

Meeting Minutes

Agenda:	Roundtable on Fixed Price Projects – Session 3
Date:	October 7, 2006
Start Time:	10:30 am
End Time:	12:00 pm
Venue:	BASIS office
Participants: (Name and Employer)	Kabir Ahmed, Metatude Asia Ltd. Tahmidul Islam, Relisource Tech Ltd. Mosharraf Hossain, eGeneration Sajjadul Hakim, Uniqa BDC Ltd. A. S. M. M. Monsur Ul Hakim, Millennium Info Sol. Ltd. Munim Rashid, Independent University Bangladesh M. Manzurur Rahman, Expert Systems
Moderator:	Sajjadul Hakim
Scribe:	Sajjadul Hakim

This was the third and final session of the roundtable on Fixed Price Software Projects. Please review the meeting minutes of the previous sessions to stay updated.

Here is a brief outline of the discussion:

1. In a software project change requests from customers throughout the lifetime of the project is inevitable. It is a good idea to have a clause during contract signoff for the change request process. Clause should state how change requests will be handled. If change requests will be charged separately depending on the complexity then it should be mentioned. It may also be a good idea to mention that change requests will need re-estimation depending on the complexity. Customers need to be educated on what is a change request. Distinguish between bug fixes and change requests. Regardless of this, customers trust on the skills and honesty of the software vendor and the negotiation skills of the vendor's sales team plays an important part during the contract signoff and throughout the project.
2. Make staged deliveries instead of one giant delivery as in the waterfall model. In a fixed price project the purpose of staged delivery is not to promote more change requests. But having less frequent staged deliveries creates the risk of identifying bugs and requirement misinterpretations very late in the project. The vendor and customer must strike a balance.
3. Weekly progress report to customer helps in customer expectation management. It is important to keep the progress report simple, honest and correct. This increases transparency and builds trust, which eventually helps during negotiations.
4. Develop important features early and let the customer decide the priority. This helps in increasing the motivation of the vendor and customer since with each staged delivery it is apparent that everyone is getting closer to the final usable product.
5. Sales team usually knows little about the SDLC process since their goal is to close a contract as quickly as possible and move on to a new project. This is

- dangerous. The sales team must be educated about expectation management, SDLC process, the difference between the stabilities of different deliveries. The sales team must get out of this notion and preempt the customer that every staged delivery is not a product delivery. The sales team should also participate in the project meetings. The sales team should work closely with the Project Manager. However, the sales team should have boundaries, i.e. they should not interfere in development issues and technical schedules.
6. Adding resources during schedule slips is usually not a good idea. The new resources need to be trained by the existing resources of the project, and hence delaying the project even further.
 7. Make sure engineers do little overtime. Overtime eats into the efficiency of engineers. However, sometimes overtime is inevitable to finish a project on time. Do overtime, when required, at the end of the staged deliveries, because after the delivery engineers can take time off. This has little effect on the overall project schedule. But overtime should never be part of the project plan.
 8. Estimate with past project development experience. For better estimations have technical leads and engineers during estimation. It is also important to re-estimate future tasks during each schedule slip. Do not assume that you have a buffer time to make up for the schedule slip, even though the buffer time was intentionally assumed during scheduling. Also, never hide schedule slips from project stakeholders.

Conclusion

The purpose of this discussion was not to identify an all encompassing solution for any scenario. We do not believe that such a silver bullet exists. Our objective was to discuss case studies of successful and failed projects to identify the risks of different scenarios and how to mitigate those risks.