Agenda

- Accenture Profile
- General Overview Project Management @ Accenture
- Project Calculation & Project Planning
- Project Monitoring & Controlling
290,000 employees at Accenture serve more than 4,000 clients around the world

About Accenture

290,000+
More than 290,000 people serving clients in more than 120 countries

200+
Offices and operations in more than 200 cities in 54 countries

$28.6B
Net revenues for fiscal year 2013

Facts
- Leadership: ~5,600 Managing Directors
- 28.6 billion USD revenues in FY13
- Geographic Regions:
  - Americas
  - Asia Pacific
  - Europe / Middle East / Africa

Clients
- 4,000 clients in more than 120 countries
- 89 of the Fortune Global 100
- 3/4 of the Fortune Global 500
- 28 of the DAX-30 companies
- 99 of our top 100 clients have been clients for at least 5 years, 92 have been clients for at least 10 years

1 As of Aug 31, 2013
Agenda

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Project Management focuses on measurement-driven results, repeatable processes and clear communication.

Project Management – Introduction

- “A **project** is a temporary endeavor undertaken to create and deliver a unique product, service or result."
- “**Project Management** is the application of knowledge, skills, tools, techniques and processes to help clients make better decisions and to complete deliverables that meet a project’s requirements.”

Principles:

1. Be clear on where you’re going
2. Plan carefully on how you will get there
3. Deliver on promises made in your project plan
It is helpful to use the SQERT model when thinking about Project dimensions

SQERT Model

- Quality
  - Quality Action Plan

- Effort
  - Estimates and Resource Plan

- Scope
  - Work Breakdown Structure

- Time
  - High Level Schedule

- Risk
  - Risk Management Plan
Our comprehensive methodology provides tools to help manage projects effectively on schedule and on budget.

Accenture Project Management Approach

- **Scope Management**
  - Project Management Plan
  - Change control process
  - Scope Management Plan

- **Subcontractor Management**
  - Seamless integration
  - Performance tracking and assessment
  - Subcontractor Management Plan

- **Data Management**
  - Secure management of documentation
  - Configuration management

- **Contract Management**
  - Contract Modification Process
  - Contract Management Plan

- **Oversight and Monitoring**
  - Management Dashboard
  - Common processes / tools

- **Schedule Management**
  - Project Schedule
  - Schedule Monitoring

- **Quality Management**
  - Quality assurance planning and review
  - Deliverable Management
  - Quality Management Plan

- **Cost Management**
  - Budget management process
  - Metrics tracking
  - Cost Management Plan

- **Issue Management**
  - Issue identification
  - Issue Management Plan

- **Risk Management**
  - Risk radar and assessment
  - Risk Management Plan
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The project management method is part of Accenture Delivery Methods (ADM), our master project approach.

Accenture Delivery Methods (ADM)
There are three key project management processes supporting a project’s life cycle.

**Project Management Process**

The three key processes *Plan, Monitor and Control* are *co-dependent* and *continuously cycle* throughout all of the stages of the project.
Planning and calculation are the initial steps in setting up a project – adaptations are possible within the lifecycle.

**Project Calculation & Project Planning**

**Project Calculation**

- **Project calculation** is used for the estimation of efforts for the completion of tasks which builds the baseline for solid project controlling.
- Without a precise estimation of efforts a project can...
  - ...exceed the time and budget planning
  - ...radically reduce the profit margin
  - ...decrease the team morale

**Project Planning**

- **Project planning** is an essential part to ensure that the adequate team members execute the right tasks at the right time.
- Project planning includes:
  - Project Plan
  - Milestones
  - Planning of resources

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The general planning process includes four process steps – we focus on the estimation of a project’s scope.

**Project Management – Planning Process**

1. **Confirm Project Scope**
   - Stakeholder Goals and Expectations
   - Project Scope Definition
   - Business Case and Solution Metrics

2. **Estimate Scope**
   - Work Breakdown Structure (WBS)
   - Detailed time/cost Estimates for each area within scope
   - Risk Analysis

3. **Schedule Work**
   - Project Plan
   - Entry/Exit Criteria
   - Delivery Strategy

4. **Determine Resource Needs**
   - Roles and Responsibilities
   - Resource work profile

**Focus Area**
There are two different examples of how a WBS could be structured for a project

**Task Structure – Define WBS**

WBS *(Work Breakdown Structure)* ...

- is a **description** of the project’s scope as defined by the program management.
- is used for **defining the scope of a project** in terms of its outcomes and deliverables.
- becomes the **structure of your work plan** within **MS Project**.

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### Facilitates Project Reporting by Phase
- **Project Management**
  - **Design**
  - **Build**
  - **Test**
  - **Deploy**

### Facilitates Project Reporting by Module
- **Project Management**
  - **Module 1**
    - Design
    - Build
  - **Module 2**
    - Design
    - Build

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VS.

---

### Facilitates Project Reporting by Phase
- **Project Management**
  - **Module 1**
    - Design
    - Build
  - **Module 2**
    - Design
    - Build

### Facilitates Project Reporting by Module
- **Project Management**
  - **Module 1**
    - Design
    - Build
  - **Module 2**
    - Design
    - Build
A combination of top-down and bottom-up estimating models are used to approximate the amount of work.

**Top-Down and Bottom-Up Estimating**

- **Top-Down**
  - +/- 25% accuracy, depending on project lifecycle status.
  - In early lifecycle stages, you may want to consider increasing the contingency percentage beyond 20%.
  - 8-12 factors.
  - Extensive use of approximations and “rule-of-thumb” assumptions.
  - Typically used during initial selling stage activities.

- **Bottom-Up**
  - +/- 10% accuracy.
  - 60-100 factors.
  - Less use of approximations and assumptions. Use iteratively throughout a project’s lifecycle to constantly refine and fine-tune an estimate, as more detailed requirements are identified.
  - Used primarily after the initial selling stage activities.
ADM Estimators provide input for Workplan and Cost / Pricing Models

ADM Estimators – Benefits

ADM Estimator
Top Down / Bottom Up

Tasks, Activity & Role Navigation

Tasks & Hours

Levels, Bill Codes, Duration

ADM

Microsoft Project

GPS

Real Life
ADM Estimators support project managers at different stages of a project by helping:

- Define scope of work and factors
- Document detailed assumptions
- Generate task-level estimates
- Complete budget, schedule and resource estimates

**Inputs**
- Project Scope Definition
- Iteration Strategy
- Strawman Estimate / Assumptions
- Project Road Map
- Sponsor Goals & Expectations

**Outputs**
- Detailed Project Assumptions
- Bottom-up Estimate
- Work Plan (via export to MS Project)
Agenda

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- Project Monitoring & Controlling
Monitoring and controlling are necessary to initiate measures at the right time of the project lifecycle

**Project Monitoring & Controlling**

Definition: „...the monitoring a project’s proceedings along an as-is vs. to-be comparison. In case of any occurring problems adequate corrective measures have to be initiated. “

### Project Monitoring

- **The Monitor process** involves the following activities and deliverables:

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>DELIVERABLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Daily ‘Touch-Points’ with Team</td>
<td>N/A</td>
</tr>
<tr>
<td>Weekly Status Meetings</td>
<td>• Meeting Minutes • Status Report • Issue Log • Risk Register</td>
</tr>
<tr>
<td>Reviews and QA of deliverables</td>
<td>• Quality Assurance Report</td>
</tr>
<tr>
<td>Tracking against Project Work Schedule</td>
<td>• Milestone Report • Risk Register</td>
</tr>
<tr>
<td>Identifying Risks and Issues</td>
<td>• Risk Register • Issue Log</td>
</tr>
</tbody>
</table>

### Project Controlling

- **The Control process** involves the following activities and deliverables:

<table>
<thead>
<tr>
<th>ACTIVITIES</th>
<th>DELIVERABLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management of changes to project scope</td>
<td>• Change Request Form</td>
</tr>
<tr>
<td>Escalation of issues and risks that require intervention from roles higher in the project structure</td>
<td>The following is in <strong>dashboard format</strong>: • Status Report • Issue Log • Risk Register • Minutes from ad hoc Meetings</td>
</tr>
</tbody>
</table>
During the project lifecycle adaptations in the project triangle (SQERT) can be necessary.

Three Dimensions of Project Controlling

1. Target Control
   Management of Scope, e.g. definition of results per each project phase / approval

2. Time Control
   Time Schedule, e.g. milestone trend analysis

3. Cost Control
   Cash Outflow/ Inflow, e.g. Earned Value Analysis

PLANNING and MONITORING are iterative activities.

PLANNING has to be adapted as precisely as it was created.
In order to monitor a project's progress it is recommended to define and evaluate SMART goals.

**Target Control – SMART Goals**

### SPECIFIC

- What is the required quality?

### MEASURABLE

- Are all addressees on the same page?

### ACHIEVABLE

- Prioritization possible for planning / releases?

### RELEVANT

- Where does the objective/ request come from?

### TIME-BOUND

**Accenture Additions:**

- **Quality**
  - What is the required quality?

- **Unambiguous**
  - Are all addressees on the same page?

- **Prioritized**
  - Prioritization possible for planning / releases?

- **Traceable**
  - Where does the objective/ request come from?
Examples: Milestone Trend Analysis / Gantt-Chart

Time Control

Example 1: Milestone Trend Analysis

Example 2: Progress Control via Gantt-Chart
There are three types of earned value metrics: base, summary, and forecast metrics

Cost Control

Basics

- Industry standard to measure the project progress:
  - Forecasting of the date of completion and final costs.
  - Shows time and budget deviations.
- Three different types of earned value metrics exist:
  - Base:
    - Provides the basis to calculate all other metrics.
    - Used in conjunction with summary and forecast metrics.
  - Summary:
    - Provides information to assess the current state of the project.
    - Based on the Earned Value (EV) base metric.
  - Forecast:
    - Forecasts project status at completion.
    - Derived from a combination of base and summary metrics.
There are different types of base metrics in place – the 0/100 formula is recommended for EV calculation

Base Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition and Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget at Completion (BAC)</td>
<td>‣ Budget for the task, summary task, phase or other WBS component</td>
</tr>
<tr>
<td></td>
<td>‣ BAC = Baseline budget expressed in days or hours, not dollars</td>
</tr>
<tr>
<td>Actual Cost (AC)</td>
<td>‣ Actual cost of any work that has been performed</td>
</tr>
<tr>
<td></td>
<td>‣ AC = Amount of effort already spent or “burned” expressed in terms of days or hours not dollars</td>
</tr>
<tr>
<td>Earned Value (EV)</td>
<td>‣ Total amount of effort, in hours or days, for tasks that are 100% complete</td>
</tr>
<tr>
<td></td>
<td>‣ EV = 0 if task is NOT complete, EV = BAC, if task is complete</td>
</tr>
<tr>
<td>Planned Value (PV)</td>
<td>‣ Budgeted amount of effort, measured in hours for tasks scheduled to be 100% complete</td>
</tr>
<tr>
<td></td>
<td>‣ PV = BAC if task is due prior to status date</td>
</tr>
<tr>
<td></td>
<td>‣ PV = 0 if task is due after status date</td>
</tr>
</tbody>
</table>

Earned Value Calculation Methods:

• 0/100 formula
  – Tasks must be 100% complete, then earned value equals Budget at Completion (BAC)

• Other methods for calculating Earned Value include:
  – 50/50 formula
  – Ratio to earned standards
  – Milestones
  – Percent complete
  – Milestones / Percent complete
There are different types of summary metrics – therefore variances and indices are calculated

Summary Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition and Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Variance (CV)</td>
<td>- The difference between the actual costs and the budgeted (baseline) costs</td>
</tr>
<tr>
<td></td>
<td>- CV = Earned Value – Actual Cost (EV-AC)</td>
</tr>
<tr>
<td>Schedule Variance (SV)</td>
<td>- Determines whether the project is on, ahead, or behind schedule</td>
</tr>
<tr>
<td></td>
<td>- SV = Earned Value – Planned Value (EV-PV)</td>
</tr>
<tr>
<td>Cost Performance Index (CPI)</td>
<td>- The ratio of budgeted cost to actual cost used to predict the magnitude of a possible cost overrun or under-run at a given point in time</td>
</tr>
<tr>
<td></td>
<td>- CPI = Earned Value/Actual Cost (EV/AC)</td>
</tr>
<tr>
<td>Schedule Performance Index (SPI)</td>
<td>- The ratio of budgeted cost to planned cost used to predict the magnitude of a possible cost overrun or under-run at a given point in time</td>
</tr>
<tr>
<td></td>
<td>- SPI = Earned Value/Planned Value (EV/PV)</td>
</tr>
</tbody>
</table>
Different types of forecasting metrics can be used for project performance and completion estimations

### Forecast Metrics

<table>
<thead>
<tr>
<th>Metric</th>
<th>Definition and Formula</th>
</tr>
</thead>
<tbody>
<tr>
<td>To-Complete Performance Index (TCPI)</td>
<td>((\text{BAC-EV})/(\text{BAC-AC}))</td>
</tr>
<tr>
<td></td>
<td>((\text{Budget at Complete} – \text{Total Earned Value})/(\text{Total Budget at Complete} – \text{Actual Cost}))</td>
</tr>
<tr>
<td>Statistical Estimate to Complete (STAT ETC)</td>
<td>((\text{BAC} – \text{EV})/\text{CPI})</td>
</tr>
<tr>
<td></td>
<td>((\text{Budget at Complete} – \text{Earned Value})/\text{Cost Performance Index})</td>
</tr>
<tr>
<td>Statistical Estimate at Completion (STAT EAC)</td>
<td>(\text{AC + STAT ETC})</td>
</tr>
<tr>
<td></td>
<td>(\text{Actual Cost + Statistical Estimate to Complete})</td>
</tr>
<tr>
<td>Statistical Variance at Completion (STAT VAC)</td>
<td>((\text{BAC} – \text{STAT EAC}))</td>
</tr>
<tr>
<td></td>
<td>((\text{Budget at Complete} – \text{Statistical Estimate at Completion}))</td>
</tr>
</tbody>
</table>
There are various further tools and methods that can be used for the monitoring and controlling of a project.

### Further Project Monitoring & Controlling Dimensions

<table>
<thead>
<tr>
<th>Category</th>
<th>Tools/Methods</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FINANCIALS</strong></td>
<td>Supplier / Consultantancy Margin Targets, Control of Contingency, Control of Travel Expenses, Business Case Monitoring</td>
</tr>
<tr>
<td><strong>RISKS</strong></td>
<td>Qualitative Risk Assessment, Quantitative Risk Assessment, Includes Opportunities and Threats</td>
</tr>
<tr>
<td><strong>COMMUNICATION</strong></td>
<td>Communication Plan, Stakeholder Management (Key Stakeholder Matrix), Change Management Instruments (Workshop), Target Group Refinement</td>
</tr>
<tr>
<td><strong>QUALITY</strong></td>
<td>Quality Assurance (Interviews, Surveys,…), Quality Management and Configuration, Management as a Planning Function, Test Statistics</td>
</tr>
<tr>
<td><strong>HR</strong></td>
<td>Employee / Project Survey, Control of Overtime, Individual Development / Motivation and Performance Evaluation</td>
</tr>
<tr>
<td><strong>SOURCING</strong></td>
<td>Monitoring of Supplier Contracts, Cost Control, Regular Check of Conditions, Spend Management</td>
</tr>
</tbody>
</table>
Special tools are used for the calculation of cost and revenues

Financials Monitoring & Controlling – Examples
**Risk Monitoring & Controlling – Example**

### Risk Register

<table>
<thead>
<tr>
<th>Nr.</th>
<th>Risk</th>
<th>Risk name</th>
<th>Project</th>
<th>Date</th>
<th>Source</th>
<th>Damage entry</th>
<th>Probability</th>
<th>Consequence</th>
<th>Risk Classification value</th>
<th>Dependency to stream</th>
<th>Mitigation strategy, Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>asdf</td>
<td>Parallelise IT concept (R2) and template (R1)</td>
<td>IT</td>
<td>19.11.08</td>
<td>rad</td>
<td>Mrz. 09</td>
<td>Damage will occur approximately on date (mmm. yy)</td>
<td>2: 50%</td>
<td>5: &gt; 300 T€</td>
<td>RCV1</td>
<td>9</td>
</tr>
<tr>
<td>2</td>
<td>asdf</td>
<td>Less resources for run SAP in future</td>
<td>IT</td>
<td>19.11.08</td>
<td>rad</td>
<td>Jun. 10</td>
<td></td>
<td>2: 10 - 50 T€</td>
<td></td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>3</td>
<td>asdf</td>
<td>Scope of divisional planning</td>
<td>BM</td>
<td>14.08.08</td>
<td>Unknown business requirements</td>
<td>Sep. 08</td>
<td>2: 10 - 50 T€</td>
<td></td>
<td></td>
<td></td>
<td>6</td>
</tr>
</tbody>
</table>
When planning and controlling resources it is important to keep some facts in mind.

### Resource Monitoring – Recommendations

#### Loading Resources
- Assign & monitor experienced resources to critical path tasks to mitigate the risk of schedule slippage.
- If resource availability permits, assign the same resource to work on inter-related tasks in the work plan.
- Take advantage of the context the resource has specific to the work and increase efficiency.
- Avoid assigning multiple resources to a task.

#### Monitoring Resources
- **Examples of over-utilization – during planning:**
  - Fulltime assignment on >1 task during the same time.
  - Assignment to a summary task and 1+ of the subtasks.
- **Examples of over-utilization – after project start:**
  - Increased duration of tasks.
  - Increased assignment units for resources.
  - Decreased unit availability for resources.

#### Levelling Resources
- Do not plan for an absolute 100% utilization of all resources.
- At Accenture it is important for resources to have time for non-project activities important to our organization and to the morale of the resources (such as PTO, training, community meetings, etc.).
- Consider the morale of individuals.

---

Select and monitor the resource with the right experience and skills for the task.

A flexible project structure is required as from time to time there are likely to be resources that are over or under-utilized.

Maximize resource utilization without exceeding their availability.
Keeping a few rules in mind can help you to manage your daily project work in a successful manner

11 Golden Rules in Practice

#1 – Only completion is final.
#2 – Climb the wall. Problems are your business.
#3 – Escalate problems quickly.
#4 – Give managers a chance to manage.
#5 – Problems need owners.
#6 – Ask the right questions.
#7 – Issues and risks are different.
#8 – Always have a work plan.
#9 – Know your status – KPIs (CV, SV, CPI, SPI).
#10 – Stay clear on scope.
#11 – Write it down.
Q&A

Sascha Kolbuc

Accenture GmbH
Anni-Albers-Straße 11
80807 München
Mobil: +49175 57 68260
E-Mail: sascha.kolbuch@accenture.com
Backup
In order to monitor a project's progress it is recommended to define and evaluate SMART goals.

## Target Control – SMART Goals

<table>
<thead>
<tr>
<th></th>
<th>Specific</th>
<th>Measurable</th>
<th>Achievable</th>
<th>Relevant</th>
<th>Time-Bound</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>S</strong></td>
<td>Significant</td>
<td>Motivational</td>
<td>Attainable,</td>
<td>Results-oriented,</td>
<td>Time-oriented</td>
</tr>
<tr>
<td><strong>M</strong></td>
<td>Stretching</td>
<td>Manageable</td>
<td>Appropriate</td>
<td>Realistic</td>
<td>Timed</td>
</tr>
<tr>
<td><strong>A</strong></td>
<td>Simple</td>
<td>Meaningful</td>
<td>Agreed</td>
<td>Reasonable</td>
<td>Trackable</td>
</tr>
<tr>
<td><strong>R</strong></td>
<td>Sustainable</td>
<td></td>
<td>Assignable</td>
<td>Resourced</td>
<td>Tangible</td>
</tr>
<tr>
<td><strong>T</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Accenture Additions:

- **Quality**
  - What is the required quality?

- **Unambiguous**
  - Are all addresses on the same page?

- **Prioritized**
  - Prioritization possible for planning / releases?

- **Traceable**
  - Where does the objective/ request come from?