Project Management Fact Sheet:

Project Sizing

Version: 1.3, November 2008

Department of Premier and Cabinet

Tasmania
Explore the possibilities

One of the major problems facing any project is the extent to which the key elements of the project management methodology should be prepared, and the level of detail in any of those elements.

If you are looking for guidance, this Fact Sheet provides issues to consider when deciding on the extent to which you are going to use the methodology. The approach is not prescriptive.

After taking all factors into account, a rational decision has to be made on how to manage the project in the most suitable way. However, if your project is cross-Agency, whole-of-government or involves more than one tier of Government, the application of project management methodology to its fullest extent should seriously be considered.

When would you determine the Project Size?

The Project Sponsor or Project Officer preparing the *Project Proposal/Brief* and/or the *Project Business Case* makes an initial determination of the project size. Once a project has been approved and funded and a Project Manager appointed, the size of the project should be formally determined.

Who should determine the Project Size?

One of the first tasks for a Project Manager is to determine the size of the project in consultation with the Project Sponsor.

How to determine the Project Size?

There are many factors that could be taken into account such as level or degree of risk, technology requirements, number of key stakeholders and the skill level of the project team. The following criteria have been developed to assist in determining the size of projects undertaken within the Tasmanian Government. During the process, consideration should also be given to the above factors and how they impact on your project. The result may be that your project does not neatly fit any of the categories below.

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	Small	**Medium**	**Large**
Size of Project Team (FTEs)	1 – 2	2 – 5	5+
Elapsed Time	< 6 months	6 – 12 months	>12 months
Timeframe	Schedule is flexible	Schedule can undergo minor variations but deadlines are firm	Deadline is fixed and cannot be changed, schedule has no room for flexibility
Complexity	Easily understood problem, solution and the solution is readily achievable	Either difficult to understand problem, solution unclear or solution difficult to achieve	Both problem and solution difficult to define or understand, and solution difficult to achieve
Strategic Importance	Internal interest only	Some direct business impact and/or relates to a low priority initiative in the Agency's Strategic Plan	Affects core Agency service delivery and/or directly relates to key initiatives in the Agency's Strategic Plan
Political Importance	No political implications to either proceeding or not proceeding	Some political implications	Major political implications
Total Cost	< $25K	$25K - $250K	$250K+
Level of Change	Impacts a single business unit	Impacts a number of business units	Impacts on whole of Agency, more than one Agency, whole of Government or more than one tier of Government
Dependencies and Inter-related Projects	No major dependencies or inter-related projects	Some major dependencies or inter-related projects but considered low-risk	Major high-risk dependencies or inter-related projects

Table 1: Project Sizing

Using the table will result in a number of stars (or none) under large, medium and/or small columns.

A **Large Project** is where there is:

- a star indicating that the project impacts on the whole Agency, more than one Agency, whole-of-government, or more than one tier of Government

- two or more categories with stars in the Large column

A **Medium Project** is where there is:

- four or more categories with stars in the Medium column

- one category with a star in the Large column and three or more categories with stars in the Medium column

A **Small Project** covers the remaining combinations.

After the initial size of the project is assessed, make appropriate allowances for other (qualitative) factors and adjust the size of the project accordingly. Document all assumptions made during this decision.

How much Project Management discipline should be applied?

After the initial size of the project is decided, the amount of project management activity and documentation required can be determined. Having determined the requirements based on the classification below, agency specific considerations should be taken into account.

Key Elements

Table 2 outlines the *Key Elements* that need to be considered in a project, no matter what the size or complexity. The extent to which these activities should be undertaken is either Brief or Detailed. For the purposes of the project sizing model, this is referred to as scaling.

- **Detailed** scaling - implies a rigid, formal approach be followed

- **Brief** scaling - covers all other cases

Key Element	Small	Medium	Large
Planning & Scoping	Brief	Detailed	Detailed
Governance	Brief	Detailed	Detailed
Organisational Change Management	Brief	Brief	Detailed
Stakeholder Management	Brief	Brief	Detailed
Risk Management	Brief	Detailed	Detailed
Issues Management	Brief	Brief	Detailed
Resource Management	Brief	Detailed	Detailed
Quality Management	Brief	Detailed	Detailed
Status Reporting	Brief	Detailed	Detailed
Evaluation	Brief	Brief	Detailed
Closure	Brief	Brief	Detailed

Table 2: Approach to Key Elements for different sized projects

Major Project Management Plans

For the development of the major project management plans, there are two factors to be considered - whether the plan needs to be developed (Requirement) and what level of detail should be in the plan (Scale).

Requirement is Optional or Mandatory.

Where the requirement is optional, it is recommended that work be done that covers this area, but it does not necessarily result in a formal plan.

Again, **Scale** is either Brief or Detailed.

Detailed implies a rigid, formal approach be followed. Brief covers all other cases.

	Small	Medium	Large
Project Proposal	Mandatory/Brief	Mandatory/Detailed	Mandatory/Detailed
Project Business Case	Optional/Brief	Mandatory/Detailed	Mandatory/Detailed
Project Business Plan	Optional/Brief	Mandatory/Detailed	Mandatory/Detailed
Project Execution Plan	Optional/Brief	Optional/Brief	Mandatory/Detailed
Outcome Realisation Plan	Mandatory/Brief	Mandatory/Brief	Mandatory/Detailed
Closure	Mandatory/Brief	Mandatory/Brief	Mandatory/Detailed

Table 3: Approach to Major Project Management Plans for different sized projects

Who should approve the Project Size?

As the size of the project will determine the level of detail and discipline of project management activity to be applied, it is important that the project size is approved. For a small project, the Project Sponsor should approve the level of application of the project management methodology. For a medium sized project, the Steering Committee should approve the level of application of the project management methodology. And for a large project, the proposed project sizing and level of application of the project management methodology should be approved by the Steering Committee, the Head of Agency, Cabinet or the Inter Agency Steering Committee.

What is produced by this process?

The result of the process should be a clearly defined and accepted agreement as to how the project will be managed and the level of detail and discipline that will be employed.

Examples:

1. A project is to be set up to design, develop and market a web page for the Agency's Annual Report. The Project Manager has had many years of experience in the Agency, and has been allocated one part-time staff member. The envisaged web page is a replication of a web page used for the previous years Annual Report, and only one web based designer is required. The project is due for completion in two months. The budget for the project is based on 2.5FTEs for two months. A mapping of the project to *Table 1* could result in:

	Small	Medium	Large
Size of Project Team (FTEs)	*		
Elapsed Time	*		
Timeframe	*		
Complexity		*	
Strategic Importance		*	
Political Importance	*		
Total Cost	*		
Level of Change	*		
Dependencies and Inter-related Projects	*		

On this mapping, the project should be considered a small project because there are less than four (4) stars in the Medium column.

2. A new business process is required to draft Tasmanian legislation. The resulting process should provide the opportunity for the public to view a piece of legislation as it would appear on any given date. At this early stage, this innovative approach to consolidating legislation has not been achieved in any of the other states. The current authorised version of the legislation is in hard copy form, and will need to be converted and loaded into any new system that is developed. A mapping of the project to *Table 1* could result in:

	Small	Medium	Large
Size of Project Team (FTEs)		*	
Elapsed Time		*	
Timeframe		*	
Complexity			*
Strategic Importance			*
Political Importance		*	
Total Cost		*	
Level of Change	*		
Dependencies and Inter-related Projects	*		

On this mapping, the project should be considered a large project because there are two (2) stars in the Large column.

3. A project is set up to develop and implement new legislation for the control of pet rabbits. The legislation must be implemented before the final parliamentary sitting for the year to ensure alignment with all other states. A penalty will be imposed by the Commonwealth if the legislation has not been passed and enacted by the specified date. A mapping of the project to *Table 1* could result in:

	Small	Medium	Large
Size of Project Team (FTEs)		*	
Elapsed Time		*	
Timeframe			*
Complexity	*		
Strategic Importance	*		
Political Importance		*	
Total Cost	*		
Level of Change	*		
Dependencies and Inter-related Projects		*	

On this mapping, the project should be considered a Medium project because there is only one (1) star in the Large column and four (4) stars in the Medium column.

4. An unexpected series of events resulted in the destruction of all electronic enrolment records for the Electoral Office. A team of 50 staff is recruited to perform the date entry of the lost information from historical paper records. The work is expected to take 5 months. A mapping of the project to *Table 1* could result in:

	Small	Medium	Large
Size of Project Team (FTEs)			*
Elapsed Time		*	
Timeframe	*		
Complexity	*		
Strategic Importance	*		
Political Importance		*	
Total Cost	*		
Level of Change	*		
Dependencies and Inter-related Projects	*		

Although this project would be considered a small one using the sizing table, the numbers of staff involved indicate that this is a project that should be treated as a large project (many project issues are related to people issues).

This is an example of a situation where specific project requirements need to be taken into account to override the initial assessment using the sizing table.

Where to get additional help

- In addition, a web-based interactive Project Sizing Calculator has been developed as a tool to assist you in assessing the size of a project.

- Refer to the *Tasmanian Government Project Management Guidelines.*

- Further information and resources are available from www.egovernment.tas.gov.au

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