

# Project Management Principles

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PMBOK GUIDE 7<sup>TH</sup> EDITION



# Principles

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- Principles serves as foundational guidelines for strategy, decision making, and problem solving.
- Professional standards and methodologies are often based on principles.
- Principles for project management provide guidance for the behavior of people involved in projects

# PMI Code of Ethics and Professional Conduct

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Principles can, but do not necessarily, reflect morals.

A code of ethics is related to morals.

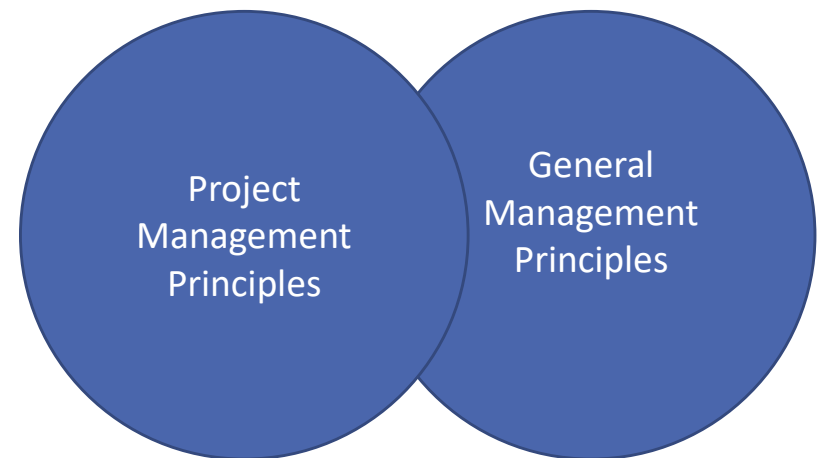
A code of ethics for a profession can be adopted by an individual or profession to establish expectations for moral conduct. PMI is based on four values:

- Responsibility
- Respect
- Fairness
- Honesty

# Project vs. General Management Principles

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Principles of project management can also have areas of overlap with general management principles



# 12 Principles

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1. Be a diligent, respectful, and caring steward
2. Create a collaborative project team environment
3. Effectively engage with stakeholders
4. Focus on value
5. Recognize, evaluate, and respond to system interactions
6. Demonstrate leadership behaviors

# 12 Principles

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- 7. Tailor based on context
- 8. Build quality into processes and deliverables
- 9. Navigate complexity
- 10. Optimize risk responses
- 11. Embrace adaptability and resiliency
- 12. Enable change to achieve the envisioned future state

## Be A Diligent, Respectful, and Caring Steward

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**STEWARDSHIP:** “The act of taking care of or managing something, for example property, an organization, money or valuable objects.”

- <https://www.oxfordlearnersdictionaries.com/>

Stewards act sensibly to carry out actions with integrity, care, and trustworthiness while keeping compliance with internal and external guidelines.

They demonstrate a broad commitment to financial, social, and environmental impacts of the projects they support.

Stewardship has responsibilities both within and external to the company.



# Be A Diligent, Respectful, and Caring Steward

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Stewardship includes:

- Integrity
  - Stewards behave honestly and ethically
- Care
  - Stewards are fiduciaries of the organizational matters in their charge, and they diligently oversee them.
- Trustworthiness
  - Stewards represent themselves, their roles, their project team, and their authority accurately, both inside and outside of the organization.
- Compliance
  - Stewards comply with laws, rules, regulations, and requirements.

A holistic view of stewardship considers financial, social, technical, and sustainable environmental awareness.



# Create a collaborative project team environment

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## TEAM

Projects are done by project teams.

Project teams are made up of people who have diverse skills, knowledge, and experience.

Project teams that work collaboratively can finish a shared objective more effectively and efficiently than individuals working on their own.

Project teams work within organizational and professional cultures and guidelines, often establishing their own “local” culture.

A collaborative project team environment facilitates:

- Alignment with other organizational cultures and guidelines,
- Individual and team learning and development, and
- Optimal contributions to deliver desired outcomes.

## Create a collaborative project team environment

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Project Teams will be affected by:

**Team agreements.**

- Team agreements represent a set of behavioral parameters and

**Organizational structures**

- Project teams use, tailor, and implement structures that help

**Processes.**

- Project teams define processes that enable completion of tasks and work assignments.

## Create a collaborative project team environment

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Transparency on roles and responsibilities can improve team cultures.

**Authority.** The order of having the right, within a given context, to make relevant decisions, establish or improve procedures, apply project resources, expend funds, or give approvals.

**Accountability.** The condition of being answerable for an outcome. Accountability is not shared.

**Responsibility.** The condition of being obligated to do or fulfill something. Responsibility can be shared.

A diverse project team can develop the project atmosphere by bringing together different perspectives.

Teams should incorporate practice standards, ethical codes, and other guidelines as part of the professional work within the project team and the organization.

A collaborative project team environment promotes the free exchange of information and individual knowledge.

# Effectively engage with stakeholders

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## **STAKEHOLDERS**

Engage stakeholders proactively and to the point needed to contribute to project success and customer satisfaction.

Stakeholders impact projects, performance, and outcomes.

Project teams work for other stakeholders by engaging with them.

Stakeholder engagement proactively improves value delivery.

# Effectively engage with stakeholders

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Stakeholders can affect many aspects of a project, including but not limited to:

- Scope/requirements
- Schedule
- Cost
- Project team
- Plans
- Outcomes
- Culture
- Benefits realization
- Risk
- Quality
- Success

# Effectively engage with stakeholders

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Identifying, analyzing, and proactively engaging with stakeholders from the start to the end of the project

Project teams are a group of stakeholders.

Consist of defining how, when, how often, and under what situations stakeholders want to be and should be engaged.

This relies on interpersonal skills, including taking initiative, integrity, honesty, collaboration, respect, empathy, and confidence.

Engagement helps project teams detect, collect, and evaluate information, data, and opinions.

Project teams actively engage other stakeholders throughout the project to minimize potential negative impacts and maximize positive impacts.

# Focus on value

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## **VALUE**

Continually evaluate and adjust project alignment to business objectives and intended benefits and value.

Value is the ultimate indicator of project success.

Value can be realized throughout the project, at the end of the project, or after the project is complete.

Value, and the benefits that contribute to value, can be defined in quantitative and/or qualitative terms.

A focus on outcomes allows project teams to support the intended benefits that lead to value creation.

Project teams evaluate progress and adapt to maximize the expected value.

# Focus on value

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Includes outcomes from the perspective of the customer or end user, is the ultimate success indicator and driver of projects.

A business case contains at least these supporting and interrelated elements:

- Business need
- Project justification
- Business strategy

Value is the worth, importance, or usefulness of something. Value is subjective, in the sense that the same concept can have different values for different people and organizations.

To support value realization from projects, project teams shift focus from deliverables to the intended outcomes. Doing so allows project teams to deliver on the vision or purpose of the project, rather than simply creating a specific deliverable.



Recognize, evaluate, and respond to system interactions

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### **SYSTEMS THINKING**

A *system* is a set of interacting and interdependent components that function as a unified whole.

A project is a system of interdependent and interacting domains of activity.

Recognize, evaluate, and respond to the dynamic circumstances within and surrounding the project in a holistic way to positively affect project performance.

Systems thinking entails taking a holistic view of how project parts interact with each other and with external systems.

Systems are constantly changing, requiring consistent attention to internal and external conditions.

Being responsive to system interactions allows project teams to leverage positive outcomes.

## Recognize, evaluate, and respond to system interactions

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Project teams should acknowledge this holistic view of a project, seeing the project as a system with its own working parts.

A project works within other larger systems, and a project deliverable may become part of a larger system to realize benefits.

As projects unfold, internal and external conditions are continuously changing. A single change can create several impacts

Systems thinking also applies to how the project team views itself and its interactions within the project system.

The project system often brings together a diverse project team engaged in working for a common objective.

# Demonstrate leadership behaviors

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## **LEADERSHIP**

Demonstrate and adapt leadership behaviors to support individual and team needs.

Effective leadership promotes project success and contributes to positive project outcomes.

Any project team member can demonstrate leadership behaviors.

Leadership is different than authority.

Effective leaders adapt their style to the situation.

Effective leaders recognize differences in motivation among project team members.

Leaders demonstrate desired behavior in areas of honesty, integrity, and ethical conduct.

## Demonstrate leadership behaviors

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On a high-performing project multiple people may exhibit effective leadership skills including the project

It is important to remember that more conflict and misunderstanding can emerge when too many participants attempt to employ project influence in multiple, misaligned directions.

Leadership should not be confused with *authority*. Authority is the right to exercise power and control individuals.

It takes leadership to motivate a people toward a common goal, inspire them to align their individual interests in favor of collective effort, and achieve success as a project team rather than as individuals.

# Demonstrate leadership behaviors

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Team members develops leadership wisdom by adding or practicing a combination of various skills or techniques, including but not limited to:

- Focusing a project team around agreed goals
- Articulating a motivating vision for the project
- Generating consensus on the best way forward
- Overcoming obstacles to project progress
- Negotiating and resolving conflict
- Adapting communication style and messaging to stakeholders
- Coaching and mentoring fellow project team members
- Having self-awareness of one's own bias and behaviors
- Managing and adapting to change during the project

# Demonstrate leadership behaviors

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**Projects work best when leaders understand what motivates people.**

Project teams can flourish when project team members use suitable leadership traits, skills, and characteristics that match the specific needs and expectations of stakeholders.

Effective leadership promotes project success and contributes to positive project outcomes.

By mixing styles and leveraging motivators, any project team member or stakeholder can motivate or influence and in turn grow the project team, regardless of role or position.

## Tailor based on context

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Each project is unique.

Design the project development methods based on the needs of the project and its objectives, stakeholders, governance, and the environment.

Using “just enough” process to accomplish the desired outcome while maximizing value, managing cost, and enhancing speed.

Project success is based on adapting to the unique context of the project

Tailoring the method is iterative, and therefore is a continuous process throughout the project.

Project teams tailor the proper framework that will enable the flexibility to consistently produce positive outcomes.

## Tailor based on context

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Project teams discuss and decide on the delivery approach and resources on a project-by-project basis.

Tailoring the project approach to suit the unique characteristics of the project and its environment

A tailored project approach can produce benefits, such as:

- Deeper commitment from project team members
- Reduction in waste in terms of actions or resources
- Customer-oriented focus
- More efficient use of project resources



## Build quality into processes and deliverables

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### QUALITY

Quality is about meeting the acceptance criteria for deliverables.

Project quality is about satisfying stakeholders' expectations and fulfilling project and product requirements.

Stakeholders will have to maintain a focus on quality that produces deliverables that meet project objectives and align to the needs set forth by stakeholders.

Project quality ensures processes are appropriate and as effective as possible.

## Build quality into processes and deliverables

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Quality may have several different dimensions, including but not limited to the following:

- Performance
- Conformity
- Reliability
- Resilience
- Satisfaction
- Efficiency
- Sustainability

Teams measure quality using metrics and acceptance criteria's.

The objective is to help ensure that what is delivered meets the objectives of the customer and other relevant stakeholders.

# Navigate complexity

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## **COMPLEXITY**

Complexity is the outcome of human behavior, system interactions, uncertainty, and ambiguity.

Complexity can arise at any point during the project.

Constantly evaluate and navigate project complexity so that approaches and plans enable the project team to successfully navigate the entire project.

Complexity can be introduced by events or conditions

Project teams can stay vigilant in identifying elements of complexity and use a variety of methods to reduce the amount or impact of complexity.

Project teams often cannot forecast complexity emerging because it is the result of many conditions and events.

# Navigate complexity

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Some of the more common sources of complexity are:

- Human behavior
- System behavior
- Uncertainty and ambiguity
- Technological innovation

Being vigilant for indications of complexity allows project teams to adapt their approaches and plans to navigate potential disruption to effective project delivery.

# Optimize risk responses

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A *risk* is an uncertain event or condition that, if it occurs, can have a positive or negative effect on one or more objectives.

Risks can be positive (opportunities) or negative (threats).

Project teams seek to maximize positive risks (opportunities) and decrease exposure to negative risks (threats).

Constantly evaluate exposure to risk, both opportunities and threats, to maximize positive impacts and minimize negative impacts to the project and its outcomes.

Risks are addressed continually throughout the project.

# Optimize risk responses

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Risk responses should be:

- Appropriate for the significance of the risk,
- Cost effective,
- Realistic within the project context,
- Agreed to by relevant stakeholders, and
- Owned by a responsible person.

Project team members engage with relevant stakeholders to understand their risk appetite and risk thresholds.

An organization's risk attitude, appetite, and threshold influence how risk is addressed.

# Embrace adaptability and resiliency

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Adaptability is the ability to respond to changing conditions.

Resiliency is the ability to absorb impacts and to recover quickly from a setback or failure.

Build adaptability and resiliency into the organization's and project team's approaches

A focus on outcomes rather than outputs facilitates adaptability.

A project rarely performs exactly as initially planned.

Projects are influenced by internal and external factors—new requirements, issues, stakeholder influences, among other factors—which exist in a system of interactions.

# Embrace adaptability and resiliency

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In a project environment, capabilities that support adaptability and resilience include:

- Short feedback loops to adapt quickly;
- Continuous learning and improvement;
- Regular inspection and adaptation
- Open and transparent planning that engages stakeholders
- Small-scale prototypes and experiments
- Open organizational conversations
- Diverse project teams with broad skill sets, cultures, and experience
- Understanding from past learning



# Embrace adaptability and resiliency

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Building adaptability and resiliency in a project keeps project teams on track to the desired outcome when internal and external factors change, and it helps them recover from setbacks.

These features also help project teams learn and improve so that they can quickly recover from failures or setbacks and continue making progress toward delivering value.

# Enable change to achieve the envisioned future state

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## **CHANGE**

Prepare those impacted for the acceptance to go from the current state to the intended future state created by the project output.

A structured approach will help individuals, groups, and the organization transition from the current state to a future desired state.

Change can originate from internal influences or external sources.

Enabling change can be challenging as not all stakeholders embrace change.

Attempting too much change in a short time can lead to change fatigue and/or resistance.

Stakeholder engagement and motivational approaches assist in change adoption.

## Enable change to achieve the envisioned future state

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Remaining relevant in today's business environment is a fundamental challenge for all organizations.

Change in an organization can originate from internal sources and external sources.

Enabling change in an organization can be challenging.

Effective change management uses a motivational strategy rather than a forceful one.

Knowing and addressing the needs of stakeholders to embrace change throughout the project life cycle helps to integrate the resulting change in the project work, making a successful outcome more likely.