LEARN PROVEN TOOLS FOR SUCCESS

Master professional project manager skills to deliver projects on time and within budget and earn a Healthcare Project Manager Certification. You don’t need any prior project management experience or formal training to take this online, 2-course certification program. The skills you’ll learn will help you launch or advance your healthcare project manager career and increase your salary.

In the Healthcare Project Basics course, you will master practical tools and techniques, not academic theories. You’ll practice every skill in a healthcare project case study so you can immediately apply them to your projects at work.

In the Advanced Healthcare Project Management course, you will master best practice techniques for estimating cost and duration, managing risks and analyzing variations. You’ll practice every skill in a healthcare project case study so you can immediately apply them to your projects at work.

These are instructor-led online courses where you work individually with your PMI-certified instructor over the Internet, by telephone and online video conferences. You may begin the courses whenever you wish and study from anywhere in the world. You set your own schedule.

Quick Links

131 Healthcare Project Basics Course

133 Advanced Healthcare Projects Course

131-133 Certification Web Page
Join the Healthcare Project Management Profession

The Essentials of Healthcare Project Management course is designed for people who want to learn the basics to successfully manage small to medium-sized healthcare projects. You don’t need any prior project management experience. You’ll learn skills to launch your healthcare project manager career and increase your salary.

How the Course Works

In this instructor-led online course you will study with world-class materials and master practical skills, not academic theories. You’ll read your e-textbook that describes all the tools and techniques and shows you examples of how to use them. You’ll watch high definition lecture videos and then practice on a healthcare project case study so you become confident in using what you are learning. You will also master project management software tools and get templates you can use for your projects at work.

You begin the course whenever you wish and study from anywhere in the world. You set your own pace and schedule. You may take up to one year from enrollment to complete the course.

Work with Your Instructor

Through the entire Essentials of Healthcare Project Management course, you will work individually with your PMP-certified instructor over the Internet, by telephone and in video conferences. You have the option of giving presentations in online video simulations. They are just you and your instructor so you can practice your communication and presentation skills. Your instructor will send you a video of your session, their comments and suggestions for improving your skills.
Master the Skills to:

Create and Present a Plan
Build a Schedule in MS Project
Make Clear Assignments
Track and Report Progress
Spot and Solve Problems
Give Persuasive Presentations
Answer Questions Effectively

Practice interacting with professional care-givers and administrators in a healthcare project case study

DEVELOP PM SKILLS

PRACTICE IN SIMULATIONS
You will work on a healthcare case study and practice every tool and technique. The assignments include running a planning meeting with the project sponsor, gathering requirements, creating a work breakdown structure, developing a schedule, making assignments to the team members, tracking and reporting progress and presenting a status report with suggestions for corrective action.

ENHANCE YOUR COMMUNICATIONS
Effective communication is a key skill for every successful healthcare project manager. If your presentations are not persuasive and professionally delivered, your credibility as a project manager suffers.
Three assignments in the Essentials of Healthcare Project Management course include preparing a presentation that you may deliver in our live online conference center, if you wish. It’s a private session, just you and your instructor, and you get feedback and coaching on your presentation techniques and content. These optional sessions are filmed and you receive a video of your presentation so you can review your instructor’s comments about your body language, eye contact, gestures, use of visual aids, etc. You will see marked improvement in your communication skills.

PERSONAL INSTRUCTION
You study whenever you want. Your instructor is available by phone or email if you have questions about using a tool or technique. They give you written feedback on all your case study assignments. You may also practice these techniques in live, online meetings. Your instructor plays the role of the project sponsor and stakeholders and asks you the kind of questions they ask project managers.
You get templates to use in your “real” healthcare projects. And your instructor provides 1 year of on-going coaching and advice.

SPECIFICATIONS
For Beginning PMs
30 Hours of Work
Use a PC, Mac or iPad
Study When You Want
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Take up to 1 Year

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3547 S. Ivanhoe St.
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www.4pm.com
Essentials of Healthcare Project Management

Learning the Basic Tools and Techniques of Healthcare Project Management

Getting Started
Our fax number is (303) 845-9145. Our e-mail is studentservices@4pm.com

When we receive your signed license agreement, we’ll send your
username and password so you can access all the material on the course
website, including lectures, supplemental reading and the
student library with hundreds of articles, videos and graphics.

Course requirements
✦ The free Adobe Flash Player
version 10 or later.
✦ The free Adobe Reader 9.2 or later.
✦ Microsoft Excel or Apple Numbers
for the course template.
✦ Microsoft Project or Gannter, a free
web-based project management
software. We will set you up with
access to Gannter if you do not have Microsoft Project.
✦ Microsoft Power Point or Apple
Keynote for your live presentations.
✦ You will also need a web camera
for your live presentations.
✦ The following textbooks are also
required for your course:
✦ Essentials of Healthcare Project
Management, by Dick Billows, PMP,
GCA, electronic book (e-book,
included with course)
✦ Power Points! How to Design & Deliver
Presentations that Sizzle available on
www.amazon.com as an electronic

Learning Objectives:
Working with your personal
instructor, you will learn all the steps
in the project lifecycle. We will
begin with planning and scheduling
and go all the way through
executing, tracking and status
reporting.

You’ll practice each of these steps on
a project case study and receive
written feedback on your work.
Your instructor will ask you to
correct or improve any assignment
that is not at a professional level.
You can ask your instructor
questions whenever you wish via e-
mail or request a phone call. You
will receive a response within 24 hours.

**Course Process:**
Each of the modules in the course has a reading assignment in your textbook(s), a lecture video on the course website, and an assignment, which you complete and send to your instructor via e-mail. You will also work with your instructor on 3 live project presentations over the Internet. You have completed your course when you score 80% or higher on the final exam. The course requires approximately 30 hours of effort for the reading, lectures, case study assignments, and final exam. You have one year from enrollment to complete the course.

**Grading Criteria:**
To pass the course, you must earn a grade of B or better on each of your assignments and the one-hour final exam. To earn Project Management Institute (PMI) credits for this course, your final exam must be proctored. The proctor can be your organizational superior, a licensed professional attorney or certified public accountant.

**Learning Materials**
This textbook contains detailed information on all the techniques covered in the course from meeting with project sponsors and team members to building your project schedule in MS Project®. You can highlight text & write notes in the textbook and in the lecture notes. Use the “Sticky Note” and “Highlight” tools in the latest version of Adobe Reader.

**Course Lectures - Streaming Media**
Each of the 10 modules has a lecture by Dick Billows PMP, GCA that is about 30 minutes long and expands on the techniques you read about in the textbook. Our server constantly monitors your available bandwidth and chooses from four different versions of the course lectures depending on your available bandwidth. The high-definition video requires the most bandwidth and requires a connection at cable TV speed or higher. The lowest quality video requires the least bandwidth and connection speeds slightly faster than a dial-up Internet connection.

**Project Simulations & Live Presentations**
Some of the simulations are done with email and three can be done live over the web via web cam. These optional live project simulations are private, just you and your instructor. In each of these simulations, you will play the role of the project manager and your
instructor will play the sponsor and stakeholders. You will use a web camera to record the live sessions and your instructor will send you a copy with their feedback on your speaking and presentation techniques.

You will need to buy a web camera if one is not built into your PC.

You will need an Ethernet or cable company internet connection. You will not be able to use the internet connection provided by a cell phone carrier such as Sprint or Verizon. They will not deliver a quality video, because these connections are not continuous.

Project Manager in Action Videos
These videos of a project manager and team show you real-life situations, the wrong way and the right way for project managers to interact with executives and their team members.

Syllabus: Case Study Assignments
It is best if you read the entire Essentials textbook when you begin the course. Then for each module go back and re-read the indicated section for each assignment.

Module 1 - Broadbrush Plan: Scope Definition
✦ Read to page 11, up to “Technique #2 Requirements &
✦ Watch the Module 1 lecture on the course website (or from your eBook)
✦ Watch the video called “Vailcrest Corporation Executives” to familiarize yourself with the organization and the people you will work with and the people on your team.
✦ Watch the Project Manager in Action video about scope planning on the Breckenridge Expansion project.
✦ Read the Vailcrest Project Simulation Part One below.
✦ After reading the case study, use Tab #1 “Project Scope” in your course template to write your notes on the key points about the project the president wants you to manage. Add notes about the questions you need to ask Dan Morton to define the scope and major deliverables. Then send an email to control@4pm.com with your Excel template attached and suggest a couple of days/times if you can want to do a live meeting with your instructor. The meeting should take about 15 minutes.
✦ Your instructor will send feedback on your questions and accept one
of the times you proposed or suggest another.

✦ You will continue the earlier discussion in the case study, and ask Dan Morton your questions to define the project scope and 4-5 major deliverables that lead to it. Your instructor will respond to your questions, playing the role of Dan Morton. When Dan agrees to the scope and the major deliverables, the simulated meeting is over. After the session, your instructor will send you a transcript and give you feedback on how you did in the meeting. Your final step is to enter the scope and major deliverables into your course template on Tab #1 “Project Scope.”

**Vailcrest Simulation Part One - New Customer**

You looked up the Vail ski mountain and then hopped into the slowly moving Vail gondola. You were a little nervous about two things: slipping as you jumped and starting your new job as medical project manager with Vailcrest.

As the gondola started its climb from Vail Village up to the top of the 11,000-foot ski mountain and the company headquarters, you noticed the four other riders all wore blue polo shirts with a yellow “Vailcrest Lodge” logo. It was going to be interesting to ride a gondola to work every day. Vailcrest offered surgical & medical treatment for professional and serious amateur athletes as well as an elegant hotel with three restaurants and a full spa. The staff of 420 was composed of physicians, therapists and exercise technicians as well as hotel and restaurant employees who catered to the 320 guests the facility could house each night.

As the gondola crested the top of the mountain, you glanced at your watch and saw you would easily be on time for your meeting with Dan Morton, the President of Vailcrest Corp. You’d met Dan during the interview and were impressed that one individual possessed such strong skills. Dan was a former Olympic skier who had founded Vailcrest when his downhill racing days were over. In the distance, you spotted the elegant 4-story lodge that occupied most of the mountaintop. The company, you had discovered, had a worldwide reputation for athletic rehab and resort vacation luxury.

During the interview, Dan had explained that the organization repeatedly failed at its projects. That was his reason for hiring you as medical project manager. You’d accepted the position with a big increase in salary and were now ready to get started at your new job. It would let you use both your project management and technical skills.

You walked into the main entrance of the grey stone headquarters of Vailcrest. The front desk receptionist’s name tag read “Joyce” and she had black hair, a deep tan and bulging muscles in
her legs and shoulders. She looked like a downhill racer and a good one at that. Joyce recognized you from your previous visits, gave you your ID badge and said, “Welcome on board. I’m sure you remember where Dan’s office is.” She smiled and then added, “Your meeting with him starts in just a couple of minutes.”

You smiled a thank you and hurried down the hall, turning into Dan’s office and hearing the pounding of running feet. Dan Morton was on his office treadmill, running at full-speed. A superbly fit man with short brown hair, the company president was in his mid-40s and was a picture-perfect example of lean physical fitness. Red-faced and sweating, Dan switched off the treadmill and gasped, “I can’t tell you how excited I am to have a professional project manager working with us. We’ll get more done in the next six months than we have in the last three years!”

You nodded and Dan stepped off the grey treadmill saying, “I want you to get started immediately on our new project and be done before ski season. The project is a big one and I want it done right! We are going to turn around the whole organization! That’s why I hired you! The heart of the problem is that service screw-ups are killing us. Dr. Horst Buckholtz’s therapists and physicians are late or no-shows for patient appointments. Martha Hobson’s people don’t have a table or a private dining room ready when a party of 15 shows up for dinner. Martha’s hotel people often have to tell guests trying to check in that we lost their reservation and have no rooms for them.”

Dan shook his head sadly, “Everybody points fingers at other departments and complains how we have outgrown our facility, systems and processes. They’re right; we have grown too fast. But I don’t want everybody going off on their own to fix things. I want an integrated effort, where we do what we have to do to fix the problems and no more. I’ve been keeping track and last week we averaged 61 screw-ups a day, which is awful if you have 5,000 guests but we only had 300. The clinic averaged 19 screw-ups a day, the hotel and the restaurant had 42. So 1 out of 6 guests had a screw-up each day! I spend most of my days apologizing. Every division has to improve, the problem is not just the Reservations Department or the outdated facility or the systems. Sure, everyone needs to know what reservations we have and the data has to be up to date and accurate. Now the data is often incomplete and days old. But even with better reservation data, Martha and Horst have to improve their scheduling, facilities and equipment to meet those reservations. Some departments need more office space or additional treatment rooms and most need new systems to get better.

I know healthcare is your area. But I still want you to run the whole project, not just improve patient care and efficiency. Use experts in the areas you don’t know. I want you to manage the project and ensure that all the pieces fit together. In addition to our operating problems, we are not
meeting our referring physician’s demands. They want new treatments we do not offer. Heck we get patients checking in because their physician assumes we offer hyperbaric therapy when we don’t. We need to expand the clinic’s services in that area. We need to market hyperbaric therapy. We need to add and train staff, buy equipment and advertise the program with a website. I want to cut out screw-ups & cancellations because we don’t offer all the latest patient treatments. We have a lot of referring physicians who want it. You nodded and wrote several notes.

Dan turned away, staring out the window and said, “I’ve scheduled meetings for you with each of our executives tomorrow morning so you can get started fast! I want this finished in two months at the very latest. Will that be a problem? Can you give me a personal commitment that it will be fixed by then?”

You frowned at the idea of committing at this point and Dan nodded acknowledgement and said with a smile, “Think about all this. I had an appointment 5 minutes ago so I have to go. We’ll talk some more in an hour but I want to hold each of the VPs accountable for improvements in their areas.”

You nodded and said, “As you said, some of this is outside my area.”

Dan quickly dried his hair and said, “I know you can’t be the technical expert on everything. Remember, I hired you to manage people and contractors and drive the project; not do all the work. I want you to plan and track progress on an integrated effort. Manage the stuff in your area and hire people to do the rest along with our people.”

Then he hurried out and you sat right there and reviewed your notes on all that Dan had said. Next, you wrote out the questions you needed to ask when you got back together.

Send your meeting notes with questions for Dan in the course template to your instructor with suggestions for a couple of meeting times.

**Module 2 - Requirements Gathering**

- Watch the lecture on module 2 on the course website.
- Watch the Project Manager in Action video about gathering requirements for the Breckenridge Project.
- Read part 2 of the Vailcrest Project Simulation below.
- Watch the Vailcrest Executives’ Deliverables Discussion video.
- Then ask any questions you wish of these Vailcrest executives via e-mail to control@4pm.com.
- Using the information you receive back from the executives, decompose each high level
deliverable from assignment #1 into 3-4 supporting achievements in your Excel template on tab #2, “Deliverable.” Send the template to your instructor for feedback and coaching.

**Vailcrest Simulation Part 2 Senior Management**

With the project scope and HLDs approved by Dan, you launched into a series of meetings Dan had arranged with the executives. You began by meeting Linda Talmer, the VP of Marketing, in her office. She was a tall blond woman who was talking on the phone as you entered her office. She smiled and held up two fingers an inch apart to let you know the call would end soon. As you waited, you noted the shelf full of tennis and basketball trophies on a small side table. Linda, it seemed, was an accomplished athlete.

Linda hung up and said, “Hi, I remember you from your interview. And now you are going to fix my reservations and scheduling mess. Great, it can’t happen too soon for me. I have been after Dan for months to give us the right tools.”

She smiled at a young black-haired woman who entered and sat down, “Oh good, here’s Wren. She keeps the company’s reservation system going, writes new patches for it plus creates a ton of customized reports for each department. She uses a lot of outside system contractors.”

You smiled and nodded at Wren and then explained the project’s Scope and high-level deliverables including the specific major deliverables that Dan would hold Linda accountable for delivering. Then you asked Wren about the reservations system.

Wren grimaced and answered, “I built the reservation system years ago when we had 20 rooms. It was my first system, right out of school, and it needed to be replaced years ago. I spend 35 hours a week on special reports for the VPs, so, we’ll have to hire outside contractors to make changes to the reservation system. I already have in mind three to four contractors we should use. But we need to start over, no more patches to the old system. The foundation is rotten. I know, I built it. No, we need to design it, get buy in and then build it and test it.”

Linda smiled and said, “I assume you’ll want Wren to plan and direct that work. She knows what we need and the details of our reservation challenges better than anyone.”

You made a few more notes and asked, ”So what else do we need to do to deliver the performance level we need from the reservation system? The other departments’ performance is dependent on that.”

Linda grimaced with a nod, ”Yes, we need a new system built from scratch like Wren said. And we must move the reservations people out of that filthy crowded hole in the wall where they have to work. It is awful. It’s so noisy you can’t hear yourself think in there.”
Linda looked over at Wren who was gazing off into the distance and asked, "What are you thinking?"

Wren smiled, "We could never do it with the current system but why not build the new reservation system so the reservations staff could work from home? That saves a lot of remodeling and a lot of money. The staff would love it; they talk about it all the time."

You added that to your notes, smiled and said, "Great idea, let's think it through. And, Linda, I think Wren would be great to drive the new reservation system part of the project. Maybe we can get all the VPs to back off on special reports for a while."

Dan stuck his head into Linda's office, smiled at everyone and said, "Linda! Are you ready to talk about the hyperbaric program and physician referrals?"

Linda nodded, turned to face you and said, "With all the talk about cutting screw-ups, we looked into it and found that we have 10 patients a week whose physicians assumed we offer hyperbaric treatments when we don't. So they either cancel or get here and are furious with us and the physician who referred them. It is a problem we have to fix because I don't want to do a mailing on services we don't offer.

She asked Dan, "Is Horst on board with this new program?"

Dan glared a warning at Linda and then said, "Almost." Then Dan looked at you, "This really should be part of the big project. It is another screw up we need to fix. I want to reduce our complaints about treatments we don't offer to 1 a week. Can you add it to the project plan?"

You smiled at how quickly Dan had learned the measured deliverable approach and asked, "Linda what do we need to deliver that achievement?"

Linda answered, "Horst can tell you about the range of treatments, staff and equipment we need. But I think the way to sell it is with a web site that details our services and lets them make a reservation. That way we can get the 15 bookings we need and cut the complaints. We need a high rank in Google to generate a few hundred visitors to the web site and we'll be able to get our sales."

You nodded and added to your notes then said, "Thank you. I have a pretty good understanding now and it's just about time for my meeting with Dr. Buckholtz."

Linda rolled her eyes and said, "That will be interesting." Wren tried to hide a grin. As you walked out you heard all three of them snickering.

You went down the hall to your next session with Dr. Horst Buckholtz, MD, the VP of Sports Medicine and Rehabilitation. When you walked into Horst's office, he was lying on his back stretching his left hamstring.
The tall physician lay on a black mat that ran under his window overlooking the busy treatment facility. Even while stretching, he kept an eye on what was going on below. White-coated therapists and physicians escorted patients in blue medical smocks from treatment room to treatment room. Large silver machines, CAT scanners and MRIs lined the outer wall. Horst nodded and grunted in your direction but continued his stretching exercises. Suddenly he spotted a problem, jumped to his feet and rapped his large ring against the window, pointing at a patient at the far end. Several people sprang into action and Horst turned to you. He was a tall slender man with enormously thick and powerful hands.

He took a big step in your direction, extended one enormous hand to you, and said in heavily accented English, "This project will do much to build our reputation in the medical community. I see us offering diagnostic phone calls with our physicians and therapists. We’ll have internet sites where patients, anywhere in the world, can call or log on and describe their problems, symptoms and goals. With that information, we can develop complete treatment programs for the patient’s visit down to each therapy, exercise, and conditioning program. No one offers a service like that because no one has the skilled physicians and therapists we do. People come here because of the quality of our rehabilitation and conditioning treatments. That has to be the emphasis when they plan their stay with us. They will be happy because we cure their injuries and start them on a healthy life."

You smiled and explained the project and the high-level achievement that Dan had assigned to Horst. Horst listened politely and said, "Yah, yah, yah, Lucien takes care of those details. Horst rapped on the big window again with his ring and beckoned someone to come up. Seconds, later a younger man joined you. Horst introduced him as Dr. Lucien Smyth. You asked them both what they needed to deliver the performance level Dan had specified.

Horst shook his head and laughed, "Everything must revolve around the therapy and the treatments we provide; that’s why people come here. I suppose we could do a little better job telling the schedulers when the physicians and therapists are available and when they are off, but sometimes those reservations people are very difficult. They are always trying to go around me and assign my therapists work. Only I do that!"

An alarm bell went off and Horst said, "Oops, I have a patient waiting so we will have to continue this later." Horst rushed past you and out the door.

Lucien waved you back to your seat and said, "He’ll dump this in my lap anyway, so let’s continue. We need better and more timely data from reservations. When I look at our appointment screw-ups, as Dan so elegantly describes them, half are due to us not
knowing that a patient had made a reservation. A third come from the reservations people scheduling more treatments than we have people and equipment to deliver. The rest were our fault for sloppy scheduling. So we need appointment data that is updated continuously and the reservations system needs to schedule within our capacity to deliver. We need lots of two-way communication to hit that performance level Dan wants and the system should schedule our rooms, equipment and people.”

You looked at Lucien with a question on your face.

Lucien laughed, "Sure, Horst will scream bloody murder if you try to take scheduling away from us but we should let the system do it, not continue with Horst’s yellow pad schedule. I am sure you can convince him.”

You laughed and joked, "Thanks for your help.”

Lucien laughed back, "You make the case for it and I will work behind the scenes to convince him. I’ll also help you with all the other therapies, on top of hyperbaric, that he want to add.”

You added to your notes and thanked Lucien.

Your last meeting was with Martha Hobson, the VP of Hotel & Restaurant Operations. When you arrived at Martha’s office, she greeted you with a serene smile on her tanned face. She tucked a tendril of dark hair into the bun on the back of her head and motioned you to a seat, ignoring the shouting match that was going on between a chef in a white uniform and tall chef’s hat and a woman in a blue dress with a scarf. You remembered that she was Monica, the hotel manager who worked for Martha.

The chef yanked off his white chef’s hat, threw it into a corner of Martha’s office, and yelled, "How can I possibly be expected to prepare lunch for 10 people when I don’t know they are coming until they arrive? All I can serve them is canned tuna! Monica, is it not a mess?"

"Pierre is quite correct," Monica said to you and Martha in a crisp voice. "For that same group of guests, we are short two rooms and have two very unhappy company executives who had to sleep elsewhere in Vail Valley. I anticipate that the whole group will leave today."

Martha rolled her eyes up to the ceiling, gave you another weak smile and said, "Pierre, Monica, this is the project manager who’s going to fix our reservations problems."

Martha held up her hands to end the discussion and smiled calmly at you, "We need to take control of the reservations so our guests don’t have to fight through all our scheduling issues. I pray for a situation where these problems happen to 1 guest in 100 not 1 out of every 5.”

You smiled at her words and said, "Funny, that is just the goal Dan
set. Tell me what you need to deliver that level of performance?

Monica interrupted saying, "All the hotel and restaurant managers badly need new PCs with new software and I think we should all have cell phones for instant communications and we need...” Monica, looked at you and asked, "You stopped writing?"

You smiled and said, "What I need are your requirements for delivering the specific level of performance Dan requires. I am sure all the things you mentioned are good ideas but are they really necessary to reach the targeted performance level?"

Monica said, "You bet there are! We need those things!"

You nodded politely and asked, "Please tell me why not having new PCs will make it impossible to reach the performance goal?"

Monica said, "Well, I think...OK they won't prevent us from hitting the goal. But we still need them."

You nodded and smiled.

Martha smiled tiredly and said, "What we do need is current, up-to-date reservation information for lodging and meals. We'll tell the system how many waiters and kitchen staff we have scheduled and how many guests we can serve. It will book the available seats and the available rooms and tell us when we need to bring in more people."

You asked, "How accurate and timely does the scheduling data need to be?"

Martha thought for a moment, "I think we need real time data on reservations. Whenever they add a dinner reservation they send us updated work load data so my people can adjust the schedule."

You asked, "So you want to continue to do your own schedule?"

"Absolutely!"

You nodded and made a note.

Martha went on, "But the reservations room is too small. We need to make it bigger!"

“How much bigger?”

Martha answered, "We measured it against the standard and it needs to be 33% bigger."

You nodded, "Is that it for your requirements to deliver the specified performance?"

Martha said with a sly smile, "Yes, unless you give Horst something we forgot to ask for."

You laughed again and headed back to your cubicle to assemble all the requirements information into your achievement network for the whole project.

**Module 3 - Project Charter**

Watch the Module 3 lecture on the course website.
Watch the Project Manager in Action video to see how the project manager handled the charter.
Read Part 3 of the Vailcrest Case Study below.
Develop your charter in the course template on tab #3 “Charter” and send it to your instructor for feedback.

Vailcrest Case Study Part 3 Charter
As you walked past Dan’s office, he rose and beckoned you in, "Can you stay a moment? I have a couple of concerns about the achievement network and the summary of how things are going. We're really counting on Wren to do a lot of important work on this project, aren't we?

You agreed saying, "The reservation system has to be modified and the website has to be changed. While Wren can't do all of that, she's got to be involved and contribute her knowledge of the reservation issues."

Dan groaned, "Well, she was up here this morning complaining about all the work that Horst, Linda and Martha give her. Heck, I count on her to generate data for me every day. She says it is like an avalanche of requests and reports that just keeps growing. She's worried that she won't have the 4 hours a day to work on the project that you want. She doesn't want to be the one who gets blamed if the project fails."

Horst burst into the room and pointed an angry finger at your face, saying, "I have just heard about your plans from a trusted source. I want to be sure that you have no intention of interfering with my authority over my therapists or using my people on the project."

"I wouldn't dream of interfering with your management," you answered. "But important project achievements have to take place in your clinic as in all the other departments. We won't achieve the business results we need if we don't change the procedures and the communication in all the areas that use the reservation system."

"But I decide what happens in my department, not you!" With that, Horst stormed out of the room.

You watched Horst leave and then turned to Dan and said, "We need an integrated effort to make effective change in the organization. I expect resistance to operating process changes including the central scheduling of staff from the VPs. I also need people from each of the departments to work on the team and take assignments from me. Plus, we will have to hire contractors in the systems and construction areas. Those will all be issues I will address in the charter meeting."

Dan nodded and smiled at you, saying, "Good thing I'm going on that month-long trip up the
Module 4 - Charter Presentation

♦ Read chapters 1-7 in Power Points! book.
♦ Watch the Module 4 lecture on the course website.
♦ Prepare your PowerPoint or Keynote slides for the charter presentation.
♦ Send the presentation to your instructor and suggest 2-3 days/times if you want to do a live online presentation. Your instructor will either agree to one of your times or propose another. The project simulation should take approximately 20 minutes.
♦ Your goal in this assignment is to secure the stakeholders’ approval of the charter and approval to proceed with detailed scheduling. Your instructor will play the role of the stakeholders, asking you questions and challenging you. Your instructor will send you feedback on your work and your presentation techniques and the way you conducted the meeting (if you do a live presentation). You will also get a link to view the video of your presentation and the Q&A session.

Module 5 - The Work Breakdown Structure

♦ Watch the Module 5 lecture on the course website.
♦ Watch the Microsoft Project software video. There are two versions of the software videos. One version of the lectures is for people using Project 2010 and the other is for people using earlier versions of Microsoft Project. The material covered is the same but the steps in the software are different.

Copy and paste your WBS from the template tab #3 “Charter” into MS Project or Gantter. Further decompose the deliverables if necessary. Send the Microsoft Project or Gantter file as an e-mail attachment to your instructor for feedback.

Module 6 - Predecessor Relationships

♦ Watch the Module 6 lecture on the course website.
♦ Watch the Project software video on adding predecessor
relationships to the schedule on the course website.

- Using your approved WBS, link the achievements (tasks) with predecessors. After you have put in the predecessors, check the network diagram for danglers. Send your instructor the resulting Project file for review and feedback. With your feedback, your instructor will send you a Project file for you to use on the next assignment.

**Module 7 - Resources & Estimating Process**

- Watch the Module 7 lecture on estimating and resource assignments on the course website.
- Watch the project software video on setting up resources.
- Read the Vailcrest Simulation #7 - Estimating below
- Use the work and cost estimates from the simulation below to enter resource, work and cost information into the MS Project schedule your instructor sent you at the end of the last module. You will:

  ✦ Set up your resources in the Resource Sheet entering their max. units, hourly rates and other cost information for people and materials.
  ✦ Assign resources to tasks and enter their availability information.
  ✦ Enter the 3-point estimating data provided in the simulation into the course Excel template and use the calculated work estimates for 50% confidence in your Microsoft Project schedule (We'll use other probabilities in Module 8).
  ✦ Finally, before you send in the schedule for review, you will need to make some calendar adjustments for company holidays. In the second week of your project, Vailcrest is closed on Friday for the Rocky Mountain Festival and no one will work. The Wednesday after that is a half-day of work to recognize Dan's Olympic gold medal in the downhill.

**Vailcrest Simulation 7 - Estimating**

*You walked into the Vailcrest boardroom, surprised to see all the project team members, all the vice presidents, Dan Morton and a gray-haired man in a three-piece suit who you assumed was the company lawyer. No wonder they were all on time. Dan motioned you to the head of the table and*
you sat down in that seat and welcomed everyone to the estimating session. Everyone looked at you in anticipation.

You smiled and said, "Let's start with the work we have to do on the new reservation system. Our 1st achievement under that HLD is that the VPs sign-off on the design and acceptance criteria they will use to evaluate the system when it is built."

Horst said, "Why do we have to decide how we’ll judge it before we have seen it in operation?"

You nodded and leaned forward and said, "Because that's how the engineers will know what to build."

Horst grunted, thought for a moment and nodded. Then he said, "I think it will take 3 weeks."

Martha said, "It would be my guess that I will have to spend 20 hours in meetings with my people to lay out what we want. This is important but I have other duties so I think I would limit my time to 2 hours a day."

You nodded your thanks to Martha and said to the group, "That's how we need to estimate. We use hours of work and your availability to calculate duration. Will that same estimate work for you Horst?"

Horst nodded agreement and you went on, "I have talked to some prospective contractors and our corporate counsel who will help on the contract. We estimated that the statement of work and the request for proposal to send to them will take about 60 hours of work and I will work on it full-time so that will be 2 weeks duration."

The gray-haired man at the back of the room stood up and said, "I am Joel Grayson, the corporate attorney, and I estimate that it will take us a week of negotiation to get a signed contract."

You nodded your thanks to Mr. Grayson and asked if that meant 40 hours of work?

He agreed with a smile.

You said, "In talking to various vendors who are interested in proposing, I got some very rough ballpark estimates that it would take them 3 months time to develop software that meets general specifications. We'll be using a fixed price contract so we don't need to manage their hours, just the developmental checkpoints on the software. Now the other thing that has to take place during this time is to train everybody on their part in the new reservation process. Wren, you're going to be doing that. How many hours of work will that take?"

Wren said nervously, "I can't be precise but I think it would take me 40 hours to design the course and probably another week to hold classes and teach the course to our people."

You smiled, nodded, and said, "Of course you can't start to develop the training material until we know how the process works so we'll set things up so you start when the
contractor has finished their detailed design. We also need to have a test of how well people learned the new system. Can you factor that in?"

Wren did some quick figuring on a note pad and said, "I can do that as part of the 132 hours of course design and teaching."

Lucien raised his hand and said, "We will have to have a training class for our clinic people on that achievement about meeting 98% of their scheduled assignments. That will take some training."

You asked, "How many hours do you need to develop the training and deliver it?"

Monica interrupted and said, "We need the same training for our hotel and restaurant people so we might as well just develop one training program."

Wren said, "After we know how the system will work, I think it would be a matter of creating the class and then conduct 10 or 12 sessions of 8 hours each with our people. Say 132 hours total."

"You agree, Lucien?" you asked.

Lucien nodded and said, "That sounds reasonable to me."

The meeting continued for another 2 hours and at the end, you had work estimates and availability numbers for the entire project.

---

**Module 8 - Optimizing your Schedule**

- Watch the Module 8 lecture video.
- Watch Microsoft Project software video on optimizing your schedule using the critical path.
- Make a copy of your approved project schedule from module #6 save the original.
- Use the copy to model your options. Develop the following separate project schedules with:
  - Modifications that will allow you to finish the project two weeks earlier than your original schedule. Then model an option for 4 weeks earlier the same way. Document the changes you make to achieve the shorter durations in your Excel template.
  - Modifications that will cost 20% less than your approved project from the previous module and another for 40% less. Document the changes you make to achieve the smaller budget.
In your write up, offer Dan options for a higher level of certainty, using the 3-point estimating data in your template.

Send your completed project schedules and a brief write up of the trade-offs you used to achieve the alternative results to your instructor for feedback and coaching.

**Module 9 - Team Conflict**


Watch the Module 9 lecture on the course website.

Watch the Project Manager in Action video of the project team conflict.

In an e-mail or a Word document attached to an e-mail, write up your analysis of the mistakes the PM made in the conflict situation.

Then make recommendations on how to achieve a better result. Your instructor will send you feedback on your assignment with status reports for you to use in your next assignment.

**Module 10 - Tracking & Status Report**


Read chapters 8-13 in PowerPoints!

Watch the Module 10 lecture on the course website.

Watch the Microsoft Project software video on tracking.

Use the approved project schedule you completed in module 6 and the status data your instructor sent you with your feedback on module 9. Following the process you learned in this module;

Save the baseline.

Update your tasks with the reported actual and remaining work.

Update the schedule to move uncompleted work to start on the status date.

Analyze what’s happened to the project and document the project status in the Excel template. Describe what’s happened and the results if you take no corrective action. Then identify your solutions and trade-offs to remedy the situation.

Last, prepare a status report presentation in PowerPoint, using the information from your course template. Also, paste a copy of the tracking Gantt into a slide.
Send the Excel template a PowerPoint and updated schedule to your instructor for feedback and coaching. If you want to do a live status report simulation, suggest 2 or 3 days/times. Your instructor will either agree to 1 of your times or propose another. The project simulation should take approximately 20 minutes. In it, you will present your status report and answer the stakeholders’ questions about the problems and the solutions you have proposed. Your goal in this assignment is to secure the stakeholders’ approval to proceed with your plan for corrective action.

**Module 11 - Final Exam**

Hard as it is to believe, the course is nearly over. What are left is your final exam and the course evaluation. The exam is open book, open notes and your boss or a licensed professional must proctor it (lawyer, accountant, doctor are fine, anyone who is not a friend or relative).

Send us an e-mail with the date and time you wish to take the final (you will have one hour to complete it). Good luck and thank you for taking this course.
Project Workbook for

ESSENTIALS OF HEALTHCARE
PROJECT MANAGEMENT
By Dick Billows, PMP, GCA
12th edition

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Overview of the 5 Step 4PM Methodology

I've titled this book "Essentials of Healthcare Project Management" and it's just that. We're going to take you through a five-step process for planning projects, developing a work breakdown structure, building a dynamic schedule, assigning people to tasks and tracking results.

There are things this book will not teach you. We won't deal with the statistics of risk or the alternative ways to develop work estimates or the cost accounting required for project budgets. You'll learn the essence of project management but not all of the detailed information in the Project Management Body of Knowledge (PMBOK™). I wrote this book for people running smaller projects with most of the project team coming from their own organization.

You’ll also learn to use project management software in a very straightforward, simple way. This book has many illustrations of applying this simple methodology in Microsoft Project®. Using project management software with this simple methodology is a big time saver so we recommend that approach. Our objective is not to spend a lot of time in the software. I designed the methodology so you spend only an hour or two developing the plan & schedule and then 10 or 15 minutes a week using the software to update it. You'll spend the rest of your time managing the project.

In sum, Essentials of Healthcare Project Management teaches you basic-level project management tools and techniques. It’s appropriate for smaller projects and teams with a few people from different functional units. Our more advanced publications like Managing Information Technology Projects, Managing Healthcare Projects, Managing Construction Projects and Advanced Project Management Techniques address managing larger, more complex projects.

5-Step 4PM Process

I list the 5 steps in the process on the chart on the next page along with the 12 best practices techniques you will learn. We’re going to take you through a five-step process for planning projects, developing a work breakdown structure, building a dynamic schedule, assigning people to tasks and tracking results.
Overview

As you move through those five steps, you'll learn 12 best practice techniques for delivering projects on time. You'll go through the process of working with the Medical Director and other interested parties who will be affected by your project (we'll call them project stakeholders).

The 12 best practice techniques you'll learn are:

1. Defining the Project Scope As a Measured Business Result
2. Decomposing the Scope into a Deliverable Network
3. Avoiding Problems with the Project Charter
4. Using Project Software in 10 Minutes a Week
5. Decomposing Deliverables into a Work Breakdown Structure
6. Sequencing Your Tasks to Finish As Early As Possible
7. Making Clear Assignments to Your Project Team
8. Using the Critical Path to Optimize Your Schedule
9. Leading a High-Performance Team
10. Using the Baseline to Spot Problems Early
11. Solving Problems and Reporting to the Medical Director
12. Closing Projects to Make the Next One Easier
5-Step 4PM Process

Key Outputs from the 5-step Process

Broadbrush Project Plan - 1½ page Document for Project Initiation

The Broadbrush Plan is a concise 1½-page plan that allows executives to make decisions and exercise strategic control over projects and the business value they produce. It also provides them with hard-edged metrics for measuring performance and the quality of the deliverables.

Scope & High-Level Deliverable Network

This network of deliverables is the path from where we are now to where we want to be, which is the scope of the project. Every entry in the network is a deliverable that you define with a metric. The metric tells everyone what you will produce and how you will define success.

Work Breakdown Structure Decomposition - Crystal-clear Accountability & Scope Control

Rather than creating mindless "to do" lists, project managers (PMs) craft work breakdown structures by breaking down the scope into a high-level deliverable network of measurable results that become peoples' accountabilities. Every team member's assignment is in the form of a measurable business outcome. The resulting WBS is compact so the PM can update it quickly. You will support each entry with a work package that makes the details clear so they miss nothing. The PM and the Medical Director have unambiguous checkpoints to measure progress.

Dynamic Project Scheduling - Update Schedules in 10 Minutes a Week

PMs use dynamic project scheduling techniques that let them update plans in minutes each week and quickly model alternatives to cut duration, lower budgets and adjust the business value a project produces. These techniques give executives the hard data they need for decision-making and consideration of alternatives.

Status Reporting - Clear Checkpoints to Identify Problems Early

With weekly tracking, PMs and Medical Directors have hard-edged checkpoints to measure progress. They can anticipate problems and implement corrective action early, when it costs the least. PMs make concise status reports on projects and always offer alternatives for the Medical Director to consider.
Step One: Broadbrush Project Plan

You will start your project management work by defining the scope of the project with the Medical Director. That is, you’ll define the business objective the Medical Director wants the project to deliver.

When you set about defining the scope during project planning there are a number of traps to avoid. One trap is thinking about what you have to do rather than the project’s end results. Thinking about the activities you need to complete is much easier than thinking about the business outcome the project should produce. This is the activity trap where you focus on the details and ignore the project’s business purpose. In the activity trap, a PM receives a project assignment, thinks about the first thing to do and starts work, figuring to think about the next step when they come to it.

Sometimes, PMs cloak their descent into the activity trap by writing a long and flowery mission statement for the project. This does no harm unless it is a substitute for politely pushing the Medical Director to make the hard “end result” decisions up front. You need to specify exactly what the project will deliver and what it will not deliver. The Medical Director has to make this decision and tell you how he will judge the success of the project. Being that explicit at the beginning may cause some discussion and disagreement but it is far better to work through those conflicts before you start work rather than discovering the success measures when you are almost done. Unfortunately, the activity trap snares so many PMs that it is one of the two leading causes of project failure. The activity trap wastes resources and frustrates project team members with continuously changing assignments. The lure of the activity trap, that bottomless pit, has ruined countless projects.
Top Down Project Planning

You’ll avoid the activity trap with a 1-2 page document, called the Broadbrush plan, which covers the big-picture decisions that are required before you can start your project. When the project Medical Director and stakeholders approve the Broadbrush plan, the Initiation phase of the project is complete. The key to this process is to avoid those delicious technical details that quickly drag you into the "activity trap." Your focus during a Broadbrush planning process is to provide the Medical Director with the opportunity to make decisions about the end results the project will produce. Your focus is on the measured business-relevant outcomes not the details of how you will achieve them. You also want to secure the project executive’s decisions on the authority you'll need to manage the project team. You keep the document short and high-level so you engage the executive’s attention. You can develop long formal plans later when the Medical Director has approved the strategy.

A Broadbrush project plan is never long but requires thought, decisions and agreement on three things:

- Project Scope - an unambiguous measurement of the project's outcome. For example, “Answer 90% of our customers’ inquiries in 120 seconds or less with no more than 5% callbacks on the same problem.”

- A High-level Deliverable Network (HLD) - a hierarchical network of measured deliverables that leads to the scope.

- Project Charter – a short narrative covering risks, assumptions, constraints, resource requirements, change control, and PM authority.

Collectively, these elements define our project scope, requirements and charter. Your organization may also require other narrative documents but the elements above are critical for controlling projects and achieving success. They are the strategic foundation for a project.

Technique #1 Scope & Measure of Success
Step One: Broadbrush Project Plan

We need to drive projects from quantifiable scope definitions. Driving a project plan from the success measures keeps the focus where it should be; on achieving the end result. By working with the Medical Director to define success before the project starts, the PM is in a much better position to control the project.

As an example, let's say the Director of Human Resources for a medium sized company, contacts you about doing a project. She says, “I know that this is not your specialty but you are the only project manager I know. I need your help. Our personnel records are so out-of-date that it takes me days to find out what department a person works in. On top of that, employees’ quarterly performance reviews are useless, if they get them at all. I want you to straighten out that whole mess so when a line manager calls, we can find up-to-date employee personnel records on the system and quickly give them the data they want. We may also need some remodeling of our office to make all this work. And we want the employee reviews to give solid, detailed feedback on their performance.”

You finished writing some notes, wishing you could stick with your kind of project. Then the Medical Director went on, “You can use anyone you want to get this done. This is a high priority. You'll probably have to involve five or six people from our group, some line managers and someone from Administration, IT, and Construction so you get a lot of good input. Decide on how to organize the files and what standards the performance reviews should meet. A good place to start is probably by updating all the records. Then maybe you can draft a memo, for my signature, telling managers that they have to do performance reviews on time and give their people useful feedback on their performance and developmental needs. You get the team put together and we will figure out the rest of the project from there.”
Top Down Project Planning

The Medical Director has given you a lot of information about this project and what you’re supposed to do. It would be very easy to start work on the files and draft that memo. However, all of the information is in the form of activities. The Medical Director hasn't told you what end result she wants. To succeed with this project, we have to know how the Medical Director is going to measure the success of the project when you're done. That definition will give you a tool to control the scope of the project and decide what should, and what should not, be included in the project work.

So, you have to ask the Medical Director some questions to get at the business purpose of the “laundry list” of changes that she talked about. You might start by asking, “After the files are up to date and managers are doing thorough performance reviews on time for all the employees, what will that do for us?”

The Medical Director answers, “We’ll be on top of things!”

You sense the Medical Director is getting just a little bit angry at the questions but you press on because if you don’t find out what problem the Medical Director wants to solve and how they will measures success, you have almost no chance of delivering it. So you continue.

“If I know exactly what end result you want, I can do a good job and give you exactly what you want. So let me ask this, three months after we finish this project, what will be different; what will you expect to see?”

“Okay,” the Medical Director sighs and then pauses for a moment to think. “Three months after the project’s done, I won’t have managers complaining to me that we don’t know what’s going on and how it takes forever to get employee information from us.”

The Medical Director is talking about end results instead of activities so you know you’re on the right track. Now you have to change these end results into metrics.

You ask, “So if I understand what you want, the employee records have to be current. How current? Would five days be good enough?”

The Medical Director thinks for a moment and says, "No, we can do better than that. Let’s say the personnel system is never more than 3 days behind.”

You make a note and then ask, “With the records current to within 3 days, how fast do we have to answer a line manager’s questions about our people?”
Step One: Broadbrush Project Plan

“That’s a hard one,” the Medical Director says, frowning in thought. “Some complex data requests will take time- a day or two, others just a few seconds.”

“Well, how about we set the goal at 80% of the requests are answered in 10 minutes or less?”

The Medical Director grins and says, “How about 95%?”

You smile back and say, “It will take a lot longer to get that close to perfection. What percentage are we answering within 10 minutes now?”

The Medical Director frowns again and says, “About 1%. Let’s go with 80%; that’ll be a great improvement.”

What you’ve done in this planning session is to get agreement on the scope of the project. You now have an unambiguous scope defined with a metric. You have quantified the Medical Director’s expectations for the project and you will use it to drive the planning process. You’ve also given yourself a tool for controlling changes to the scope of the project. When the Medical Director was talking about objectives like “straightening up the records” and “being on top of things” it’s very hard to decide what is, and what is not, a change in the scope. With a measurable deliverable to quantify your scope, controlling scope creep is much easier.

Activity Trap

Activity Trap: Project Death Spiral

We focusing only on what to do next... not the outcomes we want at the end
◆Activities are so easy to list, that we think are making progress
◆A sound project plan is not a list of attractive features or good ideas

You avoided the activity trap in the discussion with the Medical Director, but it is such an obstacle to project success that we should delve into it in a bit more detail. The deadly lure of the activity trap defeats many efforts to clarify the scope of projects during initial planning. This initial planning phase is the point at which a Project Manager (PM) and the Medical Director can easily fall into the activity trap. The Medical Director usually has a few ideas about features and the first several steps for you to do and then says, “It’s time to get going on that project.
Top Down Project Planning

and start work immediately.” That “start fast and plan later” approach is a project killer. Why? Everyone has a list of good ideas and activities that we can make in it a long "To Do" list. We can hope that these activities improve performance and hope the result satisfies the Medical Director. But there's entirely too much hoping going on here. In the activity trap, the project manager has no way to measure when the tasks are successfully completed. How does the PM decide what tasks to include or how much time and resources to invest in each of them? Politics and power alone will determine what’s in the project and it will forever be a moving target.

The main problem is that none of the activities connects with a deliverable. Because the PM never asked the executive to define success, the PM is in a situation where the Medical Director will define success as the project progresses or at its conclusion. Worse, the definition of success will be a moving target and people will change it to move the effort in directions they favor.

The project manager and the executives have fallen into the “activity trap.” They’ll add new activities each week rather than driving the project plan toward the scope. They buried themselves in the minutia of tasks rather than focusing on the end result. They added tasks to the plan because they sounded good or they had used them before. The project won't solve the business problem that triggered it.

Technique #2 Requirements & High-level Deliverable Network

The scope is not the last measured deliverable we'll develop, but it is the most important and the most difficult to conceive. With the Medical Director’s approval of the scope, the project manager can begin decomposing it into high-level deliverables that lead to the scope. The high-level deliverables are not activities; they are also measured business results. You don't think about how you’re going to do the work, you simply identify the major measured results which will carry you from where you are now to where you need to be; the project scope.

Let’s continue with our example and see how you need to handle the development of the high-level deliverables for the personnel department project, using the scope the Medical Director has approved.

Sometimes, you’ll sit down and lay out the requirements for a project yourself. Other times, you’ll involve the project team in the process. Let’s start by thinking it through, develop some requirements ideas and then show them to the team. To reach the project’s scope, “80% of the info requests answered in 10 minutes,” the Medical Director gave you a few ideas.
Step One: Broadbrush Project Plan

- The records have to be current on personnel actions
- Managers have to turn their quarterly performance reviews in on time
- The performance reviews have to be thorough
- HR staff has to know how to efficiently answer inquiries in the system.

With these ideas in mind, you might start talking to a number of other people, including line managers, HR staff and the IT department, to flesh out the deliverables. Each of these discussions starts with you acquainting everybody with the project scope. These discussions are another opportunity to dive headfirst into the activity trap and all those delicious ideas. You keep the conversations on track by talking about end results. If people think the requirements make sense, then you work to convert them into measured deliverables.

Let’s take one of the requirements, “The performance reviews have to be thorough,” as an example. Now that is an activity and you’ll have to convert it into a measured deliverable. That’s your normal process. You think through the activity and then convert it into a measured deliverable. You might talk to some managers and find that they don’t know what should be in a “thorough” performance review or how to do it. This gives you some ideas. You talk to the Medical Director in Human Resources and get a list to 17 items that are required for a thorough employee performance review. Another requirement is to train the managers on how to complete those 17 reviews. From this thinking, you might come up with an end result like “95% of the quarterly reviews contain the 17 required items.” That’s your high-level deliverable, and to support it you’ll need sub-deliverables for developing and getting approval of the standard. How do you measure that requirement? Maybe the management committee should approve the review standard. So you’ll assign a team member to develop the performance review standards and that assignment will produce a measured business outcome of “Management committee approves 17 item performance review standard.”

You also need to train the managers in doing performance reviews that meet the standard. How do you measure training? You think through the purpose of the training, which is to increase the managers’ competency in doing employee performance reviews. Then you think about how you will assess the training program you finish it. Last, you think about how you would measure if the training succeeded. You might decide that a test at the end of training is the best way to measure its effectiveness. That might lead to a deliverable of “90% of the managers score 80% or higher on a test of the performance review standards.”


**Top Down Project Planning**

The thinking you’ve gone through is to gather ideas on your requirements then transform them into measured deliverables. You think about the activity and how you will assess the assignment when the team member finishes it. The criteria you will use in assessing the completed assignment becomes your measured deliverable. Conceiving measured deliverables is difficult for everybody because we are all so accustomed to activity lists. But the thinking investment leads to everyone knowing what you expect of them before they start work.

The completed high-level deliverable network, with the deliverables subdivided, is below. This is a very simple looking document, reflecting a great deal of thought. When the Medical Director approves this network, you can proceed with the rest of the plan.
The graphic above shows the requirements for the project in deliverable network form. You’ll use this deliverable network as the backbone of your project plan after the Medical Director has approved it. There is a blank copy in your homework template for your use.

With the scope and high-level deliverables defined, you can move on to the other components of your charter.
**Top Down Project Planning**

**Technique #3 Charter: Problem Avoidance**

The risk section of the Charter is the place to identify potential issues concerning resources and politics. Uncovering the assumptions underlying a deliverable requires some thought. Below are a few risks for your project. Note that we've stayed at the business results level and avoided those pointless assumptions like, "everyone will do their task on time." Instead, we have focused on what can cause the project to fail:

1. Notifications of missed review dates from HR do not cause managers to turn their reviews in on time.
2. Managers and their bosses don’t do reviews that meet the approved standards.

That’s it. You may add another one or two but the point here is to keep the list short so the risks to the project’s success get the attention they deserve.

With the scope, a high-level network of deliverables and risks, you can complete the plan by proposing to the Medical Director the authorities you will need to manage the project.
Step One: Broadbrush Project Plan

It’s time to do a little thinking on the resources you need and your authority to manage them. You’ll use your deliverable network for this and it shows the deliverables you’ll need from many other people. When you subdivide the high-level deliverables, you involve people from other organizational units who will produce some of the deliverables.

Authority, Resources & Change Control

- People we need
- Their availability
- Our authority to manage
  - Directly assign work to project team members
  - Evaluate performance
  - Reward performance
- Scope change control

Now not all the people who’ll be on the team work for you. Many may have the same boss but you don’t have any formal authority to assign them work or evaluate their performance. They all have other jobs besides working on the project.

So your project charter aims at getting the Medical Director to help you secure the resource and the authority to manage them. You’ll want to avoid going to the Medical Director every time a team member’s assignment is late. So you establish your authority now to avoid problems later.

You ask for the resources you need and the authority to manage them during the planning process because your chances of getting some level of authority are far better now than if you wait until you have a problem with a team member. So in the charter you’ll ask for resources and authority. For a trainer named Jill, you might say, “I need approximately 50 hours of Jill’s time during the next 60 days to develop and deliver the performance review training. Please adjust her workload to make these hours available and tell her that I will be assigning her work within that 50-hour block of time. Also, my evaluation of her work will be considered in her quarterly performance review.” You may not always get that authority but it’s worthwhile to ask for it.

Another part of the charter is your recommended procedure for controlling changes to the scope of the project. This process should include documentation of the requested change, analysis of the impact on scope, time, cost and resources, which the Medical Director accept or rejects.
Charter Plan Approval

With the preceding elements of the plan complete, you are ready for the first of your project presentations. At this first meeting, you’re looking for the Medical Director to approve your charter & strategy for the project. Some Medical Directors want a detailed schedule and a final commitment on the completion date at this first session. But you are far better off to get approval of the high-level plan and then develop the details. There are several reasons for taking this two-step approach:

First, putting a schedule together is a lot of work. You avoid redoing it by getting the Medical Director’s approval on the scope and charter before you put the schedule together. Second, when you present a schedule people tend to dive into the details and you want some attention paid to the big picture. This session need not be a long meeting, particularly if you’ve been showing the Medical Director the pieces as you finish them. But the two-step approval process is the better way to do it.
Enhance Your Healthcare Project Manager Skills & Your Ability to Persuade Executives

The Advanced Healthcare Project Management Techniques course is designed to give experienced healthcare professionals the skills to manage large, more complex projects. You will learn to prepare and present plans and reports to physicians and administrators that persuade them to approve your solutions. These skills are a requirement for healthcare project managers who want to enhance their career and salary.

How the Live Online Meetings Work

You have textbook reading, online lectures and videos and a healthcare project case study. You will learn to:

- Design & gain approval for a strategic plan
- Persuade physicians and administrators to support the plan with a presentation designed for different personality types
- Present estimates of project costs and duration with options
- Present project risks & get your management strategy approved
- Present project variances & persuade physicians and administrators to approve your solutions.

You have the option to practice your communication, presentation and persuasion skills by giving presentations in live online video meetings with your instructor. They will send you a video of your presentation with their comments and suggestions for improving your skills.

Work with Your Instructor

Through the entire Advanced Healthcare Project Management Techniques course, you will work individually with your PMP-certified instructor via e-mail, phone calls and video conferences over the Internet.

You may begin the course whenever you wish and study from anywhere in the world. You set your own pace and schedule and you may take up to one year from enrollment to complete the course. Your instructor also provides one year of on-going support and advice as you apply what you learned to your healthcare projects at work.
Master the Skills to:
Design a Strategic Plan
Present it to the Stakeholders
Estimate Cost and Duration
Get Stakeholders’ Approval
Analyze Risks & Variances
Get Corrective Action Approved
Give Persuasive Presentations
Answer Questions Effectively

Practice running meetings and giving presentations to physicians and administrators in a strategic-level healthcare project case study

ADVANCED HEALTHCARE PM SKILLS

LIVE MEETING SIMULATIONS
You will work on a healthcare project case study and practice every tool and technique. Each assignment includes running a meeting or giving a presentation. You will design a strategic plan in a meeting with physicians and administrators, then identify each individual’s personality type and communication requirements. You will develop and present cost and duration estimates and get the physicians and administrators’ approval. Next you will assess the project’s risks, present a risk response plan and get it approved by these executives. Finally, you will present a status report with suggestions for corrective action and gain the physicians and administrators’ approval to implement them.

ENHANCED COMMUNICATION SKILLS
Effective communication is a key skill for every successful healthcare project manager. If your presentations are not persuasive and professionally delivered, your credibility as a project manager suffers. Each assignment in the Advanced Healthcare Project Management Techniques course includes the option of giving a live, filmed presentation to your instructor in our online conference center. It’s a private session, just you and your instructor. You get a copy of your video with your instructor’s feedback and coaching on your assignment content, communication style and presentation techniques.

PERSONAL INSTRUCTION
Your instructor is available by phone, e-mail or video conference if you have questions about using a tool or technique. They give you written feedback on all your assignments. You have the option to practice every technique and present every assignment in live, online meetings. You are the project manager in the case study and your instructor plays the role of the physicians and executives and asks typical questions. Each optional live session is filmed and you receive a video of your presentation so you can review your instructor’s comments about your body language, eye contact, gestures, use of visual aids, etc.

You also receive one year of ongoing coaching and advice.

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Advanced Healthcare Project Techniques

By Dick Billows, PMP
Advanced Healthcare Project Techniques

Course Syllabus

Getting Started:
In the introductory email, you received a form with your license agreement, the course requirements and return policy. Please sign this form and scan or fax it to us. Our fax number is (303) 845-9145. Our e-mail is studentservices@4pm.com

We’ll then e-mail your username and password to access your course lectures, supplemental reading and the student library with hundreds of articles, videos and graphics.

The free Adobe Flash Player version 11 or later is required for the course as is the Adobe Reader 9.2 or later. Both are available from http://www.Adobe.com. You will also need Microsoft PowerPoint® or Apple Keynote 7 for your presentations and Microsoft Project® for your scheduling assignments. You may download a free 60 day trial from http://www.microsoft.com/project/en-us/project-professional-2010.aspx

Learning Objectives:
Working with your personal instructor, you will learn advanced techniques and how to apply them to managing healthcare projects. The course teaches you these best practice techniques including how to design and present options, defend the techniques you used and make recommendations in presentations to executives.

We begin with project planning, then stakeholder management, risk analysis, estimating time and cost and finally tracking and reporting. You have the option of giving a live online presentation to your instructor in each module.

Course Process & Grading:
You can ask your instructor questions whenever you wish via phone or e-mail and you will receive personal written feedback on all your assignments. In addition, you will work privately with your instructor on making project presentations and assessing the personality types of the people with whom you will be communicating. You will learn how to tailor your communications to fit each personality type.

Each of the modules in the course has a textbook reading assignment, an online video lecture and a project case study-based assignment, which you complete and send to your instructor via e-mail. Then you will receive feedback on your assignment and schedule a time to deliver your presentation to the executives (played by your instructor).

To pass the course, you must earn a grade of 80% or better on all assignments. Your instructor will ask you to revise any assignments that are below the 80% level.

Time Requirement:
The course requires approximately 60 hours of effort for the reading, lectures, case study assignments, presentations and final exam. You must complete the course within 1 year of enrollment.

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**Electronic Project Template:**
Along with your passwords, we will send you an Electronic Project Template (EPT) in MS Excel format. You can use this template to develop and then submit your project assignments. There is a tab for each of the assignments in the course and doing all your work in the template will save time. Please use e-mail to send assignments to your instructor.

**Live Online Project Simulations:**
Your project case study takes place in the Vailcrest Corporation where you are a newly hired healthcare project manager. You will interact with the executive managers and staff in email exchanges and in optional live online meetings with the management team (role-played by your instructor). You will present your ideas, ask questions and answer their inquiries, all in real time. It’s just like a real meeting except your instructor is with you offering coaching or even calling a time out if you get off track.

Because effective interpersonal relationships are such an important skill for healthcare project managers, you may practice presenting and explaining your work to executives who will ask you questions. The live project simulations will take place privately between you and your instructor in online meetings at mutually agreed upon times. In all of your assignments, you will play the role of the project manager and your instructor will play the project physicians and administrators, stakeholders (people affected by the project), and team members. You will ask questions and receive answers like a conversation with these people. Your instructor will review and critique how you handled each presentation and send you a copy of the video with feedback so you can improve your communication skills and your level of comfort in giving presentations. You will see marked improvement on each of your assignments and/or presentations.
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Course Assignments & Simulations

1 – Strategic Planning with Executives

1. Reading: Read Chapters 1-3 in your Advanced Healthcare Project Techniques textbook and the write-ups on project design methodologies on the course website (Agile, Waterfall, Design-build and Iterative).

2. Lecture: Watch the Module 1 lecture on the course website and the Meet the Executives video.

3. Read the Vailcrest Project Case Study “Background Company, Executives & Project” below.

4. Use tab #1 in the Excel template to write the questions you want to ask Dan and the executives during the live meeting to define the scope and High-level Deliverables for the Central Stores Project. Also comment on your present position with these decision-makers and what position you want to reach. Send it to your instructor for feedback along with two dates/times if you want to do the live presentation. It will take 20 minutes.

5. Complete the remaining items on tab #2 in your template including your initial assessment of the executives, the scope and major deliverables, issues, constraints, assumptions & risks, other deliverables you discovered and slot them into the echelons. Last, complete the section on methodology and specify which methodology you will use for each major deliverable; agile, waterfall, iterative etc., based on what you know so far.

6. Send your template to your instructor for feedback.

VAILCREST PROJECT SIMULATION #1

BACKGROUND: COMPANY, EXECUTIVES & PROJECT

You walked into the brown stone Vailcrest headquarters early on your first full day back and realized how much had changed since your first stint as the Vailcrest healthcare project manager had ended 5 years ago. You were a rookie when you started with the company and a scared veteran by the time you left. That Vailcrest clinic project when you first started was a disaster, though you had saved it despite an executive group from Hell. But you were burned out from all the politics after 5 years. So you joined a project management consulting firm that valued your hands-on healthcare experience. At first it was exciting, with a new client project every couple of months, and you learned a lot of techniques from the firm’s partners. But then the hospital and clinic consulting business got boring. All the travel and far too many 16 hour days were a real killer. Also, 5 years of city living made you yearn for Vail and the mountains. When Dan Morton, the Vailcrest president, called and made you a staggering offer to come back full time and run a strategic project initiative, you agreed after just a few seconds of thought. So here you stood; back in Vail, ready to take on the same group of executives.
The enormous fireplace in the Vailcrest lobby was still there but a whole new wing had been added, built right into the cliff face near the top of Vail Mountain. Your office was in the new wing so you headed that way from the lobby. You were two hours early for your meeting with Dan about the big expansion project but you were eager to get settled in.

Figure 1 Vailcrest Main Lodge
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Figure 2 Vailcrest Organization Chart

Used in the lectures with videos of this team doing each step in the methodology the wrong way and then doing it the right way.
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You found an office with your name on the door and opened it to see a smooth brown leather sofa to the right of your dark oak desk with a black executive chair. Beyond the desk was a view of the snow-capped Rockies that stretched for 100 miles. Nice. During your first stint with the company your “office” was in the vegetable storage locker with no window. On the phone, Dan said he’d leave some background info about the company’s growth over the last 5 years and your first project assignment, which would begin today. You sat down at the big desk, leaned forward to pick up a glossy leather folio sitting on the surface and opened it up.

You looked down at the cover sheet and found it was a report from a strategic planning firm, Royster Associates. You turned the page and began to read.

CONSULTANT’S REPORT INTRODUCTION

In the last five years, Vailcrest Corporation, a rehabilitation clinic and ski lodge located in Vail Colorado, has seen revenue growth of 30% per year with profit margins that are twice the industry average. “The company delivers high levels of patient and customer satisfaction and earns 45% of its revenue from repeat customers.” There were pictures of the ski school, spa, therapy center, sports medicine clinic, hotel, and restaurants.

OVERVIEW

After reviewing the company’s performance, the strength of its executive staff, and surveying the industry for opportunities, we have developed a strategic recommendation for Vailcrest Corporation.

The executives are rightly concerned about the need to expand their Vail facility to keep pace with the larger, multi-national competitors in the lucrative Vail Valley. While the company has the financial and managerial capability to expand, local politics is a brick wall. Vailcrest has tried to overcome the resistance driven by their competitors, environmental activists, animal rights protesters and strong local sentiment to limit tourism’s growth. But these factors have made the construction of new facilities impossible. The activists are well-financed and politically connect at the local, state and federal levels and, if anything, the movement is gaining local supporters.

While some executives want to stay small and defend the existing business, that strategy is unlikely to succeed. Vailcrest needs to use its profitability and market position as the springboard for major expansion in Vail with the goal of dominating the market while it can.

This all means that Vailcrest must follow a strategy of expanding within the current buildings it operates. The high-level approach for this effort should flow in two waves, the first is the completion of the Central Stores facility that will allow transferring the inventory from the main lodge, which in turn allows the second wave of remodeling to begin so we can create the new rooms, restaurants and treatment rooms in the main lodge which will generate the revenue.
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The major steps are as follows:

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
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</thead>
<tbody>
<tr>
<td>Central Stores plans approved</td>
<td></td>
</tr>
<tr>
<td>Central Stores construction passes Building Dept. inspections</td>
<td></td>
</tr>
<tr>
<td>Stores, inventory &amp; supplies relocated to Central Stores</td>
<td></td>
</tr>
<tr>
<td>Central Stores inventory system accepted by users</td>
<td></td>
</tr>
<tr>
<td>Main lodge passes Building Dept. inspections</td>
<td></td>
</tr>
<tr>
<td>New clinic treatments generate $15M in revenue in first 12 months</td>
<td></td>
</tr>
</tbody>
</table>
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ASSESSMENT OF THE EXECUTIVE STAFF

Dan Morton, President

Dan Morton, a former Olympic gold medal winner in the giant slalom, is President of Vailcrest Corporation, a company he founded. In his last Olympics, Dan won despite a serious leg injury in a dramatic and courageous come-from-behind slalom run. His courage led to many commercials and endorsements. Knowing his fame would be fleeting, Dan quit the ski tour and used his accumulated wealth to purchase land atop Vail Mountain and build a ski school with a 40 room alpine lodge, dining room, and meeting facilities. Later, his mentor and the physician for the US Ski team, Dr. Horst Buckholtz, joined Dan and they added a 10,000 square foot clinic and therapy center for athletes from all sports. Dan has no formal business training but a lot of enthusiasm and is an inspirational leader.

Dr. Horst Buckholtz, Clinic Director and Medical Service VP

Dr. Buckholtz is a German physician and physical therapist who immigrated to the United States after receiving his degrees in Munich. He served as the Olympic team physician for years and had helped Dan through a host of injuries with his unique therapies and treatments. The renown of these therapies draws referrals to Vailcrest from physicians all over the United States.

Horst runs a superb operation largely due to subordinates who take care of the details after Horst lays out the big picture. The quality of the services is excellent but turnover is high among the physicians & therapists. Horst provides little in the way of detailed direction. His management approach severely limits his ability to lead a larger clinic or one with less capable staff.

Horst sees Vailcrest as primarily a medical institution with all the other services as merely supportive and not the reason people come to Vailcrest. The rehabilitation spa is not profitable but its losses each year are more than covered by the profits from the hotel and restaurants.

Martha Hobson, Hotel Operations VP

Martha Hobson was the first management professional in the company and brought operating controls, procedures and discipline to the hotel and restaurant operations. Under her guidance, those operations are now generating all the profits for the company, while the rehabilitation clinic operates at a small loss. Martha brings calm professional management, controls all the details, and insists on carefully considering all the facts before making decisions. She is a disciplined thinker who could manage the entire company effectively.

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<table>
<thead>
<tr>
<th>Linda Tallmer, Marketing VP</th>
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</thead>
<tbody>
<tr>
<td>Linda Tallmer is a very aggressive, people-oriented executive who is big on action without a great deal of planning or forethought. She is committed and very intense in her effort to help the Vailcrest employees. She is concerned about the amount of overtime people work and the lack of promotional opportunities for the people in food service and the hotel operation. She has great difficulty getting any of the other executives to share these concerns. The other executives are more interested in building Vailcrest’s revenues and reputation as an outstanding work class resort. She also engages in continual conflicts with Horst and occasional battles with Martha. These executives constantly battle over whose projects take priority and the long term goals of Vailcrest Corporation.</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>Peggy Nordstrom, Information Systems Manager</th>
</tr>
</thead>
<tbody>
<tr>
<td>Peggy was the first employee Dan hired and she has worn many hats from customer service to accounting, all without any formal education. She is very hard working and prefers to do the work herself rather than delegating. She is an extremely loyal and reliable employee, but the company technology has outgrown her capability. Peggy developed the company’s first accounting controls and information systems. It is uncertain whether she has the talent and training to provide the information systems support needed for a major expansion of the company’s operations.</td>
</tr>
</tbody>
</table>

**CONSULTANT’S CENTRAL STORES PLAN**

Based on our assessment of Vailcrest’s strengths and weaknesses and the state of the competition in your industry we recommend that the organization undertake a “Lightning Strike” expansion strategy within its existing facilities. While this strategy is high risk in the sense that the expansion project must be managed with great expertise, it offers the advantages of denying the competition the chance to respond. If successful, Vailcrest will be positioned to use its superior service and treatment plans to capture a dominant market share before the competition can react. In this facility outside the city limits, the company will maintain all inventories including; fresh and frozen food, beverages, spare equipment and medical supplies. The company will convert the 19,050 square feet of space now allocated to storage into additional guest rooms, clinic treatment rooms and restaurants which will support an additional $28 million in annual sales revenue.

The project needs to be integrated across all functional areas in the company, which will be difficult given the conflicts between the executives. While there are many components including construction, systems, business operations, and healthcare operations. The key is that Vailcrest must make this move to central stores as a lightning strike. Finish one construction effort while hiring & training people and developing system then move the supplies and start construction on the main lodge. You will
Advanced Healthcare Project Techniques

have to hire 16 new medical and 20 new hotel staff members and train them on the Vailcrest operating procedures so they are able to provide Vailcrest’s superior level of service in time for the opening of central stores. As well, marketing of the new treatments must be aimed at referring physicians all over the world.

Just as you finished reading, you sensed that someone was in your doorway. Sure enough, it was Dan Morton. With a grin on his face, he said, “Welcome back, stranger. Boy when you concentrate, you really concentrate. I have been here for 5 minutes as you read. Were you thinking, ‘Dan has lost his mind? This is crazy’?”

You smiled back and said, “It is good to be back and no, this is ambitious but if we get everybody pulling in the same direction, who knows what we can do. The consultant’s report was critical of the senior management staff. You are going to have to step on some toes to make this work.”

The smile left Dan’s face, replaced by a grimace. You knew from your last tour of duty with Vailcrest that Dan avoided conflict like the plague, which was why there was so much of it between the executives.

Dan shook his head, “It’s even worse than it used to be because there is a lot of arguing between Linda, and Horst and Martha.”

You asked seriously, “Would you consider replacing…?”

Dan abruptly interrupted, “Those people helped me build Vailcrest and I will not fire or replace them. We’ll go with the horse that got us here. End of discussion on that topic.”

You laughed and said, “Okay, but I had to ask. Well, we need to start by defining the project scope and major deliverables. Then I’ll take on the screaming hordes in the requirements gathering meeting. But I need to do some planning with you.”

Dan nodded, sat down and said, “OK, what questions have you got for me? Wait,” he said and glanced at his watch. “No, we’ll do it later. I have people planning a big winter event. We’ll talk after that.”

2- Communicating with Stakeholders

1. Read Chapters 1-5 in the Type Talk at Work textbook. The best way to use is book when typing a person is to identify the type then find it in section III and use the details on how to communicate with that type.

2. Lecture: Watch the Module 2 lecture on the course website including the videos illustrating the different personality types.

3. Read the Vailcrest Project Case Study “Stakeholder Management” below and look at the Meet the Executives video again.

4. Use the video of the 4 Vailcrest executives (including Dan) to type each of them. The link to the video is on the Module #2 web page.

5. In tab #2 of the course template, note your initial typing of the executives (including Dan) and your
Communications plan for the project based on the information you have. Describe how you will communicate with each of the three user VPs in the individual meetings. Also explain how you will deal with them as a group. Your objective in the session is to address their objections and gain their support.

6. Send the template to your instructor for feedback. Include suggestions for two date and time options when you will have individual meetings with the 3 Vailcrest executives Horst, Linda and Martha.

VAILCREST PROJECT SIMULATION #2
DEALING WITH THE STAKEHOLDERS

To prepare for your meetings with the Vailcrest executives, you walked into Vail Village and decided to have dinner at the Red Lion Bar, and listen to the singer who was appearing for his 28th season. You sat at a table and were quickly joined by a stream of Vailcrest employees you knew from the old days. As the various staff members welcomed you back, you asked questions about how things were going and how their projects were performing since you left. You heard all kinds of responses:

"Horst is still driving everyone crazy. He stops in the middle of talking to you and goes off on a tangent or some new big idea. The other day he stopped in the middle of our conversation about a patient and just gazed off into space. I've learned to wait it out but it took about 30 seconds before he totally changed the subject and asked me about the new model of an imaging device we have."

"Horst made me redo my notes in a patient's medical record because I had written them about the patient's ankle injury and Horst said I needed to focus on the whole patient. He wanted me to take a holistic approach rather than getting tied up in details. But I mean heck, the guy's angle is broken."

"I work for both Dan and Horst and the difference is amazing. Horst is a big picture thinker, always wondering about what we're going to be doing five years down the road. That can get a little discouraging when you're trying to get your work done each day. And Dan is just the opposite. All he's concerned about is whether you're having fun. If you seem down, he will tell you to go hike for the rest of the day. It never occurs to him that you might have work that actually has to get done today. I don't know how those two works together."

"I'm still waiting tables in the main dining room and Martha called me into her office to point out that my tips were averaging 3% less than last year. She asked me what I was doing differently, like I could remember. I don't know what trail I ran on yesterday."

"I had a couple of customer complaints about my work waiting tables so Martha demoted me to busboy. Then she walked through the section of tables I just set up and spotted a couple of knives with water stains and told me to re-wash the silverware in the whole section."
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"I'm working for Linda now because I couldn't stand Martha anymore. But working in marketing is like moving to a new planet. Linda has all kind of things going but her #1 issue is everyone getting along and supporting one another.

"Linda has her eccentricities but, boy, can she sell. A group contacted us about a department meeting for 50 and by the time Linda hung up they were bringing the whole company, 500 people."

3 – Advanced Estimating Techniques

1. Reading: Read Chapter 5 in your Advanced Healthcare Project Techniques textbook.
2. Lecture: Watch the Module 3 lecture on the course website.
3. Read the Vailcrest Project Case Study “Cost and Duration Estimating Data” below. Then access the estimating data Excel spreadsheet on the website to make your estimates of work and cost.
4. Use the 3-point, analogous and parametric estimates sections on tab #3 to develop the detail for your cost and duration estimates for the whole project. You will make estimates of the work and duration for each high-level deliverable.
5. For the estimates you make using 3-point estimating you will paste the pessimistic, optimistic and best guess into the 3-point section of tab #3 and the template will calculate the duration and cost at various confidence levels. Select several different confidence levels to present to the executives so you give them choices of higher confidence for higher cost. Remember to copy the work and cost data and paste it at the bottom or you will lose it when you calculate the next HLD.
6. For the estimates you make using the parametric technique paste the rate per unit and the number of units into those fields in the template, tab #3. The template will calculate the cost and duration. Again copy the cost and duration data to the bottom of tab #3 or you will lose it when you enter the next HLD.
7. For the estimates you make using the analogous technique copy the data from the historic project and the adjustment factors into the template which will then calculate the analogous estimate for you. Copy the data to the bottom of the tab.
8. Prepare a PowerPoint presentation of the duration and cost estimates for use in your meeting with the Vailcrest executives.
9. Be prepared to answer questions about the estimates and the techniques you used to develop them. Send all the materials to your instructor for coaching and feedback and suggest two dates and times if you want to give a live online presentation.

VAILCREST PROJECT SIMULATION #3

COST AND DURATION ESTIMATING DATA

You were making exceptional progress on estimating the project costs and duration but you were feeling heavy pressure from Dan and his accountants to keep the project budget low and finish by
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November 1. You also had to put together a presentation for the executive staff to gain their support. But your plan might require each of them to live with decreases in their departmental budgets. You had decided to use different estimating techniques for the various high-level deliverables in the project. Your estimating plan was as follows:

<table>
<thead>
<tr>
<th>HIGH-LEVEL DELIVERABLE</th>
<th>ESTIMATING ISSUES</th>
<th>ESTIMATING TECHNIQUE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Stores Plans Approved</td>
<td>Time delays in these first design tasks would be deadly and conflicts between these VPs are typical</td>
<td>Analogous estimates from previous Vailcrest projects</td>
</tr>
<tr>
<td>Central Stores Construction Passes Building Dept. Inspection</td>
<td>Have good parametric data from published sources</td>
<td>Parametric data based on Summit &amp; Eagle County warehouse projects</td>
</tr>
<tr>
<td>Stores, Inventory &amp; Supplies Relocated to Central Stores</td>
<td>This could be a real battle as the execs fight for storage space</td>
<td>Parametric estimates based on Vail hotel remodeling projects</td>
</tr>
<tr>
<td>Central Stores Inventory System accepted by Users</td>
<td>The systems development is the longest task on our critical path</td>
<td>3-point estimating by systems development staff and vendors</td>
</tr>
<tr>
<td>Main Lodge Passes Building Dept. Inspections</td>
<td>Good data from previous remodeling projects</td>
<td>Analogous estimates from previous Vailcrest projects</td>
</tr>
<tr>
<td>New Services/Treatments Generate $500K in Revenue in First 12 Months</td>
<td>Estimates by marketing &amp; clinic staff familiar with these programs</td>
<td>3-point estimating</td>
</tr>
</tbody>
</table>

The estimating presentation was going to be interesting. Dan was set on an early finish date so you had plenty of time to work out the kinks before busy season got started at Thanksgiving. Horst never missed an opportunity to stop you and discuss his ideas for the "hospital of the future" and adding even more new therapies, treatments and surgical procedures. Clearly he was going to squeeze as much additional therapy equipment and clinical staffing as he could out of the project budget.

Martha was terrified of a service disaster if Central Stores couldn't produce supplies for guest rooms and restaurants when they were needed. She kept warning you about customers walking out of the restaurant if they had to wait too long for their meal or checking out of the hotel if their room wasn't ready.

Linda was generally concerned about the pressure this project would put on all the Vailcrest employees. She wanted to put the project off until after busy season, which missed the strategic point of beating the competition. She was uninterested in the details except as they affected the marketing inventory, which was a tiny percentage of Vailcrest’s overall storage.

As you looked at the results of your estimates you realized that Dan would be disappointed that the project would not finish until 12/5 and would cost $52,000 more than he wanted.
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4 – Advanced Risk Management
1. Reading: Read pages 61-65 in your Advanced Healthcare Project Techniques textbook.
2. Lecture: Watch the Module 4 lecture on the course website.
3. Read the Vailcrest Project Case Study “Risk Management” below.
4. Use the risk identification and risk analysis data on the course website and the case information below for this assignment.
5. Using your course template Tab #5, develop a risk management plan for 6 of the risks listed on the data sheet which you think are most important. Also develop a specific risk response for each risk and estimate its cost, as best you can.
6. Send your risk management plan and a PowerPoint presentation to your instructor for feedback and coaching.
7. Optionally, suggest 2 date and time options for a 20 minute live simulation where you will present your risk management plan.
8. Your instructor will send you feedback on your work and a video if you did a live presentation.

and decided that time was the most critical variable. Dan had told you the risks that would increase the duration of the project should be your first priority in risk management. You had asked the project stakeholders and team members to identify the top three risks to their part of the project. You now gazed across the summarized input from them. As usual, you had too many risks and too little money to spend mitigating them.

So you went through the data and calculated the expected value on each of the risks. Then you tried to come up with a risk response that didn’t blow the budget and hoped it satisfied the executives so they would go along with your ideas for responding to the most significant risks.

5 – Earned Value & Status Reporting
1. Reading: Read chapter 8 in your Advanced Healthcare Project Techniques textbook.
2. Lecture: Watch the Module 5 lecture on the course website.
3. Read the Vailcrest Project Case Study “Status Report” below
4. Use the information provided on the course web page with status reports from your project team and vendors, including change requests.
5. Use earned value and variance data analysis to assess what has happened and the consequences
6. Identify corrective actions to relieve the problems
7. Analyze the change requests and make a recommendation for the executives’ approval or

VAILCREST PROJECT SIMULATION #4

RISK MANAGEMENT
You shuffled through the rough project schedule and the risk identification input you had received from people all over the organization. First you’d studied the WBS for key success factors

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8. Send the completed template and your PowerPoint status presentation to your instructor for review and feedback. Suggest 2 date/time options if you want to do a live 20 minute project simulation where you will give your status presentation. It will include change request analysis and answering the physicians’ and administrators’ questions. Your goal in this assignment is to secure their approval to proceed with your plan for corrective action.

VAILCREST PROJECT SIMULATION #5

STATUS REPORT

Your bedside alarm went off at 5 AM as usual and you instantly realized that it was Friday and all the status reports were due by 5 PM. You’d go through your usual weekly ritual, taking a look at the personal leave days of project team members to see if it looked like anybody was interviewing for a new job. The project was at a critical point and you could not afford any turnover. There was enough bad news without adding that. The executives were getting concerned about the project. Ski season was just around the corner and there had been so many delays and problems that the cushion before the skiers started flooding the village was now razor thin.

You just had to hold the group together for a few more weeks. Some creative and cheap solutions to problems would be the key to successful completion.
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1 - Project Lessons

We will begin by sitting in on a "lessons learned" meeting for a failed healthcare project. It may be a gloomy way to introduce the topics we’re going to cover in this book but it will give us an inventory of the practical project problems you will need techniques to solve in today’s healthcare project management environment. After all, the point of this book is to help you avoid each and every one of them.

"My gosh, yet another meeting," the VP sneered. "We're still trying to fix the mess you people made! If anything, the number of customer complaints is even worse than before we started this disaster."

Pat capped the fountain pen, thinking that this was a wonderful way to begin the meeting and said, "Well, the idea of the "lessons learned" meeting is to try to identify what went wrong so we can improve the way we do projects next time."

"You people," the VP snapped, "have to do a lot better! We cannot keep having these project disasters."

"We delivered every requirement you users specified," barked a senior systems analyst, already red in the face.

The VP snapped back "Go tell that to the customers who are still complaining about our bad service and how long it takes us to straighten out problems."

Pat knew it was time to regain control of the meeting. "One of the problems with our planning was that we didn't focus on reducing the number of complaints. In the beginning, we only talked about the new reports, new conference rooms, ergonomic cubicles, all kinds of training, computer screens and system functionalities that you wanted. Then the list of requirements kept growing every week."

From the expressions on the faces of the first-line supervisors from the Billing department, Pat knew the debate was just starting.

THE PROJECT AT RIDGEWAY, INC.

Pat Milbarge, the healthcare project manager, knowing who would be blamed in today’s meeting, doodled in the margin of the “Lessons Learned” form, sketching a project manager hanging from a noose. Pat had notified all the project’s stakeholders of the meeting but everyone was late, just like during the project. A few of the user team members straggled in. Pat received crisp nods from some of them but many just went to their seats, eyes downcast. They’d all worked pretty hard. But their hard work had produced nothing for them except association with a failed project. Oh, there were a couple who goofed off and others who played games with duration estimates. But the resentment on most of their faces clearly signaled that they blamed Pat for the project’s failure.

The users tromped in as a group, led by the VP who’d had almost no involvement at the beginning of the project and whose time investment grew exponentially as deadline after deadline was missed.
"It kept growing because you never gave us what we needed," one of the supervisors snapped angrily.

The VP pushed back from the table and stood up, "This is getting us nowhere!" The VP pointed a finger at Pat's face and said, "You were seven months late and $300,000 over budget and we still have customer service problems, bad systems and crappy facilities."

With a pause to catch a breath, the VP went on, “And what I like least about the way you people do projects is that all the bad news always comes at the end, when we can’t do anything about it!”

Pat took a deep breath and gripped the edge of the table tightly and replied politely, “The reason the bad news keeps coming at the end is that people relied on imaginary numbers instead of letting us take the time to provide estimates based on data.”

“I got sick of listening to tip-toeing around the budget and completion date numbers. I need rock solid commitments to those,” The VP snapped.

“But you never …”

The VP walked out without listening to the rest of Pat’s response.

Pat leaned back and studied the ceiling as everyone else tromped out of the room. They had failed because of bad technique for defining the scope, controlling changes, making estimates and much more.

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**ESTIMATING: NO ONE WAS COMMITTED TO ANYTHING**

Pat sat back down at the table and thought back to the project they’d just finished. The estimating was a disaster. They just hadn’t had the right techniques. It ended in a mess of team members, consultants and subcontractors feeling that impossible dates had been rammed down their throats and knowing they would fail before they started work. Everybody else thought the date commitments were based on numbers plucked from the sky. The project customer kept talking about how everyone was committed but no one was.

They needed a way to make estimates that was accurate but that still reflected the risks in the project. They also needed a way to deal with stakeholders who arbitrarily cut each team member's estimate in half, saying “I know you can get this project finished in half the time…you better figure out how!”

As the game went on people padded their estimates by more and more and the physicians and administrators kept cutting until the schedule was a joke and everyone knew it. There had to be a better way to do this.

**BAD SURPRISES WHEN IT’S TOO LATE**

Pat thought about the VP’s earlier snide remark about getting the bad news when it was too late. There had been a lot of bad news when it was too late to solve the problem. Sure, some of that came from poor estimates, contractors trying to add to cost plus contracts and some from scope creep. They’d lacked the
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Techniques do deal with any of that. As the completion date kept getting pushed out, people got nervous about reporting any more slippage because there was hell to pay whenever they did.

Although they should have been honest and professional enough to report problems as soon as they arose, people didn’t. Pat should have done a better job of accepting bad news and protecting the team from executive tongue-lashings. Pat knew that getting bad news was better than not hearing about it because then no corrective action was possible. Another real problem was not having the tools to spot small problems early. With the project plan they had built, both the team members’ status reporting and Pat's reporting to the management groups was subjective. No one really knew how the project was going until they got near the end.

Even with the completion date slipping people keep adding to the requirements every week

**Changes, Changes and More Changes**

Sure, they’d tried to "freeze" the requirements and plan and they’d gone through a very thorough approval and sign off process on the specifications. But then every week the list of features and functionalities grew. The users saw a report, a training class curriculum or a floor plan and said, "This won't work for us the way you've got it. You are not meeting our needs" Then the project team member or contractor would say, "That is what is in the approved plan. What you are asking for is a change. I'll have to fill out a change request because and it'll take more time and cost more money."

The two would go around and around debating whether this was or was not a change and it would be escalated up the hierarchy. Then the same debate would occur at a higher level with everyone becoming more and more angry. Most times the change was added to the plan but usually without any corresponding increase in budget or duration. If Pat insisted on budget and duration increases to reflect the cost of a change in the project, the team was blamed for doing a poor job of laying out the requirements.

The fact was the users did not understand the technical language of the requirements they had signed off on. There was little or no poor linkage between those technical requirements and the improvements in operating performance. They just had not had the technique to tie it all together. It was also true that neither Pat nor the technical people on the team had a clear understanding of the business and performance results the users were seeking from the project. Of course, the users didn’t seem to understand what success was either. In fact, the plan did little to include them in the effort so they sat back and looked at the deliverable with no accountability to do anything with them. That, Pat knew, was the result of bad planning.

**Project Team Wandering in the Wilderness**

Suddenly the 60 page schedule on the edge of the far table slide off onto the floor, scattering Gantt chart pages all over. Pat
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looked at all those Gantt charts fluttering to the conference room floor and wondered if the project plan had been a little too detailed. They had started the planning with a lot of talk about the business outcomes and clear direction. But all the pressure to get started with the work led to the project plan being little more than a very detailed list of to dos. Either way the project schedule had been useless. They weren’t but two weeks into the effort when people started saying, "We’ve already done that" or "We can’t do that yet because…" so all those details in the schedule didn’t provide the project team with guidance. And some of the more experienced people seemed to make a point of doing things in sequences other than what was laid out in the project plan. Then when the changes started to pour in it took so much time to update the detailed plan that Pat stopped doing it and the team drifted. The schedule was useless and the plan was no help.

PLANNING, MISSION STATEMENT MUSH

During the planning, the VP hardly gave them a moment of time; delegating planning to lower-level decision-makers who were unaware of the criteria that would be used to judge the project’s success. Why wouldn’t the VP give the project team any time? Probably because every meeting they did have quickly descended into detailed technical discussions that simply were not of interest to that level of decision-maker. Pat lacked the technique to get anything more than a mission statement which got approved because there was nothing in it but vague generalities.

Pat tiredly rose and left the room, thinking two thoughts. First, this happens to us over and over again but we never learn any lessons from it. Second, wouldn’t it be nice if we had the technique to do better?

Deliverable-driven Project Management

We’ll develop techniques to address these problems in the remaining chapters of this book. The foundation for these techniques will be our Deliverable-driven Project Management Methodology (DPM™). We build this foundation with unambiguous business deliverables that define success metrics for the project as a whole and each of its assignments before we start. Measured deliverables require that we think about end results, rather than just activities in the planning. But the payoff for the PM who makes this intellectual investment comes each week in the form of:

- Team members who know what is expected of them before they start work
- Executives who understand what they are “buying” from the project and, as importantly, what they will not get
- Scope and change control processes that are based on hard-edged objective data, not opinion
- Small project plans that are easily maintained and updated so the PM knows exactly where the problems are.

It is normal for all of us to think in activity terms; what we want people to do. To conceive measured deliverables we need to think through the process a step further. We think about what we want people to do and then how we will measure their performance when they are finished. In other words, we decide exactly what we want as a work product and define what a good
job is. It is this latter measurement that is our measured deliverable. Let’s consider a few examples of activities and their conversion to measured deliverables:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Measured Deliverable (Success Definition)</th>
<th>Type of Measured Deliverable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce customer hold time</td>
<td>90% of customers spend less than 30 seconds on hold</td>
<td>Metric that we measure</td>
</tr>
<tr>
<td>Complete the design of the conference center</td>
<td>User Committee signs off on the design drawings and material samples</td>
<td>Approval deliverable – We measure success by the user or a technical reviewer signing off</td>
</tr>
<tr>
<td>Consistent temperature</td>
<td>Ambient temperature within the range of 69-73 degrees 90% of the time</td>
<td>Metric that we can objectively observe</td>
</tr>
<tr>
<td>Develop customer history screen display (GUI)</td>
<td>Data for answering top 5 customer inquiry types accessed on 1 screen</td>
<td>Metric that we can objectively observe</td>
</tr>
<tr>
<td>Design the database</td>
<td>Database design approved by QC is in compliance with Standard Operating Procedure #6</td>
<td>Approval deliverable with reference to an IT department development process control</td>
</tr>
<tr>
<td>Acceptance testing</td>
<td>User test meets specification for Events #1 through #7 in Work Package 7-3-5</td>
<td>Yes/no deliverable with reference to detailed specification or a work package list of measured requirements</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Activity</th>
<th>Measured Deliverable (Success Definition)</th>
<th>Type of Measured Deliverable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Train the users</td>
<td>90% of Customer Service Reps score 80% or higher on written test of new procedures</td>
<td>Metric that we can calculate</td>
</tr>
<tr>
<td>Install efficient packaging system</td>
<td>85% of customer orders packaged and labeled in less than 120 seconds</td>
<td>Metric that we can objectively measure</td>
</tr>
</tbody>
</table>

While the measured deliverables in the middle column are in a number of formats, each gives us, or the person doing the work, a clear and unambiguous performance expectation. It tells them when they will be done and also makes clear what level of performance is good enough. For an executive, measured deliverables detail what they are getting and also what they are not getting. Quantifying expectations before we start work, not halfway through, is the key to scope control. Consider the customer service training above. Laying out this clear end result tells the trainer the standard that the trainees must meet after the class. It also tells an executive how well the reps will be trained. If that level is not good enough, we can change the plan now rather than having to redo the training after the class.

Let’s look at how we’ll use this measured deliverable thinking in our project management process.
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Scope & Deliverable Network
The biggest measured deliverable in our project is called the scope. It quantifies business success for the project as a whole. Once we have an understanding of the scope we’ll craft a network of high-level deliverables (HLD) to deliver that scope. Not all of these HLDs™ will have a technical orientation. Some will capture the users’ business deliverables that, in combination with the project team effort, will deliver the scope. As an example, say we have a project to improve customer service performance. When we get approval on a scope of “Decrease the time it takes to respond to a customer’s inquiry by 25%,” we can build a high-level deliverable network that includes all the necessary elements: engineering, design, construction, training, equipment installation and the streamlining of their work flow and processes. While the project manager will not perform all of them, the PM includes them in the plan because no one technical component can be successful if we don’t deliver the overall scope.

The important point here is that we want to manage our technical effort as part of an integrated project effort because that improves the odds of success.

Trade-offs and Scope Control
Our measured deliverable focus also lays the groundwork for controlling the scope with quantified trade-offs. The trade-offs we will work with come from the "4-Corners" of the project we will develop. Instead of describing the project with just a budget, due date and a long narrative, we describe it with four metrics. These 4-Corners are:

- Scope
- Budget
- Duration
- Risk (probability of success).

Our intent is to build a project plan where each of these 4-Corners is quantified and we can discuss quantified trade-offs between them like, “Shortening the duration by three weeks will cost $12,000 more.” We’ll establish the idea of trade-offs between these 4-Corners early in the project and then we will use it for scope control during:

- Detailed planning
- The final project approval presentation and
- Every week as we track actual results and deal with changes and problems.

Rather than try to "fight" with the user’s executives about changes to the plan or changes to the requirements, we will present data on these trades-off before they ask. If the executives wish to shorten the duration of the project, we will calculate the impact on one or more of the other "corners" of the project. We can certainly shorten the duration but the trade-off may increase the cost, reduce what we achieve for the business (the scope) or lower the probability of success (increase the risk). This trade-off mentality is the key to maintaining a high probability of a successful project by giving us an effective and data-based approach to change control. It also allows executives to exercise strategic control over what they are “buying” from the project and that improves the relationship with the user who is your customer for the project.
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Achievement-driven Project Management (AdPM) Lifecycle

INITIATION

Corporate Business decision

Broad-brush Plan

Executive Approval

PLANNING

HLA Network & WBS

Work Packages & Estimates

Sequence & Schedule Activities

Optimize & Trade-Off

Baseline Approval

Executing and Controlling

Tracking & Control

Reporting

Close

MOS™ Measure of Success

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2 – Initiation & Scope

Definition

In this chapter, we’ll work through the process of strategic project planning, seeking to “frame” our project within boundaries of measured business outcomes in the user’s operation (the user’s business). We’ll also work with them to establish and gain their approval of the strategic framework of the project and the processes we’ll use to deliver their end result. The Broadbrush plans we’ll build are 2-pages or less and include:

- An objective measure of project success (scope)
- A high-level deliverable network (HLD) that lays out, in measurable terms, our path to the scope and quantifies the boundaries of the project’s scope, including both user and technical deliverables
- Assessment of assumption, risks, mitigation strategy
- The project charter with authority structures and accountability relationships
- Change control processes and approval levels.

Having this framework in place before we start work provides solid scope control and substantially increases the probability of the project being a success in the user’s eyes. However, strategic planning is a difficult process, which is why it is skipped on so many projects.

Why Strategic Planning is Skipped

Most projects start with the assembly of a grocery list of requirements which grows each week during the project because there is no strategic plan to restrain the expansion of the project or target its success. We have little ability to define what’s in and what’s out of the project. Oh, we see long narratives supposedly defining scope and objectives but they rarely contain objectively measurable definitions of success and the measured steps we’ll take to reach that end business result. So why do people skip strategic planning? Because it requires:

- Access to executive level decision-makers
- Knowledge of the user’s business
- Speaking the user’s language
- Negotiating performance commitments up front
- Coping with a certain amount of conflict that occurs whenever we make tough decisions
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- Conceiving a cross-functional effort that spans functional “silos.”

No wonder people skip this strategic planning; it’s so much easier just to start work. Let’s explore several of these challenges in more detail.

First, the language of strategic planning is not technical (even though that may be most comfortable for you). It is performance metrics in the user’s business. We talk their language, not ours, with a focus on metrics to measure results. We talk about the “accuracy of a customer’s invoices” and the “time it takes to process a transaction” not the engineering details, GUI, or network capacities we will install. It is difficult to keep the planning discussions at a business deliverable level so we can reach agreement on the measured business benefits that will be our target. Many who will be in these discussions will want to get into the delicious technical details, not what we have to achieve in the business. The PM and project team members can be their own worst enemy in this regard. We are more comfortable talking about areas of our technical expertise than the user’s business. But we need to engage executive decision-makers in this process, and we quickly lose them if we let the planning sink into the “activity trap” of technical features and functions.

Second, few PMs enjoy conflict and strategic planning triggers it. Rather than burying disagreements under a mountain of vague words, our strategic planning process focuses on hard-edged and measurable business results. That brings conflicts to the surface.

We’re not creating conflict. Rather, we want to resolve as much of the existing conflict over business results and “what’s in the project” as early as possible. No project can meet every user’s expectations about the features and functionalities. The question is when in the process do we face this issue and control the scope. We can defer the existing conflict and smooth it over in the interest of “getting off to a good start.” Then we face it toward the end of the project, when changes are most expensive. Or, we begin scope control early, which is much better than waiting until the duration and budget start to slip.

So those are some of the challenges we face in strategic project planning. As a rule of thumb, every hour spent on this process saves 10 hours during the life of the project. We’ll use a two-step strategic planning process to frame our tactical planning. It substantially increases the probability of delivering the business results the users want within the time frame and budget to which we will commit. With an approved strategic plan, we’ll begin the project with:

- The ability to focus our efforts on objectively measurable business results
- Executive agreement on the path we will take to reach those end results
- Commitment from the users to the deliverables they must deliver as part of the effort
- Executive understanding of the risks inherent in the project and the cost of mitigating those risks
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- Clear authority and accountability relationships across functional lines
- Executive agreement on the processes and procedures for making the inevitable changes.

Figure 1 Project Lifecycle

The Customer Experience Project (CEP)
Let’s dive into the case study we will use through the remainder of the book. It concerns an organization's project to improve the service their customers experience (CEP). We’ll see our project manager fight through the difficulties in completing all the components of a strategic plan and pick up new techniques along the way. In this example (as is very common), the organization does not have formal processes in place for prioritizing projects, allocating resources, or project planning. Therefore the project manager has to make up for the weak organizational processes.

THE PROJECT AT RIDGEWAY, INC.
Pat Milbarge crossed the black asphalt parking lot with its web of yellow lines, walking toward the throng of employees at the security entrance. Ridgeway, Inc.’s 14-story, gray glass building loomed above. It was the company’s headquarters and only location. Pat smiled and nodded at friends and acquaintances also walking into the building.

Pat lifted a company ID card from the chain that almost everyone wore around their neck, flashed it to the guard and headed to the department’s cubicles. On the way in, Pat’s boss the, Customer Service VP, was deep in conversation with the silver-haired Executive Vice President (EVP). As Pat approach the duo, the boss raised a hand in greeting and Pat overheard the EVP say, "I know you don't like the idea of us bringing in outside consultants..."
or outsourcing but this Customer Experience effort is different. We both know you simply don’t have the resources available for this kind of monumental effort.”

Pat saw the boss nod agreement and the EVP went on with a clenched fist, “With our fantastic growth and all the new products we’re offering, our facilities, processes and systems are all outdated. Our competitors have all made major improvements and it’s not going to be long before our service, responsiveness, timeliness and quality lag badly and our market share drops. Heck, our people have awful facilities to work in, trouble talking to each other much less moving data from department to department! If we continue to grow like we are, you can imagine what a mess the customer service experience is going to be. The CEP vendor’s proposal we’re going to hear about today will fix all these things for us. To be honest with you, we are also looking at a larger outsourcing solution for all of customer service. I think the Board’s going to approve the expenditure and in the long run you'll save a lot of work and aggravation.”

Pat slowed down to try and overhear the boss’s response, but it was lost in the buzz of conversation in the busy hallway. There had been a lot of grapevine chatter about the CEP and outsourcing and even a few snippy comments from sales people about how the outside CEP vendor was going to fix the mess in customer service. Not many in your department were happy about outsourcing but the last few major projects aimed at customer service had not gone well. Pat plopped down into the cubicle chair and started what promised to be another 70-hour week.

A few hours later the boss collapsed into the chair in Pat’s cubicle. "Well, the Board turned down the outsourcing…temporarily," the boss said. "They decided that the company simply couldn’t afford the big price tag. It was a close one though. All that world-class customer service stuff and the "best service in the market" talk really hit a responsive chord. The Board also liked the talk of improving interdepartmental information flows and the possibility of using outsourcing to cut labor costs while improving customer service. That high-powered CEP vendor was one silver-tongued devil. She started talking about not having to build new office space, using the Web to both improve internal communications and to give us world-class customer service. The Board was in heaven. But the price tag was just too much. So guess whose lap they've dumped the project into?"

A sinking feeling tied Pat’s stomach into knots. Without speaking, Pat fixed the boss with a level glare, knowing what was coming.

With a hopeful smile, the boss continued, "That's right, you're going to be the project manager on our 'partial' CEP project…there will be a lot of jobs that depend on how this project goes."
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Pat nodded solemnly and then asked, "To get any of those CEP benefits the EVP was talking about, we’re going to have to change things in just about every department in this company. You and I both know how hard it is to get them to change things around here. That alone has killed us on five or six projects in the last year."

"I know," the boss admitted. "And I also know this project is going to be a monster, particularly because they want us to start immediately. In fact, you have a meeting this afternoon with the steering committee that was formed for the CEP project. They want us to be finished in 9 months."

"You didn't agree to the completion date, did you? And what about the business case and getting funding approval?"

"I didn't commit to the date or to the $500,000 budget they approved for the 'partial' CEP system."

"But you said we'd try," Pat snapped. "And where did the $500,000 come from?"

The boss gave a weak grin and said, "We're not committed to any hard date or budget but the Board got so excited about the CEP benefits that they let the EVP bypass the business case process to get started immediately on the 'partial' CEP system."

Pat said, "What does 'partial' CEP mean?" You keep saying that."

"The Board turned down the vendor's whole outsourcing proposal and asked if there was a cheaper, partial solution. It turned out that the less expensive options weren't much less expensive. After the salesperson left, the EVP jumped on the bandwagon and asked the Board to fast-track a 'partial' CEP system where we spend just $500,000 but get most of the benefits of the CEP. I guess the Board must have felt badly about turning down the big project because they approved this ‘partial’ CEP without any business case or even discussion."

Pat sneered, "Well, we’re sure set up for success."

THE CEP STEERING COMMITTEE: INVITATION TO THE ACTIVITY TRAP

As Pat took a seat in the EVP’s conference room a few hours later, a mid-level manager from Sales was saying, "So we have nine months and four days until this CEP project will be finished." Pat glanced around the room and recognized just about everyone. There were first level supervisors from Payroll, Inventory Control, Accounting, Billing and Customer Service. The only higher-ranking person in the room was the Sales manager. They all turned and looked as Pat opened the leather folio.
"I guess the first thing we have to address," Pat said, "is planning all the changes that need to be made in each of your departments."

The Billing department supervisor responded, "But vendor said their CEP could be customized to meet all of our needs so we wouldn't have to change how we do things!"

Pat didn’t answer, biting a tongue that wanted to sue the phrase “Lying slime-ball sales person.” Instead Pat replied, "Another thing we need to establish is the scope of the project. Exactly what are we supposed to achieve?"

Four people started talking at the same time and three others pulled out multi-page lists. Another lost control of a thick pack of marked up pages and report layouts that slid across the table.

Pat smiled and said, "We’ll get to your detailed requirements a bit later but now we need to establish the overall scope of the project and talk about what the ‘partial’ CEP system is supposed to achieve."

Over the next 20 minutes Pat heard from each department representative and assembled the following list:

| Better facilities for our employees |
| Reduced delivery time to customers |

| Improved accuracy |
| Better equipment |
| Access to all the data everywhere, even from Shipping |
| Easy customized reports |
| Weekly rather than monthly profit center and product profitability reports |
| Website where customers can access order tracking information and balances |
| Internal company website where employees can access customer and order history |
| Work force planning and work load balancing |

Pat closed the meeting and headed straight for the boss’s office. After a short wait Pat sat down in the chair opposite the cherry desk and said, "This is going to be a consummate disaster. There is little interest on anyone’s part in changing their operating processes and all I've got is a wish list of generalities about how things will get better. Do we know what the executives expect from the CEP system?"

"Probably that same list of fantasies you just saw," the boss said. “The vendor did a great job selling it at all levels in the
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Avoiding the Activity Trap
We’ve come to the first moment of truth in this project. We have a user group that is ready to deluge us with “to do’s”, features and functionalities while pushing us very hard to get started so we can hit an already determined finish date. We have absolutely no idea how the physicians and administrators sponsoring the project will evaluate its success or what specific business benefits they are seeking from the project. Not an unusual situation for a project manager.

There’s no doubt that we could carefully record each and every one of the many user requirements. We could then develop a detailed list of technical specifications and the users would be happy with how quickly we have started work on the project. Of course, we would have no ability to control the scope of the project and the list of features will grow each week, no chance of finishing in this millennium and the cost might well exceed the gross national product of a small country.

This situation is the activity trap. If we start work with no strategic plan and leap directly into tactical planning and coding, our project will suffer the problems always associated with the activity trap:

- The list of requirements and features from the user will grow each week
- The technical specifications we have to deliver will constantly change
- We will still be adjusting our technical requirements during final user acceptance testing
- The quality of the deliverables we finally produce will be poor
- We will have no ability to exercise control over changes to the project scope
- The users will almost certainly be dissatisfied with the project results
- We will finish long after their target date.

Climbing out of the activity trap is not easy. The only way we avoid it is to gain the executives’ formal commitment to the measurable business results that define project success; what we’ll call the scope. In other words, we need to unearth exactly what the executives want and how they will evaluate the success of our project. We want them to sign-off on a scope before we start work.

From that scope, we will develop a high-level deliverable (HLD) network that specifies the network of measurable business deliverables required to deliver the end business result our executive decision-makers want. When the executives have approved this deliverable network, we have avoided the activity trap and can:

organization. The users have very high expectations about what this CEP solution can produce. Even worse, they're pushing very hard on having it up and running in 9 months.”
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- Develop our technical requirements from the business events that are necessary to deliver the measured deliverables in our plan
- Exercise more effective change control because we can evaluate all requirements and changes from the perspective of whether or not they contribute to the specific measured results the user has approved
- Develop a budget and duration that is based on data, not on dates and dollar figures “plucked from the sky”
- Work with the users in a trade-off environment where we can quantify the impact of every change or feature they request.

But climbing out of the activity trap is difficult for several reasons. First, the project manager has been talking to the wrong people. In most organizations it is very difficult to get upper-level decision-makers to spend time doing strategic planning for projects. Second, it is difficult to get these decision-makers to commit to a precise definition of what measures define project success. Third, the lower-level decision-makers to whom project planning is usually delegated, do not know how their bosses will measure the project’s success so they can’t tell us.

At the same time we face all of these obstacles, there is tremendous pressure to start work. Usually the user defines starting work producing deliverable they can look at. But if we fall into the activity trap, we’re almost certainly doomed to have a dissatisfied user at the end of the project. If we start work quickly, they will be very happy with us at the beginning of the project and we will avoid the hard decision-making and necessary conflict that accompanies digging ourselves out of the activity trap. Perhaps the main reason that so many projects get lured into the activity trap is that it is the easiest path to take at the beginning of a project.

Achieving consistent success on projects requires that before we start work, we do the thinking with decision-makers to define the business outcomes, not the features. Let’s examine the techniques we need to get this done.

Strategic planning at the right level
We need to accomplish three things to avoid the activity trap:

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- We need to gain access to, and time from, the organization’s upper-level decision-makers who are sponsoring this project
- We need to secure their commitment to the measured definition of project success, the scope
- We need to get their formal approval of a network of business deliverables (HLD) that will yield that end result.

Gaining Access

In many healthcare organizations, gaining access to upper-level decision-makers is difficult. In more formal hierarchical organizations, executives may not be accustomed to spending time with low-ranking project managers. There may be organizational culture norms of executives working primarily with their peers and direct subordinates, not lower-ranking people from other organizational units or outside vendors/contractors. Second, some project managers may have trained executives to avoid planning meetings like the plague. The executives who have experienced planning sessions consisting of nothing but technical mumbo jumbo and technical details have little interest in attending another. With that sort of prior experience, we should not be surprised when executives insist on delegating the planning chore to lower-level decision-makers or even hire technical interface people so they don't have to sit through all the technical talk that is irrelevant to the pressures they face.

If we have these access problems, we can use three techniques depending on the culture of the organization. First, unless it would cause trouble for your boss or the firm you work for, you might directly approach the executive decision-maker and ask for time to do strategic project planning. In some organizations this direct approach would not be an issue. In other organizations, you need to work your way up the chain of command because approaching an executive directly might offend all of that executive’s subordinates who might feel that you have "gone around them to the boss." If we can directly approach the decision-maker, we ask for a limited amount of time for strategic project planning, using phrases like, "I need strategic direction on where you want this project to go." Or, "Before I can get started, I need to understand exactly what business results you want to buy and how you will evaluate the business results of this project." We also might try, "I'll certainly be working with your people on the details but I need to start with an understanding of your strategic vision of where this project will take (the company, your division, this department).”

The second option for gaining high-level access is to work your way up the decision-making hierarchy. This route is much more time-consuming than trying for direct access to the executive but is politically safer in the sense that we don't cause resentment on the part of bypassed decision-makers. The other difficulty with working our way up the hierarchy is that we can easily be blocked. We may encounter a middle manager or technical staff person who won’t let you past them to their boss. Their reasons

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for blocking our access to higher levels may be rooted in a concern that they will look like they "can't do their job." Technical staff people working whose job is to interface between technical project teams and executives can be particularly difficult. If they help the PM gain access to executive-level decision-makers, it may appear that they are not doing their job. So working our way up the user's decision-making hierarchy can consume a great deal of time and still cause us to fail to reach the executive-level decision-makers we seek.

Our third tactic is to use our superiors. Because of their higher rank, they may have a better ability to reach user executives than we do. With this alternative, we have to work through another person and possibly suffer the clarity problems that result from this process of information translation and indirect access.

Let's see how we might gain access in our Ridgeway project.

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**GAINING ACCESS**

We left Pat, our project manager, in the boss’s office complaining about the grim prospects for the 'partial' CEP project. They were discussing the sky-high user expectations and how lower-level decision-makers in the user organization had already assembled an endless list of features, reports and functionalities. This is the point at which Pat must take the steps necessary to avoid the activity trap.

"Where we’re headed," Pat said to the boss, "is for monumental failure. This project and its scope will grow to infinity because we have no ability to identify the business results the executives want. I have to get access to the EVP to find out what the end result of the project should be. That will allow us to limit our scope and give ourselves a reasonable chance of success and hitting their time frame and budget."

This was not what the boss wanted to hear and responded, "You know the EVP is going to delegate this downward to that steering committee."

"I know. But on this project it will be a disaster for everyone. Let me try to meet directly with the Executive Vice President."

The boss frowned, "All that will happen is that I'll get a phone call wondering why you're contacting the EVP directly."

"Okay, so why don't you contact the EVP and see if you can arrange a time when we can meet?"

"Then my boss will get a phone call wondering why I was trying to meet directly with the EVP."
Pat continued, "Then why don’t we ask your boss to contact the EVP and set up this meeting?"

The boss frowned, "You’re pushing this a little too hard. Maybe we ought to start work on the detailed requirements and see if we can’t finesse this planning a little later on."

Pat said, "If we don't get this strategic planning done upfront, this project will fail. And if we start work now on this mess of detailed requirements with no strategic picture of the desired end business result, we’ll never get a planning meeting."

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that they don’t know the specific objectives upper management has in mind. They also are prone to the activity trap listing of requirements because that is what other project managers may have taught them.

We need to create a community of interest where we and the physicians and administrators are collectively trying to avoid project failure by getting a better understanding of how project success will be evaluated. Our project manager is also taking the right view of a project’s stakeholders. Rather than trying to narrow the number of individuals involved in planning, Pat is broadening the group to include anyone who has an interest in the project’s outcome. Involving all these stakeholders now, including physicians and administrators, team members, users, vendors, employees and managers affected by the changes, is the key to avoiding problems and surprise requirements later.

If Pat can convince the lower-level decision-makers that it would be a mistake to proceed without better guidance from above, these individuals can be a bridge to higher-level decision-makers who are also important stakeholders.

**Trying Another Approach**

Our project manager has pushed the issue of strategic planning pretty hard with the boss. If that avenue doesn't open up the necessary access, Pat might pursue working up the user area hierarchy. The tactics to use when we pursue this alternative are based on building some shared concern with lower-level decision-makers about the high odds of project failure if we don’t know the end business result the executives want. Specifically, we need to talk about the fact that we are flying blind in terms of how upper management will evaluate the success of the project. This sets up a situation where we really can't proceed with the detailed specifications until we understand what upper management wants to achieve. These sessions are often difficult because middle managers in the user areas don’t like to admit
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WORKING OUR WAY UP THE HIERARCHY

Pat is meeting with first or second-level decision-makers in the user organization to discuss the project and starts the discussion like this:

"Before we get into the details," Pat said, "tell me a little bit about how the CEP system is supposed to affect your unit. What performance measures are you expecting to improve?"

"Well," responded the Billing supervisor, “I have this list of the changes we want in the screen displays and in how the system works."

Pat smiled and said, "Those are very important and we will certainly get to them but I need to have a big picture of how the system is supposed to change the performance of your unit. Once I understand that, I'll have a better perspective on these details."

"There is nothing wrong with the performance of my department!"

"Oh, I'm not saying that there is. But the company wants to spend all this money on the CEP system. We both need to know what aspects of your performance they want changed or neither of us is going to be successful. If I can understand exactly what your boss wants, then we can work together to achieve it. If we start on the details without understanding what the people upstairs want, then we’re both going to fail."

The supervisor thought for a moment and then said, "People have talked about improving service to customers and better communication and information flow between divisions. They’ve even mentioned cutting operating costs but I'm not sure I know what they really want."

"Well, then I think we’d better find out before we start doing a lot of detailed work. Could you and I go meet with your boss?"

Working our way up the hierarchy is difficult. We need to convince each level of management in the user hierarchy that it will be beneficial for them if they help us gain access to the next level up. The important point to remember is that each time we move up a level in the hierarchy we are better off than if we had limited our strategic planning to lower-level decision-makers. In some project situations, none of the tactics we have discussed for reaching up to executive decision-makers may work. But even if we only make it halfway to the top, we are far better off than if we must do all our planning with the lowest-level decision-makers.