Project Trade-Off Technique

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 Project trade-offs seem to always happen during the process of completing tasks. Some trade-offs are happening to a project’s scope, quality, costs, or schedule. When project managers are asked to make changes it usually affects one and sometimes more of these, in addition it can also affect project risk as well.

 Project trade-offs are based off constraints of a project. Many thoughts go into the decision of whether to sacrifice performance, time, or cost. As a project manager, should never tell someone it cannot be done, it is always possible. It will cost something somewhere, but there is always a way.

 An example of a project trade-off is when the original schedule was underestimated by about 160 hours. The Project Manager agrees with this new estimate and researches the options. He finds that there are some ways he would like to work this, and give the sponsor different choices for the problem. (Billows, 2015)

 One: He would suggest that one method to get this fixed is to get one additional person for four weeks and would delay the project for four weeks, since this is a critical path task.

 Two: He could suggest one person, an employee, and a second contractor. This would cost $100 an hour, but would reduce this task to 80 hours or two weeks. (Roughly $8,000)

 Three: He could suggest that they could use one team member and three contractors to reduce this task to 40 hours. (Roughly $12,000)

 There are other types of trade-offs, but they often reduce the scope of a project and this usually reduces the schedule and the amount of work. With the above mentioned three personnel, there could be problems due to quality issues. New people doing new things very often get it wrong the first time, but spending $100 an hour on may expect better personnel too, it’s a risk to say the least. (Billows, 2015)

The methodology for trade-off analysis is:

 One: Recognize and understand the project steps and the conflicts

 Two: Go over all the project objectives, so nothing gets missed.

 Three: Evaluate the project status and environment.

 Four: Measure the alternative courses of action

1. Situation 1- Performance addressed
2. Situation 2 – Cost addressed
3. Situation 3- Time addressed
4. Situation 4 – Do nothing

 Five: Analyze and select the least cost alternative

 Six: Revise the plan to the new alternative (Prezi)

It is very important to remember to stay calm, even when faced with a very bad situation. This could be your greatest asset in your ability to make good decisions in a bad situation. Keep in mind that your team relationships are always going to be important to a project manager immediately and in the future. Remember to tell everyone who contributed greatly how much you appreciate their help in this bad time.

Reference:

Billows, D. PMP. (2015). Trade-Offs-Scope, Time, Cost, Risk, Quality. Navigation. Retrieved from <http://4pm.com/project-trade-offs-4pm-com/>

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