Your company, IRTC Manufacturing Enterprises, is upgrading its legacy billing system. The system was installed originally ten years ago, and has been upgraded according to the vendor's schedule, each one taking 9-12 weeks in duration with a team of 2 full time employees (FTE's).

IRTC will be doing a major upgrade for the new web-based version of the system, in addition to the mainframe legacy system update. It is anticipated that this upgrade will take 16-20 weeks in duration; however, everyone has agreed that a more formal scheduling process should be completed which may change the duration estimate. The project will involve significant changes to existing business processes, changes to existing jobs, as well as the creation of several new positions. Customers will be able to view and pay their bills on-line, accessing a billing customer service agent when needed. This change, which will affect both the billing and customer service departments, is expected to reduce costs, improve customer satisfaction, and reduce the number of days for outstanding accounts receivable. The existing customer service staff has some proficiency with web applications, but the billing staff does not.

To date, the Billing Department has owned the applications, and the director of the department has been the sponsor for all upgrade projects. For this upgrade, however, the chief operations officer has indicated that the Customer Service Department also needs to play a major role. It will be up to you to determine the project sponsor and steering committee structure and participants. You will do this during the initiation phase.

You have been chosen to be the project manager; you will be on the project 30 hours a week and your rate is $125 per hour. You have significant experience with the system and have managed previous upgrade projects. You have acted as a business analyst, developer, and tester for projects on this package in the past. You will select your team, which will consist of several IT staff, supplemented by staff from the vendor. You have been told you can have up to 2.5 IRTC FTEs, in addition to yourself, for the duration of the project. (The list of available people is described in the Phase Two task.)

The vendor's role is to be determined by you; their consultants cost $140 an hour for business analysts, $120 an hour for technical architects, $100 an hour for programmers or testers, and $90 an hour for instructional designers, trainers, or technical writers. You have a budget of $100,000 for vendor resources. You may supplement your team with vendors based on the holes in your IRTC team. For example, you may choose to have the vendor provide programmers if you choose not to have any of the internal staff provide programming resources, if your budget permits.

You will follow your organization's standard methodology for a package upgrade. Part of that process includes the development and delivery of documentation and training materials--a responsibility generally filled by the IRTC IT training group. You have access to .5 FTE for the duration of the project to develop and deliver the materials. The person with the most experience on the package and current training/documentation will be unavailable to the project due to other projects; however, the vendor has adequate materials that can be purchased for an additional $6,500. You will need to determine the training needs, analyze the costs associated with each option, and determine the project's scope.

With this version, the vendor also has another software add-on that supports the integration of your existing customer service system with the billing system's customer service functions. There is not a decision yet as to which customer service system will be used, whether or not they will be integrated, and the extent to which customer databases will be integrated (if at all). According to the vendor, the installation of the add-on will cost $25,000 and take an additional four weeks.