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► We promote project management by providing services, tools and knowledge to project sponsors, project managers, team members and the community. We provide a forum for networking and opportunities for social interaction.



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APRIL 9TH MEETING

100% Product-Oriented Work Breakdown Structures (WBSs)

Arnold M. Ruskin, Ph.D., P.E., PMP

Product-oriented work breakdown structures (WBSs) have been advocated for many years because they facilitate (1) accountability, (2) completeness, (3) cost and duration estimation and budgeting and scheduling, (4) communication among folks with different levels of expertise, (5) assessment of work performed, and (6) knowing when to quit one piece of work and move on to the next. Yet many project personnel despair at creating a 100% product-oriented WBS and use a mixed system of activities and products instead. Such mixed systems not only lack some or all of the advantages of a 100% product-oriented WBS, but they also create opportunities for both overlapping responsibilities on one hand and undetected gaps on the other. Thus, the 100% product-oriented WBS is a goal not to be abandoned.

This talk will show how a 100% product-oriented WBS can be logically and, dare we say, easily prepared for any project or project element. Moreover, this WBS will include (1) project-internal items, including project management items, as well as items delivered to the customer and (2) informational items as well as physical items. Thus, by using a 100% product-oriented WBS, we can ensure that *all* the work is accounted for and also enjoy the benefits listed above for this type of WBS.

*Our speaker, **Arnie Ruskin**, provides coaching, consulting services, and training in project management, system engineering, and technical management. In his 30+ years of professional practice, he has managed projects and technical work in a variety of areas, including system engineering, design and development, environmental impact assessment, and business process reengineering, and he has also taught project management to over 8,000 practicing scientists and engineers. His clients range from small entrepreneurs to Fortune 500 companies and government agencies.*

Arnie is the author of two books, What Every Engineer Should Know About Project Management (1982 and 1995; 3rd edition in preparation) and Materials Considerations in Design (1967), and over thirty-five papers on engineering, project management, and technical management. He earned his BSE, MSE, and PhD in engineering at the University of Michigan and Master of Business Economics at Claremont Graduate University. He is a certified Project Management Professional, a Certified Management Consultant, and a Registered Professional Engineer.

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Gwendolyn Naylor	PMP-#46182
Barbara Diane Cornish	PMP-#46047
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Ludwig Haeck	PMP-#47534
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Tiia Jennaro	PMP-#46489
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Total PMI-OC PMPs: 237

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Continued on page 15

THE PRESIDENT'S COLUMN



Those of you who have attended a dinner meeting in the past few months have heard me talk about the PMI Leadership Meeting in Costa Mesa March 6-9th. For those of you reading this column who have not heard, Orange County was taken over by 330+ Project Management Leaders from around the world for three days and nights. PMI holds Leadership Meetings for officers of the Chapters, Specific Interest Groups (SIGs) and the College twice each year. The purpose of these meetings is to provide education for the component leaders, create opportunities for the Board of Directors, the component leaders and the headquarters staff to interact, and to spend time networking with wonderful people from around the world.

I have now been to five of these meetings, and I always come away with valuable information and a new respect for my peers from around the world. However, since the Orange County Chapter was, in effect, hosting the conference I had a little different perspective for this conference. The perspective I had was watching our Chapter in action. We had approximately 25 volunteers who helped make the conference a success. **Rick Michaels** was the Lead Volunteer who helped make it all happen. Rick, in his infinite wisdom as a project manager, delegated set-up and welcome for the Wednesday night reception to **Frank Parth**, and the room management for all three days to **Mike Beard**. **Ed Fern** headed up a cadre of conference veterans to welcome attendees and help make them feel at home. Ed also put together a wonderful event called PM Around the World. There are additional articles in this issue that will summarize that exciting event.

I have to give special recognition to **Mike Beard** and the 20+ people who volunteered to make sure that all the breakout sessions ran smoothly. There was never a glitch, and in fact, they saved the day on many occasions. One of the rooms that was in session until 3 p.m. was vacant, and was then to resume at 4 p.m. One of our volunteers arrived and saw that the hotel staff had broken the room down and cleared it out. Our volunteer saved the day by working with the staff to reset the room by 4 p.m., and the participants never knew the difference.

Throughout the conference I was approached by many of the headquarters staff who have planned these events for years. They consistently said that this was the best run event that they had ever worked. In fact, I was forwarded an email from **Virgil Carter**, Executive Director of PMI, complimenting all involved. Below is an excerpt that expresses his sentiments.

"It was one of the best such conferences PMI has sponsored, a fact commented on to me by many attendees. Please forward my congratulations and appreciation to all ... for their obvious hard work and great success. Thank you for setting a great example for the future."

Thank you so much to everyone who gave their time and energy to produce a truly outstanding conference. I am consistently inspired by the really wonderful people who are a part of the Orange County Chapter.

*With deep respect,
Cyndi Snyder, PMP*

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Ray Strano, PMP RCDD

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Patricia McNabb, PMP

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Collaboration with SIGs and Colleges

You may have noticed some of the information PMI-OC has been providing at the monthly chapter meeting sharing tables. This is information provided by the SIGs to leverage the monthly chapter meetings and increase their exposure among the chapter members. We hope you find this information valuable regarding specific project management knowledge. We will continue to make this information available to you as we further collaborate with the thirty-six SIGs and the Colleges within PMI.

The College of Scheduling is a potential college that is going through the charter approval process. Those of you that are interested may find the link (Potential PMI College of Scheduling Application) to their web site at www.pmi.org. The PMI College of Scheduling intends to build confidence in the integrity of schedules. The prospective College will be developing a 3-5 year plan to further develop and expand the Body of Knowledge of Scheduling including working with PMI's Standards Member Advisory Group and Department to establish practice standards in preparing, executing and maintaining schedules and network analysis systems. In addition, the proposed college may document the competencies of scheduling practitioners and experts. Membership is open to any PMI member. For more detailed information you may contact: Stuart Ockman, Ockman & Borden Associates, 210 Copples Lane, Wallingford, PA 19086, Phone: 610/566/1241, E-Mail: oba@comcast.net

The PMI Leadership Meeting in Costa Mesa this month provided an exciting opportunity to collaborate with representatives of the SIGs and Colleges. One suggestion to enhance collaboration came from Bob Russell of the Metrics SIG. Bob suggested 30 minutes prior to the monthly chapter meeting one or two SIG group meet to discuss how they would further their knowledge area with in the local chapter or community. This is a great suggestion and I will start the ball rolling with the April meeting by having anyone interested in the Program Management Office (PMOSIG) and Women in Project Management (WiPMSIG) meet at the chapter meeting at 5:30 PM. Two specific tables will have nameplates to identify the PMO and WiPM SIG tables. If you are interested in these two specific areas of project management come join us for some great discussions.

Mike Beard, PMP
VP Corporate Relations

VOLUNTEER OF THE MONTH



Michelle Massing Honored as Volunteer of the Month

A resolution was unanimously passed, at the February Board meeting of your Chapter, designating **Michelle Massing, PMP** as **Volunteer of the Month for March**. Chapter Volunteer Coordinator, **Brent Felsted**, honored her at our March 2002 general meeting, by presenting her with a Certificate of Appreciation.

Michelle has been actively involved in manning the chapter meeting registration desk and assisting with PMI-OC shirts sales. She finds volunteering "fun, rewarding and an entertaining way of getting to know and talk with lots of attendees."

Although a PMI-OC member for a little over two years, Michelle admitted that she didn't start attending chapter meetings until early last year after she was laid off. During a couple of job interviews she was asked if she was a PMP. It bothered her that she wasn't, although she considered herself a seasoned project manager and serious about her profession. These interviews gave her the proverbial "kick in the pants" to pursue her PMP certification in earnest.

Michelle started her PMP project by attending and networking at chapter meetings. With support from **Stacy Steck** (our Ambassador extraordinaire) and **Margaret Cunningham**, both of whom had recently become PMP's, she applied for the exam and began seriously "boning up." She credits several other members who recommended and provided various practice tests. She is "thrilled" to say she received her PMP certification in September 2001.

Michelle has worked in IT for her entire career, half in Data Center and Customer Support operations and half of which involved project management. She managed some large infrastructure and application software projects and programs in the telecommunications and "dot com" industries. At present she is an IT project manager at Pacific Life, focusing on a workflow application deployment.

On asking her about her attitude to volunteering, she says, "Although I hardly feel I've contributed much as a volunteer, what I have done so far has been a blast."

Dave Jacob

ACT NOW TO MAKE YOUR VOTE COUNT

for the 2003 PMI Board of Directors

Election Reminder! The PMI Executive Director would like provide this time sensitive reminder and request for action: Election material will only be transmitted via email to all members with a valid email address in the PMI membership database. Therefore, it is essential that the database reflects your current and correct email address. Additionally, members who desire a paper ballot must specifically register their preference in the database. To update or validate your email address and/or register your preference for a paper ballot, please visit www.pmi.org/members and select "Update Membership" after logging into the Members Area. If you are unable to access the PMI web site to update your record, please call PMI Customer Service at +610-356-4600 (Option #8). **Members must update their PMI e-mail address or register their preference by 5:00 PM (USA Eastern Time), 30 April 2002 to be eligible to receive a ballot.**

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PROJECT MANAGEMENT AROUND THE WORLD

More than 330 component leaders from 14 countries attended the Leadership Meeting in Costa Mesa, California USA from 7–9 March. The highlights included the opening session speaker Larry Johnson, who spoke to the meeting's theme, "Leadership in a Changing Environment: From Transition to Transformation;" the Board of Directors strategic breakout discussions; and the PMI Program Areas and Sponsors Reception.

Component leaders networked and shared best practices, participated in educational sessions and conducted assembly business meetings. As the host Chapter, PMI-OC sponsored the concluding breakout sessions entitled Project Management Around the World. Attendees were bussed to the UCI Learning Center in Orange.

After sampling international cuisine, component leaders participated in four concurrent sessions discussing how project management practices around the world differed from American project management practices. These sessions included:

- Managing Projects Overseas: The Middle East by Quentin Fleming
- Introduction to PRINCE® by Guy Lee, PMP
- Project Management in China from 1974 to 1990 by John Bing, PMP
- Russian Success Driven Project Management by Vladimir Liberzon, PMP

Local PMI-OC members prepared summaries for each session for *Milestones* readers which appear throughout this issue.

MANAGING PROJECTS OVERSEAS: THE MIDDLE EAST Presented by Quentin Fleming

The Middle East, due largely to recent world events, is a hot topic in the public consciousness. Many Americans wonder what can we do to work effectively with the people of that region given that those we know here in America seem to be much like the rest of us and yet we often get it all wrong "over there." On Saturday, March 9th, at a gathering of members of the leadership council, Quentin Fleming shared his insight gained through years of experience as an officer of the Foreign Service and as a consultant for American multinational companies.

In typical Quentin fashion, the discussion was lively with much participation and sharing of anecdotal experience from the audience. We explored some of the subtle differences between peoples of very similar yet distinctly different cultural and religious origins and Quentin reminded us of the political and diplomatic minefields that a project manager would have to navigate to work effectively in a foreign environment.

The heart of the matter, as usual, is simply stated in the basic assumption that the goal and primary objective a project conducted in a foreign country, is to be successful and specifically not to consciously or otherwise attempt to change the host into our "perfect" image. The challenge then, is to take the time to learn as much as possible about the culture of the host and to expend as much effort as possible to integrate oneself into that cultural environment. This approach is at once flattering to the host and indicative of good manners. Good relationships and wholehearted acceptance will assure business success and enduring friendships.

Should one find oneself conducting business in the Middle East, Quentin offers some useful recommendations for the novice:

- Learn about the culture
- Study the history
- Learn a few key words and phrases
- Respect their differences
- Abide by their rules
- Don't try to change others

One came away from Quentin's lecture with a distinct feeling that service in a foreign country can be interesting, rewarding, and informative and that as always, you must keep your sense of humor.

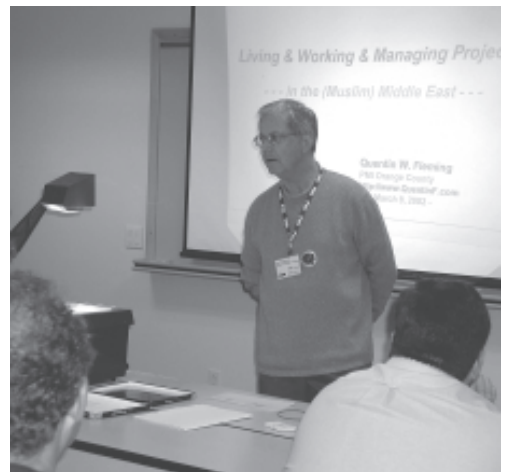
Louis A. D'Angelo



PMI-OC bused Project Management Around the World attendees to the UCI Learning Center.



Attendees sample the international cuisine at Project Management Around the World.



Presenter and PMI-OC chapter member Quentin Fleming discussing project management in the Middle East.



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INTRODUCTION TO PRINCE®

Presented by Guy Lee, PMP

Mr. Lee pointed out that the scheduled presentation was to draw comparisons and distinctions between PRINCE® and the *PMBOK® Guide*, leaving him in a bit of a quandary as the one is a standard and the other a methodology. That put an end to any direct comparisons between the two. Mr. Lee therefore suggested giving us a brief overview of the two main project management standards in vogue in the UK and a broad overview of the methodology called PRINCE®.

BS 6079

The project management guide referred to as the British Standards (BS 6079) is a brief document of only 25 pages. It comprises the following five sections:

- Section 1. General
- Section 2. The corporate aspects of project management
- Section 3. Project and company organizational structures
- Section 4. The project management process
- Section 5. Project lifecycle

The Project Lifecycle section covers the following:

- Concept
- Feasibility
- Evaluation
- Authorization
- Implementation
- Control and Accountability
- Completion and Hand-over
- Operation
- Close Down Operation
- Termination



Presenter Guy Lee discussing project management in the United Kingdom.

The two eye catchers in the above are “Operation” and “Close Down Operation.” BS6079 suggests that operations should be part and parcel of a project. Business needs often tend to change over the lifespan of a project and a business operation’s need to be taken into consideration to cater for this fact of life. It will also help to better evaluate scenarios such as “the-operation-was-a-success, but-the-patient-died.”

The Millennium-Dome Project in London was offered as an example. The project went over budget, specifications were not fully met. But because the dome opened in time for the celebrations, the project was considered a success. After opening, visitor numbers and consequently sales, didn’t meet expectations, leading to significant financial losses. Soon, top management was replaced . . .

The suggestion that operation should only be included in a project if appropriate, leads, of course, to more questions. When would it be appropriate to include operations in a project? Who or what will determine when to close down the project?

APMBOK

The APMBOK is similar to the *PMBOK Guide*, although it operates on a conceptually lower level, and covers the following areas:

- Strategic
- Control
- Technical/Commercial
- Organizational
- People

The “soft” issues that are not always included or covered by the ‘factual’ teachings of project management are included in the APMBOK. In support of this claim, Mr. Lee quoted Morris (1997):

The scope (of the APMBOK) incorporates not only inward focused project management topics, such as planning and control tools and techniques, but also those broader topics essential to the effective management of projects. These cover the context in which the project is being managed, such as the social and ecological environment, as well as a number of specific areas, such as technology, economics and finance, organization, procurement, and people, as well as general management. Practice and research show these all have a significant influence on the likelihood of the project being conducted successfully.

The APMBOK also describes typical personality characteristics of project people such as:

- Attitude
- Common sense
- Open mindedness
- Inventiveness
- Prudent risk taker
- Fairness

PRINCE

PRINCE, which stands for **P**rojects **I**n **C**ontrolled **E**nvironments, “is a project management method covering the organization, management and control of projects.”

Since its introduction, PRINCE has become widely used in both the public and private sectors and is now the UK’s de facto standard for project management. Although PRINCE was originally developed for the needs of IT projects, the method has also been used on many non-IT projects. The latest version of the method, PRINCE2, is designed to incorporate the requirements of existing users and to enhance the method towards a generic, best practice approach for the management of all types of projects.

The design and development work of PRINCE was undertaken by a consortium of project management specialists, under contract to the Office of Government Commerce (OGC), and over 150 public and private sector organizations were involved in a Review Panel which provided valuable input and feedback to the consortium. British developed standards such as BS6079 and APMBOK were used as input.

PRINCE2

Published in 1990, PRINCE2 is a process-based approach for project management providing an easily tailored, and scaleable method for the management of all types of projects. Each process is defined with its key inputs and outputs together with the specific objectives to be achieved and activities to be carried out.

A PRINCE2 project consists of components, eight major processes, stages, products, and techniques. It is driven by the project’s business case, which describes the organization’s justification, commitment and rationale for the deliverables or outcome. The business case is regularly reviewed during the project to ensure the business objectives, which often change during the lifecycle of the project, are still being met.

The method describes how a project is divided into manageable stages enabling efficient control of resources and regular progress monitoring throughout the project. The various roles and responsibilities for managing a project are fully described and are adaptable to suit the size and complexity of the project, and the skills of the organization. Project planning using PRINCE2 is product-based. The project plans are focused on delivering results and are not simply about planning when the various activities on the project will be done.

Usually, there are different groups of people involved in projects: the project team, the customer, one or more suppliers, and, of

SCENES FROM

PMI LEADERSHIP MEETING AND PMI AROUND THE WORLD

course, the user. PRINCE2 is designed to provide a common language for all the interested parties involved in a project. Bringing customers and suppliers together typically involves contracts and contract management, although these aspects are outside the scope of PRINCE2, the method provides the necessary controls and breakpoints to work successfully within a contractual framework.

PRINCE2 projects are controlled by corporate or programme management. The project manager reports to a project board. A project board typically includes a senior user, an executive (senior sponsor) and a senior supplier. PRINCE2 project boards are usually intimately involved with their projects.

PRINCE2 provides benefits to the organization, as well as the managers and directors of the project, through the controllable use of resources and the ability to manage business and project risk more effectively.

PRINCE 2 enables projects to have:

- A controlled and organized start, middle and end;
- Regular reviews of progress against plan and against the Business Case;
- Flexible decision points applied at a level appropriate to the project;
- Automatic management control of any deviations from the plan;
- The involvement of management and stakeholders at the right time and place during the project;
- Good communication channels between the project, project management, and the rest of the organization.

Why use other methods? PRINCE2 suffers from the following perceptions:

- It's bureaucratic;
- There are lots of forms and paperwork;
- It is engrossed in a huge manual of over 300 pages;
- Acceptance resistance because of its IT origin;
- It is inappropriate for small projects to bear such a big overhead.

Unfortunately, the above perceptions seem to be used more often as general excuses for not using a formal project methodology of any kind.

Ludwig Haeck, MBL, PMP

The author of this article wishes to gratefully acknowledge the generous help he received from Mr. Lee in the form of the full PowerPoint presentation. The author has made liberal use of the content of those slides in order to give substance to his own meager notes taken during the presentation.



Photos by Glen Fujimoto

PMI-OC thanks the local volunteers who helped make PMI's Leadership Meeting a success!

- | | | | | |
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PROJECT MANAGEMENT IN CHINA FROM 1974 TO 1990

Presented by John Bing, PMP

Americans managing projects in China today will be much more successful if they understand how the business climate evolved from Chairman Mao's legacy to Deng Xiao Ping's overtures to private enterprise. John Bing has spent 17 years managing projects in the People's Republic of China (PRC). Here is a summary of his lively and thought-provoking presentation.

1970s

John Bing begins chronicling his experience with the year 1974 when he went to China for the first time. John's employer, the M.W. Kellogg Corporation, had just signed contracts to design and build large chemical fertilizer plants located in eight different provinces. Kellogg's Chinese customers had insisted on lump-sum, fixed-price contracts. For Kellogg, these contracts represented around \$1 billion in today's value, but they were a high-risk undertaking, because Kellogg had never built a fertilizer plant anywhere in the PRC. John faced an unknown business atmosphere:

1. The Chinese government owned everything and all businesses, which they called "enterprises." All factories were government run. The central government dictated what would be produced and in what quantities. To each enterprise, it issued production quotas.
2. The official China, and many Chinese people in private, distrusted foreigners, especially Americans. John soon realized that in this climate cooperative business relationships would be difficult to establish.
3. True to its communist doctrine, China followed what was called the "iron rice bowl" philosophy: Everyone was guaranteed a job for life, regardless of productivity, expertise, and often even regardless of whether the person showed up for work. John relates that few people in those times would consider doing anything that might even remotely jeopardize their rice bowl. John tells of having encountered managers refusing to make any decision, fearful that it might turn out to be the wrong decision, displease their leadership, and bring the demotion to floor sweeper—to ensure that the manager will never make the same mistake again.
4. The enterprises were run by dual and equal leaders. One was the technical, the other the political leader. Only, the political was much more equal than the technical leader, as later developments of "political correctness" would reveal.
5. These leaders not only had to run the factories, but were also responsible for the well-being of all the workers. In effect, these leaders were mayor of the factory town, boss of the workers, divorce counselor, etc. all in one. These responsibilities left the leaders little time to actually run, let alone improve the operation of their enterprises.
6. Kellogg's contracts were with the Chinese National Technical Imports Corporation (CNTIC), a commercial entity owned by the government of China. All of Kellogg's business was done at CNTIC offices, where John was introduced to the Shipping Department, the Design Department, the Purchasing Department, and the Operating Group. Only later did he realize that these departments were not part of a single entity, but actually different entities with often conflicting interests. Thus for Kellogg to perform successfully on these contracts, John had to assume the role of mediator between these stakeholders.
7. In their contractual documents, the Chinese were very meticulous. Many pages listed the conditions for item marking, equipment inspection, and materiel characteristics. In this way, Kellogg's Chinese customers had structured their contract as a straight purchase order for commodities. Consequently, nothing in the contract specified how the project would be managed, and how differences would be resolved. All these issues were relegated to the standard clause "by mutual agreement."

With his project for building fertilizer plants, John Bing became a pioneer for practicing and later advocating project management in the PRC. Not until the era of Deng Xiao Ping did the Chinese become interested in the processes of project management. The country was getting loans from the World Bank to build infrastructure projects. However, the World Bank not only insisted on China performing feasibility studies before starting any project, but also required a qualified manager thereafter to control the project.

By way of such mandated feasibility studies, the Chinese came to understand that a comprehensive review of a project requires that the whole process be thought through, and that the estimated costs to build and operate serve to evaluate the economic merits of the project. The Chinese thus came to accept the logical way to manage such studies



Presenter and PMI-OC chapter member John Bing discussing project management in China.

by applying formal processes, such as those of project management.

In John's experience, one of the hardest lessons for the Chinese to learn was the concept of "time is money." Near the end of Kellogg's contract, the Chinese customers realized that they were not going to have enough natural gas to feed all of their eight fertilizer plants. They asked Kellogg to redesign and modify two plants such that they could operate on liquid hydrocarbon. Kellogg agreed to this request for an urgent bid to do the work, but informed its customers that the ensuing costs would only be known until substantial engineering work had been completed in another month or two.

So as to not delay the work, Kellogg was willing to undertake it on an open-cost basis plus a small percentage for profit. Again, Kellogg's Chinese customers were adamant in their insisting on a fixed price. John went back to Kellogg's home office, performed some quick design work with approximations plus a risk factor and came up with a safe price of \$9 million for each plant. In John's words, "the Chinese received this offer as if Kellogg was planning to steal their children." John was rudely sent away to get the price down. After another round of work at the home office, John presented a revised bid of \$7.5 million. Predictably, the Chinese refused, so John sat down with them, negotiated and settled on an agreed price of almost \$6 million.

The irony was that the final cost for the design and materials resulted in \$5.2 million for each plant, giving Kellogg a much higher profit than if it had done the work on an open cost plus profit percentage, as originally proposed.

Mid-1980s

In the mid 1980s, two of China's government agencies started to train their personnel in project management. One agency was the State Planning Commission, which was looking for ways to increase the efficiency of construction. This agency was also the key agency for preparing feasibility studies as required by the World Bank. It sponsored a school at Tienjin University, which invited John to conduct a series of lectures in many locations all over China.

The other government agency was the Office of Major Technical Equipment (OMATE). OMATE was charged with selecting the best technology to be imported and later developed further in China. John recruited various American business people to go with him to China and present seminars on project management, and on ethylene plant methodology.

In Bing's experience there are several hurdles that China must overcome before project management becomes fully effective.

1. The general reluctance to delegate authority to project managers commensurate with the responsibility they are asked to take on. There are still many leaders who want to hang on to all the power. John cites two laudable exceptions: (1) the Lubuga hydro power station where a deputy minister was the leader of the project. This minister was in a position to provide direct leadership and thus able to deliver good results. And (2) the City of Tienjin water project. This project was pushed by the city's dynamic mayor who made sure that the project received the needed staffing and priorities.
2. A lack of qualified AND experienced project managers. Here John refers to project managers that have many years of experience in working on projects of a size and complexity that are comparable to those of the projects they are asked to lead. With time, the Chinese will overcome this hurdle, but they must make a conscious effort to assign their people to "on-the-job training."
3. The deplorable Tiananmen Incident of 1989 sent the unfortunate message to people that they must not think or act in any way contrary to the will of the leaders in power. Where such an attitude hurts the country the most, is that it dampens individual initiative, which is a key ingredient of business success.

Present Day China

John concludes his presentation with an assessment of project management's success in present-day China. "The short answer is: "work in progress." The Chinese have made great strides during the last 20 years. Project management continues to expand in many industries all across the PRC, especially in new independent companies, joint ventures, and foreign-owned companies. The old entrenched state-owned enterprises are however slow to catch up. Their fear persists that the adoption of project management, along with other Western methods, could change the industries radically and lead to mass layoffs. The country's leadership is not ready for such a backlash. The problem will only get worse rather than go away—a political solution is not at hand.

Where project management started during the 1980s and early 1990s in joint venture companies, there appears to be a gradual and steady expansion of the Chinese component of the project managers and their staff thanks to on-the-job training. To this end, foreign consultants, such as Richard Brodkorb and Frank Reynolds, are helping to train a new wave of MBAs and project managers.

The PRC's entry into the World Trade Organization can only increase the pressure on Chinese professionals to learn and to apply Western standards. These people have recognized project management as one of the prime tools that can make them more efficient and globally competitive. At the same time, the country's prejudice against things Western is waning. In the words of the late Deng Xiao Ping, "it doesn't matter if the cat is black or white, as long as it catches mice."

George Meier, PMP



24 March 2002

PMI-Orange County Chapter
P.O. Box 15743
Irvine, CA 92623-5743

Dear Orange County Chapter Members:

On behalf of the Assembly of Chapter Presidents (ACP), the ACP Board of Directors would like to thank you for the fantastic hospitality that was extended to the attendees of the March 2002 PMI Leadership Meeting.

With the number of volunteers that assisted during the meeting, it is impossible to recognize all of you individually. However, we would like know how valuable your contributions of time, enthusiasm and knowledge were. The Leadership Meeting was a tremendous success and your efforts helped to make that happen. We would especially like to acknowledge the efforts of three chapter members:

Cyndi Snyder, PMP: As President of the Orange County Chapter, Cyndi provided the leadership and enthusiasm for the entire team. Even though she was suffering from laryngitis immediately before the start of the Leadership Meeting, she fulfilled her obligations outstandingly.

Mike Beard, PMP: Mike was in charge of the volunteers during the Leadership Meeting. He was always visible in his hat and "casual" shirt. All of the comments that we have received regarding the volunteers have been positive—always helpful and with a smile on their faces.

Ed Fern, PMP: As the organizer of the "Project Management around the World", Ed created an event that allowed the attendees to network with one another and to find out about the project management profession in other parts of the world. "Project Management around the World" extended the time that we were able to spend with friends—especially our new ones.

The members of the Orange County Chapter should be proud of their accomplishments. Over 325 people enjoyed the accommodations and hospitality and benefited from the excellent sessions. You were excellent hosts and the attendees appreciated your efforts.

Sincerely,

Carlos Zervigon, PMP: ACP President

Guy Lee, PMP: ACP President-elect

Ida Harding, PMP: ACP Vice President of
Regional Chapter Representation

Murray Grooms: ACP Vice President of
Opportunity Funds

Greg Woo, PMP: ACP Vice President of Chapter
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Herman Walter, PMP: ACP Vice President of
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SP02-41A

RUSSIAN SUCCESS DRIVEN PROJECT MANAGEMENT

Presented by Vladimir Liberzon

This was a highly informative and technical presentation on a Russian methodology for managing large complex Projects. The product called Spider has been developed and used in Russia for years with great success in large construction projects. Software projects have not been as thoroughly explored.

Several key elements in this presentation process include:

- Critical path and critical chain are similar
- Critical path assumes that all resources are available when needed
- Resource Critical Path RCP includes resource availability
- Russian projects use local industrial standards etc.
- Activity volume instead of duration based on history of resources.
- Volume vs. Productivity gives duration.
- Monitor actual resource performance a re evaluate duration,
- Different resources can have different difficulties at different times which kills Earned Value (not all thing stay the same or at the same rate and these differences need fine grained accountability)
- Risk simulation varies as the different the local resource availabilities and current resources change. This requires a recompilation of the project schedule to bring up to date with the current risks.
- Must have risk simulation to get various schedules based on initial project data or history: optimistic, pessimistic, probable.



Presenter and Moscow PMI chapter president Vladimir Liberzon discussing project management in Russia.

This very complete and interesting presentation would be impossible to cover in several pages. A web site is available (in both Russian and English) with detailed explanations and English downloads. The site is www.Spiderproject.ru. (Pick the "English" version in the page header bar.)

Bill Lynd

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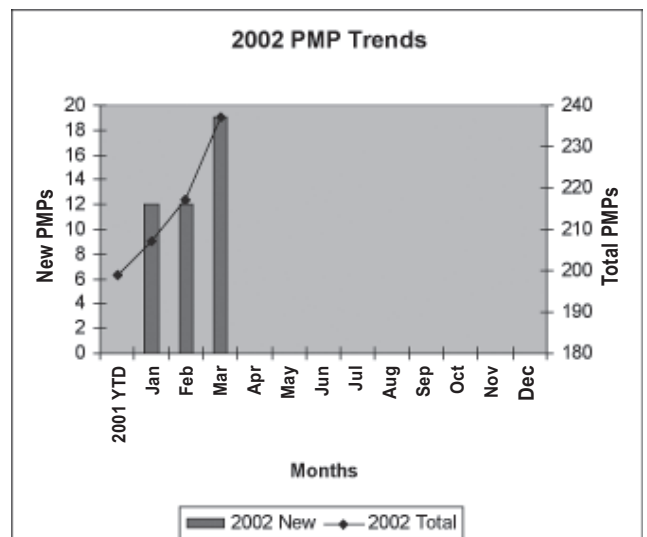
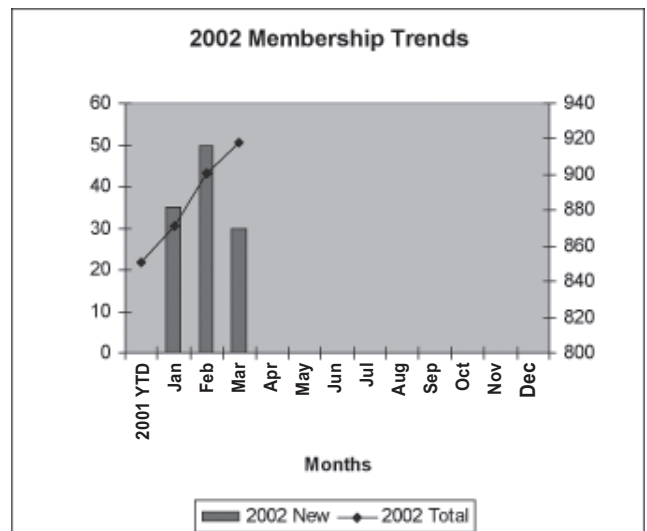
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MONTHLY DINNER MEETING

**TUESDAY
APRIL 9, 2002**

Program: **100% Product-Oriented Work Breakdown Structures (WBSs)**

Location: Wyndham Gardens Hotel
3350 Avenue of the Arts, Costa Mesa
Behind the O. C. Performing Arts Center

Time: 5:30 - 9:00 p.m.

Cost:	In Advance:	At the Door:
	Members \$30.00	Members \$45.00
	Non-Members \$35.00	Non-Members \$45.00

Please register online at <http://www.pmi-oc.org>. Payment, by cash or check, may be made at the meeting. Checks should be made out to **PMI-OC**.

Make your reservation by 5:00 pm, Thursday, April 4th, to obtain the "In Advance" price. Reservations made after 5:00 pm, Thursday, April 4th, will be charged the "At the Door" price.

If you are unable to attend, please cancel your reservation by sending an e-mail to Stephen June at sjune@surfside.net. Members and non-members who cancel after Sunday, April 7 at 6 p.m. will be invoiced a \$15 cancellation fee. Members and non-members who make reservations and do not show up at the meeting will be invoiced a \$15 no show fee.

CHARLES LOPINSKY MEMORIAL FUND

PMI-OC reports with great sadness the passing of long-time member and volunteer Charlie Lopinsky, PMP, PMI Fellow. Charlie died of a heart attack on 20 February at the age of 81. Charlie leaves behind a legacy of service to PMI in general and the Orange County Chapter in particular. He was an active volunteer with both the Orange County and Los Angeles Chapters, having held the title of Trustee in 2000 for PMI-OC and currently holding the title for PMI-LA. The Trustee title was created in 1999 to honor persons who no longer hold office positions, but continue to participate and contribute to the success of the chapter. In addition, he was serving his second year term on the PMI Professional Awards Member Advisory Group.

Charlie first joined PMI in 1971, attending his first Seminars & Symposium that year in Houston. Over the past 30 years he continued to be active in both national and local PMI events. In the Seminars & Symposiums of 1975 (San Francisco), 1978 (Los Angeles), and 1983 (Phoenix), he served on the Technical Program Committees, selecting papers to be presented and coordinating the publication of the Proceedings. In 1998, he served as Assistant Project Manager for the PMI Seminars & Symposium in Long Beach. In 1982, Charlie received the PMI Distinguished Contribution Award. In 1983 and 1984, he served as a member of the *Project Management Journal* Review Board. In 1989, he was appointed a PMI Fellow, the highest honor that PMI bestows to an individual serving the Institute and the project management profession.

In honor of Charlie, the **Charles Lopinsky Memorial Fund** has been established by the Orange County and Los Angeles chapters. Donations can be made through the PMI Educational Foundation by contacting:

Walter Childs
Educational Foundation and Development
Project Management Institute
Newtown Square, PA 19073-9534
walter.childs@pmi.org
610-356-4600, ext. 1059

NEW MEMBERS *Continued from page 2*

- Jonathan Malan**
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- Michael McFadden**
Union Bank of California
- Lorrie Means**
Automobile Club of Southern California
- Mark Mugerditchian**
GensiaSicor Pharmaceuticals
- Robert O'Dea**
Advance Storage Products
- John Partridge**
Automobile Club of Southern California
- Eileen Patjens**
United Rentals, Inc.
- Sallie Piccorillo**
The Boeing Co.
- Jodi Rigoli**
- Kathleen Rondeau**
- Ron Sellars**
Automobile Club of Southern California
- Zachary Sherburne**
Deloitte & Touche
- Christopher Trapp**
- Bryan Tuschhoff**
RBF Consulting
- Dretha Weddell**
Boeing

Total New Members: 30
PMI-OC Membership: 918

PMI-OC WEB SITE

Visit our web site at:
<http://www.pmi-oc.org>
to make your reservation for the dinner meeting and to stay informed of events that are important to members and to project management.

NOTICE

Did you know that you can advertise jobs for **FREE** on the PMI-OC Web Site. Check it out at <http://www.pmi-oc.org>.

E-MAIL

If you would like to receive e-mail announcements about upcoming PMI-OC events, contact
Rstein@PTSStaffing.com.

PMI Orange County MILESTONES

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Editor: **Kristine A. Hayes Munson, PMP**
kristine_munson@hotmail.com

Advertising Director:
Diana Goltzer
diana_goltzer@yahoo.com

Printing: **Sir Speedy, Long Beach, CA**

Inquiries should be directed to:

PMI-OC, Inc.

Attn: Kristine A. Hayes Munson, PMP

P. O. Box 15743

Irvine, CA 92623-5743

Or kristine_munson@hotmail.com

COMING EVENTS

APRIL 9 DINNER MEETING

100% Product-Oriented Work Breakdown Structures (WBSs)

Arnold M. Ruskin, Ph.D., P.E., PMP

Vendor Showcase: Changepoint

See Page 1

APRIL 16

The California Inland Empire Chapter in Formation Will Meet
7:00 to 9:00 p.m.

University of California, Riverside

Extension Center

1200 University Avenue

Riverside, CA 92507-4596

APRIL 23 BREAKFAST ROUNDTABLE

Contact info@pmi-oc.org for details

MAY 14 DINNER MEETING

Using Lessons learned to Speed Implementation of e-Business Projects

Michelle Saykally and Barbara Ansell

EVERY 4th MONDAY

PMI-OC Board Meeting

E-mail info@pmi-oc.org for time and location



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