Exercise

# Project Management Foundations

Adrian is managing a business system upgrade project with a total duration of 10 months and a budget of $1 million. Benjamin is managing a customer satisfaction program that includes Adrian’s project. Benjamin’s program is made up of four projects at three locations and is expected to last two years and cost $5 million. Celeste is a portfolio manager for a line of business. Celeste’s portfolio includes three operational units, two programs and one stand-alone project. Benjamin’s program (and therefor Adrian’s project) are part of Celeste’s portfolio.

How should Adrian, Benjamin, and Celeste respond to each of these scenarios?

1. Adrian has experienced a problem on his project. He had foreseen the possibility of this problem so he had a risk mitigation that could be implemented. The mitigation will consume the management reserve funding he has on his project, but will allow him to complete the scope on schedule. The risk mitigation will require a rebaseline of the project.
2. A business acquisition provides a new business operational unit within Celeste’s portfolio. This new unit will also need to incorporate the system upgrade from Adrian’s project. In addition this operational unit had an additional project that was addressing customer satisfaction.
3. A problem has been discovered with Diana’s project, which is another of the projects in Benjamin’s customer satisfaction program. To resolve this problem, additional resources must be added to Diana’s project. The only project with resources that have the needed skills are on Adrian’s project. Removing the resources from Adrian’s project will delay it three months and add $100,000 to the cost. However, not completing Diana’s project on time will result in the loss of a major customer account and $250 million in revenue.