

Project Business Management - Mastering the Business of Projects

SEMINAR FOCUS

This seminar offers participants a unique opportunity to move their PM knowledge to the next level. The focus is on the skills and techniques needed to sell and deliver a project to a satisfied client, and make a profit. This is a complex task not covered by current industry standards. Based on his new and original title *Commercial Project Management – a Guide for Selling and Delivering Professional Services*, seminar leader Robin Hornby will lead you through the knowledge needed to expand the practice of project management into the business domain. His focus will be:

- Recognition of the demands placed on the Project Manager operating in a commercial (or contract) environment and dealing with the profit-center reality
- Need to establish an extended, practical framework that intersects business and project management, while acknowledging that PMBOK® is a leading standard
- Emphasis placed on means of improving project integration between client and vendor
- Realistic assessment that the commercial environment requires PM practices that include a business orientation and not unproductive additional process specifications
- Complementary assessment that vendor firms must pay more attention to the power of the project management approach tailored to their business model and total portfolio management.

OVERVIEW

Delivering a project, subject to commercial terms, might be considered a form of extreme project management. Every mistake is amplified. The vendor project manager (PM) needs techniques beyond the standard PMBOK® approach, which deals only with the buyer view. This workshop examines a next level of knowledge for PMs in complex environments and offers specific commercial advice. How do business conditions impact project practice? What is the next level of project management knowledge? Are there consistent techniques and practices that more experienced project managers can adopt to manage complex projects?

The topics explored in this seminar include integration of project management, organization and accountabilities, systemization of risk, estimation, an effective approach to quality, resourcing, and essentials of finance. Each session opens with a dramatic video scenario from a complex project, followed by brief lectures, carefully designed interactive sessions, and class discussion to explore the new material. Adequate Q&A time is allowed. This is a high-content session, with an emphasis on practicality. The workshop extracts from the presenter's new book *Commercial Project Management*, which is offered as a course reference and for further study.

Care is taken to map the content to the Guide to the PMBOK® 5th Edition, using compatible terminology and suggesting resolutions to potential inconsistencies and omissions.

BENEFITS OF ATTENDANCE

Commercial projects place new demands on the project manager. There is now a business relationship with the sponsor/customer organization, and a vendor sales executive to work with. Stakeholders are more numerous. The project team will come from the vendor, the customer, and third parties. Different practices, expectations, and objectives must be accommodated. Unfamiliar scenarios will have to be handled and new communication challenges confronted. This seminar will prepare you for these new challenges and provide:

- Insight into the added demands and stresses of the commercial environment
- Understanding of the transition from in-house PM to contract PM
- Avoiding the unsatisfactory results of uncritically following existing standards
- Avoiding win-lose contracts
- Learning new models and practices that extend PMBOK®, contribute to improved customer communication and integration, customer satisfaction, and vendor profitability
- Practical tips, case histories, and lessons-learned that address the specific issues of complex, commercial projects.

Organizations whose success depends upon projects that must adhere to disciplined cost control and deliver both profit and a satisfied customer will experience these benefits:

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- Their PMs will relate to business essentials, will run their projects as profit centers, and will understand that their sponsor is also their customer
- Business managers will recognize the potential for project management disciplines to enhance their business operations and will seize opportunities to gain much-needed business control
- Firms who have primed their PMs with business acumen and balanced an enthusiastic and skillful sales team with delivery management disciplines are rewarded with both successful projects and repeat business, which is the secret of a firm's profitability and longevity.

WHO SHOULD ATTEND

This seminar bridges the world of business and project management. It provides the PM with comprehension of the business issues, and the business manager with insight into project management methods, specifically the need for progressive commitment in the presence of risk. Attendees include:

- A vendor project manager or delivery manager;
- PMs transitioning to, or working in Professional Services;
- An owner or executive in a growing professional services firm;
- Or a project/business manager in a large corporation using fixed project cost commitments and internal charge rates to create an internal economy.

SEMINAR AGENDA

This seminar begins by establishing the need for new models that comprehensively and logically expand the current domain of project management to include the commercial environment. This foundation is used to support the six practices identified as critical for commercial success: client and vendor integration, accountabilities, estimating under conditions of uncertainty, solving the quality dilemma, and managing the resource pool. The seminar also includes a session on essential project financials, and general advice on building a successful services firm.

The two-day seminar is organized as follows:

DAY ONE

Session 1: Introduction to the Business of Projects

- Orientation
- Stresses and failure causes
- The need for PM and business integration
- Weakness in the Process Group Model
- Weakness in the Knowledge Area Model

Session 2: The Need for a New Architecture

- The commercial project environment
- The integrative role of a shared project lifecycle
- A functional project management model
- A vendor lifecycle for business control
- Eight core processes
- Introduction to the six core practices

Session 3: Lifecycle Mapping and Project Integration

- Eliminate silos - a unified client/vendor project
- The project lifecycle as a focal point
- Deliverable and PM Activity Mapping

Session 4: Organizing the Firm, the Project, and Setting Accountabilities

- Balancing sales dominance
- The role of delivery management
- Types of Professional Services organization

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- Types of project (client/vendor) organization
- Using the RAA model for organizational validation
- Using the RAM model for organizational clarity and deliverables management

Sessions 5: Systemization of Risk Management

- How to resolve the Sales and PM views of risk
- The risk factor model and risk ranking during the bid phase
- The risk indicator model and risk alerting during execution
- Portfolio management and the 70% rule using a risk system

DAY TWO

Session 6: Estimating

- The foundation for successful project estimating
- Top-down estimating methods
- Bottom-up estimating methods
- Rule-of-thumb estimating methods
- A practical, risk-based approach to contingency allocation
- How to deal with pressure from Sales

Session 7: Solving the Quality Problem

- The two views of quality and how to reconcile them
- Three essential quality principles for the commercial firm
- The four components of a low cost QMS
- Useful quality models, checklists, and templates to establish quality requirements
- An overview of advanced quality

Session 8: Managing the Resource Pool

- Best practices for hiring
- Four vital resource management metrics
- Resource planning
- Essential resource management techniques

Session 9: Essentials of Finance

- The financial flow from booking, to revenue, to receivable, to cash
- Dealing with financial pressure
- Core contractual issues and contract structure
- Rate setting
- Operational and business models
- Types of performance indicators (KPI)

Session 10: Advice for the Services Firm and the Question of Methodology

- Approach to the marketplace and billing multiples
- Optimum economic potential
- Delegation and employee authority
- Skills assessment and training programs
- Do you really need a methodology?
- A look at the future – collaborative procurement