Strategic Assessment

Project evaluation is a systematic method for collecting, analyzing, and using information to answer questions about projects, policies and programs, particularly about their effectiveness and efficiency.

- ✓ Project evaluation is a high level assessment of the project
  - ❖ to see whether it is worthwhile to proceed with the project
  - ❖ to see whether the project will fit in the strategic planning of the whole organization.

- Project evaluation is normally carried out in step 0 of stepwise
- Project evaluation is a step by step process of collecting, recording and organizing information about
  - o Project results
  - o short - term outputs (immediate results of activities or project deliverables)
  - o Long – term outputs (changes in behavior, practice or policy resulting from the result.

Why is project evaluation important?

Project evaluation is important for answering the following questions-

- what progress has been made?
- were the desired outcomes achieved? Why?
- whether the project can be refined to achieve better outcomes?
- do the project results justify the project inputs?

Project evaluation is used to

- ❖ Want to decide whether a project can proceed before it is too late
- ❖ Want to decide which of the several alternative projects has a better success rate, a higher turnover, a higher ...
- ❖ Is it desirable to carry out the development and operation of the software system?

Project evaluation is done by

- ❖ Senior management
- ❖ Project manager/coordinator
- ❖ Team Leader

Project evaluation

- ❖ Strategic assessment
- ❖ Technical assessment
- ❖ Economic assessment

STRATEGIC PLANNING

Strategic planning is defined as an organization's process of defining its strategy, or direction and making decisions on allocating its resources to pursue this strategy, including its capital and people

it deals with:

- what do we do?
- for whom do we do it?
- how do we excel?

STRATEGIC ASSESSMENT

Strategic assessment is the first criteria for project evaluation

– For evaluating and managing the projects, the individual projects should be seen as components of a programme. Hence need to do programme management.

Programme management:

- D.C. Ferns defined "a programme as a group of projects that are managed in a co- ordinated way to gain benefits that would not be possible were the projects to be managed independently".
- A programme in this context is a "collection of projects that all contribute to the same overall organization goals".
- Effective programme management requires that there is a well defined programme goal and that all the organization's projects are selected and tuned to contribure to this goal"

Evaluating of project is depends on:

- How it contributes to programme goal.
- It is viability [capability of developing or useful].
- Timing.
- Resourcing.

For successful strategic assessment, there should be a strategic plan which defines:

- Organization's objectives.
- Provides context for defining programme .
- Provides context for defining programme goals.
- Provide context for accessing individual project.

In large organization, programme management is taken care by programme director and programme executive, rather than, project manager, who will be responsible for the strategic assessment of project. Any potential software system will form part of the user organization's overall information system and must be evaluated within the context of existing information system and the organization's information strategy. If a well – defined information system does not exist, then the system development and the assessment of project proposals will be based on a more "piece meal approach". Piece meal approach is one in which each project being individually early in its life cycle.

Typical issues and questions to be considered during strategic assessment

- Issue – 1: objectives:
  - How will the proposed system contribute to the organization's stated objectives? How, for example, might it contribute to an increase in market share?
- Issue – 2: is plan
  How does the proposed system fit in to the IS plan? Which existing system (s) will it replace/interface with? How will it interact with systems proposed for the later development?
- Issue – 3: organization structure:
  - What effect will the new system have on the existing departmental and organization structure?
  - For example, a new sales order processing system overlap existing sales and stock control functions?
- Issue – 4: MIS:
  - What information will the system provide and at what levels in the organization? In what ways will it complement or enhance existing management information system?
- Issue – 5: personnel
  - In what way will the system proposed system affect manning levels and the existing employee skill base? What are the implications for the organization's overall policy on staff development?
- Issue – 6: image:
  - What, if any, will be the effect on customer's attitudes towards the organization? Will the adoption of, say, automated system conflict with the objectives of providing a friendly service?

Portfolio management

Project Portfolio management provides an overview of all the projects that an organization is undertaking or is considering. It prioritizes the allocation of resources to projects and decides which projects should be accepted and which existing ones should be dropped.

The concerns of Project Portfolio management include:

- Identifying which project proposals are worth implementation;
- Assessing the amount of risk of failure that a potential project has;
- Deciding how to share limited resources, including staff time and finance, between projects;
- Being aware of the dependencies between projects;
- Ensuring that projects do not duplicate benefits;
- Ensuring that necessary developments have been inadvertently been missed. The three key aspects of Project Portfolio management are:

1. Portfolio definition
2. Portfolio management
3. Portfolio optimization