



Prisma Consulting Oy

Nearshoring and agile

Project management and ownership view



Prisma Consulting

Successful project delivery



Jarmo Kinnula and Prisma Consulting



- Jarmo Kinnula is the founder, owner and managing director of Prisma Consulting.
- Jarmo Kinnula has experience from more than 50 mid-size or large programs and projects, mainly in the area of Online-business in large (Internet, intranet, extranet, E-business, Web 2.0; front-end and back-end side and mobile services). Customers: StoraEnso, Fortum, Neste Oil, UPM, Onninen, Uponor, Itella, Wärtsilä, KONE, Metsäteollisuus,



- Prisma Consulting is independent company specialized on project and program management and consulting of ICT, ECM and Online communication services.
- We support our clients in establishing and managing effective, high quality of service and profitable ICT and Online communication services
- We ensure that our customer's project are delivered on timeline, within budget and deliverables.
- Our customers are large corporations, SMB-sized companies and associations in Nordic Countries and Europe in all business areas.
- Our employees are experienced, highly trained senior project managers and use typically industry tailored methods like PMI and IMPA, ITIL, Prince2, best practices and customers own methods in our work.
- We have delivered over 75 projects successfully

Definition about Nearshoring and Agile

- **Nearshoring**

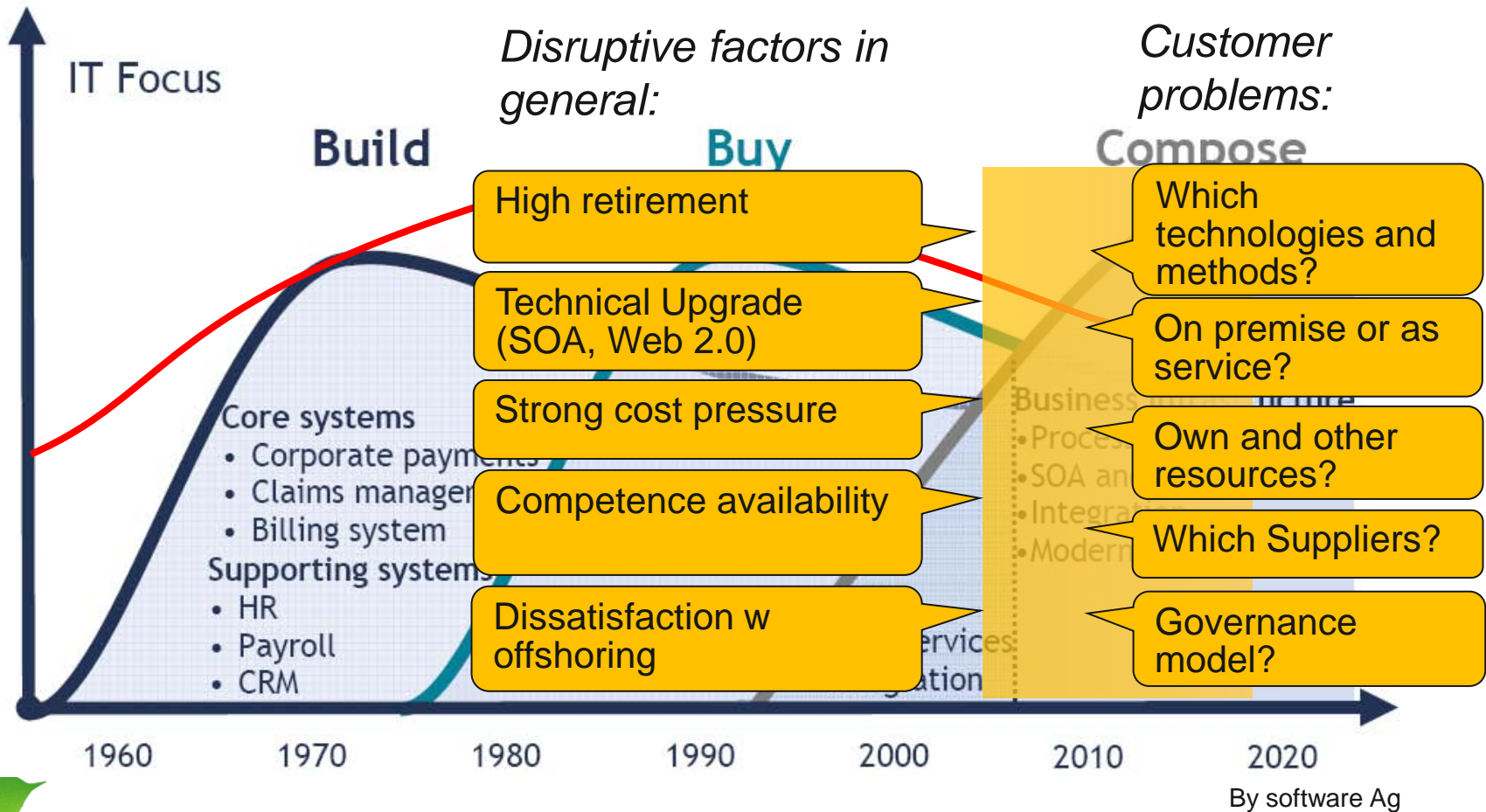
Nearshoring means sourcing activities to a lower-wage country that is relatively close in distance. Eastern European destinations offer low-cost, skilled labor forces, an attractive regulatory environment with a close proximity and cultural ties to Western Europe.

- **Agile**

Agile Project Management is a variant of iterative life cycle^[1] where deliverables are submitted in stages. Agile software development follows the standards defined in the Agile Manifesto in collaboration and documentation. Several software methods derive from Agile, including Scrum and Extreme Programming.



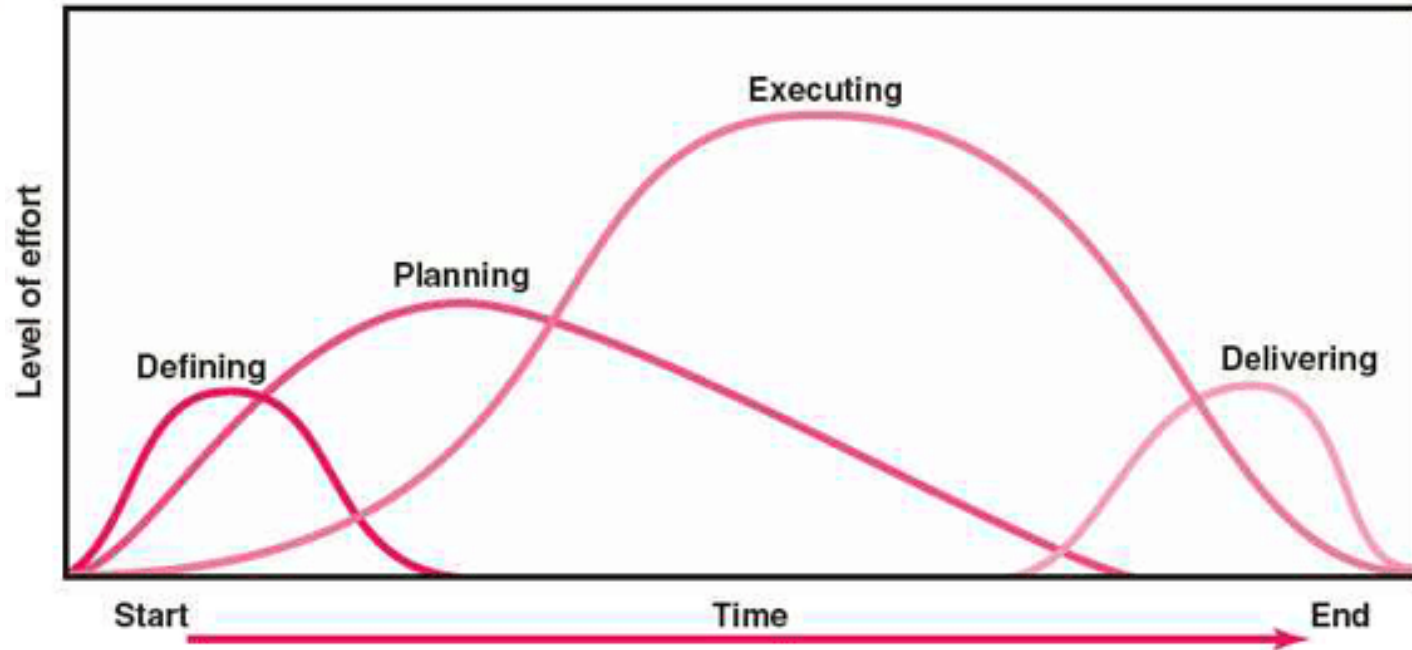
ICT trend in Nordics



10.11.2009



Project lifecycle



Defining

1. Goals
2. Specifications
3. Tasks
4. Responsibilities

Planning

1. Schedules
2. Budgets
3. Resources
4. Risks
5. Staffing

Executing

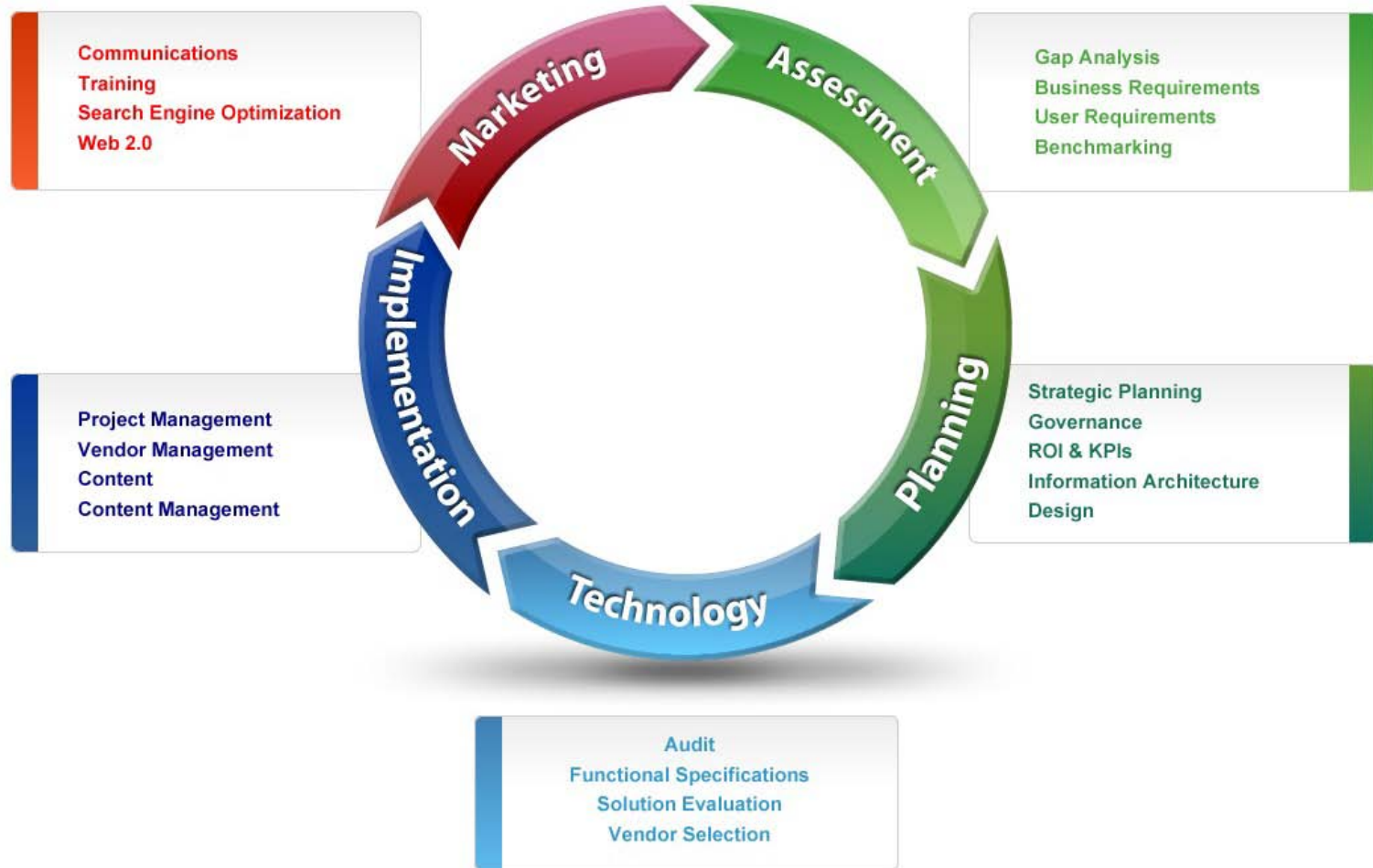
1. Status reports
2. Changes
3. Quality
4. Forecasts

Delivering

1. Train customer
2. Transfer documents
3. Release resources
4. Release staff
5. Lessons learned



Project lifecycle; Online services



Project success and failure

Top 5 success factors:

1. User Involvement
2. Executive Management Support
3. Clear Statement of Requirements
4. Proper Planning
5. Realistic Expectations

Top 5 failure factors:

1. Lack of User Input
2. Incomplete Requirements & Specifications
3. Changing Requirements & Specifications
4. Lack of Executive Support
5. Technical Incompetence

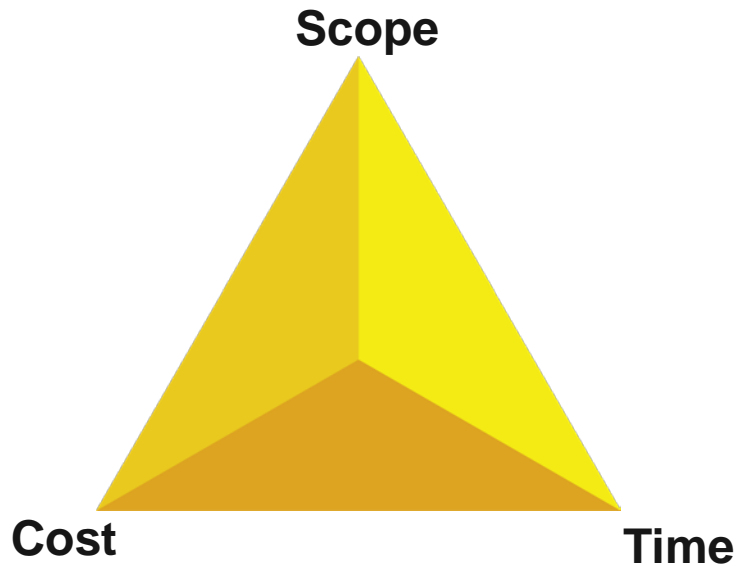
Standish Group's CHAOS Report 2008



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Project management success

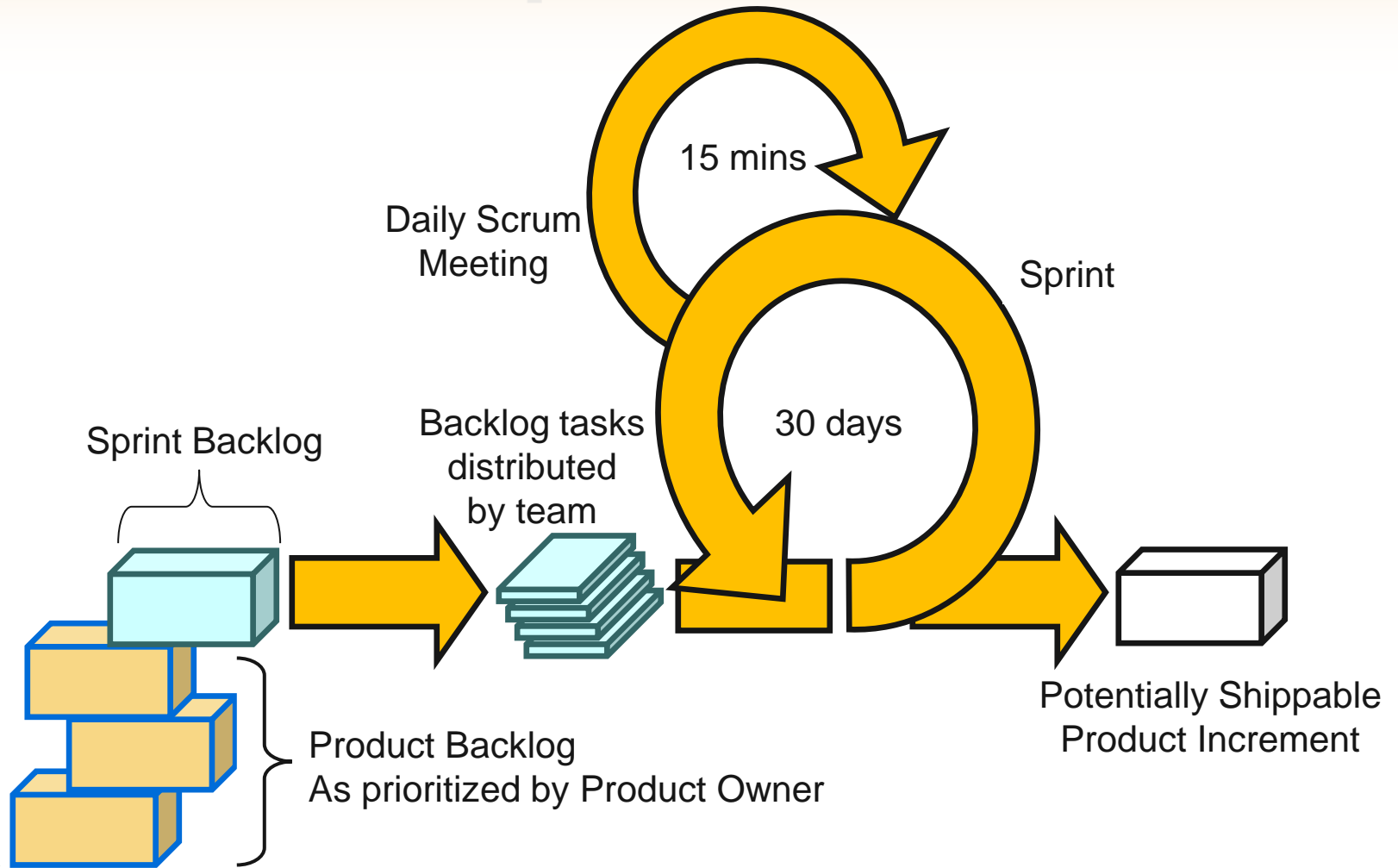


Additional categories:

- Efficiency (similar to the triple constraint)
- Customer (criteria = customer satisfiers)
- Team (criteria = team satisfiers)
- Business Needs (criteria = things like ROI, strategic fit, and competitive advantage)
- Future Needs (criteria = future value, like in the case of new technology where much of the value is yet to be defined)



Scrum process flow



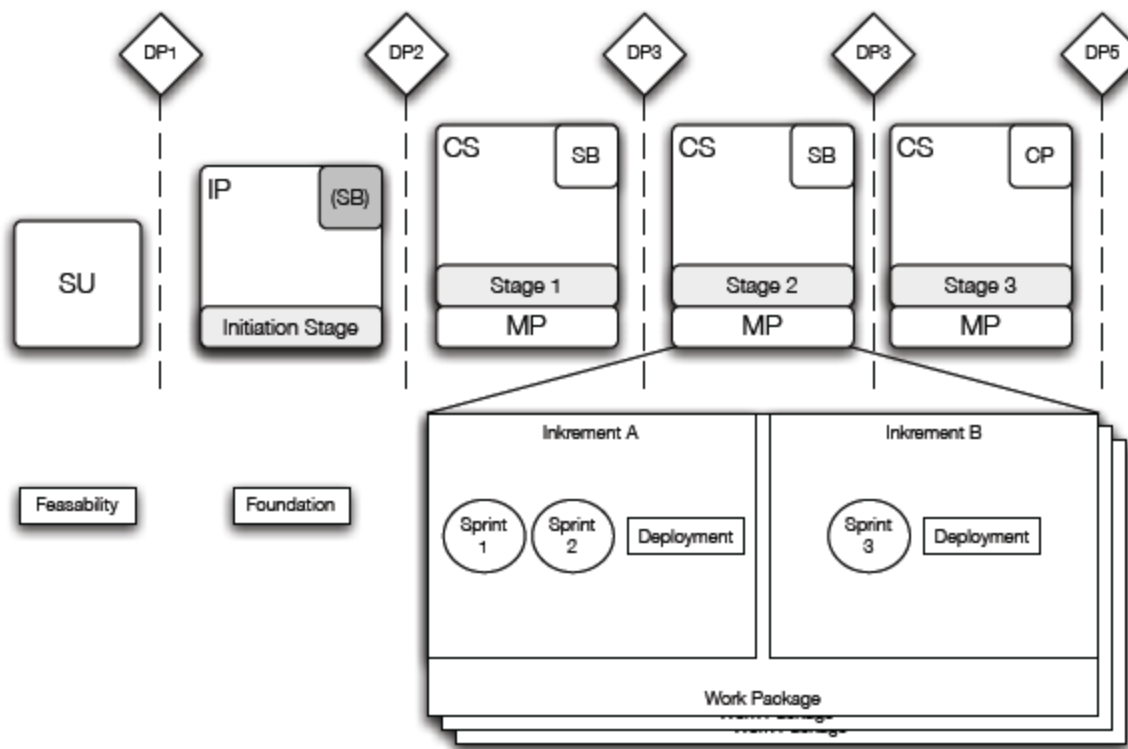
Combine PMI/Prince2 and Agile?

- Is possible, when
 - owner is using PMI or Prince2 for planning and reporting
 - supplier is using Agile for development and delivery
- Combination requires
 - Clear definition and agreement on task and responsibilities
 - Flexibility on both sides
 - Measurement and follow-up
- Change of PMI / PRINCE2 mindset required
 - Think requirements vs. Product Features
 - Focus on Scope vs. focus on Time/Budget
 - Lessons learned happens during & after every timebox
 - Refocus Risk Management from Cost of Containment to Value Lost
 - Rethink quality approach



Example 2: Effective use of Prince2 and Agile

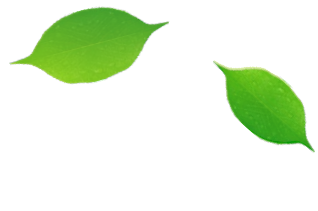
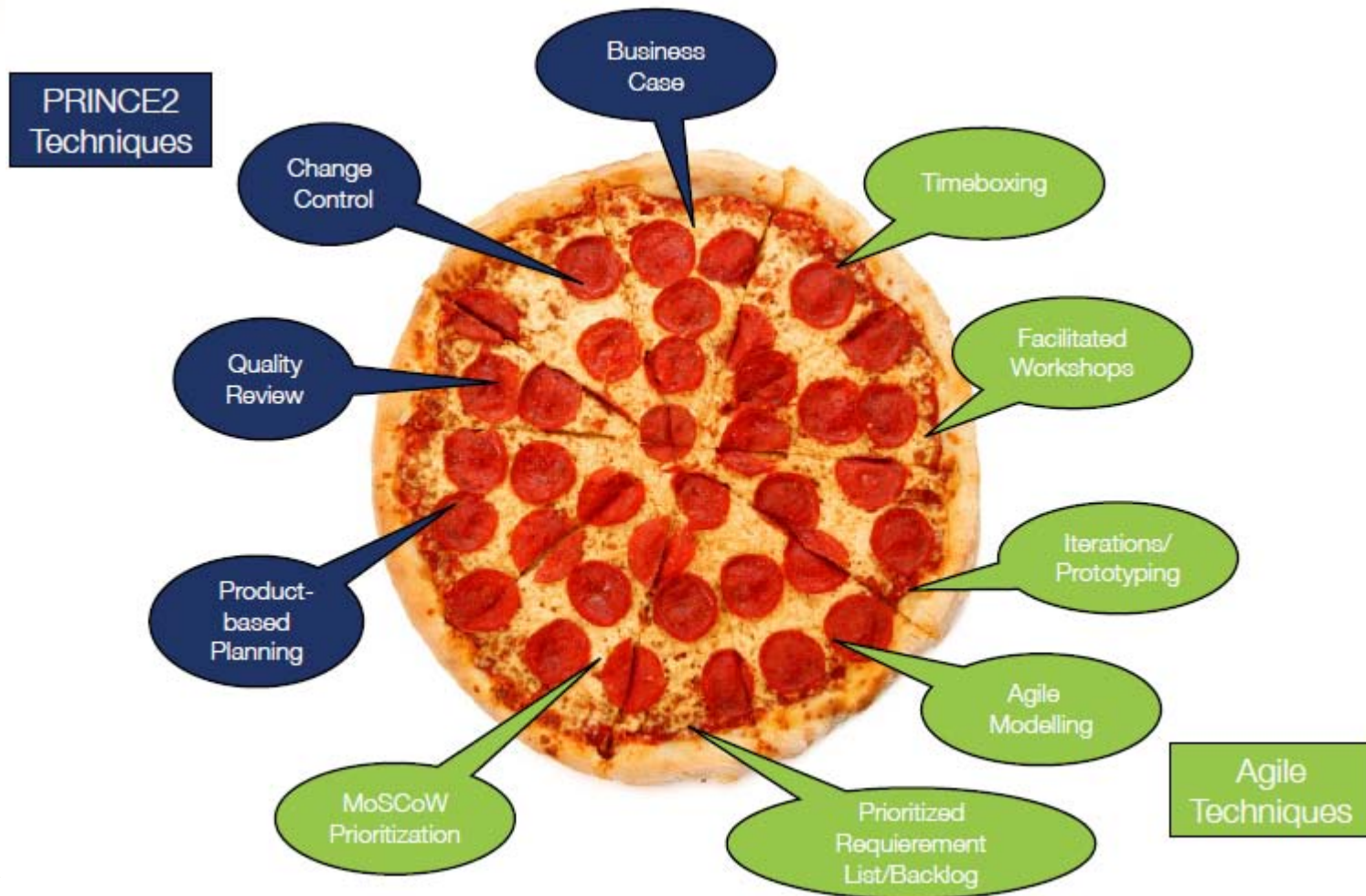
PRINCE2

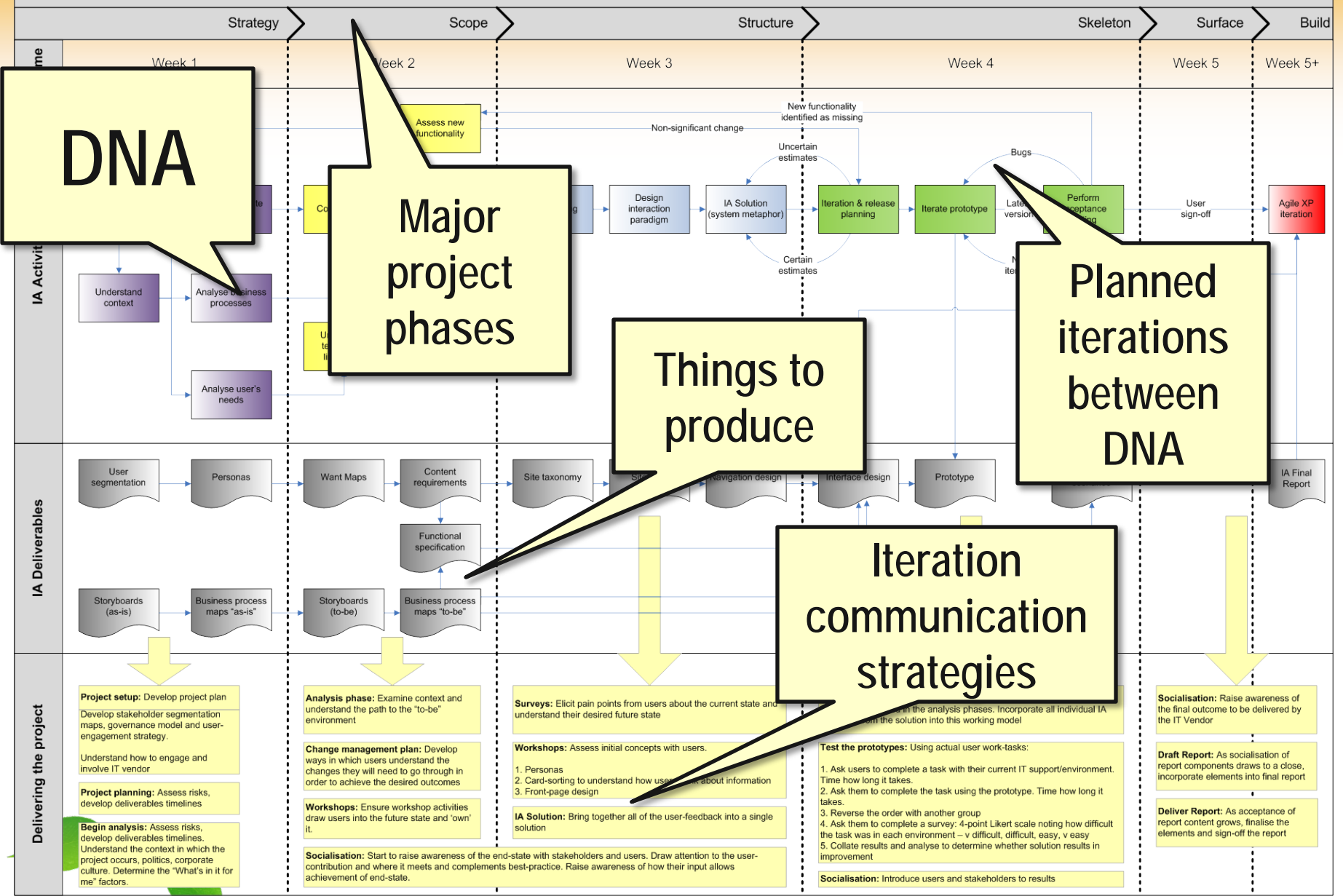


Agile process

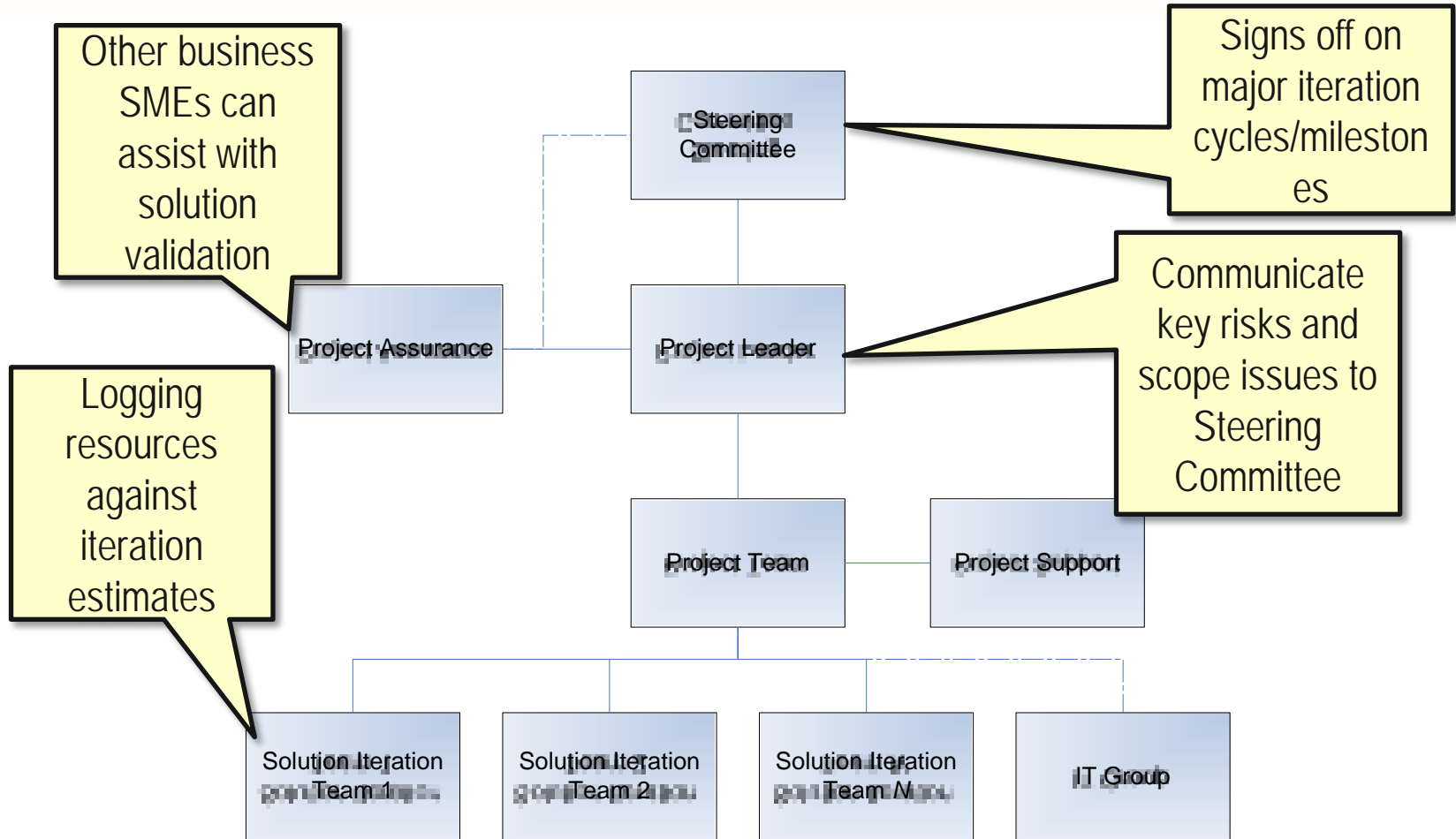


Effective use of Prince2 and Agile

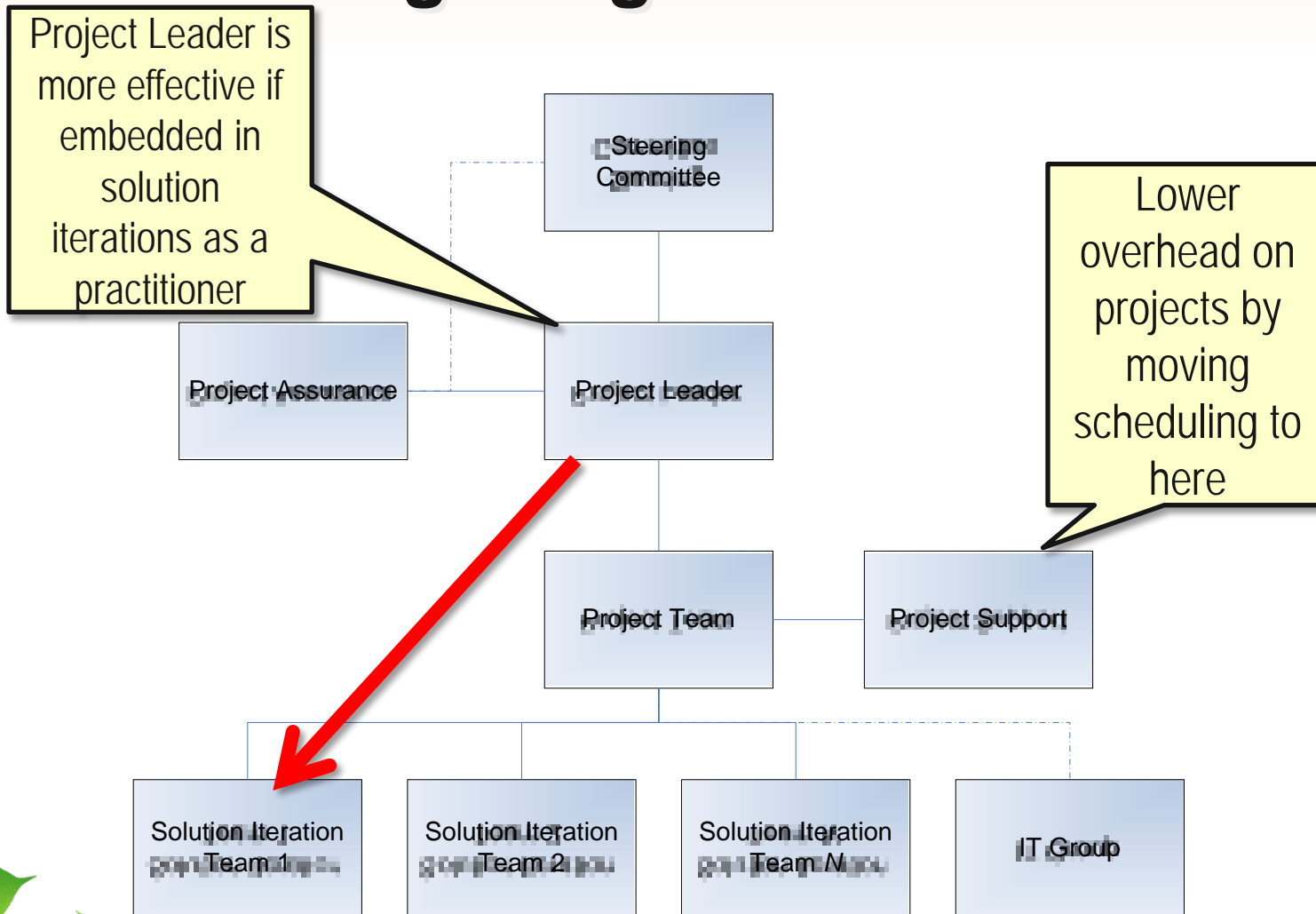




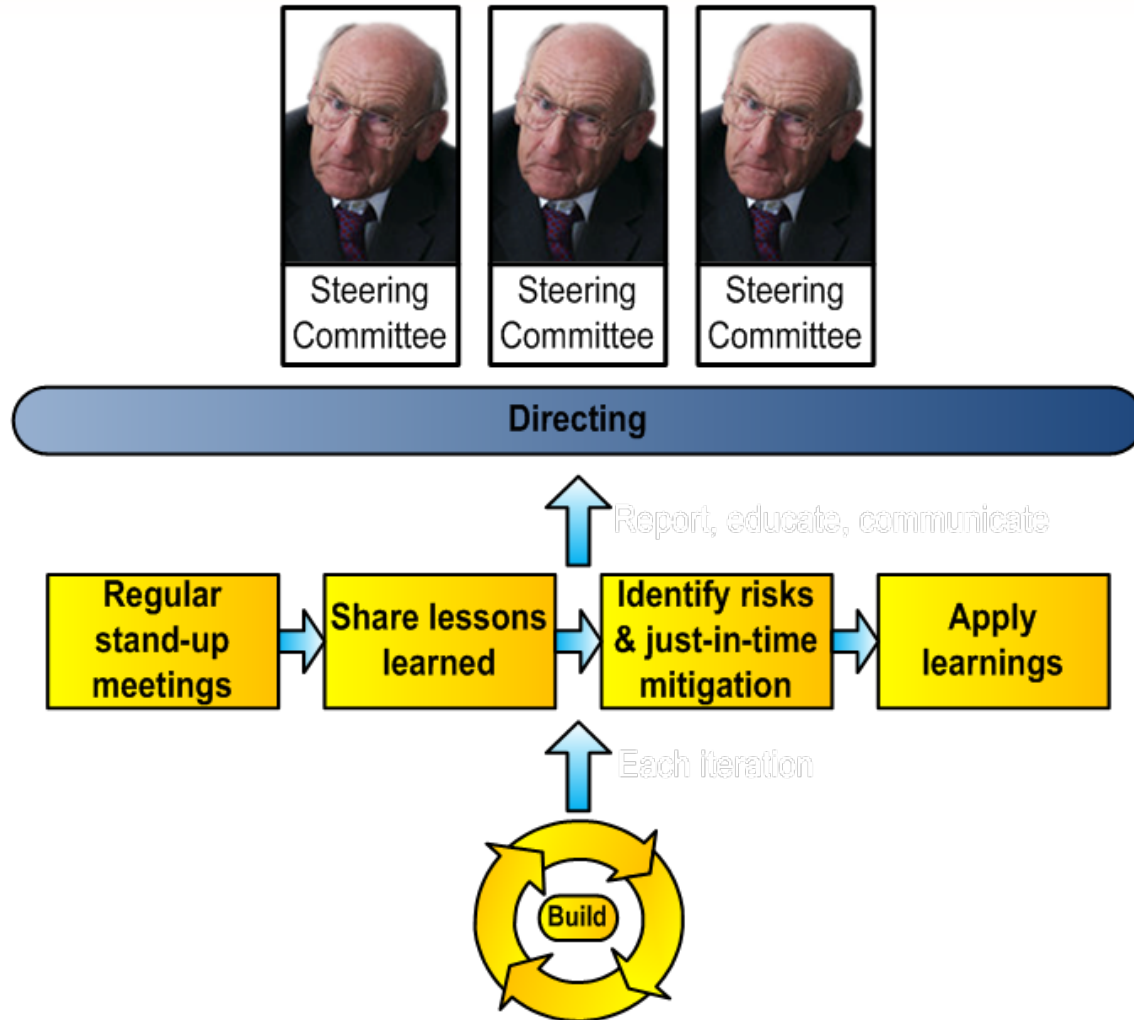
Agile environments need good governance



Agile environments need good governance



Communicate to the Steering Committee during iterations



Services of Prisma Consulting

Customer projects

Online
Governance

Project management

Vendor and technology
evaluations

Consulting

Account
management

Project management

Project
management

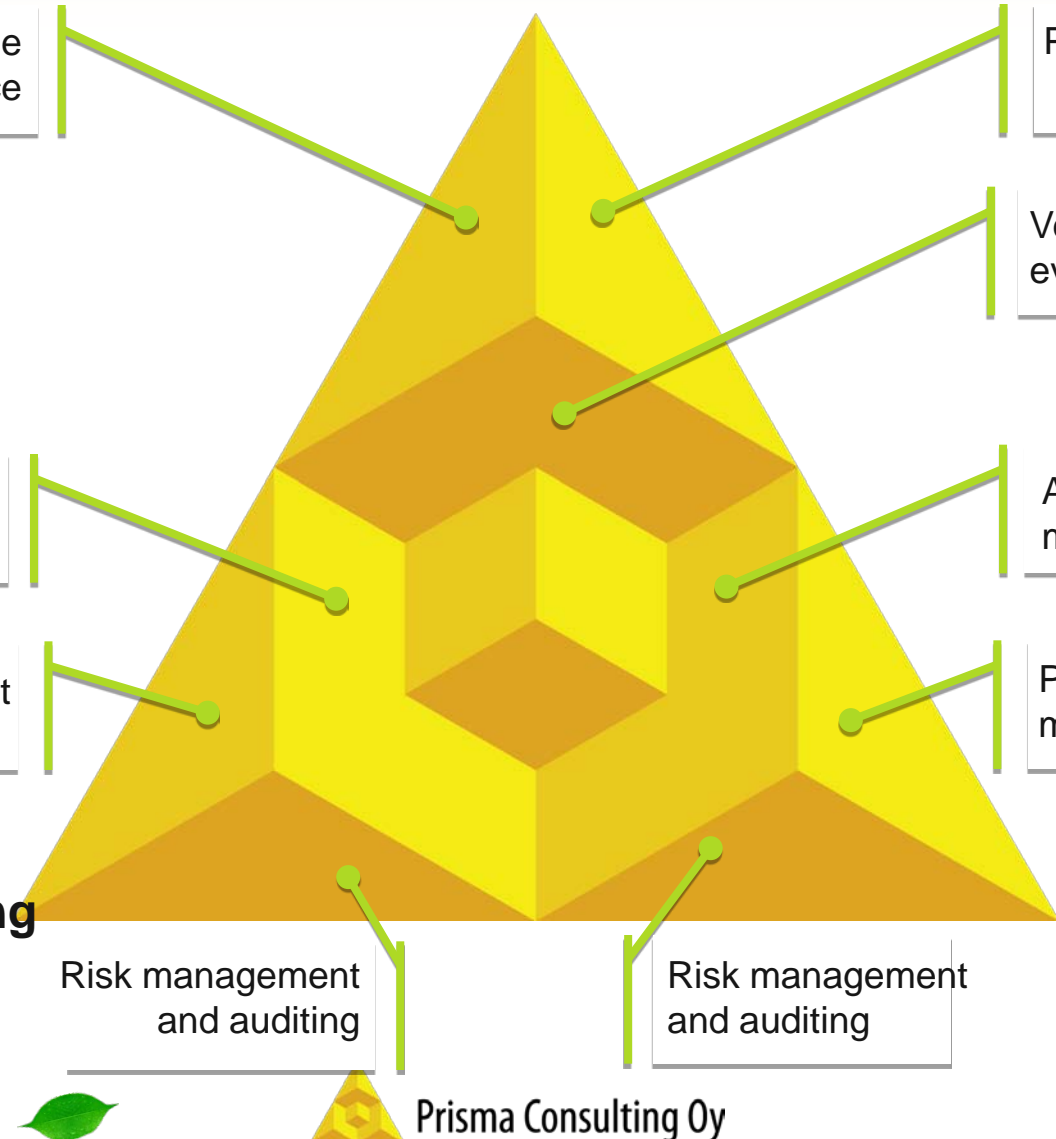
Subcontracting

Risk management
and auditing

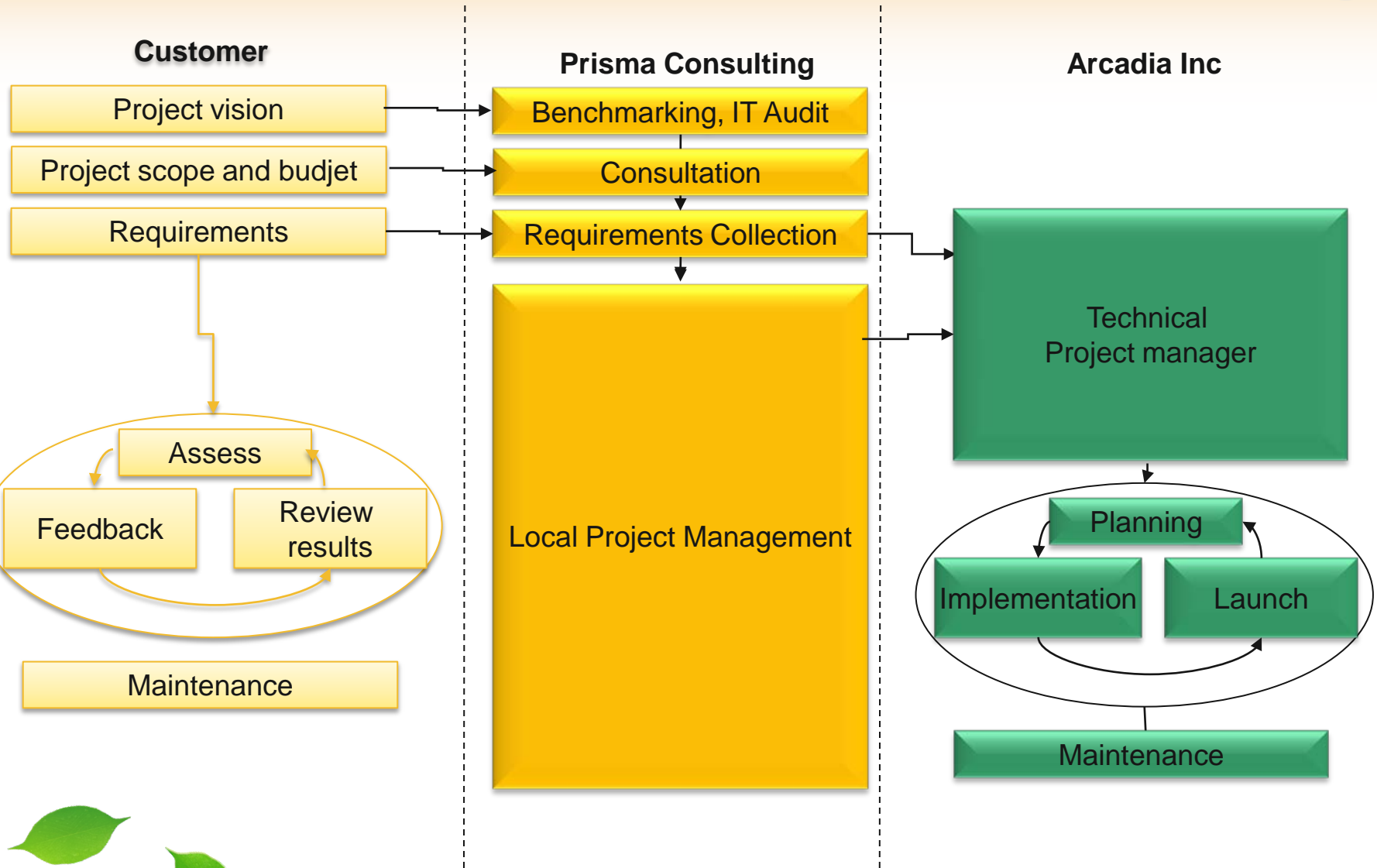
Risk management
and auditing

**Supplier
projects**

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Collaboration model 1: Joint delivery



Asiakkaitamme



Metsäteollisuus ry



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Contact info

Prisma Consulting Successful project delivery

Jarmo Kinnula
MD, owner and project manager
Puhelin: +358 40 5493219
Sähköposti: jarmo.kinnula@prismaconsulting.fi





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Q&A

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Current medium hourly prices in Finland

Role	Typical hourly prices	Russia
• Proj mgnt, Consulting	120-180 €/h	50-> €/h
• R&D	100-120 €/h	45-> €/h
• Planning	90-100 €/h	40-> €/h
• Development and testing	80-100 €/h	30-> €/h
• Maintenance	70-120 €/h	25-> €/h
• Support	70-100 €/h	24-> €/h

Note: data from proposal during Q2/09. Price inflation in Q3/09 is around 5-10% due to challenges in overall financial situation

