Project Management

Project Management

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Contents

1. Introduction

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Sometimes proposals need to be rejected

Assignment 1 for this unit requires you to develop a project proposal and this booklet will help you create one.

This part of this unit's ebook is designed to be guide for your first assignment. It is expected that you might read it multiple times to check you are on track whilst developing your project proposal. As part of the developing your proposal you will be asked to participate in activities that will encourage creativity whilst you conceptualise your proposal. After the first time you read this part, take some time to gather facts about existing or similar projects before you participate in the creative act of designing your own. You need will answer these questions:

- What are my first ideas for projects? (come up with several so

you have choice)
- Is there a demand for the proposals I am considering?
- How do I know there is a demand?
- What else do I know? Is doing the project feasible given the limitations?
- What don't I know? (Find out what you don't know and keep the evidence)

PRINCE2

This unit utilises a structured project management methodology called PRINCE2. A more substantial overview of PRINCE2 two will be provided later.

   At this stage you need to know that PRINCE2 is made up of four main parts, which are:

1. Themes;
2. Processes;
3. Principles, and;
4. The project environment.

One theme called, the "Business Case Theme", will influence your preparation of the project proposal.

2. Business Case Theme

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A business case helps decision-makers work out if the proposed project is justified. In other words, should the project be started, and later, as (or if) the project is being implemented the business case will help decision-makers determine if project should continue to the next stage. The Business Case Theme contains two Management Products; the Business Case (document), which is a justification for the project: and the Benefits Review Plan, which determines how to measure the returns from the project (D.Hinde: 2012. Page 104).

3. Project Proposal Objectives

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This chapter supports the development of assignment 1. Part 4.a.i. and 4.a.ii

Assignment 1 provides a background that will guide your development of a scope for your project. You will need to create an idea/concept/solution to a problem, that can be turned into a project. PRINCE2 defines a project as, "a temporary organisation that is created for the purpose of delivering one or more business products according to an agreed business case."

In very plain language, projects have:

- Clearly defined start and finish dates. They are temporary.
- They differ from conducting normal business. They are unique.

It is a common mistake among past students to develop project proposals that are inappropriate because they are more like business plans for normal ongoing operational businesses. Please avoid making this mistake.

4. Tailoring the elements of PRINCE2

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This chapter aligns with assignment 1. 4.a.iii

If you are going use PRINCE2 as a methodology, you cannot modify the principles. The principles are the core concepts that run throughout. For example; projects must be managed in stages; planners must consider experience from past projects; and project managers must ensure that stakeholders are clear about what role and responsibility they have within the project.

The themes can be adapted to suit a project. For example, if you look at the detail in the background information for assignment 1, you may notice that it does not specify that you must generate revenue from this project. Therefore, when you develop your business case there is no reason to demonstrate project benefits financially. For more detail read (D.Hinde: 2012) page 352.

Many organisations and industries have their own terminology. Adjusting the terminology from the language used by PRINCE2 to locally used language is appropriate; however, it is wise to ensure that terms being used are clearly defined, and ambiguity is minimised.

A common form of adjustment is the combining of products because not every project requires the use of all products included in PRINCE2. For example, one register used in a project might be a combination of three registers and two logs detailed in PRINCE2. Using too many products can exacerbate the administrative burden on project team members causing them to not function productively, however, the use of all products may be appropriate for a more complex or larger project.

PRINCE2 roles and responsibilities, and processes can also be adapted. For more information on the tailoring of PRINCE2 to project environments, please Read (D.Hinde: 2012) chapter 12.

5. Measuring Performance

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This chapter aligns with assignment 1. Part 4.b

What is success to you?

Success is shoes lots and lots of beautiful shoes

Success is having no goals or plans and still being happy

Success is having more money than your wife can spend

Success is a John Deere tractor with no bank loan

Success is having more beer than friends

Measuring the performance of a project can be achieved in several different ways. For example, success can relate to the *meeting of specified requirements*, or alternatively success can be measured in terms of *customer satisfaction*. PRINCE2 emphasises the meeting of specified requirements, so for now we will focus on six areas of specification (D.Hinde: 2012. Page 6). You should choose and develop all that are appropriate for your project proposal. The six areas are:

1. Cost: what is the spend relative to the budget
2. Time: how far ahead or behind is the project is relative to the schedule
3. Quality: meeting required standards that need to be identifiable
4. Scope: delivery of required products. PRINCE2 has a specific definition for a product. (You can go to weblink and scroll down to definition, to find out more)
5. Risk: qualification of certainty and consequence, and developing response plans in preparation for a potential event occurring
6. Value – benefits that may arise during or after a project. Benefits are not necessarily financial.

Determining how you plan to measure success helps with the development of the rest of the business case (project proposal). The business case as an early formal document starts to set the expectations for the project and it includes information that directly aligns with these success measures. In a way, the business case is an initial commitment to the project, it shows a preparedness to be contractually bound.

6. Corporate Social Responsibility (CSR)

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This chapter aligns with assignment 1. Part 5.a.i

The following weblink takes you to a site that explains what corporate responsibility is. Understanding CSR should help you determine the focus of your project proposal. Projects can utilise IT, Engineering and /or Humanitarian skills, as long as the outcome is improving an organisations CSR.

https://joinfantastic.com.au/blog/corporate-social-responsibility/

Note: I am not trying to promote the Franchise that own the blog (linked above). The blog simply provides a succinct summary of CSR.

Your first assignment indicates that your employer wants to be more socially responsible. Following the next link will take you to a PDF that help you determine the criteria that you will be using to establish the value of your project proposal: https://www.icaew.com/-/media/corporate/archive/files/technical/sustainability/kpi-measures.ashx

7. SWOT Analysis

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Assignment 1, Part 5.a.ii asks you to complete a SWOT for your project proposal. You can watch the following video (6 ½ minutes) to work out what a SWOT is and how to create one:

A YouTube element has been excluded from this version of the text. You can view it online here: https://cduebooks.pressbooks.pub/prince2/?p=35

Non – Monetary Value

The measurement of value is different to the measurement of project performance. In commercial environments, the value of a

project may be measured by how much additional profit the project will bring to an organisation. To measure financial value, techniques such as; return on investment; payback period; and net present value can be used. You will learn about these techniques later.

Assignment 1, requests that you develop a proposal that may not generate a monetary return. Instead of using money to measure the value of your project, you are required to develop your own measures. I would like you to reflect on what value is. This short 2 ½ minute clip might help:

A YouTube element has been excluded from this version of the text. You can view it online here: https://cduebooks.pressbooks.pub/prince2/?p=35

PRINCE2 uses terminology that may at first seem a bit confusing, because it justifies value of a project in the Business Case Theme. The term "business case" might indicate that the project is always going to be a business, and businesses are commonly associated with making money. Not all projects must make money.

8. How to create a weighted scoring model (In under 3 minutes)

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> This chapter aligns with assignment 1. 5.a.3

The video below will help you put the criteria (you created earlier) into a model so you can use it to analyse the value of your proposed project.

A YouTube element has been excluded from this version of the text. You can view it online here:
https://cduebooks.pressbooks.pub/prince2/?p=39

9. Requirements

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This chapter aligns with assignment 1. Part 6

In part 6 of your first assignment you are expected to provide broad estimates of what resources your project will require. This will include things such as, how many people will be required, will they be employees of the organisation or is there a need to get specialist help from outside the organisation. If you are planning to get specialist help, will these people be employed or contracted. In this section you can include things like, how you will manage suppliers. For example, will you have preferred suppliers with a backup in case one of your preferred suppliers is unable to deliver.

This section is also where you will be documenting any need for equipment and materials.

Your assumptions and constraints will include things such as; are you planning to ask employees to volunteer their time outside of work hours. This could save you money and reduce your costs, however it constrains when (timing) of work can be done.

Other assumptions could include that you plan to use equipment the organisation already owns, again constraints will include, the equipment may not always be available because it is being used for higher priority tasks.

10. How to estimate costs

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This chapter aligns with part 7 of assignment 1

At this initial stage of developing your project proposal you **do not** need to break the project down into individual components and cost each one, then add them all together to determine the overall cost. That sort of detail comes later when you're planning the project. For now, conceptually break your proposed project down into phases. Each phase should include an identifiable milestone at the end. You are to estimate the cost for the entire phase.

A reasonably simple technique for estimating is the three-point method (PERT). I hope you're not afraid of all the math language, because if you look through the narrative the process can be simpler than what it seems.

Start by developing 3 broad estimates for each of your phases. One estimate is to be for the most likely outcome, the second estimate is to be for a worst-case scenario, the third estimate is to be for a best-case scenario. An example of estimates is below:

(note: your phases will be more specifically labeled, as mine are written just to provide for example for the estimating process)
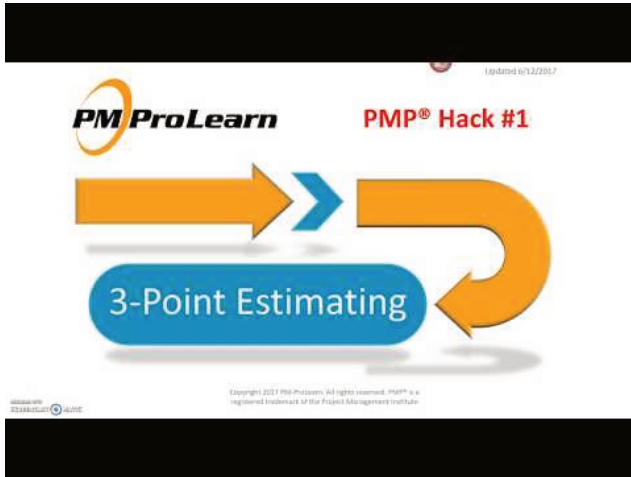
	Worst	Best	Likely
1. Getting organised and researching	$3000	$300	$1000
2. Designing and planning	$5000	$10000	$4500
3. Implementing	$30,000	$40,000	$25,000
4. Finalising			

$2000 $4000 $200

Then you are to use the following process for estimating (see clip that follows) to create a cost estimate that has a range that is 70% accurate (3% tolerance).

A YouTube element has been excluded from this version of the text. You can view it online here:
https://cduebooks.pressbooks.pub/prince2/?p=43

11. Risks

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This chapter aligns with part 8 of assignment 1

"Risk is a set of events that, should they occur, will influence the achieving the project objectives." Another definition is: "Risk is an uncertain event that, if it occurs, will have a positive or negative effect on a project objective." Projects are typically full of uncertainty. This makes projects inherently risky.

In part 8 of your assignment 1 you are to start developing a risk profile for the project. This assignment simplistically requires you to identify five major risks and explain how you plan to manage those risks.

The following links (also provided to you earlier) contain information that will help you to describe identified risks and explain how you plan to respond.

Analysing Risk: https://www.justgetpmp.com/2012/02/probability-and-impact-matrix.html

Responding to risks: https://www.greycampus.com/opencampus/project-management-professional/plan-risk-responses

12. Milestones and Timeframes

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> Assignment 1 asks for major milestones.

The following link (also provided earlier) contain information that will help you develop milestones. https://www.projectmanager.com/blog/milestones-project-management

At the proposal stage a timeframe is required which is less detailed than a complete schedule. Creating a complete schedule is, in itself, time consuming and therefore costly and given that your proposal may be rejected, it is wasteful to develop one at this stage of the project management process.

However, it is worth considering what is going to be included in your schedule, because if you have an idea in the back of your mind what is going to happen when then your indicative time frame is more likely to be accurate.

There is no one right answer to the question of exactly how much detail should be in a project proposal, except to say, it should be reasonably realistic (accurate) and contain enough information to enable authority to make a decision about whether the project should be selected or not.

At this point it is probably worth knowing a little bit about scheduling, so you can choose how much detail you need to put into your timeframe.

Scheduling involves is outlined in the following blog:

https://www.projectmanager.com/blog/create-project-management-schedule

13. Conclusion

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Assignment 1 is due at the end of week 5. If you plan your work load using this ebook, you are likely to be successful without too much stress. Could you please start thinking about your project before the end of week 2. As suggested in the introduction try to work out answers to the following questions:

- What are my first ideas for projects? (come up with several so you have choice)
- Is there a demand for the proposals I am considering?
- How do I know there is a demand?
- What else do I know? Is doing the project feasible given the limitations?
- What don't I know? (Find out what you don't know and keep the evidence)

The Assignment 1 question is copied and pasted into appendix of this ebook. This is just in case you have not yet done the plagiarism quiz and gained access to the original

The following are a couple of links are optional extras, Enjoy.

Video with more detail about budgeting and scheduling: https://www.coursera.org/lecture/schedule-projects/ 3-1-lecture-LEAYR

Cost estimating in MS Project https://www.youtube.com/ watch?v=drjx84Gsqm8

At time of developing Pressbook this was Assignment 1. (Treat as indicative as may not be current)

Assignment 1 – Project Proposal

This assignment is worth 20% of your total grade.

- Due Date: Friday, (Week 5) by 5:00 pm (Darwin time)
- Word limit: Maximum 2000 words
- Name, student number and page number if the footer of every page (excluding Title page)
- Submission: Submit via Learnline as a single MS Word Document.
  - No *attachments will be accepted*
  - No *emailed submissions will be accepted*

Background

You work for a large organisation that has recently introduced PRINCE2 as a required method for managing projects. Several policies, templates and other resources have not yet been developed, which means that you might be required in this, and future assignments to provide information that covers more than one component outlined in PRINCE2.

Your employer wants to improve their profile as being more socially responsible and has decided to allocate up to $50,000, spent over the next 12 months to achieve this goal.

You and several colleagues have been asked to individually design a proposal for a project that meets the criteria stated below. Later, in assignment 2, you will evaluate your proposal against your colleagues and determine which mutually exclusive proposal is to be selected.

To receive the funding, the project must meet the following criteria:

- It is to benefit a community in the Northern Territory or a target audience in the NT. External students can use the home State or Territory.
- It is to be a unique endeavour
- It is to be completed within one (1) year
- It is to be limited to a budget between $25,000 and $50,000
- It can create income; however, proceeds are to be donated the cause
- It should relate to your area of study (degree program). If not negotiate with your lecturer.
- It is not to include additional sponsorship, grants, donations beyond the $50,000. If the organisation's staff are required to volunteer in the project during normal work hours the opportunity costs to the organisations normal work must be included as an expense.
- **All statements must have legitimate references. (Harvard Style)**

Project Proposal
1. Title page

- Project title
- Name and student number

2. Table of Contents
3. Executive Summary
4. Overview

a. Purpose or objectives of this proposal

    i. Identify the problem to be solved or need to be filled.

    ii. What will be in scope and what is not going to be included.

    iii. Explain how the project will be conducted. Will it be managed by embedding and tailoring PRINCE2 to suit the project or will you use /create another methodology? You should explain any alternative methodology in detail or provide some information to show that you understand the process embedding and the detail of your tailoring.

b. Describe how you believe is the best way to measure the success of the project and explain why your suggested measures are appropriate over alternative measures.

5. Expected Benefits and Dis-benefits

a. Context and analysis

    i. To provide context, briefly explain corporate social responsibility, why your organisation might want to raise its profile and how the proposed project will align

    ii. Provide a SWOT analysis to improve a reader of your proposal a balanced understanding.

    iii. Provide further analysis using a weighted scoring model.

        1. You are to determine the criteria. The criteria should consider the way you would expect the success of the project will be measured

        2. To conduct a weighted scoring analysis, you will need to have an alternative to compare it with. You can create an alternative proposal if it can be quickly summarised, or your alternative could be the act of not doing the project.

       iv.   Include more context by explain how / why you developed the idea

   b.   Identify the expected benefits and dis-benefits, ensuring they are informed by the strategic context (social responsibility context you have explained above).
       i.   This paragraph is an opportunity to sell the value of your project to decision makers.

6. Project requirements
   a.   List and describe the requirements needed to carry out this project.
       i.   Include human resources
   b.   List and describe the possible assumptions for this project.
   c.   List and describe the constraints for this project.

7. Costs
   a.   Estimate how much it will cost.
       i.   Breakdown to major milestones
   b.   Explain how you estimated costs.
       i.   e.g. If you used a three-point method, explain what it is and show a couple of examples of how you did your calculations

8. Major Risks
   a.   Identify five (5) risks and quantify their potential likelihood and severity.
   b.   Indicate how each of the above-mentioned risks will be managed
       i.   This could include, Avoid, Transfer, Mitigate or Accept, but you will need to explain what is meant by the terms that you use and why you plan to use them. You are not required to use all four.

9. Timescale

      a.   How long is the estimated time to complete the project?

      b.   List and describe the major milestones.

10. Conclusion
11. References