



MAXIMUM FLOAT

Michigan Capital Area Chapter Newsletter

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Message from the President

By Amy J. Piper, Ph.D., PMP

Our January meeting started out the New Year with record attendance. We had 73 individuals attend! That's the good news! The bad news is, we had to turn some individuals away for dinner and request that they eat in the restaurant. I want to take this opportunity to explain our constraints and ask for your help.

Several days before each dinner meeting we are contractually required to turn into the Sheraton the number of required dinners. At that point we are obligated to pay for those dinners. Those individuals who pre-register by sending in a check to Mark Lawrence, the VP of Logistics, (by the deadline) compose the number turned into the Sheraton. After that, the Sheraton is only contractually obligated to provide three to five percent more meals than reserved. Since we only had 63 individuals registered for our last dinner meeting and 73 showed up, we required about eleven percent more meals than we had reserved. The result was not enough meals, table space and slow service, since the Sheraton could not accurately plan service for the number of people who arrived.

I know there are many reasons why pre-registration is difficult; however, at this point it is the only way we can ensure we will be ready for you when you arrive. If you must walk-in without advance registration, arriving by 6:00 for the networking session will give us a half an hour to notify the Sheraton about our additional meals.

Mark Lawrence has been investigating credit card processing; however, at this point it looks cost prohibitive. We sincerely want you to attend the meetings and have it be a

Continued, see "President" on page 2

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Your Voice to PMI

Herman Walter

PMI Assembly of Chapter Presidents

Director of Regional Advocacy for Region 4 and Past President of the Keystone Chapter (PA)

What an exciting time to be a member of the Project Management Institute (PMI®). We are experiencing tremendous growth: over 70,000 members and over 27,000 certified Project Management Professionals (PMP®). *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)* has been recognized as an American National Standard by the American National Standards Institute (ANSI) and the 2000 Edition has been released. And you may not be aware that the PMI Board of Directors passed new bylaws that have created an affiliated relationship between PMI and its components (Chapters, Specific Interest Groups, and Colleges). Your Chapter Board of Directors has been working to guarantee that the Michigan Capital Area Chapter has met the new requirements.

All Chapter Presidents belonged to the Council of Chapter Presidents, a grass-roots organization formed by Chapter Presidents who wanted to share best practices and have more influence in determining the direction of PMI. In 1999, the PMI Board of Directors officially recognized the importance of formally creating a linkage between the Board and the Chapter Presidents and chartered the Assembly of Chapter Presidents (ACP) with a leadership structure of six officers (President, President Elect, VP Administration, VP Opportunity Funding, VP Chapter Relations, and VP Regional Chapter Representation) and a budget. In order to improve communications among the ever-growing number of chapters, the ACP felt that it was important to develop a network of regional representatives that would work with the Chapter Presidents. This is especially true for Chapters outside of North America, where the most rapid growth was occurring. Thirteen regional representatives, known as Directors of Regional Advocacy (DRAs), were selected and report to the ACP VP Regional Chapter Representation.

I have been the Director of Regional Advocacy for Region 4 – the region that includes the Michigan Capital Area Chapter – since May 2000. In this role, I am responsible for addressing the needs and concerns of Chapters within my Region as well as consolidating regional issues and forwarding them to the ACP Board. I then provide the Chapter Presidents with updates on these issues as they become available. I provide Chapters with guidance regarding changes to PMI policies and when the Chapters are planning or promoting regional events. Another responsibility is to identify best practices and share them with the Chapters in Region 4 and with the other DRAs. Some of the best practices that have been identified and shared include:

- Methods that Chapters use to determining funding for Chapter Presidents to attend the semi-annual Leadership Meetings.
- Using electronic methods to make reservations and process credit cards for dinner meetings.
- Creation of relationships with local universities and corporations.

NOTE: When asked to provide input on best practices or other issues, the leadership of the Michigan Capital Area Chapter is always willing to assist. The Chapter has also asked for input and benefited from the responses that have been provided by the other Region 4 Chapters.

President's Message, continued

positive experience. Our chapter is still young and we can expect to experience growing pains. The Board is working to figure out other solutions to this problem, if you have suggestions for improvement, please feel free to contact me at amy.piper@eds.com.

On a positive note, the Chapter is looking for a Mentoring Coordinator and team members to assist the coordinator. There are tools and resources available to assist you in this position. The implementation of a mentoring program by chapter leaders is optional; however, our Board is interested in kicking off such a program. If you are a PMP, Professional Development Unit (PDU) points will be given to those who participate. If you are interested in getting more involved in the chapter, here is an opportunity to do so. If you have questions about this opportunity, please contact me at amy.piper@eds.com.



PM Eye on Cathy Pelham!

Cathy Pelham is an Information Technology Analyst with the Michigan Department of Management & Budget, Information Technology Services Division in Lansing. Cathy's primary line of business is managing IT projects. Typically Cathy works as a project leader for IT projects.

Cathy is looking forward to completing the PMP exam in the near future. Should she not pass (not likely) she has plans to start a web business called "failed trends", specializing in macramé potholders, black velvet Elvis paintings, etc.

Cathy is a charter member of our chapter. She enjoys networking and information gathering at the monthly dinner meetings, and the caliber of participants in our chapter.

Please introduce yourself to Cathy at a future dinner meeting, as he was the latest winner in the "free dinner" drawing!

PMI International Project of the Year Program

The Project Management Institute's International Professional Awards Program recognizes outstanding performance in the practice of project management and the selfless contributions of individuals to the project management profession and to the Institute.

PMI's most prestigious award, International Project of the Year, is awarded to a project passing a rigorous three-tier selection process whose team members have demonstrated superior performance in the application of project management principles and techniques.

If you are interested in getting more involved with PMI, please consider volunteering as the Project of the Year Coordinator for our chapter, or serving as a member of the Project of the Year Team. For more information on this program, visit the PMI web site at <http://www.pmi.org/awards/>.

To volunteer to be Project of the Year Coordinator or a member of the team, contact any of the MCAC Board members listed on the front page of Maximum Float.

MAX & MAXINE

BY LARRY SELVAGE & DAN BELCHER





Grey Matters

Random Thoughts on Project Management

by Daniel Belcher

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The Interview

To me a Resume ranks among your Social Security Card, Drivers License, and Birth Certificate as one of life's important documents. Yet I am always amazed at the number of mis-spelled words and poor grammar. Unless a "Constriction Engineering Assisant" actually does exist, you have an opening for a "Transition Engineer" (a.k.a. Transportation Engineer) or are looking for someone with "Expereance". There are also resumes that contain words like "impart" and "hireling" that I have to look up in the dictionary to verify their existence. Some people also have a gift for making up words like "fugilty" and "inventious" that can sound real but are not found in the English language, yet.

As an employer would these resumes quickly land in the circular file? After all, good communication and writing skills are work place necessities. With today's global society could this be considered discrimination? If I was to do a resume in Spanish would I make spelling and grammatical errors (I did have a high school Spanish class)? Of course! If I did not have access to a computer with a spell checker would you find numerous spelling mistakes in this article (keep in mind that I am a licensed engineer)? I will let you be the judge of that won.

Unfortunately for the reader, this reminds me of a story of what could have been my first interview.

My family had just moved to Massachusetts. I was 15 years old and dreaming of my own car. I had a three figure annual income which consisted of allowance and birthday money from relatives. It was time to find a job. I asked around and heard about an opening for Lighthouse work.

The house that we had rented was located on the beach of the Atlantic Ocean. I found myself enchanted by the mysterious water and spent many lonely hours roaming her shore. I soon grew to love the salty smell and the roar of the powerful waves that shook our house during winter storms. A job doing Lighthouse work would be cool, I thought to myself. I called the phone number that I had been given and set up an interview.

Once off the phone I had a strange feeling that something was wrong. I handed the phone to my mother and had her call to inquire about the job. My mothers hysterical laughter was my first clue that my instincts were correct. Once off the phone the fact that she did not stop laughing was my second. Strange as it seems the job was actually for lite housework. Needless to say I never made the interview. Judging from the looks of my bedroom I felt that I was not qualified for the position.

Tribal Wisdom

The tribal wisdom of the Dakota Indians, passed on from generation to generation, says that when you discover that you are riding a dead horse, the best strategy is to dismount.

In modern education and government, however, a whole range of far more advanced strategies are often employed, such as:

1. Buying a stronger whip.
2. Changing riders.
3. Threatening the horse with termination.
4. Appointing a committee to study the horse.
5. Arranging to visit other countries to see how others ride dead horses.
6. Lowering the standards so that dead horses can be included.
7. Re-classifying the dead horse as "living impaired".
8. Hiring outside contractors to ride the dead horse.
9. Harnessing several dead horses together to increase the speed.
10. Providing additional funding and/or training to increase the dead horse's performance.
11. Doing a productivity study to see if lighter riders would improve the dead horse's performance.
12. Declaring that as the dead horse does not have to be fed, it is less costly, carries lower overhead, and therefore contributes substantially more to the bottom line of the economy than do some other horses.
13. Re-writing the expected performance requirements for all horses.
14. Promoting the dead horse to a supervisory position.



February's Featured Speaker

Norm Buckwalter

Building a Program Management Office -- Definition, Responsibilities, and Implementation Tips Essential to Building a Program Office

Norm is a Senior Project Manager with the State of Michigan, Office of Project Management. He is currently assigned within the Office of Retirement Services (ORS) as the strategic program manager for the Vision ORS program, which is a 4 year Business Process Re-engineering and Information Technology program to significantly improve the ORS operation. Norm co-leads this engagement with Ray McIntosh, also from the Office of Project Management.

Norm has nearly 11 years of experience as a project/program manager within the information technology, manufacturing, and construction industries. During his recent tenure at EDS, Norm was responsible for a broad range of projects including infrastructure, manufacturing systems, Application Service Providing (ASP), and Web Hosting programs. Norm attained his Bachelors of Science from Michigan State University in 1991, and earned his professional certification from the Project Management Institute in 1998.

February Bonus Program

"Pop Quiz - A Short Test on what the PMP exam doesn't cover"

presented by Maureen Myers, PMP

Tips, Quips, and Quotes

Compiled by Liz Chaney

"My will shall shape my future. Whether I fail or succeed shall be no man's doing but my own."
--Elaine Maxwell

"Destiny is not a matter of chance, it is a matter of choice. It is not a thing to be waited for; it is a thing to be achieved."
--William Jennings Bryan

"I am the master of my fate; I am the captain of my soul." --William E. Henley

Be what you are. This is the first step toward becoming better than you are." --Julius Charles Hare

"You are all you will ever have for certain." --June Havoc

"Don't take anyone else's definition of success as your own. (This is easier said than done.)"
--Jacqueline Briskin

"Live in the past, but don't remember too much." --Roger Rosenblatt

"The follies a man regrets most in his life are those which he didn't commit when he had the opportunity."
--Helen Rowland

"When everything has to be right, something isn't." --Stanislaw Lec

"Nothing in business is so valuable as time." --John H. Patterson



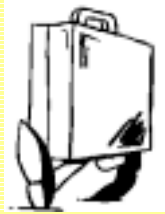
Closing the Loop

by Cathy Pelham and Laurie Gonzalez

In January, our dinner meeting featured speaker Mark Wesley of the Emergency Management Division of the Michigan State Police. In his presentation, Mr. Wesley demonstrated the similarities in terms of Risk Management between Project Management and Emergency Management. In Project Management, Risk Management includes the processes concerned with identifying, analyzing and responding to potential risk. It includes maximizing the results of positive events and minimizing the consequences of adverse events. Emergency Management includes all of this and also the probability of an event occurring and the factors that negatively affect it. Below are the major processes involved in each.

EMERGENCY MANAGEMENT	PROJECT MANAGEMENT
<p>1. INITIATE THE RISK ASSESSMENT</p> <ul style="list-style-type: none"> Define the problem and goals Perform a stakeholder analysis Put the problem in context. <p>This is part of the Risk Management process, as risk management <i>is</i> the project.</p>	<p>INITIATE</p> <p>Performed on a project basis.</p>
<p>2. PERFORM A RISK ASSESSMENT</p> <ul style="list-style-type: none"> Identify a comprehensive list of possible risk events. Use a Hazard Identification Risk Assessment (HIRA) to determine who/what is at risk and when and to consider multiple effects that could occur. 	<p>11.1 IDENTIFY THE RISKS</p> <ul style="list-style-type: none"> Identify a comprehensive list of possible risk events. Use checklists, flowcharts, and interviews to enumerate risk events.
<p>3. CONSIDER OPTIONS</p> <p>Use analysis tools to determine whether to respond to or accept identified risk events. Identify:</p> <ul style="list-style-type: none"> options probability effectiveness feasibility time costs and benefits unintended consequences social/political impacts <p>A database is used to access and analyze historical data.</p>	<p>11.2 QUANTIFY THE RISKS</p> <p>Assess the range of possible project outcomes to decide whether to avoid, mitigate, share, transfer or accept each potential risk event. Methods of analysis include:</p> <ul style="list-style-type: none"> expected monetary value statistical sums simulation decision trees expert judgement <p>After this phase, you should have identified:</p> <ul style="list-style-type: none"> which opportunities and threats merit a response which opportunities and threats may be accepted
<p>4. CONSTRUCT A DECISION TREE</p> <ul style="list-style-type: none"> Lay out all identified risks and outcomes Identify synergy of multiple risk events Determine which solutions to incorporate Prioritize risk avoidance over mitigation 	
<p>5. DEVELOP AN ACTION PLAN</p> <p>Finalize the action plan, including:</p> <ul style="list-style-type: none"> Stakeholder involvement Legislated or mandated constraints Management options Risk communication Methods of data analysis Timely, flexible, and cost constraint compliant responses <p>Stakeholders implement the action plan when a risk event occurs.</p>	<p>11.3 DEVELOP A RISK RESPONSE</p> <p>Finalize the Risk Management plan, including</p> <ul style="list-style-type: none"> Contingency planning Monetary reserves Contractual agreements Inclusion in the Communication plan <p>Project team members implement the Risk Management plan only when a risk event occurs</p>
<p>6. EVALUATE THE RISK PLAN</p> <p>Review results after an event to see if the plan was successful. Evaluate the plan in terms of:</p> <ul style="list-style-type: none"> planned cost/benefit parameters information gaps evaluation credibility lessons learned contingency planning <p>The Emergency Management process is iterative, with both post-event and annual plan reviews.</p>	<p>11.4 CONTROLLING THE RISK RESPONSE</p> <p>Review results after an event to see if the plan was successful. Evaluate the plan in terms of:</p> <ul style="list-style-type: none"> success of response to identified events additional required responses corrective actions and workarounds the review and approval process required plan adjustments <p>The Risk Management process is iterative, with additional quantification and response development as new risk events are encountered.</p>

Emergency Management uses the techniques of Risk Management in Project Management. The biggest difference between the two methodologies is that Risk Management *is* the EM project, whereas it is merely a **part of** the PM project.



BRIEF-CASE-STUDY



Please read the following Case Study and determine which of the five PMBOK Processes and nine Knowledge Areas apply. Would this person be a good Project Manager (when he grows up)? Be prepared to discuss this brief-case-study while networking with fellow PMI members at the February Dinner Meeting.

One day, a man walked into the produce section of his local supermarket and asked to buy half a head of lettuce. The boy working in that department told him that they only sold whole heads of lettuce. The man was insistent that the boy ask his manager about the matter. Walking into the back room, the boy said to his manager, "Some jerk out there wants to buy only half a head of lettuce." As he finished his sentence, he turned to find the man standing right behind him, so he added, "and this gentleman wants to buy the other half." The manager approved the deal and the man went on his way.

Later the manager found the boy and said "I was impressed with the way you got yourself out of that situation earlier. We like people who think on their feet here. Where are you from, son?" "Minnesota, sir," the boy replied. "Well, why did you leave Minnesota," the manager asked. The boy said, "Sir, there's nothing but 'domestic engineers' and 'hockey players' up there." "Really!" said the manager. "My wife is from Minnesota!" The boy quickly replied, "No kidding? What team did she play for?"

Submitted by Daniel Belcher

Can you match these Project Management Acronyms with their definitions?

Acronym	Match	Description
PMI		1. Universal improvement methodology, advanced by W. Edwards Deming and based on the work of Walter Shewart, designed to continually improve the processes by which an organization produces a product or delivers a service. (Plan, do, check, act)
ANSI		2. Computer system and related software with sophisticated graphics capability that are used to design machinery, buildings, local area networks, computer chips, and the like.
ACWP		3. Relationship in a precedence diagramming method network in which one activity must end before the successor activity can end.
CER		4. Mathematical relationship that defines cost as a function of one or more noncost parameters. (cost estimating relationship)
CAD		5. Total costs (direct and indirect) incurred in accomplishing work during a given time period. (actual cost of work performed)
PDCA		6. Voluntary organization that helps set standards. (American National Standards Institute)
FPI		7. Type of contract in which the buyer pays the contractor for the actual allowable cost incurred, not to exceed a ceiling price defined in the contract, and the contractor can earn more or less profit depending on its ability to meet defined performance or cost criteria.
FF		8. International, nonprofit professional association dedicated to advancing the discipline of project management and state-of-the-art project management practices.

Answers on page 8

Program Events Schedule

The Chapter Dinner Meetings are held on the third Tuesday of each month, September through May, excluding December. The Dinner Meetings are held at the Lansing Sheraton Hotel and Convention Center. Bonus Programs are held prior to dinner meetings from 5:15 to 6:00.

Costs: Dinner costs are \$25 for members and \$30 for non-members. Anyone who does not pay in advance will be charged an additional \$5 at the door. If you are not pre-registered, we may be unable to accommodate you due to restaurant limitations.

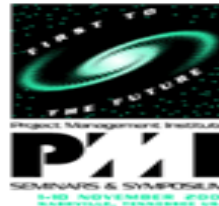
March 20, 2001 -- Mr. Dave Davis, AT&T, "Schmoozing and the Art of Project Management"
Bonus Program: "The Executing Process" – Case Study

April 17, 2001 -- Mr. John Tuman, CEO of Management Technologies Incorporated, "The Past, Present and Future of Project Management"
Bonus Program: "The Controlling Process" – Case Study

May 15, 2001 -- Award Program/Elections
Bonus Program: "The Closeout Process" – Case Study

Acronym Solutions, from page 7

1. PDCA, Plan-Do-Check-Act cycle
2. CAD, Computed Aided Design
3. FF, Finish to Finish
4. CER, Cost Estimating Relationship
5. ACWP, Actual Cost of Work Performed
6. ANSI, American National Standard Institute
7. FPI, Fixed Price Incentive Contract
8. PMI, Project Management Institute



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