

ERAU WorldWide Student

PMGT 502

Effective Communications for Managing Projects

Embry-Riddle Aeronautical University

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### Abstract

The motive of this text is to describe and relate to how project scope, schedule and cost are reported throughout the execution of a project. The planning phase for each of these project elements will not be expounded upon, but shall be referenced in instances where they impact project execution. In addition to one of the required texts for this course, *Project Management Communications Bible*, research was obtained from *Lessons in project management* and *Successful project management* via the PMI website eReads and Reference. The research on project reporting led to an understanding that project configuration management processes and audience-intensive cost and schedule reporting are essential for project managers.

### **Introduction**

This paper will address how the project management function relates to scope, schedule and cost reporting during the execution of a project.

### **Scope Reporting**

A customer approved Scope Definition document, or Statement of Work (SOW), is the baseline document for which all change requests are compared against. “The project manager uses this document throughout the project to control the changes requested by comparing the new requests to the current scope and then evaluating the differences” (Dow & Taylor, 2008).

### **Scope Document or SOW Configuration Management**

In each of the projects and programs I have worked on, the project manager leading each effort had difficulty with using the SOW to use as a baseline for change requests. While this process sounds straight forward in theory, the application of Change Control during a dynamic project’s execution phase can be quite convoluted. Most of the challenges presented with a “baseline” SOW come from Configuration Management (CM) control. Having an established process and plan for CM is the foundation upon which documents like the SOW maintain their validity. During a dynamic or mega sized project there can be multiple scope changes taking place on different levels such as; subcontractors, end users or customers, facilities and security requirements. With so many scope changes happening concurrently, one SOW can evolve from revision to sequential revision on a daily basis. It is essential that CM and project managers work together to communicate the impact and current revision status of this document to each project stakeholder in a timely manner. The upside to scope change management is that

project managers aren't the approval authority for scope changes. "Sponsors (customers) should make decisions on scope changes because it is their project and ultimately they're the ones that need to live with the results" (Mochal & Mochal, 2011).

### Scope Management Plan

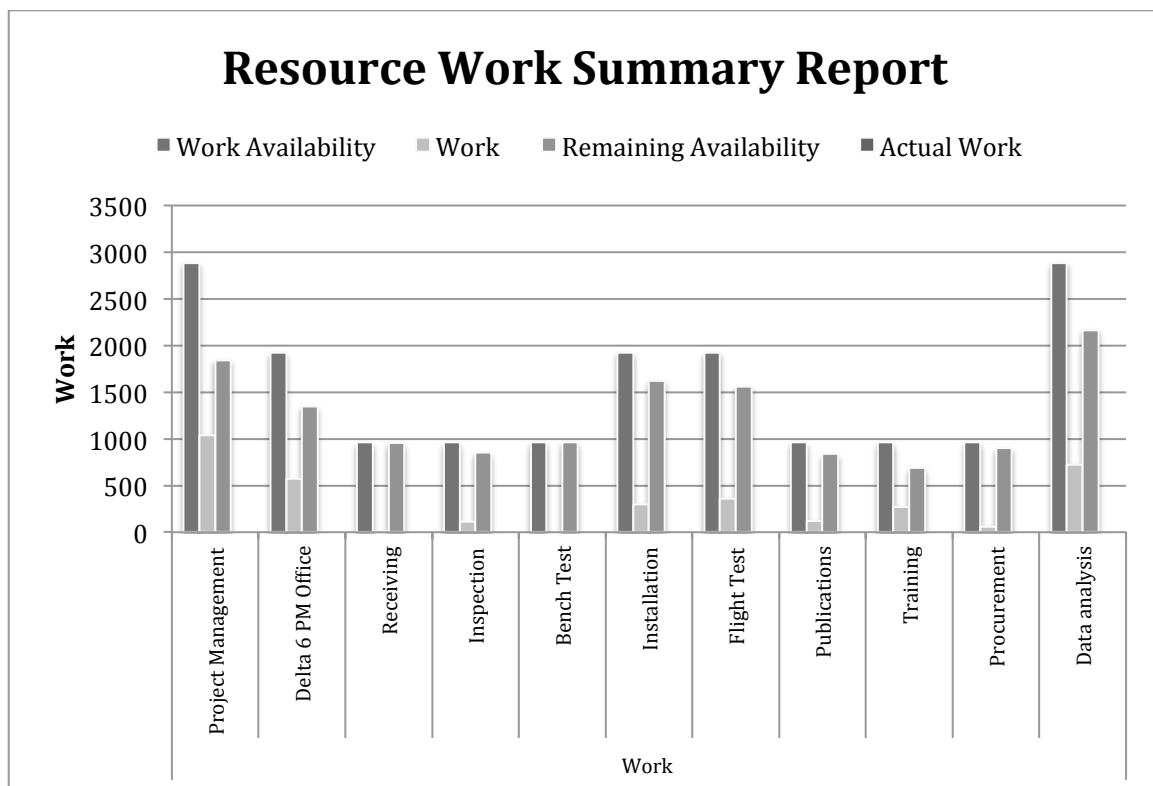
"The project manager must communicate the various processes and procedures within the document (Scope Management Plan) with the customers and team members to ensure they are comfortable and understand how the project manager will manage the scope of the project" (Dow & Taylor, 2008). In addition to all of the other essential communications at project start up, ensuring that every stakeholder is knowledgeable of how the scope management process will be handled is highly important. A project manager will save valuable time and resources by eliminating potential discrepancies with the scope management process. Understanding which stakeholders are responsible for specific responsibilities within the Scope Management Plan can be conveyed using a Change Control Board Responsibilities Matrix (see Table #1 below).

Table 1: *Change Control Board Responsibilities Matrix*

| Role                         | Name                  | Contact             | Description  |
|------------------------------|-----------------------|---------------------|--|
| <i>Project Manager</i>       | <i>Joshua Hopkins</i> | <i>555-555-1212</i> | <i>Receives Change Requests, provides scope impact statement to project sponsors for approval/disapproval, notifies configuration management and stakeholders of approved changes</i>                              |
| <i>Sponsor #1</i>            | <i>John Doe</i>       | <i>555-555-1213</i> | <i>Reviews scope impact statement from project manager, provides approval/disapproval to project manger</i>  |
| <i>Sponsor #2</i>            | <i>John Smith</i>     | <i>555-555-1214</i> | <i>Reviews scope impact statement from project manager, provides approval/disapproval to project manger</i>  |
| <i>Configuration Manager</i> | <i>Amy Brown</i>      | <i>555-555-1215</i> | <i>Receive approved change request from project manager, updates project scope document, initiates configuration control board with stakeholders, releases revised project scope statement as updated revision</i> |
|                              |                       |                     |  |

### Schedule Reporting

There are several methods for reporting project schedule status that project managers use. Metrics can be provided from the Integrated Master Schedule (IMS) status report in weekly, monthly or other required status meetings. There are several reports that can be generated from MS Project utilizing the Project: Visual Reports and/or Reports functions. Stakeholders benefit from seeing report status for cost, Earned Value Management System (EVMS) and labor distribution charts. One example for a Resource Work Summary Report is displayed in Figure 1 below.



**Figure 1: Resource Work Summary Report**

Project management can provide schedule status in additional ways such as milestone status and Gantt chart summary distribution. “This report (Gantt chart summary) is sent to recipients who only require summary information. It is also called a

milestone schedule” (Richman, 2011). Not all stakeholders are interested in the minute details of schedule progress in status meetings. Most high level managers and customers need the top-level synopsis for project status so they can determine what needs attention or action.

### **Cost Reporting**

Cost reporting for the DoD industry is most commonly reported using EVMS metrics and reports. Estimate at Completion (EAC) meetings are held monthly or quarterly to status leadership and customers with the financial progress of each project. On larger projects, Finance will assist project managers with the generation of these status reports. Any cost and schedule variances that exceed the predetermined variance thresholds are reported on. Explanations are needed for all variances for the status meetings so that project managers can justify why there is cost or schedule variance to the baseline. How specific tasks were laid out in the schedule during the planning phase can have detrimental effect on task completion and EVMS reporting. Project managers need to ensure that the Work Breakdown Structure (WBS) is delineated at the appropriate level so that EVMS reporting accurately represents how much money has been spent on labor (Actual Cost of Work Performed (ACWP) and Other Direct Costs (ODC) to date.

### **Conclusion**

In conclusion, there are numerous challenges associated with reporting project scope, schedule and cost for project management. When dealing with scope changes, Configuration Management can make or break a project. It is imperative that every stakeholder understands the Scope Management process and their role in it. With schedule and cost reporting it is important to tailor the reports to the audience’s needs.

High level stakeholders are usually interested in the summary or milestone metrics instead of the minutia data when dealing with financial metrics.

## References

Dow, W., & Taylor, B. (2008). *Project Management Communications Bible*. Hoboken, NJ. John Wiley & Sons. ISBN: 978-0470137406

Mochal, Tom & Mochal, Jeff. (2011). *Lessons in project management, 2nd edition*.

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