

The Importance of Project Boundaries

Ensuring Project Success and Managing Complexity



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INTRODUCTION



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PROJECT BOUNDARIES

- **Project boundaries** refer to the clear and **specific limits** or parameters that define the scope, objectives, and constraints of a project.
- These boundaries are essential for ensuring that the project stays focused, manageable, and on track
- Constraint refers to a limiting factor, restrictions or condition within which a project must operate (\$, Date, Place etc)



PROJECT DELAYS STATS/FACTS

1 in 6

projects overshoot their schedule by 70%.

41%

Undefined organisation priorities

39%

Vague/Inaccurate requirements

36%

Change in project goals

30%

Inadequate vision/communication

27%

poor risk management

26%

Inaccurate or unrealistic time estimate

25%

of projects fail due to inaccurate task time estimates.

64% of projects with mature PM processes can be completed on schedule

WHY CONSTRAINTS ARE IMPORTANT

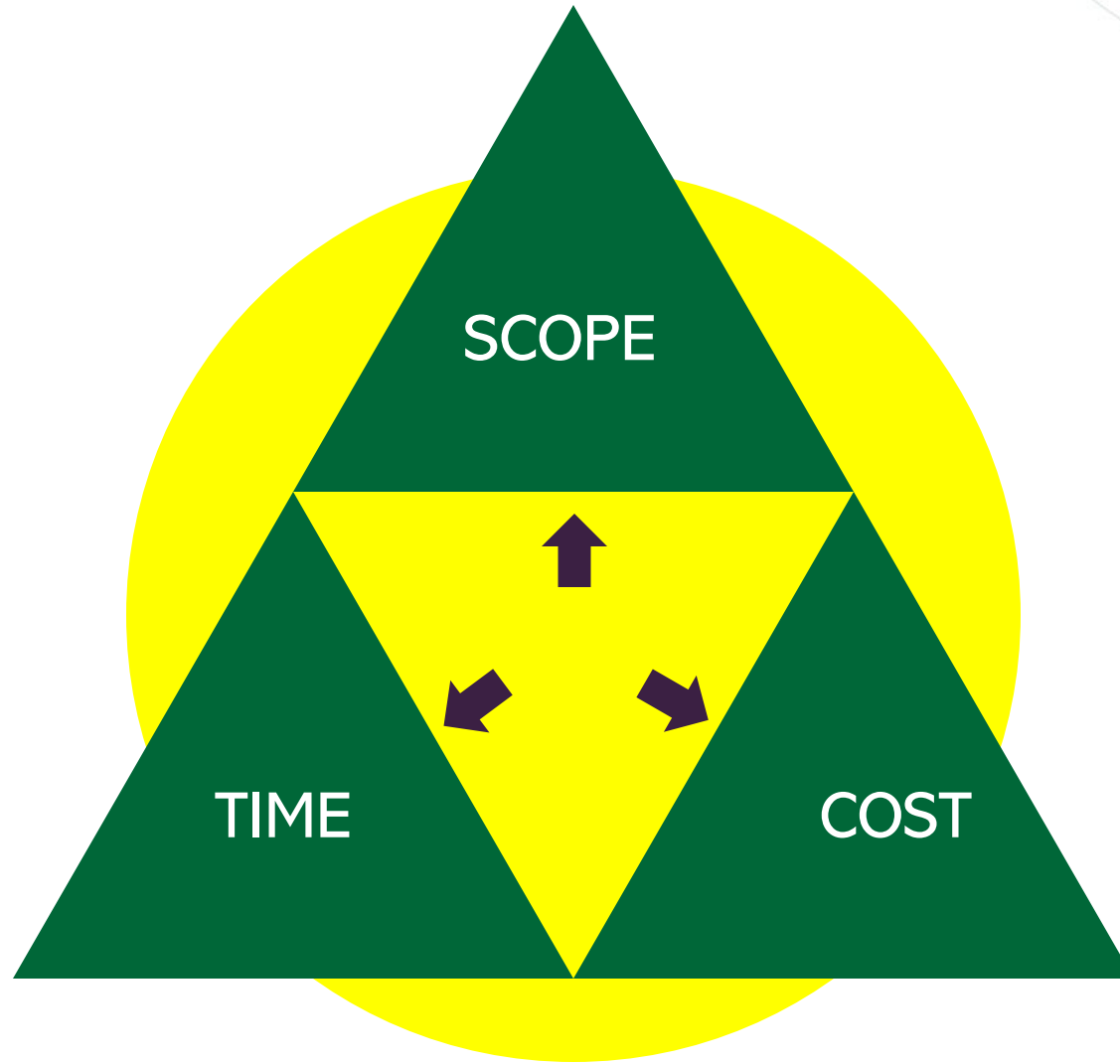


WHY CONSTRAINTS ARE IMPORTANT – LESSONS LEARNED



Project Boundaries

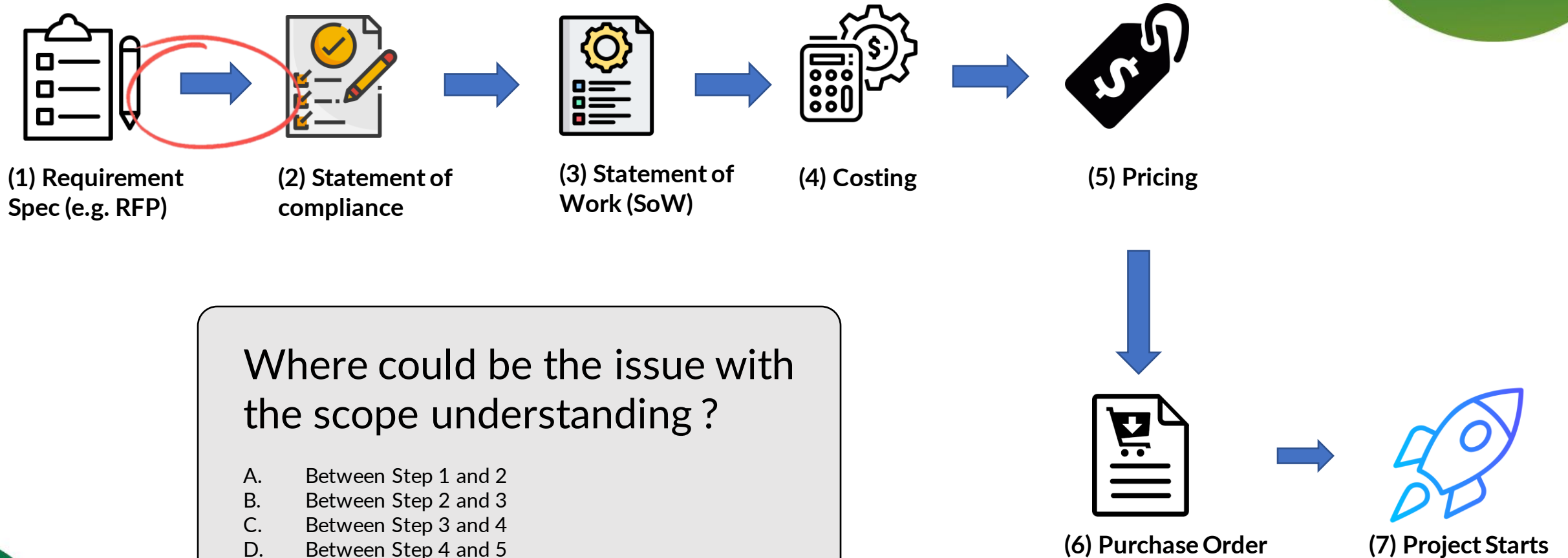
- Scope
- Time
- Cost
- Stakeholders
- Resources
- Quality
- Regulatory
- Environmental and ethical
- Technical/technology
- Geographical
- Cultural and social



SCOPE

Monitoring & Control

SCOPE (Traceability)



Where could be the issue with the scope understanding ?

- A. Between Step 1 and 2
- B. Between Step 2 and 3
- C. Between Step 3 and 4
- D. Between Step 4 and 5
- E. Between Step 5 and 6
- F. Between Step 6 and 7

SCOPE

Time spent on re-offering

- Today a re-costing work is often required even for small scope changes before scope/offer freeze
 - Requires time and effort from several parties
 - Risk for misunderstanding in scoping process

Scoping

- Bare-bone scoping in sales phase to enable profitable add-on sales in later stages
- Clear guidelines on “Change” will help to bring add-on sales opportunities in execution phase
- Clear Acceptance criteria will align understanding on “completion” and support scope creeping
- Limit the “Gold plating” during project execution (scope awareness)

SCOPE CONTROL

Technical

- Clearly define the scope (Project charter, WBS, Scope Statement, assumptions, included/not-included)
- Clear Change control process (internal and external)
- Project Governance (approval process)

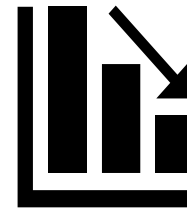
Soft skills

- Stakeholder engagement
- Negotiation skills
- Communication skills
- Learn from experience
- Leadership skills – educate team members, show a bigger picture, strategic alignment

TIME

Monitoring & Control

TIME



- Resource Overruns
- Increased Costs
- Stress & Burnout
- Lost Opportunities

TIME - STATISTICS

According to the PMI's 2020 Pulse of the Profession report:

- Only **52%** of projects met original timelines.
- **47%** experienced scope creep, impacting time and budget.
- Average loss of **\$97M** per **\$1B** investment from poor project management

TIME



Brief Case Study: XYZ company's App Update: Initially planned to complete in 6 months, it stretched to 10 months due to unforeseen technical glitches and poor time allocation. By the time the update was released, competitors had launched advanced versions, and XYZ company saw a user drop by 20%.

Cost Implications

- Financial Costs
 - Lost Revenue
 - Increased Expenses
- Opportunity Costs
 - Reputational Damage
- Organisational Costs
 - Morale Loss

TIME – BEST PRACTICES

Planning



- Scope Definition
- Risk Assessment & Contingency
- Resource Allocation & Buffering

Stakeholder Communication



- Transparent Status Updates
- Change Management Communication
- Engaging Stakeholders in Decision-making

Regular Monitoring and Reviews



- Progress Tracking
- Feedback Loops & Improvement
- Adaptive Management

Adaptability & Continues improvement

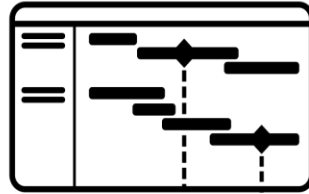


- Lessons Learned Repository
- Skill Development
- Flexibility in Plans

TIME- Tools & Techniques

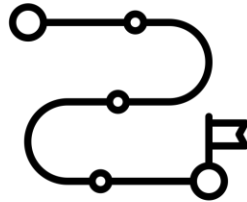
GANTT CHART

Visual project scheduling and tracking.



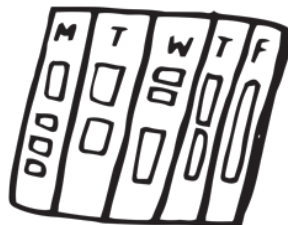
Critical Path Method (CPM)

Identifying essential project tasks.



Time Blocking

Dedicating blocks of time to specific tasks.



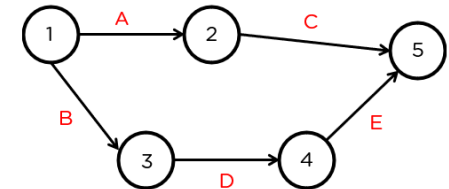
Resource Optimisation

- Resource smoothing
- Resource leveling



PERT (Program Evaluation Review Technique)

Estimating project duration with a focus on time analysis.

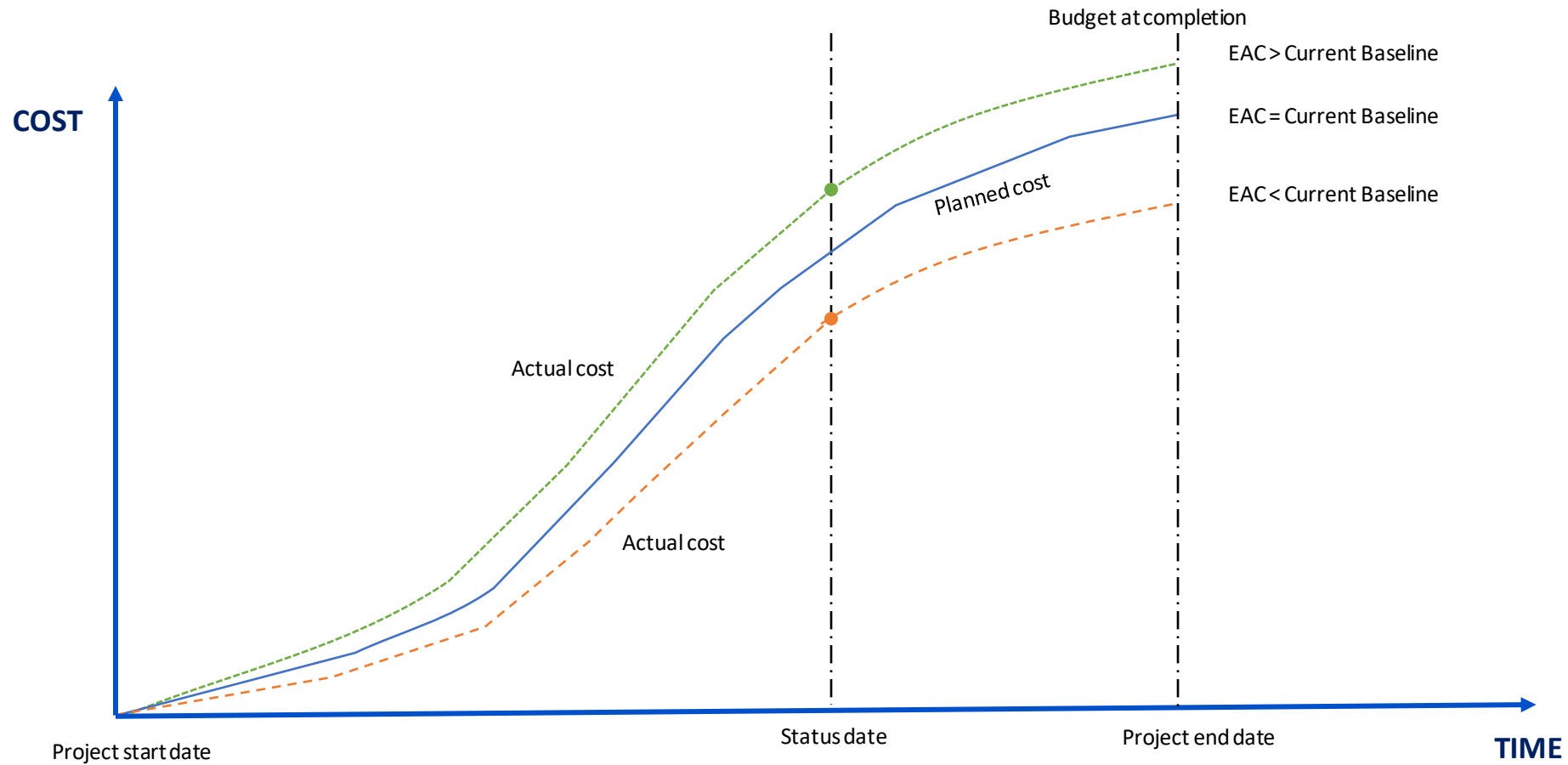


COST

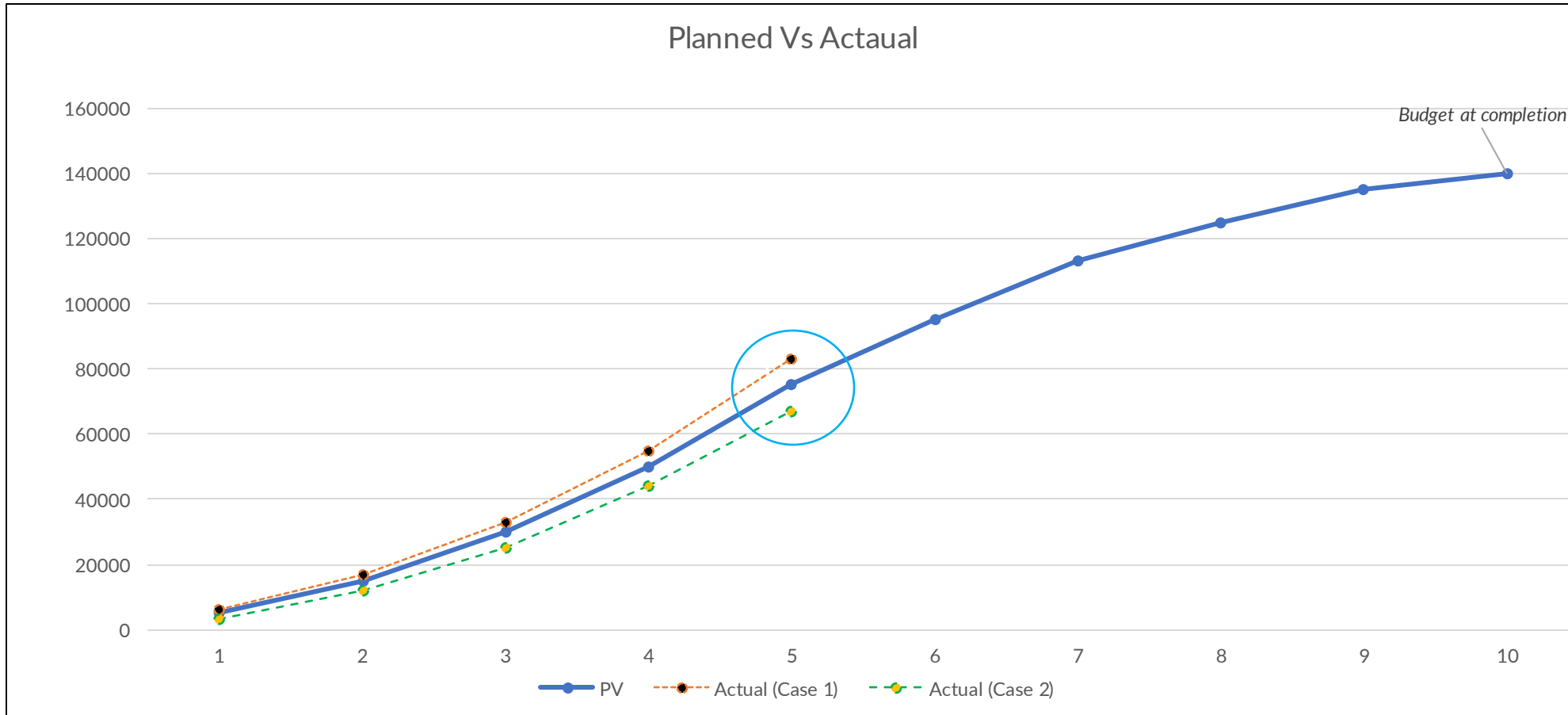
Monitoring & Control

Planned vs Actual Analysis

- A project is budgeted for \$140,000
- Duration 10 months



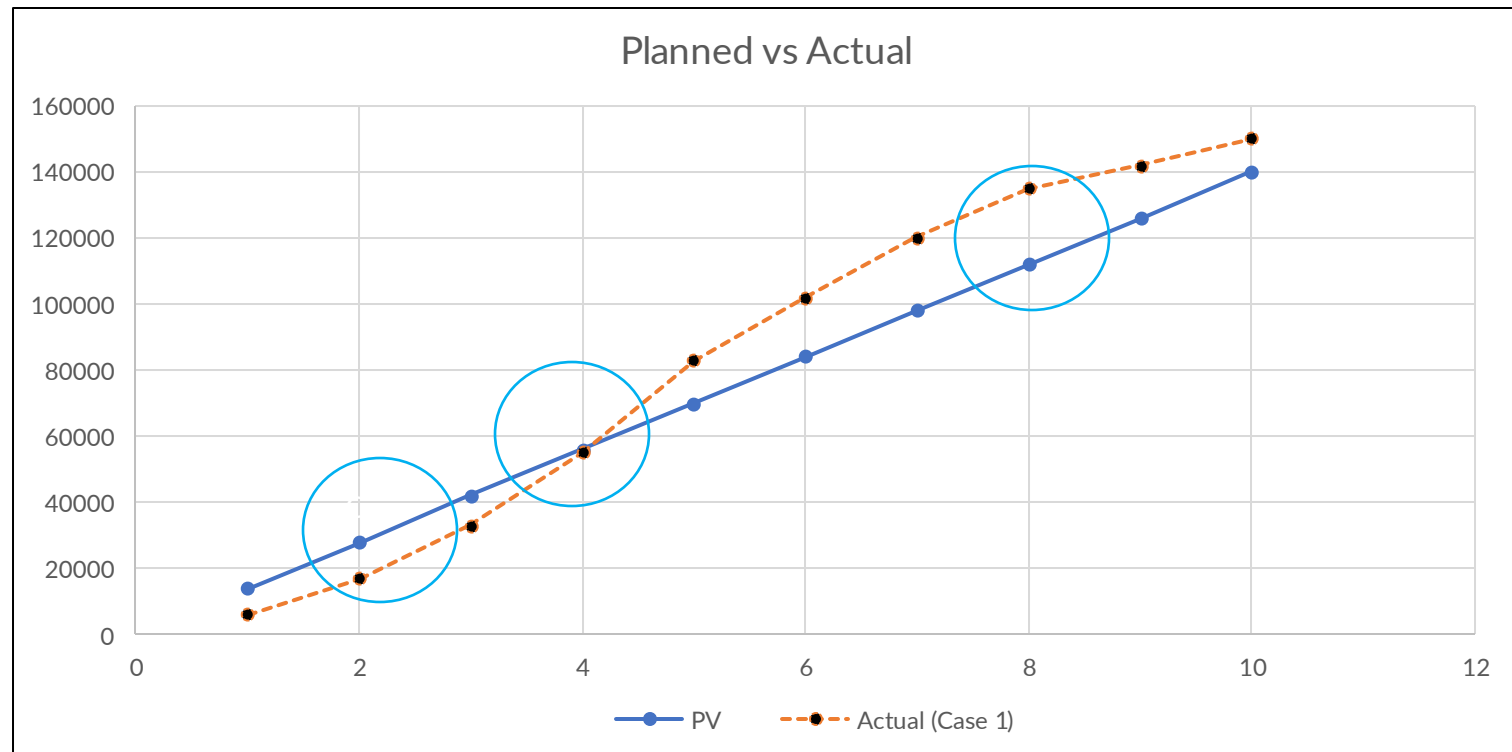
Planned vs Actual (Earned value)



Scenario 1

| | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 | Month 9 | Month 10 |
|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|
| PV | 14000 | 28000 | 42000 | 56000 | 70000 | 84000 | 98000 | 112000 | 126000 | 140000 |
| Actual | 6000 | 17000 | 33000 | 55000 | 83000 | 102000 | 120000 | 135000 | 142000 | 150000 |

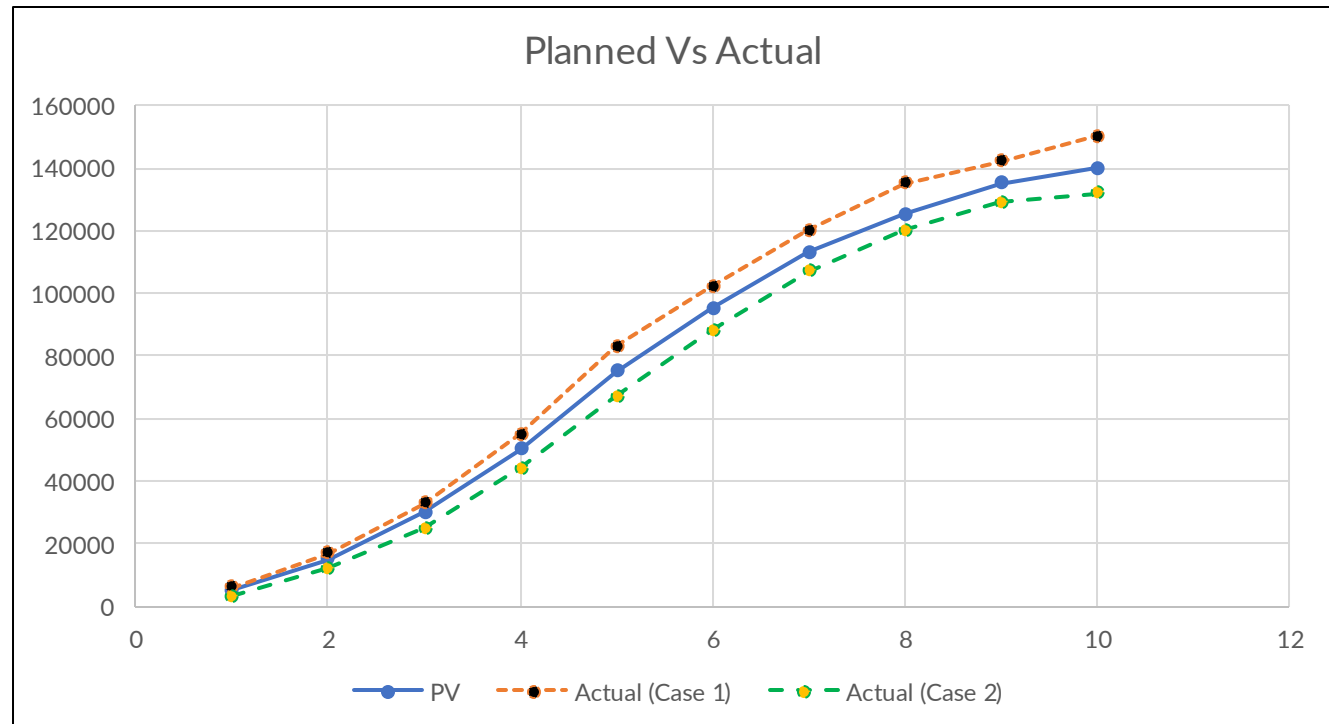
- Project manager simply divided the overall budget by number of months



Scenario 2

| | Month 1 | Month 2 | Month 3 | Month 4 | Month 5 | Month 6 | Month 7 | Month 8 | Month 9 | Month 10 |
|-----------------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|
| PV | 5000 | 15000 | 30000 | 50000 | 75000 | 95000 | 113000 | 125000 | 135000 | 140000 |
| Actual (Case 1) | 6000 | 17000 | 33000 | 55000 | 83000 | 102000 | 120000 | 135000 | 142000 | 150000 |
| Actual (Case 2) | 3000 | 12000 | 25000 | 44000 | 67000 | 88000 | 107000 | 120000 | 129000 | 132000 |

- Project manager projected the cost breakdown based on the planned resource utilization



Steps for project control



Set standards
(how performance will be measured)



Measure Performance



Identify Deviations
(capture actual performance)



Determine the reasons for the deviations



Take Corrective Actions



- If you can't measure something, you can't understand it.
- If you can't understand it, you can't control it.
- If you can't control it, you can't improve it.

Key take-aways

- Project management defines the boundaries, Project control ensures project is completed within the boundaries and constraints
- Project success is not finishing under budget only, but how it delivered the value, and completed within the defined criteria, conditions, and restrictions while delivering the outcome and meeting the objective
- Project Managers may not have a crystal ball, but an effective Earned Value Analysis, good planning and risk management in place they come very close to it
- This makes, Project Management is no less than a magic



THANK YOU



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