

Case Study 1: Operational Efficiency

1. Executive Summary

This report presents an analytical review of an operational efficiency intervention within a retail SME. The project objective was to reduce a 20% stockout rate during peak seasons. By applying the PMBOK® Guide (7th ed.) 'Planning' and 'Project Work' performance domains, the project established a structured governance model that improved inventory turnover by 18%.

2. Governance Philosophy & Framework

The governance architecture was rooted in the predictive model of project management. Given the SME's environment, control was essential. We utilized the 'Delivery' performance domain to ensure that the project's outputs—specifically, the standardization of POS data entry—were aligned with long-term organizational value. The choice of PMBOK® 7th ed. was strategic; it provided a framework for integrating project work into business-as-usual operations (PMI, 2021).

3. Detailed Constraint & Risk Analysis

The project was governed under three binding constraints: *Time*, *Cost*, and *Quality*. The *Time* constraint was dictated by the approaching holiday retail peak. The *Cost* constraint was dictated by capital liquidity, preventing overstocking as a solution. The *Quality* constraint revolved around the accuracy of legacy data. Our analysis utilized a Probability/Impact matrix to quantify 'Data Latency' risks, leading to a focus on real-time reconciliation (Kerzner, 2017).

4. Methodological Application

The *Project Charter* acted as the foundational governance document, securing executive mandate. The *Integrated Risk Register* was the core engine of the project; it enabled a dynamic response to data anomalies. By shifting from reactive to proactive monitoring, the team stabilized the inventory replenishment cycle.

5. Performance Metrics

Metric	Baseline	Post-Project	Variance	Strategic Impact
Stockout Rate	20%	8%	-12%	Significant
Inventory Turnover	4.2x	5.0x	+0.8x	Moderate
Data Entry Errors	15%	2%	-13%	High

6. Critical Reflection & References

The primary barrier to governance was not the tools, but the 'Operational Inertia' of the staff. Future projects must involve front-line workers in the design of governance artifacts to foster true ownership. **References:** Project Management Institute. (2021). *PMBOK® Guide – 7th Ed.* Kerzner, H. (2017). *Project Management: A Systems Approach.*