

# Petrie electronics case questions essay sample



**ASSIGN  
BUSTER**

Look over the scope statement (PE Figure 4-1). If you were an employee at Petrie's Electronics, would you want to work on this project? Why or why not? Answer 4-36. A project scope statement is a document which mainly explains the scope of the project which includes components or things or functions performed by the new system as per the user requirement. This is a very critical document because this specifies the goal of the system which is going to be developed.

A perfect scope statement consists of crucial details such as project information, problem or opportunity statement, objective of the project, description of the project, benefits of the business after development of the system, deliverables of the project, most important timelines and funding or cost of the project. As per the figure shown for Petrie Electronics case in the question, I can see that the scope statement covers the:

1. overview of the new system
2. objective of the new system
3. Assumptions and
4. Deadlines or timelines for the employee to understand the project.

As per my opinion by looking at the information, I will not decide to move further into the project, but I would add my points such as I would like to have more information such as:

1. Project deliverables- clear description of the system. In the figure, I feel that project objective is mixed up with project deliverables.

2. Project funding - cost needed for the new system
3. Benefits of the business - there should be few lines to mention about the benefits so that any new employee will have clearer picture.
4. Excluded components which the team is not going to deliver- there should a separate area which helps the employee to understand what are the components they are not going to deliver to the client.

These are above few points which as an employee would like to see in a project scope statement to continue further. here are stakeholders and their responsibilities given, so it would be an added advantage for me to directly contact with the respective person in case of any doubt.

What changes, if any, need to be made to the document? Answer -4-37. The project scope document is a very important document which includes set of details and features required for the new system which is going to be built in next few months. As per the figure, I can see that this does not include all the relevant details and when it comes to me as a project manager, I will ask my team to add few sections.

1. I will advise my team to distinguish between project overview, project objectives and add a new section as project deliverables.
2. I will ask my team to add a section which covers the features which we are not going to give the customer.

3. As the PE is a very highly reputed company in the market and have lot of competitors in the market, it is always advisable to add business benefits section and risks involved while implementing the new system.

Identify a preliminary set of tangible and intangible costs you think would occur for this project and the system it describes. What intangible benefits do you anticipate for the system?

While developing any project, there are four major dimensions which a project management team should consider for going further. Out of these four, one is economic feasibility analysis of the upcoming project which is a Cost Benefit Analysis. This consists of two important types of benefits i. e. Tangible and intangible benefits. Tangible benefits can be measures easily whereas intangible are the hidden benefits. For this Petri Case, below are the tangible costs details for the project because tangible costs can be measure in dollars.

1. Purchasing of new Hardware's,
2. Purchasing of new software's or license
3. Hiring of new expert employees for development of the system and technical writer for user manuals
4. User trainings.
5. Operational costs for the system.
6. Cost involved in the construction of the new system,

## 7. Pre- Implementations, Implementations and post implementation costs.

Intangible costs are the ones which we cannot determine in terms of money or dollars. Those are hidden costs to the company and may result into big amount and sever loss if not consider at the start of the project

1. Company might lose customer's favor or loose reputation of the company if the system is not delivered as per the user or customer expectations.
2. Company might face operational consequences and become less operational after the product launch which again a big loss to the company.

In addition, there are few intangible benefits which every company assumes before implementing a new product such as:

1. Company sales may increase multiple fold because of more and more customers will come to Petri electronics to buy more stuff because of new loyalty programs and benefits.
  2. Company will gain popularity in market and share prices will go all time high because of its reputation
  3. Company existing employees feel a sense of security and proud because of company reputation
- what do you consider to be the risks of the project as you currently understand it?

Is this a low-, medium-, or high- risk project? Justify your answer. Assuming you were part of Jim's team, would you have any particular risks? Risk is something which is uncertain in nature, and can be positive or negative for the project or system. For a new system, it is very important to identify risks

because this is one of the main knowledge areas as per PMBOK guide. Risk can be related to project resources, prospective users, new technology, analysis, constraints, business rules, government rules, etc.

It should be handled properly by a project manager for a better and cost-efficient system. A High-risk project is the one in which risk is not defined clearly and project scope need to revisit again, where as in medium risk project, there is a need for change but project manager can continue with the document. In low risk projects, there will not be much impact on the new system. I feel that this is a high-risk project, because there are lot of things need to re-consider:

1. There is no budgeting mentioned in the scope document created by Jim. We need lot more detailed information of financing and expense related stuff.
2. Timelines should be divided into proper phases because giving a vague timeline of few months doesn't make much sense to other key stakeholders.
3. Clear objective and deliverables needs to revisit in the scope document.
4. Business benefits should be added
5. There is a need of separate paragraph which shows the components which the team is not going to provide in the new system.

As per above few criteria's, I consider this project as of now is a high-risk project if you were assigned to help Jim with this project, how would you

utilize the concept of incremental commitment in the design of the baseline project plan?

An incremental commitment is a concept in which a project is reviewed and reassessed continuously after every stage of the project so that there will be no ambiguity and no risk in the future project or system. This helps all the key stakeholders to be on the same page and features can be added or modified as per the system's need. The baseline project plan is a very important document which contains detailed information of the scope of the system or project, costs, benefits, risks etc. While doing the baseline project plan, I will assist Jim in all phases:

1. Determining project benefits
2. Determining project costs
3. Walkthrough reviews and meetings
4. Interviews

The strategy in which all the major activities are reviewed in continuation on successful completion of the previous phase is called incremental commitment. If you were assigned to Jim's team, for this project, when in the project schedule (in what phase or after which activities are completed) do you think you could develop an economic analysis of the proposed system? What economic feasibility factors do you think would be relevant?

Economic analysis of the proposed system is generally done after the project scope statement and is required for the baseline project plan. This analysis

will help the systems analyst to do a cost benefit analysis which helps him/her to identify the project benefit and project costs. I will do this activity before creating a baseline project plan i. e. BPP to do research on financial benefits of the proposed system. This is a very important phase in the development of proposed system because this will allow me to take a critical decision whether should I continue with the system or needs any modification or this is a bad idea.

There are three critical factors listed below are required to do for the economic feasibility study for the proposed system.

1. Project benefits - this will help me to determine the tangible benefits
2. Project cost- this helps me to determine the project cost and project hidden cost for example development of system, hardware and software purchasing, user training, site preparation and data or system conversion
3. It will help to determine time value of money which means to compare the current price of dollar with the future price of same amount of money.