Project Management Fundamentals

Participant Manual - Appendices

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Appendix A: Gantt Chart Template

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Project Manager:** |  | **Version Control:** |  | | | | **Project Name:** | | | |  | | | | | **Date Revised/ Updated:** |  | | | |
| **Item No** | **Activity/ Task** | **Duration** | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** | **Oct** | **Nov** | **Dec** | **Who** | **Resources**  **(people, equip)** | **KPI’s** | **Dependency** | **% Complete** | **Risk/s** |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
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Appendix B: RACI Matrix

Project governance accountabilities

Many projects run into trouble because they do not have clear accountabilities. To resolve this, you can define your governance accountabilities in the form of a RACI matrix.

A RACI (Responsible, Accountable, Consulted, Informed) matrix describes how the project roles are involved in the delivery of tasks, activities and deliverables.

* Responsible – the role(s) who will do the work to achieve the task.
* Accountable – the role with ultimate responsibility for the completion of the task or deliverable. There can only be one accountable person per task or deliverable.
* *Support – Depending on the project, you could also include Support and create a RASCI matrix.*
* Consulted – the people whose opinions are sought, usually experts.
* Informed – the people who need to be kept up-to-date on the progress or completion of the task or deliverable.

It might look like this:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Tasks** | **Project Sponsor** | **Project Manager** | **Project Officer** | **Business Analyst** | **IT Manager** | **Finance Officer** |
| Approval of funding | AR | R |  |  | C | C |
| Finalisation of Business Requirements document |  | A | R | R | C |  |
| Development of Tender Plan | I | AR | R | I | C | R |

Some basic guidelines for the matrix are:

* The left-hand column can be defined in many different ways – project tasks, deliverables, work packages, stages, functions and so on.
* Accountability is where the buck stops. If something goes awry, this person is held to account.
* But, they may delegate to someone else – in which case that other person is Responsible.
* There should ideally only be one Accountable (A) in any row, to avoid buck-passing.
* One person may be both Accountable and Responsible (AR).
* Multiple people may be Responsible i.e. authority may be delegated to several people.
* ‘Consult’ means two-way communication – we are seeking feedback, input, opinion, advice.
* ‘Inform’ means one-way communication – we are pushing information out and not seeking anything back.
* As such, it makes no sense to have both C and I in any one box.
* Not every box needs to be filled.

Appendix C: Return on Investment (ROI)

There are a number of ways to measure the ROI of your project. Some organisations require you to calculate the Net Present Value (NPV) or Internal Rate of Return (IRR) as a means of deciding whether to proceed with the work. We’re going to focus on something far simpler than that, but you should check this with your organisation.

ROI = (Change in Operational Costs - Costs of Project) / Cost of Project

ROI = (Change in Revenue - Costs of Project) / Cost of Project

**Costs of Project:** Capture the total cost of the project, both the external and internal expenses. This would include things like: salaries, on-costs, service costs (IT, office space etc.), consultants, procurement, service contracts, insurances etc.

**Operational Costs:** Capture all changes in operational costs based on your project. This would include things like: contracts and licensing you no longer have to pay, changes in amount of materials required, changes in time taken (as a salary figure), changes in cost of materials, any ongoing expenditure of the project (licences, insurances etc.), etc. Note: not all these will be a reduction and some of them are difficult to calculate.

**Revenue:** Capture all changes to the organisation’s revenue relating to the project. This is self-evident and of course you could have Operational Cost savings alongside Revenue.

Most organisations consider ROI over a number of years, since it is often unrealistic to consider that a project will break even with its expenditure in the first year of implementation – and a project that introduces a significant organisational change may take a number of years to break even. This is often done over five years, depending on the size of the project.

For example, our project costs are $55,000 and we’ve calculated that the annual saving to the organisation is $25,000, but in the first year we’ll only realise half of that saving:

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Project Costs** | **Operational Savings** | **ROI** |
| Year 1 | $55,000 | $12,500 | -$42,500 |
| Year 2 |  | $37,500 | -$17,500 |
| Year 3 |  | $62,500 | $7,500 |
| Year 4 |  | $87,500 | $32,500 |
| Year 5 |  | $112,500 | $57,500 |

You can see we will break even during Year 3 and after five years this project would realise a $57,500 return on investment – or using the calculation above:

($112,500 - $55,000) / $55,000 = 104.5% at the five year mark.

