Project Management for Treasury Professionals

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Project Management for Treasury Professionals

**Agenda & Learning Objectives**

What This Session Is Not:
A Financial Analysis of The Merits of Project Management

What This Session Is About:

- Understand Project Management
- Define Stakeholder Roles
- Identify The 5-Key Processes of Project Management
- Identify “The Golden Triangle” And Manage Its Risk
- Take This Back To Work & Use It!
Core PM Processes

• By Understanding These Processes You Will Build Your Competence and Confidence

• Building a Project Management Team
  Stakeholders & Project Team

• “The Golden Triangle”
  Time  Cost  Scope

• Initiating, Planning, Executing, Monitoring & Controlling, Closing
1ST: What is a Project?

Who Present Has Tackled Or Is Now In A Project?

What Is Your Definition Of a Project?

A Project Is:

A Temporary Endeavor
Has A Starting Point And An Ending Point

Why Do It - What Is The Need?

The Project Has A Cast – Who Are They?
What is the Need?

- **Statement of Work (SoW)** Identifies The Need
- **Project Charter**: Developed To Define The Project
- **Where/What Is The Corporate Alignment?**
- **What Will Be Required?**
  - Explicit
  - Specific
  - Measurable

Define The Project’s Success Criteria & Its Goals… Before The Project Starts
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Figure 3-2. Process Groups Interact in a Phase or Project

Project Management Documents

- Statement of Work – SoW
- Business Case
- Project Charter
- Project Management Plan Documentation
Define the Need
What is the Corporate Alignment?

- Regulatory Compliance or Legal Requirement
- Volume Driven, Market Driven
- Product Enhancements, Tech Advance
- Systems Release
- Acquisition\Conversion
- Risks of No Action??
The Project’s Cast

Stakeholders, Project Sponsor, Project Manager, Project Management Team, Project Team, Experts

So….

• Who Are These People?
• Why Are They Important?
• Each Has A Distinct Role
Project Management Team’s Organization

Stakeholders
- Anyone Impacted By The Project

Sponsors/Senior Management
- Key Person(s) Who Secure Funding
- Can Sign-Off On The Project Charter
- Usually Have Final Sign-Off Authority

Project Manager
- Responsibility To Deliver The Project
- Controls The Triple Constraint
- Communication Is The Key

Project Team
- Many Project “Leads”
- Work Usually Done In Functional Groups

Any Organizational Structure
Many Project “Leads” – Based Upon Workstream and Summary Tasks

Milestones - By Workstream, Summary Groups and Sub-Groups

Work Usually Done In Functional Groups – For Example:

a) FX Personnel To Focus On The FX Workstream;

b) Controller and Financial Staff To Focus On Wires and Back Account Reconciliation
The Company

- **Cash America International, Inc**
  - Public corporation, 30+yrs old
  - Largest Brick & Mortar Pawn Store Owner In The World
  - Specialty Finance, Short Term Secured/Unsecured Loans Primarily For Un-banked/Under-Banked
  - Internet Lending Internationally
  - As of June 30, 2013
    - Over $1.8B Gross Revenue
    - Total Assets $1.86B, Total Equity $1.02B
The Need Defined

• Significant Growth Especially In The Foreign Operations
• Operations Funded With Bank Line, Primarily With Rolling LIBOR Loans
• Complex Cash Flows Based On Pawn Dynamics And On-Line Loan Behavior
• Tracking Of Debt Becoming More Complex
• Need To Streamline Cash Concentration

Cash Forecasting Critically Important
Who are the Stakeholders

• CFO, Treasurer And Controller
• Director-Level Will Lead Teams In:
  – Cash Accounting
  – Foreign Exchange
  – Accounts Payable
  – Payroll
  – Tax

Defines the Project Charter
Thus, A Project is Born...

• Project Approval For Implementation Of Treasury Workstation
  – Not Just For Forecasting
  • Setting Daily Cash Position
  • Expand Scope To Wire/ACH Transfers
  • FX Compliance
  • Evaluate Automated Cash Accounting
  – Project Should Include Selection Of Workstation but Also Re-Evaluate Workflow
Initiating

The Start

• Statement of Work (SoW) - The Treasurer
• Business Case – The Treasurer
• Business Case To Management For Approval
• Project Sponsor Appoints The Project Manager, If Appropriate, With The PMO
• Project Charter – The Project’s Source Doc
Planning For The Project:
Use Company’s Available “OPA”

“OPA”: Organizational Process Assets

- Essential To Determine: Requirements, Project Team Structure, Reporting
- Risk Log, Issue Log and Change Control Process
- Design/Function Based on Requirements
- Request for Proposal (RFP) if Needed
- Experts Granularity Work Breakdown Structure

Renders the Project Management Plan
Place Into the Corporate PMIS
Project Management Information System
How Is The Project Plan Created?

• Use SoW and Business Case
• Interview Stakeholders
• Create Project Charter
• Project Manager Works With Stakeholders To Build Project Team
• Create Work Breakdown Structure (WBS) By: Workstreams, Summary Tasks & Subtasks This leads to a Schedule – Input Into “PMIS”
• Assign Owners to Workstreams, Summary & Subtasks
Cash Am Request for Proposal

• What Is The Need?
  - Robust TWS, Full Support, Room To Grow
  - Cash Forecasting Module Must Be Strong

• What Do You Want It To Do?
  - Easy To Use Daily, Flexible Reporting
  - Daily Cash Position With Forecasting To 12 Months
  - Pull BAI Files In From Multiple Bank

• How Much Will It Cost?
  - Requirements Defines Scope…Defines Cost

• How Long Will It Take?
  - Estimated One Year From Requirements To “Go-Live”
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Initial Schedule (total 310 days)

Requirements, RFP (pre-kickoff meeting) 90 days
Kickoff and Development 90 days
Test Plan I 28 days

Milestones for each WBS
Official sign-off at each Milestone

Issues with schedule, scope and budget can easily occur at this stage

Development Feedback 14 days
Test Plan II 28 days
UAT 60 days
Signoff
Go-Live

Issues with schedule, scope and budget can easily occur at this stage
Executing the Project

• Manage Stakeholder Expectations

• Direct & Manage the Project – How Do I Know The Project Is On Schedule? EVM (Earned Value Management) Schedule & Cost Variances

• Perform QA

• Communication & Project Information
Executing

- Critical Process: Makes or Breaks the Project
- Crucial Process For PM: Communication, Scope, Milestone Achievement, Coordination
- Track Accomplishments, Reset Target Dates
- Jawbone & Exhort The Project Team
- Daily Meetings With The Project Team
- Communicate Up, Down & Across The Team
Communications Diagram

Frequency of Communication With the Project Management Team

- Stakeholders: At A Governance Or Steering Committee Level
- Executives: Weekly Or As Needed
- Sponsors: Weekly Or As Needed
- Functional Managers: Daily
- Project Team: Daily
- Project Manager
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Monitoring and Controlling

- Budget: Increases Over Time
- Scope: Increases With Discovery
- Schedule: Decreases Or Increases As A Function Of Scope
- Scheduled Meetings: Project Execution

The Process Of Tracking, Reviewing & Regulating Progress To Meet The Performance Objectives Defined In The Project Management Plan
Management of Project Risks & Issues

Identification and Mitigation of Risk will impact the management of “The Golden Triangle”

Identification and Resolution of Issues will impact the management of “The Golden Triangle”

Issues Log

- Tracked and updated weekly
- Owners assigned and prioritized

Risk Log

- Well defined log of possible risks
- Living document – new risks can develop during project

Risk Probability x Risk Impact = Risk Score
“The Golden Triangle”

 approvers: Stakeholders, Sponsors

 Project Manager

 scope (quality)

 risk

 time (schedule)

 cost (budget)

 risk

 feedback

 feedback

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Closing

- User & Sponsor Acceptance

- Post Project Review

- Document Lessons Learned: Place into OPA

- Archive all Project-Related Documents

- Break-Up the Project Team
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THANK YOU!!

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