2–9 Would a cost-benefit analysis be easier or harder to perform in a traditional or project management organizational structure?

2–10 What impact could the product life cycle have on the selection of the project organizational structure?

2–11 In the development of a system, what criteria should be used to determine where one phase begins and another ends and where overlap can occur?

2–12 Consider the following expression: "Damn the torpedoes: full-speed ahead." Is it possible that this military philosophy can be applied to project management and lead to project success?

2–13 Can a company be successful at project management without having or using a project management methodology?

2–14 Who determines how many life-cycle phases should be part of a project management methodology?

2–15 As project management matures, would you expect the number of life-cycle phases to increase or decrease?

2–16 Some people believe that the greatest resistance to the changes needed for the implementation of project management occurs at the executives levels. Why is that?

2–17 Wha̅ ̅ ̅ ̅ ̅ ̅ ̅ ̅ ̅ ̅ ctor in reducing the cost of impleme̅

2–18 Und̅ ̅ ̅ ̅ ̅ ̅ ̅ ̅ ̅ ccess and a failure at the same time̅

2–19 Is the goal of a paperless project management system easier to achieve with formal or informal project management?

2–20 Is it possible to attain an informal project management approach without first going through formalized project management?

CASE STUDY

CREATING A METHODOLOGY[1]

Background

John Compton, The president of the company, expressed his feelings quite bluntly at the executive staff meeting;

We are no longer competitive in the marketplace. Almost all of the Requests for Proposal (RFP) that we want to bid on have a requirement that we must identify in the proposal the project management methodology we will use on the contract should

we be awarded the contract. We have no project management methodology. We have just a few templates we use based upon the PMBOK® Guide. All of our competitors have methodologies, but not us.

I have been asking for a methodology to be developed for more than a year now, and all I get are excuses. Some of you are obviously afraid that you might lose power and authority once the methodology is up and running. That may be true, but losing some power and authority is obviously better than losing your job. In six months I want to see a methodology in use on all projects or I will handle the situation myself. I simply cannot believe that my executive staff is afraid to develop a project management methodology.

Critical Issues   The executive staff knew this day was inevitable; they had to take the initiative in the implementation of a project management methodology. Last year, a consultant was brought in to conduct a morning three-hour session on the benefits of project management and the value of an enterprise project management methodology (EPM). As part of the session, the consultant explained that the time needed to develop and implement an EPM system can be shortened if the company has a project management office (PMO) in place to take the lead role. The consultant also explained that whichever executive gets control of the PMO may become more powerful than other executives because he or she now controls all of the project management intellectual property. The executive staff fully understood the implication roject management until they could me, project management suffered.

Reluc n officer. The PMO was comprised of a handful of experienced project managers that could hopefully take the lead in the development of a methodology. The PMO concluded that there were five steps that had to be done initially. After the five steps were done, the executive committee would receive a final briefing on what had been accomplished. The final briefing would be in addition to the monthly updates and progress reports. The PMO believed that getting executive support and sign-offs in a timely manner would be difficult.

The first step that needed to be done was the establishment of the number of life-cycle phases. Some people interviewed wanted ten to twelve life-cycle phases. That meant that there would be ten to twelve gate review meetings and the project managers would spend a great deal of time preparing paperwork for the gate review meetings rather than managing the project. The decision was then made to have no more than six life-cycle phases.

The second step was to decide whether the methodology should be designed around rigid policies and procedures or go the more informal route of using forms, guidelines, checklists, and templates. The PMO felt that project managers needed some degree of freedom in dealing with clients and therefore the more informal approach would work best. Also, clients were asking to have the methodology designed around the client's business needs and the more informal approach would provide the flexibility to do this.

The third step was to see what could be salvaged from the existing templates and checklists. The company had a few templates and checklists but not all of the project managers used them. The decision was made to develop a standardized set of documents in accordance with the information in the PMBOK® Guide. The project managers could then select whatever forms, guidelines, templates, and checklists were appropriate for a particular project and client.

The fourth step would be to develop a means for capturing best practices using the EPM system. Clients were now requiring in their RFP that best practices on a project must be

captured and shared with the client prior to the closeout of the project. Most of the people in the PMO believed that this could be done using forms or checklists at the final project debriefing meeting.

The fifth step involved education and training. The project managers and functional organizations that would staff the projects would need to be trained in the use of the new methodology. The PMO believed that a one-day training program would suffice and the functional organizations could easily release their people for a one-day training session.

QUESTIONS

1. What can you determine about the corporate culture from the fact that they waited this long to consider the development of an EPM system?
2. Can a PMO accelerate the implementation process?
3. Is it acceptable for the PMO to report to the chief information officer or to someone else?
4. Why is it best to have six or less life-cycle phases in an EPM system?
5. Is it best to design an EPM system around flexible or inflexible elements? Generally, when first developing an EPM system, do companies prefer to use formality or informality in the design?
6. Should an EPM system have the capability of capturing best practices?