May 11th Meeting

Title: MEGATRENDS IN PROJECT MANAGEMENT
Track: FUTURE OF PROJECT MANAGEMENT

DAWN HALDANE
Project Officer, KEANE, Inc., Los Angeles

IN 1982, John Naisbett published his bestseller **Megatrends,** predictions for a society on its way from the Industrial Age to the Information Age. One of Naisbett's ten megatrends is a phenomenon he coined "*high tech / high touch.*" Contrasting the Information Age with earlier ages, Naisbett's premise is that, as new technology is introduced into society, there must be a counterbalancing human response – that is, *high touch.* His megatrend predicts that, as we move more and more into the specialized areas of technology, we will need to identify new and different ways to be with each other, and to communicate with each other, in meaningful ways.

This presentation will examine the ways *high tech / high touch* has come true, with particular emphasis on the implication for project management. It also speculates on the future of Project Management.

PRESENTER

DAWN HALDANE, PMP, has managed Information Systems projects for over fifteen years. Currently she is the Project Officer for the Los Angeles branch of Keane, a national consulting firm specializing in information technology. She is responsible for standards, audits, compliance, as well as mentoring new Project Managers. Dawn has a BA in Organizational and Interpersonal Communication, and is also a certified instructor of Productivity Management, the Keane methodology for managing projects.

ORANGE COUNTY CHAPTER PMI™

NEW MEMBERS

Ron Beisel, PMP

Anne Benton
IBM GS

Howard Burkett

Maurice Butts
Staar Surgical Company

Marilyn Cagney

Kelleen Caster
IBM

Judy Clow
Verteq Systems Automation

Richard Collins
Anderson Consulting

Robert Cooper

Gregg Couch

Nancy Courier
Sun Health Care Group

Mark Cramer
SAP America

Matthew Fuller

Rhonda Gillingham
IBM

Mark Hurd
The Bentley Co.

Jerry Jenkins
Innovative Management
Solutions, Inc.

Steve Lemelin
Deloitte & Touche Consulting

Ron Mann
Analytical Planning Services, Inc.

Barry Molnaa
Earth Tech, Inc.

Daniel Rankin
St. Jude Medical CRMD

Kelly Roan
Innovative Management
Solutions, Inc.

Ken Schlosser

Arlene Shevitski
AT&T

Michael Smith
KJM & Associates

Patty Stoddard

Gerard Strong
Mykotronix, Inc.

THE PRESIDENT'S COLUMN

AS OUR LAST DINNER MEETING IN APRIL was drawing to a close; and while some of us were counting the money, settling payment with the hotel, collecting badges and all the various other important chores of closing down, I couldn't help observing a small group of attendees carrying on an intense meeting of their own at a corner table furthest from the door. I won't mention any names, but I know some of them had met for the first time that evening. I have no idea what was the subject of their conversation. Were they striking up some important deal? A strategic alliance? Solving a common problem? Looking for business arrangement? Or a job? Who knows? That's their business. But it struck me just then, that this is what our chapter is all about – in a word, **NETWORKING.**

By "networking" I mean the opportunity to exchange thoughts on our profession of project management and other business issues of common interest; for job seekers and job providers to meet and exchange ideas on career aspirations, or even an opportunity to develop a mentoring relationship.

Yes, we can talk about all those terrific benefits of being a member of PMI – the great magazines, seminars, the bookstore, career link, becoming a certified PMP and many more. But when all is said and done, PMI is about people having a shared common interest in the profession of project management. And what better place to exchange thoughts on subjects important to you than in a local chapter setting? As those of you who have been regularly attending our chapter meetings during this year know, I continue to stress this theme in my introductory remarks and will continue to do so for the rest of my term.

But those of you who attend regularly know this and from the informal feedback I get, I am certain that a good time is always had by all. This message then is not just for regular attendees, but to those of you whom we haven't seen for some time. There's no better time than to start than now. Come to the next meeting and make PMI-OC an active part of your "extended family." Have a good dinner. Enjoy an informative and stimulating presentation by our guest speakers. Make new friends. Re-establish relationships with old acquaintances. Have fun!

You won't regret it.

Dave Jacob

TIME-TO-PROFIT PROJECT MANAGEMENT

PRESENTED BY
ED FERN, President of Time-to-Profit, Inc.

by Pat Alexander

ED FERN gave a well organized, informative presentation on project management in the commercial product development arena to a very large crowd at the April dinner meeting.

Ed pointed out that in most situations being first to market isn't enough. Time-to-market emphasizes the design-build phases of the product life cycle. Time-to-profit is broader. It begins before product design and extends to product demise. The emphasis is on responsibility to the customer and not to the product.

With that, Ed continued by outlining three dimensions to the time-to-profit theory: the Ten Ps Paradigm, the Stage, Phase, and Gate Methodology, and the Nine Project Management disciplines.

Each of the ten Ps must be in place for a product to be successfully received in the market. The Ten Ps include:

- Positioning – distinguishing your product from competitors.

- Planning – organizing product development into development stages

- Partnering – positioning to be different, using critical technologies to speed development, able to do things better than you could on your own

- Producing – define the scope, budget and schedule

- Processing – manufacture, procure, ordering processing, etc.

- Packaging – integration of your product into someone else's.

- Pricing – strategic intent using technical excellence, operational excellence, or customer intimacy;

- Promoting – advertising, etc.

- Placing – identify, enlist, and train appropriate marketing channels

- Pleasing – focus on customer service.

The stages of product development include incubation, elaboration, adaptation and contention. In the incubation phase, new ideas are born and nurtured. The elaboration stage is where new ideas are expanded on. In the adaptation stage, a company will find and build new markets. In this stage, a company may already have a successful product. They continue this success by adapting the product for another use. An example of this is translating a book from English to Russian. In the contention stage, a company would modify its product to stay ahead of its competitors. Microsoft, AT&T, and IBM are companies that have acquired and maintained customers by transcending products.

The nine Project Management Disciplines (Integration, Scope, Time, Cost, Quality, Human Resource, Communications, Risk, and Procurement) are an invaluable component of this process. The Project Management disciplines aid in defining milestones and decision points in the various phases of the development cycle, they help avoid investing in projects (products) that won't succeed, they focus on continuing learning, and help minimize the risk of new product development.

In conclusion, Ed noted that new product development efforts fail more than they succeed, but with the application of time-to-profit theories and project management techniques, the chance for success is greatly increased.

Ed's company, Time-To-Profit, Inc. can be reached on the web at www.time-to-profit.com

WHAT IS PMI?

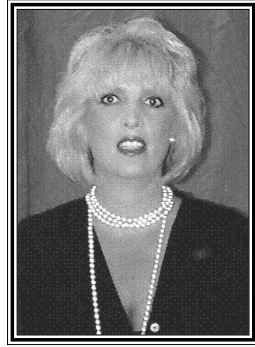### THE PROJECT MANAGEMENT INSTITUTE

is a non-profit professional organization dedicated to advancing the state-of-the-art in project management. Anyone involved or interested in project management, regardless of industry or discipline, is encouraged to attend the monthly meeting to find out more about PMI and the Orange County Chapter.

GWEN VANGELISTO

BEING A MEMBER of the Strategic Advisory Committee has brought a wealth of energy and knowledge to me in regards to what PMI has to offer and what I can offer back. I've enjoyed helping to identify and plan the chapter's goals. One of my specific goals is to help develop a formalized mentoring program for members of the chapter to share experience and knowledge. The informal mentoring I've received from members of the chapter has helped me immensely and I believe others can benefit from similar resources.

Four years ago I didn't know what 'project management' was. I was working in Information Systems for a health care company, implementing systems and upgrades, but we didn't know what the term 'project' meant. The company I worked for 'reorganized' and one day announced to a group of us that we were now 'Project Managers.' In an effort to find out what we were supposed to be doing we searched for education and knowledge on the subject. One of the programs that my peers pressured me into starting was the Project Management Certification Program at UCI. I had planned to only complete the introductory course but I kept signing up for classes and was the first in that same group of peers to complete the program last year. Quentin Fleming was instructing one of the courses and encouraged us (actually he hounded us) to attend a PMI meeting. Thinking it might improve our grade, we attended and I joined the next month. I am currently in the PMP Certification Workshop and plan to sit for the exam in July.

In my career in project management I have managed and worked on software development and implementation projects, system upgrade (hardware and software) projects, and business process improvement projects. Working on a contract basis for the last two years I've enjoyed the freedom as well as the diversity of being 'on my own'. I do miss being part of the active growth in a company and will probably seek a permanent position in the near future.

I've lived my entire life in Southern California. Raised in Riverside, I worked my way through college as a counselor in a psychiatric hospital (experience that has proved useful on a few projects). I moved to Orange County 14 years ago. I live in Mission Viejo with Danny-my husband, Alyssa, Tony, and Alex-our three children, Blake-our dog, Shakespeare-our cat, Snuggles and Buster-our rabbits, Cowboy and Wild Thing-our iguanas, Speedy-our mouse, and various fish that we can't seem to keep alive. It's a regular zoo at our place. I don't have much time for other activities but I occasionally find time to enjoy writing, reading, movies, yoga and tennis.

TRY YOUR KNOWLEDGE ON PMP EXAM QUESTIONS

(Answers are on page 7)

Here is a sample of some questions:

1. A buyer has negotiated a cost-plus-incentive fee contract with a seller as follows.

   Contract target cost–$300,000;
   Target fee–$40,000;
   Share ratio–80/20;
   Max. fee–$60,000;
   Min. Fee–$10,000.

   If the seller has actual costs of $380,000, how much fee will the buyer pay?

   a. $104,000   b. $56,000   c. $40,000
   d. $30,000   e. $24,000

2. The four key stakeholders on every project are:
   a. Senior managers, customer, sponsor and functional managers
   b. Project manager, project team, senior managers and customer
   c. Project manager, customer, performing organization and sponsor
   d. Project manager, functional managers, senior managers and customer
   e. Suppliers, contractors, customers and sponsors

3. Using the following data:
   BCWS=$2,200;
   BCWP= $2,000;
   ACWP = $2,500;
   BAC = $10,000,

   What is the EAC for this project and what does it represent?

   a. $10,000, the original project budget
   b. $10,000, the revised estimate for total project cost (based on performance thus far)
   c. $12,500, the original project budget
   d. $12,500, the revised estimate for total project cost (based on performance thus far)
   e. None of the above

4. In project time management, fast-tracking means:
   a. Reducing the duration of critical path activities to shorten project duration
   b. Reducing project duration by redefining logical relationships
   c. Using only the best resources to accomplish work as quickly as possible
   d. Coordinating efforts with other projects to reduce administrative friction
   e. Using state-of-the-art software to measure project progress

VOLUNTEERS NEEDED
Professional Development (PD) Initiative Team Job Descriptions

PD Team #1:

PMP Certification Training Upgrade

Members Required:
(1)Project Manager (PMP required)
(2 to 6) Team members

Work Description:
Review current PMP certification training
Assess current community needs.
Outline options for FY 2000

Primary Responsibilities:
Will identify chapter objectives, community interests and needs and alternative solutions for supporting PMP exam preparation support to the community. Consider venues (Classroom, Web-based, University collaboration, etc.)

Study workshops to date, new PMI certification program, current commercial and other chapter programs, available training material

Reports results and recommendations to Board and Chapter membership.

PD Team #2:

Educational Institute Liaison

Members Required:
(1) Project manager for educational institutions
(1-8) members, each acting as the key interface to a specific school in Orange County.

Work Description:
Assess needs of local educational institution. Act as chapter facilitator of these educational institutions for resources in PMI or that are available through the chapter membership.   Develop and maintain a catalog of PMP educational courses which qualify as PMP re-certification classes.

Primary Responsibilities:
Be PMI-OC interface with local Educational Institution.

PD Team #3:

Corporate Liaison.

Members Required:
(1) Corporate sponsor PD Team Manager
(1-n) corporate team members, 1 per corporation.

Work Description:.
Responsible for identifying local corporate needs for PM professional Development and aligning Chapter PD resources to meet same.

Primary Responsibilities:
Develop a chapter capability to interface with local corporations and facilitate the achievement of mutual professional development interests

PD Team #4.

PMBOK Focus Groups

Team Members:
(1) Project Manager for all teams
(1-9) Focus team leaders
(1-n) Team members

Work Description:
Responsible for developing and maintaining focus groups (of the nine PMBOK areas) within the chapter. These groups will serve such chapter members with the technical skills, knowledge and capabilities common to the specific focus group of which they are members of.   This PM will enable these groups to focus their common interests in support of chapter Professional Development objectives.

Primary Responsibilities:
To survey chapter membership and area professionals who are not currently members for potential focus group membership. To organize, facilitate development of these groups.

PD Team #5.

Professional Development Programs (Year 2000).

Team Members:
(1) Project Manager
(1-2) team members

Work Description:
Responsible for identifying member interests and needs for professional information suitable to presented in monthly meetings. Develop a sequence of presentations or annual theme from which presentations needs could be based and from which speakers could be selected to present.

Primary Responsibilities:
Produce a year's list of presentations and potential speakers that have been specifically identified to meet member needs and interests for professional information.

1. **e. $24,000**
   Comparing actuals costs with target costs shows an overrun of $80,000, which is shared 80/20 (buyer's share always listed first). In this case 20% of $80,000, or $16,000 is the seller's share, which is deducted from the $40,000 target fee. The remaining $24,000 is the fee paid to the seller.

2. **c. Project manager, customer, performing organization and sponsor**
   The project manager manages the project; the customer uses the project product; the performing organization performs the project work; the sponsor within the performing organization provides the resources, in cash or in kind, for the project. Although the other groups or individuals mentioned are important, the four given as the correct answer are the ones responsible for bringing the project to fruition.

3. **d. $12,500, the revised estimate for total project cost (based on performance thus far).**
   EAC = BAC/CPI; CPI = BCWP/ACWP
   CPI = 2000/2500 = 0.8; then EAC = 10000/0.8 = 12,5000.
   The project has achieved only 80% cost efficiency thus far (or CPI = 0.8). The calculated CPI is used to forecast the total cost, assuming that the project will continue to sustain only 80% cost efficiency.

4. **b. Reducing project duration by redefining logical relationships**
   The purpose of fast-tracking is to redefine the schedule logic of a project to accomplish activities in parallel, as start-to-start or finish-to-start with leads, rather than purely finish-to-start relationships.

UCR EXTENSION SUMMER PROJECT MANAGEMENT COURSE

JUNE 29 – JULY 29, 1999

PROJECT MANAGEMENT FOR NEW PRODUCT DEVELOPMENT

Riverside, California

Tuesdays, Thursday, 6:30–9:30 p.m.

Fee: $240

Introduction to the product development life cycle and ways to improve product development using sound project management techniques.

Prerequisite: Mgt 470.32, Project Planning and Control, is recommended. For information contact UCR Extension at (909) 787-4111, or check out our web site: **www.unex.ucr.educ.**

E-MAIL

If you would like to make an E-mail announcement to all PMI members, contact RStein@PTSStaffing.com.

ORANGE COUNTY WEB SITE

Visit our web site at:

http://www.pmi-oc.org

to reserve your place at the meeting and to stay informed of events that are important to members and to project management.

PMI™ MONTHLY DINNER MEETING

ORANGE COUNTY CHAPTER

TUESDAY, MAY 11, 1999

Program: Title: MEGATRENDS IN PROJECT MANAGEMENT
Track: FUTURE OF PROJECT MANAGEMENT
Presenter: Dawn Haldane, Project Officer, KEANE, Inc., Los Angeles

Location: Holiday Inn
2726 Grand Avenue,
Santa Ana
Next to the 55 Freeway at the Dyer Road Exit

Time: 5:30 - 6:20 Sign-In and Networking
6:20 - 7:30 Announcements, Dinner
7:30 - 8:50 Speaker
8:50 - 9:00 Closing and Adjournment

Cost: In Advance Members $25.00
Non-Members $27.50

At the Door $30.00

Please register online at **http://www.pmi-oc.org**

Or mail your check to:
PMI - Orange County
P. O. Box 8026
Newport Beach, CA 92658-8026

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