



Project Management Standards

MDA402 Project Management

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December 12, 2024

Lecture Overview

1. PProjects IN Controlled Environment - PRINCE2

- Overview

- Definition

- Principles, Themes & Processes

- How to?

2. Project charter

- Definition

- Misconceptions

- Example

PRINCE2

Overview

- created by **Axelos**
- first version established in 1989 initially known as Project Resource Organization Management Planning Technique (PROMPT)
- then upgraded to PRINCE2 in 1996
- latest publication from 2017: **Managing Successful Project with PRINCE2** marking 7th edition of PRINCE2 [5]



Figure: Axelos & PRINCE2 logo [5]

PRINCE2

Definition

Definition 3.1

PRINCE2 is one of the most widely used methods for **managing projects**. It is a structured project management method.

- is based on established and proven **best practice** and **governance** for project management
- can be applied to any type of project
- four integrated elements of **principles**, **themes**, **processes** and **the project environment**

PRINCE2

Definition

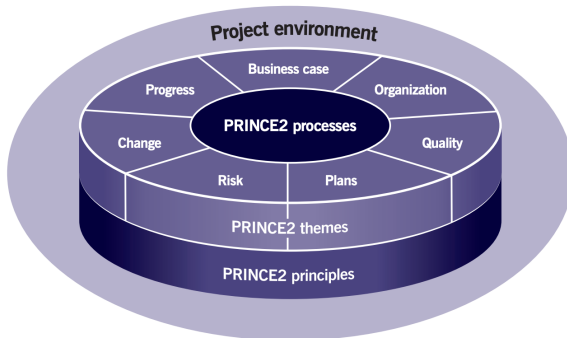


Figure: Structure of PRINCE2 [5]

PRINCE2

Principles

1. Continued business justification:

- there is a justifiable reason for starting the project
- that justification is recorded and approved
- the justification remains valid throughout the life of the project.

2. Learn from experience:

- lessons are sought, recorded and acted upon throughout

3. Defined roles and responsibilities:

- projects must have an explicit project management team structure
- it means defined and agreed roles and responsibilities for the people involved in the project

4. Manage by stages:

- project is planned, monitored and controlled on a stage-by-stage basis
- PRINCE2 breaks the project down into discrete, sequential sections, called management stages

PRINCE2

Principles

5. Manage by exception:

- setting tolerances against six aspects of performance: Cost, Time, Quality, Scope, Benefits, Risk

6. Focus on products:

- project focuses on the definition and delivery of products
- focus on what the project needs to produce more than focus on the work activity

7. Tailor to suit the project:

- PRINCE2 is universal project management method
- it can be used to take account of the project's environment, size, complexity, importance, team capability and risk

PRINCE2

Themes

Business case - WHY?

Business case addresses:

- how the idea is **developed** into a viable investment proposition
- how project management **maintains** the focus on the organization's objectives

Organization - WHO?

Organization:

- describes **roles and responsibilities** in the project management team required to manage the project.

PRINCE2

Themes

Quality - WHAT?

Quality explains:

- quality **attributes** of the products to be delivered
- how project management will **ensure** that these requirements are delivered

Plans - HOW? HOW MUCH? WHEN?

Plans:

- describe the steps to develop **project plan**
- are the focus of communication and control throughout the project

PRINCE2

Themes

Risk - WHAT IF?

Risk addresses:

- how project management manages **uncertainty**.

Change - WHAT IS THE IMPACT?

Change:

- describes how project management **assesses** and **acts** upon issues
- issues have potential impact on the baseline of the project
- issues may be general problems, requests for changes or product not meeting expectation

PRINCE2

Themes

Progress - WHAT ARE WE NOW? WHERE ARE WE GOING?

Progress:

- address viability of the plans
- monitor actual performance and escalate if events do not follow the plan
- determines whether and how project should proceed

PRINCE2

Processes

PRINCE2 processes

1. **Starting up the project**
2. **Directing project**
3. **Initiating a project**
4. **Controlling stage**
5. **Managing product delivery**
6. **Managing a stage boundary**
7. **Closing the project**

PRINCE2

Processes

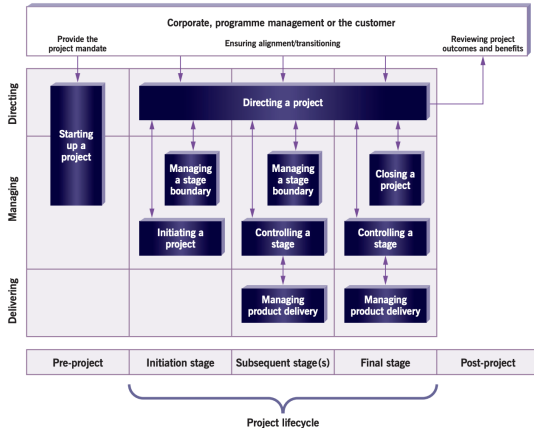


Figure: PRINCE2 processes [5]

PRINCE2

Processes

Starting up the project

- main objective is to ensure that there is **business justification** for initiating the project
- the trigger for the project is **project mandate** → provided by responsible authority that is commissioning the project
- main activities:
 - appoint **executive** and **project manager**
 - capture **previous lessons**
 - appoint **project management team**
 - outline **business case**
 - plan **initiation stage**

PRINCE2

Processes

Directing project

- main objective is to ensure that there is **authority** to:
 - **initiate** the project
 - **deliver** the project's products
- this process is triggered by request to **initiate** a project
- this process does not cover day-to-day activities of project manager, but activities of **project board** throughout all stages
- main activities:
 - authorize **initiation**, **project**, **stage** or **exception plan**
 - give **ad hoc direction**

PRINCE2

Processes

Initiating a project

- main objective is to ensure that common understanding exists about:
 - **reasons** for doing project
 - **scope** to be done and **products** to be delivered
 - **how** and **when** the products will be delivered and **at what cost**
- initiating project is **laying down** foundation for successful project
- main activities:
 - **agree** on requirements
 - set up **project controls**
 - assemble **project initiation documentation (PID)**

PRINCE2

Project Initiation Documentation

Definition 3.2

PID is an **aggregation** of many management products created during project initiation.

- it is not a single document, but a **collection** of documents
- it consists of:
 - project's **management team**
 - detailed **business case**
 - **quality** management approach
 - **change** control approach
 - **risk** management approach
 - **communication** management approach
 - **project plan**

PRINCE2

Processes

Controlling a stage

- main objective is to ensure that:
 - attention is **focused on delivery** of products
 - **risks** and **issues** are kept under control
 - **business case** is under review
- this process describes the work of project manager in **day-to-day management**
- main activities:
 - **review** work package and **receive** completed work packages
 - **monitor** and **report** highlights
 - **capture, examine, escalate** issues and risk → take **corrective actions** if needed

PRINCE2

Processes

Managing product delivery

- main objective is to ensure that:
 - work allocated to the team is **authorized** and **agreed**
 - all stakeholders are clear about what is **to be produced** and what is expected **effort, cost** and **timeline**
 - **business case** is under review
- main activities:
 - **accept** work package
 - **execute** work package
 - **deliver** work package

PRINCE2

Processes

Managing a stage boundary

- main objective is to:
 - **review** and **update** (if necessary) PID → business case, project plan or management team structure
 - provide the information to project board to assess **viability** of the project
 - record **information** and **lessons** that can be useful later
- main activities:
 - **update** project plan
 - **update** business case
 - **produce** an exception plan

PRINCE2

Processes

Closing a project

- main objective is to:
 - **verify** the acceptance of **project's products**
 - **review** the performance of the project against **baseline**
- main activities:
 - prepare **planned** closure
 - **hand** over the products
 - **evaluate** the project

PRINCE2

How to?

- better to be used as method to follow from the beginning of the project till the end
- it is more suitable for experienced or entry-level project managers
- do not follow to the point, because it can create reporting overhead
- creates thorough reporting and documentation → can create reporting overhead
- "command and control" type of management

PRINCE2

How to?

Certification is done directly by Axelos. For PRINCE2 they offer **PRINCE2 Foundation** & **PRINCE2 Practitioner** certificates [1]:

- PRINCE2 Foundation provides the theoretical knowledge of how to plan, manage and deliver projects from start to finish
- PRINCE2 Practitioner enables you to apply and tailor the method in a live working environment

Project Charter

Definition

Definition 3.3

Project charter is a document issued by the project initiator or sponsor that **formally authorizes** the existence of a project. [4]

- keyword = **authority** → it authorizes both project and project manager
- there is no defined document type → usually the charter appears in the form of a **free-form e-mail** or **memo**
- it consists of:
 - **requirements**
 - **business needs**
 - **summary schedule**
 - **assumptions** and **constraints**
 - **business case** [2]

Project Charter

Misconceptions

- project charter does **NOT** need to be single document
 - one document authorizes **effort** and only **references** other documents about business need, schedule, ...
 - even without cross referencing each other **collection** of documents can be considered a charter
- project charter is **NOT** written by a sponsor or authority
 - project manager should prepare **initial draft**
- project charter does **NOT** need to be long and extensive
 - initial project charter should be **short** → later in next phases it will be replaced by longer structured documents
 - charter is best understood in its **simplest** form

Q2 Brand Campaign — Project Charter

Project name: Q2 Brand Campaign

Project manager: @Avery Lomax

Last revision date: April 5, 2021

Project purpose statement: The purpose of this project is to increase brand awareness in NAMER and EMEA through a digital brand campaign in Q3.

Project objectives: Launch display and video ads in Q3 to increase brand awareness in NAMER and EMEA.

Project scope

Deliverables:

- Landing page design
- Display ads (two variations for A/B testing), sized according to display spec sheet
- Video spots (6 and 30 second spots), sized according to video spec sheet

Creative requirements:

- Display
 - Shows logo and CTA throughout animation
 - Both static and HTML5 banners are needed
- Video
 - Features branding within first 5 seconds
 - Includes voiceover
- Landing page
 - Ads and landing page should create a consistent visual experience

Out of scope:

- Translating brand campaign assets

Resources

- Brand design team (six people), 15 hours per week for four weeks
- \$50,000 media spend budget

Stakeholders and approvers

- Project sponsor: @Daniela Vargas
- Approvers: @Kat Mooney, @Kabir Madan

Figure: Project charter example [3]

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Thank You for Your Attention!