***Essay – Questions 35-38 are worth 8 point each*.**  Score: 32 / 32 JCR

*35. A project manager’s effectiveness is limited by the thoroughness, reliability, validity, and honesty of the performance measurement system employed and in the thoroughness, validity, and stability of the measurement baseline used. Is this a true statement? Why or why not? Justify your reasoning fully*.

It is a true statement.

Decisions and adjustments to projects are established by the performance measurement system. Is the project on schedule, is it on budget? Without a reliable performance measurement system, these questions cannot be answered accurately.

Primary measures of a project manager’s effectiveness are achieving pre-established goal objectives including target cost, key milestones, budgets, schedules and contribution margin. The project manager is also responsible for establishing performance measures and controls (Kerzner, 2001).

Without a reliable performance measurement system, the metrics become invalid. The baseline is the core of subsequent measure; therefore, it is pivotal to project measurement. The project manager is responsible for establishing performance measures and controls. If the project manager does not do this well, he or she is not being effective, putting the project in jeopardy.

*36. It is clear that effective scope control and scope change processes are major determinants of project success. Why are scope change control and using effective scope change processes so important to successful project completion?*

Scope change can cause project delays and cost overruns if not controlled properly. Scope change can also affect product features or quality. This can affect the outcome of the project if scope changes are not control amongst all stakeholders.

Projects with contractual requirements tied to the workscope have to be formally managed within the constraints of the contract.

An effective scope change control can actually help improve the project and the organizations process assets.

*37. Describe the procurement process beginning with determining requirements through contract closure. Indicate in which phase of project management each step and activity occurs.*

**Plan Procurements Phase**

During the plan procurements phase you must make make-or-buy decisions. Whether to make or buy might depend on cost, the organizations resources, proprietary requirements, volume of requirements, vendor technical expertise, etc. Methods to employee when making the decision can be make make-or-buy analysis or expert analysis. Some contracts may mandate supplier constraints.

As part of the plan procurements phase you will develop a Procurement Management Plan that may identify; types of contracts used, risk management, standardized procurement procedures / documents, prequalified sellers, (mandated for compliance to Federal Aviation Administration requirements), and procurement metrics to manage contracts and evaluate sellers.

When project source requirement are defined, develop a statement of work for each item procured from the project scope baseline, defining only that item.

**Conduct Procurements Phase**

As discussed previously, there may be contractual and / or regulatory constraints limiting the supplier base. Generically the methods for seeking suppliers include bidder conferences, evaluation committees, independent estimates, expert judgment, advertising, and internet searches.

Selection of a supplier results in a contract award. The organizations legal department should review large contracts, whereas day-to-day contracts may suffice on a standard form.

Contracts should include; a statement of work, schedule baseline, performance period and reporting, roles and responsibilities, pricing, payment terms, place of delivery, inspection and acceptance criteria, warranty, product support, limitation of liability, fees and retainage, penalties, incentives, insurance, subcontractor approvals, change request handling, and termination and alternative dispute resolution mechanisms.

**Administer Procurements Phase**

After selection, the suppliers must be administered by managing relationships, ensuring contract performance and adjusting and making changes as required. Changes are dealt with by the contract change control system. Monitoring suppliers requires periodic review.

Performance reviews can be performed by identifying desired metrics of a supplier. Depending on the contract it could be cost, schedule, or quality of the delivered product. On-site audits as specified in the contract can verify compliance to applicable requirements.

Both buyer and seller must ensure their contractual obligations and legal rights are protected.

The outputs to administration procedures are recorded. Information can be used for lessons learned or as a basis for using the supplier in the future.

Administering suppliers can be thought as its own ‘mini’ project.

**Close Procurements Phase**

Closing procurements will verify work performed by the supplier was acceptable. Any open claims will be finalized. The organization will formally notify the supplier of contract completion for mutual understanding. This also provides data to the project closing process.

*38. Describe the importance of proper and thorough project closure to organizational success. In so doing, relate how archiving of project information contributes to organizational success and absence of such detracts from the organization and its goals. Discuss the impediments to thorough project closure.*

Part of project closure is customer acceptance. Without identifying customer acceptance you cannot determine whether the project is truly a success or not. Customer acceptance is part of organizational success. Additionally, the closure process will gather information and data that should be utilized in future projects.

How many work change request were processed and why? What organizational processes had to change and why?

Recording a projects performance and lessons learned captures valuable insight that in many cases was gained by corporate pain. By their own definition, projects have a start and an end. There is no guarantee that anyone on the team will be around on the next project or a similar project.

Having a logical process for validating a projects success and reviewing its challenges is imperative. Absence of a closing process leads to reinventing the wheel each time the same problem comes around and is a waste of valuable time and resources.

Project managers may find themselves basking in the glow of the project and not want to go to the trouble of reviewing and lessons learned or performance metrics. Some companies may not even provide the budget necessary to perform this critical task. Personnel in the project may be winding up their jobs, may just want to get out of there and find their next job. This can make the process of closing difficult.

To improve closing process efficiency, mechanisms should be put in place to capture historical project data as it happens. Standard protocol for the revision hierarchy of change request, project scope, project baseline and having projects logs for issues and resolution will provide a perpetual data base for the project. Evaluation of the project is then simplified to reviewing existing data in lieu of searching for needles in haystacks.

Very nice work, Marc. No corrections needed!

Addendum entries dated March 06, 2013 on next page:

References

Kerzner, H. (2001). *Project management: A systems approach to planning, scheduling, and controlling*. New York: John Wiley.