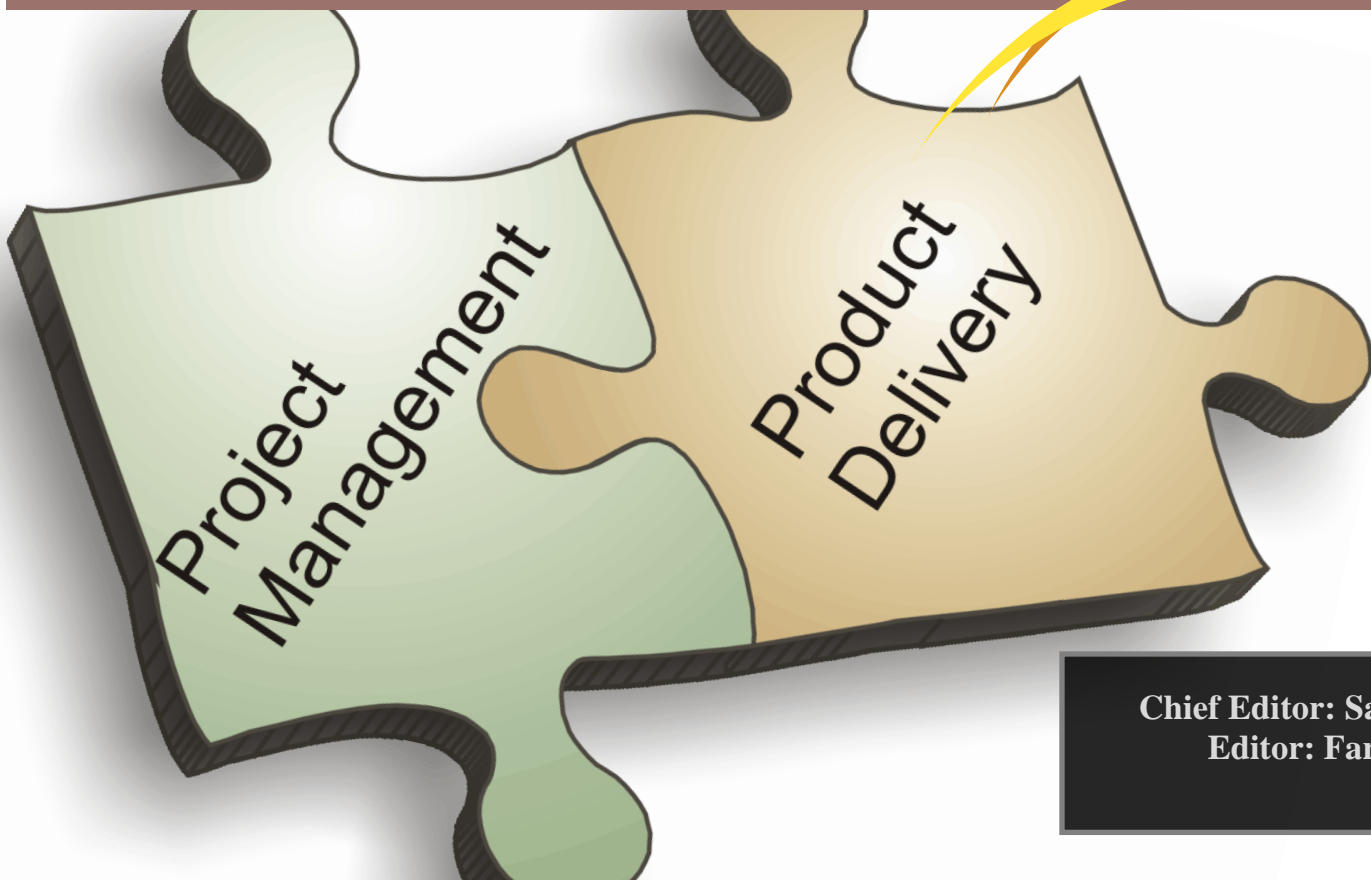


PM News

Monthly Journal of PMI Lahore Chapter

January, 2011. Issue 01



Chief Editor: Samnan Ali
Editor: Farooq Afzal

Message from President

Dear Member,

The Chapter completed its 6th Election in December. In addition to my reelection as President the following were elected, Rizwan Sheikh (Vice President), Azra Zaigham (Director Marketing and Communication), Asif Sadiq (Secretary), and Nomana Waqas (Director Legal). I take this opportunity to thank the membership for reposing their trust in the chapter board.

In the first meeting of the new board in Dec 2010 it was decided that the chapter would go ahead with the 1st National Project Management Conference, which was delayed earlier due to the flood. This conference will

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- ✓ The Color-coded Portfolio – where is the Balance?
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now take place on 9th & 10th April, 2011 at Holiday Inn, Lahore. The chapter also decided to create the post of a Chief Operating Officer to handle the marketing and operational matters of the chapter. It was decided to appoint Mr. Samnan Ali (LUMS MBA 2010) as the first COO of the chapter effectively from January 2011. Masood Said (Director at Large), Samnan Ali (COO), Farooq Afzal (Coordinator) and I will be looking after the organization of NPMC.

One of the first tasks given to Samnan Ali was to help organize the newsletter to make it more effective in increasing the awareness for project management. As part of the reorganization he will act as the Chief Editor of the newsletter assisted by Farooq Afzal and supported by Nomana Waqas and other board members.

The PMI Seminar season for 2010 ended with a seminar of Portfolio Management. This seminar looked at the PMI Portfolio Standard as well best practices from OCG UK and others in linking business strategy with project management. This is an area where there is a lot of member interest and the chapter plans to offer a 2 days course in Portfolio Management during 2011. This course will be part of a general enhancement of chapter training offering which will include Risk Management Professional preparation, CAPM, Microsoft Project and Schedule Preparation.

Finally, I want to talk about the new seminar policy of the Chapter. All seminars in the future will be 1 PDU events, while workshops will be 3-6 PDU events. Each seminar will be assigned a code by the chapter and the reporting of the PDUs will be done by the chapter based on signup sheets at the venue. This will ensure that the PDUs are properly audited by the chapter to prevent any issues for members caused by possible unverifiable claims. Chapter coordinator will use the DEP access to ensure that all PDU claims are properly validated with PMI online records.

Best Regards,

Khalid Ahmad Khan

Seminar: Portfolio Management

On 29th December, 2010 PMI Lahore Chapter conducted a seminar on the topic of "Portfolio Management" at Holiday Inn, Lahore. 60 Professionals related to profession of project management attend the event.

The proper selection of projects is in many cases as important as its proper management. Wrong project executed on time, within budget and with the desired quality will not serve any purpose. Frequently large organizations (both public and private) have dozens or hundreds of projects being executed simultaneously. The challenge is to find the projects that are adding the best value to the organization by meeting the strategic goals of the company. This is the domain of Portfolio Management, where organizational strategy is used to select and prioritize projects.

Portfolio Management (PM) is a term used to describe methods for analyzing and collectively managing a group of current or proposed projects based on numerous key characteristics. The fundamental objective of Portfolio Management is to determine the optimal mix and sequencing of proposed projects to best achieve the organization's overall goals - typically expressed in terms of hard economic measures, business strategy goals, or technical strategy goals - while

honoring constraints imposed by management or external real-world factors. Typical attributes of projects being analyzed in a Portfolio Management process include each project's total expected cost, consumption of scarce resources (human or otherwise) expected timeline and schedule of investment, expected nature, magnitude and timing of benefits to be realized, and relationship or inter-dependencies with other projects in the portfolio.

This seminar was presented by Mr. Khalid Ahmad Khan, PE, PMP who is the CEO of Expert Systems (Pvt.) Ltd and President of PMI Lahore Chapter. Mr. Khan used his 20+ year's project/portfolio experience to illustrate the portfolio management concepts in practical terms.





PMP Certification Training (Sundays Only)

PMP Training was conducted on 19, 25, 26 Dec, 2010 & 02nd Jan. 2011. Training participants are from Arbisoft, Colonial First State, Chevron, Tusdec, Descon, Warid, Wincome, LSE, Johnson Control Incorporation, Izhar Group of Companies, SNGPL, Designer's West, Eden Housing, Ericsson, Put Sarajevo, Brillsoft and Vodafone.

New Chapter Members!

At your earliest opportunity, please extend a warm welcome to the following new members of the PMI Lahore Chapter.

Mr. Salman Amjad
Mr. Asad Maqsood khan
Mr. Asif Iftikhar
Mr. Imran Ullah Baryar
Mr. Rana Kashif Bashir
Mr. Kamal Mirza, PMP
Mr. Khalid Saeed Wattoo, PMP
Mr. Muhammad Faisal Yaqub Qureshi
Mr. Chaudhary Mutahir Siddique
Mr. Noman Zafar Chaudry, PMP
Mr. Shahid Imran
Mr. Saqib Rehan



New PMPs

Congratulations to following individuals in Lahore Chapter who recently achieved their PMP Certification!

Mr. Bilal Javaid, P.E., PMP 03-Nov-2010
Mr. Muhammad Ghzanfar Taj, PMP 03-Nov-2010
Mr. Zeeshan Ahmed Sheikh, PMP 08-Nov-2010
Mr. Muhammad Imran Anwar, PMP 10-Nov-2010
Mr. Shahbaz Hayder, PMP 15-Nov-2010
Mr. Wasif Zaidi, PMP 22-Nov-2010
Mr. Muhammad Raza Ali Khan, PMP 23-Nov-2010
Mr. Muhammad Tanveer Iqbal, P.E., PMP 29-Nov-2010
Mr. Rana Tariq Javed, PMP 29-Nov-2010



Three Ways to Prepare For Your PMP Exam

By Cornelius Fichtner, PMP

So, you've started the Project Management Professional (PMP) application process and are preparing to take the PMP Exam. Great career move! The PMP Certificate is a highly sought after career demarcations in both prosperous and challenging economic times. It is the recognition of "demonstrated knowledge and skill in leading and directing project teams and in delivering project results within the constraints of schedule, budget and resources." (Project Management Institute) Each candidate submits past project management history in an application process, and then must pass a four-hour / 200-question PMP exam.

Aside from the fact that you'll need 35 contact hours to sit for the exam, studying for the PMP exam itself is a project unto itself. Just like most certification exams, you have three basic ways of preparing for the exam: traditional classroom based training, online courses and self study. But don't feel limited to just one. Many people who have passed the exam have used a combination of these.

Option 1: Classroom Based Training requires the least amount of self discipline and comes in a variety of flavors. Your local Project Management Institute (PMI) chapters and PMI "Registered Education Providers" (REPs) offer workshops, boot camps and classes specifically designed to teach not only what you must know, but how you will be asked to demonstrate it. Make sure your teacher is a PMP; taking the exam is an experience unto itself, and you want to know that your instructor has "been there/done that." Classroom Based Training can account for all or part of your thirty-five (35) contact hours required to sit for the PMP exam.

Option 2: Online courses are great for people on the go and are usually less expensive than classroom based training because of the course provider's lower overhead. They are usually much cheaper than instructor lead classroom courses. This option requires a medium amount of self discipline in that you have the flexibility of studying within your schedule. Online course usually offer a combination of webinars that you watch, web pages that you read, and documents that you download to study. Some have deadlines, and some do not, so though you have the freedom to complete sections on your own you'll need a medium amount of self discipline to insure that you finish within the time allowed by you or the requirements of the course itself. Like the Classroom Based Training, online courses can account for all or part of your thirty-five (35) contact hours required to sit for the PMP exam. If this is important in your plan, be sure to confirm before you sign on the dotted line.

Option 3: Self Study is the least expensive and therefore the most common way that people study for the PMP Exam and requires the most self discipline. The good things about this method are that you'll save money and you to prepare on your own time. That also means you'll need to be motivated. The biggest road blocks you'll face using this method is that you'll have to create your own lesson plan and schedule, and you'll have to evaluate and buy your own materials. If you're dedicated and focused, this is a great way to prepare. Furthermore, self-study cannot be counted towards the 35 contact hour requirement. You must use classroom or online training for that.

Regardless of which method you choose most successful people who pass the PMP exam supplement self-study preparation with at least a classroom and/or an online course. With the advent of portable media players such as the iPod, iPhone, Blackberry and Zune, many choose a combination of online training and self-study: Downloadable videocast and/or podcast courses allowing you to take the material with you and study anywhere and anytime. It's a very powerful, cost effective and goal oriented solution.

About the author: Cornelius Fichtner, PMP is a noted PMP expert. He has helped over 10,000 students prepare for the PMP Exam with The Project Management PrepCast at <http://www.pm-prepcast.com> and he guides PMI credential holders on earning PDUs with The PDU Insider at <http://www.pdu-insider.com>

The Color-coded Portfolio – Where is the Balance?

By Gareth Byatt, Gary Hamilton, & Jeff Hodgkinson

Regardless of whether you are a seasoned project manager or you are embarking on your first project, the use of “color indicators” or “symbols” to indicate the health or status of a project (or a program or portfolio) is most likely something you will relate to. We have touched upon it in a previous article titled “What Makes a Good KPI Framework”. The use of colors and symbols for project dashboards, project health, and project portfolio reporting is commonplace today in project and portfolio management. Whether or not you use traffic signal lights (i.e. Green, Amber, and Red) or other colors, the symbolism is the same. As an example, in the Green, Amber, and Red scenario, Green indicates “all is well”, Amber indicates corrective action is warranted, and Red indicates an important risk, issue or several of either need to be addressed and resolved. We support and encourage the use of this type of practice.

When you look into your organization’s portfolio, what do you see? Do you see a high portion of the same color (if colors are being used for metrics tracking) or a virtual rainbow spanning the reporting status spectrum? We contend that the key to using such status indicators is that they need to represent an accurate picture of health that can in turn provide a mechanism to enable “the right people to ask the right questions and get the right support”, to ensure work is appropriately managed. Having a large percentage in the “all is good status”, while it may appear good, could be a symptom of other issues. Let us elaborate.

To begin, let’s consider the purpose of project status indicators and why they are used. It is important that the agreed status (be it a Red light or something else) that signals “alarm bells” is not seen as an indication of poor project management or as poor performance by the project manager.

Status indicators are akin to warning bells on a ship. If you were traveling on an ocean liner, and a bell sounded indicating the ship was veering off course, would you rather know early, or wake to find the ship was in the Arctic when you were bound for the Caribbean (OK, this is a rather far-fetched scenario, but you see what we mean)? Project status reporting is similar in principle. If used properly, a project status report should provide early signals about the need for any corrective action and allow recovery back to the planned course (or an accepted re-baseline) with the least amount of variance.

A project manager who is reporting that a project is outside of the “all is well” boundaries of performance is raising the flag or sounding the alarm that the project is not progressing as planned, and corrective actions are warranted. The reasons why the project is “off course” may be outside the span of control of the project manager, or they may be within their control. The project manager is doing their job by sounding the alarm and aiming to ensure that sensible discussions can be held at the appropriate time to resolve the matter. Early detection of veering off course and quick action to head off impending problems is vital to minimizing the likelihood of problems that, if left alone, will negatively impact success. The Code of Ethics of institutions such as the Project Management Institute (PMI) supports accurate and timely reporting on projects.

At any given time, even the most seasoned project manager operating in an organization that has mature PMO and project management processes will have a project that sails into choppy waters. By definition, projects achieve something new, and there is no formula for guaranteeing the success of new initiatives (although it is of course important to learn lessons from previous initiatives). How your organization recognizes and responds to such challenges speaks volumes about the processes you operate. As a “thinking framework”, we have provided a matrix and project status indicator format as an example at the end of this article.

There is no one magic ratio to indicate a healthy portfolio, program or project. Do you have standard rules (or metrics) to determine the indicator for each aspect of your project, or is it at the Reporter’s discretion to decide? This can be an important factor in how consistent your project status indicators are when you are reviewing a program or portfolio. Assessing against common standards is important. It is also important to understand the nature of the projects (their size, complexity, and risk). For example, you may have a high percentage of projects in the “all is well” category, yet these could all be low risk projects. Maybe one of your projects is an “outlier”, but it is much larger or riskier than the rest and could have a much bigger impact to your

organization if it goes wrong. And size isn't the only determinant of risk. Maybe one of your projects is small yet its success determines the success of many others, thereby being disproportionately important relative to its size. The concentration of summary status within a portfolio offers as much information about the organization assets as it provides about an individual project and the abilities of your project managers to manage their projects.

In conclusion, a portfolio at any given time will have a mix of projects, each with their particularities and status against metrics. The way that you use status indicators for reporting project performance and to anticipate future outcomes is an important mechanism to managing a portfolio. Instead of measuring a percentage of projects that are in the "not all is well" status, consider measurements such as how long projects stay in all types of status during their life, perhaps tracking it graphically. The duration of time that projects stay outside of an "all is good" (or whatever term you use) status may be a more telling measurement of project health than solely measuring the status of individual projects as a snapshot. If projects linger in "below par" status, it could be a signal of how your organization is responding or not to key actions required, or the project(s) not receiving needed resources or assistance. This may need calling out.

Example Matrix and Indicator Framework

Summary Arrow Options	Arrow Meaning Trend	Period -to- Period	PM Confidence	SPI (Schedule)	CPI (Cost)	TPT (Weeks)
↑	Good-Up	Better	On Track: No impact	>.90	>.90	<26
→	Good-Steady	Same				
↓	Good-Down	Worse				
↑	At Risk-Up	Better	Warning: Possible impact	>.75 <.90	>.75 <.90	>26 <28
→	At Risk-Steady	Same				
↓	At Risk-Down	Worse				
↑	Trouble-Up	Better	Problem: Will be impact	<.75	<.75	> 28
→	Trouble-Steady	Same				
↓	Trouble-Down	Worse				
—	On Hold	On Hold	No status	N/A	N/A	N/A

Explanation:





There are several parameters that can be used for inclusion by the program/project manager to determine the proper 'classification' of their project at any given reporting interval for the regular status report. The up or down arrows indicate if there is an improvement or decline from the prior report given all the indicators for the project. It is an 'informed' judgment call by the program/project manager but any/all predictive information should also be included.






Example Parameters:

Of course you can have your own but our suggestions here are:

Metric	Explanation	Boundaries
PM Confidence	Current overall health of the project	Green state: the project is healthy Yellow state: the project is in trouble but recoverable Red state: indicates the project is failing
SPI	Schedule Performance Index	As shown in the matrix
CPI	Cost Performance Index	As shown in the matrix
TPT	Throughput Time	Based from the estimated completion date and SPI for the schedule delay

Clarifications:

As a rule, a project or program status should not change by one level week to week unless a significant change has occurred, either beneficial or detrimental to the overall project 'health' (one level meaning  to  or  to ). Any declining status should include the reasons as to why in your status reporting.

- 1) A sudden change from  to  (as an example) could be a 'flag' to hold a management meeting to understand the cause and agree on a mitigate remedy.
- 2) Any status of  or less could be highlighted in a weekly critical issues/exception report and a mitigation strategy will be discussed with management.
- 3) A confirmed schedule slip or unplanned loss of resource occurring in the week that remains unresolved in the same week is a definite yellow or red condition depending on the impact and severity to the project overall.
- 4) Any stakeholder can make a recommendation, but the program/project manager owns final determination of the arrow condition of their project and is accountable for communicating the reason(s) why and any mitigation actions to resolve problems.
- 5) Any yellow or red condition remaining for "X" consecutive weeks, regardless of the improvement trend, may justify management intervention to determine why and to outline clearly what steps are needed to get into the green  or  condition.
- 6) Project managers need to be accurate in their assessment of the project condition. To that point, a yellow or red flag should not be a perception of their performance, since in any project unanticipated issues and factors outside the direct control of the project manager can and do occur. Any performance judgment will focus solely on their accurate assessment of the reasons or cause and their progress in working the mitigation items to resolve.

7) Finally, all updates should be done on a regular basis (for example, by Monday noon each week) and actively reviewed by an appropriate person/team.

About

The

Article

Authors,

Their Roles

Their Plans,

And Their Goals

Gareth Byatt, Gary Hamilton, and Jeff Hodgkinson are experienced PMO, program, and project managers who developed a mutual friendship by realizing they shared a common passion to help others and share knowledge about PMO, portfolio, program and project management (collectively termed PM below). In February 2010 they decided to collaborate on a five (5) year goal to write 100 PM subject articles (pro bono) for publication in any/all PM subject websites, newsletters, and professional magazines / journals. They have been translated into Arabic, French, Italian, Spanish, Portuguese, and Russian and published on websites in Australia, Brazil, Canada, Costa Rica, France, Italy, New Zealand, Poland, Russia, UK, and the USA. Their mission is to help expand good program and project management practices by promoting the PM profession, to be a positive influence to the PM Community, and in earnest hope readers can gain benefit from the advice of their 60+ years of combined experience and expertise (and the expertise of co-authors who write with them on certain articles and subjects). Although all three are well credentialed, together they have the distinction in particular of being 3 of only 25 worldwide that hold the Project Management Institute's PMP[®], PgMP[®], and PMI-RMP[®] Credentials. Gary and Jeff have all five (5) of the PMI 'Family of Credentials'. As of December 31st, 2010, PMI confirmed we were the only two having these.

Along with writing articles, each also champions a role in the overall writing program collaboration process:

- Gareth manages all requests for additional guest author collaborations
- Gary manages the article development tracking and readership metrics
- Jeff manages the article distribution and new readership demographics

Each can be contacted for advice, coaching, collaboration, and speaking individually as noted in their bios or as a team at: Contactus@pmoracles.com



Upcoming Events

- ✓ Project Management Seminar
- ✓ PMP Certification Test Preparation Course 21 February, 2011
- ✓ National Project Management Conference, Pakistan 9th & 10th April, 2011

PMI Lahore's PMP Certification Test Preparation Course

Course Outline

1. Project Integration Management
2. Project Scope Management
3. Project Time Management
4. Project Cost Management
5. Project Quality Management
6. Project Human Resource Management
7. Project Communication Management
8. Project Risk Management
9. Project Procurement Management

Course Deliverable

1. PMBOK™ 4th Edition worth of \$65
2. PMP® Exam Questions Booklets
3. PMI Lahore Resource Book
4. Participation Certificate by PMI Lahore Chapter as a Global Registered Education Provider (REP) of PMI
5. 35 Professional Development Units (PDUs) accepted by PMI, USA

Course Fee

Course fee is 30,000/- per participant. PMI Lahore Chapter members will be provided discount of 3,000/- and for them the course fee is 27,000/- per participant.

Upcoming Course

21-25 February, 2011

Nomination may be sent to:

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