### Chapter 13

Planning

# Learning Objectives

When you have completed this chapter you should be able to:

1. Discuss the project management planning processes and outputs and describe how they were used on ResNet
2. Describe how Northwest Airlines organized the scope of work on ResNet using work breakdown structures
3. Discuss how Microsoft Project was used to aid in project planning on ResNet
4. Review and discuss real-world examples of work breakdown structures, cost estimates, staffing plans, and a project organizational chart for a large information technology project
5. Discuss key decisions the project manager and team made in the planning process
6. Relate some of the planning events in ResNet with concepts described in previous chapters
7. Understand the contribution that good planning makes to project success

# Chapter Outline

**What Is Involved in Project Planning?**

**Developing the Project Plans**

ResNet Beta Project Planning

ResNet 1995Planning

ResNet 1996 Planning

**Determining Project Scope and Schedules**

**ResNet Cost Estimates**

**Human Resources and Communications Planning**

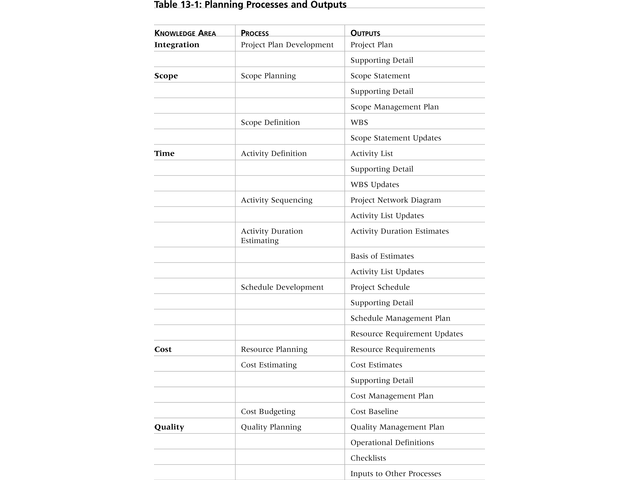
**Quality, Risk, and Procurement Planning**

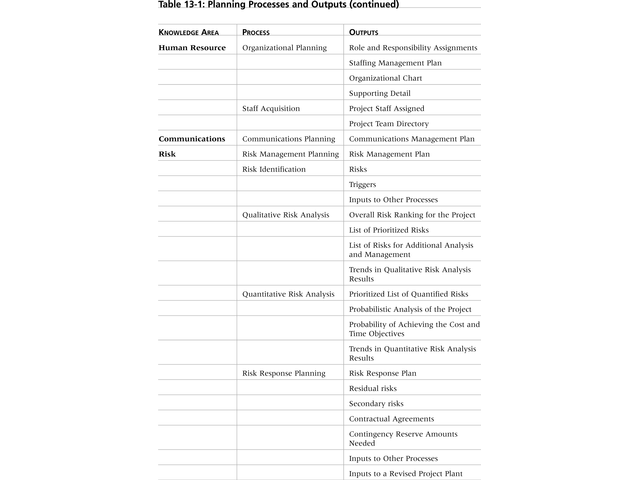
**Lecture Notes**

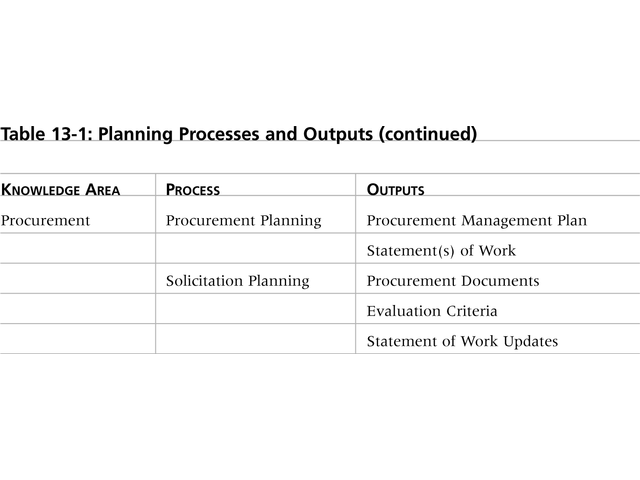
## What Is Involved in Project Planning?

Table 13-1 on that lists all of the planning processes and outputs. Note that every knowledge area involves planning.

* Planning is often the most difficult and most unappreciated process in project management
* Many people have a negative view of planning because they do not use plans to facilitate action
* The main purpose of project plans is to *guide execution*
* *Every* knowledge area includes planning



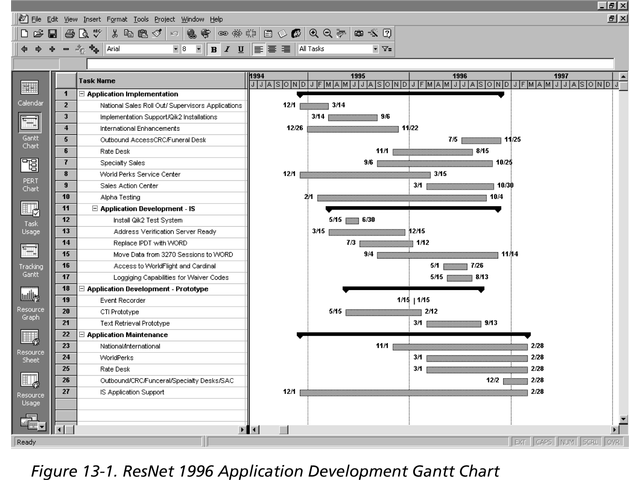


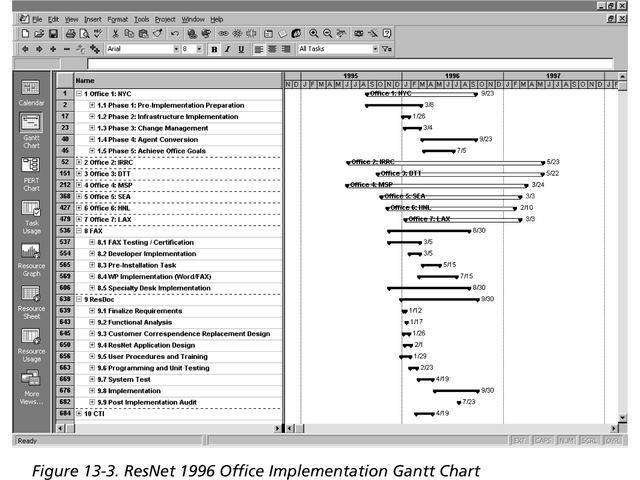


## Developing the Project Plans

NWA performed project planning on all three ResNet projects. The important decisions made in planning the ResNet Beta project; planning at a fairly high level, getting strong user involvement, and developing a solid measurement tool. The differences in planning for the three distinct projects, for example, the plans for the office implementations in the 1995 and 1996 ResNet projects were much more detailed than the Beta project due to the nature of the work involved.

* Peeter and the ResNet team clearly defined the scope of each project
* They focused on meeting key milestones, one at a time
* NWA did use Microsoft Project to create Gantt charts, but they did not link any tasks or enter actual
* The ResNet team did not miss any milestone dates!

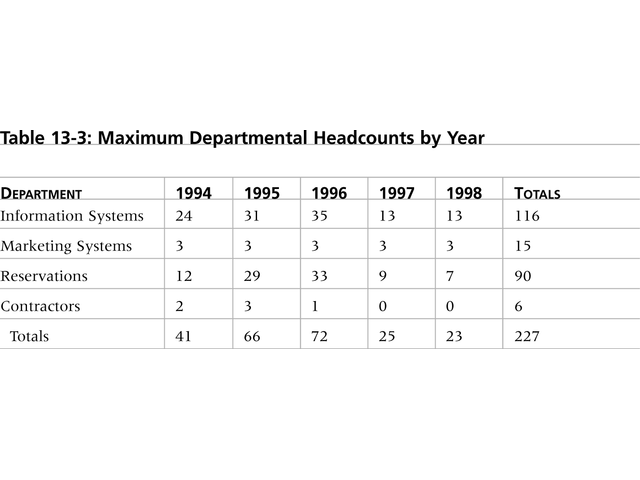




## ResNet Cost Estimates

Show Tables 13-3 to provide examples of the departmental headcounts by year for ResNet and the total life cycle cost estimate. Discuss the categories in the cost estimates. Mention the fact that a large portion of the life cycle cost is labor cost, which is typical for many IT projects.

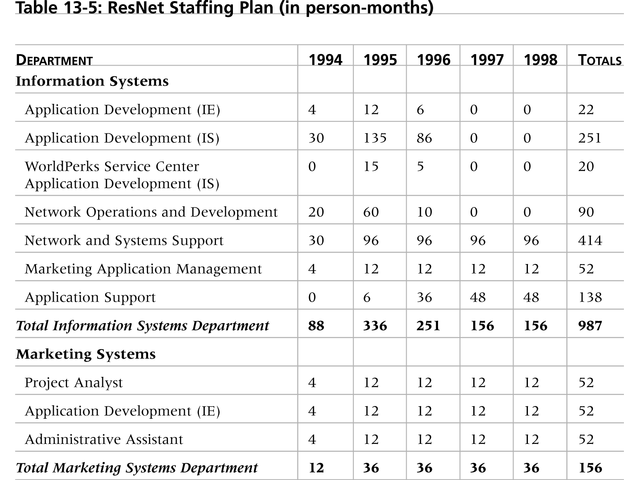
* Peeter, Arvid, and other project members developed cost estimates
* They used vendor quotes for estimating hardware, software, and network equipment
* They estimated internal labor costs based on the number of people needed from various departments and the labor cost per hour for those employees



## Human Resources and Communications Planning

Review Table 13-5 and discuss the staffing plan. Also mention all of the work involved in ensuring there were good communications on the ResNet projects. NWA created templates, shared network drives, and established regular meetings to communicate with various project stakeholders.

* Peeter was good at motivating people and providing strong communications with project stakeholders
* The ResNet team used informal and formal networking and plans



***ResNet Communications***

* Most of the people assigned to ResNet were full-time, making communications easier
* The ResNet team created templates for communicating project information like weekly and monthly status reports
* They set up a shared network drive for all project information
* They held regular meetings for various team members and stakeholders

## Quality, Risk, and Procurement Planning

NWA did not have separate plans for project quality, risk, and procurement management. They addressed these areas briefly in their PR-2 plan.

* The PR2 included some information related to quality, risk, and procurement planning
* The measurement techniques for tracking call handling time and number of direct sales closes were critical elements in assessing quality
* NWA used past experience in dealing with vendors