PRINCE2® Overview

Conflict with or Complement to PMBOK

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Agenda

- What is PMBOK Guide / What is PRINCE2 [R]

- Characteristics of PRINCE2 [R]

- Quick Comparison, PMBOK [R] – PRINCE2 [R]

What is PMBOK® Guide ?

- *PMBOK® Guide* identifies that subset of the project management body of knowledge generally recognized as good practices

- *PMBOK® Guide* provides and promotes a common vocabulary within the project management profession for discussing, writing, and applying project management concepts

- *PMBOK® Guide* establishes guidelines for project management processes, tools, and techniques
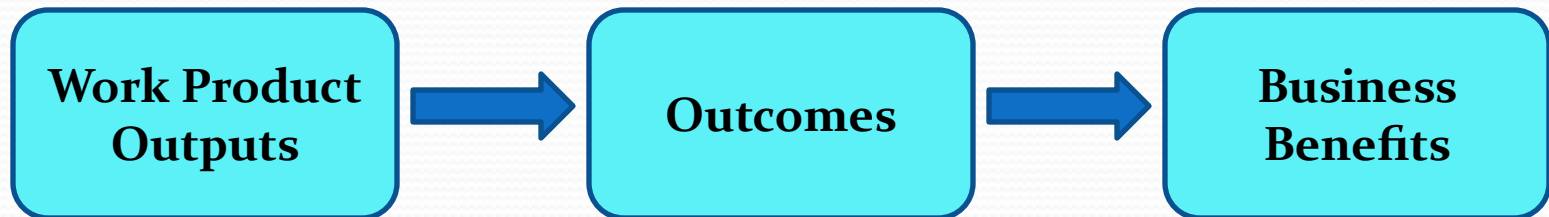
What Is PRINCE2® ?

- **<u>P</u>rojects <u>in</u> a <u>C</u>ontrolled <u>E</u>nvironment (PRINCE)**
- **PRINCE2**® is a book that describes a method for approaching managing and closing down a project of any type or size
- **PRINCE2**® tells *what* should be done and *why* it should be done but <u>does not </u>say *how* it should be done
- **PRINCE**2® <u>is not</u> prescriptive, rather it is *descriptive*
- **PRINCE2**® is a structured management method

®U.K.'s Office of Government Commerce (OGC)

PMBOK® Flow

```
┌─────────────┐      ┌─────────────┐      ┌─────────────┐
│             │      │   Tools &   │      │             │
│   Inputs    │ ──▶  │ Techniques  │ ──▶  │ PM Outputs  │
│             │      │             │      │             │
└─────────────┘      └─────────────┘      └─────────────┘
```

PRINCE2® Flow

Work Product Outputs → **Outcomes** → **Business Benefits**

Five Main Aspects to PRINCE2®

- **In order to successfully complete any significant job of work there are five main aspects that need to be considered, namely:**
  - The method to be used, in other words how will you approach the job
  - How will the work be organized
  - What are the main factors that need to be taken into account
  - Who will have responsibility for what
  - And how will progress be monitored and communicated

PRINCE2® Project Variables

Cost	**Timescale**	**Quality**
Scope	**Risk**	**Benefits**

PRINCE2® Project Characteristics

Change

Uncertainty

Temporary

Unique

Cross-fun ctional

PRINCE2® – 7X7X7

- **Seven Principles**
  - The seven Principles provide a best-practice framework for the project. Ultimately they define a PRINCE2® project

- **Seven Themes**
  - The seven Themes provide guidance on aspects of project work which should be addressed at various points during the undertaking. They relate to each other and are integrated into the Processes

- **Seven Processes**
  - The seven Processes offer a 'journey' through the project so that critical aspects of project work are neither forgotten nor treated in a trivial manner
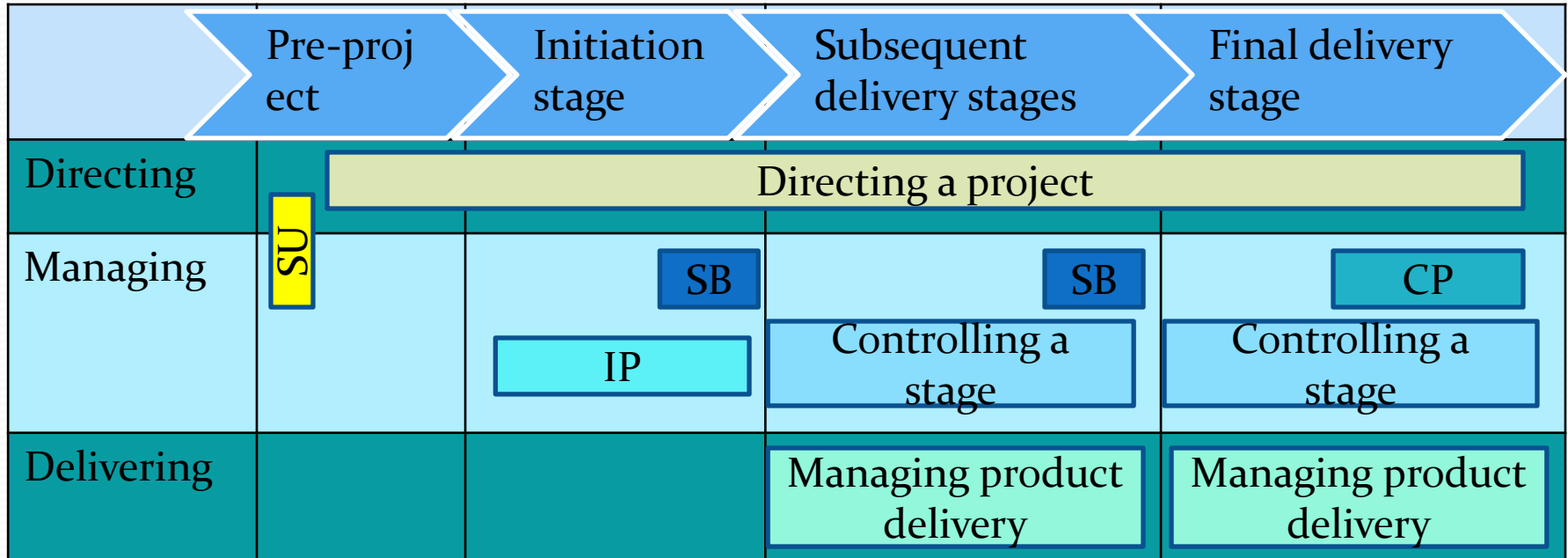
PRINCE2® Principles

- Continued business justification (Benefits)
- Learn from experience
- Defined roles and responsibilities
- Managed by stages
- Managed by exception (appropriate delegation of authority)
- Focus on products
- Tailor to suit the project environment

PRINCE2® Processes

- Starting up a project
- Directing a project
- Initiating a project
- Controlling a stage
- Managing product delivery
- Managing a stage boundary
- Closing a project

PRINCE2® processes are management processes

PRINCE2® Structure

	Pre-project	Initiation stage	Subsequent delivery stages	Final delivery stage
Directing		Directing a project		
Managing	SU	SB	SB	CP
		IP	Controlling a stage	Controlling a stage
Delivering			Managing product delivery	Managing product delivery

Key	
SU =	Starting up a project
IP =	Initiating a project
SB =	Managing a stage boundary
CP =	Closing a project

Project Board
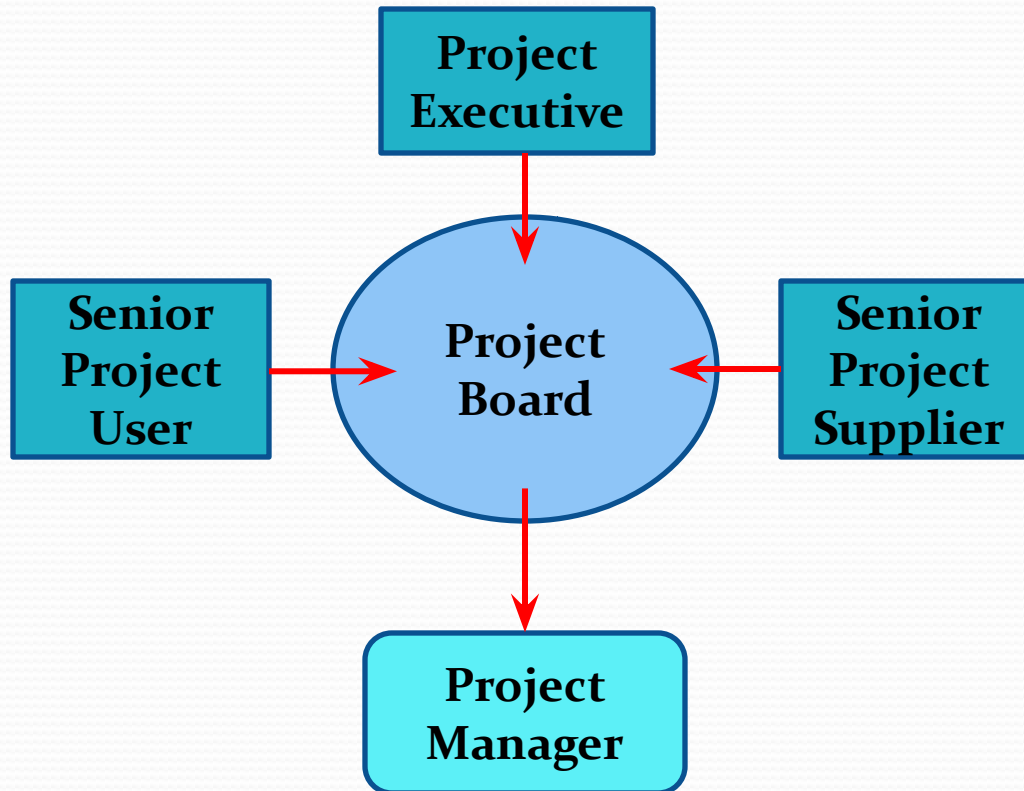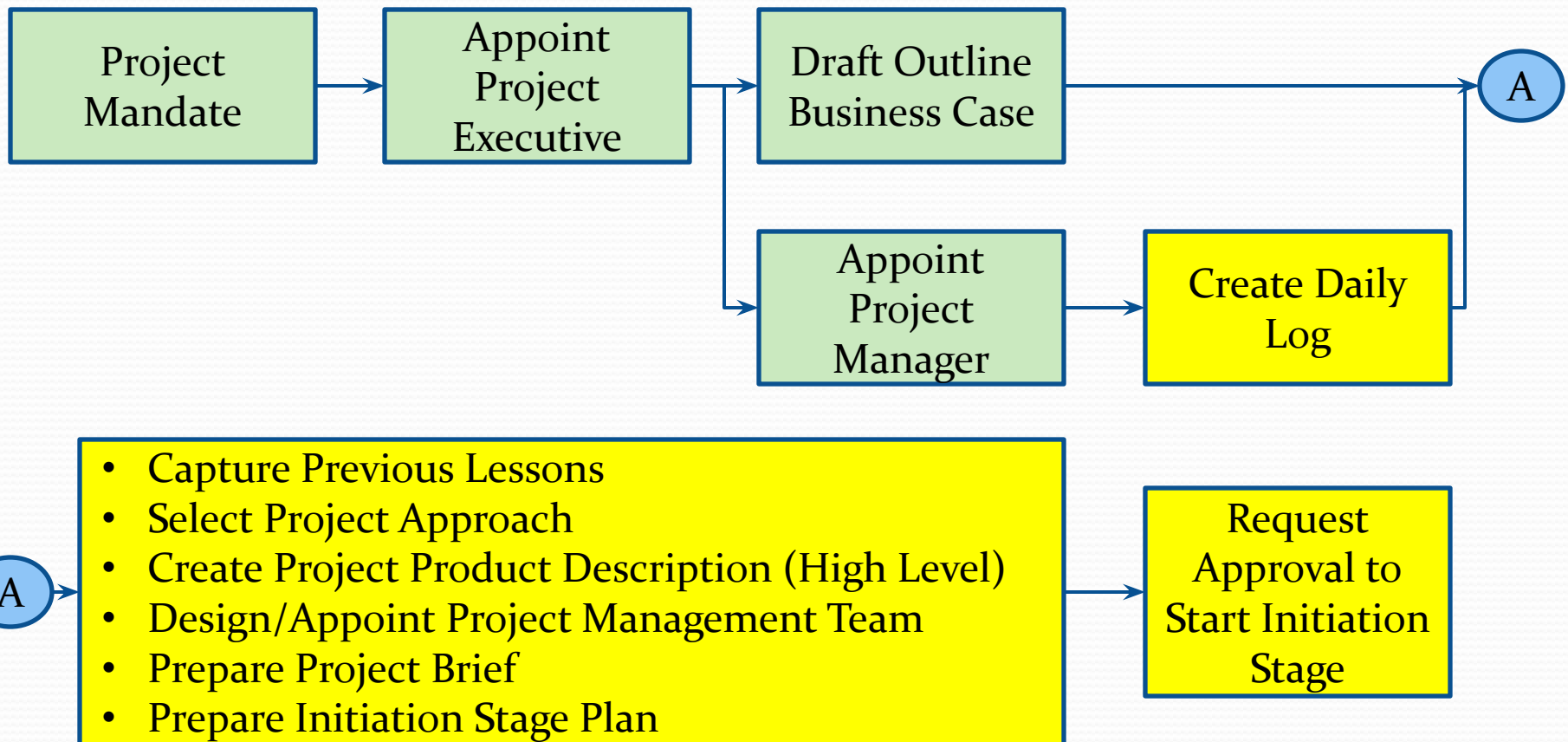
PRINCE2® Authority

- Corporate or Program
- Project Board – Project Executive
- Project Manager
- Team Manager(s)

- <u>Tolerances</u>   <u>Set By</u>

  Project   Corporate/Program

  Management Stage   Project Board

  Work Package   Project Manager

PRINCE2® PRE-PROJECT FLOW


```
Project Mandate → Appoint Project Executive → Draft Outline Business Case → A
                           ↓
                  Appoint Project Manager → Create Daily Log → A
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A →

- Capture Previous Lessons
- Select Project Approach
- Create Project Product Description (High Level)
- Design/Appoint Project Management Team
- Prepare Project Brief
- Prepare Initiation Stage Plan

→ Request Approval to Start Initiation Stage

PRINCE2® Stages

- Must be at least two management stages:
  - Initiation + Execution
- Do not necessarily align to technical phases

PRINCE2® BENEFITS

- Mandate – Very High Level
- Outline Business Case– High Level
- User Defined - Specific
- Business Case - Detailed
- Benefits Review – Verify (usually post-project)

Any time it is recognized that benefits will not be achieved the Project Board looses authority to continue.

PRINCE2® Themes

- Business Case
- Organization
- Quality
- Plan
- Risk
- Change
- Progress

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The Business Case for a project forms part of its very foundation. It is the most important set of information for a project and drives the decision-making process. It is used continually to ensure that the project's progress is aligned with the business objectives.

Answers the questions; Is the project:
- Desirable (cost/benefit/risk balance)
- Viable (project can deliver the products)
- Achievable (can products provide the benefits)

Is the responsibility of the Project Executive
Some aspects may be assigned to the Project Manager

PRINCE2® Themes

- **Business Case**
- Organization
- Quality
- Plan
- Risk
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- Progress

Defining all the roles, responsibilities and relationships for the people involved in managing and executing the project.
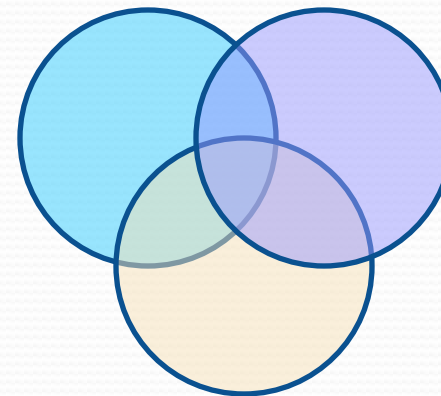
User

Customer (Business Interest)

Supplier

PRINCE2® Themes

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The emphasis which PRINCE2® places on products, or deliverables, means that it is easy to see the relevance of traditional quality management principles to the management of projects.

Four elements of Quality:
- Quality System
- Quality Planning
- Quality Assurance
- Quality Control

PRINCE2® Themes

Quality

- Responsibility of the Project Board
- Three views: Executive – User – Supplier
- Project Manager has <u>NO</u> Quality Execution Responsibilities
  - (except for the Quality Plan)

PRINCE2® Themes

● Business Case
● Organization
● Quality

● Plans

● Risk
● Change
● Progress

Product-based Planning

These are the backbone of the management information system that is required for any project. PRINCE2® is very concerned with the different levels of plan which need to be produced and the approvals which are required before plans are put into action.

Three levels of plans:
• Project
• Stage
• Team (optional)
• *Exception*

PRINCE2® Themes

- Business Case
- Organization
- Quality
- Plan
- Risk
- Change
- Progress

Since risk is such a fundamental consideration within the Business Case, PRINCE2® identifies Risk as a Theme in its own right to assess and take relevant action in respect of uncertainties.

PRINCE2® Themes

● **Risk Responses**

Threat Response	Opportunity Response
Share	Share
Avoid	Exploit
Reduce	Enhance
Fallback	Reject
Transfer	
Accept	

PRINCE2® Themes

- Business Case
- Organization
- Quality
- Plan
- Risk
- **Change**
- Progress

A common approach to Issue and Change Control

Change in projects is inevitable so PRINCE2® defines procedures for managing changes as they occur or become necessary. This can be a particularly crucial element in a project since the rest of the project or other projects or perhaps a program can be affected by changes made within a project. This Theme also provides for Configuration Management which may be thought of as asset control.

- Request for change
- Off-specification (non-conformance)
- Problem/concern (issue)

PRINCE2® Themes

- Business Case
- Organization
- Quality
- Plan
- Risk
- Change
- Progress

As important as it is to plan the project it is equally important to know how the project is progressing. When the 'actual state' is known and compared to the planned state, then control is possible.

PRINCE2® v PMBOK® Guide

- A method
- Descriptive
- What and Why
- Principals & Processes
- Does not address tools & techniques
- Defined roles
- Managed by exception

- Not a methodology
- Prescriptive
- How and Why
- Processes
- Guidelines for tools & techniques

PRINCE2® v PMBOK® Guide

- PRINCE2® requires an organization change
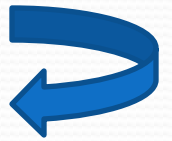
- PRINCE2® is based on shared responsibilities

- PMBOK® can be applied in virtually any organization

- PMBOK® places the responsibilities on the project manager
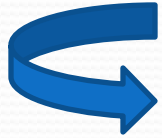
Some Definitions

PRINCE2

- **Project**: A project is a temporary organization that is created for the purpose of delivering one or more business products according to an agreed Business Case.
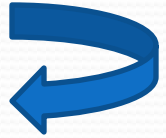
PMBOK

- **Project**: A temporary endeavor undertaken to create a unique product, service, or result.

Some Definitions

PRINCE2

- **Project Management**: The planning, delegating, monitoring and control of all aspects of the project, and the motivation of those involved, to achieve the project objectives within the expected performance targets of time, cost, quality, scope, benefits and risks.

PMBOK

- **Project Management**: The application of knowledge, skills, tools, and techniques to project activities to meet the project requirements.

Conflict or Complementary

- Bottom Line –

  PRINCE2 and PMBOK Edition 5 are Complementary