

# **Planning Process Group Artifacts**

## **4.2 Develop Project Management Plan**

### **4.2.2 Facilitation Technique**

PMGT 690, ERAU, Prof. Sherman

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**4.2.2 Facilitation Technique (tools and techniques:** This homework was taken from a case study that explained how the project managers used various assets to better develop the project management plan. Historical information, project files (estimates) and standardized guidelines were used.

Assignment 3.4a, Team Case Study-Sharp Case; 4/10/2016

What the project manager should do at this point?

I believe that this project can get off the ground. The top-down estimate was greatly under budgeted going off of 'previous experiences'. That is where senior leadership went wrong. This particular product is new technology and they want to be the first company to market it at a reasonable cost. You can get ball park figures from previous projects, but how would you accurately know dealing with new technology? The project cost misestimated by 20%. Lauren was correct on gauging a more accurate picture by doing a bottom-up estimate and consolidating the costs of all the work packages. I believe the first step would be to change the scope. They would need to get with leadership and re track the scope project, followed by some tough choices to cut costs. If the time line is imperative, I would entertain the idea of partnering with another organization to share costs, develop technology and promote production methods. The down side would be the margin of profit may not be as significant in the beginning, but over time, everyone would profit, if the product proves to be a winner.

Did top management develop the estimate correctly?

No. They went off of what information they had and what worked from the past. Considering they were dealing with somewhat new technology, they did not have an accurate picture to what the individual work packages entailed. From that, they could not derive an accurate cost estimate. Again, they under budgeted by over \$1.2M (20%).

From this particular scenario, according to our text (p.140), I feel that range estimating may have worked out better. Range estimating works best for work packages that have significant uncertainty, having a group determine the low, the average, and the high cost or duration that would give the best result. This type of estimating can refine the extremes by bringing more evaluative judgements to estimate the potential risks.

## References:

Larson, E.W. and Gray, C.F., (2014). *Project Management: The Managerial Process*. New York, NY:  
McGraw-Hill Education