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MODULE I

Project Management Seminar

Module I — How Projects Are Born in Organizations

From strategy to approved budget: what a project is and is not, how an idea takes shape, and what a business case needs to clear the committee.

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Agenda

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01 Strategy and its rollout into portfolios, programs, and projects

02 Process, initiative, and project: three things managed differently

03 From idea to budget: the five stations

04 The business case: structure and financial analysis

05 Case study: applying payment agreements in collections

The module question

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WITH AI Ask it to act as the committee and give five reasons it would reject your idea.

Why do so many good ideas die before reaching the committee?

COMPLIANCE

Finish on time, on budget, and within the agreed scope.

SUCCESS

Deliver the value that justified the investment and that the strategy requires.

Core idea of the module: a project not tied to strategy is an expense with a schedule. The business case is the bridge between the two.

01 Strategy, portfolios, and programs

Each level exists to enable the one above it.

1. From strategy to project

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WITH AI Paste in the published strategy and your project: have it show which objective it serves, or not.

STRATEGY
The organization's medium- and long-term direction.

PORTFOLIOS
Projects and programs managed as a group to meet business objectives.

PROGRAMS
Related projects managed in a coordinated way to obtain benefits not available separately.

PROJECTS
Temporary endeavors that advance strategic objectives and KPIs.

When someone asks what a project is for, the answer must climb this ladder all the way to strategy.

Source: PMBOK® Guide, 6th ed. (2017); The Standard for Portfolio Management (PMI).

1. A public example: SpaceX

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WITH AI Use it to build this same cascade from your company's or a competitor's public strategy.

Level	At SpaceX
Strategy	Make humanity a multiplanetary species
Portfolio	Financial sustainability to fund the road to Mars
Programs	Starlink · commercial crewed flights
Projects	Individual launches · low-cost Rideshare missions

Starlink does not exist because satellite internet is attractive: it exists because it funds the rockets. Each program serves an objective one level up.

Source: SpaceX public information (spacex.com). Author's illustrative reading.

1. Why align with strategy

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WITH AI Ask it to restate your project's value in the language of leadership's objectives.

Better prioritization	A defensible budget	Measurable value
The committee compares projects by contribution to objectives, not by who presents them.	Expected value is written in the language of leadership.	The success metric is benefit captured, not just the delivery date.

Finishing on time and on budget is compliance. Success is delivering the value that was promised.

02

Process, initiative, and project

Three concepts confused every day and managed in different ways.

2. Three concepts, three ways to manage

WITH AI Give it your to-do list and have it sort items into processes, initiatives, and projects.

Process	Initiative	Project
Linked tasks that transform inputs into outputs. It is cyclical, repeats, and never ends.	An idea under evaluation. No budget or approval yet.	A temporary endeavor to create or modify a unique product, service, or result. It has a start, an end, scope, and deliverables, and sits outside normal operations.

The costliest mistake: managing daily operations as if they were a project, or a loose idea as if it already were one.

Source: PMBOK® Guide, 6th ed. (2017).

2. Exercise: process, initiative, or project?

WITH AI Ask it to justify each classification: the argument matters more than the label.

Washing the dishes	Approving and sending cards to customers	Wanting to buy a TV
PROCESS	**PROCESS**	**INITIATIVE**
Remodeling the house	A family trip to Disney	Implementing customer service software
PROJECT	**PROJECT**	**PROJECT**

The TV is the best example: while it is a wish with no decision or budget, it is an initiative. Once model, budget, and date are set, it becomes a project.

2. The five process groups

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WITH AI Ask it for the typical deliverables of each group for a project like yours.



This module covers what happens before initiation: how a need becomes an approved project. Modules II and III cover the five groups; Module IV shows how they repeat inside each Sprint.

Source: PMBOK® Guide, 6th ed. (2017).

03 From idea to budget

Five stations between a problem and an approved project.

3. The five stations

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WITH AI Give it your raw notes: have it say which station your idea is at and what it needs to move on.



GESTATION

A problem, an opportunity, or a change forced by the environment gives rise to an idea.

FORMALIZATION

The business case justifies the investment and the committee approves it.

Most ideas are lost between stations 3 and 4: when enthusiasm has to be put into numbers.

3. Stations 1 and 2: the problem and the solution

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WITH AI Describe the ideal process and ask it for three solution alternatives to compare.

Problem identification	Proposed solution
The first signal is usually practical: something became a burden, slows work, or is repetitive and manual. Describe the pain and its impact on the organization with data: time, money, risk, customers.	One problem yields several solutions, and the answer often lies within the problem itself. Useful exercise: describe how the ideal process would work and trace back from there to the current state.

Arriving with a single option signals that no others were explored.

3. Station 3: feasibility assessment

WITH AI Ask it for the questions each expert would ask: technical, financial, legal. The experts answer them.

Technical
Can it be built with the available technology and capabilities?

Financial
Do the benefits justify the investment and operating cost?

Legal and regulatory
Does it meet applicable regulations? What approvals are needed?

Market
Does the customer or user need it, and will they use it?

Operational
Can the organization run and sustain it after delivery?

Environmental and social
What impacts does it create, and how are they managed?

This is where experts from each area are consulted. It is the station that separates viable ideas from enthusiasm.

3. Station 5: approval

WITH AI Rehearse: have it act as the committee and ask you the five toughest questions.

- **Who decides:** a committee allocates budget by strategic priority, benefits, and impact.
- **When to identify it:** before writing the case, because the case is written for that audience.
- **What it looks at:** strategic alignment, return, risks, and delivery capacity.
- **How to prepare:** review cases approved and rejected by that same committee.

IN BANKING

Approval commonly goes through risk and investment committees before budget is allocated.

04 The business case

The document where the budget is won or lost.

4. The seven parts of a business case

WITH AI Give it your notes and have it sort them into the seven parts, flagging gaps and who could fill them.

01
Executive summary
The whole story in two minutes. Written last.

02
Problem definition
Cause and impact, in figures.

03
Proposed solution
Options evaluated and recommendation.

04
Benefits realization
Concrete, measurable metrics.

05
Financial analysis
CAPEX, OPEX, and six-year indicators.

06
Execution plan
Phases, milestones, dependencies, and risks.

07
Recommendations
Assumptions validated with in-house experts.

None is decorative: if one is missing, the committee notices.

4. Executive summary, problem, and solution

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WITH AI You can delegate the executive summary: it summarizes a case you already wrote.

Executive summary	Problem definition	Proposed solution
It goes first and is written last. Problem, solution, benefits, cost, return, and risks on one page. Test: if someone reads it in two minutes and gets the proposal, it is well written.	What causes the pain point. Impact on the organization: time, cost, risk, customers. In numbers, not adjectives.	How it tackles the problem and what it takes to implement. What evidence shows it works. What other options were evaluated and why this one is recommended.

4. Financial analysis: CAPEX and OPEX

WITH AI Have it build the six-year template and check formulas. Figures come from finance, never from AI.

	What it is	Examples
CAPEX	One-time investment in assets	Infrastructure, systems, equipment, development
OPEX	Recurring spend to keep it running	Licenses, support, operations staff

PROJECTION STRUCTURE · SIX YEARS

Year 0	Year 1	Year 2	Year 3	Year 4	Year 5
Investment (CAPEX)	Benefits – OPEX	Benefits – OPEX	Benefits – OPEX	Benefits – OPEX	Benefits – OPEX

Involve finance from the start: a case with poorly built numbers is not sent back for correction; it is rejected.

4. The four indicators the committee looks at

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WITH AI Ask it to check your ROI, IRR, NPV, and payback calculations and explain each in one sentence.

ROI	IRR	NPV	Payback
Return on investment	**Internal rate of return**	**Net present value**	**Payback period**
How much does each dollar invested return?	What rate of return does the project generate?	What is tomorrow's money worth today?	How long until the investment is recovered?

All four are calculated on the same projection. If the projection is weak, so are all four.

4. Execution plan and recommendations

WITH AI Ask it for a first draft of phases and milestones to critique, not to approve.

Execution plan

- Phases and milestones
- Pilot, go-live, and stabilization
- Deliverables and estimated dates
- Dependencies and risks
- How results will be measured

Practitioner recommendations

- Validate assumptions with in-house experts; never invent them.
- Review good and bad cases that went through that committee.
- Understand how the organization prioritizes.
- Ask someone to critique the draft before presenting it.

05

Case study: collections

A manual process, a regulatory penalty, and a business case to build.

5. The situation

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WITH AI Have it map the current flow step by step and mark where each case can be lost.

Agent negotiates with customer → **Agreement recorded by hand** → **Transcribed into Excel** → **Emailed to operations** → **Manual upload to core banking**

IMPACTS

Lost cases
Every manual handoff is a chance for error or omission.

Misreported customers
Customers who had paid were reported to credit bureaus.

Regulatory penalty
The regulator imposed a $300 million fine.

Proposed solution: an interface between the collections system and core banking, with work queues and maker/checker control.

Source: Case based on a real experience, with reference data for the exercise.

5. The investment

WITH AI Have it check that the table adds up and separate measurable from non-measurable benefits.

Component	Hours	Rate	Cost
Collections system development	127	$45,000	$5,715,000
Core banking development	300	$90,000	$27,000,000
Total investment			$32,715,000

11%
of a single $300 million fine

QUALITATIVE BENEFITS OF THE PROPOSED PROCESS

- Eliminates entering the same data in several systems and manual account uploads.
- Replaces email with work queues under maker/checker control and opens reporting to all areas.

Source: Reference rates for the exercise.

5. Module challenge

WITH AI Build your arguments and ask it for the strongest counterargument to each.

Prepare the business case arguments for the committee:

1. **The problem, in figures**
2. **The solution and the options evaluated**
3. **Benefits, quantified and recurring**
4. **The investment and the indicators**

Note: the fine already imposed is a sunk cost. The strong argument is the penalty that has not yet happened, plus the time freed up and the customers no longer misreported.

Key takeaways

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WITH AI Use it to organize and review; the figures, assumptions, and decision are yours.

Strategy is the north star

Projects are the vehicles. If they do not ladder up to a strategic objective, they are an expense with a schedule.

Not everything is a project

Routine work is process; what is under evaluation is initiative; a project is temporary, unique, and outside operations.

The business case decides

Problem in figures, options, quantified benefits, CAPEX and OPEX separated, and four indicators.

Projects protect

Fixing operational failures avoids penalties and protects the brand, while also saving time.

Sources

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- A Guide to the Project Management Body of Knowledge (PMBOK® Guide), 6th edition. Project Management Institute (2017)
- The Standard for Portfolio Management and The Standard for Program Management. Project Management Institute
- SpaceX public information: spacex.com and starlink.com
- The collections case is based on a real experience; rates and hours are reference values for the exercise, and the entity's internal data was omitted.



THANK YOU

The full seminar, with videos, articles, and presentations:

wisedataco.com/en/seminario-proyectos/

YouTube: @wisedataco

Next: Module II – Project Life Cycle, Part I

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