2005 CHAPTER BOARD

Kristine Hayes Munson, PMP
Chair/President
Tel: 949-932-1476
chair@pmi-oc.org

Glen Fujimoto
Chair Elect
Tel: 714-227-9172
chairelect@pmi-oc.org

Gene Dutz
Finance Director/Treasurer
Tel: 714-309-4053
finance@pmi-oc.org

Stephen June, PMP
IT Director
Tel: 714-963-6145
it@pmi-oc.org

Diane Altwies, PMP
Marketing Director
Tel: 949-756-0443
marketing@pmi-oc.org

Rod Hendrixson
Membership Director
Tel: 714-389-6411
membership@pmi-oc.org

Pan Kao, PMP
Operations Director/Secretary
Tel: 562-882-8829
operations@pmi-oc.org

Terry Ehrhard
Programs Director
Tel: 714-800-3314
programs@pmi-oc.org

Victoria Flanagan
Director at Large
Tel: 949-888-2839
atlarge@pmi-oc.org

FEBRUARY 8TH PMI-OC DINNER MEETING

Lessons Learned from 2004: Sarbanes-Oxley Act

By Kent Schumann, PMP

Extensive federal legislation has placed increasing demands on companies, especially in the area of information technology. FERPA, HIPAA, GLBA, and most recently, **Sarbanes-Oxley** (SOX) had a profound effect on business in 2004. Auditors, consultants, and internal management teams have been scratching their heads trying to successfully comply with a well-intended, yet confusing, piece of legislation.

As 2005 begins, the SOX project teams are scrambling to remediate last minute control deficiencies. Although SOX is not solely focused on information technology, it has significantly impacted IT systems, processes, and projects. And because IT systems and teams have less experience with compliance efforts than their financial counterparts, successful compliance is even tougher.

For this reason, **Kent Schumann, PMP** will examine IT compliance efforts, specifically Sarbanes-Oxley projects. He will detail what we learned in 2004 and how to translate those lessons into successful projects this year and in future compliance efforts.

Large companies must take their SOX projects and transition them into ongoing operational activities in 2005, while smaller public companies are just starting their SOX projects to prepare for their 2005 deadlines. Organizations not affected by Sarbanes-Oxley will still benefit from lessons that can clearly be applied to their respective compliance efforts.

The federal government and plaintiffs' lawyers are becoming even more critical and suspicious of organizational compliance efforts. And since failure to comply can bring not only civil penalties, but also potential prison time for executives, management from all organizations should be paying close attention to learning how to make IT compliance efforts succeed.

Kent Schumann, PMP is President and CIO of SlingStone Information Technology, which provides complete IT strategy and outsourcing for small and mid-size businesses as well as IT governance consulting and training.

A senior business and IT executive, Kent has over 15 years of leadership experience in companies such as Seymour Duncan, Network General Corp., GTE Internetworking, Alteon WebSystems, and Nortel Networks. Kent has led teams to successful design, development, and deployment of strategic IT solutions of all scales in a wide variety of industries.

Most recently, he has managed Sarbanes-Oxley IT projects at companies such as Accredited Home Lenders, DJ Orthopedics, and Invitrogen, among others.

Vendor Showcase:
PlanView
www.planview.com
See ad on page 3

INSIDE THIS ISSUE

THE CHAIR'S COLUMN

Learning My Strengths and Weaknesses

Many of you know that I'm participating in the PMI® Leadership Institute Class of 2005. The Leadership Institute provides an opportunity for 25 PMI leaders selected from components worldwide to come together and learn about leadership. A key element of the program is that each individual completes a 360° review.

The idea of actually completing a 360° review motivated me to apply for the program. (I've attempted to participate in a 360° review twice before; once the facilitator left the company, and once I left the company. I did not receive the results either time.) I received my review results around the end of December.

I took several weeks to summon the courage to open the envelope and read the benchmark report prepared by the Center for Creative Leadership. I always felt good about my leadership skills in general, but what if my boss, peers, and direct reports felt differently? I kept thinking about **Garrison Keillor's** news from Lake Wobegone where all the children are "above average." What if I wasn't above average? Finally I remembered what Leadership Institute Facilitator **Jerry Brightman** stated when introducing the review process. He said that feedback, both positive and negative, is a gift. So I opened the envelope.

The feedback in the report was almost better than any gift I received at Christmas. (I had to say "almost better" because my husband surprised me with beautiful earrings, and he might read this.) Yes, there was both positive and negative feedback. Over the past few weeks, I have been spending a lot of time trying to understand the scores in the leadership skills and perspectives sections, as well as the "problems that can stall a career" section, in preparation for my one-on-one session with Jerry Brightman to discuss a personal development plan.

Quite by coincidence, I received the January 2005 issue of the *Harvard Business Review* at almost the same time I initially read the report. In it I found an article by **Peter Drucker** entitled "Managing Oneself." Drucker's article provided food for thought regarding some of my questions about what I would like to achieve as an outcome of my development plan. I'd like to share a couple of quotes from him that I recorded in my leadership learning journal in hope that they will help you in your leadership development journey. (Keeping a leadership learning journal is also part of the program.)

"It takes far more energy and work to improve from incompetence to mediocrity than it takes to improve from first-rate performance to excellence. And yet most people, especially most teachers and most organizations, concentrate on making incompetent performers into mediocre ones. Energy, resources, and time should go instead to making a competent person into a star performer." (Page 102).

"The conclusion bears repeating: Do not try to change yourself; you are unlikely to succeed. But work hard to improve the way you perform. And try not to take on work you cannot perform or will only perform poorly." (Page 104).

"Successful careers are not planned. They develop when people are prepared for opportunities because they know their strengths, their method or work, and their values. Knowing where one belongs can transform an ordinary person, hardworking and competent, but otherwise mediocre, into an outstanding performer." (Page 106).

Feedback is a valuable gift. I am truly grateful that 14 individuals chose to give me this gift. Now the responsibility is mine to internalize their feedback and use it in my leadership journey.

Kristine A. Hayes Munson, PMP
Chair

Here is a sample of some questions:

1. All but one is another name for a phase-end review:
   a. Kill point
   b. Process point
   c. Stage gate
   d. Phase exit

2. Which one of the following is not a *key* project stakeholder?
   a. Project manager
   b. Customer
   c. Project sponsor
   d. Seller

3. A cost variance (CV) is achieved by:
   a. Subtracting the actual cost (AC) to date from the earned value (EV) to date
   b. Subtracting the planned value (PV) to date from the earned value (EV) to date
   c. Calculating the ratio of the earned value (EV) to date to the actual cost (AC) to date
   d. Calculating the ratio of the earned value (EV) to date to the planned value (PV) to date

4. Which of the following are the two core processes in the Controlling Process Group?
   a. Cost Control and Schedule Control
   b. Quality Control and Performance Reporting
   c. Scope Change Control and Cost Control
   d. Performance Reporting and Integrated Change Control

PMInAction 2005

Call for Presentations!

PMI-OC's one-day conference, **PMInAction 2005** (targeted for mid 2005), will feature approximately ten exhibitors and 150 participants, multiple project management seminars/workshops, a project management contest, a software development team competition, and a full day of educational and networking opportunities.

To create an exceptional educational experience, we welcome your perspective on the most important and relevant issues facing project management professionals today. Submit your presentation topic proposals via e-mail to PMInAction@pmi-oc.org.

UNDERSTANDING
Project Management Turnover

Even before 9/11 changed our lives and sent our economy further into recession, companies in all industries were having difficult times achieving individual project performance and ultimately meeting stockholder expectations. Some companies addressed this issue by urging their project managers to obtain project management certificates, while others like Microsoft dictated that their project managers achieve the PMI® Project Management Professional certification.

No matter the reason or the road taken to project management competency, companies today must retain competent project managers to remain competitive. Irrespective of the fact that some turnover and retention is somewhat affected by economic cycles, the issue of retention of top performers is consistent regardless of the economic cycles. Effective leadership and employee retention are critical to each and every company in meeting their contractual obligations. In most industries, companies that meet these obligations consistently have a competitive advantage in the marketplace. One of the key criteria of source selection for government contracts is a company's past performance. So, with all other aspects of a proposal being equal between two competitors, the one that has performed better in the past will win the new contract.

Despite the wealth of research that has focused on the associated factors of employee turnover, there has been little research into the causes of employee turnover with regard to project managers. One of the most obvious reasons employees leave organizations is their relationship to their manager. One of the most studied leadership theories in the last 15 years has been Transformational Leadership. Transformational leadership theory emphasizes symbolic leader behavior, visionary, inspirational messages, non-verbal communication, ideological values, emotions, and intellectual stimulation of followers by the leader. The theory of transformational leadership integrates important features of behavior, contingency, and trait leadership theories.

One of the foremost transformational leadership theories espoused is by **Bass and Avolio** (1990). Their theory is based on the premise that transformational and transactional leadership form a continuum. Their theory identifies seven different dimensions of transformational and transactional leadership, which includes four dimensions of transformational leadership and three dimensions of transactional leadership.

In order to better understand the relationship between transformational and transactional leadership and project manager turnover, I will be conducting a study as part of my doctoral studies in Organizational Leadership at Pepperdine University. The study is designed to identify if one or more of the transformational and transactional leadership dimensions has a significant relationship to project manager turnover. The results from this study can then be used to better understand the complex relationship between leadership and turnover of project managers.

In mid-February, the PMI Orange County Chapter will be invited to participate in this study. I believe this study is significant and will add to the knowledge base regarding both leadership and employee turnover. In addition, I will present the results from this study at a future PMI Orange County monthly meeting. I look forward to everyone's participation.

William G. Epstein, PMP

ADVANCED TOPIC SEMINAR

Resource-Limited Project Management

On a rainy Saturday morning, **Vladimir Liberzon, PMP,** general director and CEO of Spider Management Technologies and president of the Moscow chapter of PMI, presented the concept of managing projects in a resource-limited environment. Despite the less than ideal weather conditions, **Cornelius Fichtner, PMP** and his volunteer team provided a professional workshop that was well attended. What would bring over 40 professional project managers out on a rainy Saturday morning to Santiago Canyon College?

The answer was in the topic itself. The concept of both planning and executing projects in a resource-limited environment is one that we all face, and we are always looking for ways to be more successful. Spider Technologies is a leading Russian project management training and software provider. As described by **Ed Fern, PMP,** the Russians and others in Eastern Europe have long been accustomed to a severely resource-constrained economy and have, therefore, learned to deal with the difficulties.

The topics covered during the presentation included:

1. Organizing data for both project simulations and corporate resource management

2. Resource-constrained scheduling and the concept of the resource-critical path

3. Project success criteria

4. Project risk simulation

5. Success driven project management

Vladimir explained that much of the concept was designed around construction type projects, but can be utilized in other fields as well. Both the methodology and software are also meant for a multi-project organization and can be very effectively used by program managers and project management offices (PMOs).

1. When organizing data structure, it is very important to set up the activities and dependencies so that you can manipulate the information into various forms and output reports. The use of the "volume of work" concept as part of the activity description was discussed with a lot of interest and questions. As part of the volume of work definition, Vladimir addressed the concept of resources being divided into renewables (human and mechanisms) and consumables (materials). During the lively discussion of managing complex resources, **Dr. Dave Hewlett** mentioned that the assignment of resource volume has been moved from the cost section to the time section of the 2004 PMBOK®.

2. During the discussion on scheduling, key points about the Spider software's ability to assign resources based on priorities and the ability to assign skill levels to individual or group resources generated a lot of interest. This is especially important when managing resources from a multi-project pool. The issue was raised regarding the difficulty in some areas, like new product development to quantify resource productivity factors across a wide range of workers with various levels of knowledge.

The concept of multiple work breakdown structures utilized by Vladimir's methodology and software also created a lot of interest. His approach allows for three primary "slices" of the WBS. One for project deliverables, another for project processes, and a final one for project responsibilities. An important feature of the Spider software is the ability to archive project data in multiple formats for use as historical files or for future estimating and predictions.

The concept of the resource critical path is very similar to the Goldratt Critical Chain Project Management (CCPM) concept of the critical chain, and it was generally agreed that understanding the impact of all constraints, including personnel, machines, finances, materials, etc., was critical to development of a robust schedule. There was also extensive discussion about conventional project management software limitations affecting the sensitivity of the scheduling heuristics compared to those used by the Spider software. He demonstrated this with a number of Gantt examples for a simple four activity project.

3. The subject of project success criteria centered on the importance of the project manager understanding all of the issues related to successful project completion, including the business case. The Spider software allows for the conduct of "what if" studies of changes to various parts of the project baseline, including adding resources to assess the overall impact on the project. It was agreed that this would be very valuable for a project office.

4. Of all the topics, this one generated the most active responses. The Spider methodology does not support or believe in the use of Monte Carlo simulations for risk, but instead relies on the use of the three scenario approach (optimistic, most probable, and pessimistic).

Dr. Hewlett led extensive discussion of various statistical methods and the use of Monte Carlo solutions at the summary level of a project schedule. Mr. Liberzon examined the differences and similarities of his concept and the critical chain methodologies through the use of buffers for shielding the schedule from unexpected variations.

5. The final topics addressed success driven trend measurements to ascertain the probable outcome of the project. The methodology and software support a number of graphical outputs that allow the user to see potential trends early in the project. You can see both the impacts on schedule and budgets. Vladimir concluded with a wrap-up of the differences between Success Driven Project Management (SDPM) and the Critical Chain methodologies.

Vladimir Liberzon gave each attendee a disk containing his presentation and demonstration software for the Spider Project Management Tool.

One thing that impressed the instructors attending was Vladimir's ability to cover 79 slides, handle a lot of active discussion, include two breaks, and still finish ten minutes early in a four hour workshop. This demonstrates the ability to maintain schedule under uncertainty. Additional information and downloads can be obtained from the Spider website at www.spiderproject.ru.

Martin Wartenberg
University of California, Irvine
Engineering and Information Technology
mrwarten@uci.edu
(949) 285-1034

COST ESTIMATION TOOLS

You may think you don't need them, but they save time and increase ROI.

The need for cost estimation is quite obvious. What is less obvious is that it takes many successful projects to make up for the loss incurred from a single bad project.

The dollar amounts at stake are staggering. In the U.S., $55 billion goes to waste every year: $38 billion in money lost outright, and $17 billion in overrun budgets, **Figure 1**.

Wouldn't it be really helpful if there were a means for weeding out the bad projects before they have even started? There is, as **Henk Keukenkamp, PMP** showed most eloquently at the PMI-OC January 2005 dinner meeting.

Henk first showed a table of application types and their costs, **Table 1** (below left). For a definition of the concept of function points, see the column at the right. When the values in this table are plotted, the straight line of **Figure 2** (below) emerges; application costs increase linearly with the number of function points.

| Application Type	Size in Function Points	Average Costs*
Web Applets	50	$89,744
Client/Server Applications	7,500	$13,461,525
Manufacturing Applications	7,500	$13,461,525
Large Business Applications	**10,000**	**$17,948,700**
Major Corporate Applications	25,000	$44,871,750
Major Government Applications	50,000	$89,743,500
Enterprise System	150,000	$269,230,000
Major Defense System	250,000	$448,717,500

*Costs based on outsourced benchmarks

$255 Billion Spent on IT Projects
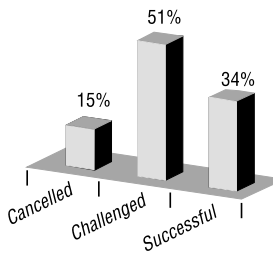
Figure 1 (above): Of all US IT projects, costing $255 billion, 51% are challenged, and 15% are cancelled outright. Only 34% are successful.

Table 1 (left): As the number of function points in an application grows, so does the cost.

Application Costs Are Proportional to Their Number of Function Points
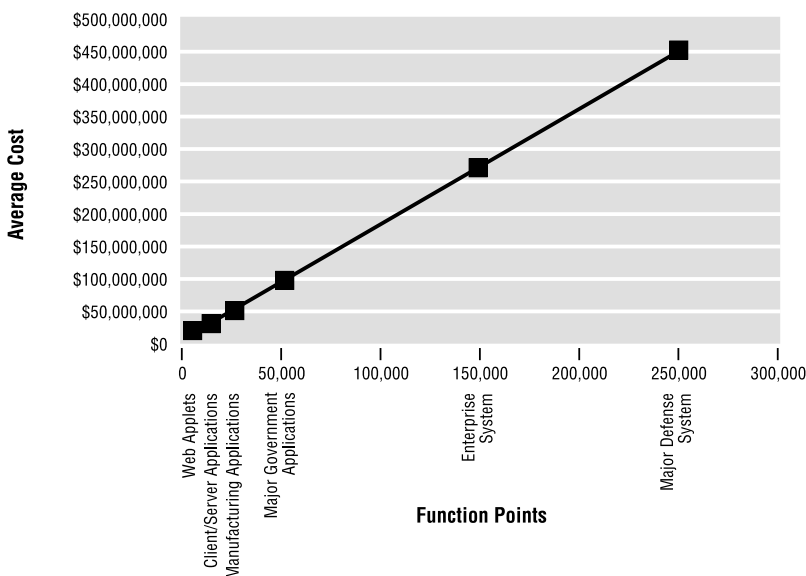
Figure 2 (above): Application costs grow proportionally with the number of function points.

What are function points and why count them?

In the late seventies, IBM felt the need to develop a language-independent approach to estimating software development effort. It tasked one of its employees, **Allan Albrecht**, with developing this approach. The result was the function point technique.

In the early eighties, the function point technique was refined, and a counting manual was produced by IBM's GUIDE organization. The International Function Point Users Group (IFPUG) was founded in the late eighties. This organization produced its own "Counting Practices Manual." In 1994, IFPUG produced Release 4.0 of its "Counting Practices Manual."

While the GUIDE publication and each release of the IFPUG publications contained refinements to the technique originally presented by Albrecht, they always claimed to be consistent with his original thinking. In truth, it is still very close considering the nearly two decades that have elapsed since Albrecht's original publication!

During the eighties and nineties, several people have suggested function point counting techniques intended to substantially extend or completely replace the work done by Albrecht. However, unless otherwise specified, information in this presentation was intended to be consistent with IFPUG Release 4.0.

Function points are a measure of the size of computer applications and the projects that build them. The size is measured from a functional, or user, point of view. It is independent of the computer language, development methodology, technology, or capability of the project team used to develop the application.

The fact that Albrecht originally used it to predict effort is simply a consequence of the fact that size is usually the primary driver of development effort. The function points measured size.

It is important to stress what function points do NOT measure. Function points are not a perfect measure of effort to develop an application or of its business value, although the size in function points is typically an important factor in measuring each. This is often illustrated with an analogy to the building trades. A three thousand square foot house is usually less expensive to build than one that is six thousand square feet. However, many attributes like marble bathrooms and tile floors might actually make the smaller house more expensive. Other factors, like location and number of bedrooms, might also make the smaller house more valuable as a residence.

From:
http://ourworld.compuserve.com/homepages/softcomp/fpfaq.htm#WhatAreFunctionPoints

While the cost grows linearly with the number of function points, the likelihood of project success behaves inversely; the higher the number of function points, the lower the project success, ***Figure 3*** (right).

Henk was quick to admonish us with, "Formal cost estimating roughly doubles the probability that your project will be completed successfully.[1]"

To this end, Henk provided his 12 rules of project cost estimation. Here they are:

Rule 1: Your estimate will be wrong.
• You are asked to predict the future; who can?
• There is a multitude of factors: staff, risks, scope.
• The best people to estimate are the ones who are going to undertake the work.

Rule 2: You can always provide an estimate.
• There are several types of estimates:
  • Order of magnitude   -25% or +75%
  • Ballpark sizing   -25% or +50%
  • Planning estimate   -25% or +25%
  • Commitment estimate   -10% or +10%
• We are often asked early in the project, or even before the project starts, to create a cost estimate.

Rule 3: Every estimate must have a contingency allowance.
• How much trust do you have in your estimate?
• An example of this is your commute to work. Ask:
  • How long does it typically take?
  • How comfortable are you that you can meet this typical commute?
  • So when you leave home for an important meeting, what do you allow for contingency?

Rule 4: It is harder to make the list of the items to be estimated than it is to estimate each item.
• Define the list of items that affect the project;
• Determine the cost for each item;
• Total the costs for all the items; and
• Define your list with risks.

Rule 5: The quality of your estimate depends on your familiarity with the proposed project.
• What is the business?
• How is the customer?
• How is the team?
• How mature are the processes?

[1] From: Caper Jones, *Estimating Software Costs*, McGraw-Hill, New York, 1998
[2] Author: Frederick P. Brooks

**The Fewer Function Points, the Likelier to Finish on Time or Early
The More Function Points, the Likelier to Be Cancelled or Delayed**
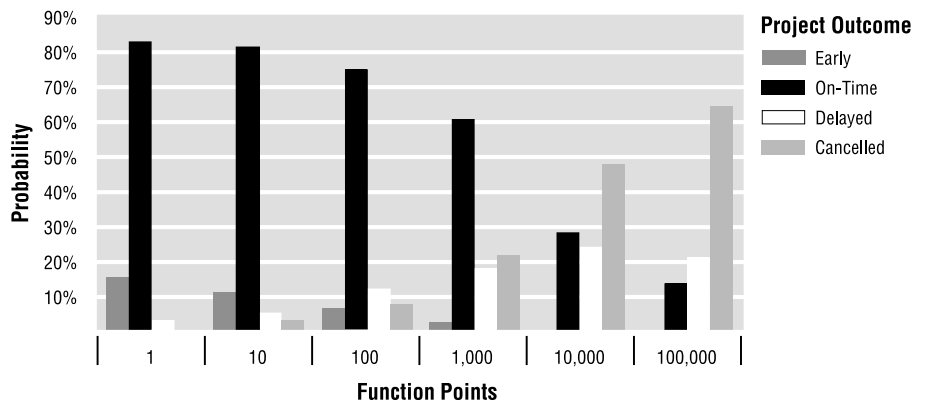
Figure 3 (above): While most projects with 1,000 function points or fewer finish on time, if not early, most projects with 10,000 and more function points do not.

Rule 6: The more bits it's in, the longer it gets.
• Break it down into understandable chunks.
• Don't make a mountain out of a molehill.
• Try not to forget the obvious:
  • Procurement and purchasing
  • Installing, configuring, buildings, etc.

Rule 7: Write down your assumptions.
• Task-specific assumptions
• Project-specific assumptions
• Try to be complete so you feel comfortable about your estimate.
• It helps you to remember and justify why it costs what you estimated.

Rule 8: The contingency allowance is proportional to the risk.
• If you win the lottery, will there be a PM change?
• Known and unknown risks
• What is the organization's tolerance for risk?

Rule 9: There is no method that works.
• There is no fool-proof method,
• But tools can give you structure and,
• Remember: garbage in, garbage out!
• A fool with a tool is . . .
• If you don't have a clue, get a clue.

Rule 10: The project duration in months must be greater than the average number of team members.
• A 14 month project can, on average, not have more than 13 people,
• Yet, large projects would never start if we upheld this rule.
• Also, think of the Mythical Man Month[2]. Adding more people to a late project will make it later still.

Rule 11: Have someone else review your estimate.
• There are several review methods:
  • Peer review
  • Wideband Delphi
  • Team estimate
  • Combination of the above
• Remember what's important: costs, schedule, and requirements.

Rule 12: Hold a project post mortem.
• The project is over. So why bother?
• Yet . . . we can learn a lot from the good and the bad.

*PMI-OC January dinner meeting attendees discuss the presentation while **Henk Keukenkamp, PMP** answers questions.*

Cost Estimation Tools

Cost estimation tools provide valuable help in applying these rules. They save money for the organization and reduce risks in the project. They frequently determine a project's feasibility. In doing so, they support the project business case and assist with ROI and TCO calculations. They also provide a formal process for budgeting change requests.

Most important, these rules create a repeatable process that becomes the foundation for future cost estimates.

To make the best of his rules, Henk recommended following these simple steps:

- Define your types of projects.
- Document your current and new approach.
- Identify who is required in the process.
- Review your current performance.
- Define your integration points.
- Train the users of the tool.
- Define your review process.
- Train the reviewers.
- Q&A the process.

As Henk reassured his audience at the end of his presentation, cost estimation need be neither difficult nor dreaded, nor need one be timid about it. Rather, cost estimation is a profitable journey through tracking project performance, adhering to and enforcing a process, estimating often, and reviewing results.

Thank you, Henk, for sharing your insights.

George D. Meier, PMP
yorgo8@earthlink.net

New PMP Thanks Parents for Support During PMP Preparation

At the January dinner meeting, PMI-OC Chair **Kristine Hayes Munson, PMP** took the opportunity to introduce one of the new PMP® recipients. **Fiona Young, PMP** had invited her parents to the dinner meeting to thank them for their support while she studied for the PMP exam. Kristine remarked that this was the first time in her recollection a member had invited their parents. As they watched Fiona thank her family for their support, many attendees thought about their own families, friends and co-workers who supported, helped and endured them during their preparations for the exam.

Networking and enjoying dinner, camaraderie, and the presentation at the PMI-OC January 2005 dinner meeting

Advanced Topic Seminar: Critical Chain Project Management

By Allan Elder

Critical Chain Project Management provides a comprehensive set of tools that address project planning, scheduling, resource behavior, visibility and control, as well as how to synchronize multiple projects.

Critical Chain Project Management is now an accepted best practice by PMI® and has been included in the third edition of the PMBOK®.This brief introduction to CCPM covers how Critical Chain picks up where Critical Path left off. Three steps comprise the CCPM solution: what to change, what to change to, and how to cause the change.

You will discover the core conflict that causes most project management problems and how CCPM provides a workable solution.

In discovering "what to change" you will learn the core conflict of project management and how current measurements drive behaviors that delay projects and cause cost overruns.

See why trying to get every task done on time is actually the cause for projects being late, rather than the cure.

Knowing "what to change to" will show you how to switch from task protection to project protection using project staggering, buffers, and buffer management to ensure your resources are always working on the most important tasks that drive successful completion.

Finally, in "how to cause the change" Allan will discuss factors relevant to the implementation of CCPM in your environment, including the six layers of resistance to change and how to systematically overcome them.

Allan Elder, PMP is the president of My Project Partner, a consulting firm dedicated to project management methodologies and EPM solutions. Allan is a project management consultant and Theory of Constraints "Jonah" actively managing projects using CCPM. Allan has a Masters in Project Management, PhD (ABD) in Organization and Management, and currently teaches project management for the University of California, Irvine corporate extension. Current clients and projects include the County of Orange IT Services Division and the Los Angeles Unified School District. Allan has trained, consulted, and managed projects for over 30 organizations in the past decade.

Date:	Saturday, February 5, 2005		**Questions:**	advancedtopics@pmi-oc.org
Time:	8:00 a.m. to 12:00 p.m.		**PDUs:**	There are four PDUs for this event.
Location:	Santiago Canyon College 8045 E. Chapman Ave Room D-207 Orange, CA. 92869		**Cost:**	$25 for PMI members $30 for non-members
Register:	www.pmi-oc.org			

WEDNESDAY, FEBRUARY 16, 2005
PMI-OC CAREER NETWORKING GROUP

NETWORKING 101

Networking is a powerful way to uncover hidden job opportunities and to create "mind-share" in others that will prompt them to seek you out when suitable situations arise. It is also vital to broaden your contact pool since the odds are that your next position will come through referral. Mastering the art of networking will result in continued employment, increased visibility, and professional growth.

Join us for a session crammed with practical pointers on overcoming the hurdles of networking. Discover innovative approaches to land your ideal position. Topics will include:
• The 12 habits of prolific networkers
• Getting the most out of networking at professional associations
• Targeting your audience with creative strategies that will get you noticed

Our presenter, **Melanie McCarthy**, is the principal of ResourceXperts, an IT staffing firm. She attributes her success to the power of networking, and she'll share her methods of identifying the very opportunities you're searching for by capitalizing on networking.

When:	Wednesday, February 16, 2005, 6:00 p.m. – 9:00 p.m. Registration and food start at 6:00 p.m. Program starts at 6:30 p.m.
Where:	40 Plus of Orange County, 2040 South Santa Cruz, Suite 245, Anaheim, CA 92805, (714) 938-0161
Cost:	$5.00 PMI-OC members / $5.00 non-members (covers food and soft drinks)
Register:	**www.pmi-oc.org**
Questions:	E-mail: programs@pmi-oc.org.

Karma Club

PMI-OC Membership Director **Rod Hendrixson** kicked off 2005's first Career Networking Group meeting on January 19th. The evening's Karma Club activities were primarily designed to give individuals an opportunity to draw upon the collective knowledge, experience and networking contacts of all participants. Rod thanked all in attendance, including certain members of the PMI-OC board, namely **Glen Fujimoto**, Chair Elect; **Stephen June**, IT Director; and **Brent Felsted**, Leader, Volunteer Management Committee. Steven June distributed photocopies of attendee business cards so that everyone had each other's contact information for future networking.

The Karma Club session was led by **Melanie McCarthy**, principal of ResourceXperts, a local IT staffing firm, and an instructor at Forty Plus of Orange County. She described the benefits of joining Forty Plus, a non-profit organization for executives, managers and professionals in career transition. You have access to a 24/7 career transition environment, a two-week comprehensive training program grooming you to be "head and shoulders" above your competition, and lots of networking opportunities. Visit http://home.pacbell.net/fortyoc/index.htm for more information.

Melanie invited job seekers to stand in front of the audience and give their 30-second commercials. This allowed the group to learn more about each individual, his/her industry, discipline or profession, job function, type of position, unique proficiencies, and target companies. People who volunteered benefited from an interactive brainstorming session lasting approximately four minutes per person. Members of the audience expressed ideas to expand and/or focus job search strategies. Leads and contact names of people working in target companies were suggested, and recruiter or hiring activity information was exchanged. The following people volunteered information in front of the audience:

Brent Felsted, Leader, PMI-OC Volunteer Management Committee, spoke about upcoming volunteer opportunities and urged people to register on the PMI-OC website for the Second Annual Volunteer Kickoff Rally to be held on Thursday evening January 27 at Martini Blues in Huntington Beach.

Glen Fujimoto, PMI-OC Chair Elect, spoke about open positions at Kelly Blue Book, where he works as a project manager. Glen shared job descriptions of several open positions and asked interested persons to contact him via e-mail at gfujimoto@kbb.com.

Jody Heidrick, with over nine years of managing internal projects at Ernst & Young and recent offshoring experience, was looking for ideas to leverage her project management and tax practice experience. Suggestions included exploring engagement management roles at middle-tier consulting and offshoring companies with a vertical presence in finance and tax. Company names such as Sierra Systems, H&R Block and Ceridian were mentioned.

Danielle Brinkman, president of Market Wyze, wants to target medium to large Orange County companies in the securities or financial industries. Danielle's specialization was integrated marketing, marketing project management and business/product development.

Anita Jamack, a sales account executive with Afinety, wants to transition from sales to project management. Suggestions included targeting project management software vendors such as Niku, Primavera, PlanView, Microsoft, etc.

Michael Fisher, an IT bridge builder with networking, infrastructure and help desk management experience in the publishing and media industries, wants to target entertainment companies such as Yamaha, Conde Nast, Virgin Entertainment, etc.

Jim Monical, an IT project manager with extensive document management, scientific instrumentation, application development and analytical skills, wants to target industries dealing with FDA regulatory requirements, such as biotech and pharmaceutical companies.

Joe McDonough, a senior program management executive with over 20 years of implementing high-tech custom solutions (top secret clearance) with Hewlett-Packard and Agilent, seeks *direct* contact with prospective hiring managers to circumvent gatekeepers within the HR departments who could foil his next employment opportunity.

Fred Lee, a highly experienced IT infrastructure expert, is seeking independent contracting or consulting opportunities in the construction and commissioning of large scale data centers, call centers, and networks.

Evelyn Spencer, a bilingual specialist in graphic arts for the entertainment industry, is seeking project management opportunities which will leverage her considerable experience and skills with digital media/technology.

Sreesha Rao, a PMI®, with over 16 years of business systems implementation and software development experience in consumer packaged foods and rehabilitation medicine, is targeting mid to large Orange County companies. Suggestions included company names such as Sybron Dental, Edwards Life Sciences, Disney Imagineering, etc.

Keith Lennox, an IT project manager with supply chain management and ERP systems experience such as PeopleSoft and SAP, is seeking supply chain management opportunities in Pasadena or Irvine.

Bob Tancic, an IT project lead with extensive business analysis and project management experience in the supply chain and distribution aspects of the oil industry, is seeking supply chain management opportunities.

Sinan Mayfield, a software development manager with extensive software development life cycle experience, is seeking software products and financial services companies in the South Bay area.

All attendees were asked to fill out a session feedback form that had a specific area for indicating topics of interest that attendees would like to see covered in future Career Networking Group meetings.

The next meeting of the Career Networking Group is on Wednesday, February 16. Mark your calendars, and join us for an exciting session crammed with practical pointers on overcoming the hurdles to networking. Melanie McCarthy, featured guest speaker, will help you discover innovative approaches to land your ideal position. For details and registration visit www.pmi-oc.org.

The evening ended with a business card drawing. Lucky winner **Jim Monical** received a gift certificate to In-N-Out Burgers, and **Debbie Countess** won a Starbucks gift card.

Sreesha Rao, PMP

Second Annual PMI-OC
VOLUNTEER KICKOFF RALLY
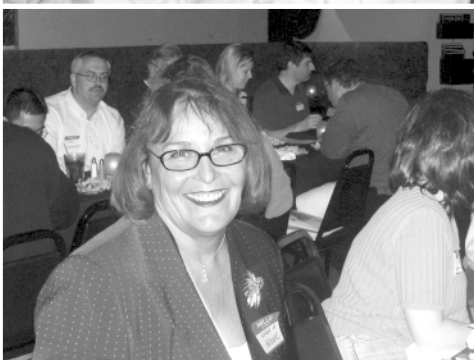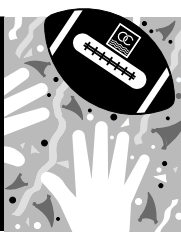
The Second Annual Volunteer Kickoff Rally on January 27th was a combination of fun, entertainment, networking, and volunteer planning for the upcoming year.

The evening began with networking, followed by dinner against the mellow background of a flamenco guitar. Then, the chapter's volunteer needs were described in light of the new Board of Directors structure and chapter direction.

Kristine Hayes Munson, PMP, Chair, started the presentation with the PMI-OC Vision and Mission Statements, stressing the importance and contribution of volunteers. She reiterated the chapter's Three-to-Five Year Goals.

- **Maximize Stakeholder Value**
  We will enhance the value of our chapter products and services offered to individuals and businesses to *attract and retain members and business partners* at a rate consistent with market trends.

- **Strengthen Volunteer Organization**
  We will improve the way we recruit, manage, and recognize our volunteers to *attract more volunteers and to achieve our goals* more effectively.

- **Run the Chapter Like a Business**
  We will enhance our chapter infrastructure to more *effectively manage and operate an organization* of this size.

Each of the directors presented their objectives and their staff requirements to put the plans into action.

Glen Fujimoto, Chair Elect

- **Objective:** To create and maintain metrics for chapter performance and project management industry trends
- **Staffing needs:** One committee chair for the Performance Committee and two or more committee members

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Gene Dutz, Finance Director/Treasurer

- **Objective:** To provide financial reporting that enhances the board's decision-making process
- **Staffing Needs:** Please contact Gene. Volunteers are needed.

Stephen June, PMP, IT Director

- **Objective:** To strengthen the website and to strategize, then implement, a consolidated data facility
- **Staffing Needs:**
  - Web manager
  - Web business analyst
  - Database manager
  - Database business analyst

Diane Altwies, PMP, Marketing Director

- **Objectives:** To facilitate the exposure of PMI-OC throughout the community and to support PMI's mission to educate the community on the value of project management
- **Staffing Needs:**
  - Two to three **photographers** to take pictures of PMI-OC members "in action"
  - Two to four **stakeholder analysis** volunteers, prior survey experience a plus
  - One to three **public relations** volunteers, prior marketing experience preferred
  - **Corporate ambassadors** to work under the Corporate Relations Chair in soliciting corporate organizations for PMI-OC sponsorship
  - **Educational institutions ambassadors** to work under the Corporate Relations Chair in soliciting educational organizations for PMI-OC sponsorship

PMI-OC volunteers networking and having a good time at Martini Blues in Huntington Beach

Volunteer Kickoff Rally

Rod Hendrixson, Membership Director

- **Objectives:** To facilitate membership tracking, membership retention and recruitment, volunteer management, and membership surveys and to enhance the volunteer program to improve recognition, recruiting, retention, and resource management
- **Staffing Needs:**
  - Membership tracking coordinator
  - Data analyst*
  - Data entry clerk*
  - Membership retention program manager*
  - Retention advisors*
  - Membership recruitment organizer*
  - Membership recruiters*
  - Membership welcome organizer*
  - Ambassadors to greet and welcome attendees at PMI-OC sponsored events, especially the monthly dinner meetings
  - Volunteer recruitment organizer*
  - Volunteer advisors*
  - Volunteer recruiters*
  - Volunteer recognition organizer*
  - Volunteer recognition planners*
  - Volunteer database maintenance*
  - Membership surveys coordinator to oversee and support continuous membership feedback survey process

  *Responsibilities to be defined

Pan Kao, PMP, Operations Director/Secretary

- **Objective:** To implement electronic election ballots and to update Policies and Procedures
- **Staffing Needs:**
  - Two to three volunteers for the Election Committee
  - Two to three volunteers for the Policies and Procedures Committee

Terry Ehrhard, Programs Director

- **Objective:** To support programs including dinner meetings, PMP® Exam Prep Workshops, Career Networking Group, Advanced Topics Seminars, and the chapter library.
- **Staffing Needs:**
  Dinner meetings
  - Audio-video specialist
  - Hotel coordinator
  - Survey coordinator
  - Toastmaster
  - Location surveyor
  - Badge creator
  PMP Exam Prep Workshops
  - Instructors
  - Administrator
  - Survey coordinator
  Career Networking Group
  - Meeting prep assistants
  Advanced Topics Seminars
  - Meeting prep assistants
  Library
  - Librarian

  Special Program, PMInAction 2005
  - Runners for judges
  - Technical support and toastmaster/liaison, three to four people
  - Floaters, five to ten people
  - Development team, two to three people
  - Marketing, five to seven people to market the event
  - Registration desk, five to seven people
  Speaker Committee (new)
  - Recruit and coordinate speakers for the Advanced Topics Seminars, Career Networking Group, dinner meetings and any special events, such as PMInAction

Victoria Flanagan, Director-at-Large

- **Objectives**:
  1. Strategic planning to enhance and maintain PMI-OC Strategic Planning and to maintain the chapter's Strategic Plan
     Staffing Needs: Two volunteers
  2. Council staff to support the Advisory Council
     Staffing Needs: One to two volunteers
  3. Council members to advise PMI-OC on its future direction
     Staffing Needs: Four plus volunteers
  4. Liaisons from each Board of Directors area
     Staffing Needs: One from each Board of Directors area

News from Headquarters

PMI Global Congress-Asia Pacific
Singapore, February 21-23, 2005

Special registration fees. To commemorate the opening of the PMI® Regional Service Center for Asia Pacific in Singapore, PMI is offering significant discounts on advance registration for PMI Global Congress 2005–Asia Pacific, being held February 21-23, in Singapore.

You can now attend this prestigious project management event for only $199 if you're a PMI member, $299 for non-members and only $99 for students.

To take advantage of these savings, **you must register by Monday, February 7, 2005.**

If you have already pre-registered at the original cost, you are entitled to a refund of the difference in registration fees. See www.pmi.org for details.

PMI's Ongoing Tsunami Effort

On January 19, 2005 at 11:00 a.m., employees at each of PMI's worldwide facilities devoted a moment of silence for those who lost their lives in the recent Asia Pacific tsunami, as well as for those survivors dealing with the aftermath.

This will be followed by a similar gesture at the beginning of the PMI Board Immersion Workshop and the Opening Session of PMI Global Congress-Asia Pacific, 2005 in Singapore.

In a letter to leadership and staff, in which he announced the donation of $25,000 to benefit those in immediate need in the region, PMI Chief Executive Officer **Gregory Balestrero** urged the PMI community to make a contribution to one of the many recommended emergency relief agencies involved in the outreach and reconstruction in the Asia Pacific region.

There are volunteer opportunities to fit every level of time commitment and a broad range of skill sets. We have set goals for our chapter, and we have developed plans to achieve those goals. Each member can find a volunteer opportunity suited to their goals for networking, personal growth, professional growth and service to their community. In the process each may find fun, entertainment, networking opportunities and the chance to work to support the PMI-OC Chapter.

Lora Lockwood, PMP

PMI-OC Dinner Meeting

Tuesday, February 8, 2005

Program: **Lessons Learned from 2004: Sarbanes-Oxley Act**
Presenter: Kent Schumann, PMP
Vendor Showcase: PlanView

Location: **Wyndham Orange County Airport**
3350 Avenue of the Arts, Costa Mesa
Behind the O. C. Performing Arts Center

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

Cost: **Dinner and Presentation**

In Advance:		*At the Door:*	
Members	$25.00	Members	$40.00
Non-Members	$35.00	Non-Members	$40.00

Presentation Only (Members and Non-Members)
In Advance: $10.00 *At the Door:* $15.00

Please register at www.pmi-oc.org. You can pay by credit or bank card in advance or by cash, check, or credit card (Visa or MasterCard only) at the door.

Make your reservation by 9:00 p.m., Sunday, February 6, to obtain the "in advance" price. Reservations made after 9:00 p.m., Sunday, February 6, will be charged the "at door" price.

If you are unable to attend, please cancel your reservation at www.pmi-oc.org. Members and non-members who cancel their reservations after Sunday, February 6, or members and non-members who make a reservation and do not attend the meeting will not receive any refunds.

PMI-OC Breakfast Meetings

PMO-Local Interest Group (LIG) Breakfast Roundtable
Tuesday, February 15, 2005
Third Tuesday of Every Month

Location: **Hilton Hotel** (formerly The Red Lion)
3050 Bristol Street (near Paularino), Costa Mesa
Atrium Café, Lobby Level, 714-540-7000
Time: 7:15 – 8:45 a.m.
Register: Send your e-mail reservation to **info@pmi-oc.org**
Cost: Self-paid breakfast, parking is validated

PMI-Central OC Breakfast Roundtable
Tuesday, February 22, 2005
Fourth Tuesday of Every Month

Location: **Hilton Hotel** (formerly The Red Lion)
3050 Bristol Street (near Paularino), Costa Mesa
Atrium Café, Lobby Level, 714-540-7000
Time: 7:15 – 8:45 a.m.
Register: Send your e-mail reservation to Thomas Sippl at **breakfastnorth@pmi-oc.org**
Cost: Self-paid breakfast, parking is validated

PMI-OC Breakfast Roundtable South
Tuesday, March 1, 2005
First Tuesday of Every Month

Location: **Doubletree Hotel Irvine Spectrum**
90 Pacific Avenue, Irvine (405 and 133 Freeways)
949-471-8888
Time: 7:15 – 9:00 a.m.
Register: Send your e-mail reservation to Thomas Sippl at **breakfastsouth@pmi-oc.org**
Cost: Self-paid breakfast

Member Services

PMI-OC CAREER CENTER
Find your ideal project management job or find an experienced resource for your organization. See the **Career Center** on our website at **www.pmi-oc.org/careers/** or contact the **Career Center** at **careers@pmi-oc.org**.

PMI-OC E-MAIL BLAST
Receive an e-mail reminder of all upcoming PMI-OC events. Join the **PMI-OC E-Mail Blast** by sending an e-mail to **join-blast @pmi-oc.org**.

PMI-OC WEBSITE
Visit our website at **www.pmi-oc.org.** Make reservations for the dinner meetings, as well as other events.

PMI-OC LIBRARY
The PMI-OC Library is available at each monthly dinner meeting. PMI-OC members may check out the books for one month. Contact **programs@pmi-oc.org**.

PMI-OC MILESTONES
PMI-OC members receive our monthly newsletter, *Milestones*, containing timely information on upcoming events, continuing education, volunteer activities and other announcements related to our chapter.

Answers to PMP® Exam Questions
From page 4

1. b. **Process point**
[The PM Context] PMBOK® 2000, paragraph 2.1.1, (page 11)

2. d. **Seller**
[The PM Context] PMBOK® 2000, paragraph 2.2, (page 16)

3. a. **Subtracting the actual cost (AC) to date from the earned value (EV) to date**
[Controlling] PMBOK® 2000, paragraph 10.3.2, (page 123)

4. d. **Performance Reporting and Integrated Change Control**
[Controlling] PMBOK® 2000, paragraph 3.3.4, Figure 3-7, (page 36)

COMING EVENTS

FEBRUARY 5 ADVANCED TOPICS SEMINAR
Critical Chain Project Management
Speaker: Allan Elder
Location: Santiago Canyon College

FEBRUARY 8 DINNER MEETING
Lessons Learned from 2004: Sarbanes-Oxley Act
Presenter: Kent Schumann, PMP
Vendor Showcase: PlanView

FEBRUARY 15 BREAKFAST MEETING
PMO-Local Interest Group (LIG) Breakfast Roundtable

FEBRUARY 16 PMI-OC CAREER NETWORKING GROUP
Networking 101
Presenter: Melanie McCarthy

FEBRUARY 21-23 PMI GLOBAL CONGRESS 2005
Asia-Pacific, Singapore

FEBRUARY 22 BREAKFAST MEETING
Central Orange County Breakfast Roundtable

MARCH 1 BREAKFAST MEETING
PMI-OC Breakfast Roundtable South

MARCH 5 ADVANCED TOPICS SEMINAR
Everything You Wanted to Know About Your Project,
But Were Afraid to Ask
Speakers: Barbara Ansell, PMP and Michelle Saykally, PMP
Location: Santiage Canyon College

For details and registration information on all events for PMI-OC, see www.pmi-oc.org

LEGEND

PMI-OC
Event

PMI® Headquarters
Event

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Project Management Institute
Orange County Chapter, Inc.
P. O. Box 15743
Irvine, CA 92623-5743

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