



Meeting Notes

PMI Breakfast Round Table

Date: 18-Sep-2008

Time: 7:15 a.m. - 8:45a.m.

Location: Alice's Kitchen

Topic: How Project Management Is Surviving in the Current Economy

Agenda:

In this time of economic instability, how are your projects faring? Do you see any impact to your budgets, timelines, even the existence of the projects themselves? How are you coping? Please bring your ideas, strategies, book titles, web URLs and questions as we explore ways to leverage our project experiences and make it through these challenging times!

Notes:

- Contract employees have been let go
- Staffing has been adjusted; workload / priorities reassessed
 - Backfilling can be difficult
 - Companies doing outside contracts are doing more with less, more project control
 - Competing with clients' own resources
- Cuts to projects, esp. hardware for IT projects, are expected
- Management is looking for more from project management for less \$
 - Project control is a high priority, watching the resources carefully
 - Return on Investment for the project authorization has to be shorter
 - Projects for improving efficiencies are not necessarily dropped
 - Turn over to Operations is expected to be more efficient
- Bidding for outside contracts can be expensive, with travel costs, unknown risks, caps on expenses
- Travel rates are increasing, changing rapidly
 - When travel is built into rates charged to customer, contracts are tough to build
 - Morale can be down if travel restrictions are put into place, team building issues
 - Can be huge expense risk – have to increase management reserve
- Environmentally-friendly/"green" efforts are up
 - LEED – Leadership in Energy and Environmental Design – building rating system
 - Energy Star equipment
 - Alternative fuels
 - Energy-efficient engines
- Risk management is tighter
 - Better planning expected, not just "throw money at" a problem
- Office space practices changing
 - Working from home encouraged
 - Space-sharing at the office
 - Cubes instead of offices, smaller spaces
 - Greater dependence on electronic storage of data and telecommunications technology
 - Project managers need to be mobile and flexible!
- Government sector – different scene
 - "mad scramble" to comply with lots of new legislation / standards – business transformation
 - No lack of work in Washington!
 - If you don't spend the money for a project, you lose it and don't get as much the next budget year – an "incentive" to spend instead of save; projects are "sunk costs"
 - Budget cuts are a major risk, constant risk management
 - Impact of Wall Street crash could be immense on state-funded projects

- Multinational corporation sector – additional challenges
 - Billing / accounting practices differ among different countries/regions
 - Cultural differences, process differences encountered after mergers/acq.
 - Global outsourcing is being reversed; India outsourcing to US
 - Lots of construction in Shanghai
- What do you do if the budget is cut?
 - Do we reduce the effort or stop altogether?
 - If you slow down a project with a good ROI, will it cost you more to delay the return?
 - Tactical vs. strategic decisions – are you “throwing away” money?
 - Stock Market crash- how will this affect longer-term projects
 - Slow down and not react so quickly
 - Centralized project management (e.g., PMO) may be beneficial for visibility of effects as costs are cut

Tools/Resources Noted in Meeting:

- *PM Network* magazine supplement: Researching the Value of Project Management (study)
- M&T Bank *Observer* (internal newsletter) article: “Genuinely Green” Gains Steam!

Topic suggestions for future meetings:

- **Cultural changes vs. Business Transformation** (e.g., SOX, ISO20000)