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# Project Management Tools & Techniques

Rusty Williams

Manager – I.T. Planning & Engineering

Southern Company

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**SOUTHERN  
COMPANY**  
*Energy to Serve Your World®*



# Overview of Southern Company

- Revenue: \$11.28 B
- Earnings: \$1.47 B
- Market Cap: \$22 B
- Customers: 4 M
- Total KWH Sales: 192,000 M
- Generating Capacity: 39,000 MW
- Sq miles of territory: 120,000 sq miles



# Subsidiaries of Southern Company

## Regulated Companies

- Alabama Power Co.
- Georgia Power Co.
- Mississippi Power Co.
- Gulf Power Co.
- Savannah Electric
- Southern Nuclear
- Southern Company Services

## Unregulated Companies

- Generation and Energy Marketing
- SoLINC
- Southern Telecom
- Southern Company Gas

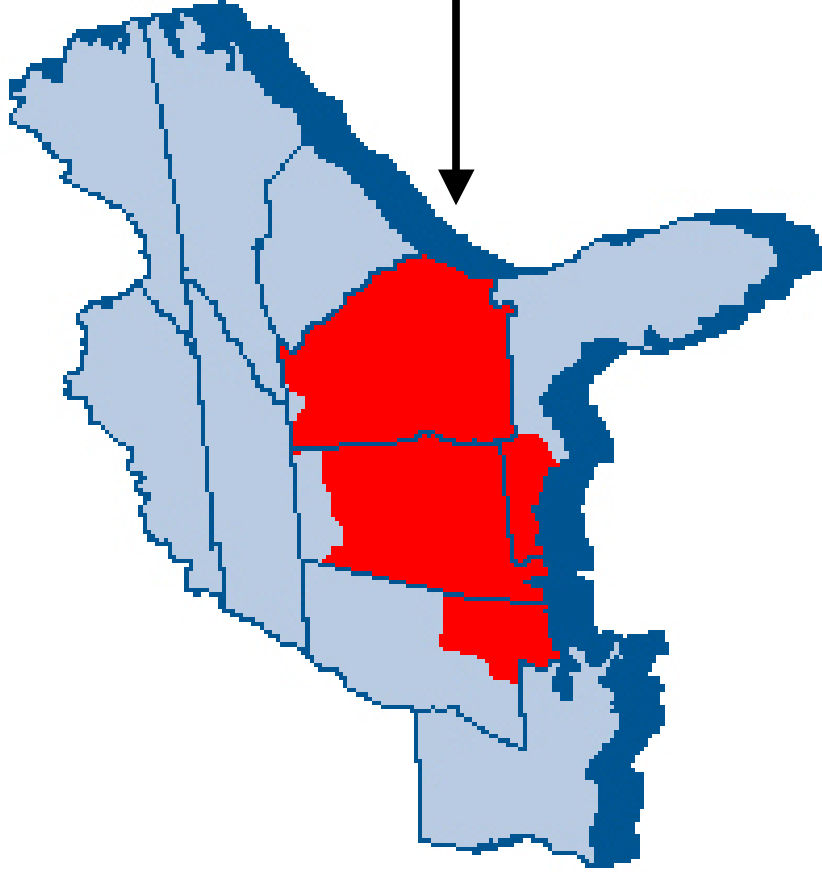


# Southern Company Service Territory

Competitive Generation Opportunities



Retail Service Area





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# Information Technology's Project Management Process

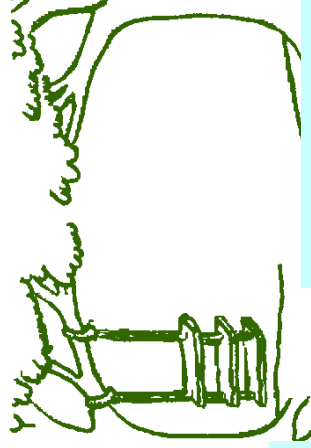
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# PM - Align Goals / Reduce Confusion



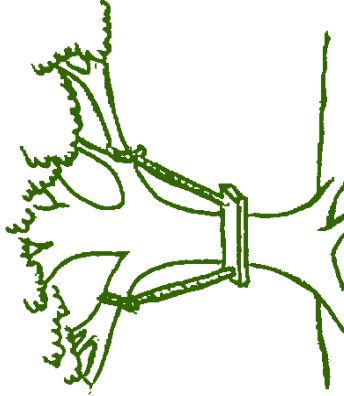
**As proposed by the Project Sponsor**



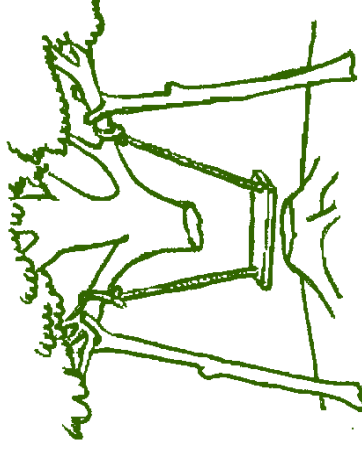
**As Specified in the Project Request**



**As Designed by the Systems Analyst**



**As produced by the Programmers**



**As Installed at the User's Site**



**What the User Really Wanted!**

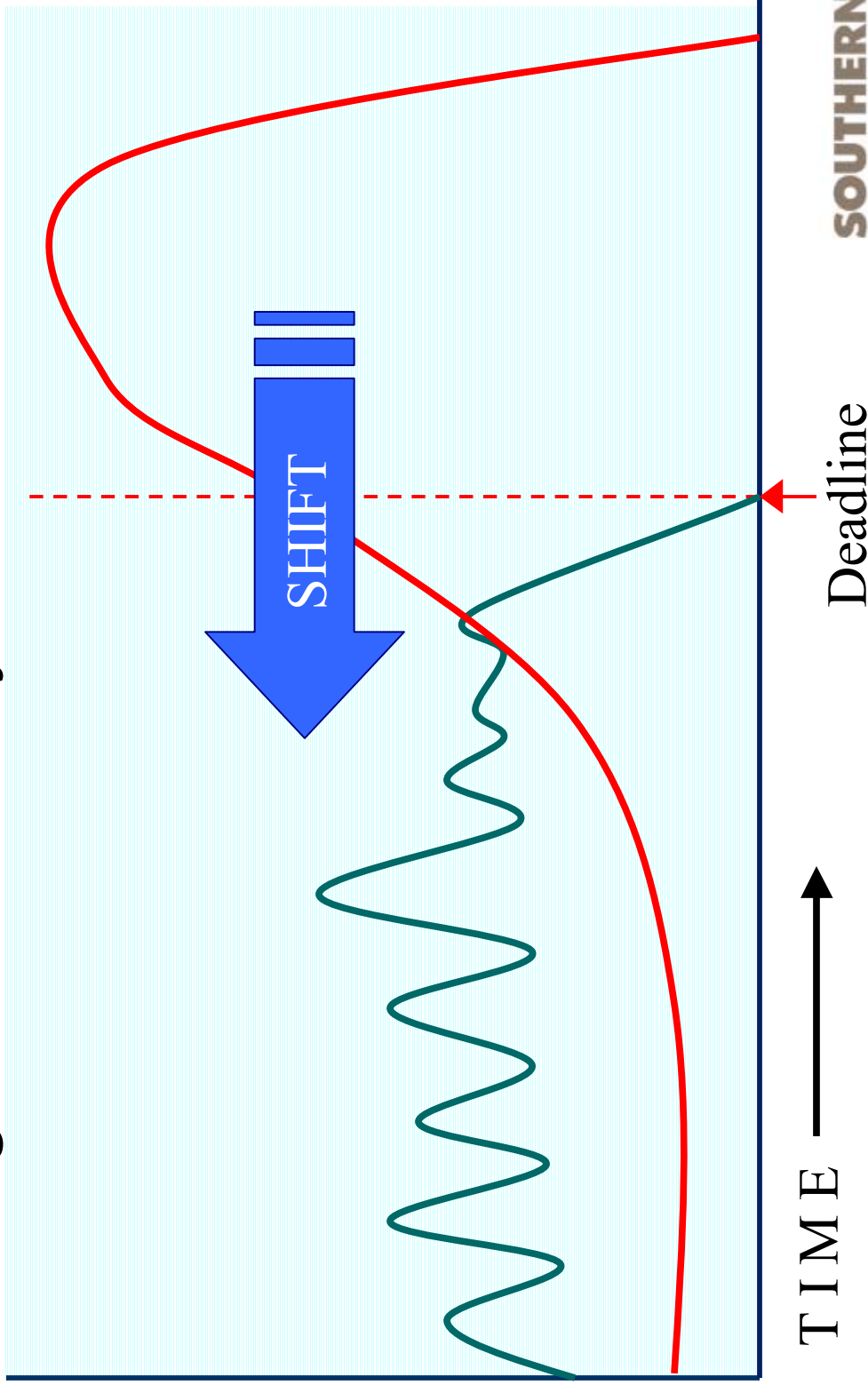


# Why do projects fail?

- No Sponsor Identified
- Unclear Vision (fuzzy deliverables)
- Poor Requirements Definition
- Scope Creep
- Undefined Budget
- Poor Communication
- Unclear Roles & Responsibilities
- Lack of Ownership
- Poor or No Project Management



# Shifting “The Worry Curve”



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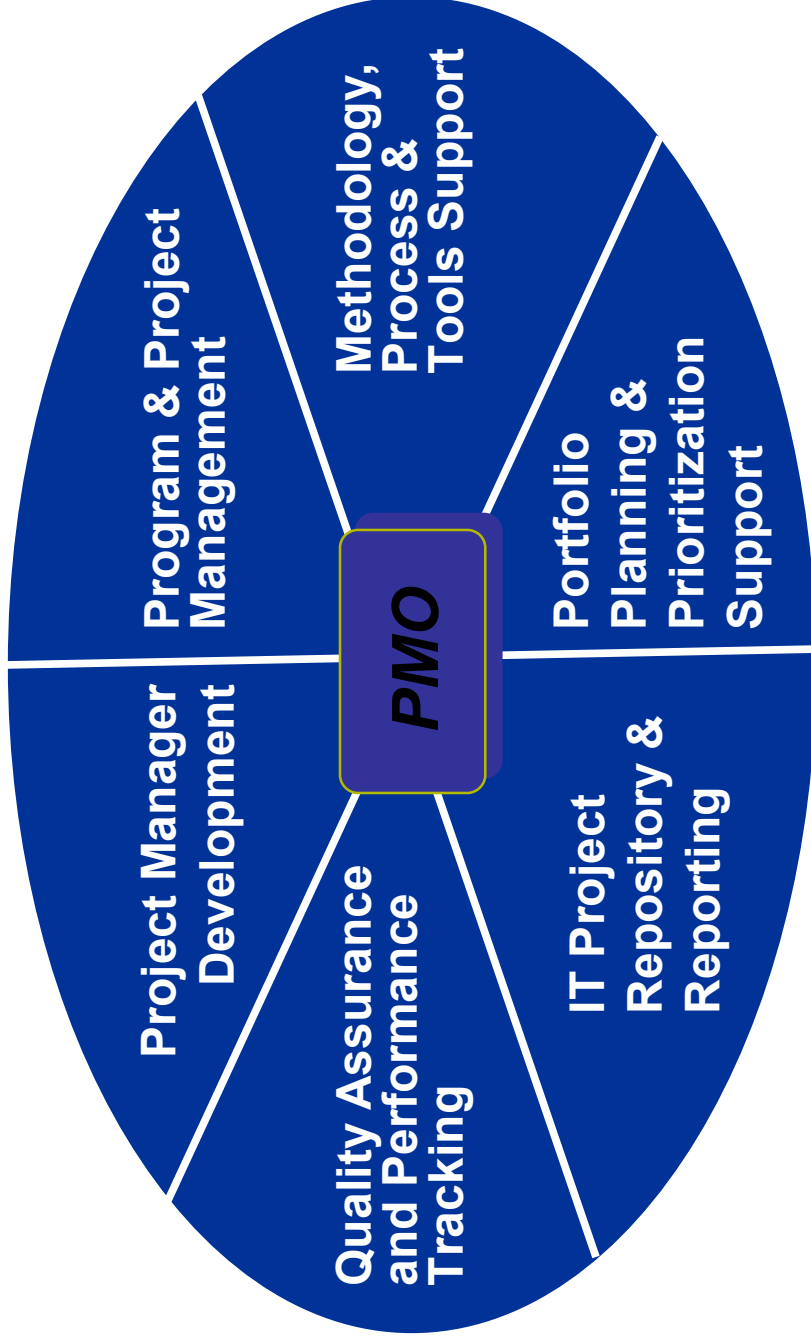
TIME

Deadline





# Southern Company Information Technology





# Major Project Elements

To what quality standard or measure are we developing the deliverable? How good should it be?

QUALITY

What are we delivering?

SCOPE

TIME

How are we generating the deliverables?  
How long will it take us to generate them?

COST

Who & what is needed to complete the project? How much do we need of each? How much will they cost?





# Project Management Office (PMO) processes

- Deliver Solutions
- Technical Consulting Resources
- Project Management

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# Deliver Solutions Process

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# What is Deliver Solutions?

- Deliver Solutions is an 8 step process that tracks a project from conception to support.
- Business Unit requests go through the Business Analysts.
- Technical options and cost estimates are provided by the TCR team.
- Project Managers are assigned to manage planning / analysis, design, construct and implement.
- Users are involved throughout the life of the request and can stop the request at any time.





# Deliver Solutions Process

1	2	3	4	5	6	7	8	
Clarify Need	Business Case	Solution Definition	Planning/ Analysis	Design	Construction/ Testing	Implementation	Post- Critique	Support

## Deliver Solutions

*Initiating  
the projects*

*Doing  
the projects*

*Done with  
the projects*



# Deliver Solutions Process - Details

- **Clarify Need:** *Develop an initial, high-level definition of the customer's business need*
- **Business Case:** *To review the initial high-level definition of the customer's business and identify/document any alternative solution(s) to the business need*
- **Solution Definition:** *To update the business case, specifically refining the cost, schedule and technical impact of the recommendation(s)*
- **Planning/ Analysis:** *Further develop an understanding of the project. Identify specific information and functionality needs and priorities for the project*



# Deliver Solutions Process - Details

- **Design: Document the mixture of hardware, software, communication, etc. that will support the solution**
- **Construction/ Testing: Create and test the solution**
- **Implementation: Install the solution in production operation , with minimal disruption of normal business activity**
- **Post-Critique: Help ensure continuous process improvement to product delivery through identification of both positive and negative aspects of the project**

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# Technical Consulting Resources Process

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# Technical Consulting Resources (TCR)

- *TCR is a group of IT technical consultants who assist in the identification of potential solutions and provide high level estimates for those solutions.*
- *The purpose of the TCR team is to provide options and alternatives, high level estimates, potential issues and feasible recommendations for user requests.*
- *These recommendations should meet the customer's need while considering the cost and ease of implementation/support in our environment.*
- *TCR is also responsible for communicating to all areas of Information Technology potential future projects.*

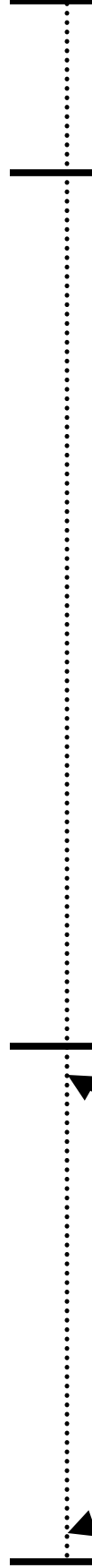




# Deliver Solutions Process

1	2	3	4	5	6	7	8	Support
Clarify Need	Business Case	Solution Definition	Planning/ Analysis	Design	Construction/ Testing	Implementation	Post- Critique	

## Deliver Solutions



*Initiating  
the projects*

*Doing  
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*Done with  
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TCR Process

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# Project Management Process

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# Why Use Project Management?

- Increase **Understanding** of the project & its purpose.
- Ability to define & control the project **Scope**.
- Ability to identify, monitor & track **Milestones**.
- Improve **Communication** among project teams.
- Improved recognition and mitigation of project **Risks**.
- Gives the capability & tools to measure our **Performance**.
- Provides identification & communication of **Issues**.
- Allows **Prioritization** of functional and project activities.



# What does a Project Manager do?

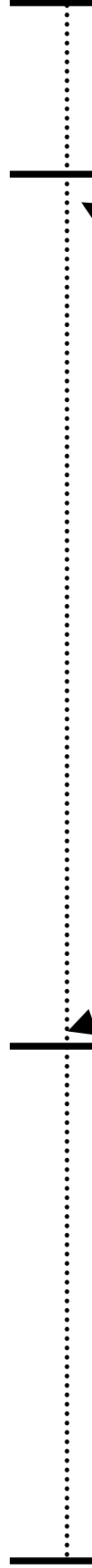
- Project Planning
- Project Control
- Risk Management
- Communicating
- Project Leadership
- Customer Relationships
- Negotiating



# Deliver Solutions Process

1	2	3	4	5	6	7	8	Support
Clarify Need	Business Case	Solution Definition	Planning/ Analysis	Design	Construction/ Testing	Implementation	Post-Critique	

## Deliver Solutions



*Initiating  
the projects*

*Doing  
the projects*

*Done with  
the projects*

Project Management Process





## IT Project Pipeline: Current Requests & Projects as of 3/25/2004

Opportunities: #14   Requests: #74   **Active Projects: #111, \$56.7MM**   Completed YTD: #44, \$6.6MM

(Numbers along the pipeline indicate the total number of requests/projects currently in that phase).

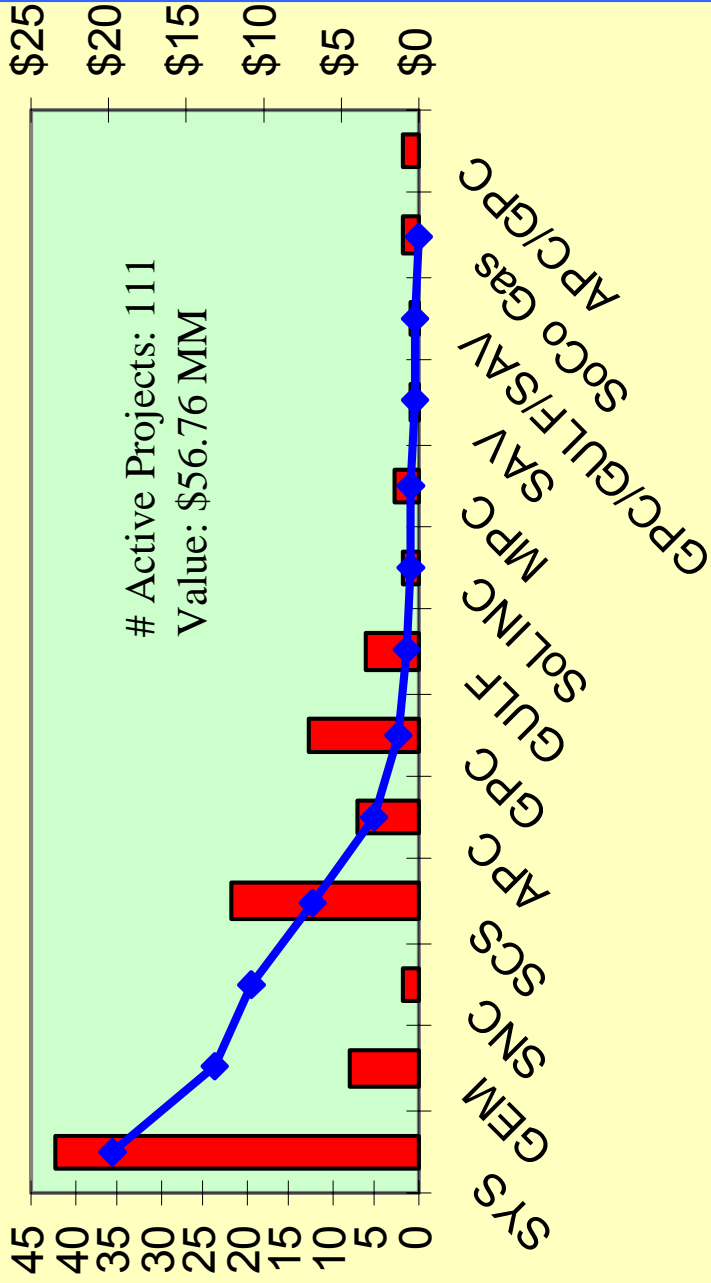
DS Process

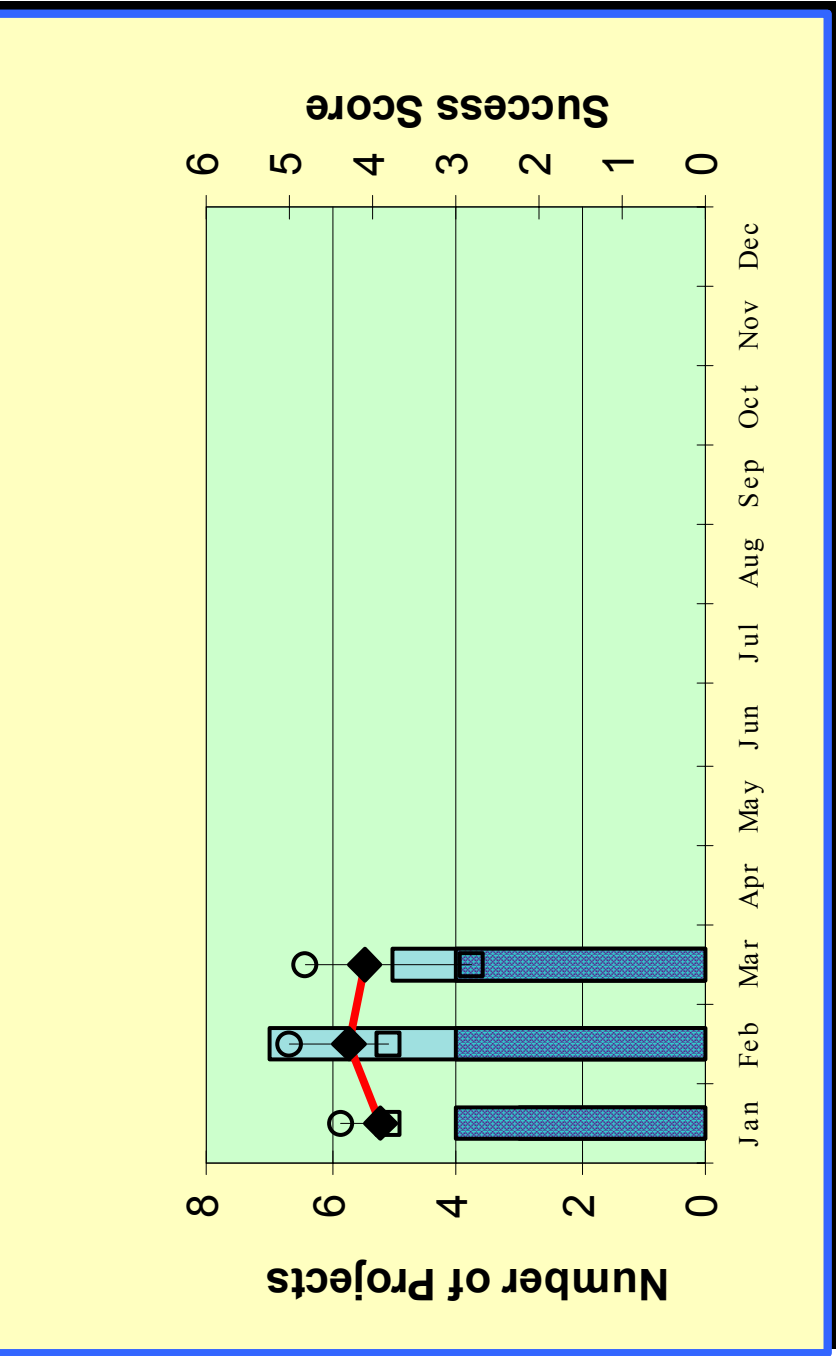
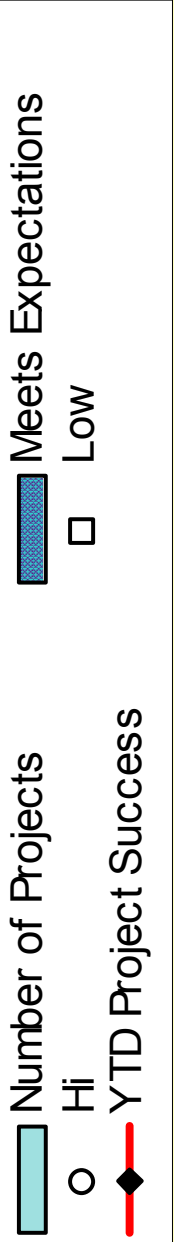
3/25/2004



## Active Projects by Company

Number — Contract Value







# PMO Proven Successes

*“Building on a solid foundation ”*



## Successes

**Over 200% Improvement!**  
**79%**

## IT Project Effectiveness

**25%**

**1997**

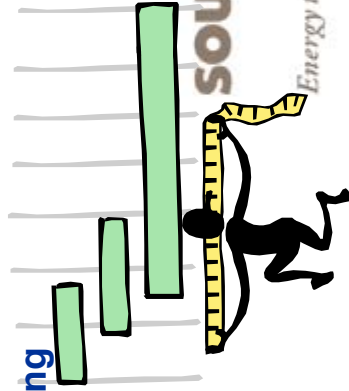
- Project Office Implementation
- Deliver Solutions Methodology
- TCR process established

- DSAM Methodology established and implemented (Internal Auditing)
- Project Manager Job Family Created

- Project session leadership
- Project Management Coaching / Development
- Cost estimating spreadsheet

- Project Management Curriculum
- Risk Assessment tool
- Liaison program established

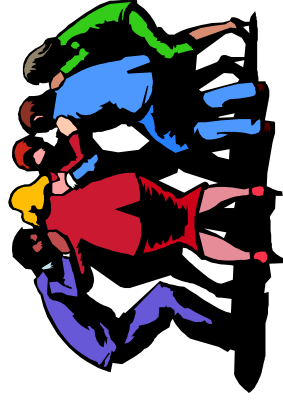
**2003**



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# Questions ?



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