Module 2: The Project Initiation Stage
Overview

- Initiation stage is highly instrumental in the life cycle of a project as it defines the boundaries of the project and gives clarity to all participants about the objectives, scope, cost and timescale of the project.
- It sets the baseline for scope, cost and schedule
- Identifies the right people to involve
- Defines what is included in scope
- Identifies items not included in scope
- Breaks project into manageable pieces
- Defines major project deliverables
- Define key project risks
### Objectives and Deliverables

#### Objectives
- Define the project scope & objectives
- Define project timeframe and milestones
- Define project deliverables
- Define project organization/stakeholders
- Identify project budget
- Identify key risks, issues and interdependencies
- Define project monitoring system/KPIs
- Conduct internal analysis to define gaps

#### Deliverables
- Project Charter covering:
  - Project objectives
  - Project scope
  - Project milestones and deliverables
  - Project organization/stakeholders
  - Budget approvals and resource allocation
  - Success factors, constraints, expected expenditure
  - Confirmed project manager assignment
  - Formal Steering Committee approval

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*Exit: Gate 0.1 Initiation Scoping End*
Module 2: The Project Initiation Stage

Understanding the nature of projects

PM Knowledge Areas – Initiation Processes

- **Project Integration Management**
  - Develop Project Charter
  - Develop Project Management Plan
  - Direct and Manage Project Execution
  - Monitor and Control Project Work
  - Perform Integrated Change Control
  - Close Project or Phase

- **Project Scope Management**
  - Collect Requirements
  - Define Scope
  - Create WBS
  - Verify Project Scope
  - Control Project Scope

- **Project Time Management**
  - Define Activities
  - Sequence Activities
  - Estimate Activity Resources
  - Estimate Activity Durations
  - Develop Schedule
  - Control Schedule

- **Project Cost Management**
  - Estimate Costs
  - Determine Budget
  - Control Costs

- **Project Quality Management**
  - Plan Quality
  - Perform Quality Assurance
  - Perform Quality Control
Module 2: The Project Initiation Stage

Understanding the nature of projects

PM Knowledge Areas – Initiation Processes

- Project Human Resources Management
  - Develop Human Resource Plan
  - Acquire Project Team
  - Develop Project Team
  - Manage Project Team

- Project Risk Management
  - Plan Risk Management
  - Identify Risks
  - Perform Qualitative Risk Analysis
  - Perform Quantitative Risk Analysis
  - Plan Risk Responses
  - Monitor and Control Risks

- Project Procurement Management
  - Plan Procurements
  - Conduct Procurements
  - Administer Procurements
  - Close Procurements

- Project Communication Management
  - Identify Stakeholders
  - Plan Communications
  - Manage Communication
  - Manage Stakeholder Expectations
  - Report Performance
Module 2: The Project Initiation Stage

Project Definition

- Triggers, Goals and Objectives
- Scope and Deliverables
- Vendors, Stakeholders
- Constraints, Risks and Dependencies
- Budget and Spending
- Comms Plan and Assumptions
Project Definition

Triggers

- Understanding the real triggers behind introducing a project is important in defining the project and understanding its constraints.
- Triggers help define the project’s criticality, priority, deadline, impact, expected outcomes, risks, etc...

Example project triggers:
- Responding to an existing problem
- Fulfilling strategic objective
- Responding to a new or amended legislation
- etc...
Module 2: The Project Initiation Stage

Project Definition

Sample Project Triggers

**Existing Problem**
- Unable to handle flight traffic congestions
- One of the key ATC systems failed
- Air navigation insurance does not provide sufficient coverage

**Strategic Objective**
- Improve stakeholder satisfaction
- Maintain acceptable service delivery levels for safety services
- Increase employee satisfaction

**New Gov. Legislation**
- New legislation on Licensing of Aeronautical Personnel
- Amended legislation on aviation competition law and policy

- Define a strategy to reduce congestion
- Procure and implement new ATC system
- Define insurance scope and solicit market offers

- Implement ATM enhancement program
- Establish monitoring System
- Enhance career path planning and skill building

- Update licensing processes to align with new legislation
- Study impact on existing services and internal processes
Module 2: The Project Initiation Stage

Project Definition
Goals and Objectives

- **Goals and objectives** are statements that describe what the project will accomplish, or the business value the project will achieve.

- **Goals** are high level statements that provide overall context for what the project is trying to achieve, and should align to business goals.

- **Objectives** are lower level statements that describe the specific, tangible products and deliverables that the project will deliver.
Module 2: The Project Initiation Stage

Project Definition

**Goals and Objectives**

- An objectives can be evaluated at the conclusion of a project to see whether it was achieved or not.
- Goal statements are designed to be vague. Objectives should not be vague.
- Objectives need to be well-worded to be **SMART**:
  - **S**pecific
  - **M**easurable
  - **A**ttainable/Achievable
  - **R**ealistic and
  - **T**ime-bound.
Module 2: The Project Initiation Stage

Project Definition
Goals and Objectives

➢ Understanding the real goals and objectives behind your project is a key driver to project success

➢ Properly articulating project goals and objectives and confirming them with project stakeholders leads to reduced misunderstandings and higher success ratio

➢ Clear goals and SMART objectives define the target a project needs to fulfill

The definition of goals and objectives is more of an art than a science, and it can be difficult to define them and align them correctly.
Module 2: The Project Initiation Stage

Project Definition
Goals and Objectives

➢ An example of a project goal is:

“To increase the overall satisfaction levels for stakeholders calling for support with their licensing needs”.

➢ The above goal does not specify how stakeholder satisfaction will be increased. Is it by enhancing technology, or by training people, or is it by changing strategies.

➢ Therefore SMART objectives must be defined to translate the above goal into something measurable.
An example of an objective statement is:

“Enhance the capabilities and skill level of the staff handling stakeholder interactions within a period of three months on licensing services and on how to track the status of stakeholder requests aiming to increase the ratio of first time response to 75%.”

The above objective is:

- **Specific, Achievable and Realistic**
- **Measurable** in terms of first time response ratio
- **Time bound** as it should be completed within 3 months
Module 2: The Project Initiation Stage

Project Definition

Scope

- Clearly defining project scope leads to **SUCCESS**
- Project scope is about clearly articulating *what is included* in your project and more importantly *what is not included*
- The main purpose of the scope definition is to clearly describe the boundaries of your project and get all stakeholders to agree to it.
- Scope is tightly linked to the project goals and objectives
Module 2: The Project Initiation Stage

Project Definition

Scope

- It is the project manager’s responsibility to ensure scope is managed throughout the project and scope **CREEP** (incremental expansion of the project scope) is avoided.
- Changes to the scope should be managed by the project manager in a structured manner via **change control** process throughout the project.
- Change control guarantees that impact on Cost/Budget, Schedule/Time, Scope/Quality is defined and agreed amongst all the parties.
- Scope is defined at a high level during initiation stage and is detailed during the planning stage.
Module 2: The Project Initiation Stage

Project Definition

Deliverables

- Once the goals / objectives and scope are defined, the project manager needs to clearly define the set of deliverables that the project is expected to achieve.

- Deliverables can be either **Tangible** or **Intangible**. For example:
  - a report, a document or a system upgrade are considered tangible deliverables
  - while deliverables such as “achieving recognition” or “building capability or human competence” are intangible
Module 2: The Project Initiation Stage

Project Definition
Deliverables

- Deliverables must be achievable, so when defining a deliverable you should ask yourself “can this actually be delivered?”

- Major deliverables are defined during initiation and detailed during the planning stage

Deliverables must be specific so that certain individuals or teams can be held accountable for achieving them.
Module 2: The Project Initiation Stage

**Project Definition**

**Vendors**

- When defining the project, if there is a need to procure services or products from a specific vendor, the following shall be defined:
  1. the type of capabilities required
  2. list of potential vendors that can provide the service or product that fulfill the required capabilities

- Vendors form part of the project stakeholders
- Vendors are engaged by contractual agreements which are supported by Statement of Work (SoW) that clearly define the role of the vendor
Module 2: The Project Initiation Stage

Project Definition

Stakeholders

- Project stakeholders are entities that have an interest in a given project. These stakeholders may be inside or outside an organization which:
  1. sponsor a project, or
  2. have an interest or a gain upon a successful completion of a project;
  3. may have a positive or negative influence in the project completion.

- Stakeholders need to be updated regularly on project progress or upon achievement of key milestones. Such communication is covered in the project communication plan.
Module 2: The Project Initiation Stage

Project Definition

Stakeholders

➢ As a project manager you are expected to:

✓ Find your stakeholders early (during initiation)
✓ Get them involved early
✓ Keep them informed – have your communication plan ready
✓ Ask them for help when required
✓ Inform them about project closure and thank them
Module 2: The Project Initiation Stage

Project Definition

**Constraints, Risks & Dependencies**

- A Constraint is the state of being restricted or compelled to avoid or perform some action.
- Project constraints include anything that may limit the project team ability to complete the project successfully.
- Typically constraints relate to resources, cost, personnel, schedule, scope or quality.
- Clearly understanding the project constraints is important for the project manager to plan around them.
Module 2: The Project Initiation Stage

Project Definition

Constraints, Risks & Dependencies

- Some examples of project constraints are:

  - **Cost Constraint:**
    
    The maximum budget set for this project is $100,000.

    What does this mean for the project?

    The project needs to plan its resources and activities in such a manner that such budget is not exceeded such as using cheaper resources, or identifying a more cost effective vendor or find more efficient ways to do the work.
Some example of project constraints are:

- **Schedule Constraint**: The ACAC elections date is set on 14 Dec.

What does this mean for the project?

The project needs to be ready for the election on that date, which may have an impact on the resources or on planning the activities in parallel or dedicating key staff for the job, etc...
Module 2: The Project Initiation Stage

Project Definition
Constraints, Risks & Dependencies

- Some example of project constraints are:

  ✓ **Resources Constraint:**  
  Senior safety inspector can only be available one day a week for the project

  What does this mean for the project?

  This means that the project needs to reflect the impact on project timeline and on scheduling the activities to effectively use the time.
Module 2: The Project Initiation Stage

Project Definition

Constraints, Risks & Dependencies

- Project risks are areas of concern that may materialize into issues during the life-cycle of the project and which may impact the project’s scope, resources, cost or schedule.
- The source of project risks could be financial, technical, contractual, legal, social, etc…
- Risks must be identified and managed at the beginning of the project and throughout the project life-cycle
Module 2: The Project Initiation Stage

Project Definition

Constraints, Risks & Dependencies

- Risks management goes through the following steps: Risk identification, risk analysis, risk response and documentation.
- Risks must be monitored and controlled throughout the project.
- Risk control methods include:
  - Avoid
  - Reduce
  - Share
  - Accept (with contingency or without contingency)
  - Contain
### Module 2: The Project Initiation Stage

**Project Definition**

**Constraints, Risks & Dependencies**

#### A GCAA Example …. Project Risk Register Template

<table>
<thead>
<tr>
<th>Register Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Version</td>
</tr>
<tr>
<td>Project Name</td>
</tr>
<tr>
<td>Project Code</td>
</tr>
<tr>
<td>Date</td>
</tr>
<tr>
<td>Prepare By</td>
</tr>
</tbody>
</table>

| Issue / Risk # | Date Logged | Risk/ Issue Title | Risk/ Issue Description | Potential Impact | Probability of Risk | PMO Support Required? | Actions Required / Next Steps | Responsible for Mitigation / Resolution | Mitigation Resolution Status | Issues / Actions / Decisions Required | Date Action Required by |
|----------------|-------------|-------------------|-------------------------|------------------|---------------------|-----------------------|-------------------------------|----------------------------------|-------------------------------|--------------------------|--------------------------|--------------------------|
|                |             |                   |                         |                  |                     |                       |                               |                                  |                                |                           |                          |                          |
Project Definition
Constraints, Risks & Dependencies

A GCAA Example …. Beside risks managed at project level by the PM, the PMO monitors the risks at portfolio level
Projects are always dependent on something else or someone else, or other projects may be dependent on your project.

Managing project dependencies is a core skill for project managers.

Project dependencies establish the links, and the type of links, between your project and the environment it exists in.

Beside the dependencies between the project tasks, a project manager must also manage the dependencies with other projects.
Module 2: The Project Initiation Stage

Project Definition

Constraints, Risks & Dependencies

➢ There are four major types of dependencies:

✓ Upstream Internal Dependencies
✓ Upstream External Dependencies
✓ Downstream Internal Dependencies
✓ Downstream External Dependencies
Module 2: The Project
Initiation Stage

Project Definition
Constraints, Risks & Dependencies

A GCAA Example …. Project Dependency
Register Template
Project Definition

Constraints, Risks & Dependencies

A GCAA Example …. Beside interdependencies managed at project level by the PM, the PMO monitors the interdependencies at portfolio level.
Module 2: The Project Initiation Stage

Project Definition

Budget and Spending

- Clarity of the specified project budget and tracking of actual expenditures over time is a necessity.
- Many project fail because they go over and above the expected cost and planned budget.
- Beside defining the project budget, by understanding how the project money is spent is important to plan the project cash flow and keep healthy project financials.
Once all the stakeholders are defined, a project communication plan needs to be defined. A high level communication plan is defined in the charter and detailed during project planning.

A well planned project has a well planned communication strategy. The following are some options when creating a Communication Plan.

- Initiation meeting
- Project kick-off
- Status reports
- Team meetings
- Target presentations
- Project advisory
- Sponsor meetings
- Audit/Review
- WC/SC meetings
- Post project review
Module 2: The Project Initiation Stage

Project Definition

Communications Plan

A GCAA Example … Project Communications Plan

<table>
<thead>
<tr>
<th>ID</th>
<th>Recipient/Attendees</th>
<th>Communication Name</th>
<th>Description</th>
<th>Frequency</th>
<th>Deadlines</th>
<th>Communication Channel</th>
<th>Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Project Definition

Assumptions

- Finally, all the assumptions that are applicable to your project need to be documented.

- Examples of project assumptions:
  - Working hours of key members
  - Availability of office space
  - Access to specialized resources
  - Working hours of the project
  - Deliverable review and approval time
  - etc…
Module 2: The Project Initiation Stage

Project Definition

Project Charter

- All the above information is captured in a project charter which forms

Examples of project assumptions:

- Working hours of key members
- Availability of office space
- Access to specialized resources
- Working hours of the project
- Deliverable review and approval time
- etc…
Module 2: The Project Initiation Stage

Project Initiation

Project Charter

- Once all the above is defined, it is documented in the project charter
- Sign-off on the charter by the project manager, PMO manager and sponsor is required to ensure commitment to the project
Each team to use GCAA Template and create a project charter. The project is:

“Automation of Enterprise Project Management Process”
Module 2: The Project Initiation Stage

Project Initiation
Team Activity 5 – Sample Answer

1. Project General Information

<table>
<thead>
<tr>
<th>1.1 Project Name</th>
<th>Automation of Enterprise Project Management Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.2 PMO Level</td>
<td>Level 1</td>
</tr>
<tr>
<td>1.3 Project Code</td>
<td>YYY/2014XXX (A PMO given code)</td>
</tr>
<tr>
<td>1.4 Start/End Date</td>
<td>July 2014 to October 2014</td>
</tr>
<tr>
<td>1.5 Strategic Objective</td>
<td>Strategic Objective 5 - To ensure that GCAA services are provided according to the standards of quality, efficiency and transparency.</td>
</tr>
<tr>
<td>1.6 Initiative</td>
<td>Effective corporate process framework</td>
</tr>
</tbody>
</table>
| 1.7 Project Objective | • Automate portfolio management processes (11 process)  
                         • Consolidate all projects deliverables and reports in one location |
| 1.8 Project Description | Implement a tool to automate the PMO processes and to save projects data /deliverables |
| 1.9 Project Rationale and Benefits | Assist PMs in executing projects by giving easy access to information, processes, tools and templates |
| 1.10 Budget | 120,000 AED |

2. Key Stakeholders and Resources

| 2.1 PM | Adriana K. |
| 2.2 Team | Alfonso, Alicia |
| 2.3 Sponsor | Andrés |
| 4. External Vendors and Capabilities | Microsoft Experience – Tool customization |
| 2.5 List of Potential External Vendors | Exceed  
| Latin Tech |
| 2.6 Other Stakeholders | Procurement Department |
| 2.7 Communication Protocols |  
| Party | Responsibilities |
| Steering Committee | Monthly SC meeting  
| Monthly status report |
| Working Committee | Monthly WC Meeting  
| Monthly Status Rep |
| Project sponsor | Weekly update |
| PMO | Monthly status report |
3. Detailed Project Description

3.1 Project Work Plan

<table>
<thead>
<tr>
<th>No</th>
<th>Stage and Milestone</th>
<th>Start Date</th>
<th>End Date</th>
<th>Deliverables/Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Setup and Planning</td>
<td>20 July 2014</td>
<td>30 July 2014</td>
<td>Project team defined</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Project Charter Completed</td>
</tr>
<tr>
<td>2</td>
<td>Requirements Definition</td>
<td>1 Aug 2014</td>
<td>20 Aug 2014</td>
<td>Scope definition document</td>
</tr>
<tr>
<td>3</td>
<td>Customization</td>
<td>20 Feb 2014</td>
<td>25 Feb 2014</td>
<td>System customized</td>
</tr>
<tr>
<td>4</td>
<td>Testing</td>
<td></td>
<td></td>
<td>System Tested</td>
</tr>
</tbody>
</table>

3.2 Project Benefits

<table>
<thead>
<tr>
<th>No.</th>
<th>Description of Key Benefits that Should Result from Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reduce the administrative burden on PMO</td>
</tr>
<tr>
<td>2</td>
<td>Assist PMs with templates and forms</td>
</tr>
<tr>
<td>3</td>
<td>Store all projects data/deliverables in one location</td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3.3 Critical Success Factors

1) Budget cannot exceed 130K AED