In the decade LGd has existed we have often been asked to provide case studies on the concepts we teach. While we consistently work to vigorously protect our clients' identities, we believe such examinations can be powerful learning tools. Therefore, we have obtained permission to release the following case study. As part of our agreement we have changed the names of the client organization and all non-LGd individuals. However, all other elements of the scenario are real and true facts to the best of our knowledge.

Industry: High Tech Manufacturing

Term: 2004-2007

Client: The information technology organization for one of the largest high technology manufacturers in the world.

Portfolio Size (Approx.): $1.97 Billion U.S.

Scope of Work: LGd served as the primary service provider for a Virginia based reseller. The contract called for LGd to provide basic project management training through PMP certification. The courses offering included: PM101, Scope & Requirements Development, Cost & Schedule Management, Project Simulation, and PMP Exam Preparation. The contract called for LGd to offer each course once per quarter to a minimum of 20 people and a maximum of 30 people per session at each of three locations in Arizona, California, and Oregon.   After initial success, LGd was contracted to provide implementation and process support.

Story: In the second quarter of 2004 LGd was approached by a services reseller based in Virginia to respond to an open RFP for project management training. The initial contract period was for two years. After this initial period LGd was asked to extend the contract for an additional year. The goal of the client was get all IT project managers and resource leads trained in the basic foundations of project management and then PMP® certified.

The organization was managing a large portfolio of IT projects across multiple locations with a significant number of external contract-based resources. However, most of the individual locations were acting as independent organizations. The level of complexity was further compounded by a large diversity of technology and project sizes. At the time of contract initiation the client was preparing to initiate a major project to implement a new ERP system and was constantly working on a number of client server and thin client applications. For consistency, the organization had always used a modified version of the Software Development Lifecycle (SDLC).

Approximately 13 months prior to the engage the previous Vice President of Information Technology had disbanded the IT Project Management Office (PMO) in a cost cutting move and due to a failure of the organization to achieve significant ROI. The new Vice President had come from an organization that had been highly successful with project management and wanted to develop a consistent discipline in the field as a way to improve performance and reduce execution costs, but was challenged by general attitudes toward the previous failed PMO.

After the first two PM 101 classes, where approximately 50 individuals were trained, LGd was approached because the training had created a problem. The methodologies and practices defined in the class appeared to conflict with the standard organizational practices and many of the course participants had begun to question the organization's current practices. Organizational leadership viewed this conflict as an opportunity to re-examine the current process framework and believed the LGd training strongly aligned with basic changes that were desired by the management team.

Based on the strong course reviews from the first two sessions, it was requested that LGd work with the management team to develop a three methodology framework inclusive of a web-based system to assist project managers in the selection of a project development methodology.

LGd developed an initial questionnaire that contained six questions with an additional four questions based upon the initial responses. The results from these questions allowed the system to then recommend either a Software Development Lifecycle (SDLC), a spiral methodology, or Extreme Programming (XP). The project manager maintained the right to not use the system recommendation by obtaining the approval of the project sponsor.

In addition, LGd transitioned the client to a very strong focus on a well formed Work Breakdown Structure that was deliverable focused as opposed to task or phase based structure, and provided training to the management team who served as project sponsors on how to hold project managers accountable for the well formed WBSs.

Prior to the initiative being completed, the primary success metric was a post implementation satisfaction survey given to the primary project stakeholders. As part of the survey stakeholders were asked to provide an overall rating of the IT organization's performance on a one to ten scale. A similar survey was given to the IT resources to gauge how well they fell the organization was performing. A strong disconnect existed between the IT perceptions of performance and stakeholder perceptions. On average, the IT staff rated their performance as an

eight while the business organization rated their performance as a four. Although the senior leadership team was aware of this disconnect, they were sure how to resolve the issue, and felt that it could even be partially caused by a design flaw in the survey instrument.

LGd worked with the leadership team to position the survey instrument as a tool that provided depth of understanding for why issues were occurring and established quantitative metrics of project performance to track the status for all initiatives in the portfolio. These metrics were based upon the Earned Value Technique, and the metrics were presented in a simple web-based portfolio management report that was updated weekly.

Results:

The initial training component of the project scored an overall average of 9.25 on a scale of one to ten. The very high scores caused the client to ask some very introspective questions when course participants came back having provided extremely positive feedback about the training, but also suddenly having significant concerns about current the process.

Upon completing the process changes and tool implementation the organization was able to make significant improvements over the next 90 days. Key performance metrics included:

1. Average project schedule overruns moving from 37% to 27% within three months and to 12% of within 180 days.
2. Average project cost performance improved by 31% within 180 days.
3. Stakeholder satisfaction surveys were tracked on a monthly basis. Over the initial six month period scores moved from an average of 4 to 7.2, and over the next year moved up to match the IT organizations internal tracking.

The Vice President of Information Technology explained the improvement this way: "Organizationally, we use to place very little importance on project management. It was seen as an administrative skill. Most of our project managers focused mostly on process and task management. Moving to a leadership based model with flexibility and a focus on delivering real business results has made a world of difference for us."