

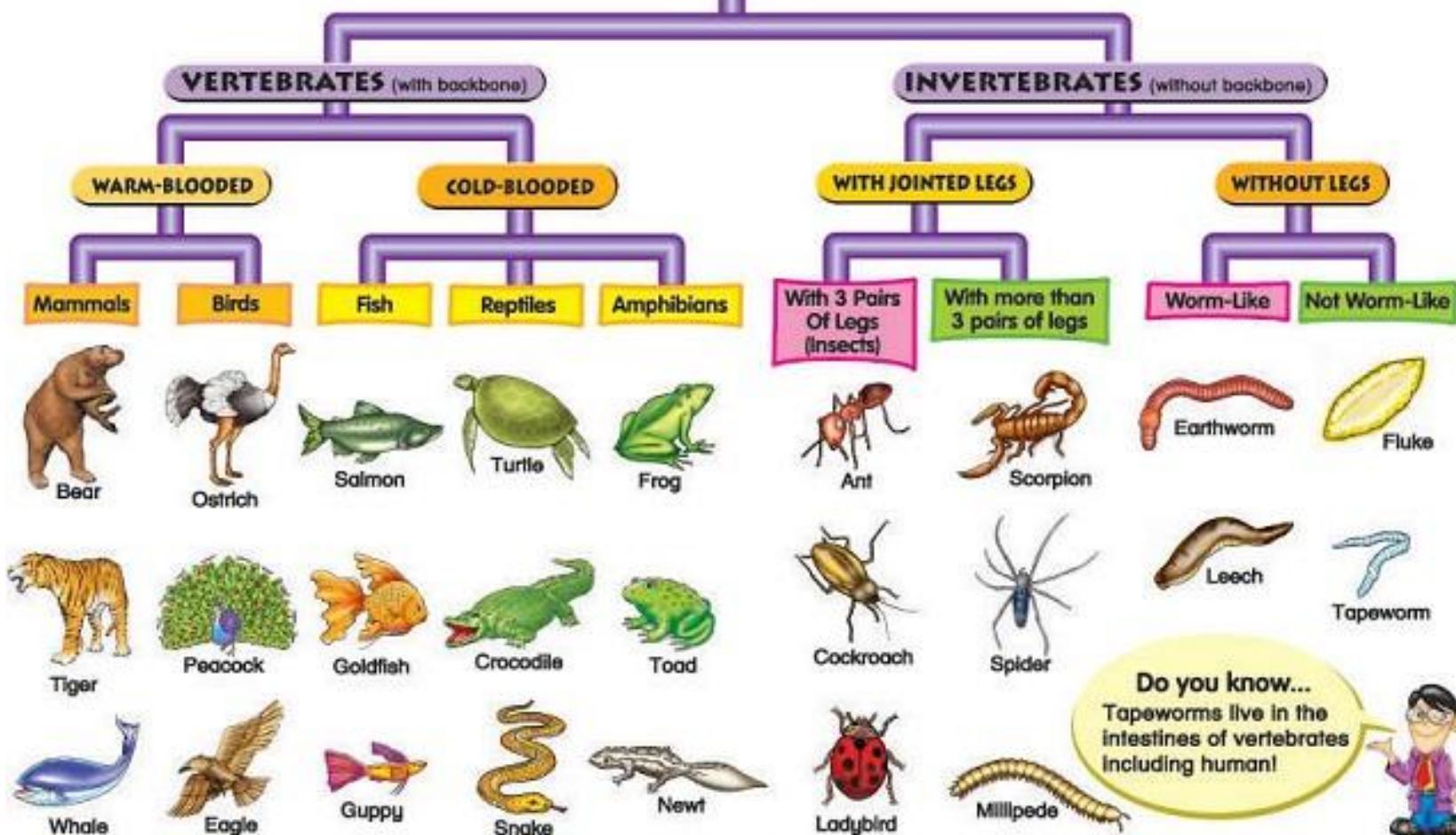
# PRojects IN Controlled Environments

**Yong ZHANG**  
**December, 2020**



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# CLASSIFICATION OF ANIMALS



*India Study Solution*  
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# Contents

- What is PRINCE2
- Processes
- Themes
- Principles
- Environment
- Structured Approach
- Comparison between PRINCE2 and PMP

# What is Prince2

PRINCE2 is a structured project management method. It is based on experience drawn from thousands of projects, and from the contributions of countless people involved in projects, including project managers, project teams, academics, trainers, consultants and others. It is generic and can be applied to any project regardless of project scale, type, organization, geography or culture.

PRINCE2 is a project management methodology adopted by UKGovernment for all IT projects

<https://www.prince2.com/>



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## PRINCE2® Games

Part of what makes our PRINCE2 e-learning courses so great, are our interactive e-learning games. As an engaging way for you to test your understanding of the PRINCE2 methodology, our games help to increase knowledge retention and make the learning process much more enjoyable. So why not have a go!

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Your quest in Inca Treasure is to race around an ancient pyramid, earning jewels as you go. To get them you must answer randomly selected questions relating to different aspects of PRINCE2.

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### Snakes & Ladders



Based on the traditional board game, this highly engaging e-learning product provides you with the opportunity to test your subject knowledge in a fun and entertaining environment.

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### Matching Pairs Processes



The objective of this game is for you to match the product with the PRINCE2 process within which they are first created, but also remembering which card went where, as they are face down!

Launch game

### Matching Pair Roles



The objective of this game is for you to match the product with the PRINCE2 process within which they are first created. All the cards have been turned face down to challenge you. Good Luck!

Launch game

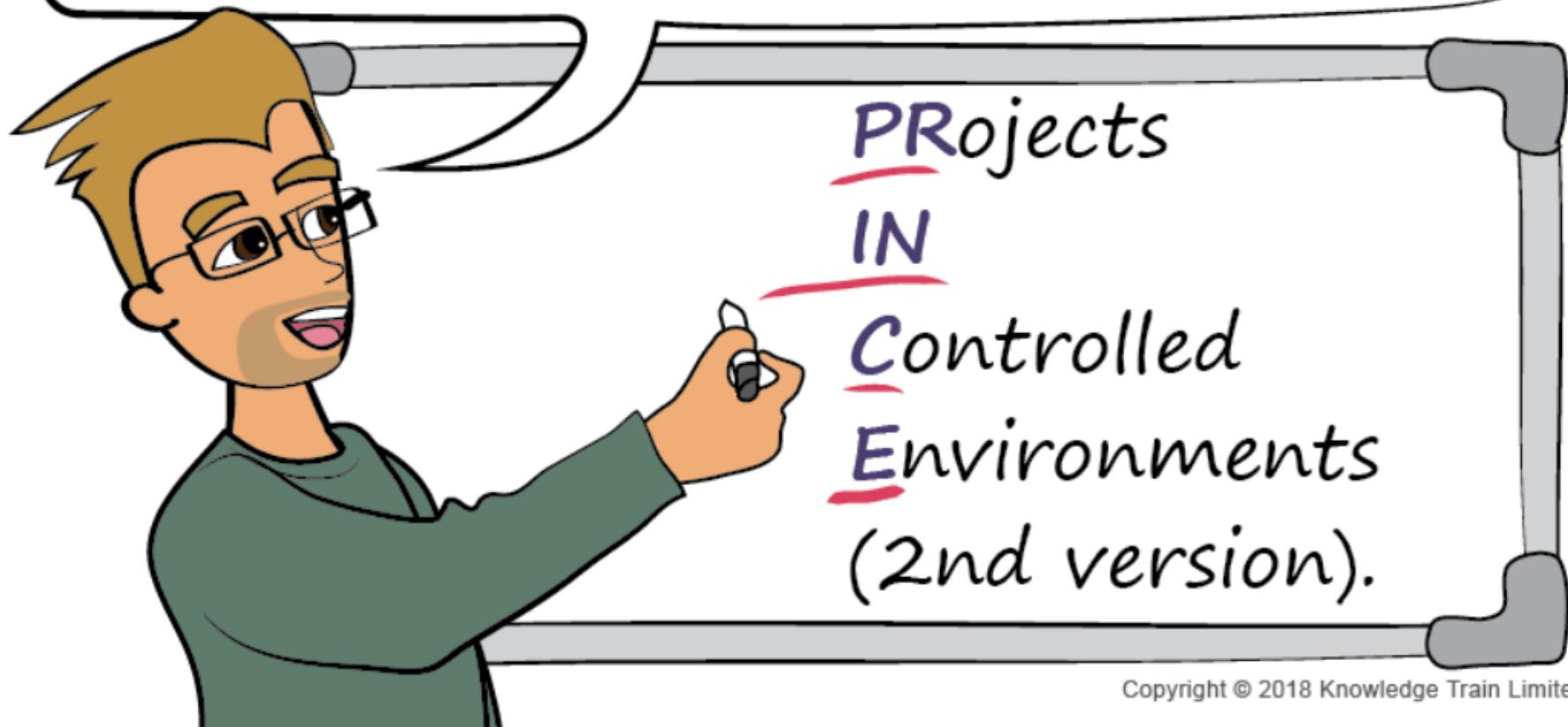


# History

- 1975: **PROMPTII** (Project Resource Organisation Management and Planning Techniques)
- 1979: the UK Government's Central Computing and Telecommunications Agency (CCTA) adopted **PROMPTII** for all information systems projects.
- 1989: published by CCTA, **PRINCE** became the UK standard for all government information systems projects.
- 1996: **PRINCE2**
- 2009: **PRINCE2** Major Revision, the updated version has seven basic principles (not in the previous version)
- 2017: **PRINCE2** Revision



Since 1996, over 1.6 million PRINCE2® exams have been taken!



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# Project Definition

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.

# Characteristics of A Project

## Change

Projects introduce new things

## Uncertainty

UNIQUE + CHANGE  
= Uncertainty

## Temporary

Project has always start and end

## Unique

Two identical projects are never done

## Cross-functional

Involves people from different fields

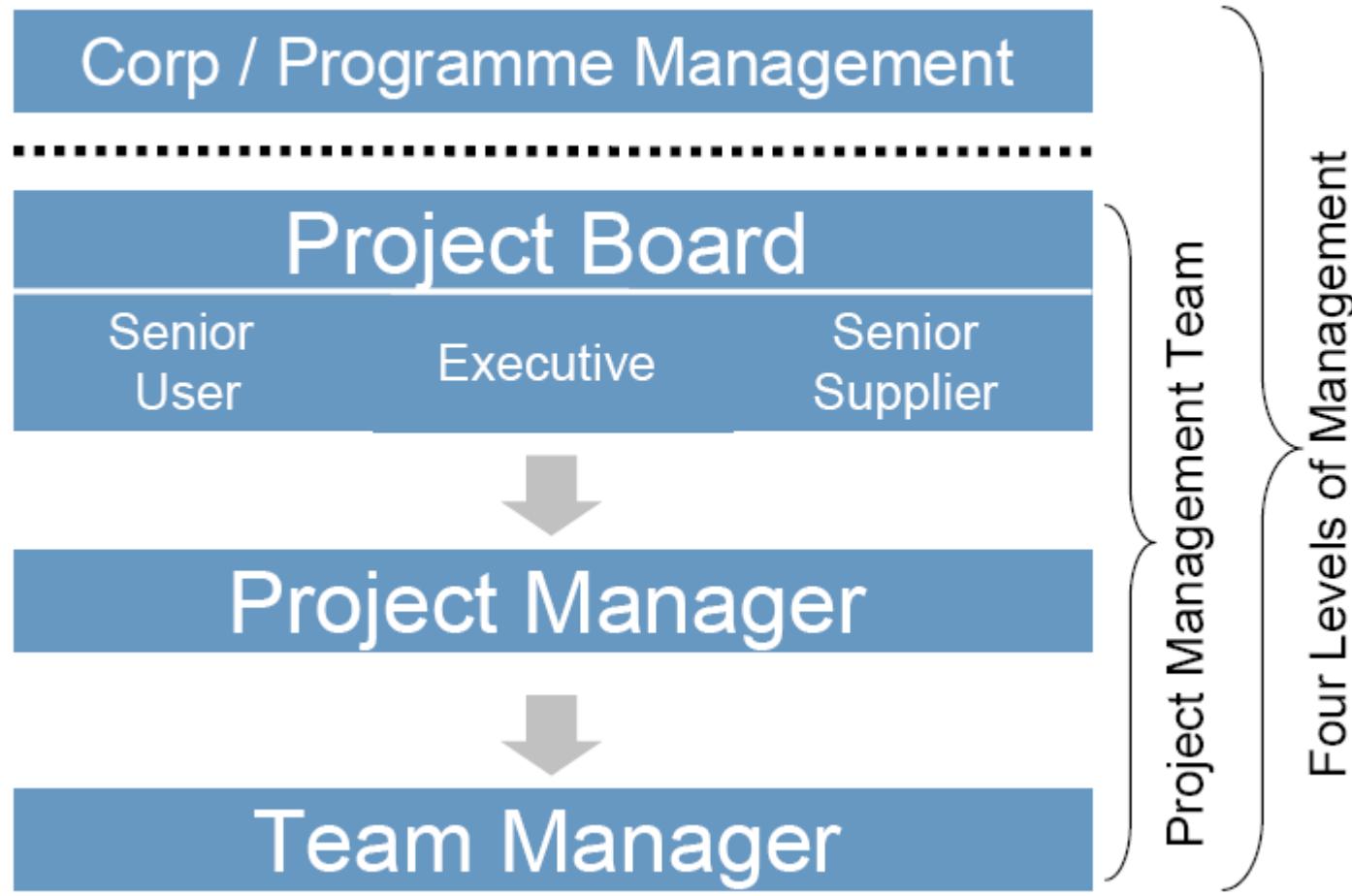


# Project Management

Project management is 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 for time, cost, quality, scope, benefits and risks.



# Project Management Structure



# Programme

Long definition: A programme is a temporary flexible organization structure created to coordinate, direct and oversee the implementation of a set of related projects and activities in order to deliver outcomes and benefits related to the organization's strategic objectives.

Short definition: A programme is a group of related projects in an organization



# Six Variables Involved in Any Project

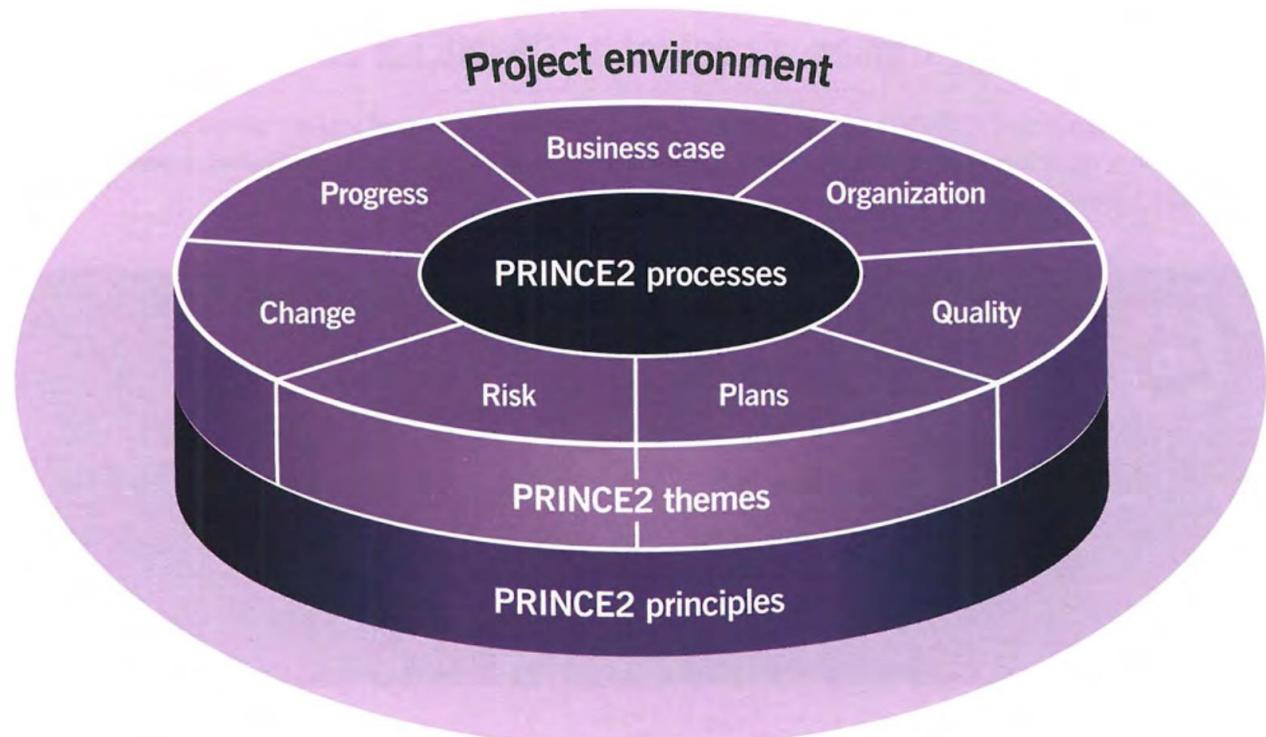
- Costs
- Timescales
- Quality
- Scope
- Benefits
- Risk



# The Structure of PRINCE2

Four aspects:

- Processes
- Themes
- Principles
- Environment

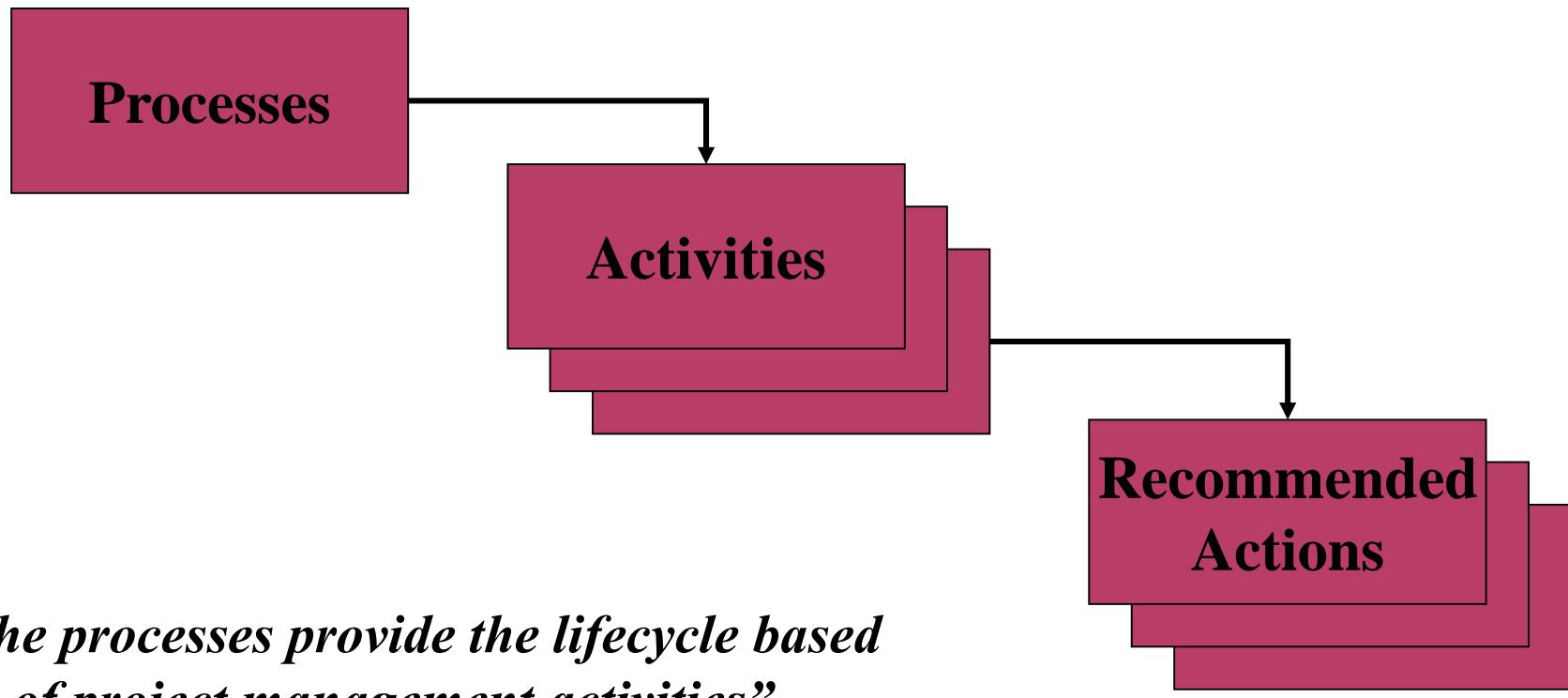




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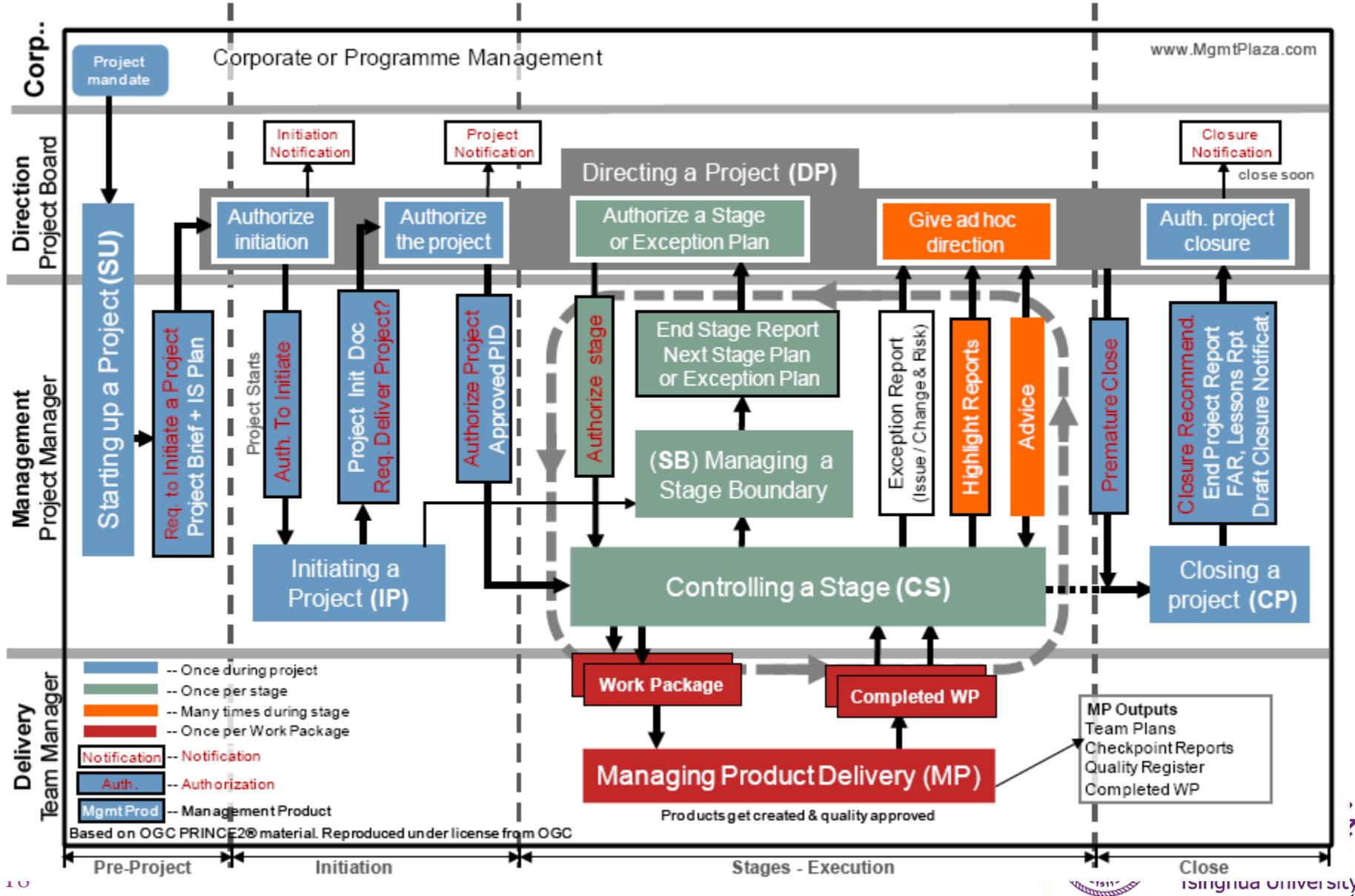
# PRINCE2 Processes



*“The processes provide the lifecycle based list of project management activities”*



# Process Model

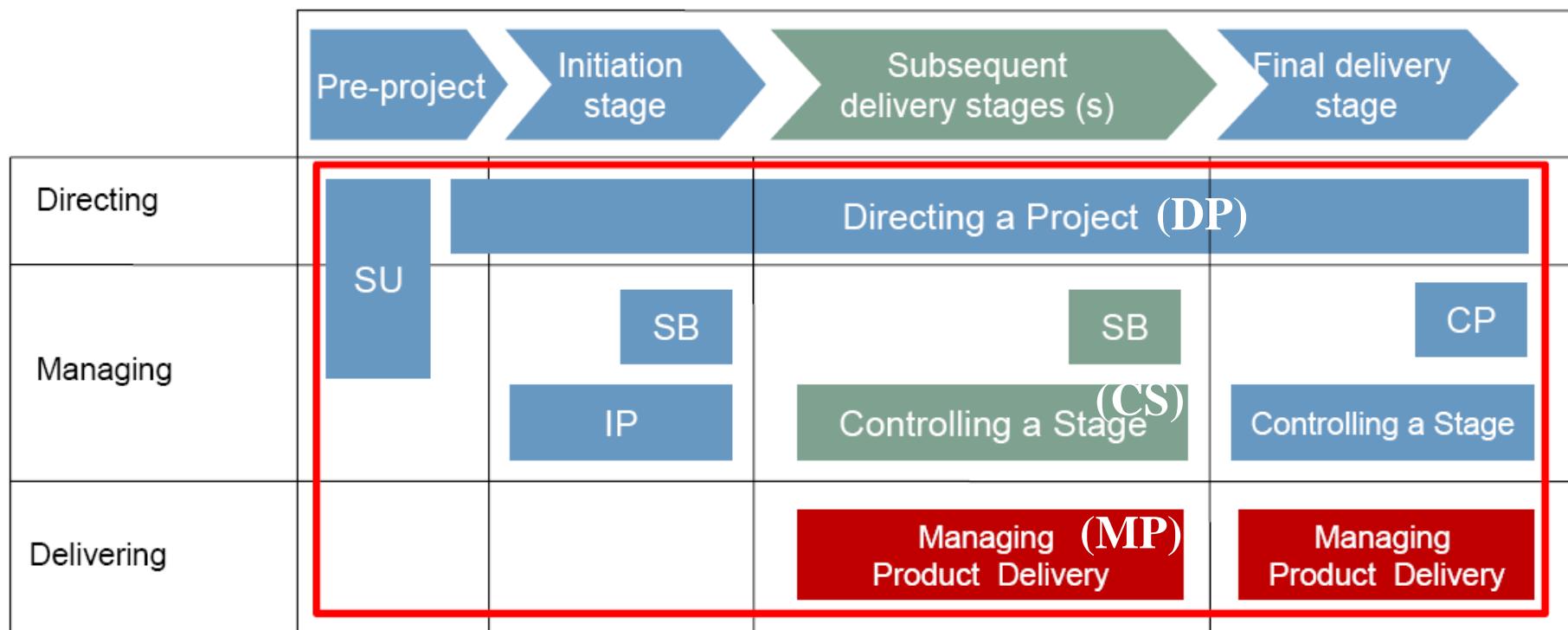


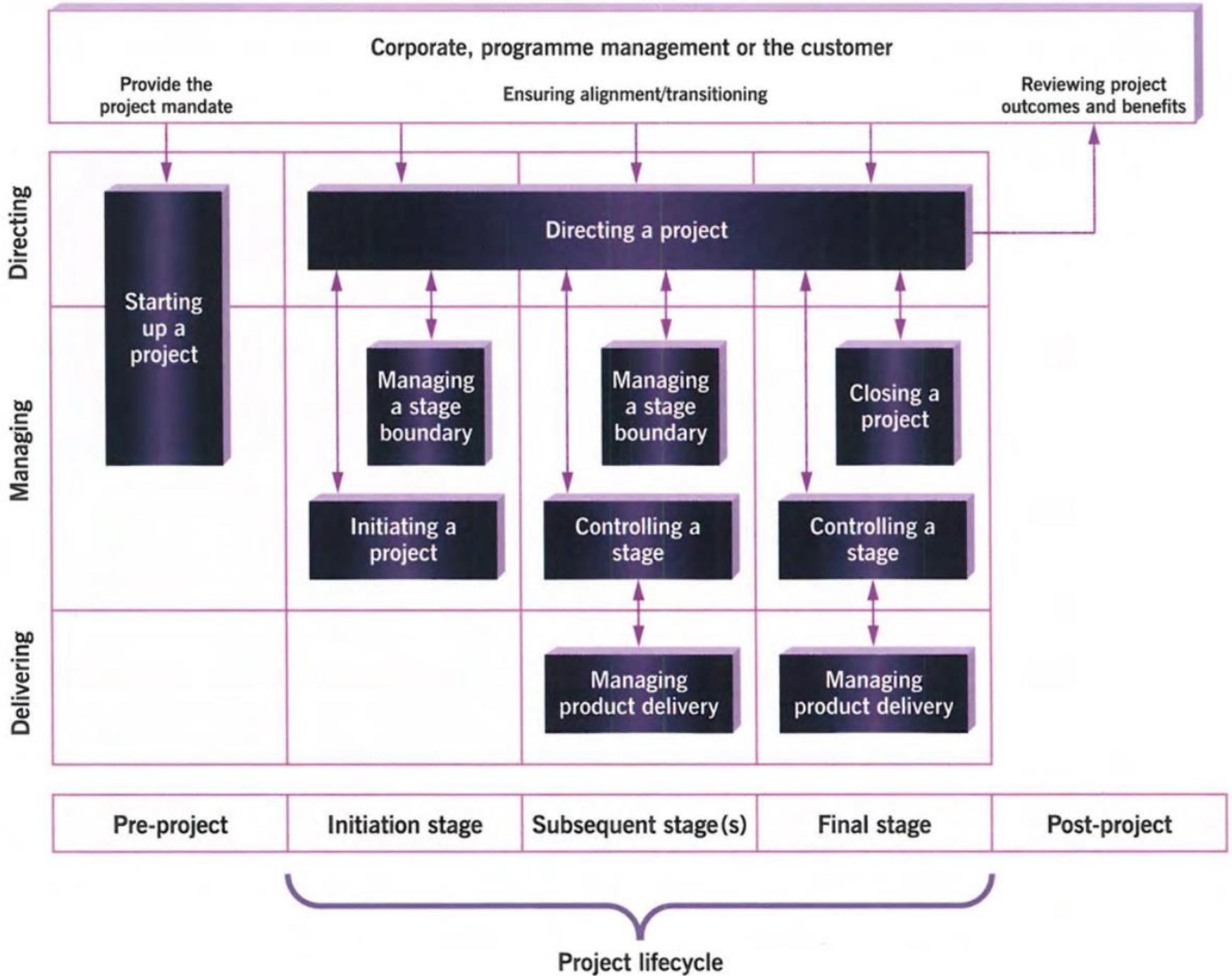
# Four Management Levels

- Level 1: Corporate or Programme Management
- Level 2: Direction
- Level 3: Management
- Level 4: Delivery

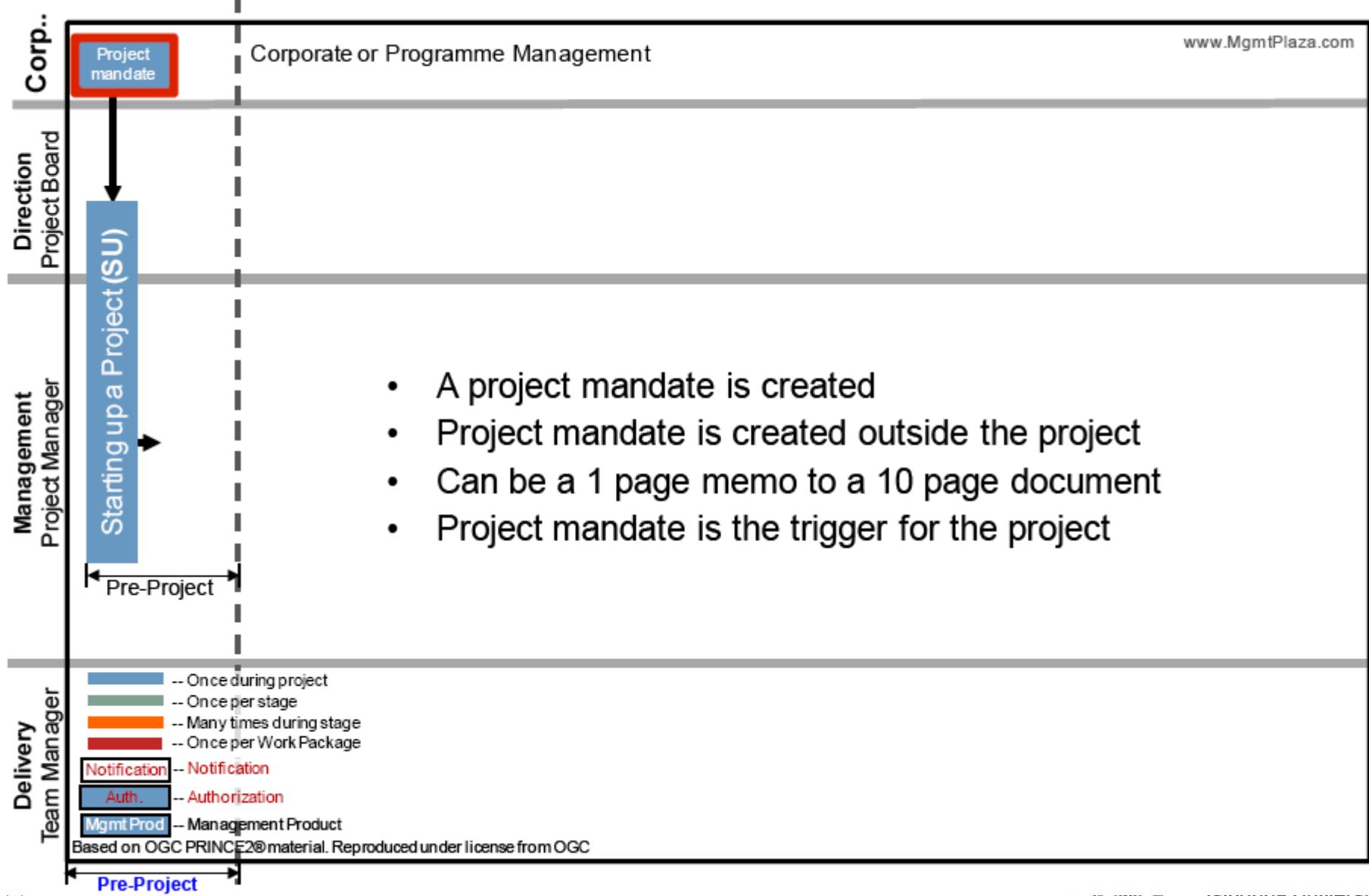


# Seven Processes

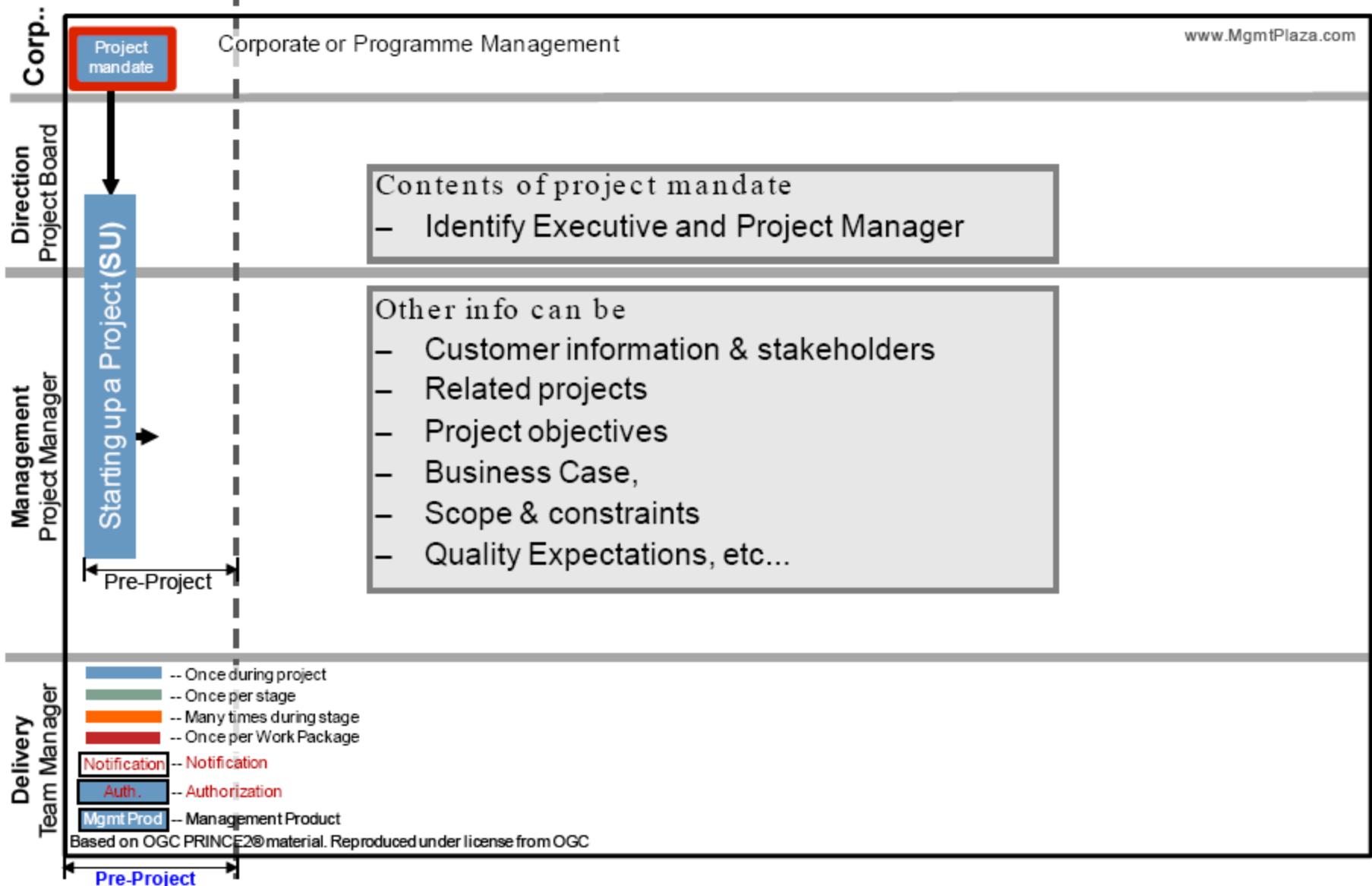




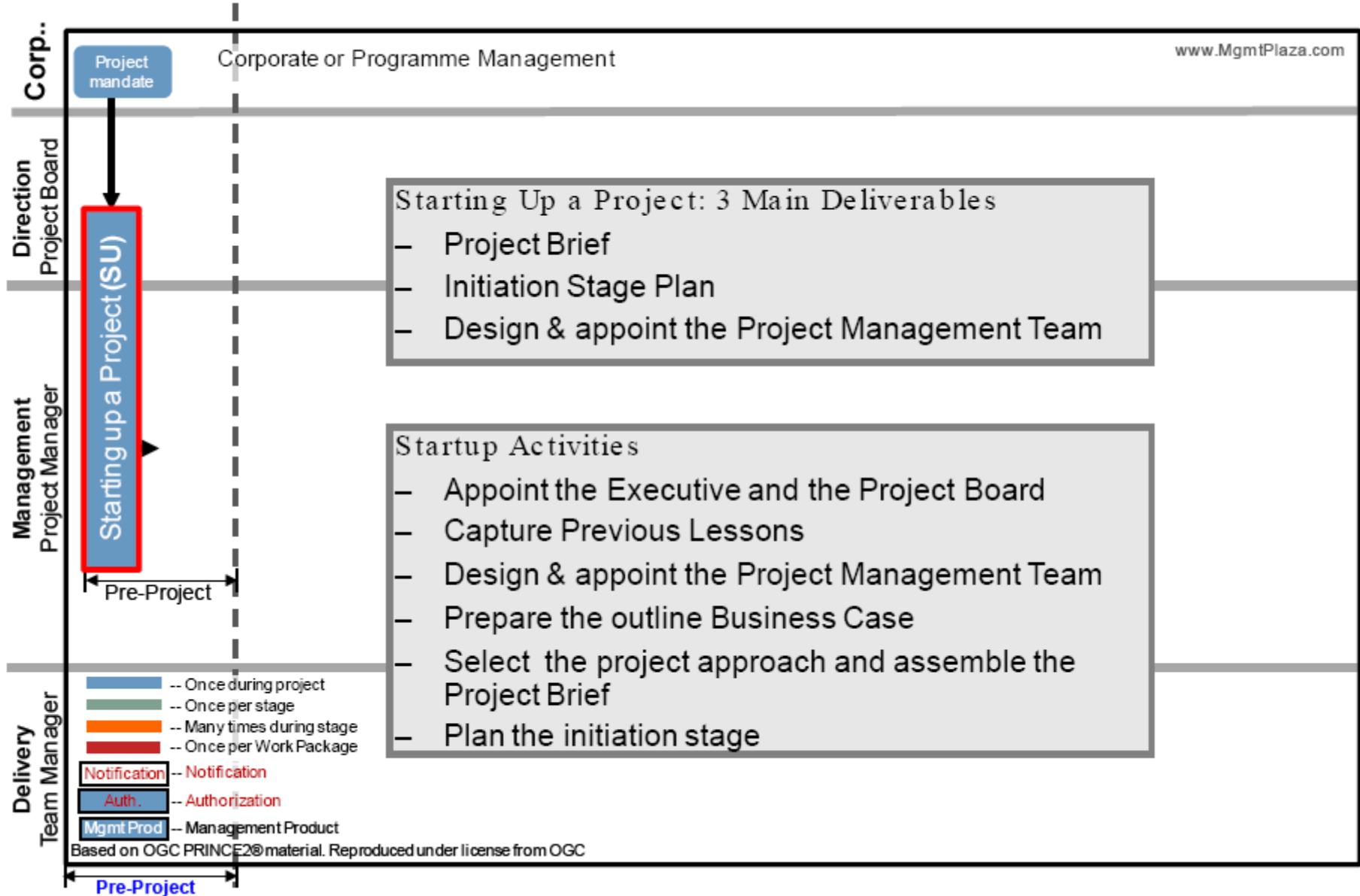
# Project Mandate



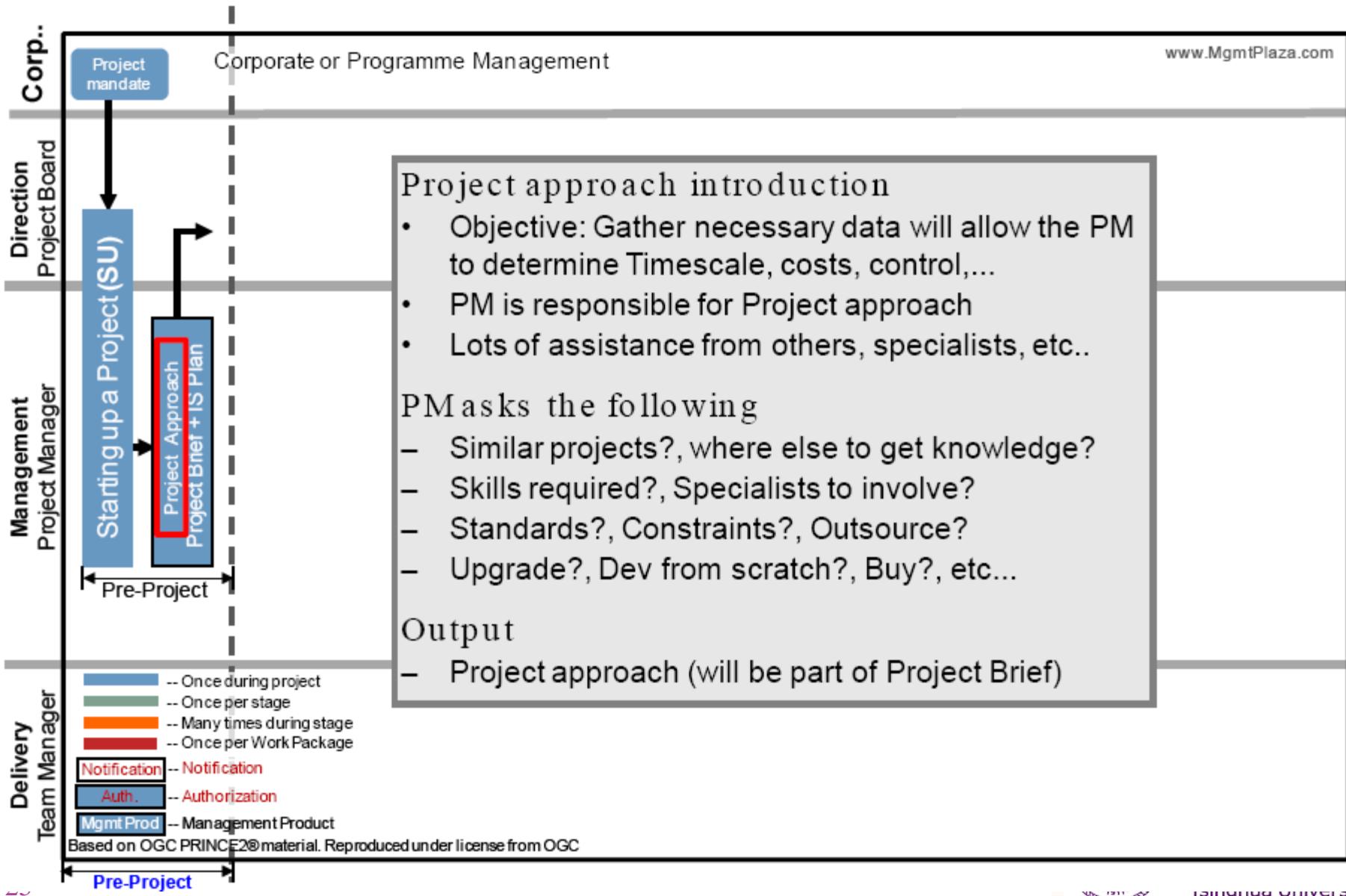
# Project Mandate Contents



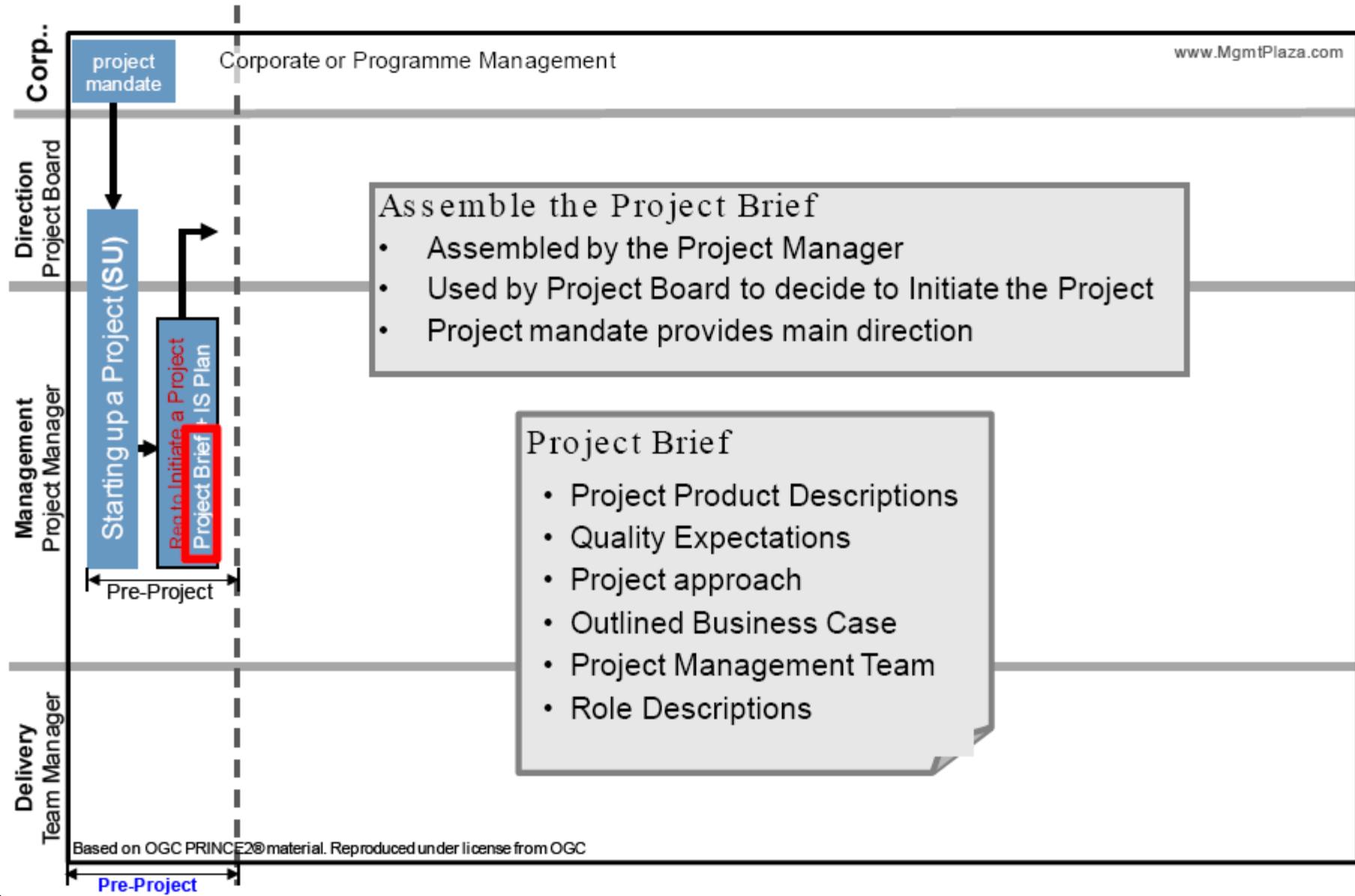
# Starting Up a Project(SU)



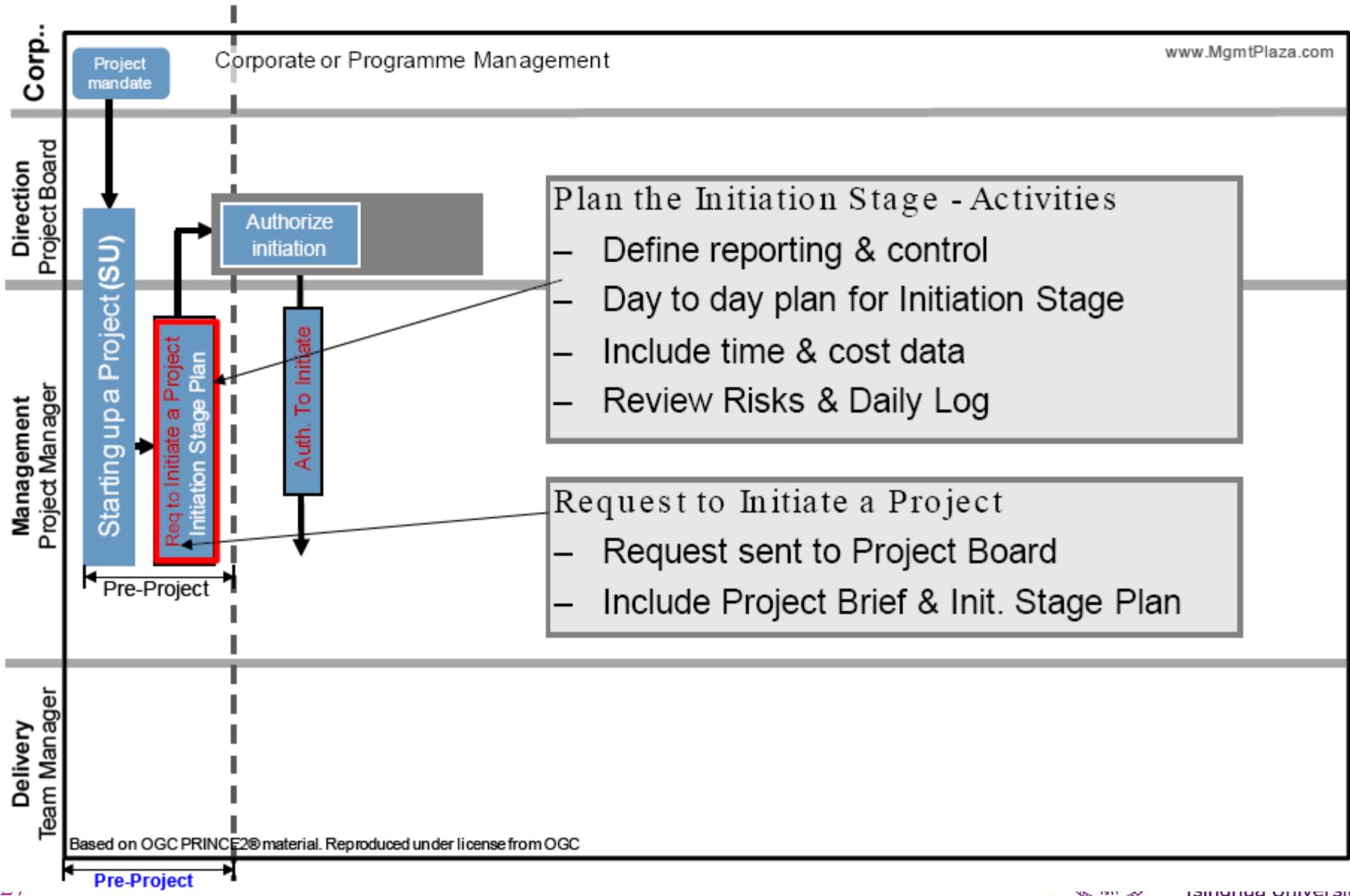
# SU: Project Approach



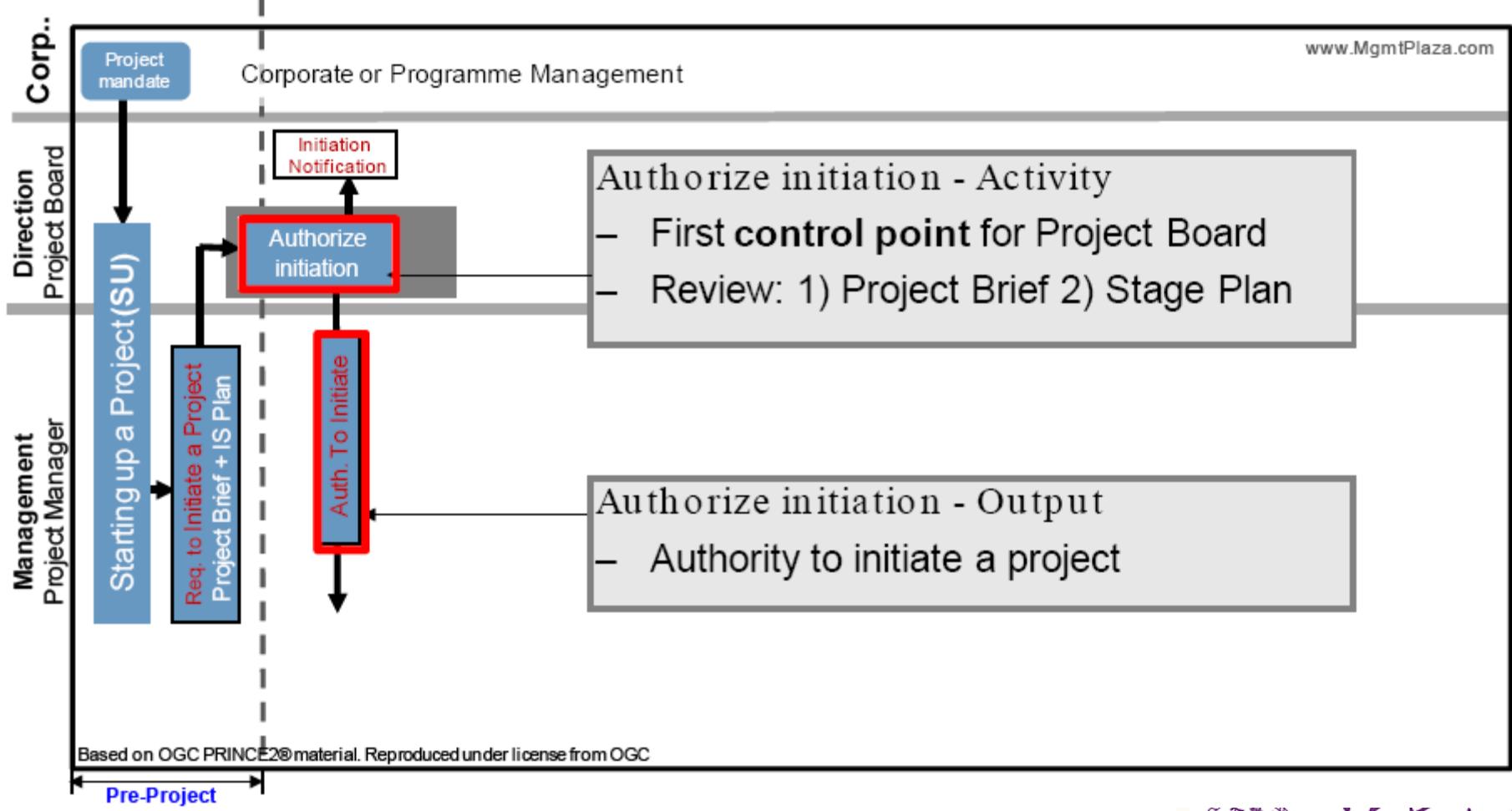
# SU: Assemble Project Brief



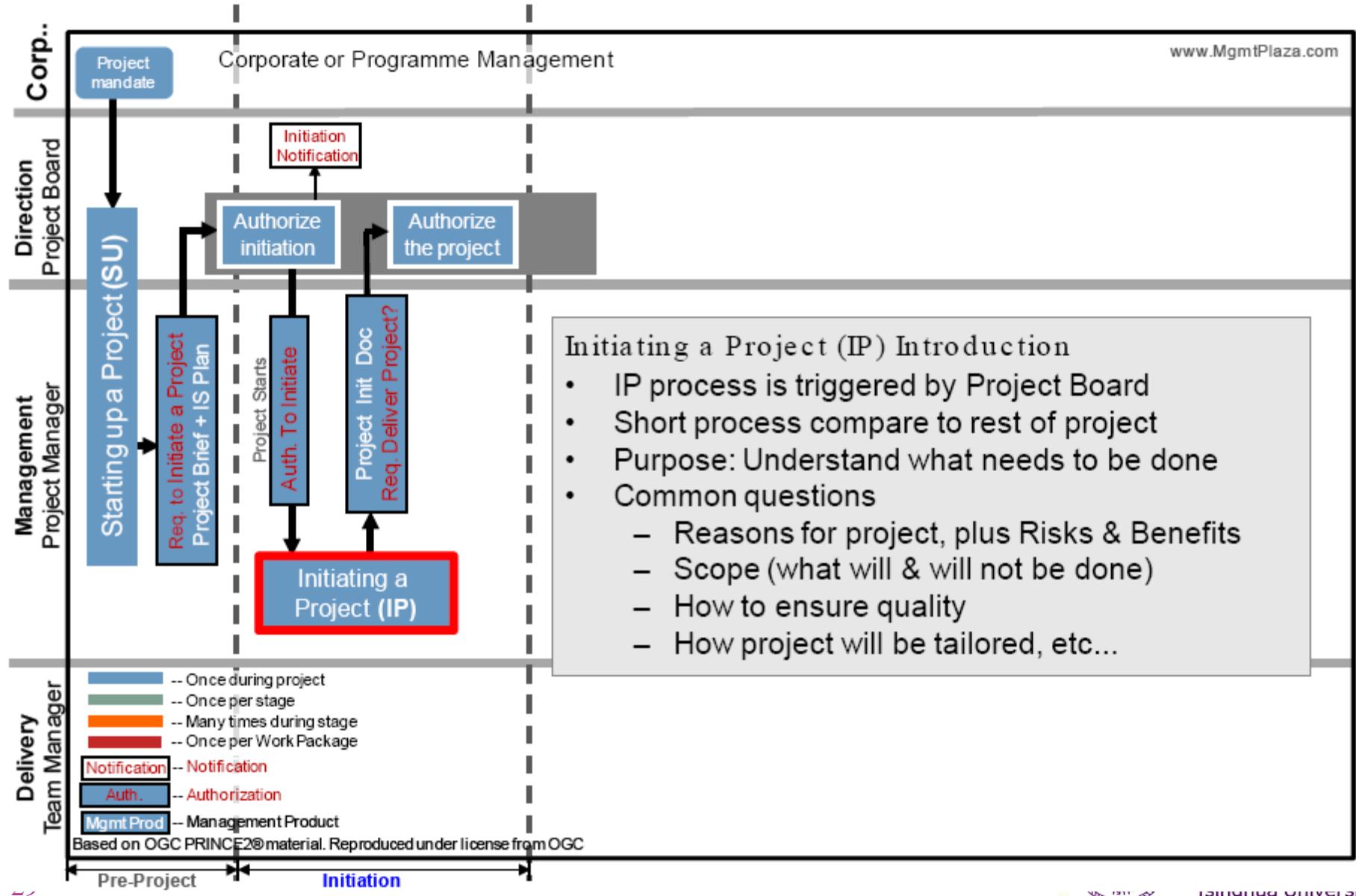
# SU: Initiation Stage Activities



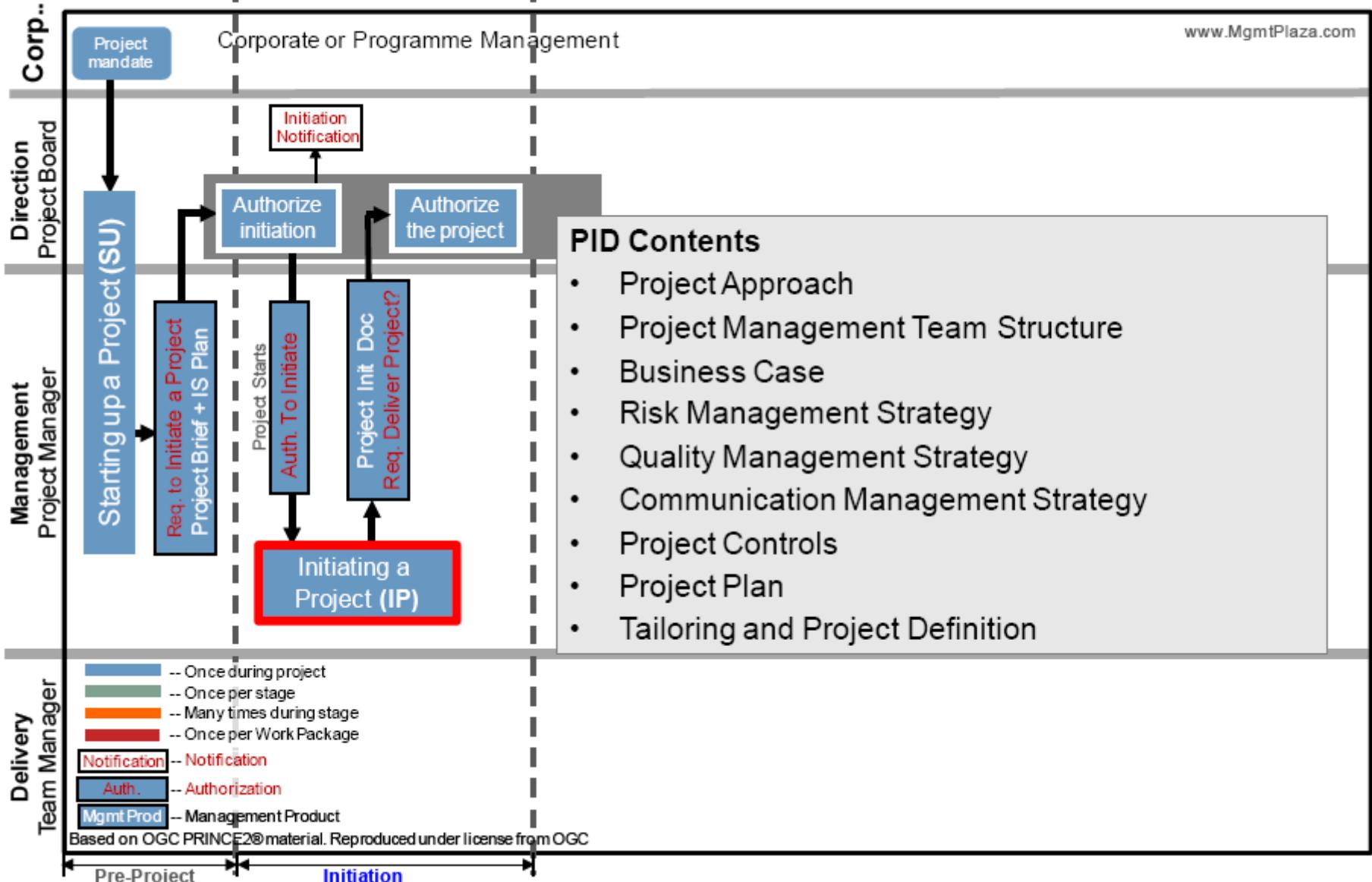
# DP: Authorize Initiation



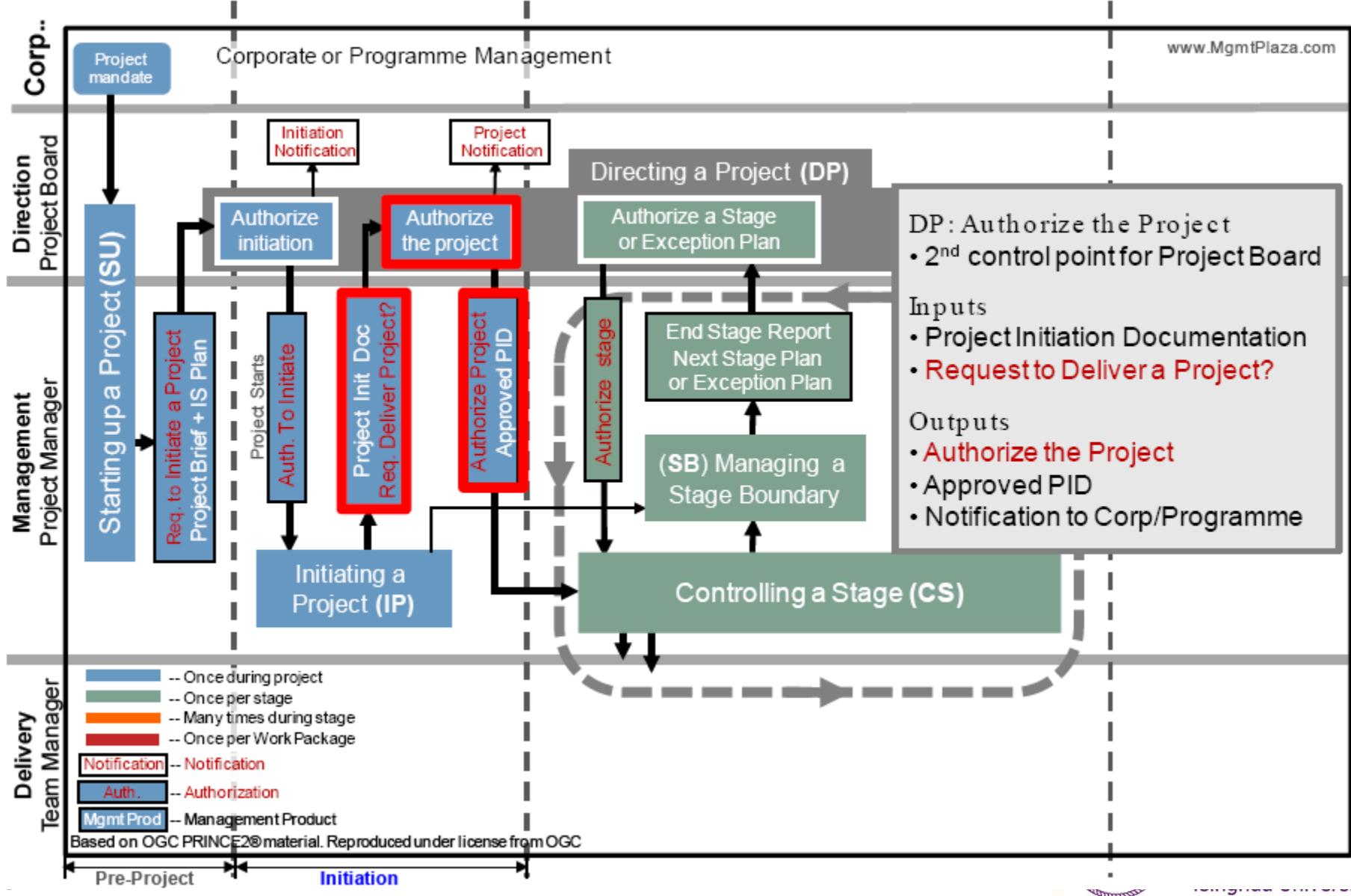
# Initiating a Project(IP)



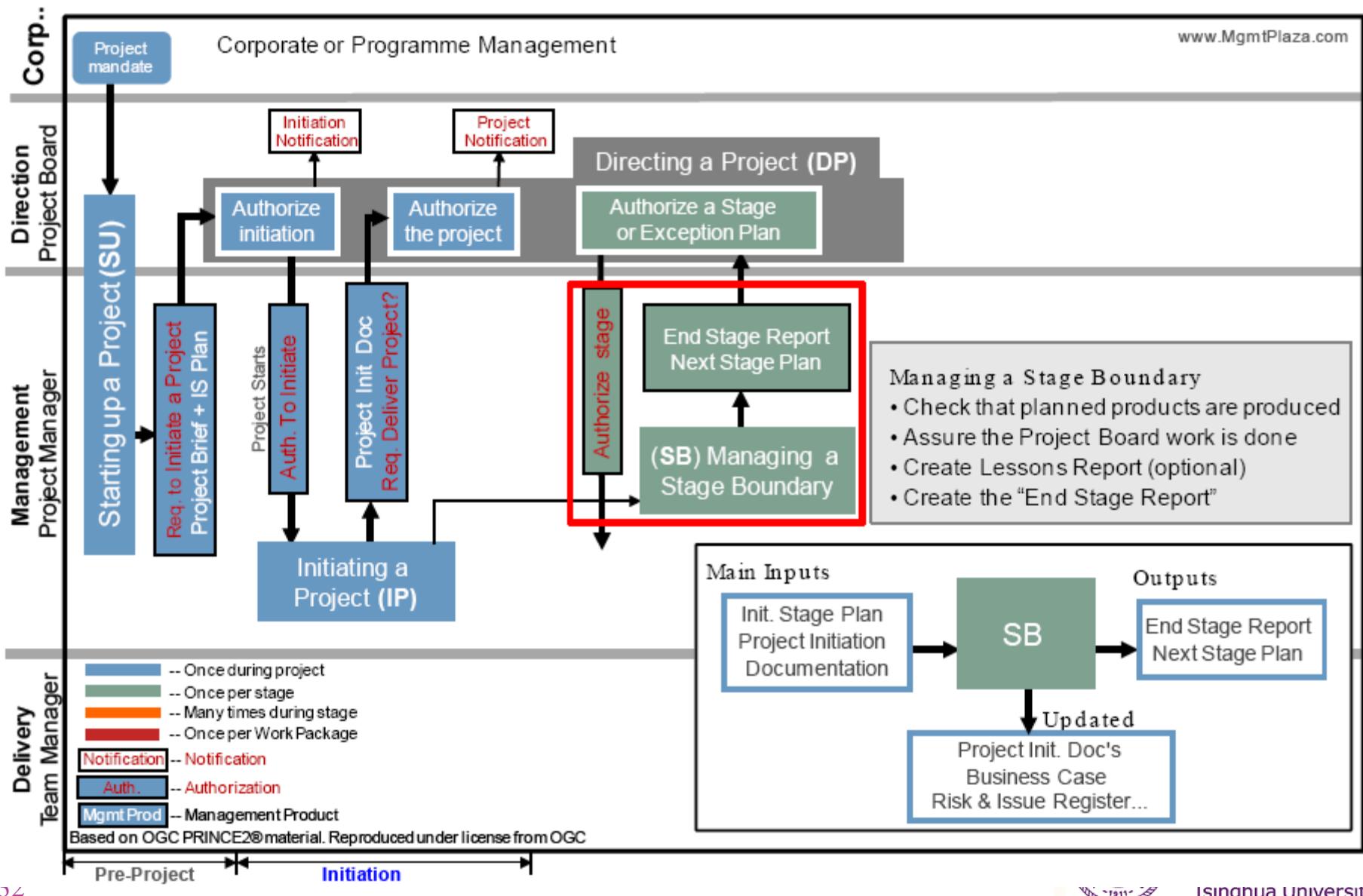
# IP: Project Initiation Documentation



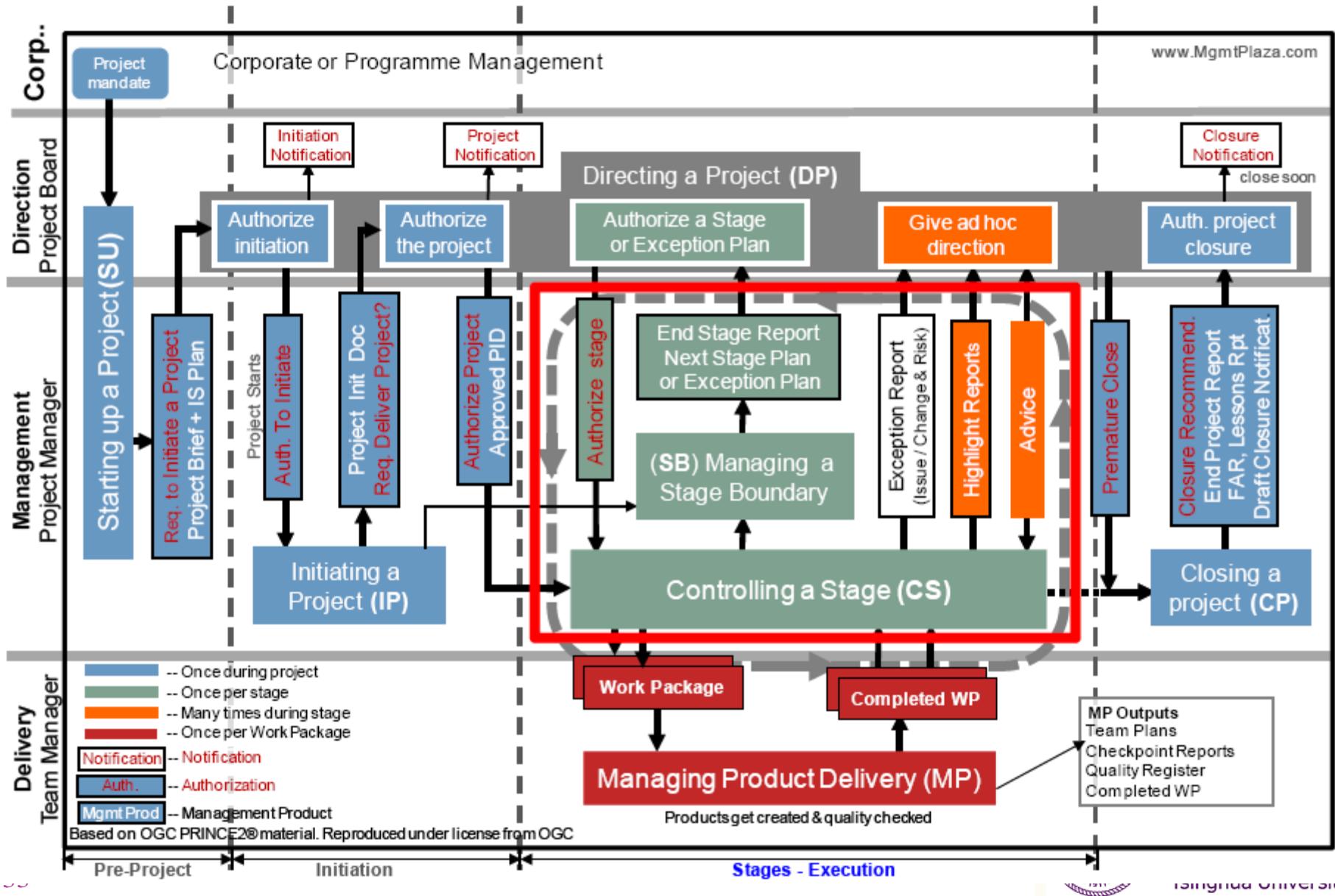
# DP: Authorize the Project



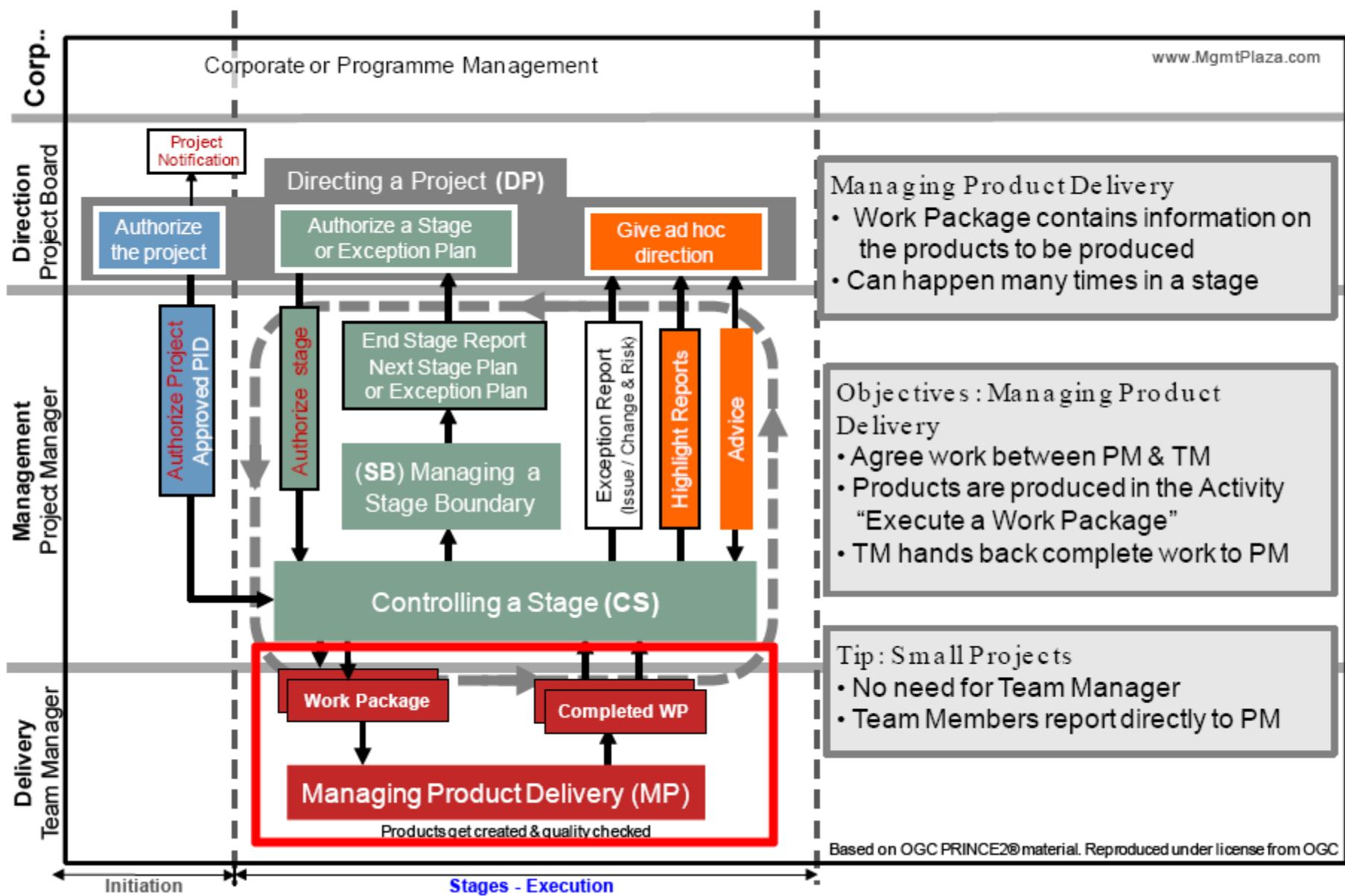
# SB: Managing a Stage Boundary



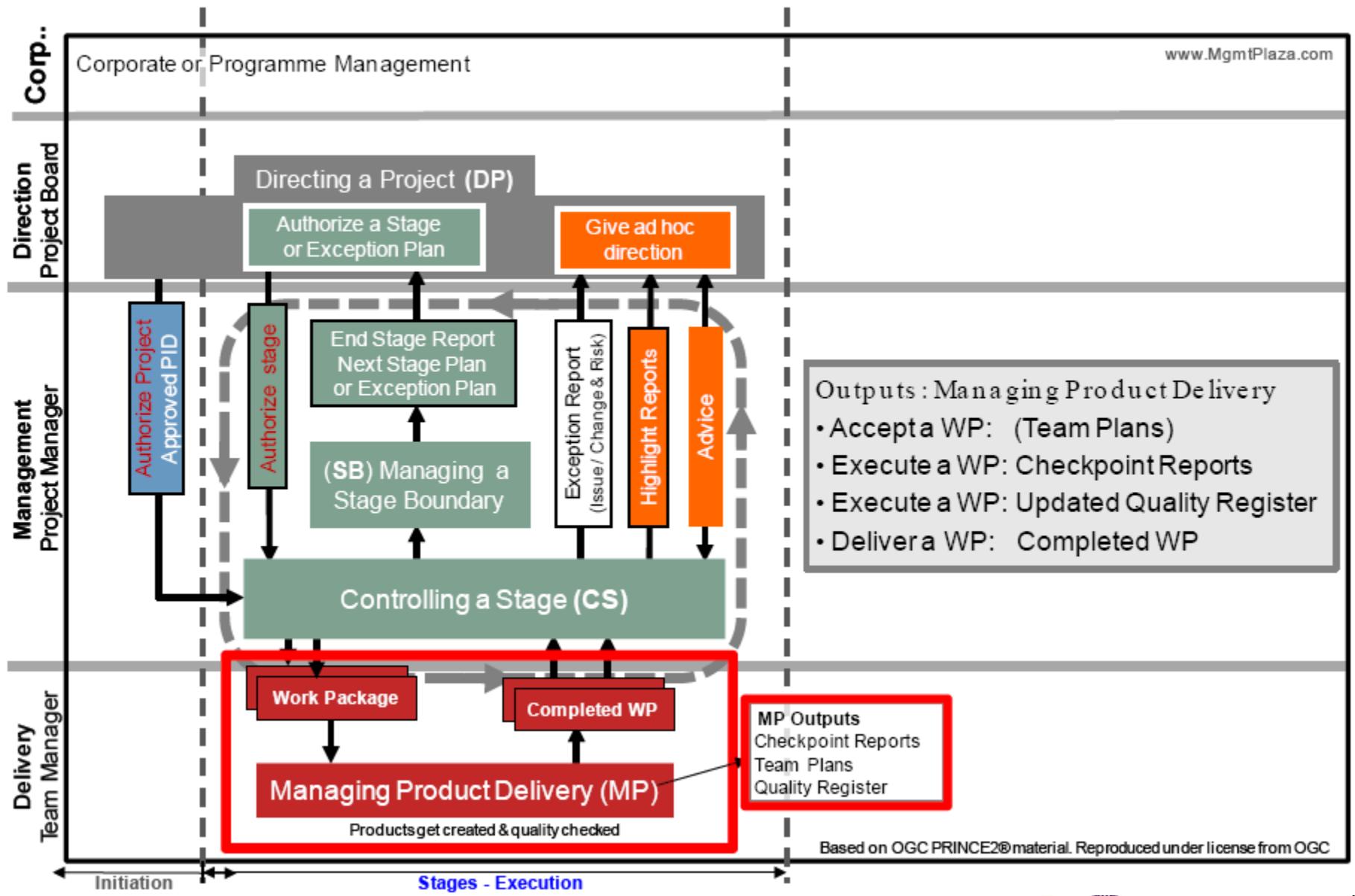
# Controlling a Stage(CS)



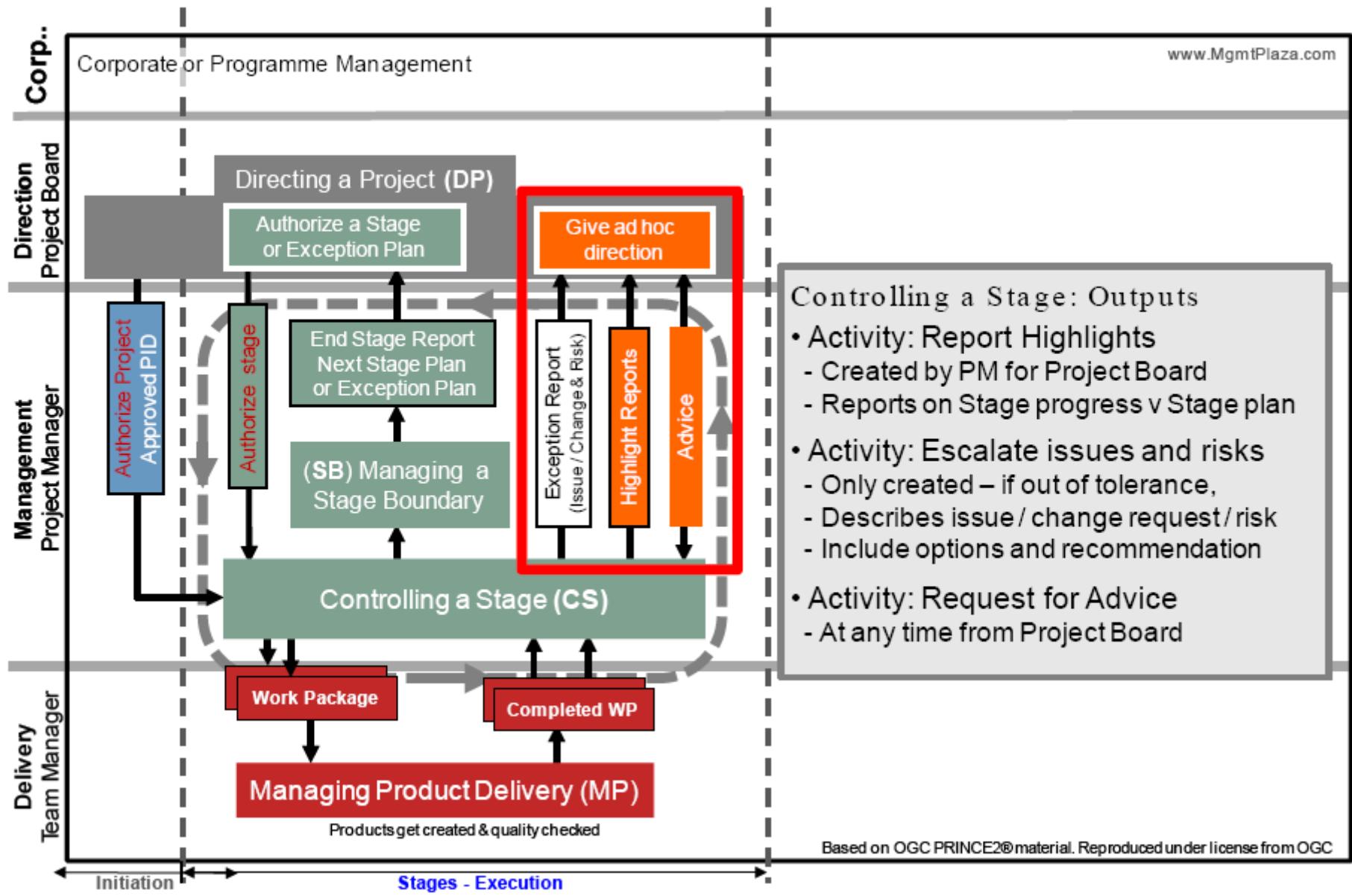
# Managing Product Delivery(MP)



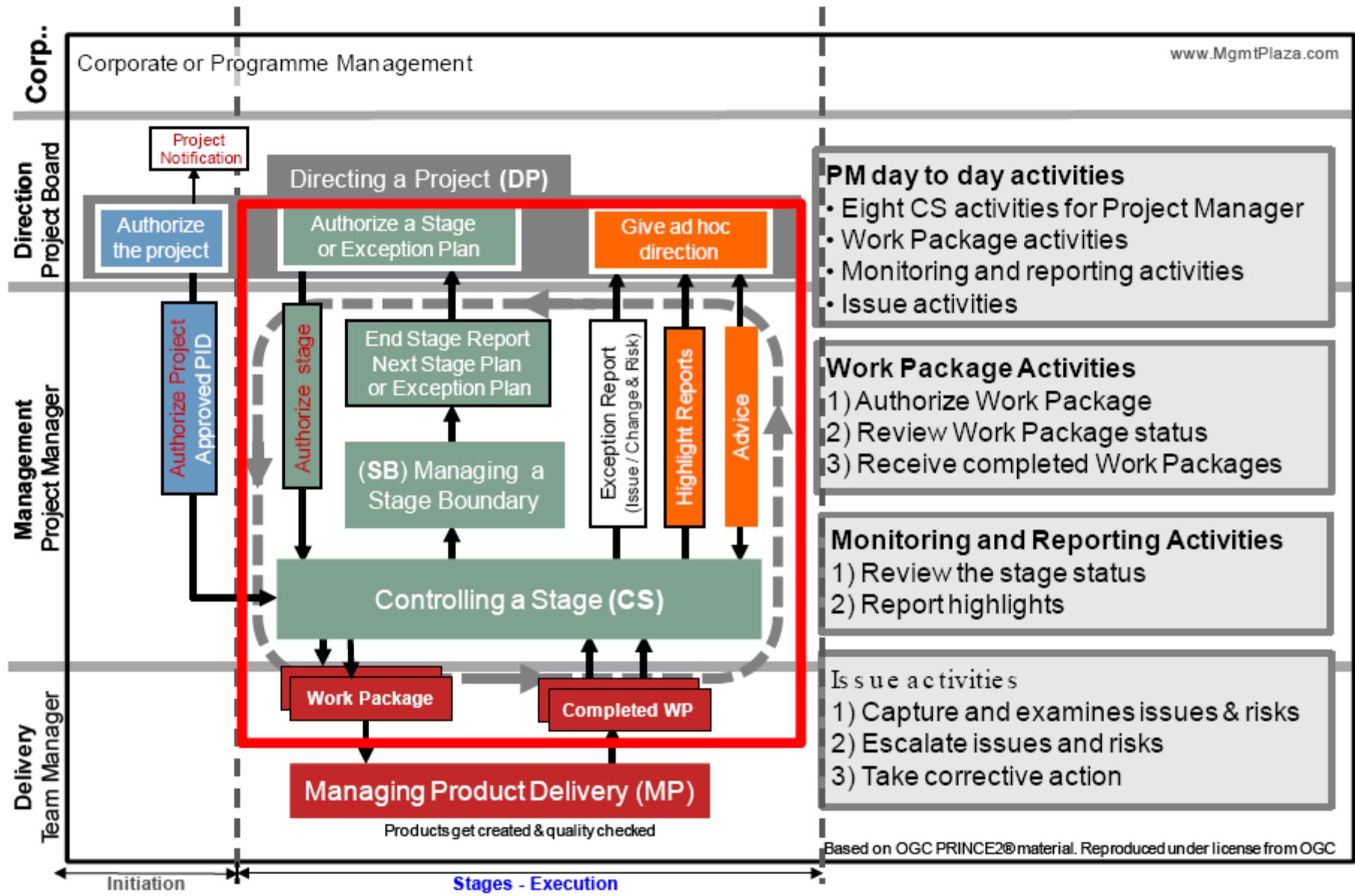
# MP Outputs



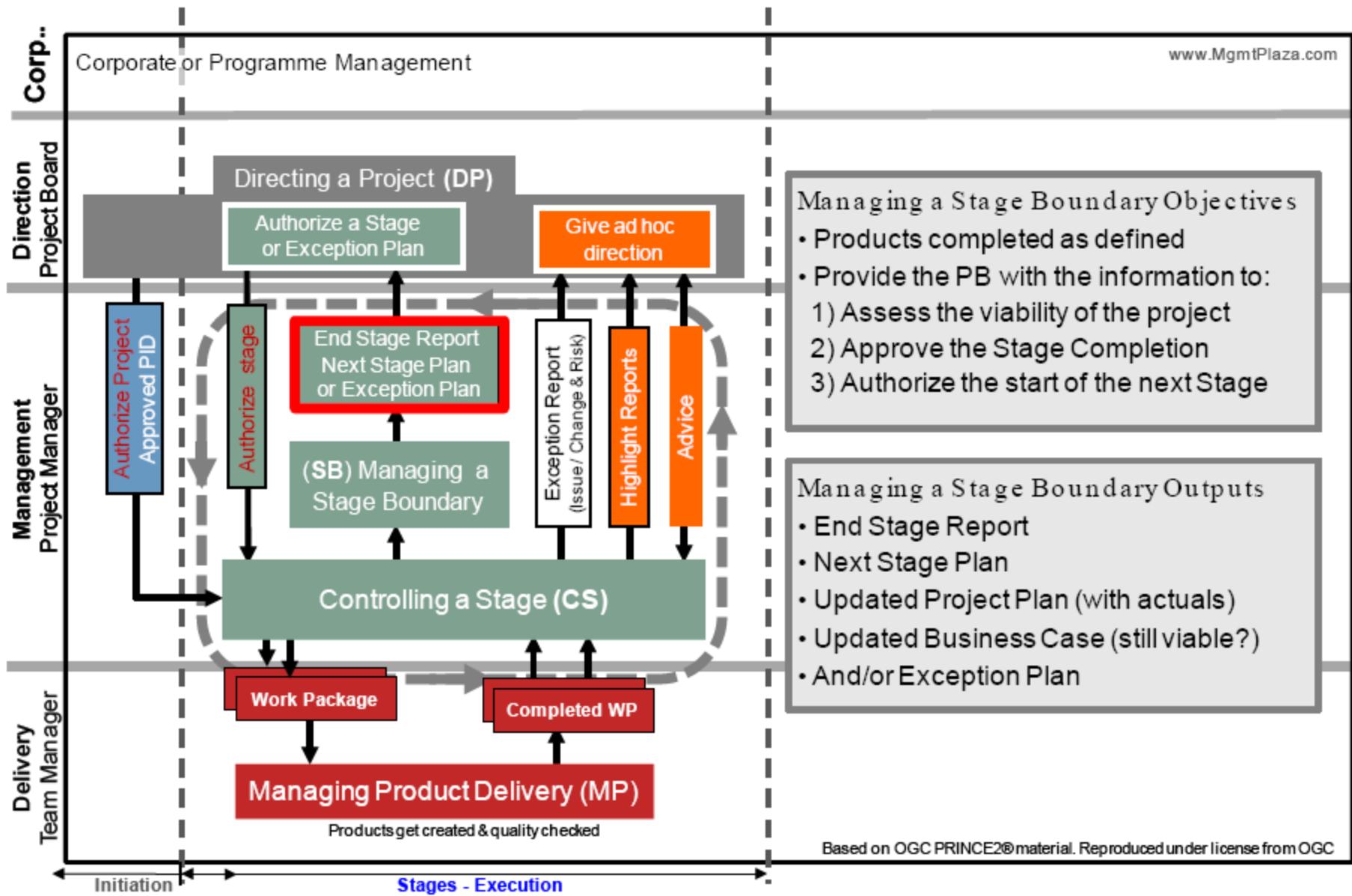
# CS Outputs



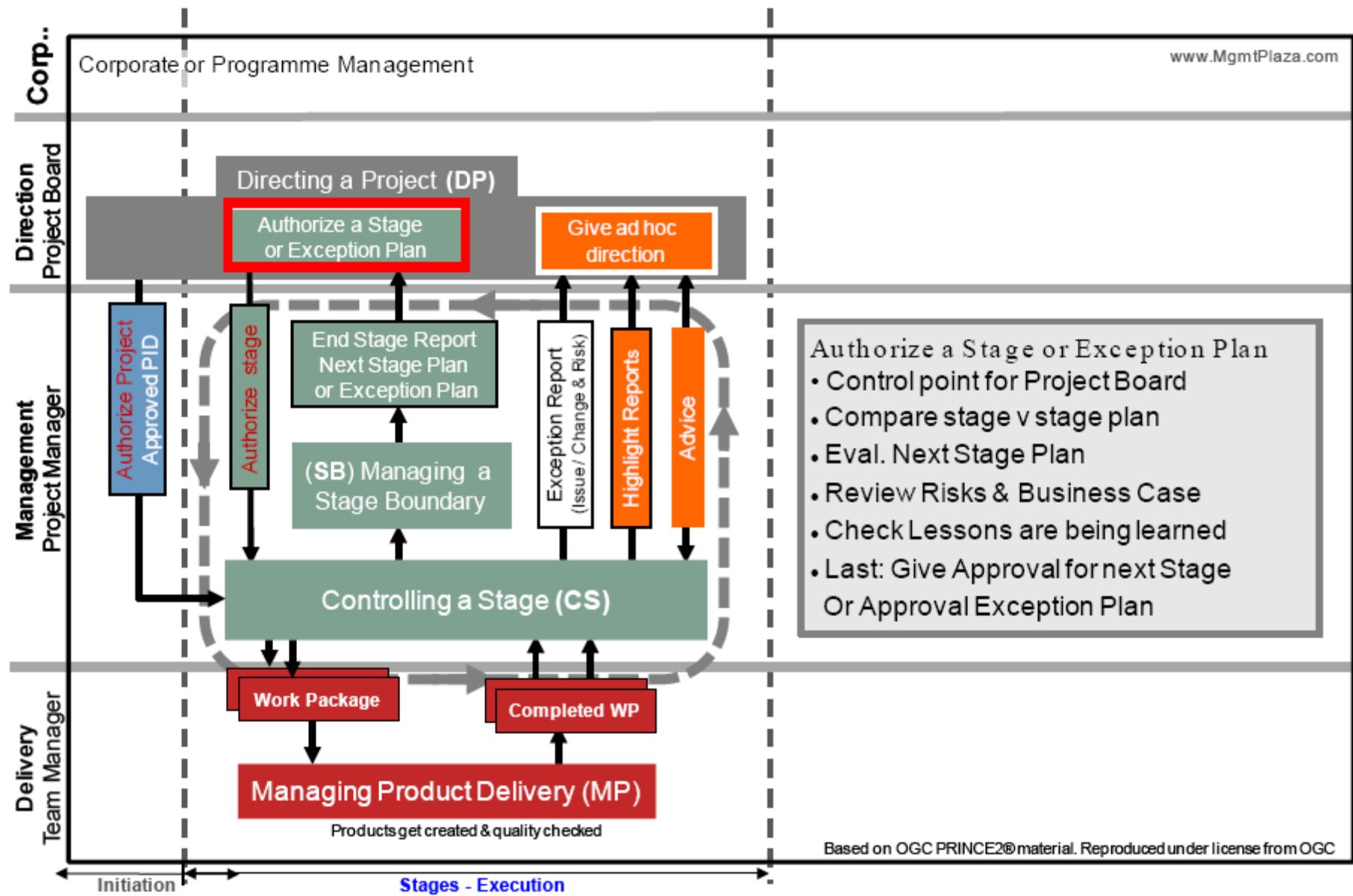
# CS: PM Day-to-day Activities



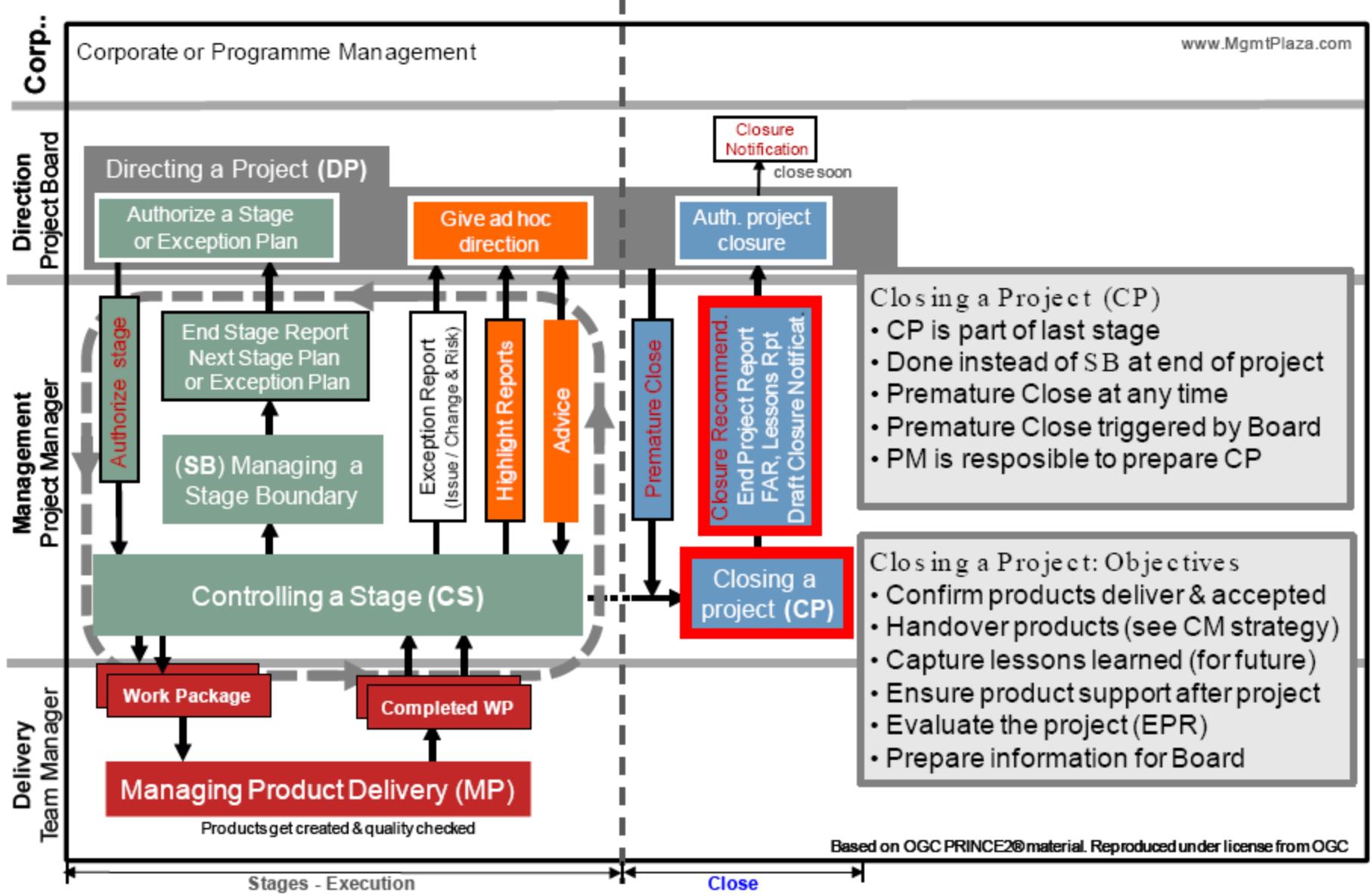
# SB Objectives and Outputs



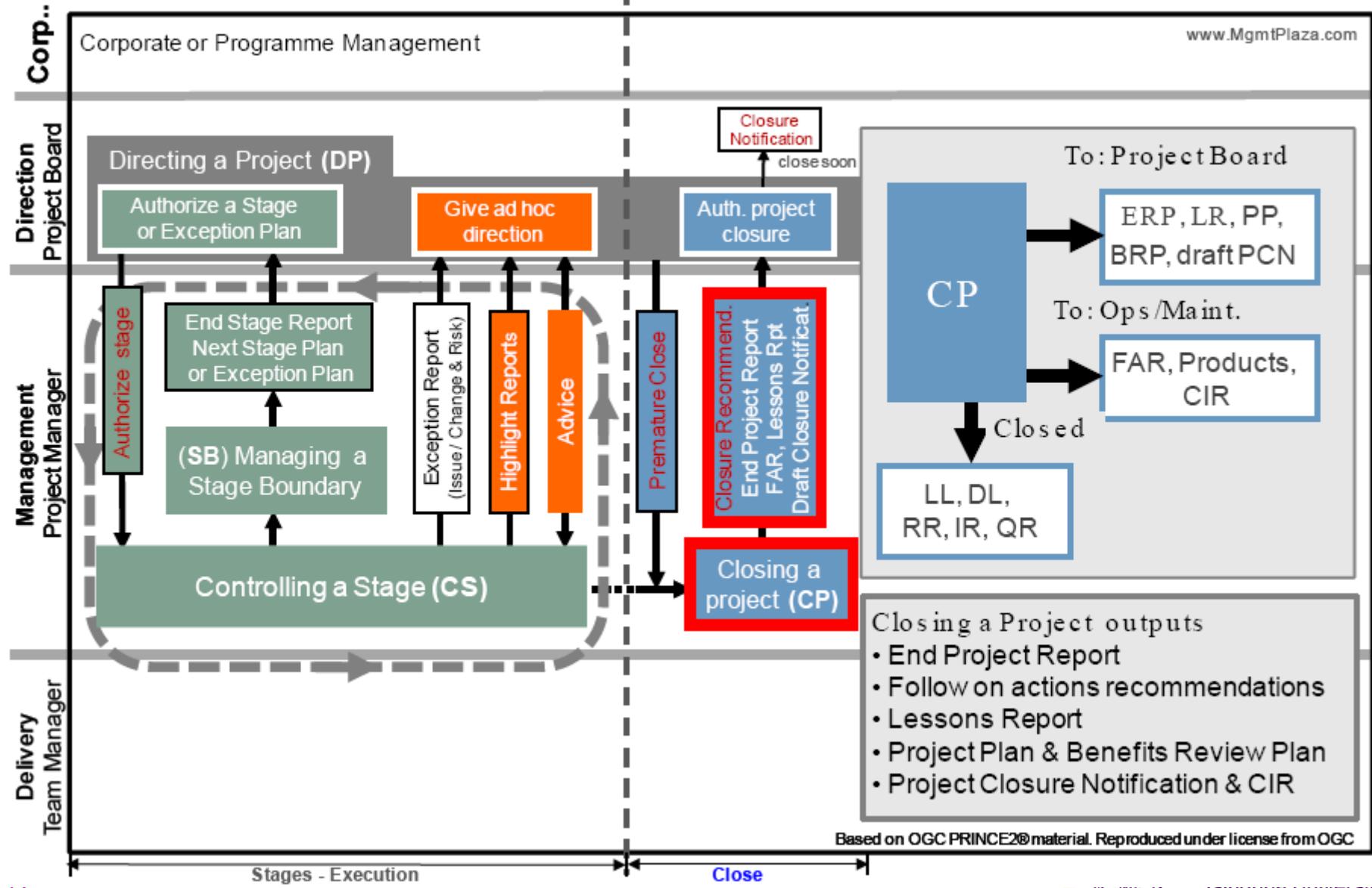
# DP: Authorize A Stage or Exception Plan



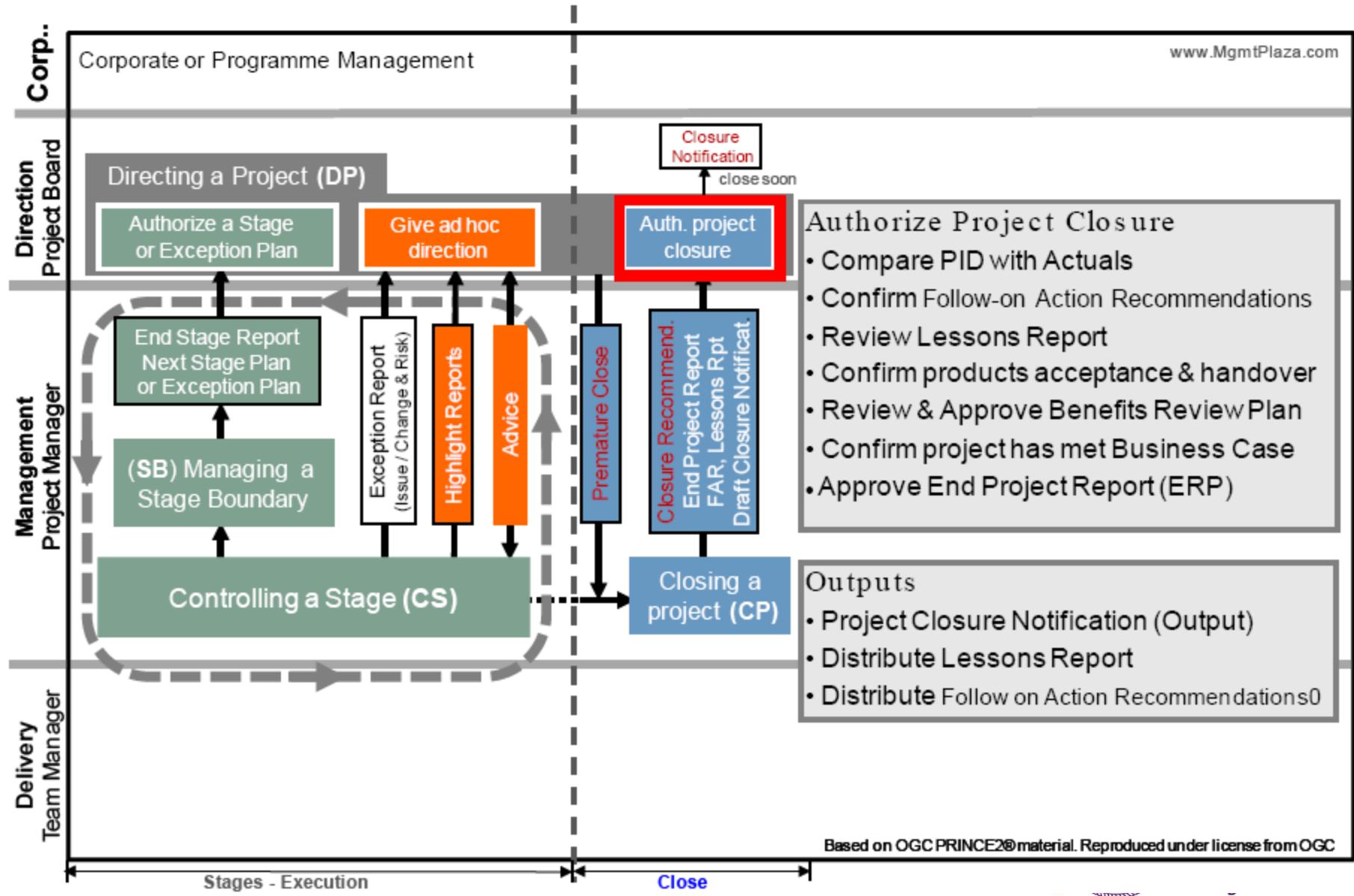
# Closing a Project(CP)



# CP Outputs



# DP: Authorize Project Closure





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# Themes

The PRINCE2 themes are those aspects of project management that need to be addressed continually throughout the project lifecycle (i.e. not once only). They provide guidance on how the process should be performed.



Theme	Questions answered by the theme
Business Case	Why?
Organization	Who?
Quality	What?
Plans	How? How much? When?
Risk	What if?
Change	What's the impact?
Progress	Where are we now? Where are we going? Should we carry on?



# Business Case

The purpose of this theme is to establish mechanisms whereby the (ongoing) desirability, viability and achievability of the project can be assessed in a reliable way.

The Business Case is the key document which allows the *Project Board* to clarify and, where possible, quantify, the estimated costs, risks and expected benefits of the project.

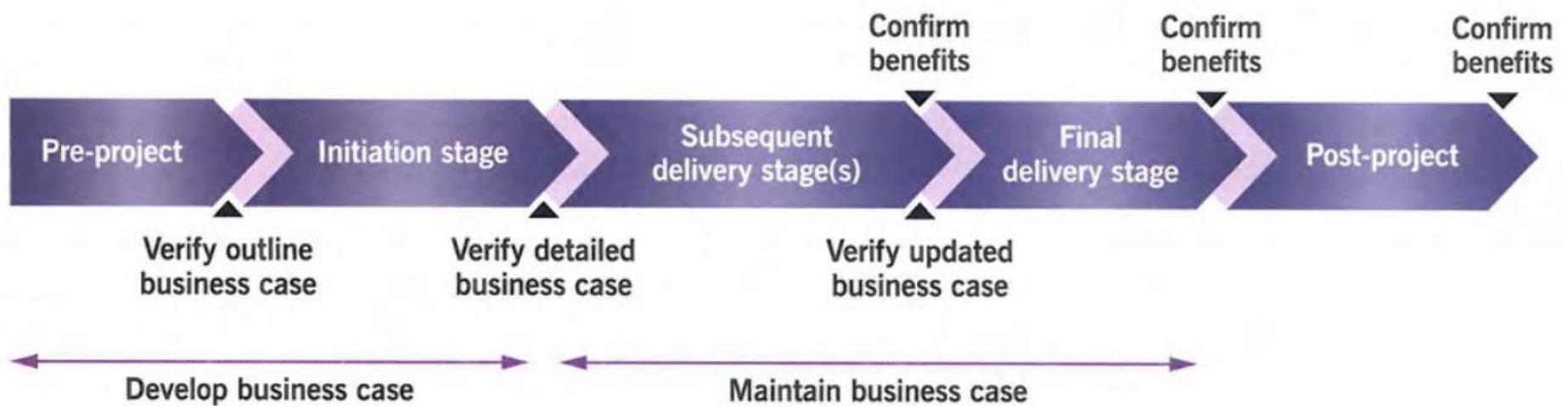


# Business Case

- Executive summary
- Reasons
- Business options
- Expected benefits
- Expected dis-benefits
- Timescale
- Cost
- Investment appraisal
- Major risks



# Business Case



# Organization

The Organization theme is intended to help ensure a clearly defined structure for the accountability and responsibility of individuals working on a project. This includes not only the project team and the Project Manager, but also corporate/programme management and stakeholders.

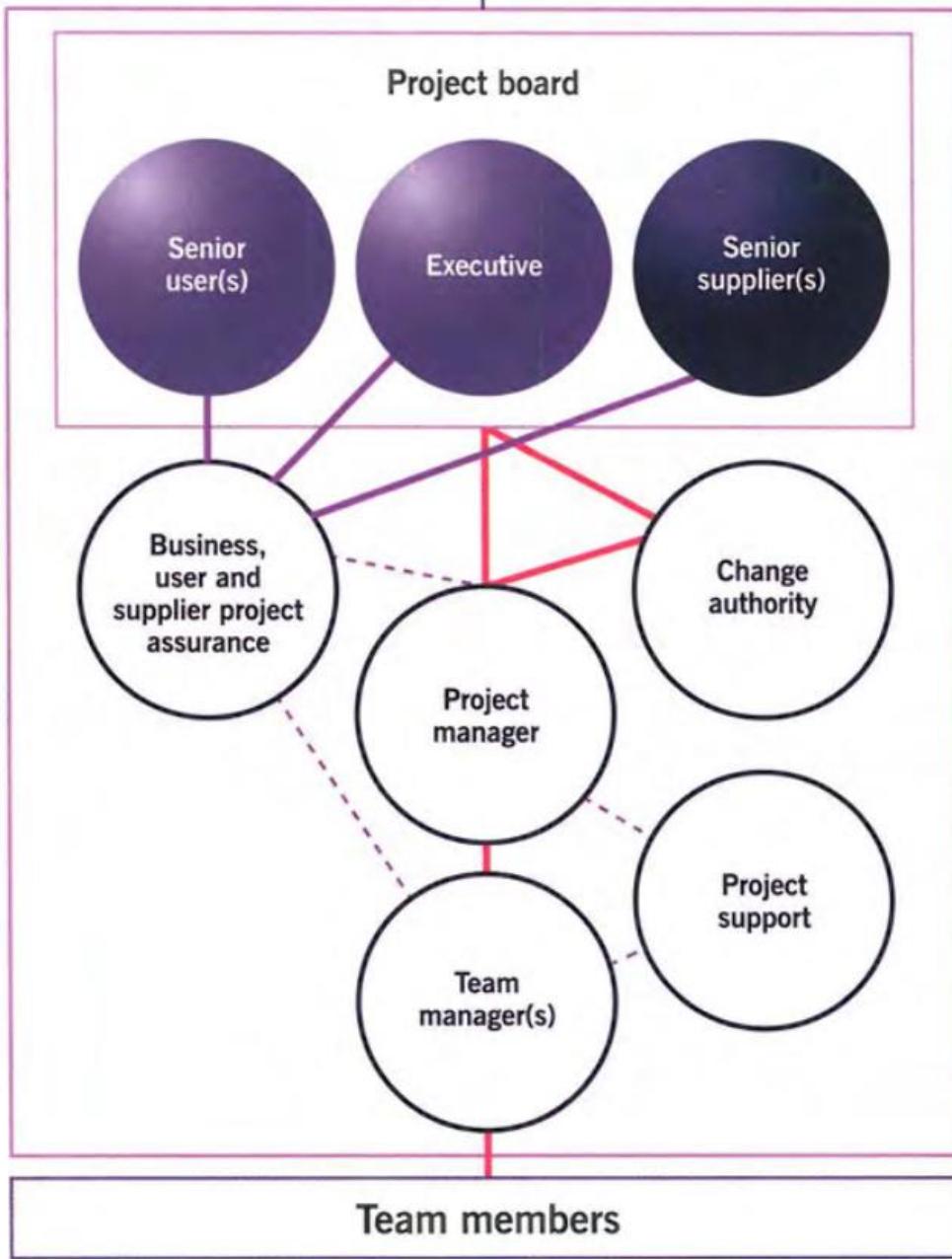


# Organization

- Corporate/programme management
- Directing - executive, senior user, senior supplier, project assurance, change control
- Managing - project manager, project support
- Delivering - team manager



## Corporate, programme management or the customer



# Quality

The core meaning of quality is the fulfillment of expectations and needs, through adherence to specified requirements. Within the PRINCE2 framework, quality is evaluated according to certain features and characteristics pertaining to one or more of the following: product, person, process, service, and system. The quality theme is intended to define **how the desired level of quality** is to be obtained and verified within a project.



# Quality

- The Quality Path
- Quality Planning
- Quality Control
- Quality Management Strategy
- PRINCE2 Quality Review Technique



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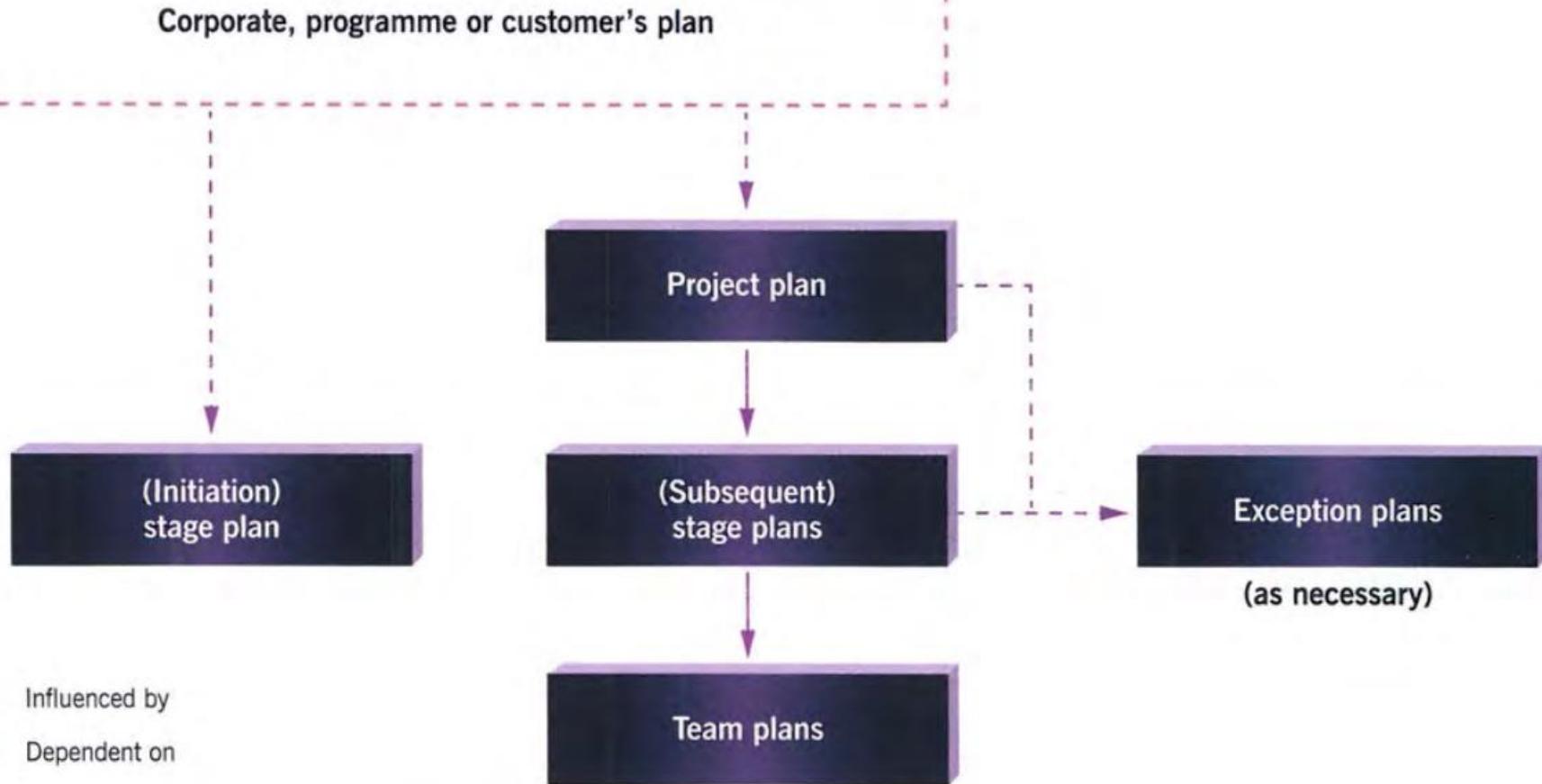
# Plan

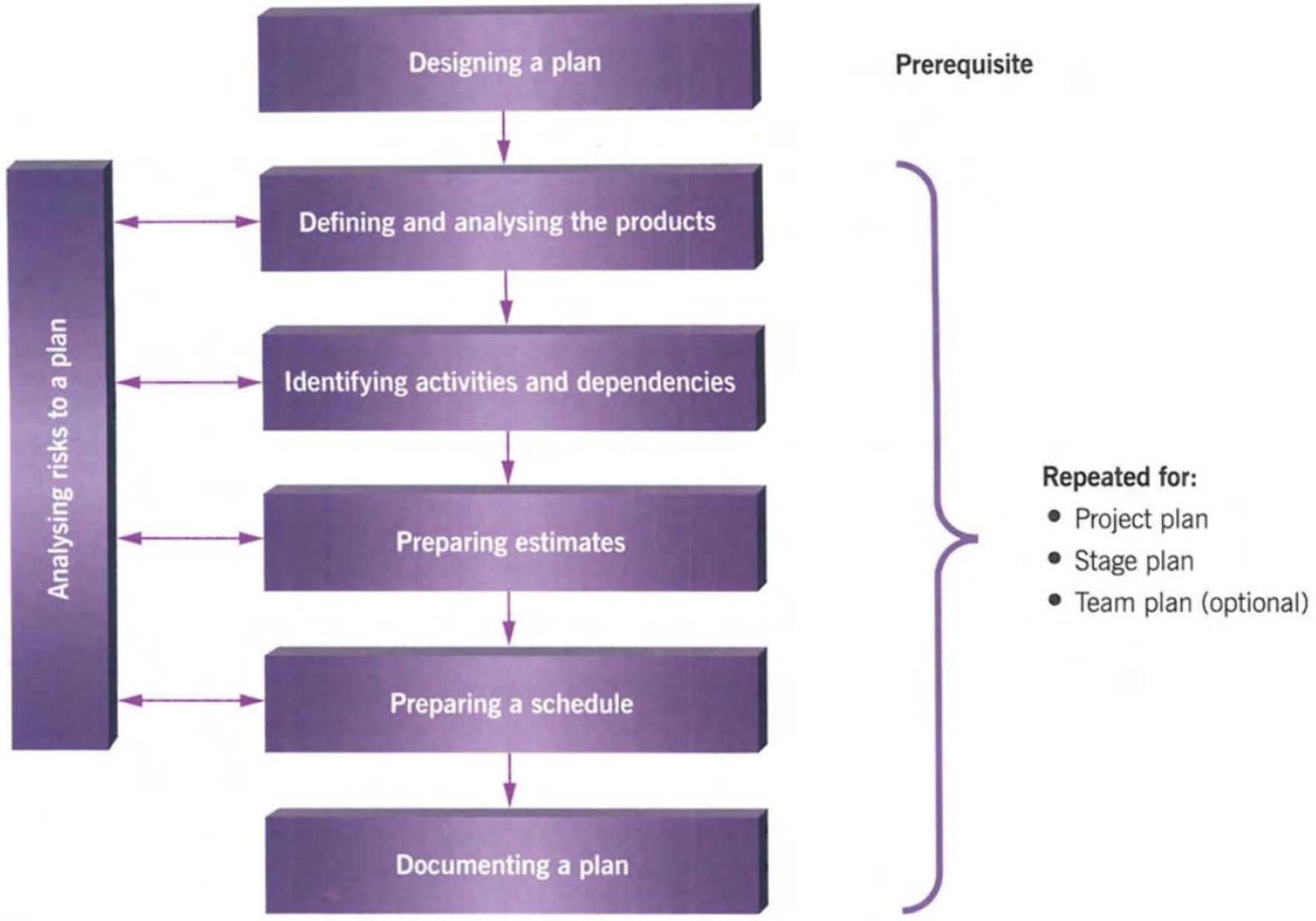
As the “backbone” of the management information system required for a project, plans are a crucial theme within the PRINCE2 methodology. Essentially, plans are management products that detail what must be done to attain a particular goal (or goals), the various activities which are required to be performed, when they need to be done, and who is going to do them.



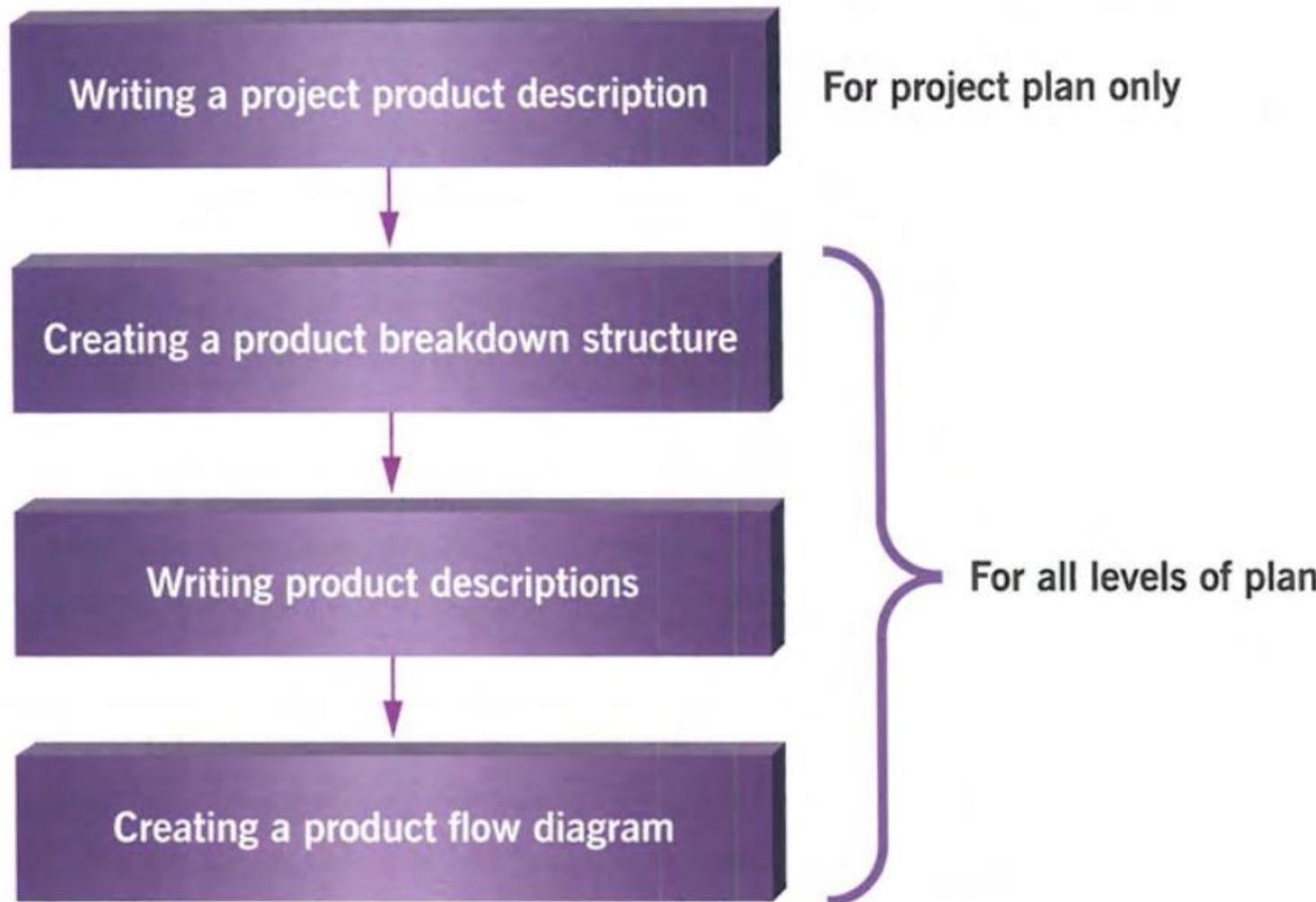
# Planning Levels

- Project Plan
- Stage Plan(s)
- Team Plan(s)
- Exception Plan(s)





# Product-based Planning



# Change

The Change theme aims to develop a reliable change management approach, to enable the Project Manager to deal with each potential change, while maintaining the stability and security of the project.

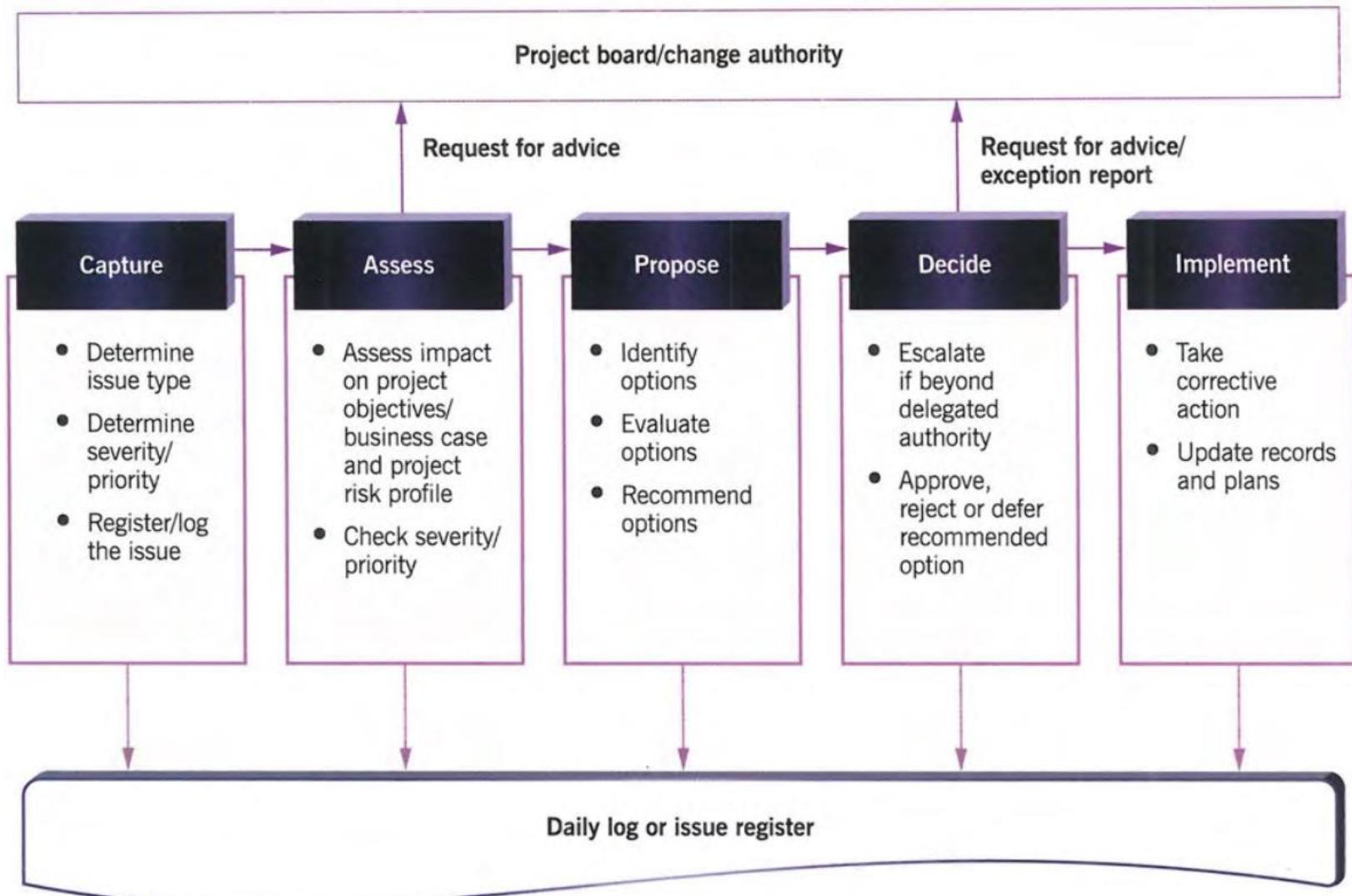


# Project Issues

- Issue Register and Issue Report
- Issue and Change Control Procedure:  
Capture -> Examine -> Propose -> Decide ->  
Implement
- Change Authority
- Configuration Management



# Project Issues

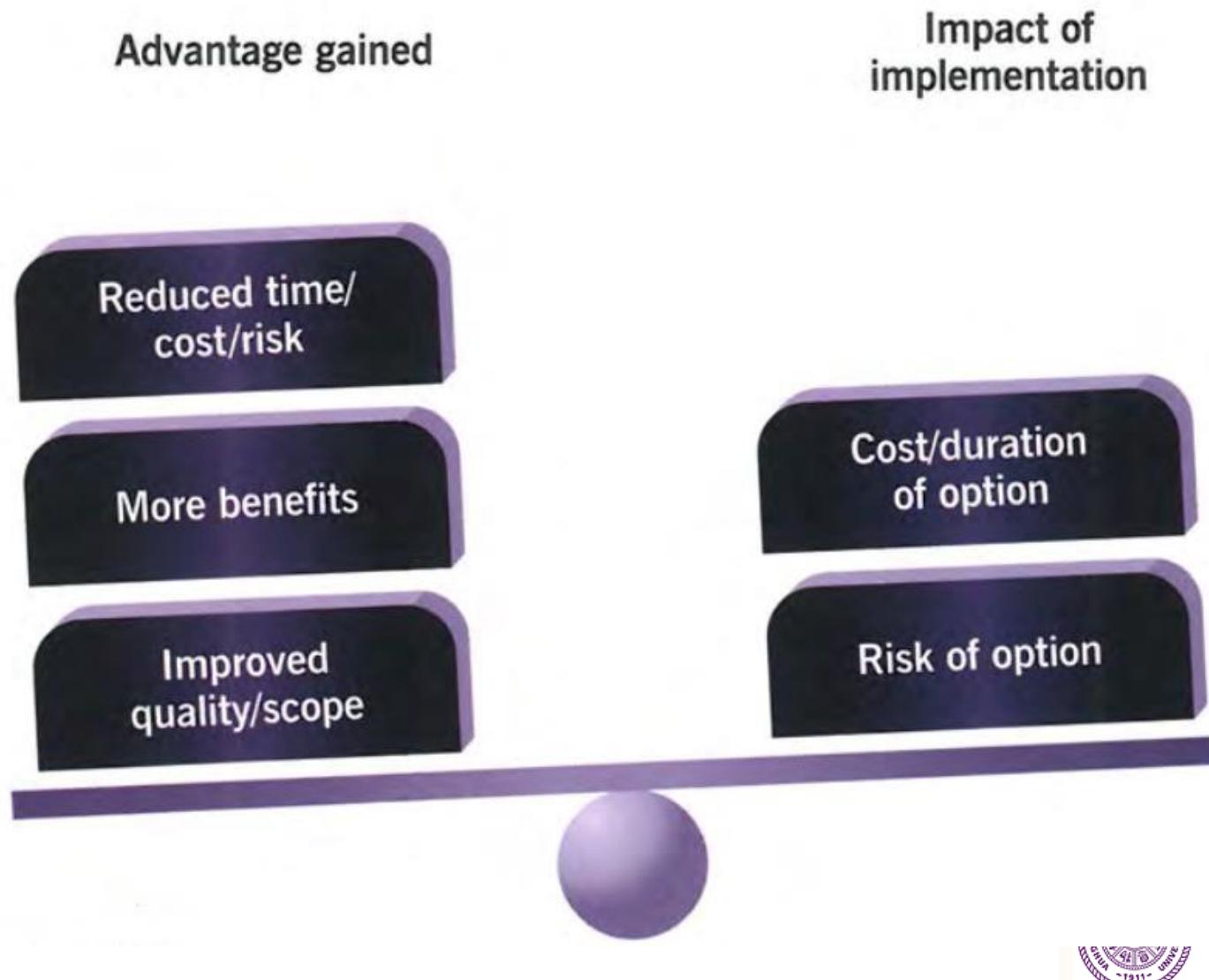


# Change Budget

In order to ensure that the project can afford to make changes without threatening project or stage cost tolerances, it is crucial to designate a separate change budget. This can be calculated by anticipating what level of change is probable, e.g., by considering whether the users or customers are uncertain about requirements.



# Change Budget



# Progress

The Progress theme facilitates the evaluation of actual project progress against what was planned. This is achieved by comparing two sets of management products: Plans, which articulate the expected input, in terms of effort, resources, cost, and time, and reports, which identify the actual values for each of these variables. By monitoring the **information captured in reports against the expectations contained with the Plans**, the Project Manager is able to minimize the variation between anticipated and actual progress.

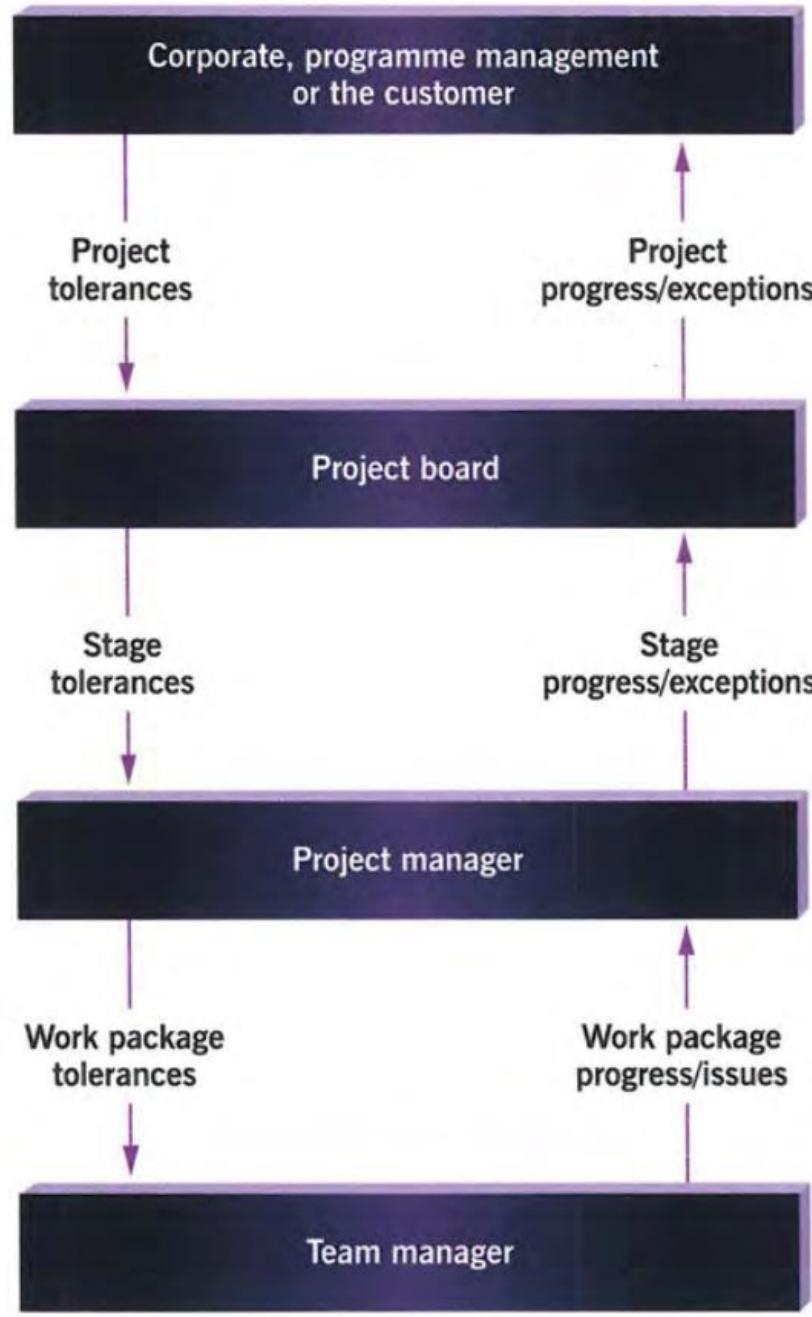


# Progress

- Project board controls:
  - Authorization (continue, close)
  - Progress updates
  - Exceptions and changes
- Project Manager Controls
  - Authorization (work package)
  - Progress updates
  - Issues and risks



# Progress



# Risk

- A risk is an event, or a set of related events.
- It must be possible, but not necessary, for the event(s) to occur.
- The event(s), were it (or they) to occur, would impact on the objectives of the project (i.e., whether, or how, they are achieved).
- This impact can be either positive (an “opportunity”) or negative (a “threat”).



# Risk

Role	Responsibilities
Corporate, programme management or the customer	Provide the corporate, programme management or customer risk management policy and risk management process guide (or similar documents).
Executive	<p>Ensure that the risk management approach is appropriate.</p> <p>Ensure that risks associated with the business case are identified, assessed and controlled.</p> <p>Escalate risks to corporate, programme management or the customer as necessary.</p>
Senior user	Ensure that risks to the users are identified, assessed and controlled (such as the impact on benefits, operational use and maintenance).
Senior supplier	Ensure that risks relating to the supplier aspects are identified, assessed and controlled (such as the creation of the project's products).
Project manager	<p>Create the risk management approach.</p> <p>Create and maintain the risk register.</p> <p>Ensure that project risks are being identified, assessed and controlled throughout the project lifecycle.</p>
Team manager	Participate in the identification, assessment and control of risks.
Project assurance	Review risk management practices to ensure that they are performed in line with the project's risk management approach.
Project support	Assist the project manager in maintaining the project's risk register.



# Risk Management Procedure

## 1. Identify

1. Context
2. Risks

## 2. Assess

1. Estimate
2. Evaluate

## 3. Plan

## 4. Implement

## 5. Communicate



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# Risk Response

- Risk response categories for threats
  - Avoid
  - Reduce
  - Fallback
  - Transfer
  - Accept
- Risk response categories for opportunities
  - Exploit
  - Enhance
  - Reject
- Risk response category for both threats and opportunities
  - Share





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# What Are Principles?

The PRINCE2 principles are the guiding obligations for good practice that a project should follow if it is using PRINCE2. These are derived from lessons, both good and bad, that have affected project success.

The principles provide a framework of good practice for those people involved in a project – ensuring that the method is not applied in an overly prescriptive way or in name only, but applied in a way sufficient to contribute to the success of the project.



Principle	Definition
Continued business justification	A PRINCE2 project has continued business justification
Learn from experience	PRINCE2 project teams learn from previous experience (lessons are sought, recorded and acted upon throughout the life of the project)
Defined roles and responsibilities	A PRINCE2 project has defined and agreed roles and responsibilities with an organizational structure that engages the business, user and supplier stakeholder interests
Manage by stages	A PRINCE2 project is planned, monitored and controlled on a stage-by-stage basis
Manage by exception	A PRINCE2 project has defined tolerances for each project objective to establish limits of delegated authority
Focus on products	A PRINCE2 project focuses on the definition and delivery of products, in particular their quality requirements
Tailor to suit the project environment	PRINCE2 is tailored to suit the project's size, environment, complexity, importance, capability and risk

# The PRINCE2® Principles



# The PRINCE2® Principles

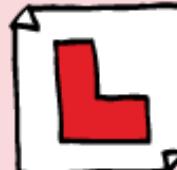


"Let's learn from both successes & mistakes"



Recruit members with experience in similar projects

Lessons reports



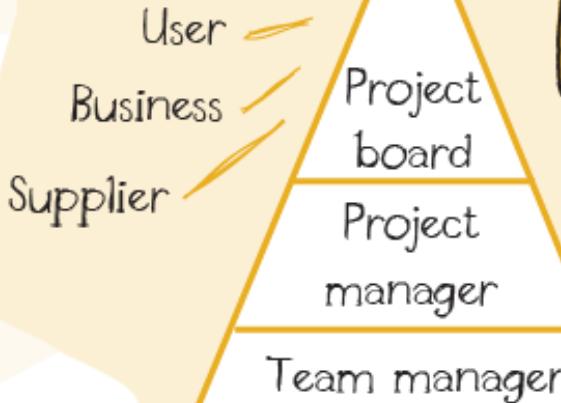
EARN FROM EXPERIENCE

- IDENTIFY
- DOCUMENT
- DISSEMINATE

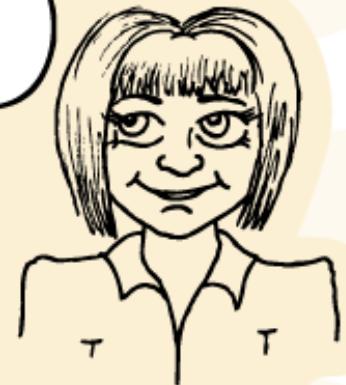


# The PRINCE2® Principles

STAKEHOLDERS



"Is everyone clear  
what's expected of  
them?"



DEFINED ROLES & RESPONSIBILITIES

Projects are cross-functional.  
Everyday line management  
structures are not suitable.

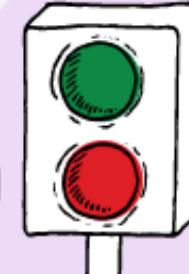


# The PRINCE2® Principles

## STAGE 1 (initiation)

Are all the firm FOUNDATIONS in place?

"Is the project worth continuing?"



GO!  
NO-GO!

## STAGE 2 (and later stages)

Covers delivery of the project's specialist products

M ANAGE BY STAGES

(Minimum of 2 stages)

## PLANNING HORIZON

- Project plan (project board)
- Stage plan (project manager)
- Team plan (team manager)

3 levels of PLAN

# The PRINCE2® Principles

Establish **TOLERANCES** for the 6 project objectives

Is there an  
[ **EXCEPTION?** ]

**YES**

**NO**

Continue with  
existing plan

"It saves senior  
managers time - no  
need for regular  
meetings!"

**M**ANAGE BY  
**EXCEPTION**

Project board takes a  
decision after reviewing  
the impact on the 6  
project objectives

**TIME**



**COST**



**QUALITY**



**BENEFITS**



**RISK**



**SCOPE**



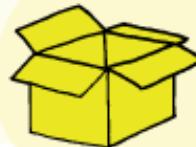
# The PRINCE2® Principles

Decreases the chance  
of acceptance disputes  
& user dissatisfaction

"Are we delivering at  
the quality required?"

## Estimate:

- work
- resources
- activities



ID entifying  
products



Product descriptions



Provides awareness of:

**F**OCUS ON  
PRODUCTS

Reduces  
scope creep

Each product's purpose,  
composition,  
quality criteria

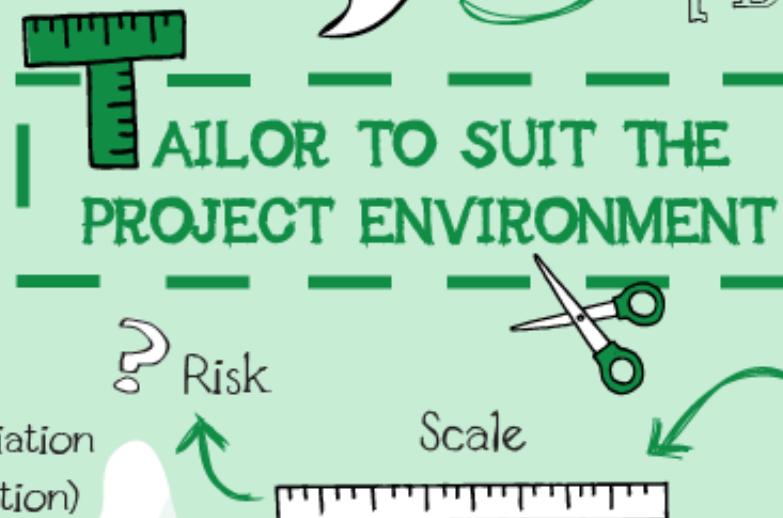
# The PRINCE2® Principles

Adapt PRINCE2 to suit your project's needs

"Apply PRINCE2 with common sense!"

Describe your tailoring in your PID

(project initiation documentation)



Geography

All projects are [ DIFFERENT ]

Level of complexity

Cultural context



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# Project Environment

It is a PRINCE2 principle that the method must be tailored to suit the particular project context.

Tailoring refers to the measures taken to apply the method properly to an individual project, ensuring that the amount of governance, planning and control is appropriate – neither too **burdensome** for a simple project nor too **informal** for a large or complex project.

The adoption of PRINCE2 across an organization is known as embedding.



## **Embedding (done by the organization to adopt PRINCE2)**

Focus on:

- Process responsibilities
- Scaling rules/guidance (e.g. score card)
- Standards (templates, definitions)
- Training and development
- Integration with business processes
- Tools
- Process assurance.

## **Tailoring (done by the project management team to adapt the method to the context of a specific project)**

Focus on:

- Adapting the themes (through the strategies and controls)
- Incorporating specific terms/language
- Revising the Product Descriptions for the management products
- Revising the role descriptions for the PRINCE2 project roles
- Adjusting the processes to match the above.





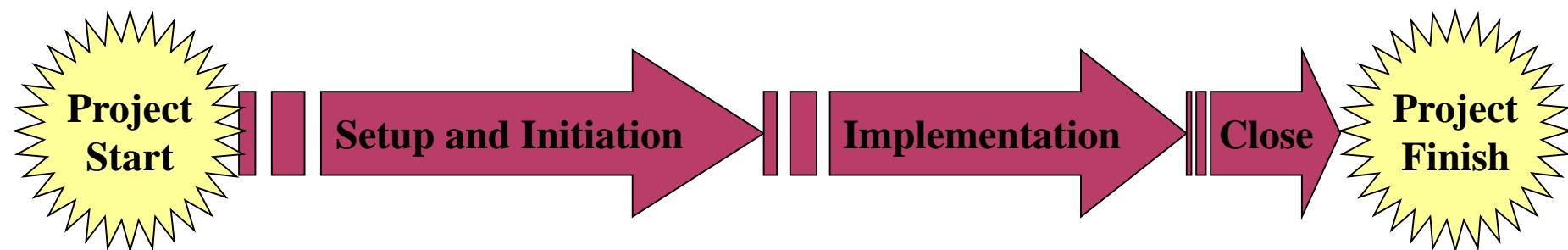
# Contents

- What is PRINCE2
- Processes
- Themes
- Principles
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- Structured Approach
- Comparison between PRINCE2 and PMP

# Structured approach...

- All project management methodologies are based on having a structured approach
- Intermediate decision and check points
- So adopt a structured approach – but keep it simple and appropriate for you ☺

# A Simple Structured Approach



# Setup and Initiation

- Important for projects of any size
  - What the project will deliver and why these are important
  - What the resource requirements to deliver are (R&R's)
  - What the plan and milestones are
  - What the risks are and how these will be managed
  - What are the assumptions and dependencies
  - What are the control mechanisms (reporting and governance)



# Project Governance...

Make sure you have some:

Project Board

- Agrees the business case

- Agrees the solution and delivery plan

- Escalation point for project issues/risks

Project Manager

- Appointed by the Project Board to deliver the project

- Manages the project team

Project Team

- Does the work to produce the products required



# Establish a risk log...

- Start a risk log straight away
  - Risks
  - Assumptions
  - Issues
  - Dependencies
- Maintain it, review it, and add to it
- Involve the most appropriate people, get people working for and with you ☺



# Monitor progress...

- Have a plan
  - All tasks/products that need to be completed
  - How long each task/product will take and when they will complete
  - The order they need to be done in
  - Who will do them
  - Any dependencies that exist between tasks
- How do I use it?
  - Record when tasks are completing and compare to when they should be
  - If they are late, your project will probably be late



# Project plans...

- Use what suits you and the complexity of the project...
  - Gant Chart – MS Project
  - Simple List – Excel, Word etc...
- Get it agreed

# Ensure controlled end to projects...

- Unfortunately an often undervalued phase of projects
- Ensures:
  - Proper assessment of a project's successes and shortcomings
  - Lessons to be learnt for future projects
  - All elements have been completed that allow the project to be completed
  - Any follow up actions required outside the project are captured, agreed and owned.



# Communications...

- Effective communication can mean the difference between project success and failure
- Think carefully throughout the project about what you should be communicating, to who, in what form and when, throughout the project – Have a comms plan!



# Contents

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Look at the chart and say the COLOUR not the word

YELLOW	BLUE	ORANGE
BLACK	RED	GREEN
PURPLE	YELLOW	RED
ORANGE	GREEN	BLACK
BLUE	RED	PURPLE
GREEN	BLUE	ORANGE



It's not like comparing apples and oranges!  
One's a methodology, and the other's a standard!



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# CheckList

PRINCE2	PMBOK® Guide
7 principles	None
7 themes	10 Knowledge Areas
7 processes	5 Process Groups
41 activities	49 Processes
40 tools & techniques referenced	132 tools & techniques referenced



PMBOK® Guide Knowledge Area	PRINCE2 theme
Project Integration Management	Business case, change, progress
Project Scope Management	Plans, progress
Project Schedule Management	Plans, progress
Project Cost Management	Plans, progress
Project Quality Management	Quality
Project Resource Management	Plans
Project Communications Management	Organization
Project Risk Management	Risk
Project Procurement Management	Not covered
Project Stakeholder Management	Organization



PRINCE2 project management team roles	PMBOK® Guide equivalent
project board	No equivalent
executive	Project Sponsor
senior user	No equivalent
senior supplier	No equivalent
project assurance	No equivalent
project manager	Project Manager
team manager	No equivalent
project support	Project Management Office (PMO)
change authority	Change control board (CCB)



## PRINCE2

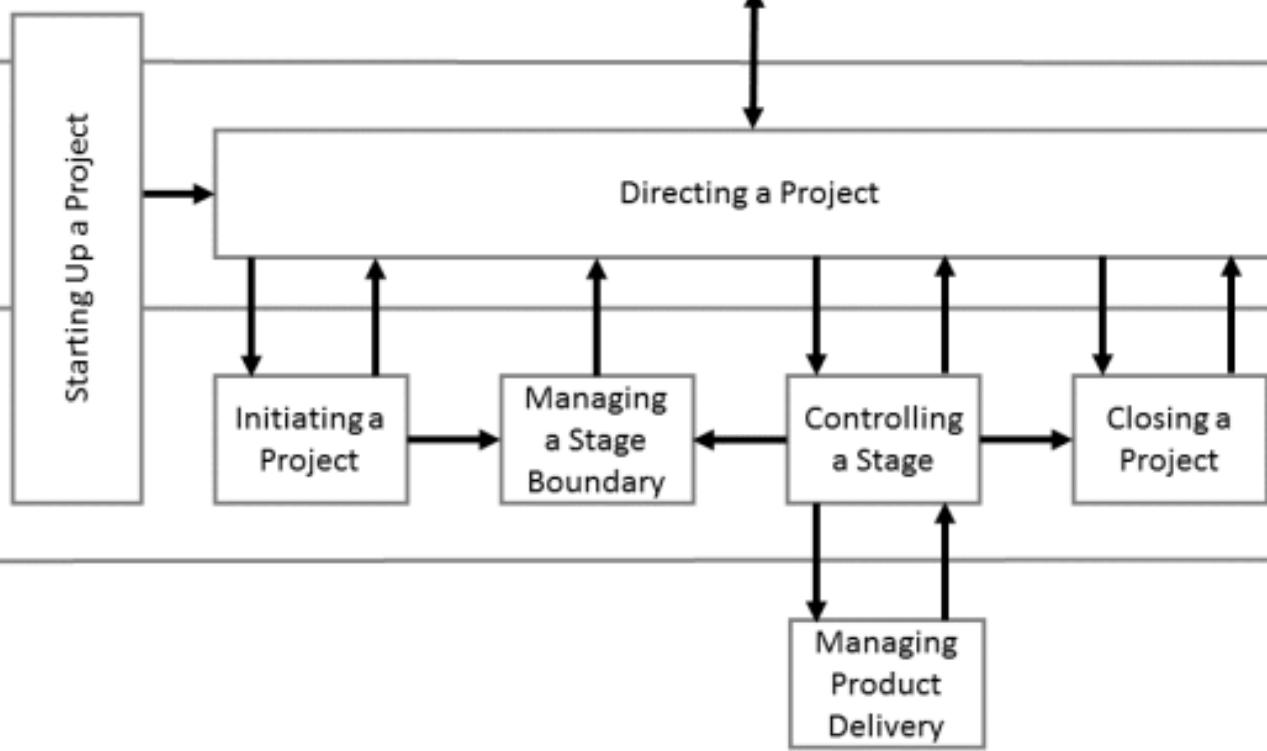
Corporate or Programme Management

Directing  
(Project Board)

PMBOK

Managing  
(Project Manager)

Delivering  
(Team Manager)



# PRINCE2 vs PMBOK - Contrast

PRINCE2	PMBOK
Focuses on Management of T,C,Q, S and Resources	Comprehensive
Prescriptive to the highest level of detail, but can be adapted to suit all project types	Largely descriptive, prescriptive on a high level (low detail), can sometimes become complex for small projects
Driven by Business Case (justification)	Driven by Customer requirements (need)
Clear ownership and accountability at senior levels, Project Executive ultimately accountable for Project Objectives	Shared ownership between Sponsor and Stakeholder. PM responsible for Project objectives
UK Standard (Internationally recognised)	US Standard (well established internationally)



# In Summary:

- Any Project Management method must be:
  - Easy – common understanding
  - Repeatable
  - Teachable
  - Scalable
  - Flexible
  - Consistent approach
  - Provide early warning of problems, and
  - Proactive, not reactive – forward looking.



# Getting the best of both worlds!

- If you have your PMP, PRINCE2 can help you get started and structure your methodology better (Mgt process)
- If you are a PRINCE2 Practitioner, PMBoK can help you with the required depth and techniques in specific areas , like – HR and procurement (tools)

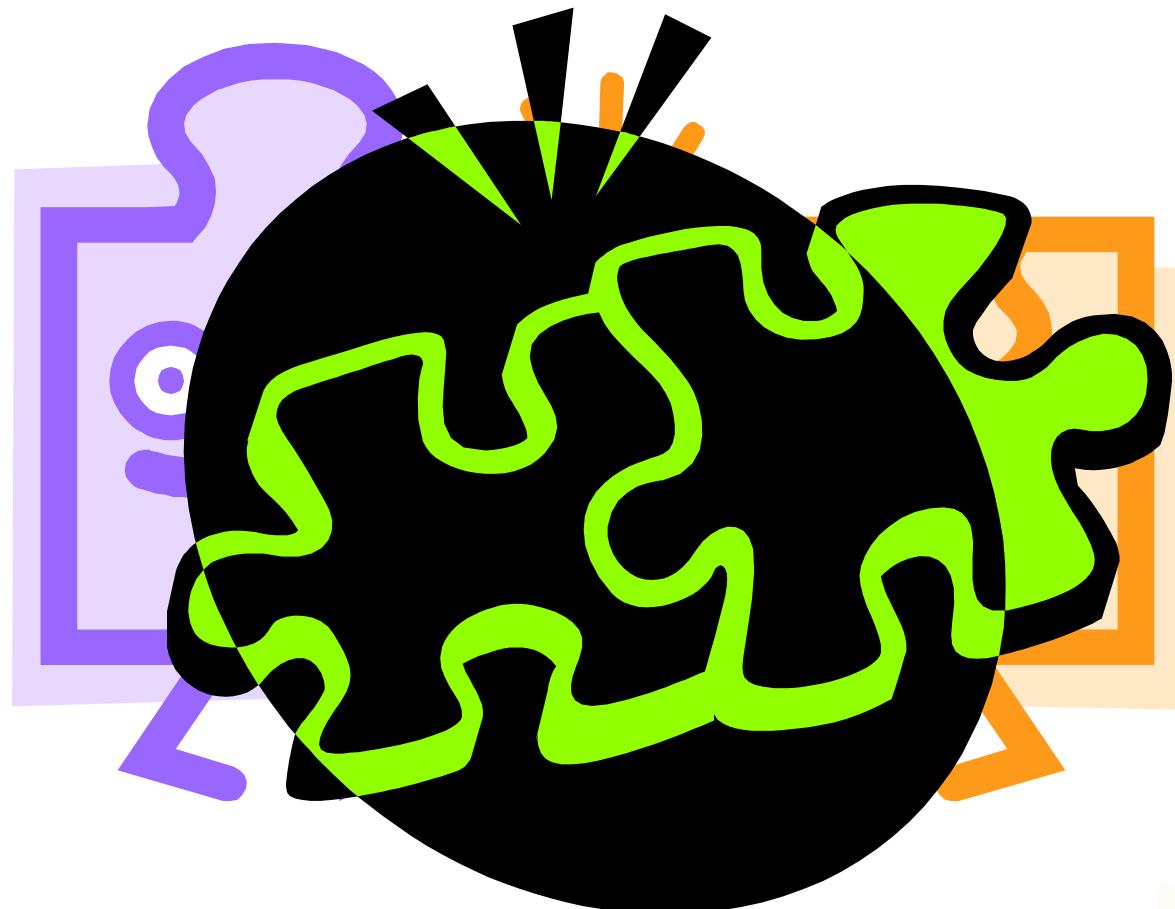


# Final Thoughts...

- Prince2 isn't magic and won't guarantee success
- Use the bits that help you
- Start small ☺
- Seek out people in similar positions – mutual support and advice



# Eventually the choice is yours!





# Thanks!



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