

# Establishing Clear Project Management Guidelines

by Michael S. Zambruski, PMP

When I come into an organisation that has never used formal business analysis or project management processes, one of my first challenges is to address the uncertainty and confusion over some key concepts and tools. For example, almost immediately after I start meeting with decision-makers, I encounter questions like these:

- What is the difference between the business vision, mission and goals?
- How does the business requirements document (BRD) differ from the project charter?
- Why do we need a project charter?
- Why create a statement of work (SOW) if you already have the BRD?
- Do we really need all of these processes in order to get a project going?

Although these questions are rhetorical to a professional business analyst or project manager, they betray a fundamental absence of structured, disciplined process management by those who ask them. My task then becomes clear: I must provide education on the value of formal processes and procedures by packaging them into digestible and relevant concepts, techniques and artefacts. Toward that end I have developed the following four tools:

- Hierarchy of business targets
- Statement of work template
- Project management guidelines
- Glossary of terms

## Hierarchy of Business Targets

The hierarchy of business targets, shown in Figure 1 on the next page, serves to orient the decision-maker or team leader in the logical process of how work should progress from the idea stage to the implementation stage, with a clear indication at each step of what the deliverables are. For example, in the business domain—which I refer to as the area above the yellow line—we deal with the vision (TO BE state) of the business, the mission (AS IS state) and the various specific goals that support the vision and mission.

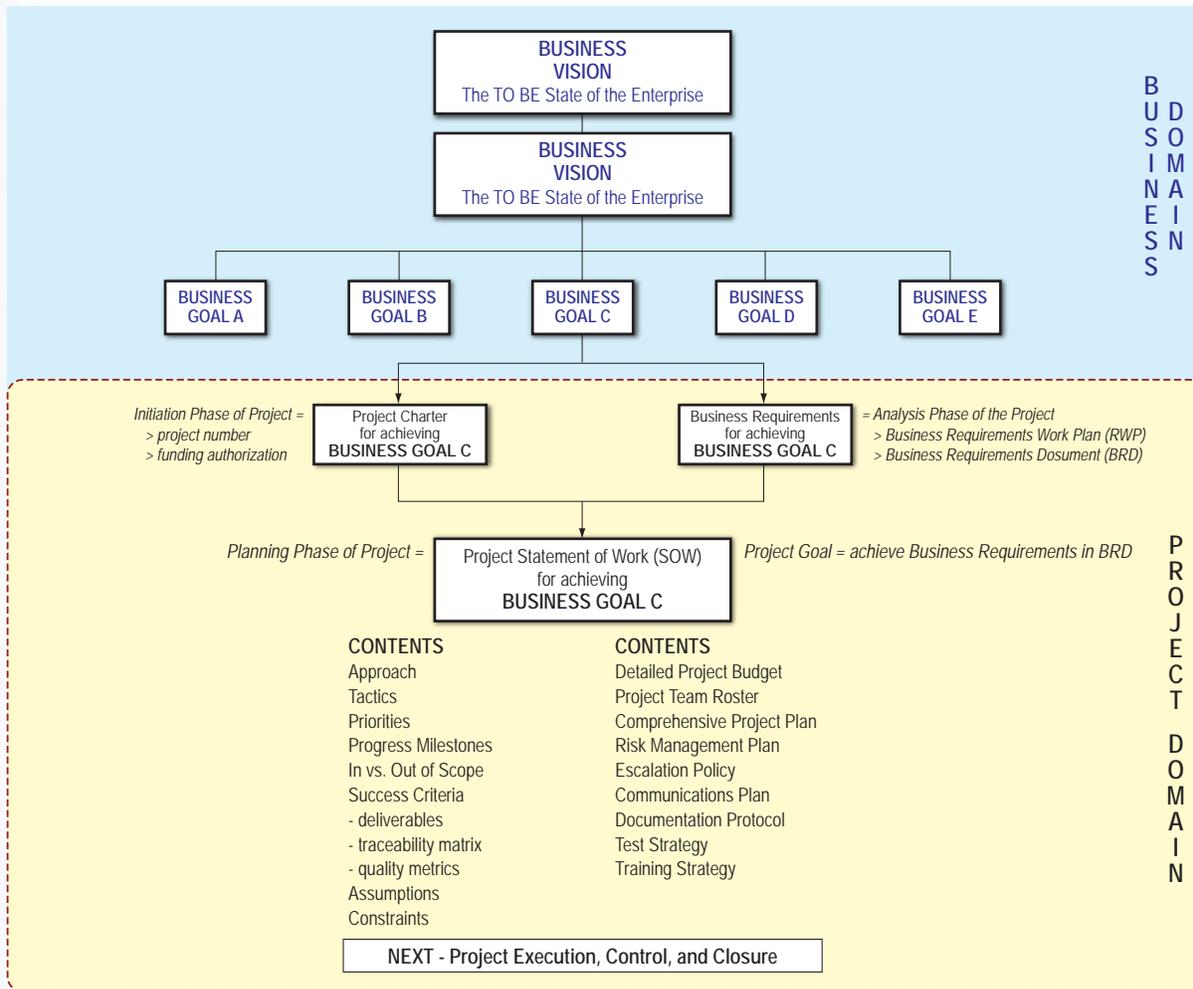
Below the yellow line is the project domain, which is where the more abstract elements of vision, mission and goal come down to earth and evolve into concrete work tasks. The project charter is shown as the authorizing document that specifies both a

project number (presumably assigned by a central control organization for tracking purposes) and the funding authorization. It basically sanctions the commitment of resources to formally plan and conduct collection of business requirements, which first involves the requirements work plan (RWP) and then culminates in production of the BRD.

Once the charter, RWP and BRD are complete, the analysis phase of the project is finished and the organization has a clear understanding of exactly why it has approved this project and how the final deliverables will benefit the business. This is a critical step for managing and controlling subsequent efforts, which are now specified in the statement of work.

*“what is the difference between the business vision, mission and goals?”*

Fig. 1 - Hierarchy of Business Targets



## Statement of Work

The statement of work is another concept that means different things to different audiences, so it's important to ensure uniform understanding and application by providing a template, which contains the sections outlined in the following table of contents:

1. Project Description
  - a. Goal
  - b. Approach
  - c. Tactics
  - d. Priorities
  - e. Milestones
  - f. Out of scope
2. Project Teams
  - a. Leadership team
  - b. Operations team
  - c. Backups/alternates
3. Success Criteria
  - a. Key deliverables
  - b. Quality metrics
  - c. Traceability matrix

4. Assumptions
5. Constraints
6. Change Control Process
7. Attachments
  - a. Business Requirements Document
  - b. Project Budget
  - c. Project Plan
  - d. Risk Management Plan
  - e. Risk Log
  - f. Escalation Policy
  - g. Communications Plan
  - h. Documentation Protocol
  - i. Test Strategy
  - j. Training Strategy

One thing that I stress at this stage is the difference between structure and rigidity. Structure means using the statement of work template as a standard, repeatable method of ensuring that nothing is overlooked. For that reason, an SOW is required for each chartered project. Rigidity, however, means never deviating, and that is not practical since each project is different. Therefore,

although the structure of SOWs will be the same, their individual details will reflect specific conditions and will therefore differ from project to project. For example, although every project and associated SOW will have a formal escalation policy, the policy itself might be one-day escalation for one project and one-week escalation for another. This situational flexibility is vital to the effective application of a standardized tool such as the SOW.

## Project Management Guidelines

These guidelines describe policies, procedures, techniques, and artefacts for uniform management of projects throughout the organization. By combining standardization with responsive flexibility and best practices, these measures are designed to achieve on-budget, on-schedule performance while carefully managing scope, quality and risk for all projects.

### Project Authorization

Projects are authorized for the purpose of producing deliverables that are specified in a formal Business Requirements Document (BRD), which supports the overall vision, mission and goal(s) of the sponsoring organization.

### Project Initiation

Once the BRD, funding approval and a designated sponsor are confirmed, the project is formally initiated through the documents referenced below.

### Statement of Work (SOW)

This specifies the project goal, the overall approach and tactics for achieving the goal, a high-level timeframe with key milestones, funding authorization and details, success criteria, assumptions, constraints and traceability to documented business requirements. Essential to the SOW is a clear statement of all work that is in scope as well as out of scope.

### List of Priorities

This is a hierarchical list of key objectives or initiatives that support the project goal and form the basis of a comprehensive project plan. These can be recorded in a stand-alone document or as part of the SOW.

### Project Team Roster

As early as possible a list of core team members, including any vendor staff, should be compiled. Contact information, area(s) of specialty and responsibility and alternate representatives should be indicated for each person. This can be recorded in a standalone document or as part of the SOW.

### Project Plan

This document serves as the main control mechanism both by specifying project phases and by decomposing these phases into specific tasks with associated timeframes, resources, dependencies and deliverables. During project implementation, it also serves as a status tool by showing completion progress. It is typically included as Attachment C to the SOW and can be done in Microsoft® Project or Excel, or Adobe® pdf format.

### Project Implementation

As soon as formal project analysis begins, the protocols below must be defined and regularly followed.

### Risk Management

Identifying, analysing, recording and managing risk is a collaborative effort of the project team and sponsor. It should be done as soon as the project is approved, but no later than commencement of project implementation. It is typically included as Attachment D to the SOW.

### Escalation

Especially with complex projects, a formal escalation policy is needed to ensure timely resolution of tasks, issues and decisions, which involve negotiable or debatable viewpoints. It is typically included as Attachment F to the SOW.

### Communication

This includes the format, media (including electronic), and points of control for information disseminated to team members and stakeholders. Key elements of successful communication include consistent delivery, comprehensive horizontal and vertical distribution, and timeliness. The communication protocol also addresses project status meetings—including their frequency, duration, location, attendees and standing agenda. One of the first meetings should be the project kick-off, where the stakeholders and key members of the project team participate in a detailed discussion of the SOW. The Communications Plan is typically included as Attachment G to the SOW.

### Documentation

The mode, repository and version control of project documents must be formally defined and continuously maintained. Documented project requirements, scope, work plans, policies (including escalation and risk management), team composition and vendor contracts must be easily retrievable and always up-to-date. The Documentation Protocol is typically included as Attachment H to the SOW.

### Testing

Comprehensive validation testing must be planned and conducted against the quality metrics specified in the SOW so that it is absolutely clear when deliverables meet business requirements. Interim verification tests should be developed and conducted at appropriate intervals to gauge progress and mitigate risk. The Testing Protocol is typically included as Attachment I to the SOW.

### Training

Development and delivery of educational material must be assessed at each project phase to determine the need for and type of appropriate training.

### Glossary

This glossary can serve as a way for your organization to get on the same page--language-wise and business-wise.

The **business goal** is a major milestone supporting the vision and/or mission.

The **business mission** outlines the AS IS direction of the organization.

The **business requirements** detail the components of the business goal.

**RWP** = The requirements work plan outlines the effort needed to collect, document, analyse and validate business requirements

**BRD** = The business requirements document records the formally approved business requirements, which become the deliverables of the project

The **business vision** defines the strategic TO BE state of the organization.

The **project charter** sanctions official pursuit of the business goal(s), as stipulated in the BRD.

The **project goal** is to achieve the business requirements.

The **project statement** of work (SOW) is the script for achieving the project goal.

A lack of general project knowledge within an organization can be almost as dangerous as a lack of project management. The hierarchy of business targets, statement of work template, project management guidelines and glossary of terms should help your organization combat this issue and help you and your organization get on track to more successful projects.

### Author's Biography:



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