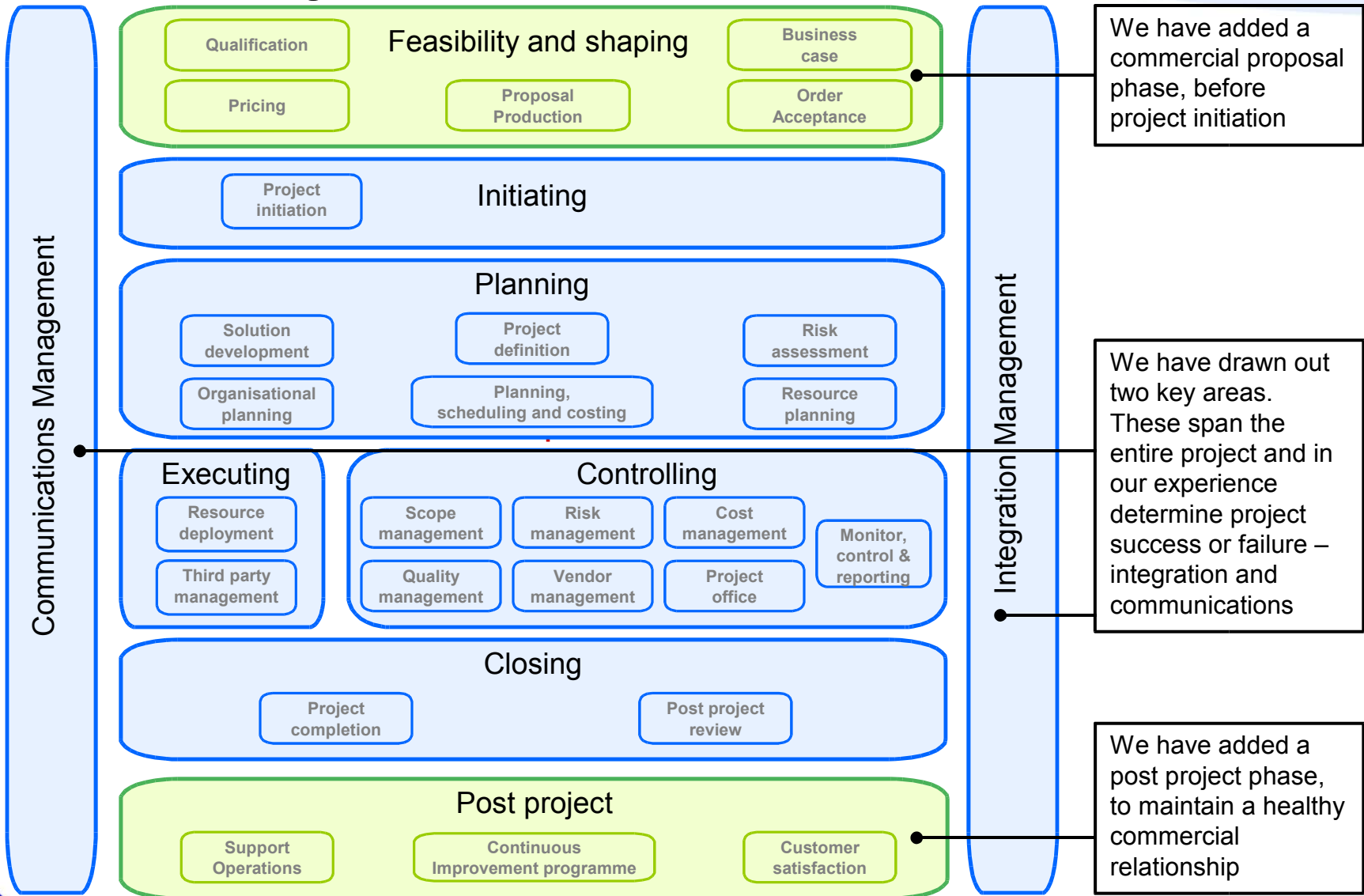
39 Processes

The PMBOK is loosely structured into five process groups

- These 39 processes can be allocated to the five PMI process groups
 - Initiating
 - Planning
 - Executing
 - Controlling
 - Closing

	Initiating	Planning	Executing	Controlling	Closing
Project integration management	→	→	→	→	→
Project scope management	→	→	→	→	→
Project time management	→	→	→	→	→
Project cost management	→	→	→	→	→
Project Quality management	→	→	→	→	→
Project human resources management	→	→	→	→	→
Project communications management	→	→	→	→	→
Project risk management	→	→	→	→	→
Project procurement planning	→	→	→	→	→

...but we have enhanced it for the IT&T industry sector



What is a project?

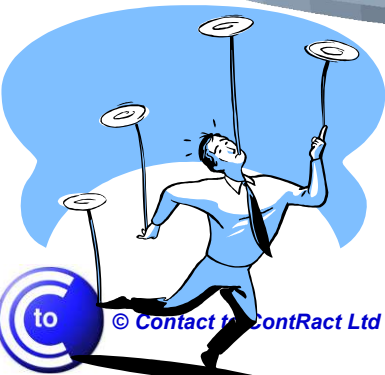
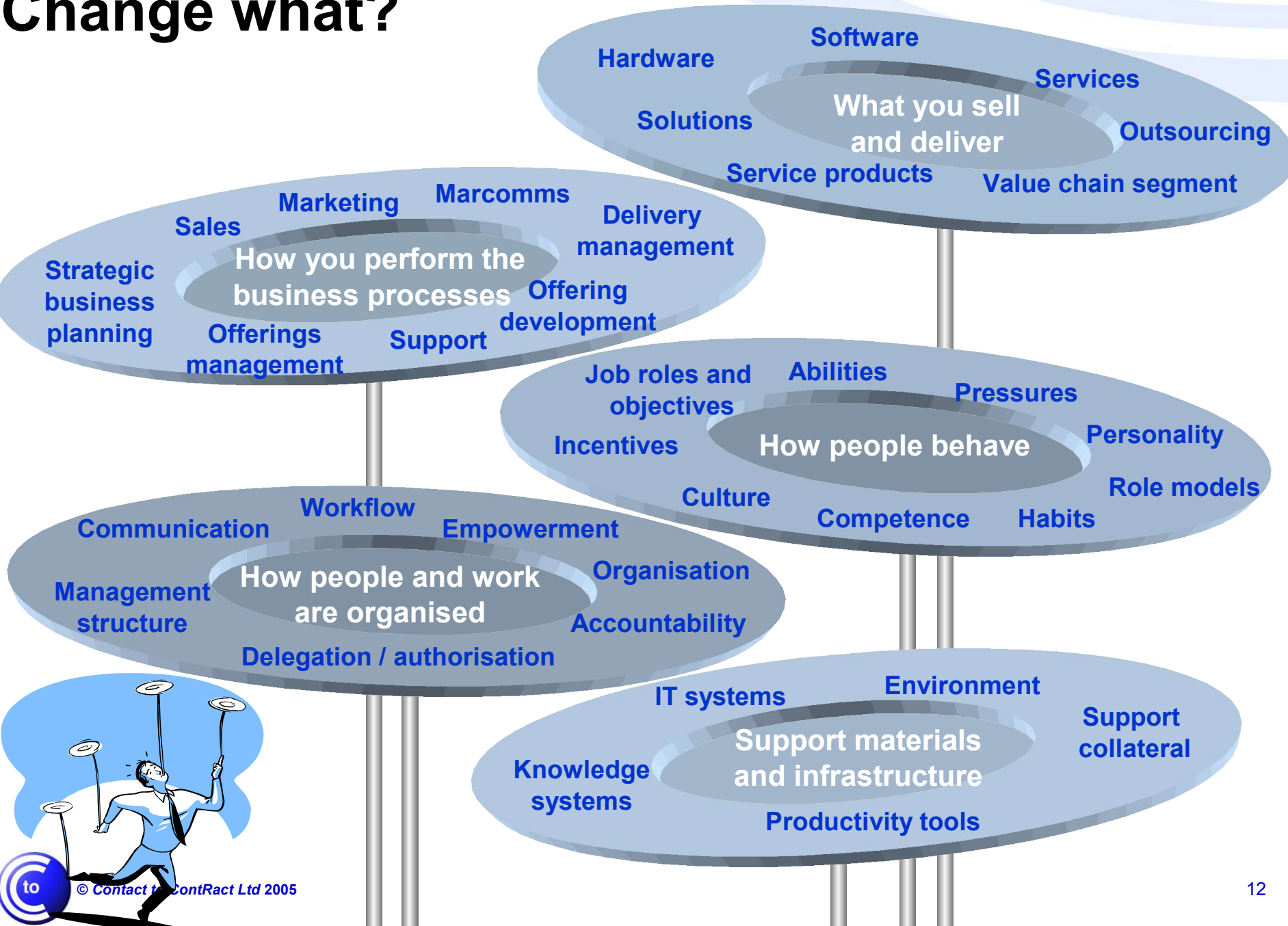
A temporary organisation to deliver unique predetermined deliverables which meet the stated objective within agreed boundaries.

Or simply...

A sequence of actions to bring about a desired change.

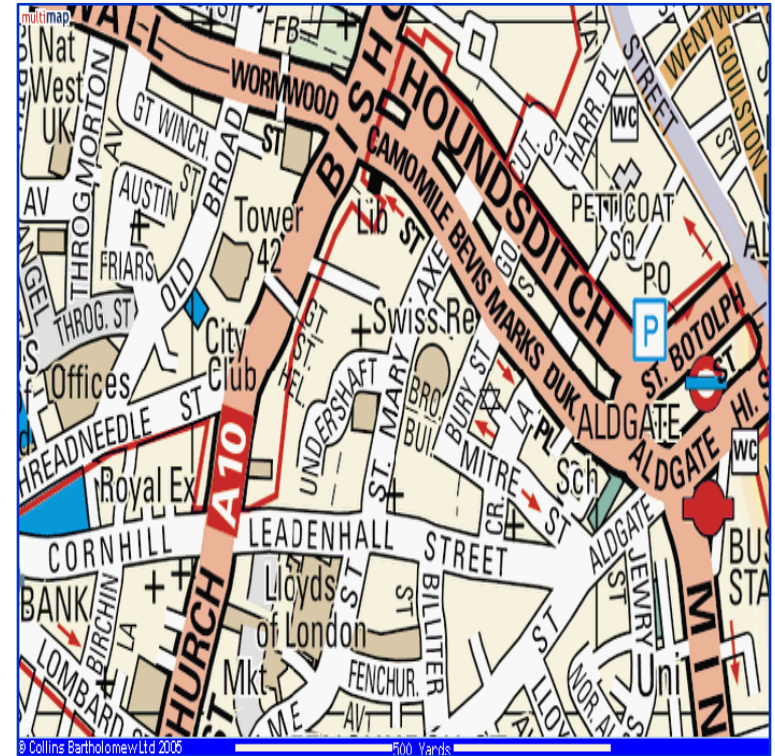


Change what?

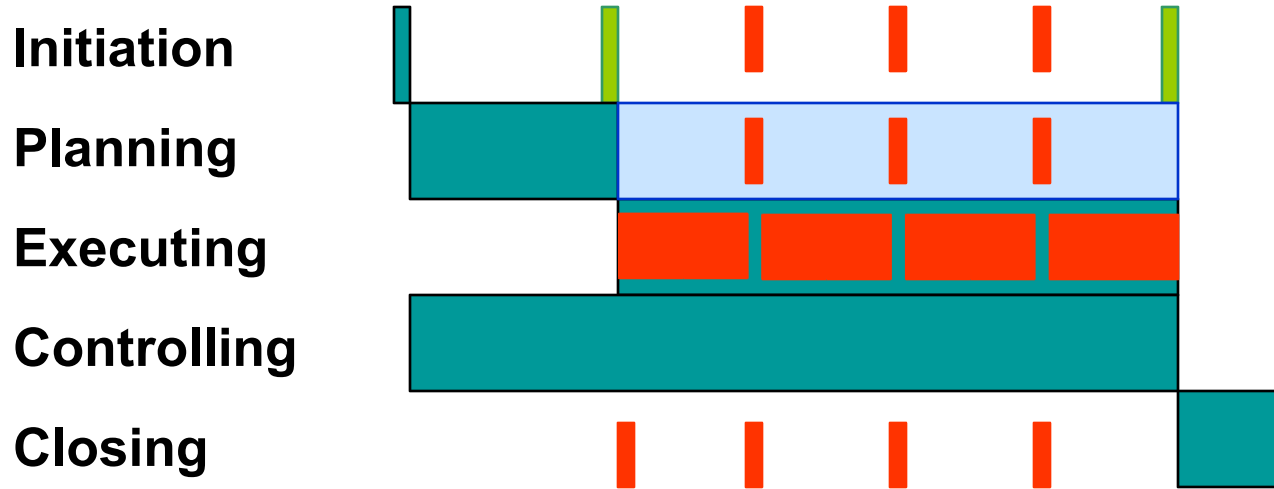


A project becomes...

- a roadmap for change
- a series of change activities
 - addressing
 - People
 - Processes
 - Tools
 - Organisation
- a vehicle to enable change



Building a project



Phased approach



Small steps to success

“One small step for man,
a giant leap for mankind”

Neil Armstrong



Building success: Initiating



- Establish the business case
 - Why are we doing it?



- Identify clear measurable objectives
 - Critical success factors (CSFs)
 - What do we want?



- Sponsorship and leadership
 - Who is our customer?



- Stakeholder management
 - Who do we affect?



- Authorised budget
 - How much are we spending?

Efficiency?
Revenue?
Quality of service?
Political?

Building success: Planning



- Identify the deliverables of the project
 - Know what is to be achieved with each activity



- Risk assessment
 - Knowing the risk and its likelihood



- Realistic estimates
 - Know what is achievable



- Clear sequence of activities
 - Know when it should happen



- Effective resources
 - With the correct skill set

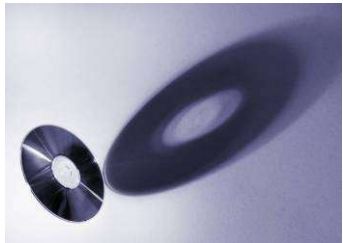


- Appropriate milestones
 - Checkpoints for progress

Building success: Executing



- Performing the activities
 - To the agreed plan



- Producing the expected deliverables
 - As identified in the project documentation



- Quality assurance
 - Gateway reviews - Does the project satisfy the CSFs?

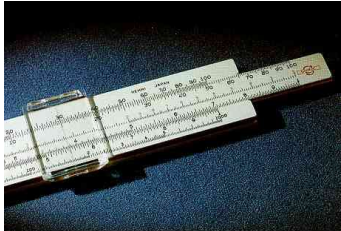


- Communication
 - Keeping the stakeholders updated

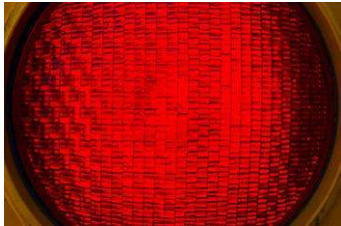
Building success: Controlling



- Verification of scope
 - Is it what the sponsor / user expects?



- Scope management
 - Change control – quality, time and cost



- Risk management
 - Addressing identified risks and identifying new risks



- Cost management
 - Controlling the cost within budget



- Schedule control
 - Determining and addressing schedule change

Building success: Closing



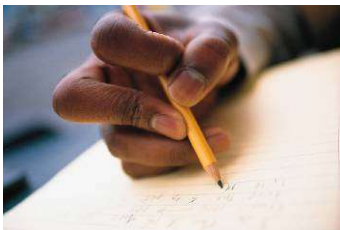
- Learning from the project
 - What was a success and what was not?



- Formalise acceptance
 - Signoff by the sponsor / user



- Filing of documentation
 - Ensure documents reflect actual results



- Documenting “parked issues”
 - Deciding whether they should now be addressed as a new project

However projects will fail

Magazines



28th January 1986
Challenger shuttle

16th January 2003
Columbia shuttle



“...driven by schedule, starved for funds and burdened with an eroded, insufficient safety programme.”

Columbia accident investigation board

Words of wisdom

- Accept that projects can fail
- Plan for success
- Monitor your success
- Recognise your achievements
- Learn from mistakes



In summary

IT projects **must**

- ✓ achieve business critical success factors
- ✓ have a phased approach
- ✓ meet user expectations
- ✓ satisfy the sponsor – quality, cost and time
- ✓ have no surprises!



IT projects **must not**

- ✗ be just a technology challenge
- ✗ continue into infinity

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