## **Customer expectations**

The Project Product



Project Management



- 1. The lecture is divided into **three blocks**, where each block introduces an issue (1. What is a project and project management, Who is project manager and their role 2. Project management evolution 3. The main elements of a project, types of projects)
- 2. After each block there is a quiz for feedback on whether you have understood everything.
- 3. We use **MS Teams**, a shared whiteboard for your engagement and reactions. Also we are working with MS Project.
- 4. The class is supplemented with **quizzes in vevox**, the link is always in the presentation.



## **1. PART** (20 min.)

- Understanding Values and Expectations
- Value Added Canvas (understanding the customer needs)

## 2. PART (20 min.)

- Acceptance criteria
- **3. PART** (40 min.)
- Quality tolerances

On the end of this lecture you should be able to understand and explain:

- What are value and expectations.
- Why is important to understand clients expectations.
- What are acceptance criteria and their key functions.
- What are the tolerances in project management and the types of tolerances.



You can find support in the following sources:





### PART 1

# **Understanding Values and Expectations**



- Values are desirable principles or qualities\*.
- Organizations often have developed a list of corporate values.
- The project manager needs to understand the real organizational and personal values related to the project.

Example: safety is an important consideration in the planning and execution of a project. Every construction company will assert a strong safety value. The value is tested when safety rules are developed.



• Developing a mutual understanding of the personal and organizational values and dealing with differences during the early phases of the project will significantly reduce the potential for insolvable conflicts.

### Example:

Large project in Washington had a client that valued communications. The client's team had the newest phone technology and took calls during project meetings.

The project team saw this behavior as rude and interfering with the effectiveness of the project.

The client saw constant communication as a value that helped the organization identify and respond to opportunities and provided the organization with a competitive advantage.

The same behavior was preventing the project team from developing a common understanding and agreeing on a project plan because they could not focus on the needs of the project long enough.

The project manager and the client recognized the potential conflict for the project and developed a list of project meetings that would be "phone-less," which meant that the team members would turn phones off for that meeting. Other meetings would follow the cultural standards of the client.



- Expectations are what you believe or hope will happen in the future\*.
- Client expectations are expressed in chartering documents of the project such as the <u>scope of work</u>, the <u>project purpose statement</u>, and <u>the list of project</u> <u>deliverables</u>.
- Some expectations are more difficult to express in written documents and asking additional questions to reveal hidden expectations is important step to understand and capture these expectations to effectively meet the client's expectations.



## Example:

the client may express that they want project billings to be accurate and timely. the project manager asked the next question to have better understanding —"Can you tell me more about what you mean?"—the client revealed the problems on her previous project with billing processes, and the project team developed a better understanding of the client's concern.

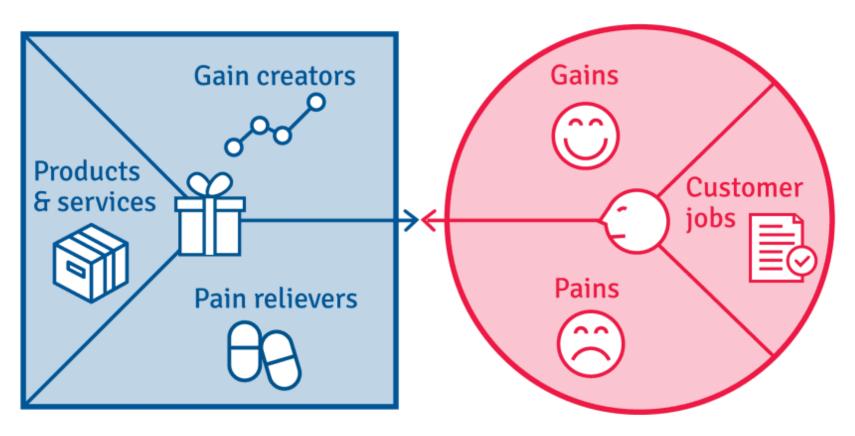
## Solution:

The project team developed measures for tracking project billings that measured both timeliness and accuracy. This process enabled them to understand the client's concern, develop work processes that demonstrated a response, and provide data to the client on the timeliness and the accuracy of the billing processes.



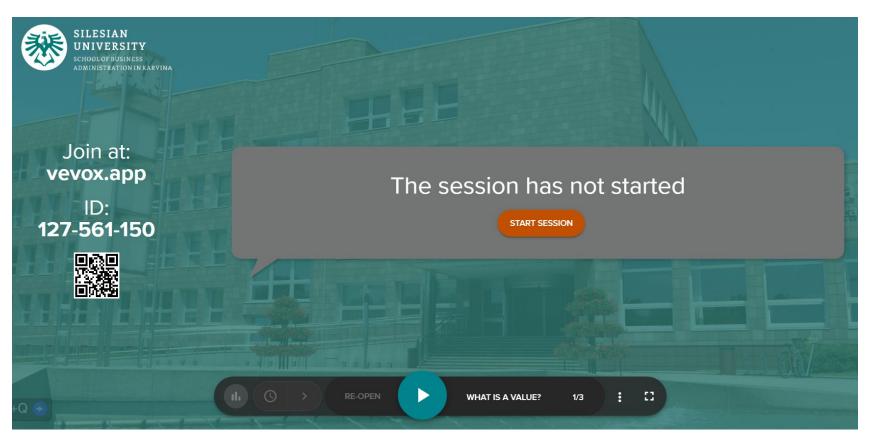
## Value Proposition

## **Customer Profile**





# Vevox questions



#### PART 2

#### Acceptance criteria

Definitions:

- Acceptance criteria are a set of conditions that is required to be met before deliverables are accepted.
- Norms set by the concerned team or person of the project.
- They consist of all the details about targets that every team has to meet in a given time and under what circumstances the client will accept the project.
- If designed and implemented well, the acceptance criteria become the backbone of any project.





- The are used during measuring, examining, and validating to determine whether work and deliverables meet requirements and product acceptance criteria.
- Deliverables that meet the acceptance criteria are formally signed off and approved by the customer or sponsor.
- The acceptance criteria are also included in quality checklists and during performing quality control throughout the project.



- They are presented in the Project Scope Statement
- How the acceptance criteria are defined may significantly increase or decrease quality costs and, therefore, project costs.
- Satisfying all acceptance criteria implies the needs of the stakeholders have been met.
- Types of Acceptance Criteria:
- 1. Scenario Oriented
- 2. Rule Oriented
- 3. Custom Formats



Key Functions of Acceptance Criteria:

- 1. Detailed Information
- It provides detailed information about what to do and the right way to do it to everyone working in the team.
- 2. Streamlining Tasks
- It helps assign the tasks, creating a flow of what happens after each step until the project completion.

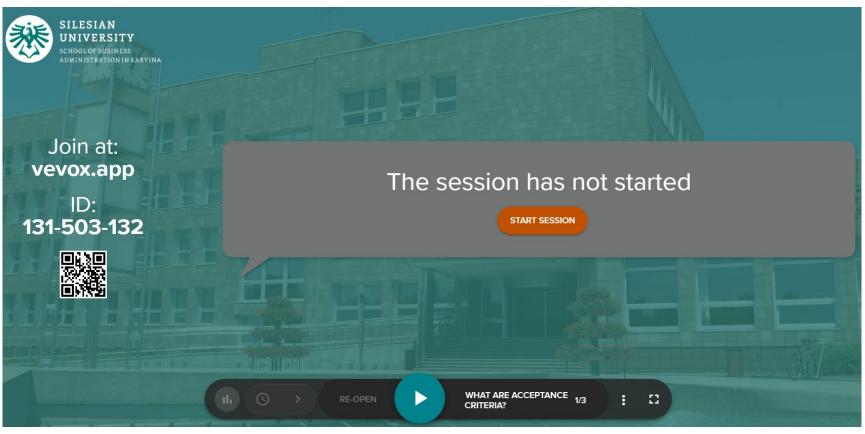


Key Functions of Acceptance Criteria:

- 3. Better Communication
- It makes communication smooth and seamless for the teams, avoiding unnecessary conflicts.
- 4. Task Evaluations
- It helps evaluate the project completion and its quality at the end before the final handover.



## Vevox questions



#### PART

### **Quality tolerances**

What is tolerance in project management? Definition of tolerance:

- the amount by which a measurement or calculation might change and still be acceptable \*
- Tolerances in project management:
- how much flexible the project manager can be within the project without having to go back for approval.
- a project tolerance provides a boundary for the area of the project in which project manager can make changes without having to ask sponsor's approval.





- Tolerances can be set for the project, for a stage and also at work package level.
- They usually concern the time and budget of the project.
- Time tolerances are agreed with the project sponsor and initially they can be set as +/-10% of the already-agreed timescales.
- The budget tolerances might be set within lower range than the time tolerances.



### Positive

- the amount by which you can go over
- the most common tolerances.
- is expressed as a positive percentage. It reflects how much more time/money/etc you can incur without having to ask permission to do so.

### <u>Negative</u>

- The less common
- They mean you finished the project in shorter time or for less money
- Coming in under budget means the project has tied up company funds unnecessarily for a length of time, which is more negative than positive.
- Once there is drop below the project tolerance levels it would be a good time to re-forecast the project budget and free up any spare cash that won't be used.

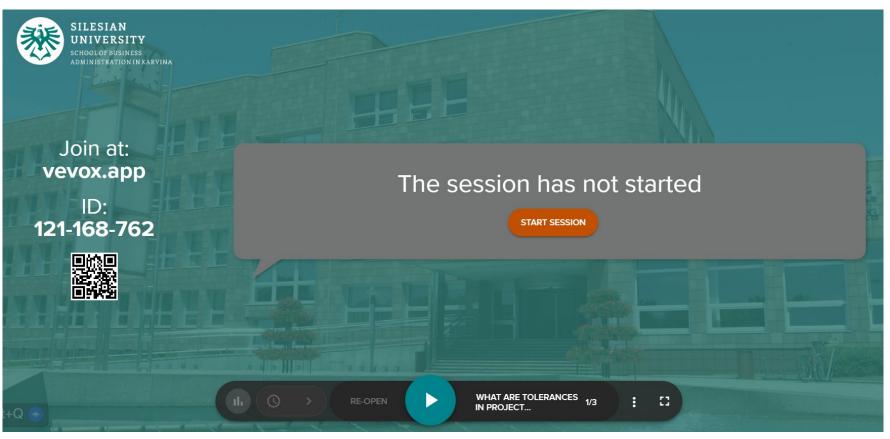


Tolerance area	Description
Time	+/- time of planned completion
Cost	+/- amount of planned budget
Scope	Permitted scope variations
Risk	Permitted aggregate threat value/individual threat value
Quality	Permitted quality variations within a range
Benefits	Permitted benefit variations within a range

Types of Tolerance in <u>PRINCE2</u>



## Vevox questions





- <u>https://www.knowledgehut.com/blog/project-management/project-management-acceptance-criteria</u>
- Darnall, R. W. and Preston, J. M. (2012) Beginning Project Management.
- <u>https://rebelsguidetopm.com/inside-prince2-</u> tolerances/#:~:text=A%20time%20tolerance%20is%20the,without%20it%20having%20a n%20impact.