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**KEY BENEFITS
TO BEING A
PMI CHAPTER
MEMBER :**

- **Learn new project management techniques**
- **Share work experiences via networking with peers**
- **Help advance the level of project management professionalism within your community**
- **Practice your project management vocabulary with other members**
- **Support the financial ability for your chapter to exist**

A MESSAGE FROM THE PRESIDENT

Dear Friends

I wish you all a very Happy New Year! I hope you had great holidays!

We have accomplished many things together in 2013. Along with hosting regular events in both Rochester and La Crosse, we also completed an important strategic goal by changing the chapter name. This year we are celebrating our chapter's 10 year anniversary. Congratulations to all in reaching this major milestone. Beside many good works done in last 10 years, opening a location in Rochester was a major accomplishment; our membership has been growing every year since then.

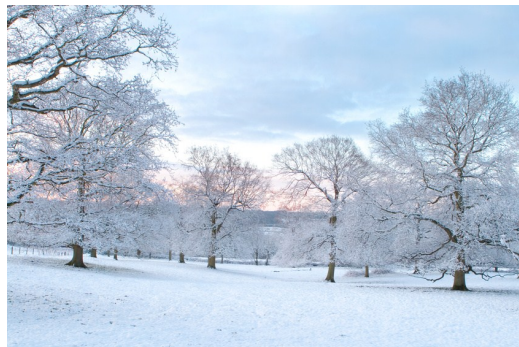
Continuing to focus on our mission of promoting project management in the community, we have nominated a member from our chapter to serve on Wisconsin State Superintendent's Business, Marketing, & Information Technology Education Advisory Committee. This is a very influential committee and a wonderful opportunity to promote project management to the rest of the business members and educators that are part of the committee. The

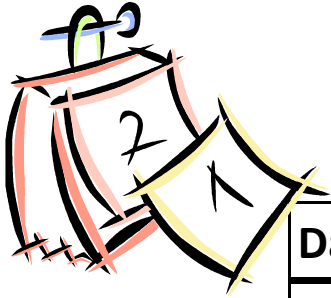
state of Wisconsin is planning to introduce a project management program in K-12. Now our chapter will be a part of this effort! Our chapter supports all students to come to our regular events as well as eventually become chapter members. We have already given students a discount for attending chapter events, but starting this year, our chapter agreed to also give discount to students for becoming members. Full time students will only be charged \$15 for full one year.

To end, I would request everyone to volunteer your time in strengthening the project management community in your area. Board elections are coming up and you may consider running for an open position. If not, help in whatever capacity you would like and make the difference to yourself and others.

Best wishes

Ajay Singh, PMP, MBA
PMI La Crosse—Rochester Chapter President





UPCOMING EVENTS FOR 2014

Date and Site	Topic	Speaker
February 17 La Crosse, WI	The Dark Arts of Project Management	Joe Perzel
February 18	People Reading Skills	Michael Monroe Kiefer
March 21 Rochester, MN	All-day RCTC Project Management Conference	Various Speakers



TIME TO UPDATE YOUR

Favorites

New name, new year means more updates!

As part of updating the PMI Chapter name to PMI La Crosse—Rochester, the Board took the opportunity to update the website location to match this name change. The new web address is:

www.pmilacrosse-rochester.org.

Users will be automatically redirected to the new webpage. Make sure to update your bookmarks with the website.

Coming soon... A new look to the PMI La Crosse—Rochester website!





Name: Mark Thole (pronounced 'Tholey')

Chapter Member since: December 2013

Current role/position in what field/area:

I'm currently a Project Manager/Web Developer at Gensler Information Solutions. Gensler is the world's largest interior design and architecture firm with our La Crosse office specializing in information solutions. Our primary offering is a service called 4-1-Where, which helps our clients manage their office space. We can track anything and everything related to space using a combination of CAD, SQL databases and web front-end. My secondary focus is on Program Services: building websites to manage large roll-out programs. Two websites I built were recognized as being part of the largest and/or most profitable projects in their time during Gensler's almost 50-year history.

Experience prior:

I started my technology career at Andersen Consulting in 1996 as an HRIS administrator. The boom of the ERP market led me to their PeopleSoft practice where I became a developer and worked on some large projects including the Virginia Department of Transportation and the City of Minneapolis implementations. I then worked for Technology Solutions Company (TSC), based in Chicago. I traveled around the country working on both PeopleSoft and web development projects. My first project with TSC was for a Department of Energy vendor at a secured facility in Kansas City. What an experience that was!

What interested you in project management?

I never intended to get into project management, it just kind of happened. I suspect many

MEET A NEW CHAPTER MEMBER!

people reading this have been in the same position: the person that was supposed to be managing your project wasn't, so you step up and take on the responsibility. I found out I liked it more than my intended actual job! There are so many moving pieces to the project management process that there's never a dull moment! While those moving pieces can be very frustrating at times, it is almost always an interesting challenge.

What challenges do you face?

Office communication, poor time or cost estimates on work and managing stakeholders are the biggest right now. In our office we nicknamed 2013 the "Year of Learning" as we worked through some serious issues that needed to be addressed. I'm happy to say the outcomes are very positive so far. We will face some new challenges in 2014 with the possibility of outsourcing and resource management in general.

What are your next steps and goals relating to project management?

My most immediate goal is to sit for the PMP exam in mid-February. Beyond that... it will be the "Year-of-Learning Part 2". The whole area of Change Management really intrigues me and I will continue to absorb as much as I can. The PgMP certification interests me as well so gaining more experience in that arena will be fun since a major portion of my 12 year career at Gensler has been developing websites specifically for Program Management.

What do you look to gain from being a PMI La Crosse – Rochester Chapter member?

The workshops and other learning events that are offered are very helpful for me. I like the networking and knowledge sharing that happens at the PMI events. This group has some very experienced, intelligent and helpful people in it! Mostly, I hope to attend as many workshops as possible, learn new things, meet new people and make some new friends while I'm at it.



Coming this Spring 2014: Project Management Professional Certification Prep Class at RCTC!

3 Credit Course Offering (48 class-room hours)

Fees:

- ☐ \$1078 – Tuition and Fees
- ☐ \$98 – Duplicating Packet
- ☐ PMBOK 5th Edition – Required Text (need to purchase on own)
- ☐ PMP Exam Prep, Rita Mulcahy – Required Text (need to purchase on own)

A Project Management Institute (PMI®) credential can give you an instant advantage in the marketplace. PMI credentials certify your understanding of, and competence in, the PMI Project Management Framework, and show that you know how to define business expectations, determine and provide project status measurements and drive empowerment across multiple business units. This exam preparation course is designed to help you successfully gain this highly-desired, PMI credential.

Please contact Abbey Hellickson at abbey.hellickson@roch.edu or call 507-529-2736 for registration information.

Project Management Professional

Exam Prep Offerings in La Crosse, WI:

SUCCESSFUL
projects

Small group sessions for PMP Exam Prep are offered thru Successful Projects located in La Crosse, WI.

PLUS—for \$25, you can have access to a 6-month subscription to PMP Mock Exams!

Be sure to check out there website for the next upcoming sessions:

www.successfulprojects.com

WHAT HAVE YOU BEEN UP TO...



Welcome New PMI
Chapter Members!

- Sue Adickes
- Marny Billings
- Niki Furlano
- Jonathan Heinert
- Ron Massman
- James O'Brien
- Kristy Stokke
- Mark Thole
- Thomas Weber
- Casey Crane
- Janice Pascoe

Congrats to new PMP's!

- Casey Crane
- Janice L. Pasco



**New and Current PMPs -
Don't forget to submit
your PDUs!**

More information on how the
"Calendar of Events" section at
www.pmilacrosse-rochester.org



CALLING ALL VOLUNTEERS!



We would not be able to hold the chapter events and activities without YOU! The PMI La Crosse—Rochester Chapter is always in need of volunteers to help with Board activities and Chapter events.

Contact us to see how you can get engaged at www.pmilacrosse-rochester.org



PMI CHAPTER BOARD CONTACT INFORMATION

Title	Name	Updated Email
President	Ajay Singh	president@pmilacrosse-rochester.org
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THE SEVEN FORMULAS YOU NEED FOR THE PMI-ACP® EXAM BY CORNELIUS FICHTNER, PMP, CSM

While there are about 50 formulas that you need to know for Project Management Professional (PMP)® Exam success, there are only seven that are absolutely necessary to know for the PMI Agile Certified Practitioner (PMI-ACP)® Exam.

Even better, for the first three we are going to discuss you don't even need to know the formula. What you do need to know for them is how to handle the results of the calculations, which is: "The larger value is the better value". Here they are:

1. Internal Rate of Return (IRR)

IRR is used as a capital project budgeting metric to determine if an investment should be made. It looks at the present value of the cash flows as compared to the initial investment which results in an IRR value. For example, if as a Project Manager you need to compare two or more projects to determine which one would be the better investment for your organization you can use IRR to do this. If you are given the IRR for three projects; Project A IRR = 25%, Project B IRR = 30%, and Project C IRR = 12% you can determine that Project B is the better investment for the organization because it has the largest IRR value.

2. Net Present Value (NPV)

NPV is used as a capital project financial metric to analyze the profitability of an investment at the time of review. It looks at the present values of cash inflows and the present values of cash outflows resulting in an NPV value. A Project Manager can compare the NPV value of one or more projects to determine which project is a more profitable investment. For example Project A has an NPV of \$2.3M, Project B has an NPV of \$2M, and Project C has an NPV of \$2.1M. Project A has the greater NPV and is the best investment for the organization.

3. Return on Investment (ROI)

ROI is used to evaluate the money gained or lost in relation to the money invested in a project. ROI is also often referred to as gain/loss, profit/loss, or net income/loss. A Project Manager can use the ROI of one or more projects to determine which project is the better investment. For example if Project A has an ROI of 27%, Project B has an ROI of 25%, and Project C has an ROI of 30%; Project C would be the better investment since it has the largest ROI.

The next four formulas we are going to discuss are true formulas because you will need to know specific information in order to perform each of the calculations discussed below.

4. Cost Variance (CV)

CV is the Earned Value minus the Actual Cost ($CV = EV - AC$) of a project. This formula measures the cost performance of a project, and looks at whether the project is on budget or not. In order to calculate CV you need two pieces of information, the earned value and the actual cost of the project. If a CV result is a negative

number the project is over budget, which is bad. If a CV result is a positive number the project is under budget, which is good. If CV is zero, then the project is exactly on budget. For example project A has an earned value of \$75.1M and an actual cost of \$75.3M. The CV calculation would look like: $CV = \$75.1M - \$75.3M$; resulting in a CV of $-\$0.2M$; this project is over budget. Another example would be Project B has an earned value of \$15M and an actual cost of \$14.5M. The CV calculation would look like: $CV = \$15M - \$14.5M$; resulting in a CV of $\$0.5M$; this project is under budget.

5. Cost Performance Index (CPI)

CPI is Earned Value divided by Actual Cost ($CPI = EV / AC$). CPI measures the cost performance of a project; is the project budget being spent as planned? In order to calculate CPI you need two pieces of information, the earned value and the actual cost of the project. There are three possible results when calculating this: $CPI = 1$ is good and means funds are being used as planned; $CPI > 1$ is also good and means the funds are being used more efficiently than planned; and $CPI < 1$ is bad and means the funds are being over spent.

6. Schedule Variance (SV)

SV is the Earned Value minus the Planned Value ($SV = EV - PV$) of a project. This formula measures the schedule performance of a project, and looks at whether the project is behind schedule or ahead of schedule. In order to calculate SV you need two pieces of information, the earned value and the planned value of the project. If an SV result is a negative number then the project is behind schedule, which is bad. If an SV result is a positive number then the project is ahead of schedule, which is good. If SV is zero, then the project is exactly on schedule. For example project A has an earned value of \$75.1M and an actual cost of \$74.2M. The CV calculation would look like: $CV = \$75.1M - \$74.2M$; resulting in a SV of $\$0.9M$; this project is ahead of schedule.

7. Schedule Performance Index (SPI)

SPI is Earned Value divided by Planned Value ($SPI = EV / PV$). This formula measures the schedule performance of a project, is the project performing as planned? In order to calculate SPI you need two pieces of information, the earned value and the planned value of the project. There are three possible results when using this formula: $CPI = 1$ is good and shows the project is progressing as planned; $CPI > 1$ is also good and shows the project is progressing at a faster rate than planned; and $CPI < 1$ is bad and shows the project is progressing at a slower rate than planned.

As you can see, the focus on the PMI-ACP® Exam is not really on the mathematics. For this exam it is more important to understand the concepts, methods, tools and techniques as well as the Agile Manifesto in order to pass. However, a good understanding of these seven formulas will go a long way.



Please be sure to “like” the PMI La Crosse—Rochester Chapter page on Facebook!



Scan the QR code to connect with the Project Management Institute La Crosse – Rochester Chapter group in LinkedIn!



**PMI LA CROSSE—
ROCHESTER CHAPTER
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Global Knowledge – Local Networking

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