



by Management Plaza

The Pen Project

A fully documented sample PRINCE2® project

ISBN: 9789082114706



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By:

Date:

Version:

Check for Updates:

Please send feedback to:

Frank Turley, Nader K. Rad

28/8/2013

01.12 Free Edition

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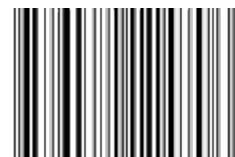


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About the authors

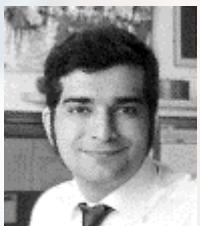


Frank Turley has been a Project Manager for more than 15 years and a PRINCE2® Practitioner. He is also a PRINCE2 and Project Management trainer and coach and has written a number of PRINCE2® and Project Management related books. Frank is best known in the PRINCE2 world for his work in creating the most popular PRINCE2 Self Study training including:

- The PRINCE2 Foundation Training Manual and video course
- The PRINCE2 Practitioner Training Manual
- The PRINCE2 Sample Project

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Nader K. Rad is a project management consultant, author, and trainer at Management Plaza. His career started in 1997 and he has been involved in many projects in different industries. He has designed a number of project management courses, prepared a number of e-learning materials, and written more than 40 books and plenty of practical articles on project management concepts and standards, planning software, scheduling, etc. He is certified as PMP®, PRINCE2® Practitioner, AgilePM® Foundation, CSM®, and PSM I.

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Thanks to every one who has given us feedback/suggestion, especially [Henny Portman](#)

Document: **Who is this sample PRINCE2 project for?**

1) PRINCE2 Foundation Students

- View (browse over) the main PRINCE2 documents, this will help your understanding of PRINCE2.
- E.g. 1) Project mandate, 2) Project Brief, 3) Initiation Stage Plan,
- 4) Product Description, 5) PID, 6) Register Files, 7) Log files

2) PRINCE2 Practitioner Students

- You need to be familiar with all PRINCE2 Management documents and their structure (contents)
- It is therefore best to become familiar with the scenario used in this sample project and then and then become familiar with each Management Document
- This is perhaps the best way to prepare for the Practitioner Exam as the exam uses a project scenario and you are expected to know how to apply PRINCE2.

3) Gaining PRINCE2 experience

- Many people never get a chance to work in a PRINCE2 environment and don't understand how to apply PRINCE2.
- We suggest to re-create this sample project based on another scenario (e.g. a project you have done)
- This is perhaps the best way to practice PRINCE2 as you cover the full project.

4) Implementing a PMO

- Many companies are now considering implementing a PMO but are not sure where to start
- Suggestion: Identify a standard project from your organization and document it like this project
- Start off as simple as possible so you can deliver a first internal sample project (a reference project)
- The PMO can then gradually update this reference project to introduce new techniques and lessons

The Project Scenario

Document: **Project Scenario: CopyWorld365**

Company: **CopyWorld365**

CopyWorld365 is a company that sells printing / photo copying machines. They have 15 employees (4 sales people) and they would like to start a project to give their clients a good quality promotional pen to help improve the relationship with clients and to reduce the loss in client turnover.

The **Sales Manager** chaired a meeting and the outcome of the meeting was as follows:

- We will give a quality pen/pencil out to all clients to help reduce client turnover and improve relationships
- The Pen will mostly be given out by the sales people from Dec 5th to Jan 10th
- Pen must be good quality so people will be happy to use it (not be embarrassed to use it)
- Budget of €6 to €8 each
- Presentation of pen/pencil is important
- Company logo must appear on pen

Project Scope

- Define quality requirements
- Choose & test Pens/Pencils
- Order Pens with logo
- Choosing clients to give pen to

Out of Scope

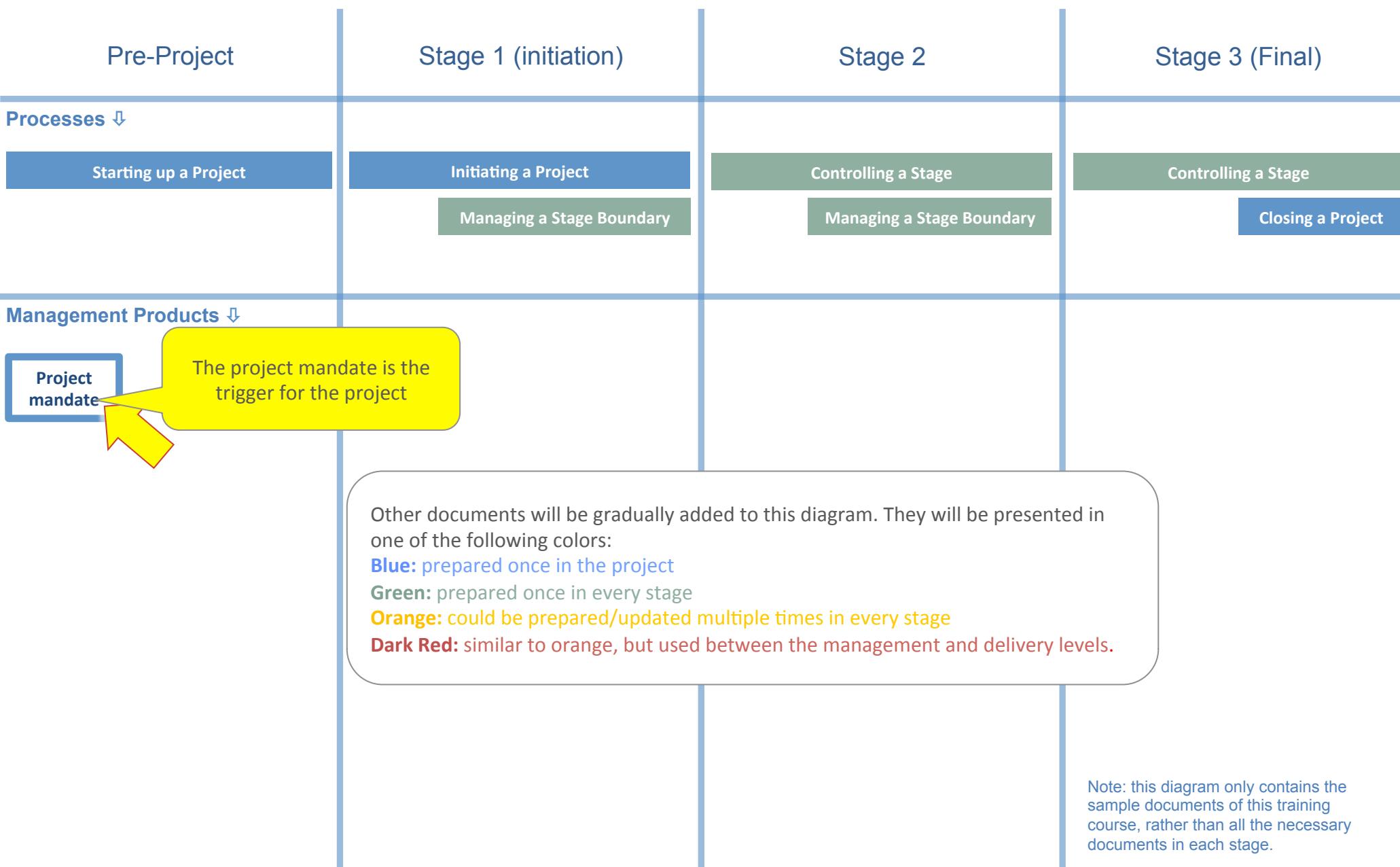
- Giving out the pens/pencils is not part of the project
- Designing the logo
- Original list of clients

This text provides an introduction to the project scenario.

It is important to read this first.

Pre-Project

Starting up a Project



Document: **Project mandate**

Project: Pen Project

Author: Project Manager

Date:

1. Project Definition

The project will choose a quality pen and give out about 400 pens to our clients.

Project Objectives

- Choose a pen that meets specifications
- Choose a pen that users will be perceived as a quality pen

Project Scope:

- | | |
|----------------------|--|
| 1. Choose a pen | 3. Promotional pen catalogues |
| 2. Sales people list | 4. List of clients that will receive a pen |

2. Reasons

Build better relationships with clients and reduce the loss in the renewal of maintenance contracts by 50%. CopyWorld365 had 4,200 maintenance contracts with a profit of €150 per contract = €630k
4% loss each year costs €37,800

3. Project Product Description

To be created

4. Approach

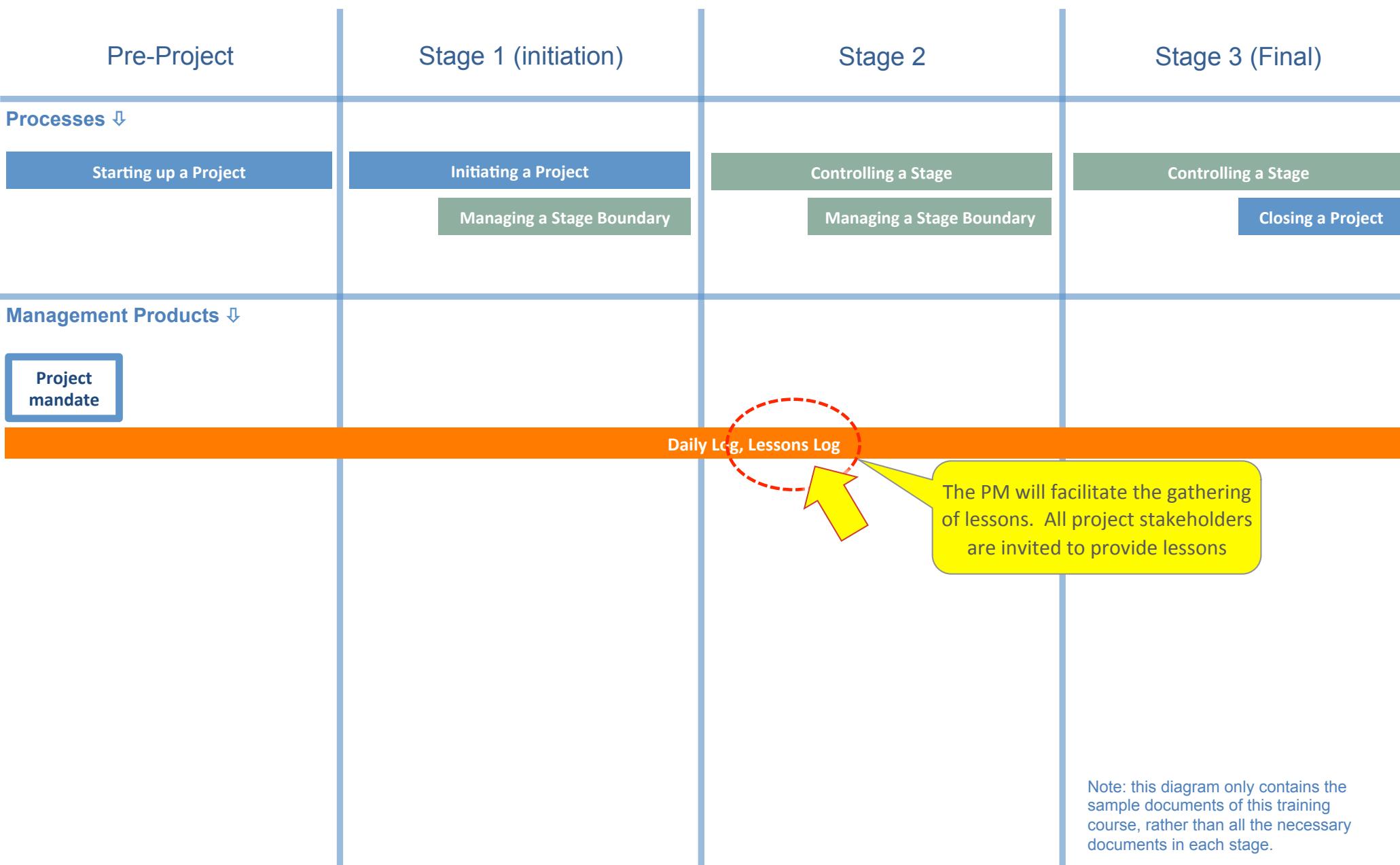
Do the project internally

5. Project Management Team

The Executive should be the CEO

The project mandate does not have to contain much information

Normally just the **reasons** and the **Executive**.



Document: **Lessons Log**

Project: Pen Project

Author: Project Manager

Date:

The PM will facilitate the gathering of lessons. Lessons can come from users, Team Managers, past project Lessons Report files, consultants, ...

Risk seen before?

ID	+ -	Recommendations	Seen before	Date Logged	Logged by	Priority	Stage
1	😊	We used the business gift company “BizGifts” last year and they offered a good service	Yes	12/1	PM	3	2
2	😢	The time to deliver gifts always seems to take longer than agreed by most companies (add time buffer)	Yes	12/1	PM	2	1
3	😢	The business gift company “Gifts4All” provided a poor service for our neighboring company.	No	13/1	PM	2	2
4	😊	There is a ISO standard for pens: ISO 12757-2	No	13/1	PM	2	SU
5							
...							

+ -: (😊) Positive effect on the project, (😢) negative effect,

Risk before: Has the risk been seen before (if yes, how did the project deal with it?)

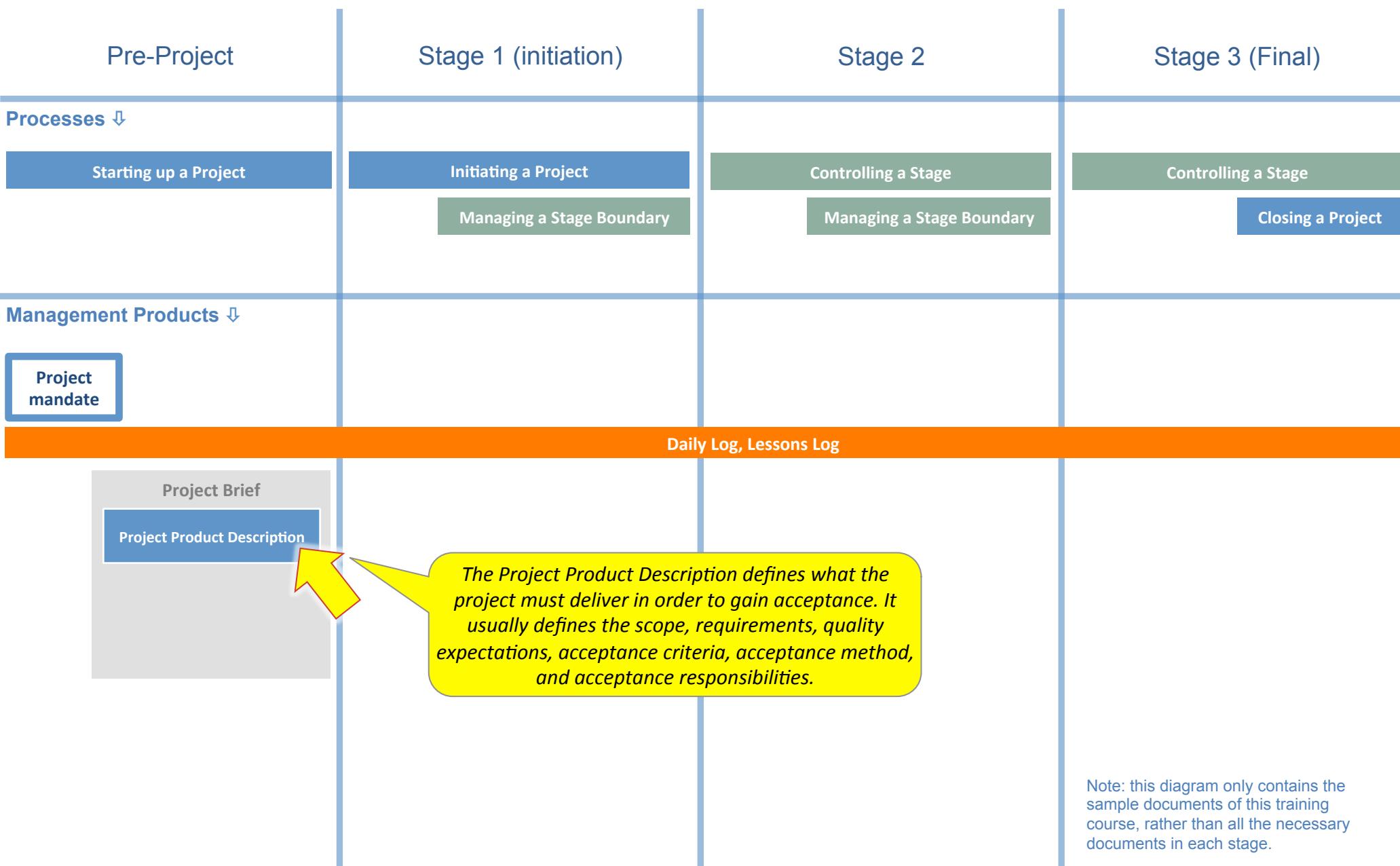
Priority: Importance for project – The PM will want to make sure, they are using the important lessons

Stage: The PM can see which lessons have value for the next stage

Document: Daily Log		Project: Pen Project	Author: Project Manager	Date:	
ID	Date of Entry	Description	Responsible	Target Date	Result
01	2013-06-17	When we were preparing the list of potential suppliers, I realized that one of them is owned by an old friend of mine (conflict of interest)	Project Manager	2013-06-17	I believe I'm capable of evaluating the suppliers honestly. I've also inform the project board about this conflict of interest.
02	2013-06-18	A sales man from one of the potential suppliers came to our office today to meet me, when I was in a meeting. He left me gift and left the building before I could meet him. This can be considered a bribery.	Project Manager	2013-06-18	I returned the gift and put the supplier in the company's black list.
03	2013-06-22	Daniel Ross, who's responsible for the logo, is asked to prepare its vector version, but he doesn't seem to know how.	Project Manager	2013-06-23	He's replaced by Julie Gates, who's more expert on graphic design. We've lost two days, but the activity has a lot of float and we won't get into any problems.
04	2013-06-25	The communication between Julie Gates and the supplier needed for the design of the logo is not effective enough. It takes a lot of time for each version to be reviewed and the new version is released.	Project Manager	2013-06-25	Julie Gates is asked to meet with the responsible person in the supplier company to discuss the requirements of the logo and to prepare it together.
05	2013-06-26	I had a meeting with the selected supplier to discuss the price, when we also talked about the quality, and especially about the quality of the printed logo and the best technique to use for this.	Project Manager		

*The Daily Log is used to capture issues and risks in the Starting up a Project process
After that, it is used as a (private) daily journal for all information by the Project Manager*

Note: the content of this sample Daily Log belongs to next stages of the project



The Project Manager hosted a workshop to create the Project Product Description. The main workshop goals:

1. Get buy-in from the necessary stakeholders
2. Identify the most important requirements for the pen and prioritize them
3. Complete the Project Product Description during the workshop

Requirements Exercise

- The PM gave each person post-its and reminded them about the project goals
- The PM asked each person to list 10 requirements for the pen that will be given to each client
- After this exercise, the PM categorized each requirement and identified the top requirements
- The requirements are listed below using the **MoSCoW** technique

Document: Project Product Descriptions Requirements (MoSCoW)

1. Must Have Requirements

- Quality looking pen
- 5 year guarantee
- Logo display correctly
- Pen easy to write with

3. Could have requirements

- USB memory stick in pen

A number of requirements have been grouped under "5 year guarantee" (all parts working, color fading....)

2. Should have requirements

- Easy to find refills for the pen
- Guarantee no leak pen

4. Other (Won't have for now)

- Write upside down

The acceptance criteria and acceptance method for each Must have will be detailed in the Project Product Description

This is a good example of the Project Product Description (**Main Product Description**). It does not have to be a large document. This examples has outlined 4 main features and defined the quality level for each feature.

Document: **Project Product Description**

Project: Pen Project

Author: Project Manager

Date:

1. Purpose

The purpose of the pens will be to provide a constant reminder of our company to most of our clients and reduce the loss of maintenance contracts renewals by 50% in the next 12 months.

2. Composition

- 1. Pens to evaluate
- 2. Chosen Pen

- 3. Reviewed client list
- 4. Distributed Pens

3. Derivation

- 1. Business Gift Catalogs
- 2. Client list

4. Development skills required

Purchasing skills
Account (Client) management

*This example has outlined four main features and defined the quality level for each feature.
See the next slide for more information*

Quality

Quality Expectation	Quality looking pen	Priority	M
Acceptance Criteria	AC1: Look like it cost > €10 AC2: Look like a professional pen		
Tolerance	None		
Acceptance method	AC1: Confirm that 8 of 10 see value > €10 AC2: Confirm that 9 of 10 see pen as professional		
Responsibilities	AC1: Susan Kelly, AC2: Susan Kelly		

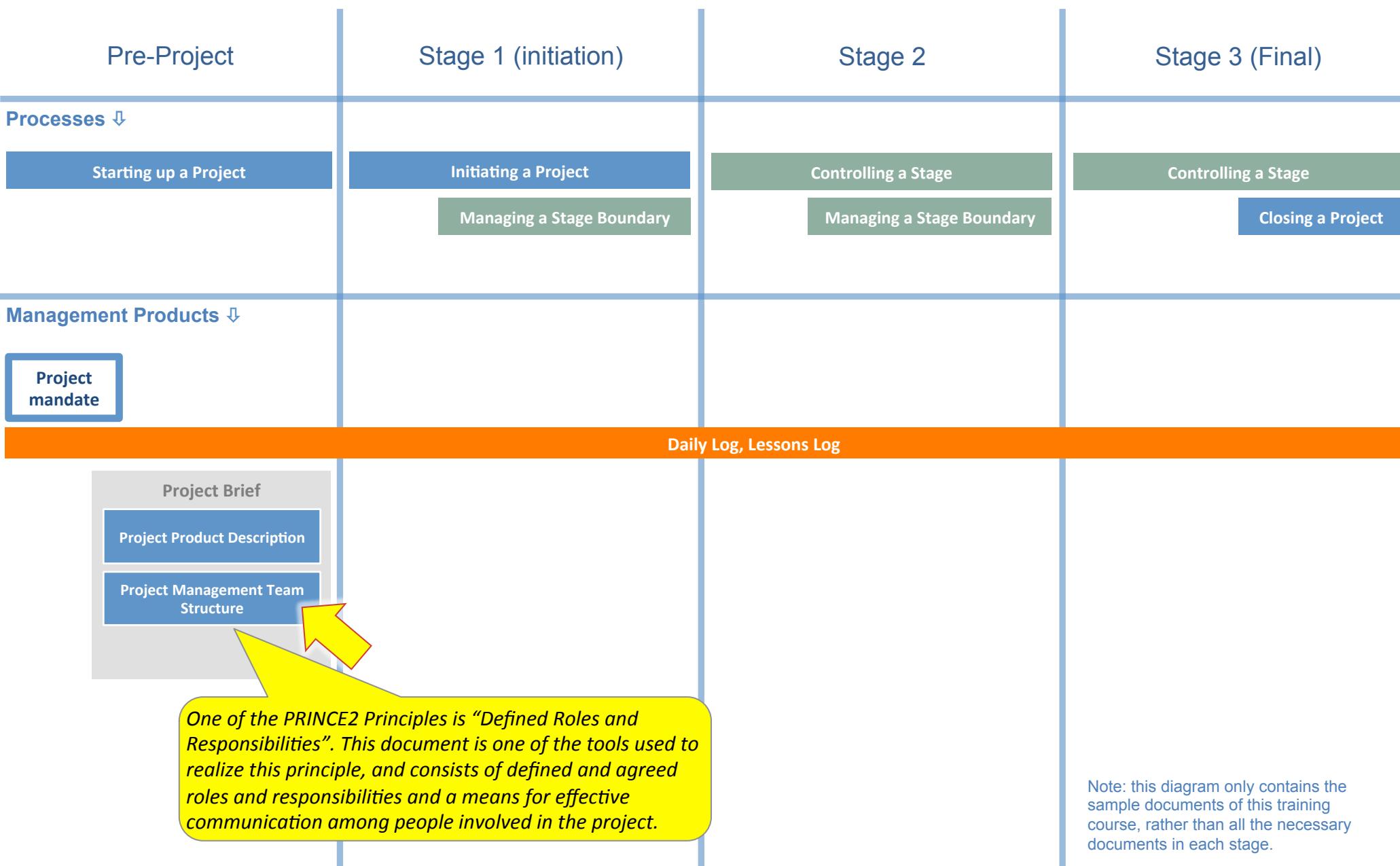
Quality Expectation	5 year guarantee	Priority	M
Acceptance Criteria	AC1: 5 year guarantee from supplier		
Tolerance	AC1: ± 50%		
Acceptance method	AC1: Accept guarantee notice		
Responsibilities	AC1: Sales Manager will accept guarantee		

Quality Expectation	Logo display correctly on pen	Priority	M
Acceptance Criteria	AC1: Correct size on pen AC2: Logo will not erase in 5 years of normal use		
Tolerance	AC1: Size ± 10%, 2) Logo erase: + 100%		
Acceptance method	AC1: Measure logo on pen with ruler AC2: Logo: Ask for Logo guarantee		
Responsibilities	AC1: Susan Kelly, AC2: Susan Kelly		

Quality Expectation	Pen easy to write with	Priority	M
Acceptance Criteria	AC1: 9 of 10 people find pen easy to write with		
Tolerance	AC1: ± 10%		
Acceptance method	AC1: Provide survey report		
Responsibilities	AC1: Susan Kelly		

This slide provides information about the quality data required in a Project Product Description
Most Project Managers find it very difficult to understand this from the official PRINCE2 Manual
Read the information provide for each heading.

Quality heading	Quality heading descriptions
Quality Expectations	Which feature/requirement does the customers want (list one at a time) e.g. Quick search (speed of results)
Priority	MoSCoW: (M ust, S hould, C ould, W on't) or 1,2,3 e.g. M
Acceptance Criteria (AC)	Acceptance criteria states what the Customer agrees to accept (measurable) Question: How can we prove that we have meet your expectations? Question: What tests should be done & expected results? Note: There may be a number of number of tests for each Quality expectation AC 1: Expect speed result < 2 seconds AC 2: Expect speed result < 2 seconds
Project Tolerance	What is the tolerance(s) for each Acceptance Criteria AC 1: ± 15%; AC 2: ± 10%
Acceptance Method	How will each quality criteria be checked? AC 1: Manual testing AC 2: Unit testing with load testing
Acceptance Responsible	List the persons name for each quality criteria or complete quality expectation AC 1: Frank Klein AC 2: Frank Klein



Document: Project Management Team Structure

Project: Pen Project

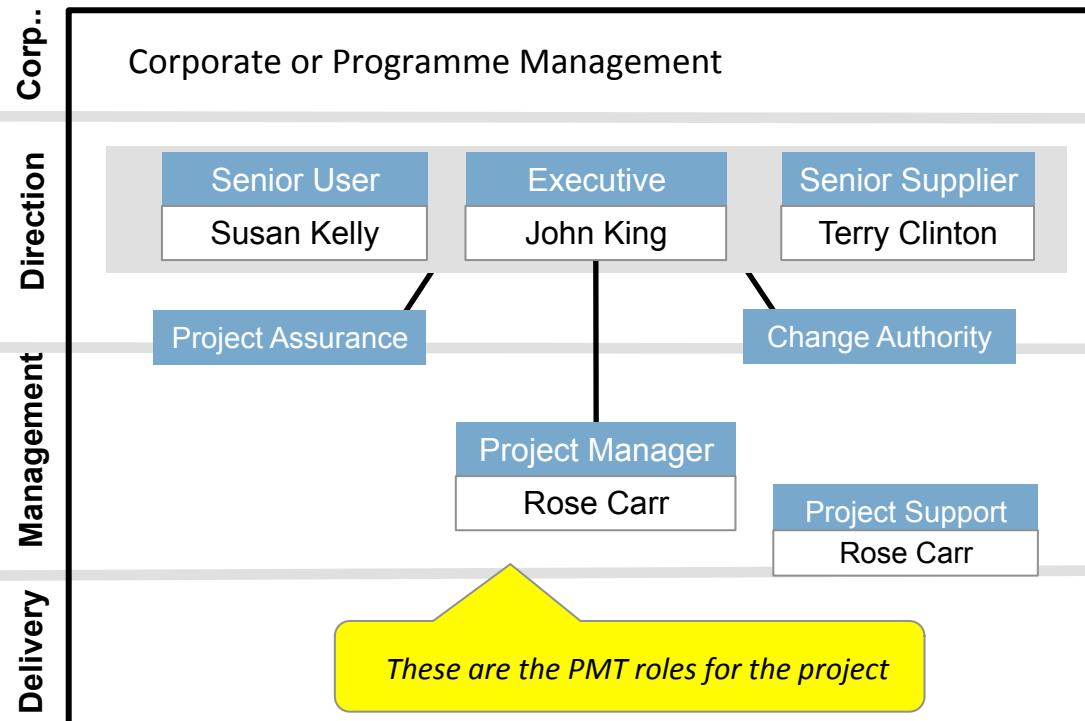
Author: Project Manager

Date:

These are their normal job functions

CopyWorld365 Employees & Job titles

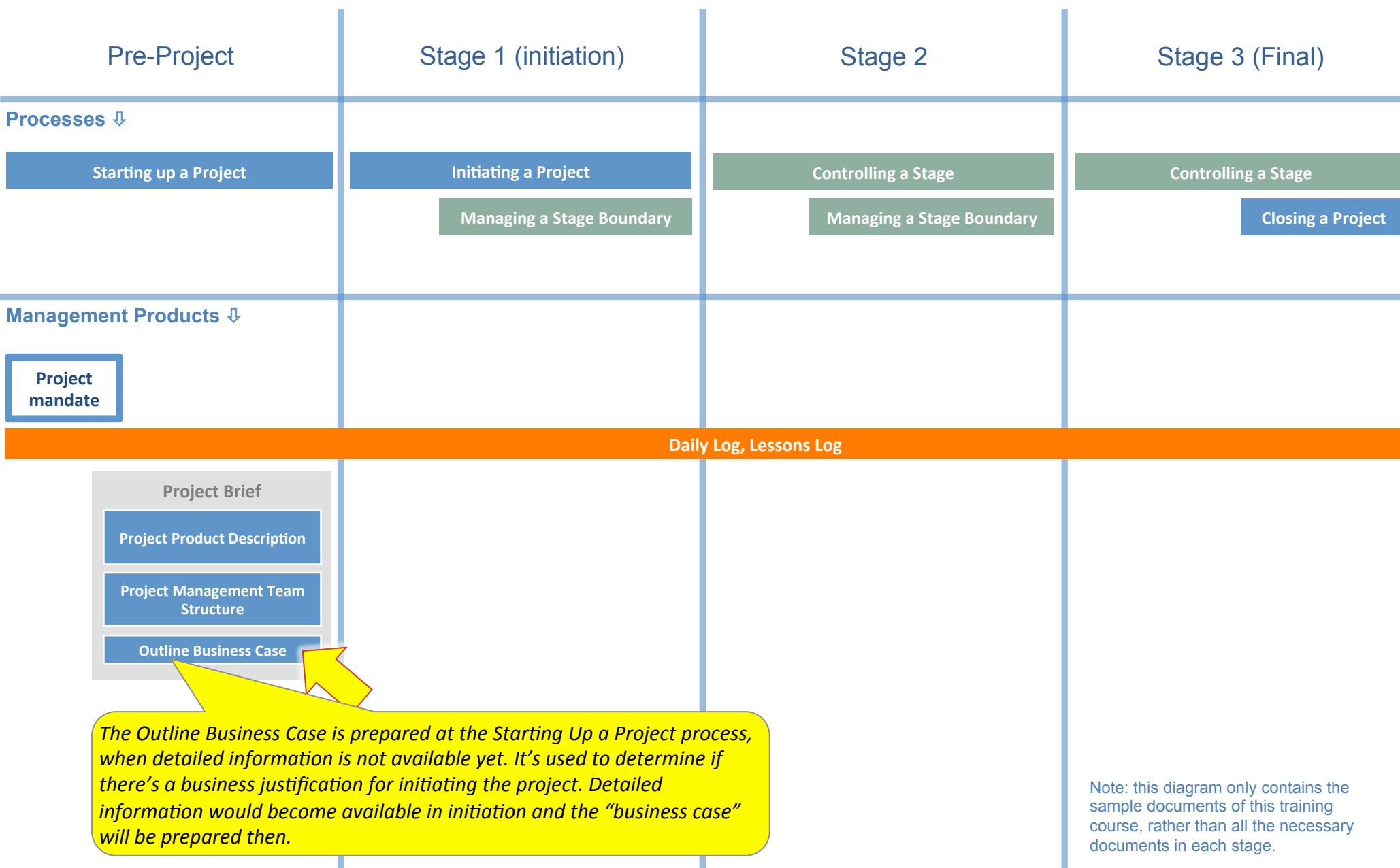
John King: CEO
 Susan Kelly: Sales Manager
 Terry Clinton: Purchasing & Accounts
 Rose Carr: Client Project Manager



Tailoring comments for the PMT

Tailoring comments Project Management Team:

- The Directing level and Corporate level can be considered as merged as Executive is the CEO (and no program environment)
- The Project Manager will have the roles and responsibilities of Team Manager and Project Support.
- The Project Board will have the role of Project Assurance.
- The Project Manager, Executive, Senior User, and Senior Supplier will have the change authority.
- The management (Project Manager) and delivery (Team Manager) levels have been merged



Document: **Outline Business Case** Project: Pen Project Author: Executive Date:

1. Reasons

Build better relationship with clients and reduce the loss in the renewal of maintenance contracts by 50%. CopyWorld365 had 4,200 maintenance contracts with a profit of €200 per contract = €840,000 A 5% loss instead of a 10% loss would be a gain of €48,000

2. Expected Benefits

- Reduce loss of maintenance contracts by 50%±15% : €42,000/year
- Increase new machine orders by 5%±1%: 16,000/year

3. Expected dis-benefits

None

4. Timescale

12 weeks (3 months)

5. Costs

- Pen costs: €9 by 400 pens = €3,600
- Other project costs: €600

6. Investment appraisal

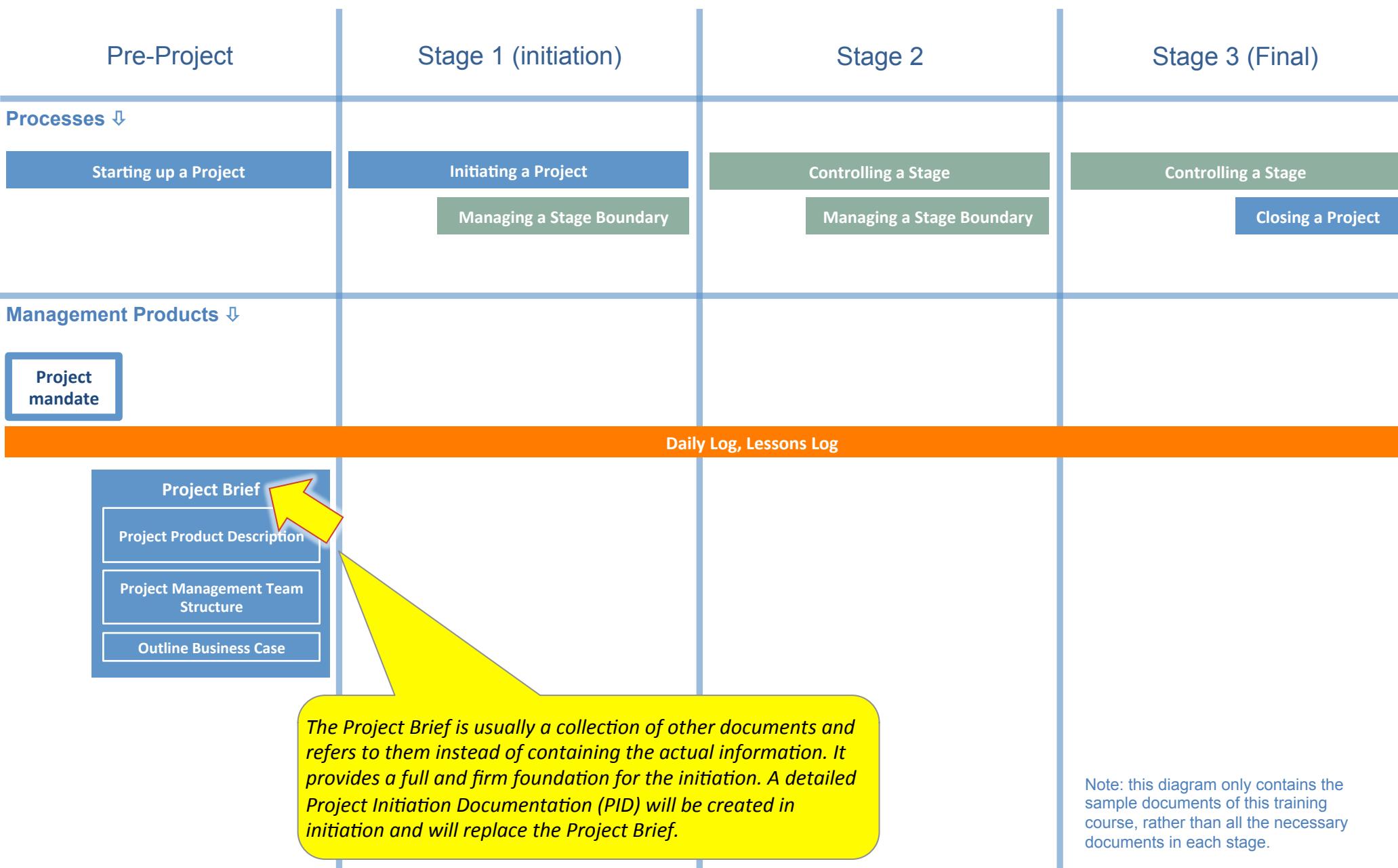
See Business Case (Initiation stage)

7. Major risks

Clients may not hold on to the pen and use it each day and there will not be reminded of CopyWorld365.

*The outline Business Case does have to contain much information
This information will be expanded later into the Business Case
document in the Initiation stage.*

*It is written by the Executive with normally some assistance from
the Project Manager*



Document: **Project Brief**

Project: Pen Project

Author: Project Manager

Date:

1. Project Definition

The project will choose quality pen and give out about 400 pens to our clients.

Project Objectives

- Choose a quality that meets specifications
- Choose a pen that users will perceive as a quality pen

Project Scope:

- | | |
|----------------------|--|
| 1. Choose a pen | 3. Promotional pen catalogues |
| 2. Sales people list | 4. List of clients that will receive a pen |

Constraints and assumptions

- Possible to find a pen in the catalogues provided

Project Tolerances

1. Time: 3 months + 30%
2. Cost: €7 for a pen: Estimate €3400 for the project +- 10%
3. Quality: Pens must meet quality requirements

3. Project Product Description

[Attached:](#) Project Product Description (PPD)

4. Approach

The company will choose a pen that meets the requirements from an existing business gift company. Project will be run internally.

This is a good example of the Project Brief. It does not have to be a large document.

2. Outline Business Case

Reasons:

Build better relationship with clients and reduce the loss in the renewal of maintenance contracts by 50%. CopyWorld365 had 4,200 maintenance contracts with a profit of €150 per contract = €630k 4% loss each year costs €37,800

Expected Benefits

- Reduce loss of maintenance contracts by 50% : €18,000 (each year)
- Increase new machine orders by 2%: 16,200 (each year)

Risks

- Clients may not hold on to the pen and use it each day.

Costs

- Pen costs: €7 by 400 pens = €2,800
- Other project costs: €800

The outline Business Case has been slightly updated.

5. Project Management Team

[Attached:](#) Project Management Team (PMT)

6. Role Descriptions

This project uses the roles description as defined by PRINCE2

- [Link to the Roles Descriptions document](#)

The Project Product Description and the PMT are not displayed here but are part of Project Brief

Pre-Project	Stage 1 (initiation)	Stage 2	Stage 3 (Final)
Processes ↓			
Starting up a Project	Initiating a Project	Controlling a Stage	Controlling a Stage
	Managing a Stage Boundary	Managing a Stage Boundary	Closing a Project
Management Products ↓			
Project mandate			
Project Brief			
Project Product Description			
Project Management Team Structure			
Outline Business Case			
Initiation Stage Plan			
	Daily Log, Lessons Log		
	<p><i>This plan</i></p> <ul style="list-style-type: none"> - is used by the Project Manager to execute the Initiation Stage. - shows what will be produced and when - documents the cost of the Initiation Stage 		
			Note: this diagram only contains the sample documents of this training course, rather than all the necessary documents in each stage.

Document: **Initiation Stage Plan**

Project: Pen Project

Author: Project Manager

Date:

1. Plan description

This is the plan for the Initiation Stage of the Pen Project

2. Assumptions - Dependencies

Sales Manager provides the necessary time for the project
 Twenty sales person will be available to evaluate the pens
 A business gift company will have to provide the pens to evaluate and the 400 of the chosen pens.
 Internal resources will not be charge to the project

3. Lessons incorporated

Allow buffer time for delivery of pens (Lessons Log)
 Investigate the ISO standard for pens: ISO 12757-2

4. Monitoring & Control

The PM will use the standard PRINCE2 documents
 A highlight will be sent at the end of week one to the Project Board
 An Exception report will be used if forecasted to go out of tolerance

5. Budgets

Initiation stage budget: € 200 (internal people time is not charged)
 Risk Budget: €0, Change Budget: €0

This example has merged Assumptions and Dependencies

6. Tolerances

Time: ± 50% : Cost: ± 50% : Scope: 0%

7. Products Description(s)

Attached: Project Product Description

8. Schedule

Deliverables - March	4th	5th	6th	7th	8th	11th	12th	13th	14th	15th
Strategy documents	2 hrs									
PBS (WBS)		4 hrs								
Product Descriptions			8 hrs							
Risk & Issues				4 hrs						
Project Plan						3 hrs				
Benefits Review Plan							2 hrs			
Business Case								2 hrs		
PID									1 hrs	
Next Stage Plan										2 hrs

This is a simple example of the schedule, the focus is on the products created and not the activities

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The pre-project activities are now complete and the Project Board will give permission for the Initiation Stage to begin

Stage 1

Initiation (Planning)

Approx. 80% of the work in this stage is focused on planning (product breakdown, requirements, product descriptions, estimating, scheduling)

Pre-Project	Stage 1 (initiation)	Stage 2	Stage 3 (Final)
Processes ↓			
Starting up a Project	Initiating a Project Managing a Stage Boundary	Controlling a Stage Managing a Stage Boundary	Controlling a Stage Closing a Project
Management Products ↓			
Project mandate		Risk Register, Quality Register, Issue Register	
		Daily Log, Lessons Log	
Project Brief Project Product Description Project Management Team Structure Outline Business Case Initiation Stage Plan	Project Initiation Documentation Four Strategy Docs 	<p><i>There are four strategy documents, these are guidelines for the project. Normally the Project Manager will just copy in these strategy documents from as they are standard in each company. There are</i></p> <ul style="list-style-type: none"> <i>1) The Communication Management Strategy</i> <i>2) The Risk Management Strategy Document</i> <i>3) The Quality Management Strategy</i> <i>4) The Configuration Management Strategy</i> <p><i>The Communication Management Strategy document:</i></p> <ul style="list-style-type: none"> <i>- provides a guideline on how communication should be done</i> <p><i>This sample project just gives an example of the Communication Management Strategy as the others do not change very much from the templates provided.</i></p>	

Document: **Communication Management Strategy**

Project: Pen Project Author: Project Manager Date:

1. Introduction

This document describes how communication will be done during the project: It is based on the standard strategy document for all projects.

2. Communication Procedure

The PM will be responsible for all internal communication in the project will report each week on the Project Board using a Highlight Report. Other PRINCE2 documents reports will also be used as expected. The Sales Manager is responsible for all external communication

3. Tools and techniques

- The PM will use the intranet portal site for all internal communication and project document.
- The Sales Manager will use an electronic newsletter and site visits to communicate with clients.

4. Records

The following documents will be used for internal communication
 - Highlight Report, End Stage Report, End Project Report, Issue Reports, Lessons Report, Project Descriptions and registers

5. Timing of communication activities

The PM will meet with Project Board each two weeks
 The PM and Project Board will meet at the end of each stage

6. Reports / Stakeholder Matrix

Report Name	Timing	Recipients
Highlight Report	Weekly	Project Board
End Stage Report	End of stage	Project Board
End Project Report	End of project	Project Board
Issue Report	Anytime	PM/Project Board
Electronic Newsletter	Once	Clients

7. Roles & Responsibilities

Project Board	Inform the rest of the management team
Project Manager	All internal communication (project team)
Senior User	Create the required PRINCE2 documents Communicate with clients

8. Scales: Priority & Severity

Priority	Use MoSCoW (Must, Should, Could, Won't..)
Severity levels	1 = Project Manager, 2 = Project Board

9. Stakeholder Analysis

Stakeholders	Attitude	Current Relationship	Desired Relation
Clients	Neutral	90% Good	95% Good
Sales Team	Support	Excellent	Excellent
Co. Mgmt	Support	Good	Good

Most of the effort will go into recognizing the stakeholders, deciding the desired relationship and how to communicate during the project.

Pre-Project	Stage 1 (initiation)	Stage 2	Stage 3 (Final)
Processes ↓			
Starting up a Project	Initiating a Project Managing a Stage Boundary	Controlling a Stage Managing a Stage Boundary	Controlling a Stage Closing a Project
Management Products ↓			
Project mandate	Risk Register, Quality Register, Issue Register	Daily Log, Lessons Log	
Project Brief Project Product Description Project Management Team Structure Outline Business Case Initiation Stage Plan	Project Initiation Documentation Four Strategy Docs	<p>Product Breakdown Structure (PBS)</p> <p>Normally, the first step after the strategy documents is to breakdown the main product into sub-products, to get a better idea of what needs to be done.</p> <p>The Project Manager will facilitate this process and they can use a breakdown diagram, indented list or mind-map to do this.</p>	Note: this diagram only contains the sample documents of this training course, rather than all the necessary documents in each stage.
	Next Stage Plan PBS		

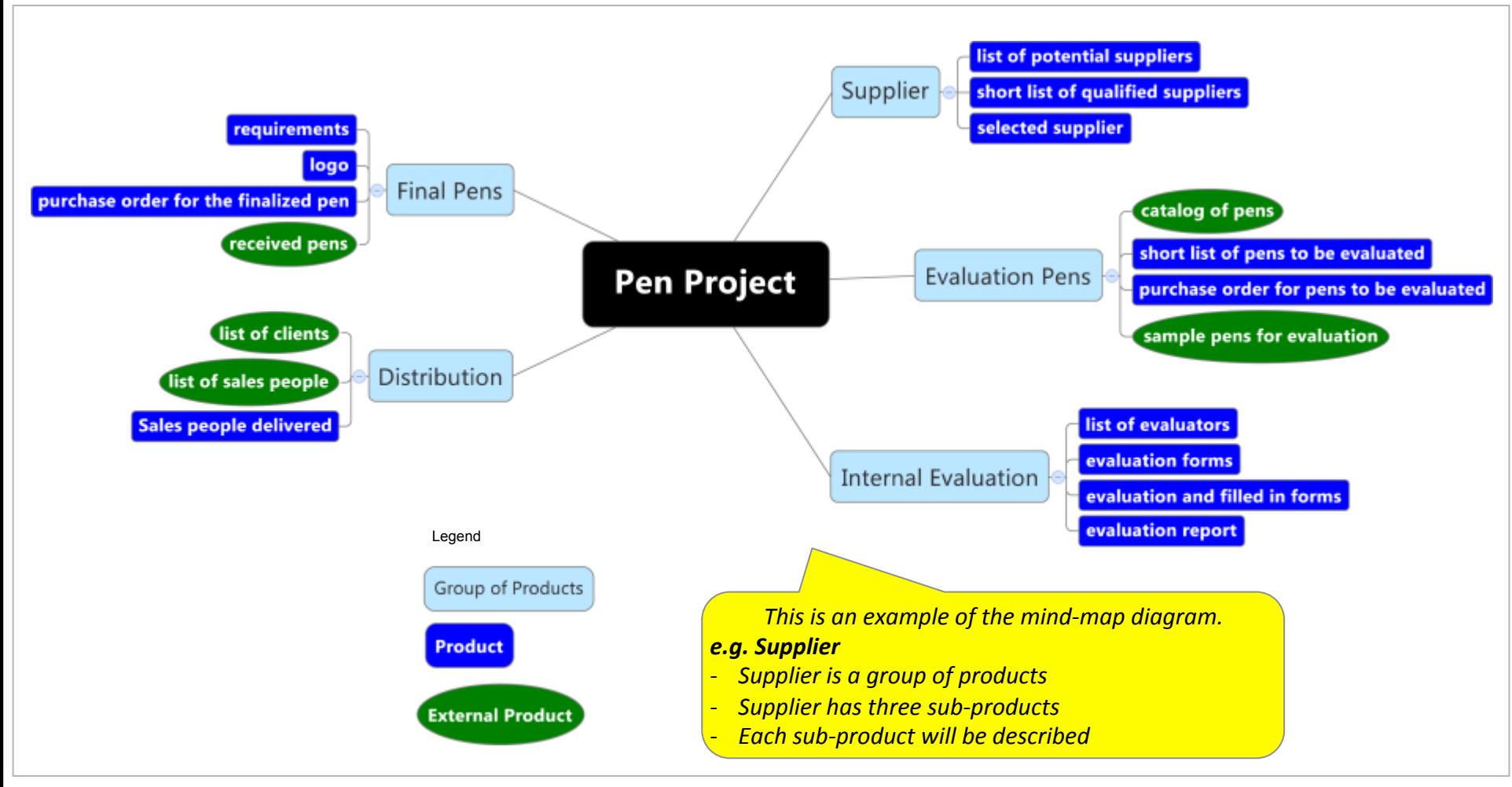
Document: PBS for Stage 2 (Mindmap)

Project: Pen Project

Author: Project Manager

Date:

1. Mindmap presentation of PBS



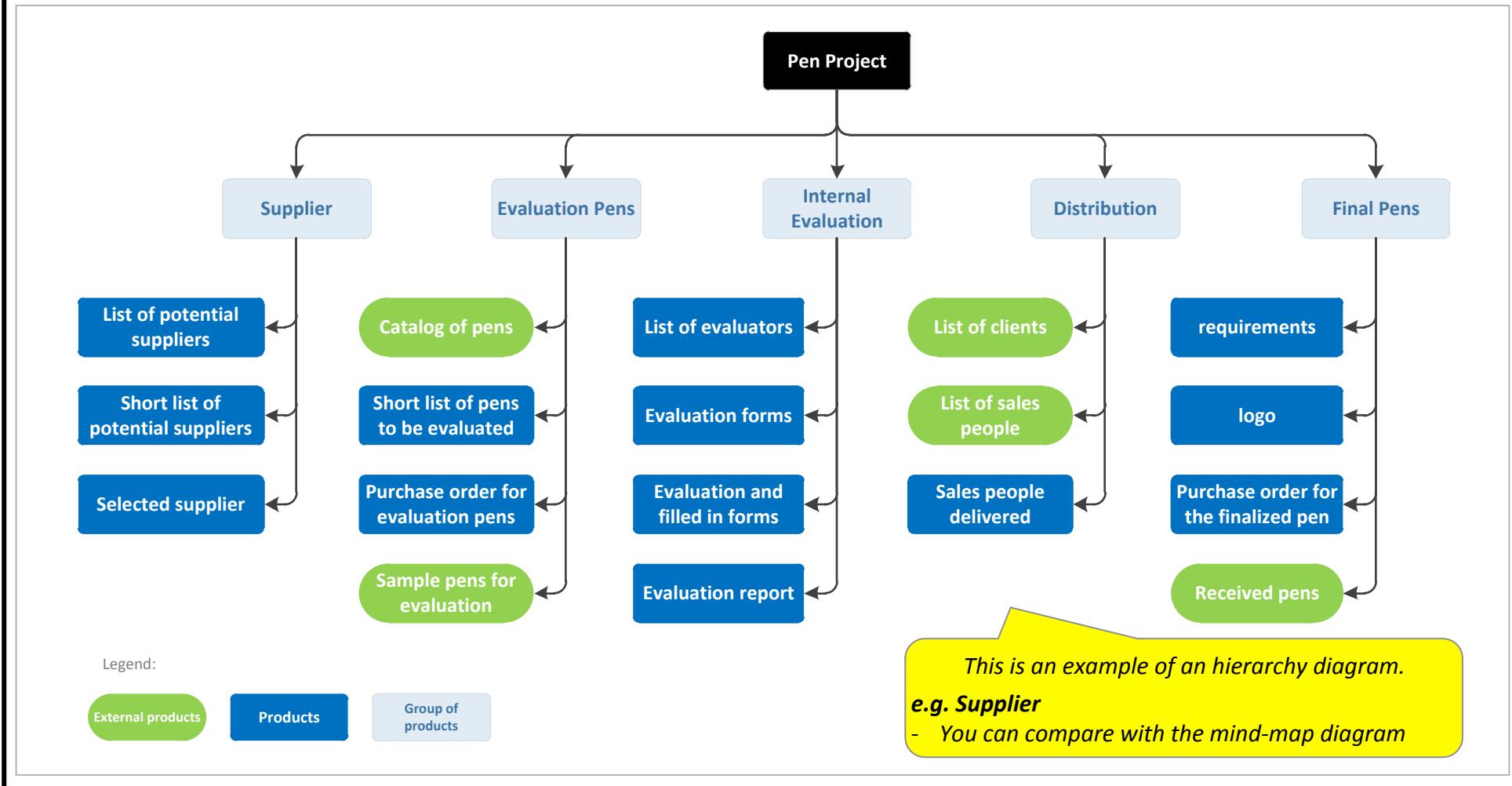
Document: **PBS for Stage 2 (hierarchy chart)**

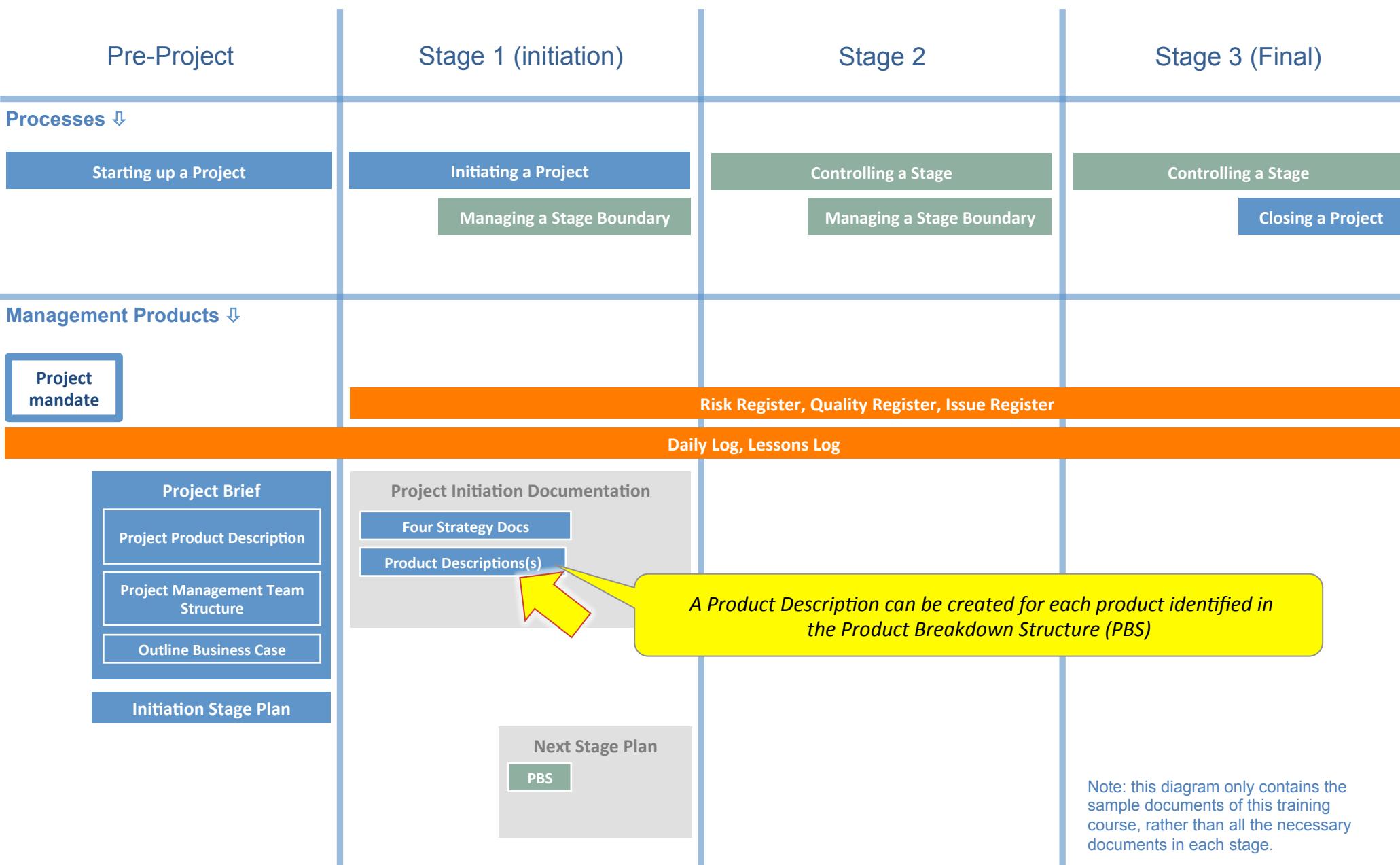
Project: Pen Project

Author: Project Manager

Date:

1. Hierarchy presentation of PBS





Document: Product Description: List of Clients

Project: Pen Project

Author: Project Manager

Date:

1. Identifier: PEN03.2

2. Title: **Client List**

3. Purpose

List of all existing clients that will receive a pen

4. Composition

- Contact and company names
- Contract value for each company
- Contact person at CopyWorld365

5. Derivation (Source)

- Existing client list
- Client contract

6. Development skills required

Customer knowledge

7. Quality Criteria

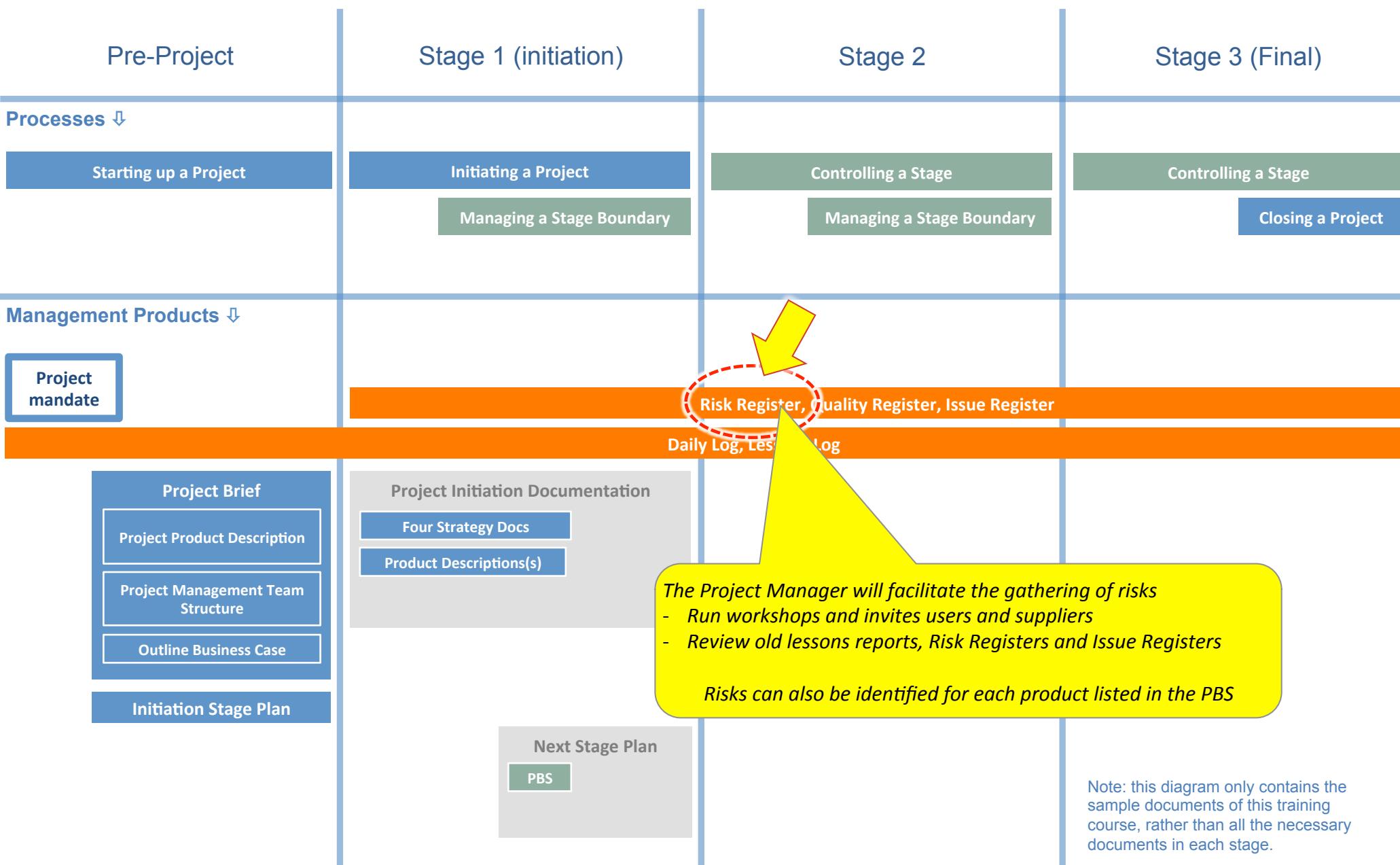
1. Contract value must be the current contract value
2. Client name must be the decision maker or main influencer

Criteria	Method	Tolerance	Skills Required
1	Review	None	Contract knowledge
2	Review	None	Contract knowledge

Producer:	Reviewer	Approver
Gerry Malone	CFO	Sales Manager

This is an example of a Product Description and the objective is to make it clear what the finished product will be.

The Product Description also includes the quality criteria, how the product will be tested (method), tolerance, skills for tester and quality reviewer.



Document: **Risk Register**

Project: Pen Project

Author: Project Manager

Date:

*This is a rather simple project, so there are not many risks.
However the risks still need to be managed*

Project Name		Pen Project		Risk / Impact
Project No	008			High Risk > € 7,500
Project Manager	Rose Carr			Medium > € 1000
Project Executive	John King			Low Risk < € 1000

*Amounts are related to the value
of the expected benefits
Expected gain is: €58,400*

ID	Risk Author	Date Register	Risk Category	Risk Description	Probability x Impact	Proximity	Response Category	Status	Risk Owner	Risk Actionee
1	P Smith	6/3/13	Ordering	A risk that pens will be delivered 2-4 weeks later which will impact the time of the project	€550	Stage 2	Reduce	Active	P Smith	J Bell
2	S. Kelly	7/3/13	Product	Users may not like the pens and therefore not keep using it which result in 90% - 100% reduction in benefits	€ 11,200	Year 1	Reduce	Active	S. Kelly	R Clark
3	S. Kelly	9/3/13	Product	Some sales people may not distribute the pens as intended, therefore the benefits will not be realized for these users	€ 5,600	Year 1	Reduce	Active	S. Kelly	S. Kelly

How to calculate Probability * Impact

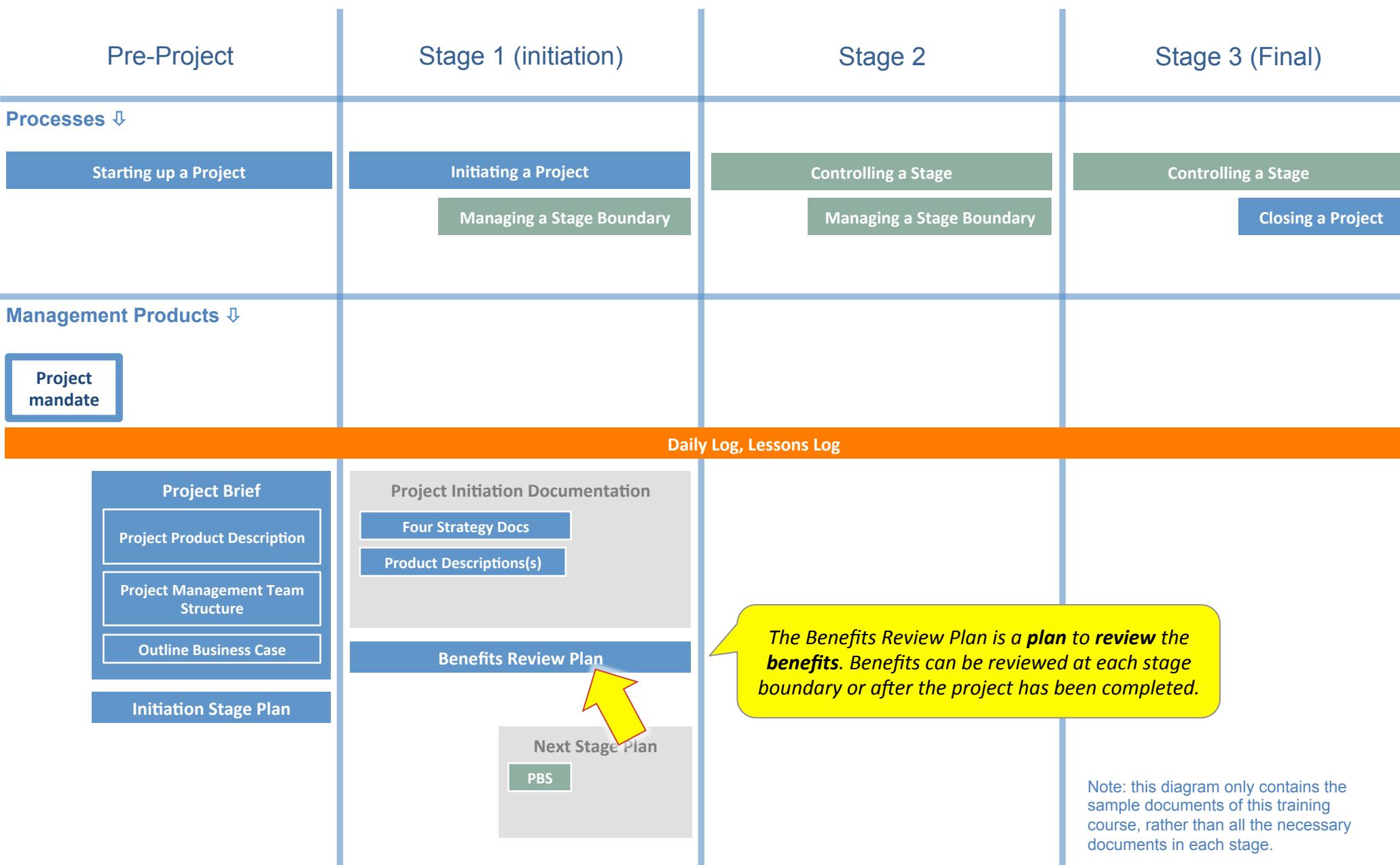
Likelihood that almost all users will not like pen: **20%**

Impact if almost all users don't like pen: **€58,400**

Probability * Impact = **20% * €58,400 = €11,200**

The response text is not included in this example

*New risks will continue to be identified
as we plan and execute the project*



Document: **Benefits Review Plan**

Project: Pen Project

Author: Project Manager

Date:

1. Introduction

This document describes what benefits are to be measured, how and when they will be measured, and the investments needed to carry out those measurements.

This plan lists the activities to check if the benefits have been realized

2. Benefit

1. Reduce loss of maintenance contracts by 50% : €42,000
2. Increase new machine orders by 5%: €16,200 (each year)

3. Baseline measurements

1. Current loss of maintenance contracts is 10% (420 contracts)
 - Value of 10% loss is : €84,000
2. New machine order today have profit value of €320,000

4. Accountable for Benefits

Accountable Benefit

1. Susan Kelly: Reduce loss of maintenance contracts by 50%
2. Susan Kelly: Increase new machine orders by 5%

5. Review

1. Show proof that the loss of maintenance contracts has been reduced by 50%
2. Show proof that machine orders have increased by 5%

6. Plan to Review

6 months: after project is complete

- Check if loss of orders is reduced by 50% for previous 6 months
- Check if increase in machine orders is 5% for previous 6 months

1 year: after project is complete

- Check if loss of orders is reduced by 50% for previous 12 months
- Check if increase in machine orders is 5% for previous 12 months

The Project Manager will ask the Senior User

- 1. What are the expected benefits?*
- 2. When do you expect to get these benefits?*
- 3. How to measure these benefits?*

Pre-Project	Stage 1 (initiation)	Stage 2	Stage 3 (Final)
Processes ↓			
Starting up a Project	Initiating a Project Managing a Stage Boundary	Controlling a Stage Managing a Stage Boundary	Controlling a Stage Closing a Project
Management Products ↓			
Project mandate	Risk Register, Quality Register, Issue Register	Daily Log, Lessons Log	
Project Brief Project Product Description Project Management Team Structure Outline Business Case Initiation Stage Plan	Project Initiation Documentation Four Strategy Docs Product Descriptions(s) Project Controls Benefits Review Plan Next Stage Plan PBS	This defines the level and mechanism of control by the Project Board, Project Manager, and Team Managers in accordance with "manage by exception" principle. This information might be a duplicate of the similar information in management strategies.	Only contains the documents of this training plan all the necessary documents in each stage.

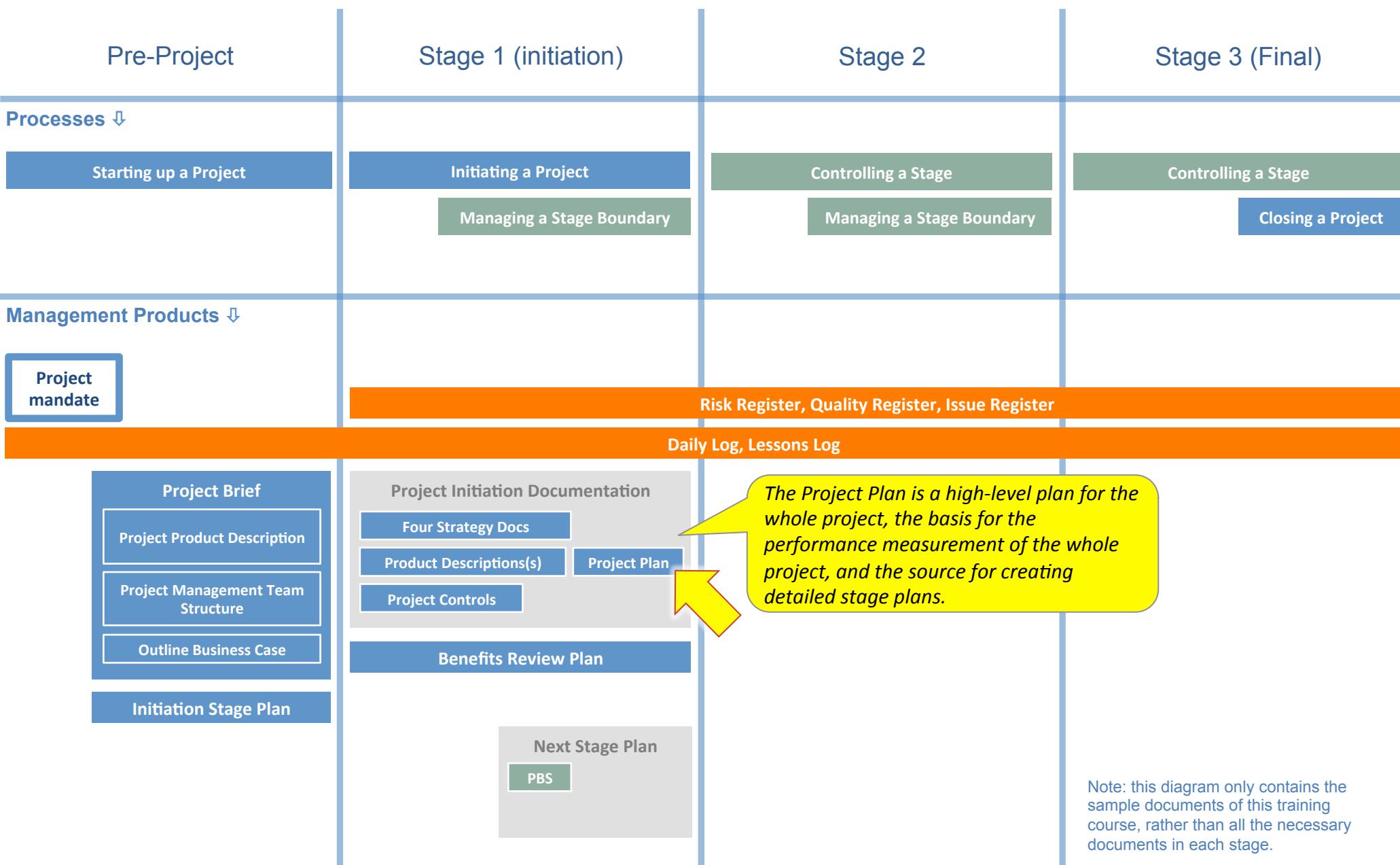
Document: **Project Controls**

Project: Pen Project

Author: Project Manager

Date:

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Document: **Project Plan (Part 1)**

Project: Pen Project

Author: Project Manager

Date:

1. Plan description

This is the high-level plan for the whole Project.

2. Prerequisites, Assumptions

Sales Manager and CEO will define the requirements for the project, resources needed for evaluation and distribution, receiving sample pens is possible in a short time, evaluators will fill in the forms in time and precisely, supplier will prepare the pens in an appropriate time, Internal recourses will not be charge to the project.

How much time and money do we have for the whole project? How much tolerance is acceptable?

3. Lessons incorporated

Allow buffer time for delivery of pens

4. Monitoring & Control

The PM will use the standard PRINCE2 documents

A highlight will be sent at the end of week one to the Project Board

An Exception report will be used if forecasted to go out of tolerance

5. Budgets

Project budget: €3,840 (internal people time is not charged), 45 days

Risk Budget: €0, 0 days | Change Budget: €480, 5 days

6. Tolerances

Time: ±30% | Cost: ±40% | Scope: MoSCoW

7. Products Description

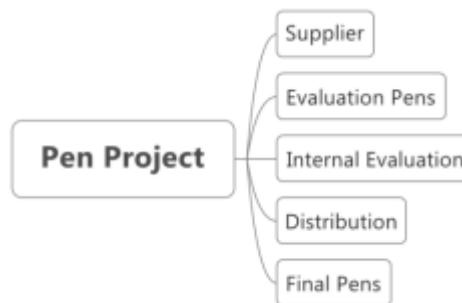
Attached: Project Product

Be careful, a "plan" is not an "schedule"; time schedules are just a part of each plan.

8. Schedule

Attached: Schedule for stage plan 1

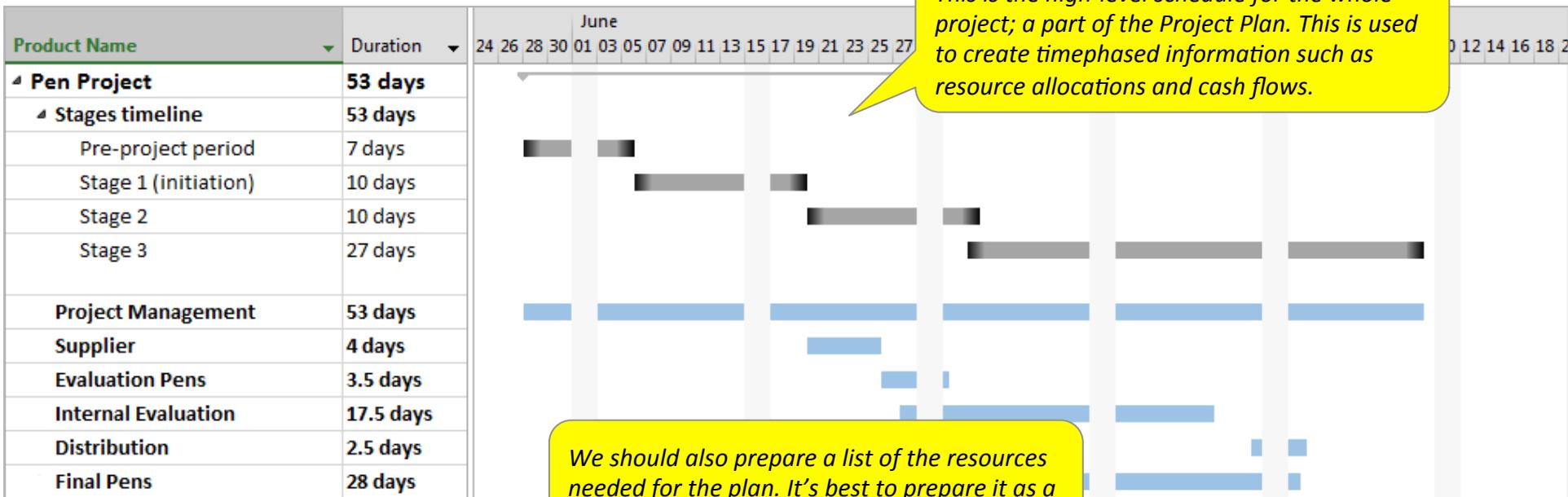
9. Product Breakdown Structure



This is only a high-level PBS in the Project Plan, and will be detailed in Stage Plans.

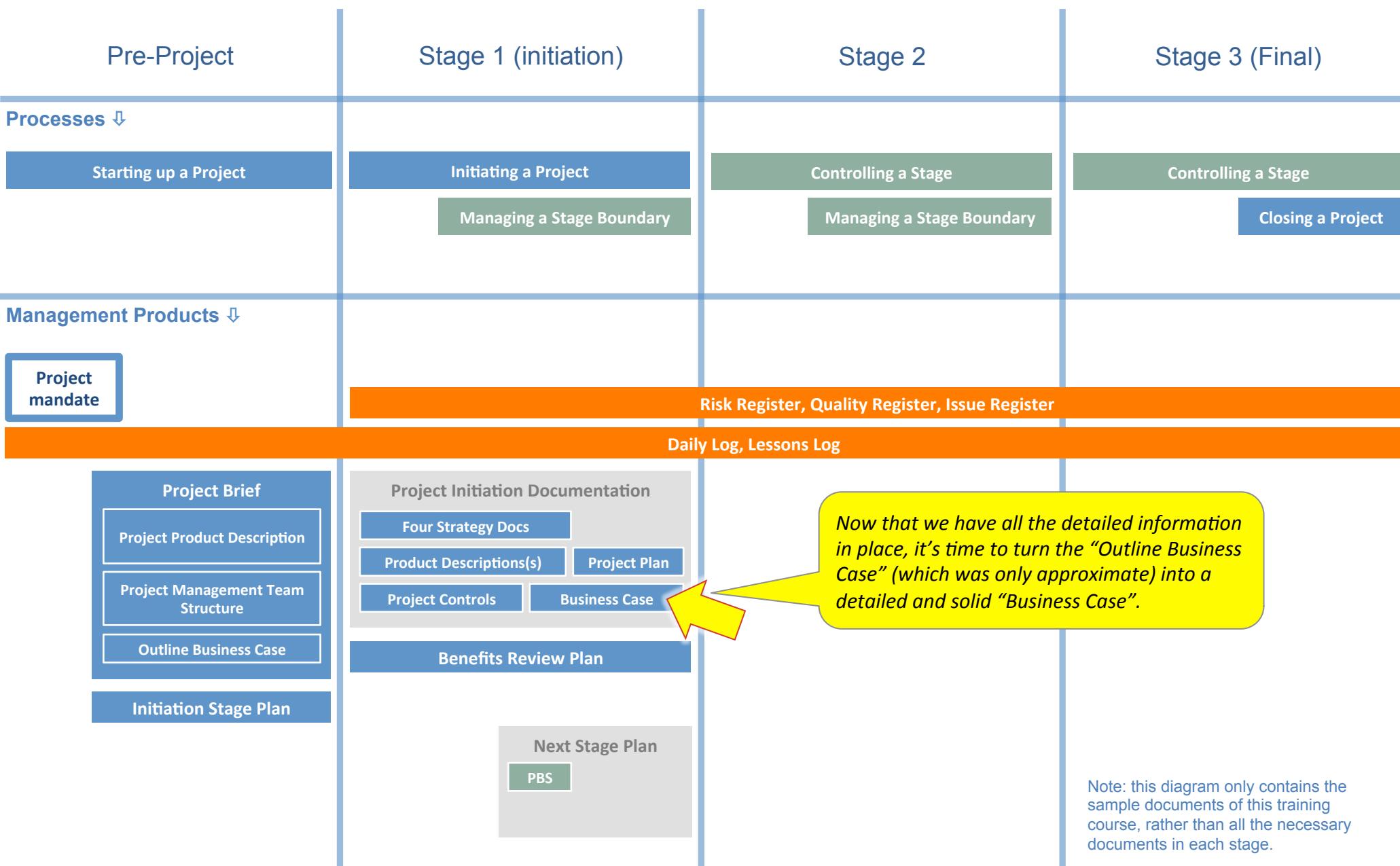
Document: **Project Plan (part 2) Schedule** Project: Pen Project Author: Project Manager Date:

1. Activity bar chart



2. Resources

Resource Name	Work	Details	June					July					August		
			05-26	06-02	06-09	06-16	06-23	06-30	07-07	07-14	07-21	07-28	08-04		
Executive	57 hrs	Work	8h	6h	5h	14.92h	5.27h	8.2h	0.75h	1.08h	2.42h	3h	2.35h		
Senior User	49 hrs	Work	4h	3.6h	4h	12.13h	5.57h	9.4h	1.4h	1.98h	2.9h	2.4h	1.62h		
Senior Supplier	51 hrs	Work	4h	3.6h	4h	17.13h	7.82h	6.73h	0.57h	0.9h	2.23h	2.4h	1.62h		
Project Manager	107 hrs	Work	0h	8.2h	8h	27.72h	17.4h	16.87h	2.35h	3.27h	9.02h	10.1h	4.12h		
Others	129 hrs	Work	0h	4.2h	3h	29.53h	21.32h	20.48h	13.07h	13.48h	11.65h	10.07h	2.2h		



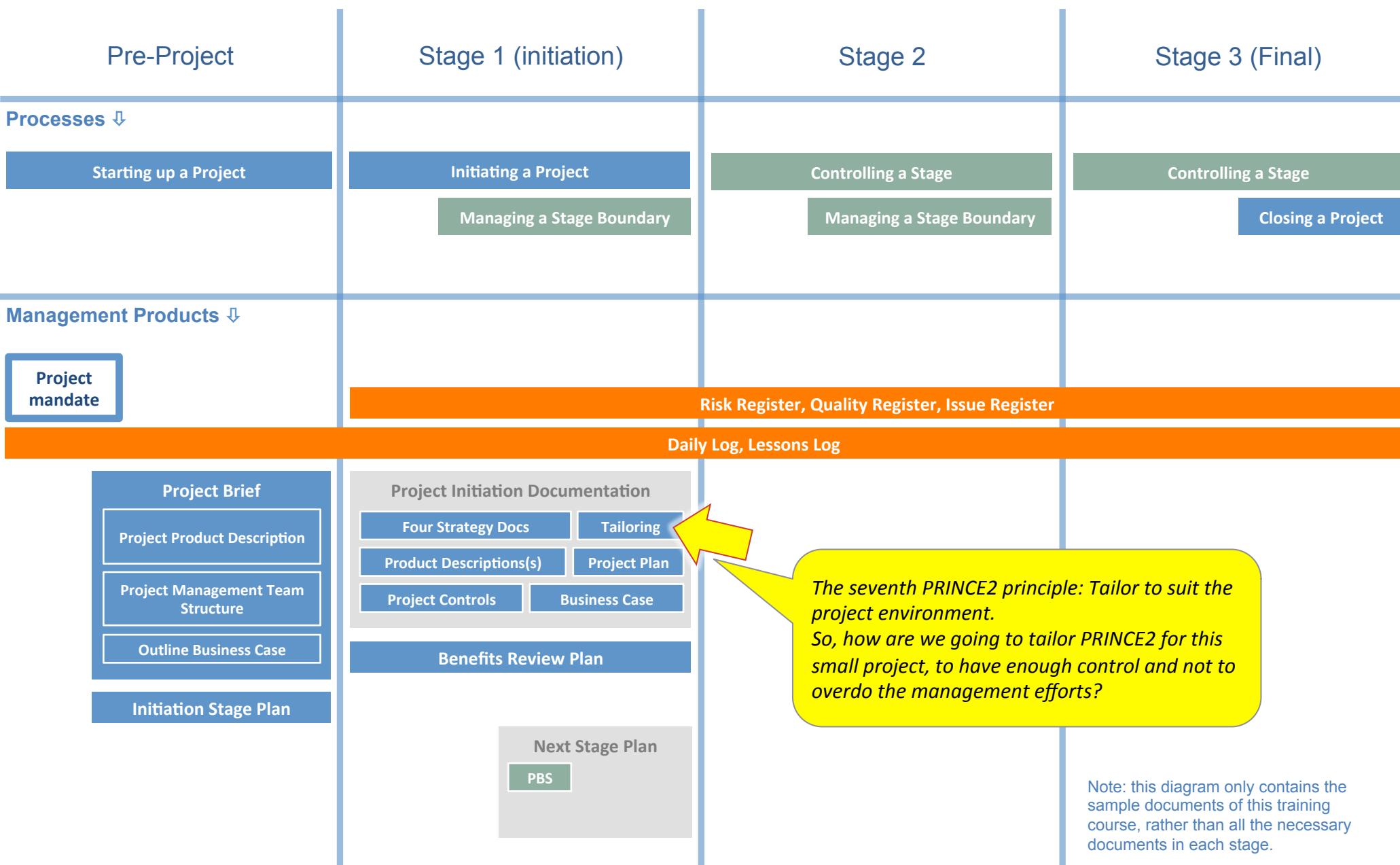
Document: **Business Case**

Project: Pen Project

Author: Project Manager

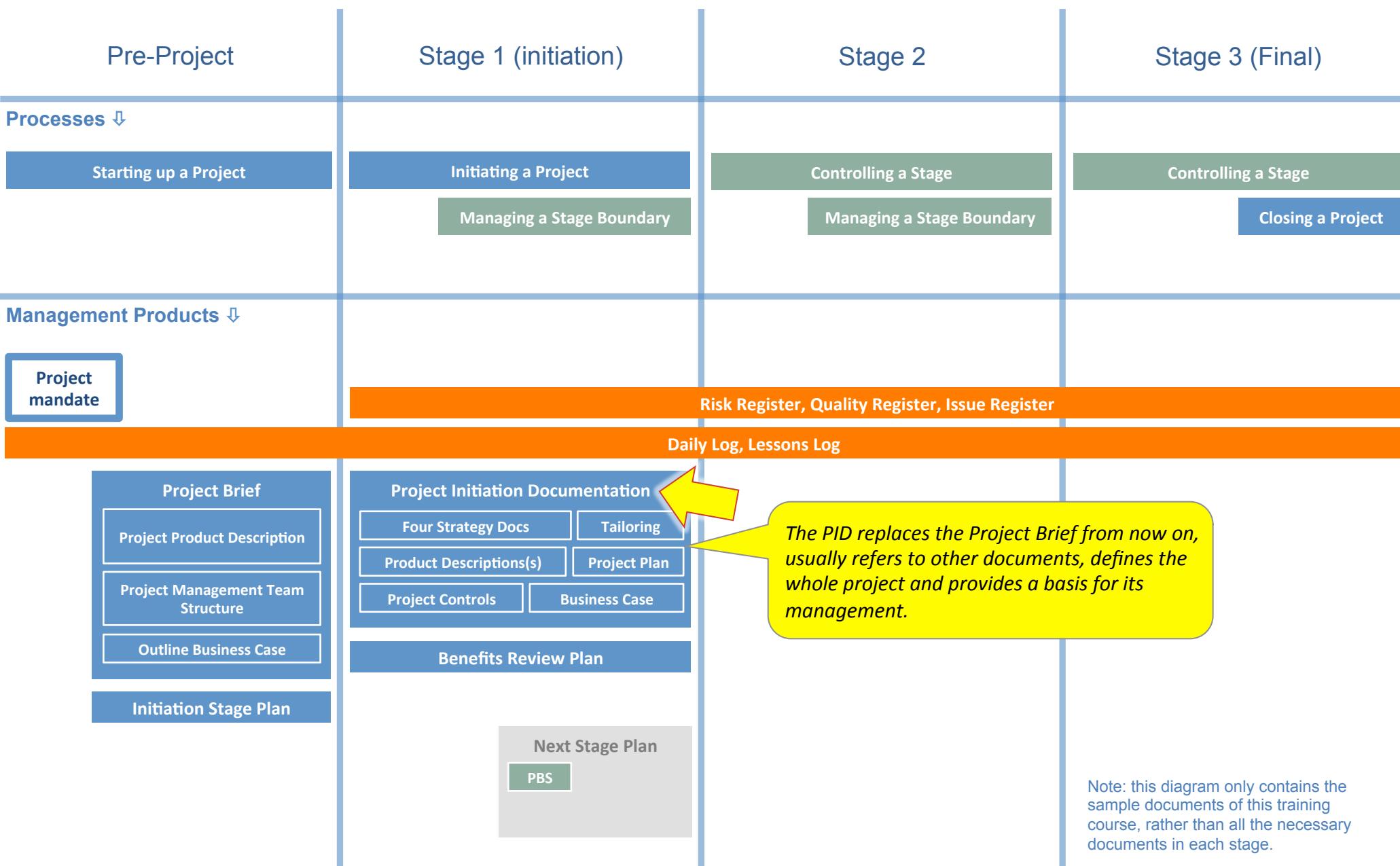
Date:

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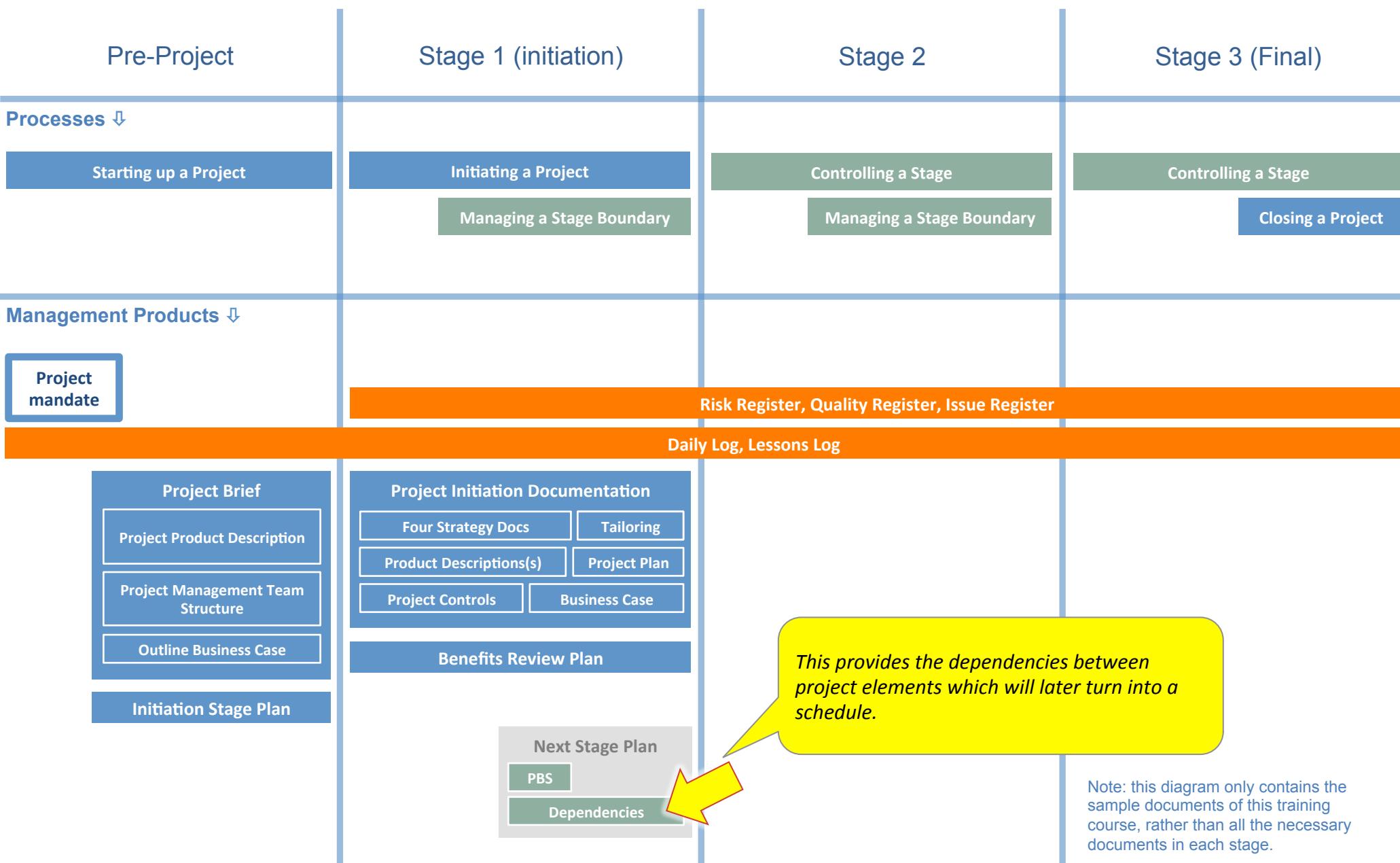
Document: Tailoring of PRINCE2 Project: Pen Project Author: Project Manager Date:

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Document:	Project Initiation Documentation	Project:	Pen Project	Author:	Project Manager	Date:
1. Project Definition	The project will choose quality pen and give out about 400 pens to our clients.	5. Role Descriptions	This project uses the roles description as defined by PRINCE2 - Link to the Roles Descriptions document			
Project Objectives:		6. Quality Management Strategy	Attached: Quality Management Strategy document			
<ul style="list-style-type: none">Choose a quality that meets specificationsChoose a pen that users will perceive as a quality pen		7. Configuration Management Strategy	Attached: Configuration Management Strategy document			
Project Scope:	<i>This is mostly an assembly of other documents, so we only have references to other documents rather than embedding the information here.</i>	8. Risk Management Strategy	Attached: Risk Management Strategy document			
1. Choose a pen		9. Communication Management Strategy	Attached: Communication Management Strategy document			
2. Sales people list		10. Project Plan	Attached: Project Plan document			
Constraints and assumptions:	<ul style="list-style-type: none">Possible to find a pen in the catalogues provided	11. Project Controls	Attached: Project Controls document			
Project Tolerances:	<ul style="list-style-type: none">Time: 3 months + 30%Cost: €7 for a pen: Estimate €3400 for the project +- 10%Quality: Pens must meet quality requirements	12. Tailoring of PRINCE2	Attached: Tailoring of PRINCE2 document			
2. Project Approach	The company will choose a pen that meets the requirements from an existing business gift company. Project will be run internally.					
3. Business Case	Attached: Business Case document					
4. Project Management Team Structure	Attached: Project Management Team Structure document					

Dependencies Diagram (part of the next Stage Plan)



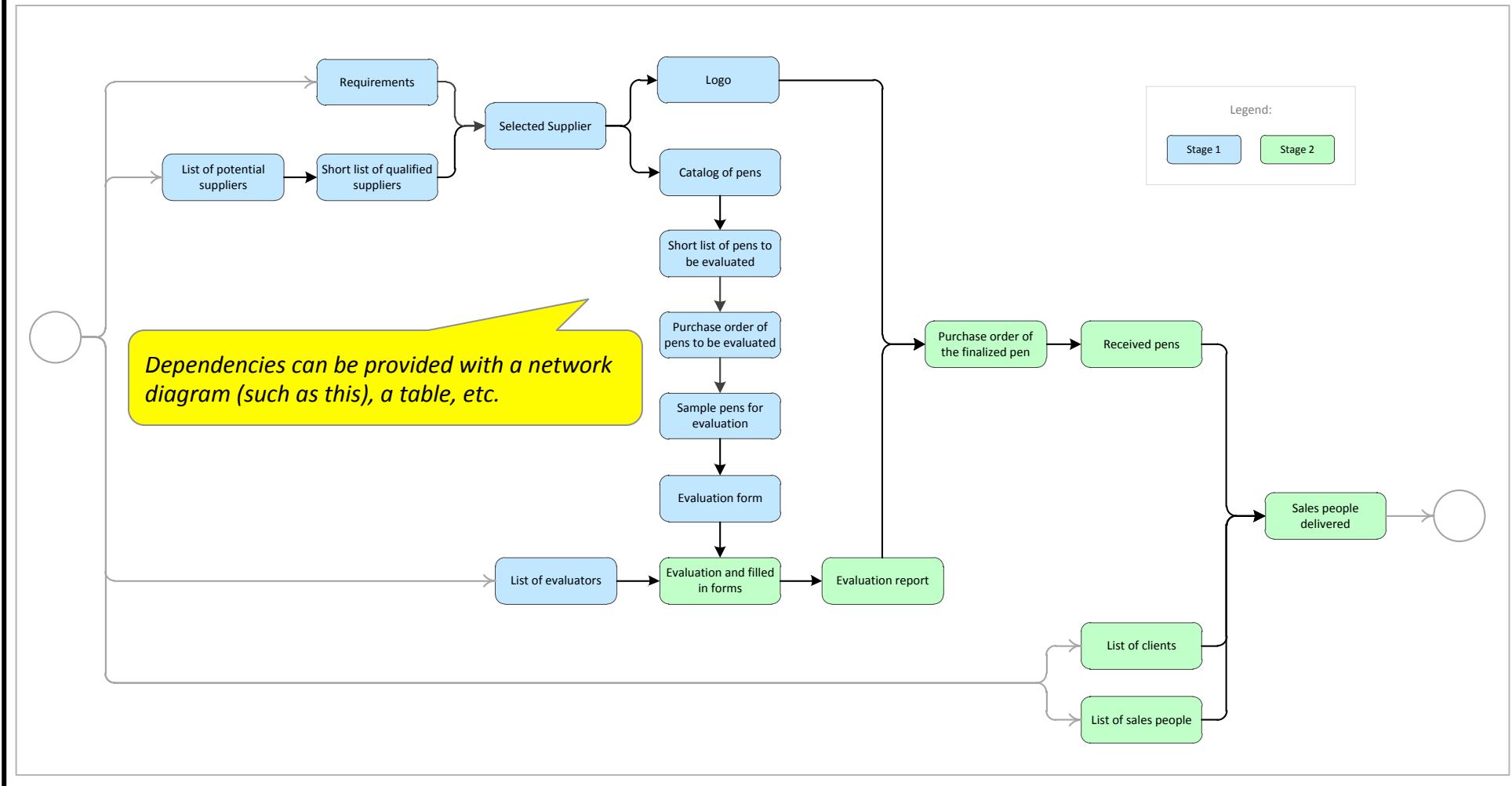
Document: **Dependencies Diagram**

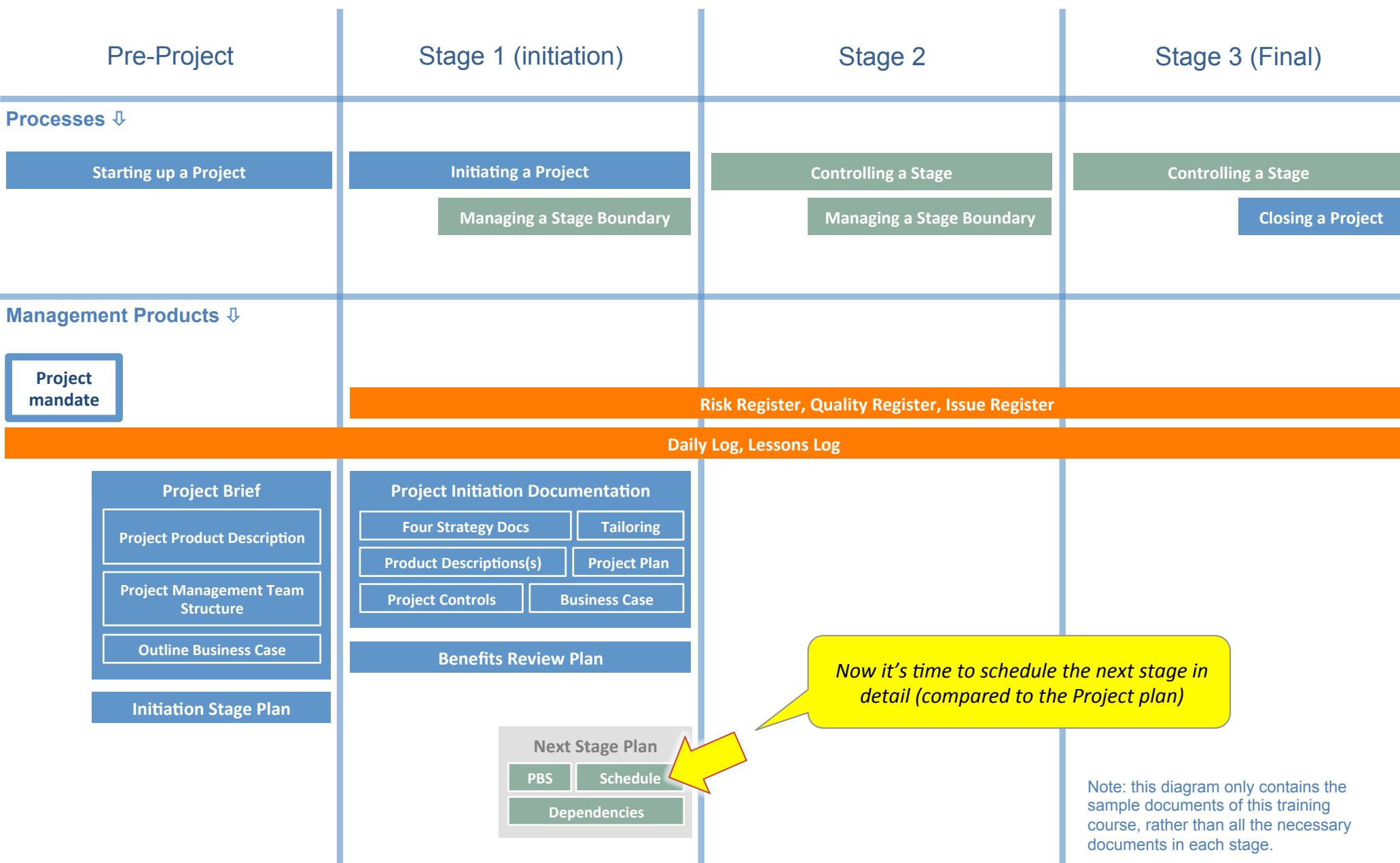
Project: Pen Project

Author: Project Manager

Date:

1. Dependencies Diagram





Document: **Schedule for Stage 2 Plan**

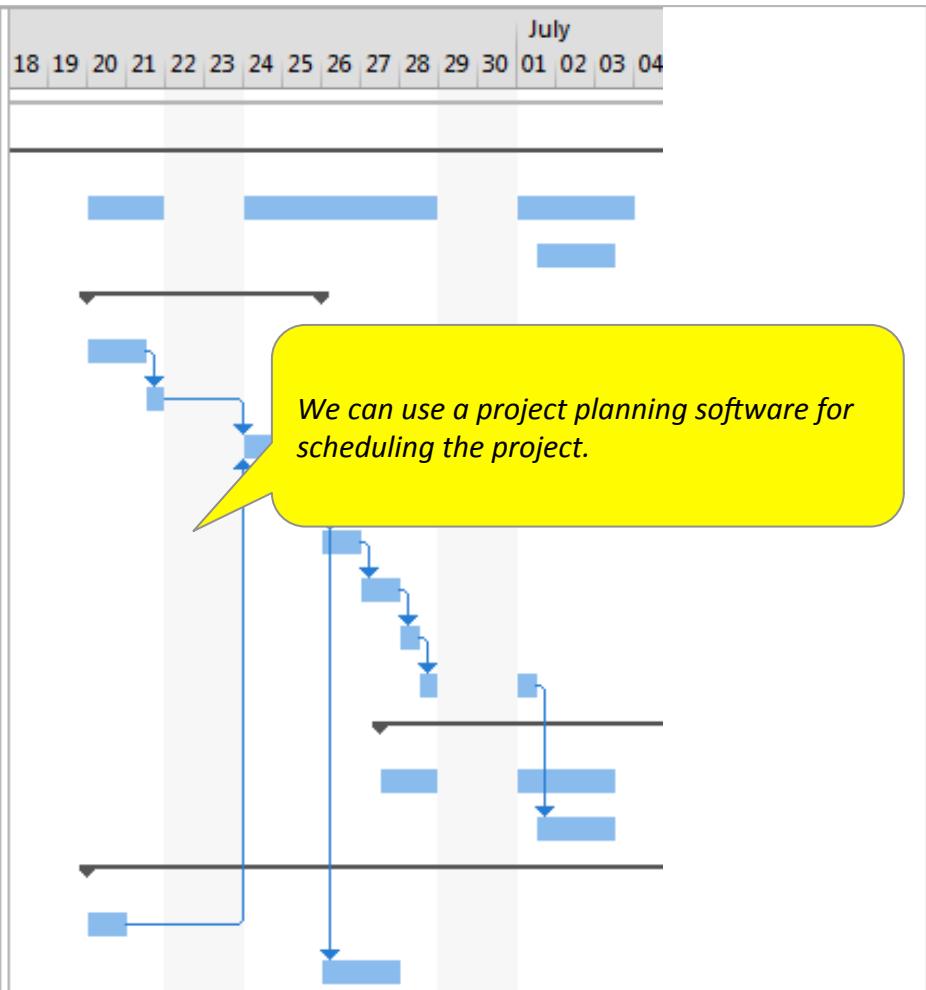
Project: Pen Project

Author: Project Manager

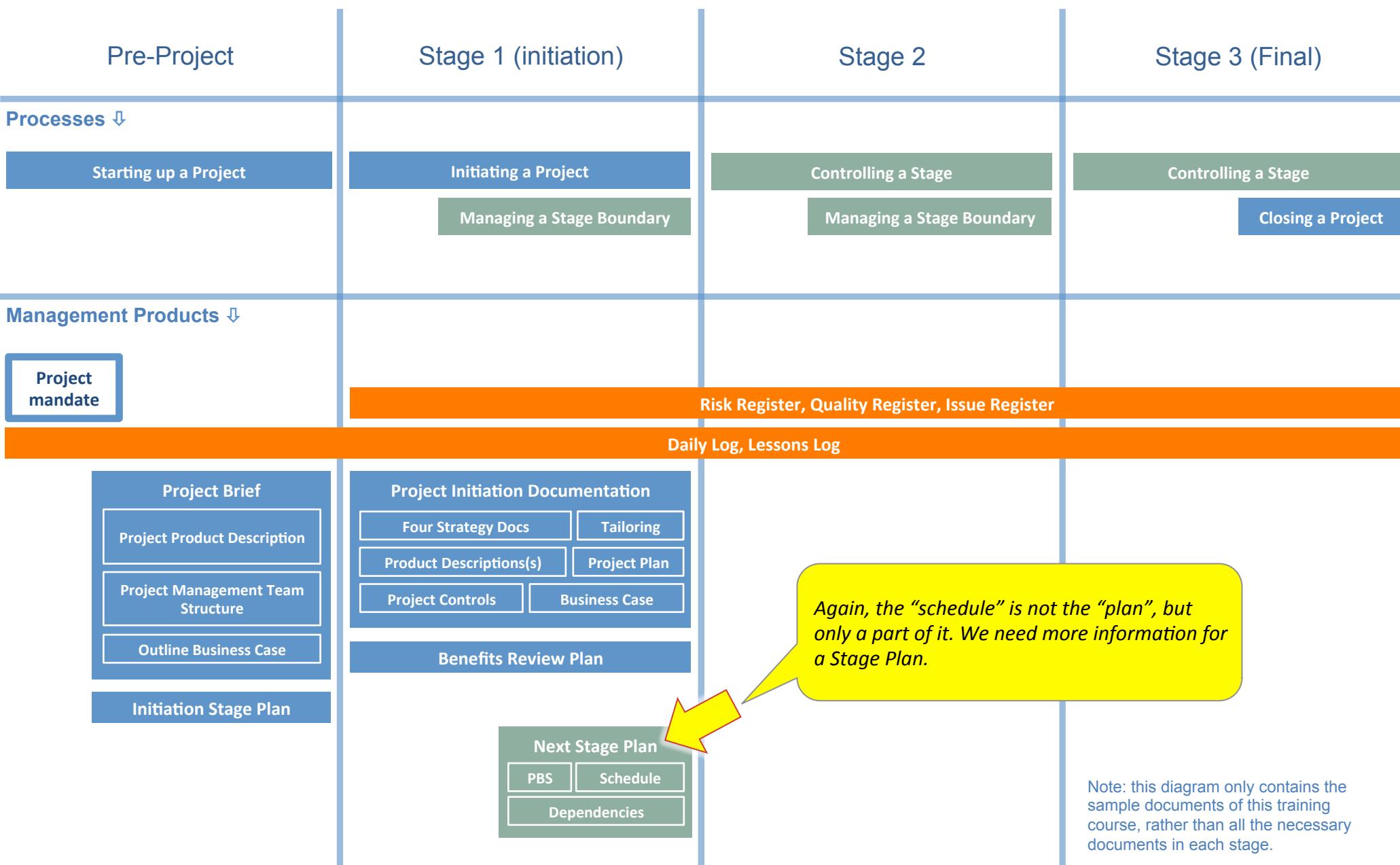
Date:

1. Product Schedule

Product Name	Duration
Pen Project	53 days
Project Management	53 days
Directing and managing the stage 2	10 days
Preparing plan for stage 3	2 days
Supplier	4 days
List of potential suppliers	1.5 days
Short list of qualified suppliers	0.5 days
Selected Supplier	2 days
Evaluation Pens	3.5 days
Catalog of pens	1 day
Short list of pens to be evaluated	1 day
Purchase order of pens to be evaluated	0.5 days
Sample pens for evaluation	1 day
Internal Evaluation	17.5 days
List of evaluators	4 days
Evaluation form	2 days
Final Pens	28 days
Requirements	1 day
Logo	2 days



Note: durations shown for the groups of products are based on a rollup of products on all stages, rather than this specific stage.



Document: **Plan for Stage 2 (description)**

Project: Pen Project

Author: Project Manager

Date:

1. Plan description

This is the plan for stage 2, during which we will prepare everything for, and conduct evaluation of the sample pens.

2. Prerequisites, Assumptions, and external dependencies

Resources needed for evaluation are available, potential sellers will respond quickly, and receiving sample pens is possible in a short time, Internal recourses will not be charge to the project.

3. Lessons incorporated

BizGifts company offers a good service
Gifts4All provides a poor service

4. Monitoring & Control

The PM will use the standard PRINCE2 documents
A highlight will be sent at the end of week one to the Project Board
An Exception report will be used if forecasted to go out of tolerance

5. Budgets

Stage budget: €640 (internal people time is not charged), 10 days
Risk Budget: €0, 0 days | Change Budget: €80, 2 days

Budgets (time and money) and tolerances of each stage are determined separately; however, they should always be consistent with the budget and tolerances of the whole project (Project Plan).

6. Tolerances

Time: ±20% | Cost: ±40% | Scope: ±0%

7. Products Description(s)

Attached: Project Product Description

8. Schedule

Attached: Schedule for stage plan 2

9. Resources

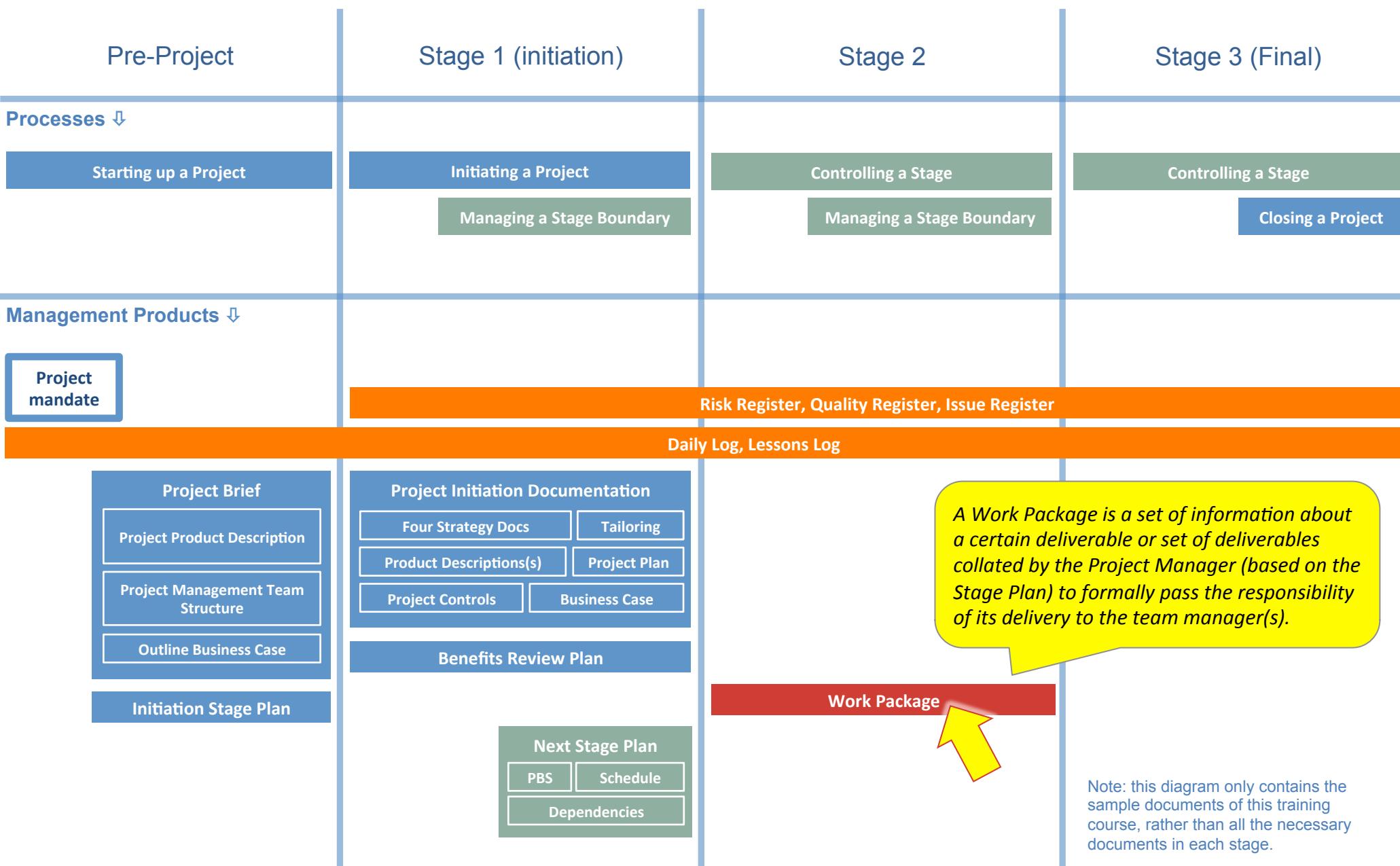
Resources	Work	Details	July		
			06-16	06-23	06-30
Stage: 2	168 hrs	Work	58h	57.38h	52.62h
Executive	19 hrs	Work	5.92h	5.27h	7.82h
Others	59 hrs	Work	23.73h	21.32h	13.95h
Project Manager	47 hrs	Work	13.92h	17.4h	15.7h
Senior Supplier	24 hrs	Work	9.73h	7.82h	6.45h
Senior User	19 hrs	Work	4.73h	5.57h	8.7h

The End Stage Report and the Lessons Report are also submitted with the Next Stage Plan

The first stage was initiating stage, when we only focus on planning the project. Execution starts from the second stage and in this sample, continues to the third (last) stage.

Stage 2

From now on, we'll execute the project, monitor and control it, revise the plans, and prepare new plans in boundaries.



Document: **Work Package #1**

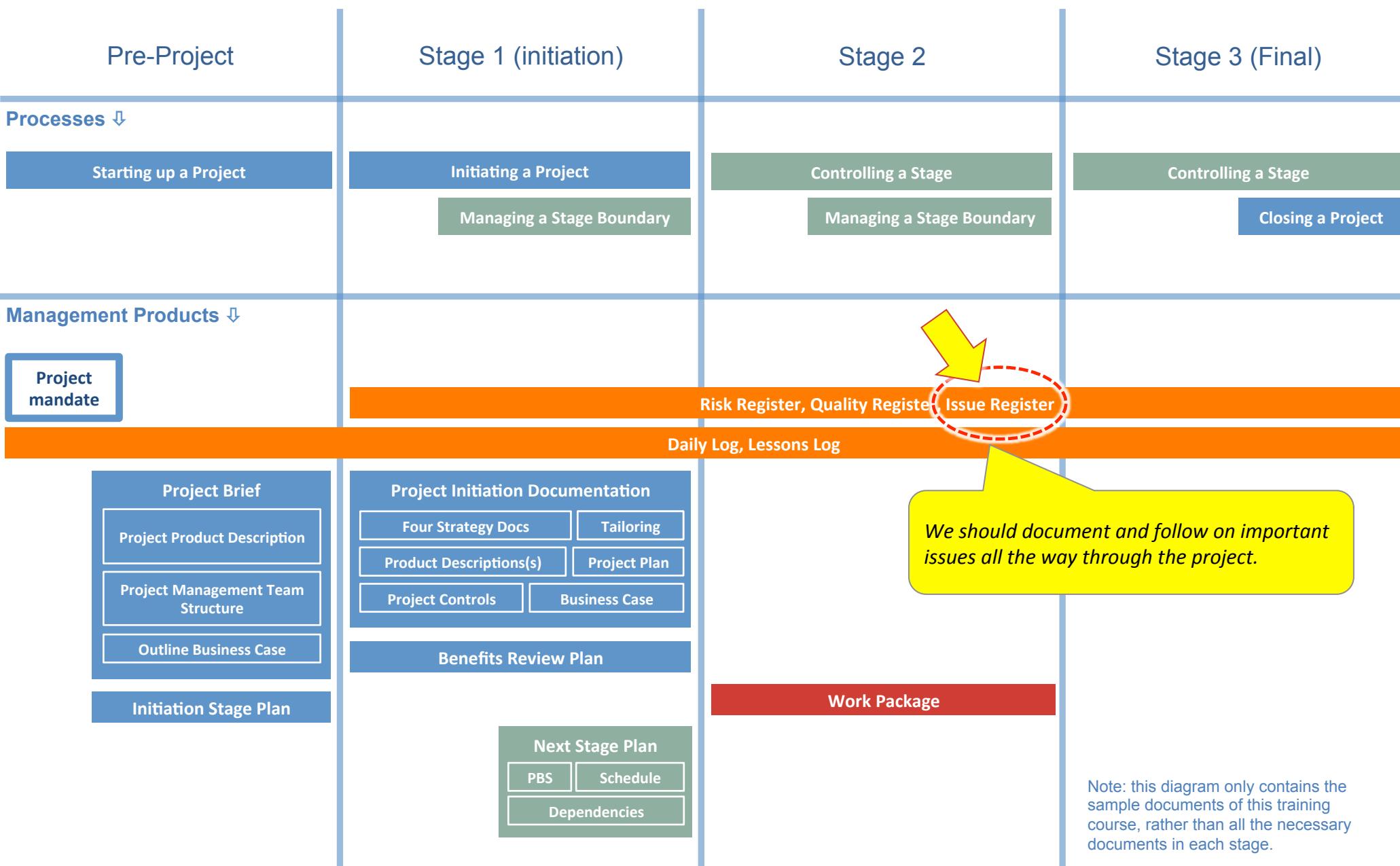
Project: Pen Project

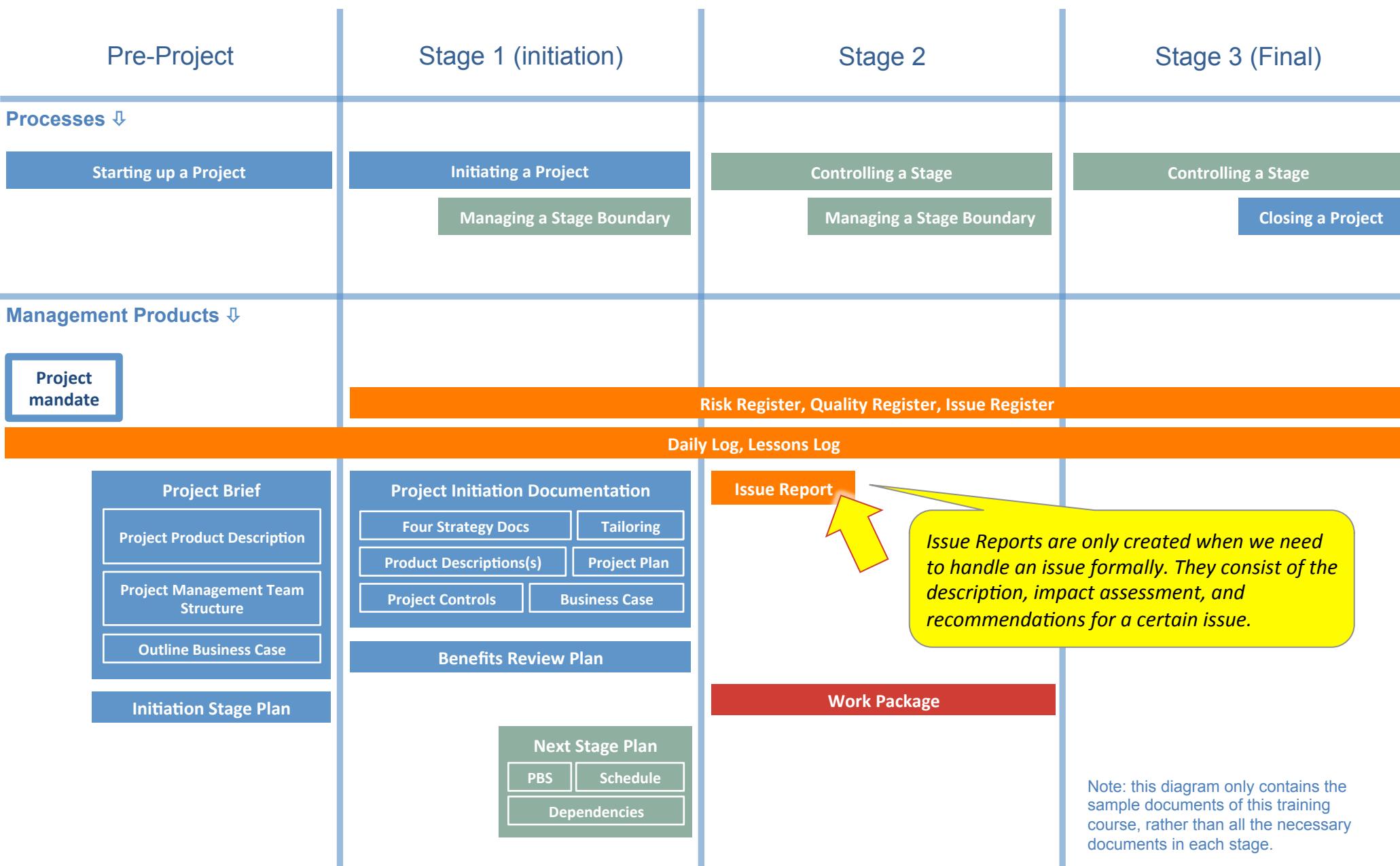
Author:

Project Manager

Date:

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Document:	Issue Report for ID-01	Project:	Pen Project	Author:	Project Manager	Date:
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Data Date: Jun 30, 2013

ID	Description	Type	Date Raised	Raised By	Report Author	Priority	Severity
01	Selected supplier sent the catalog two days later than expected	Problem/concern	Jun 29, 2013	Rose Carr	Rose Carr	High	Level 2

1. Impact Analysis

Activities contained in this product are critical (zero float), and therefore, the two day delay on receiving the catalog makes the whole project late. Given that we had some problems arranging to have access to resources for the future activities and they are booked for the planned dates, this delay might cause problems in resource availabilities in future too. So, it's important to recover this time as soon as possible.

1. Recommendation

Two future activities for preparing the evaluation forms and preparing the list of evaluators can be crashed by using more resources. The best option for extra resources is the IT Department; they are capable of helping us doing these two activities faster.

1. Decision

Accept

This is the issue we're going to handle formally through the Issue Report.

1. Approved by

Senior Supplier, Terry Clinton

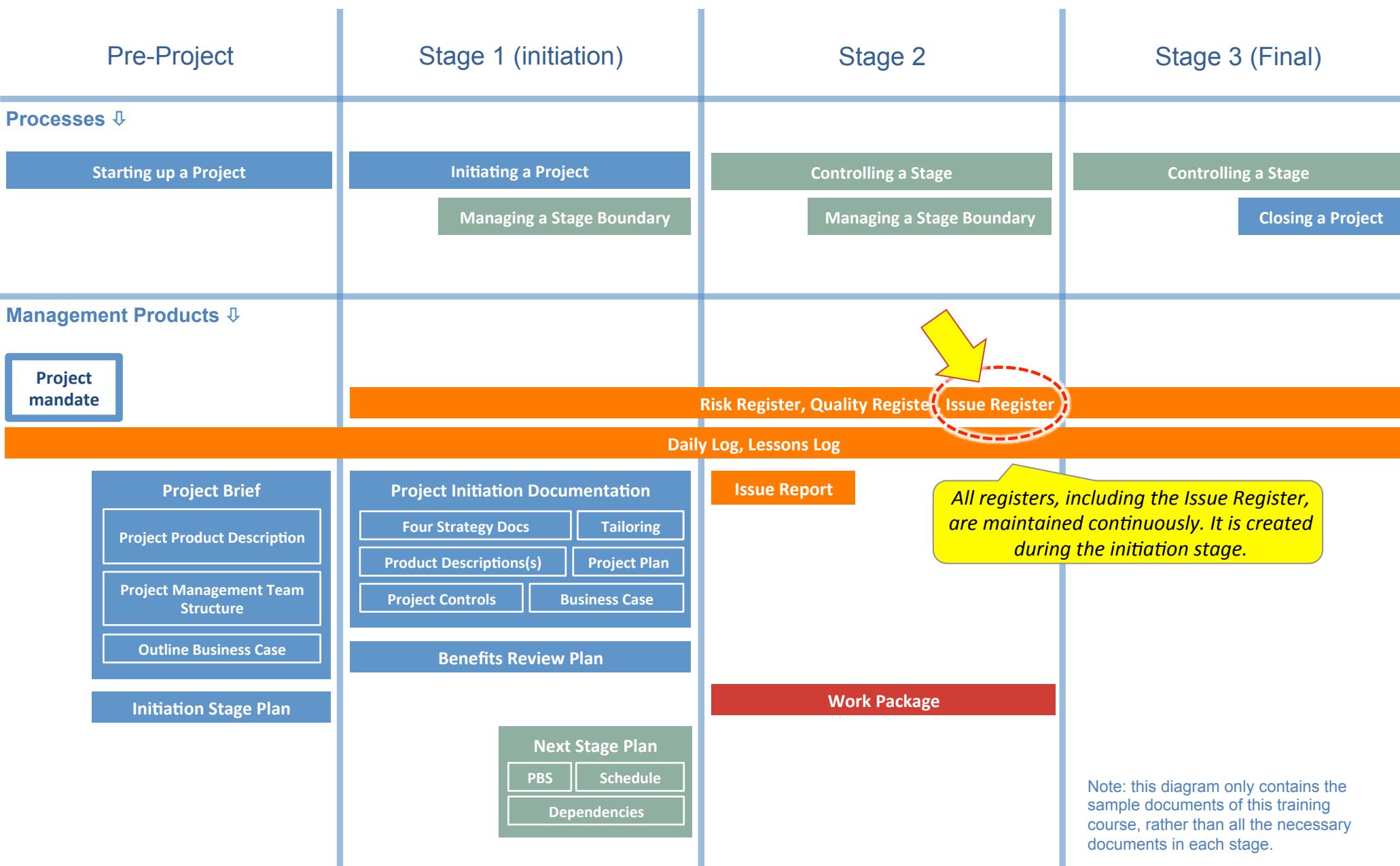
1. Decision date

Jul 1, 2013

1. Closure date

Jul 1, 2013

This instance of the report shows the issue after its closure. The report might have been initially created as soon as the issue is captured.



Document: **Issue Register**

Project: Pen Project

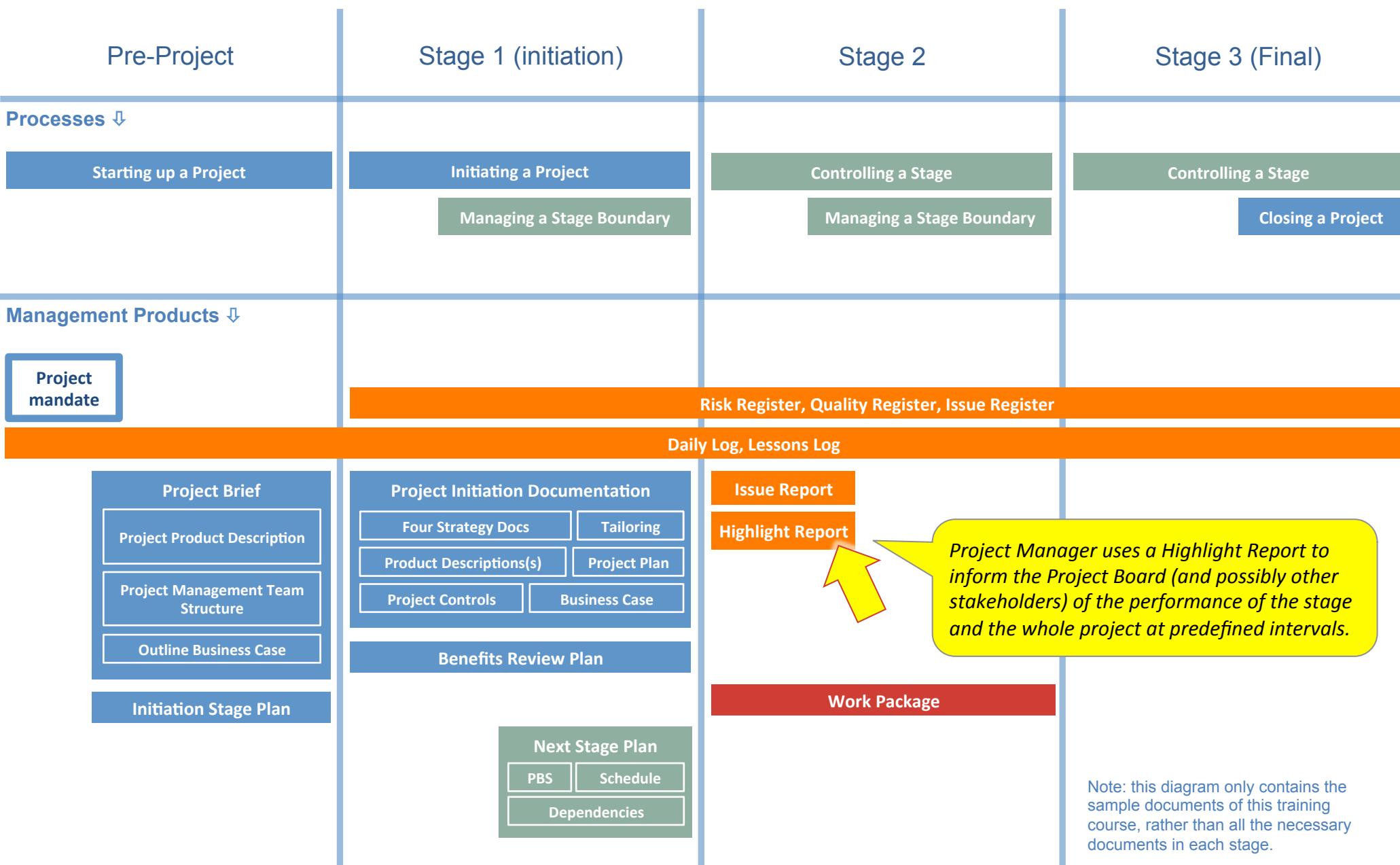
Author: Project Manager

Date:

Data Date: Jul 19, 2013

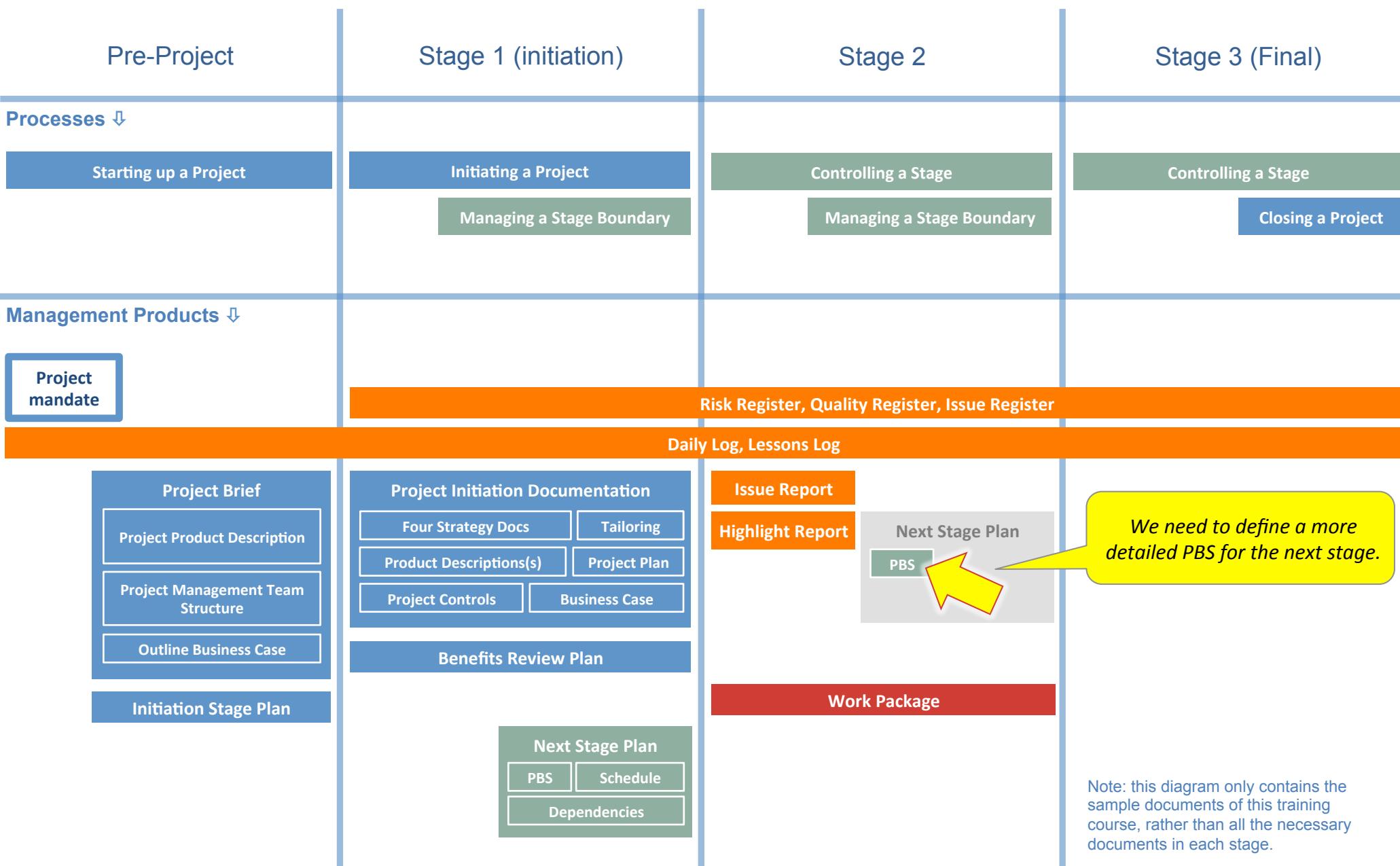
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Document:	Highlight report # 4	Project:	Pen Project	Author:	Project Manager	Date:
1. Date and period of the report	5. Stage tolerances					
End of the second week of Stage 2, for a period of one week.	Time: TF = +5%, inside the tolerances set for the stage, and for the management level. Cost: CF = ±0%					
2. Status summary	No exception yet.					
TF: +5% CF: ±0 Project is going well so far.						
3. Work packages in this period	6. Change requests					
<ul style="list-style-type: none">Selected supplier – completedCatalogs of pens – completed (behind schedule)Short list of pens to be evaluated – completed (behind schedule)Purchase order of pens to be evaluated – not finished (behind schedule)Sample pens for evaluation – not started (behind schedule)Logo – completed <p>I took two extra days for the supplier to send us the catalogs, and it made a delay in this and all successor work packages.</p>	<ul style="list-style-type: none">We fell behind schedule because the supplier sent us catalogs two days later than we expected. We designed a corrective action to get help from IT department for two of our future work packages. We will recover time by this. (approved by project manager)					
4. Work packages for the next period	7. Key issues and risks					
<ul style="list-style-type: none">Purchase order of pens to be evaluated (moved from this period)Sample pens for evaluation (moved from this period)List of evaluators ✗Evaluation form ✗Next stage plan<ul style="list-style-type: none">✗ We are going to get help from IT department to conduct these two packages faster and catch up the planned schedule.	<p>We might have more delays in receiving evaluation pens and the final pens from the supplier.</p>					

Product Breakdown Structure (part of the next Stage Plan)



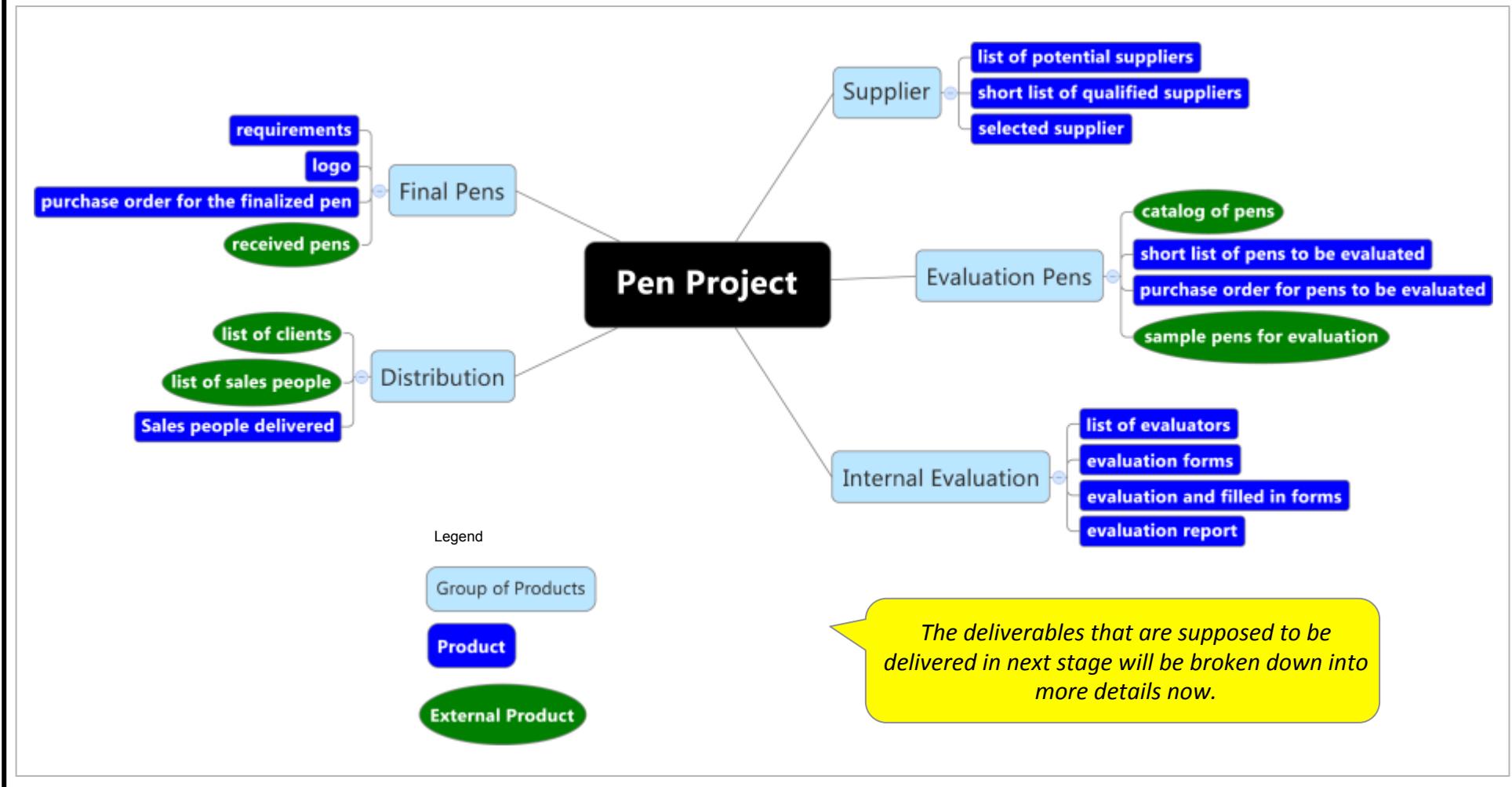
Document: PBS for Stage 2 (Mindmap)

Project: Pen Project

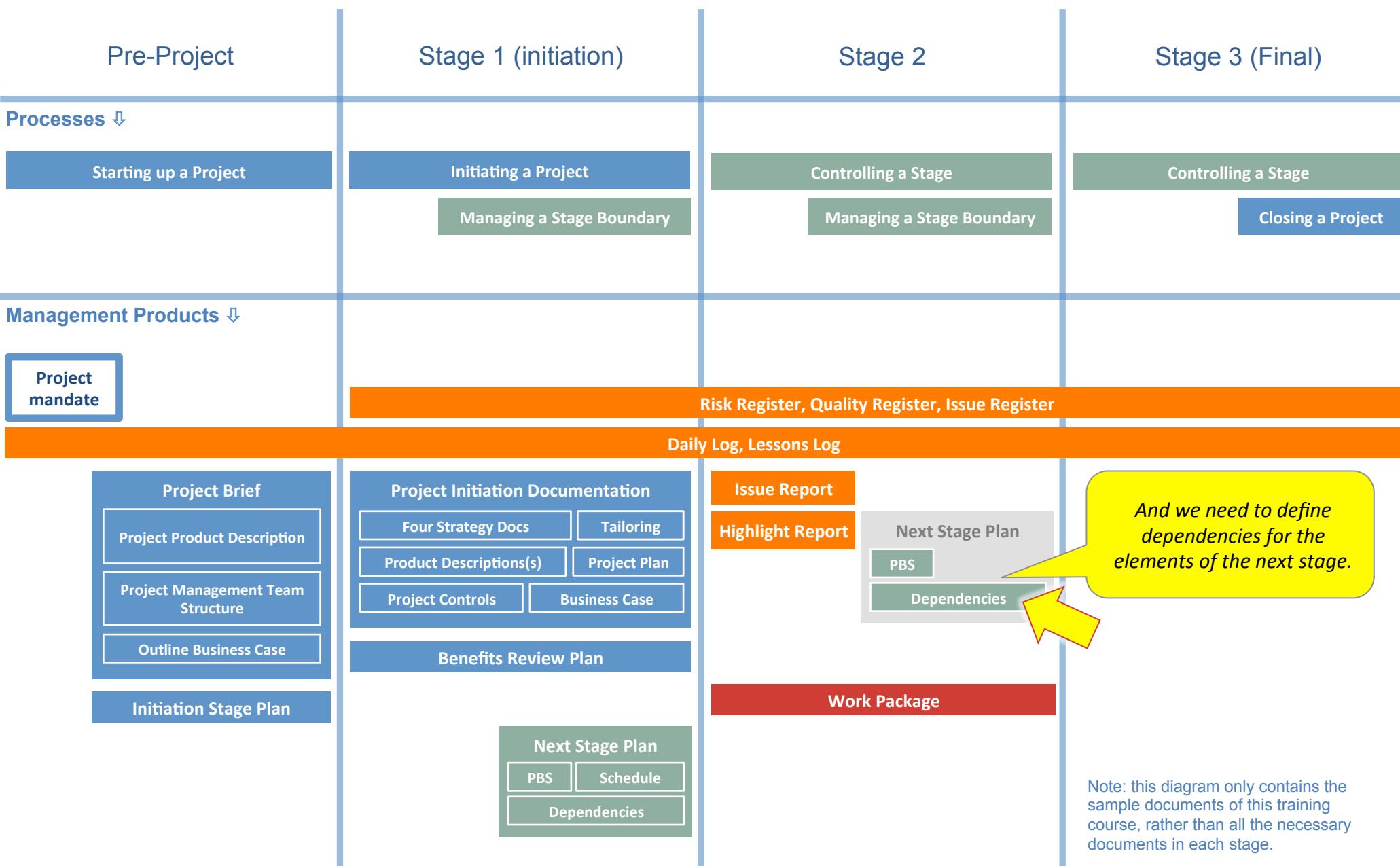
Author: Project Manager

Date:

1. Mindmap presentation of PBS



Dependencies Diagram (part of the next Stage Plan)



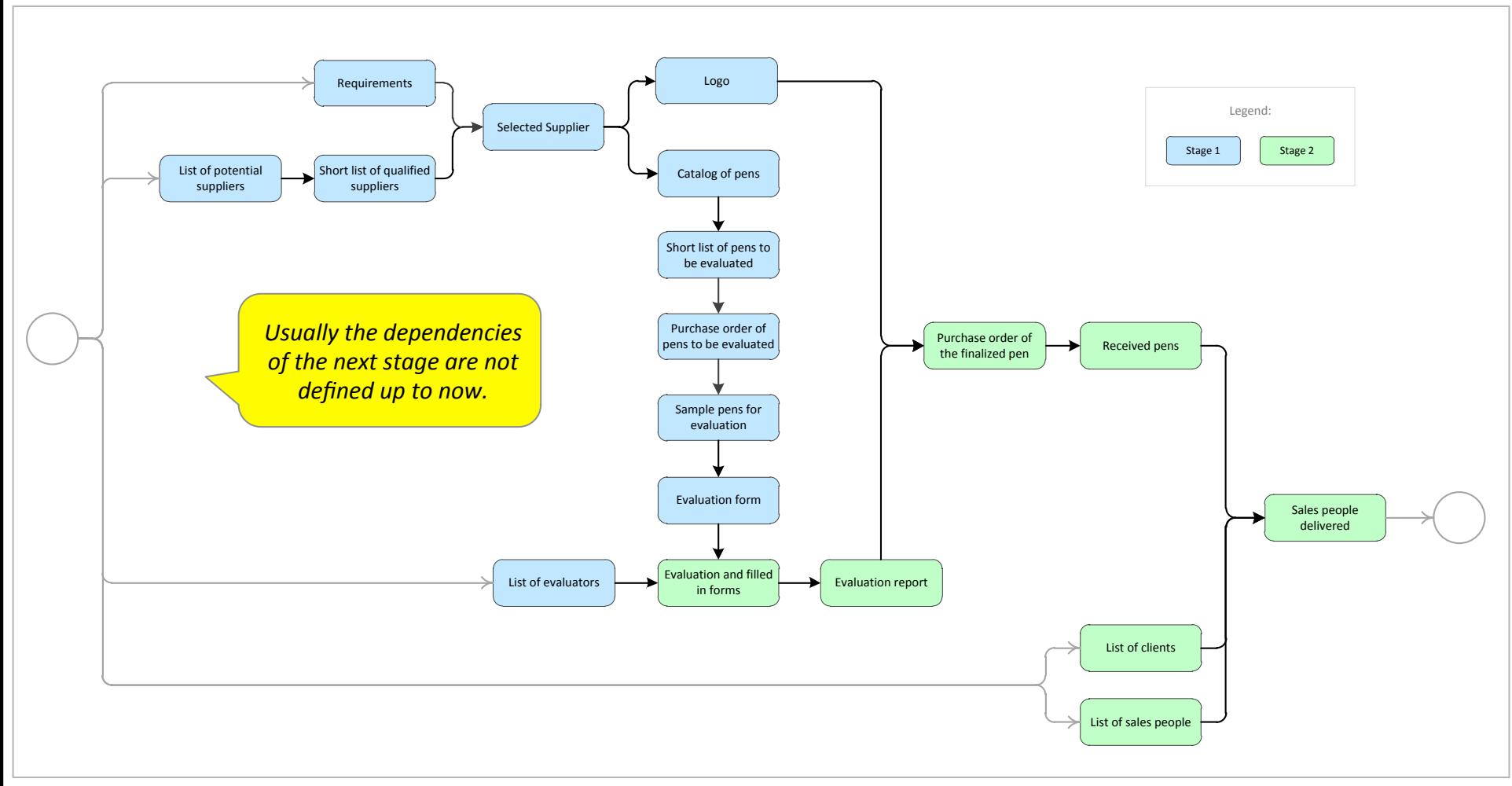
Document: **Dependencies Diagram**

Project: Pen Project

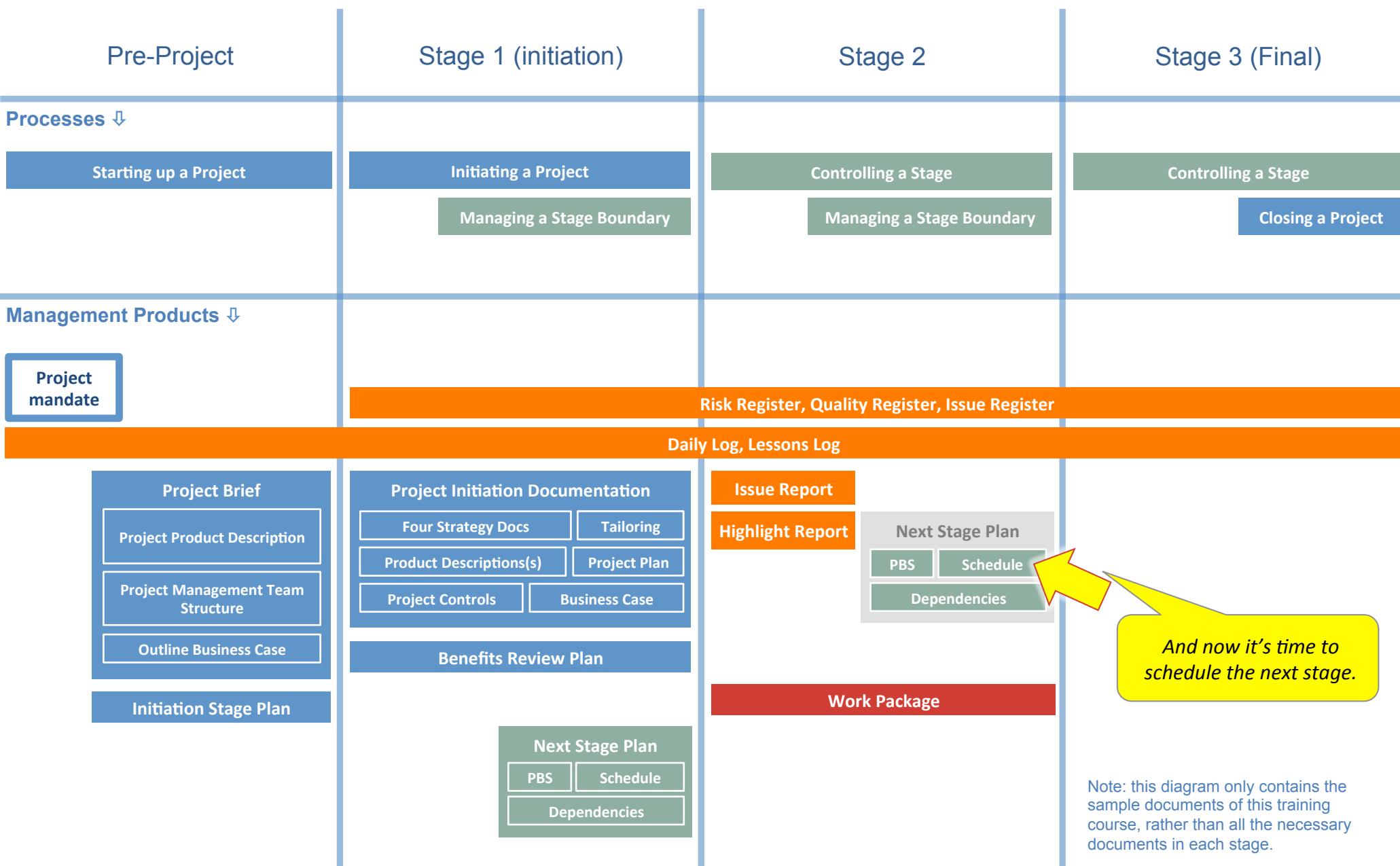
Author: Project Manager

Date:

1. Dependencies Diagram



Schedule (part of the next Stage Plan)



Document: **Schedule for Stage 3 Plan**

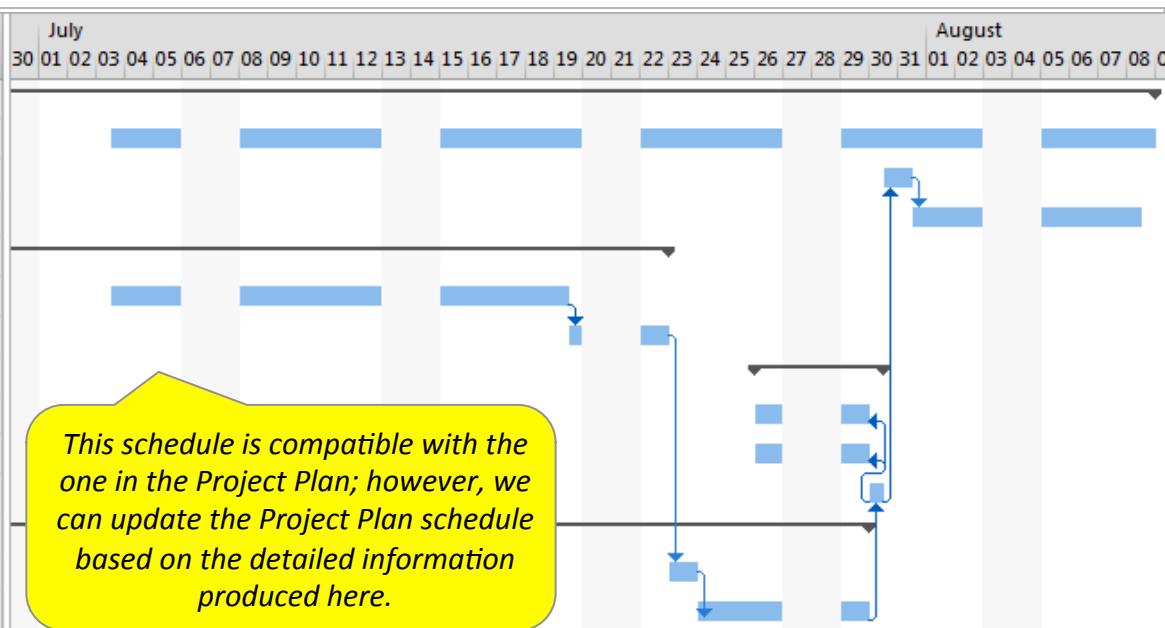
Project: Pen Project

Author: Project Manager

Date:

1. Activity bar chart

Product Name	Duration
Project Management	53 days
Directing and managing the stage 3	25 days
Preparing the end project report	1 day
Closing the project	6 days
Internal Evaluation	17.5 days
Evaluation and filled in forms	12 days
Evaluation report	1.5 days
Distribution	2.5 days
List of clients	2 days
List of sales people	2 days
Sales people delivered	0.5 days
Final Pens	28 days
Purchase order of the finalized pen	1 day
Received pens	4 days



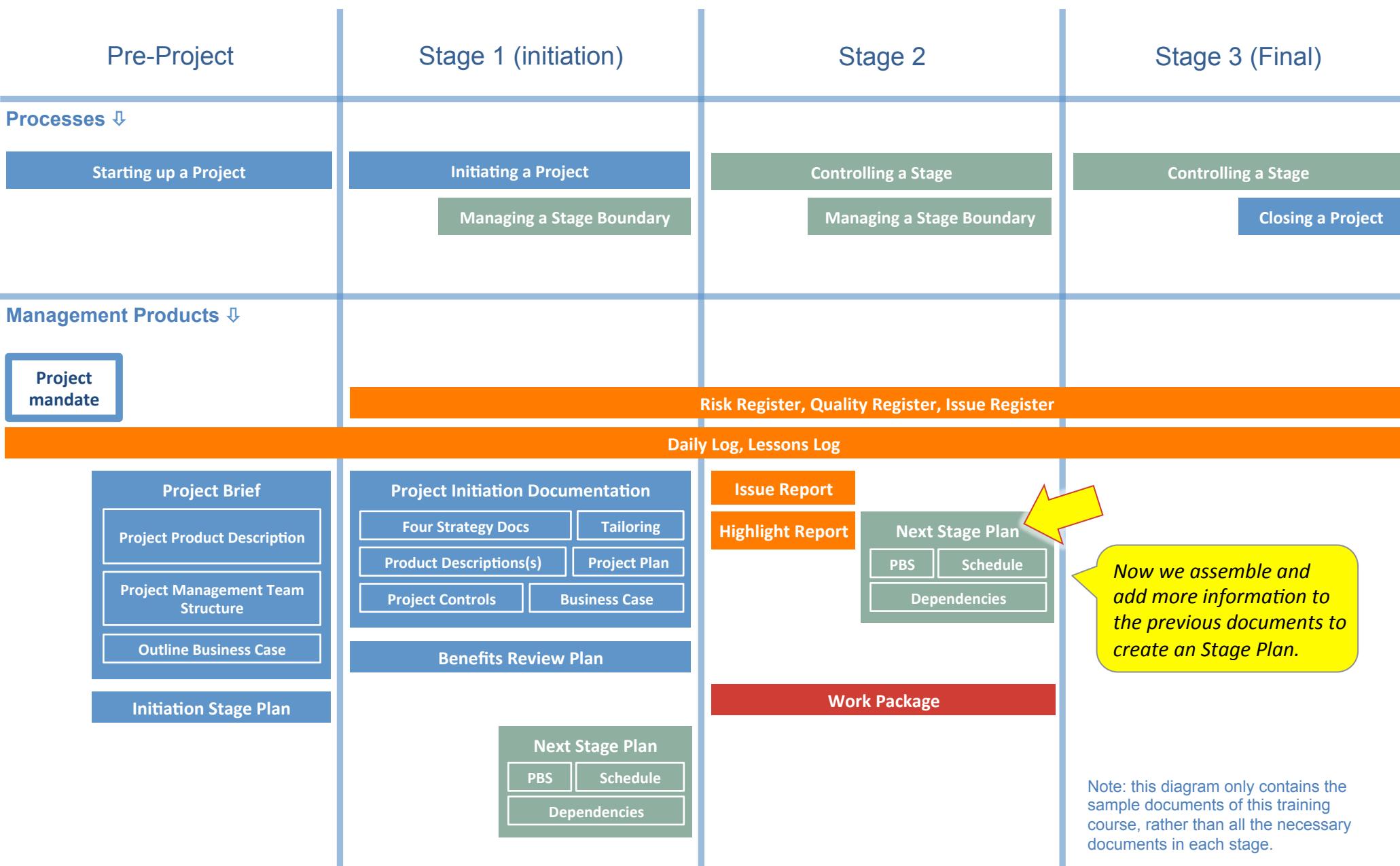
2. Resources

Resources	Work	Details	July 06-30	07-07	07-14	07-21	07-28	August 08-04
Stage: 3	116 hrs	Work	9.07h	18.13h	20.72h	28.22h	27.97h	11.92h
Executive	10 hrs	Work	0.38h	0.75h	1.08h	2.42h	3h	2.35h
Others	57 hrs	Work	6.53h	13.07h	13.48h	11.65h	10.07h	2.2h
Project Manager	30 hrs	Work	1.17h	2.35h	3.27h	9.02h	10.1h	4.12h
Senior Supplier	8 hrs	Work	0.28h	0.57h	0.9h	2.23h	2.4h	1.62h
Senior User	11 hrs	Work	0.7h	1.4h	1.98h	2.9h	2.4h	1.62h

2. Product Breakdown Structure

Attached: Product Breakdown Structure

Note: durations shown for the groups of products are based on a rollup of products on all stages, rather than this specific stage.



Document: **Next Stage Plan** (for Stage 3) Project: Pen Project Author: Project Manager Date:

1. Plan description

This is the plan for stage 3, during which we will prepare the pens for distribution, by selecting the supplier and the type of pen based on evaluations in the last stage, place order, and expedite the order.

2. Prerequisites, Assumptions, External Dependencies

Evaluators will fill in the forms in time and precisely, supplier will prepare the pens in an appropriate time, Internal recourses will not be charge to the project.

3. Lessons incorporated

Allow buffer time for delivery of pens
Investigate the ISO standard for pens: ISO 12757-2

4. Monitoring & Control

The PM will use the standard PRINCE2 documents
A highlight will be sent at the end of week one to the Project Board
An Exception report will be used if forecasted to go out of tolerance

5. Budgets

Stage budget: €3,200 (internal people time is not charged), 25 days
Risk Budget: €0, 0 days | Change Budget: €400, 3 days

6. Tolerances

Time: ±50% | Cost: ±30% | Scope: MoSCoW

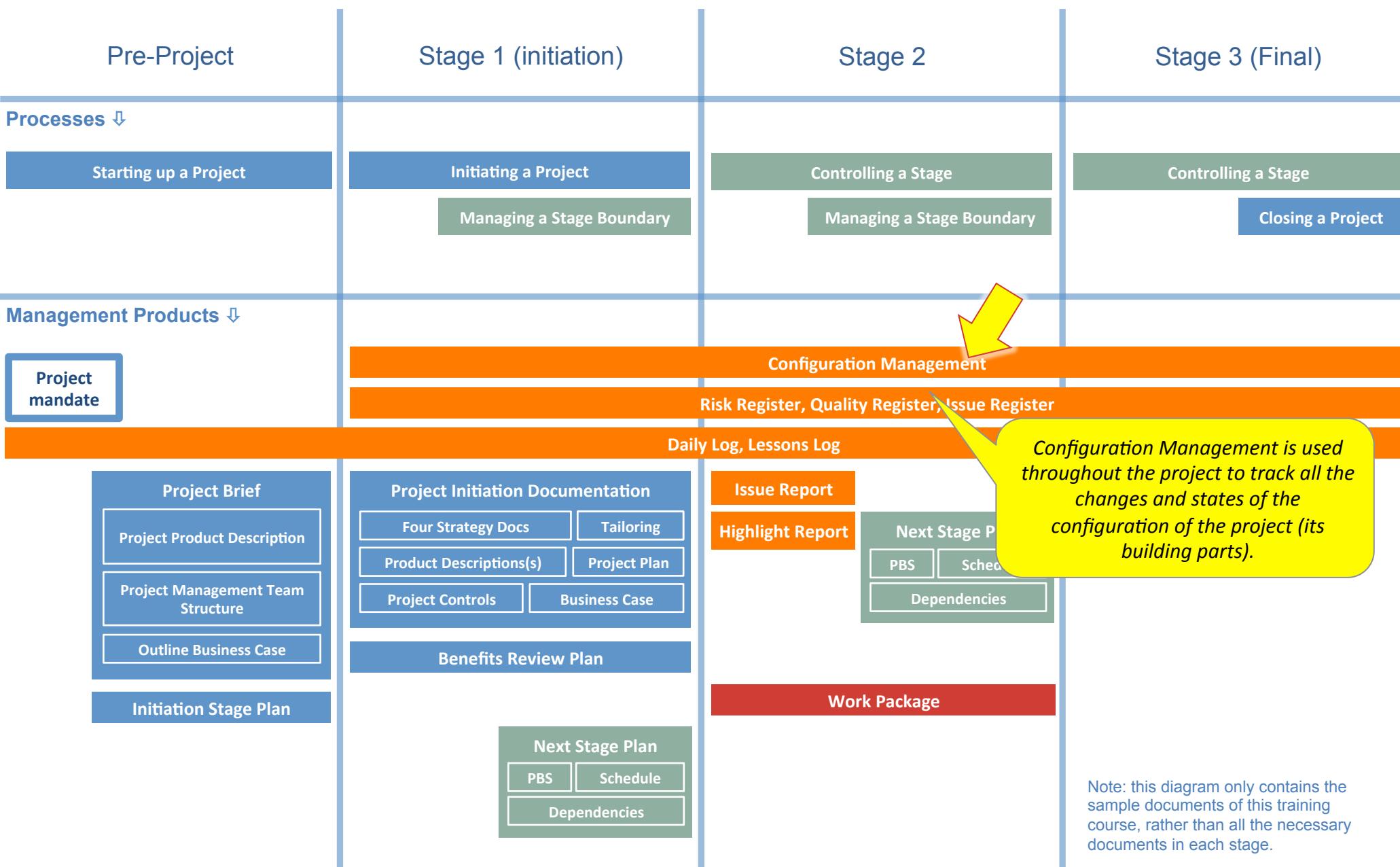
7. Products Description(s)

Attached: Project Product Description

8. Schedule

Attached: Schedule for stage plan 3

This plan defined the next stage, based on the scope, time, cost, quality, etc.



Note: this diagram only contains the sample documents of this training course, rather than all the necessary documents in each stage.

Document: Configuration Management

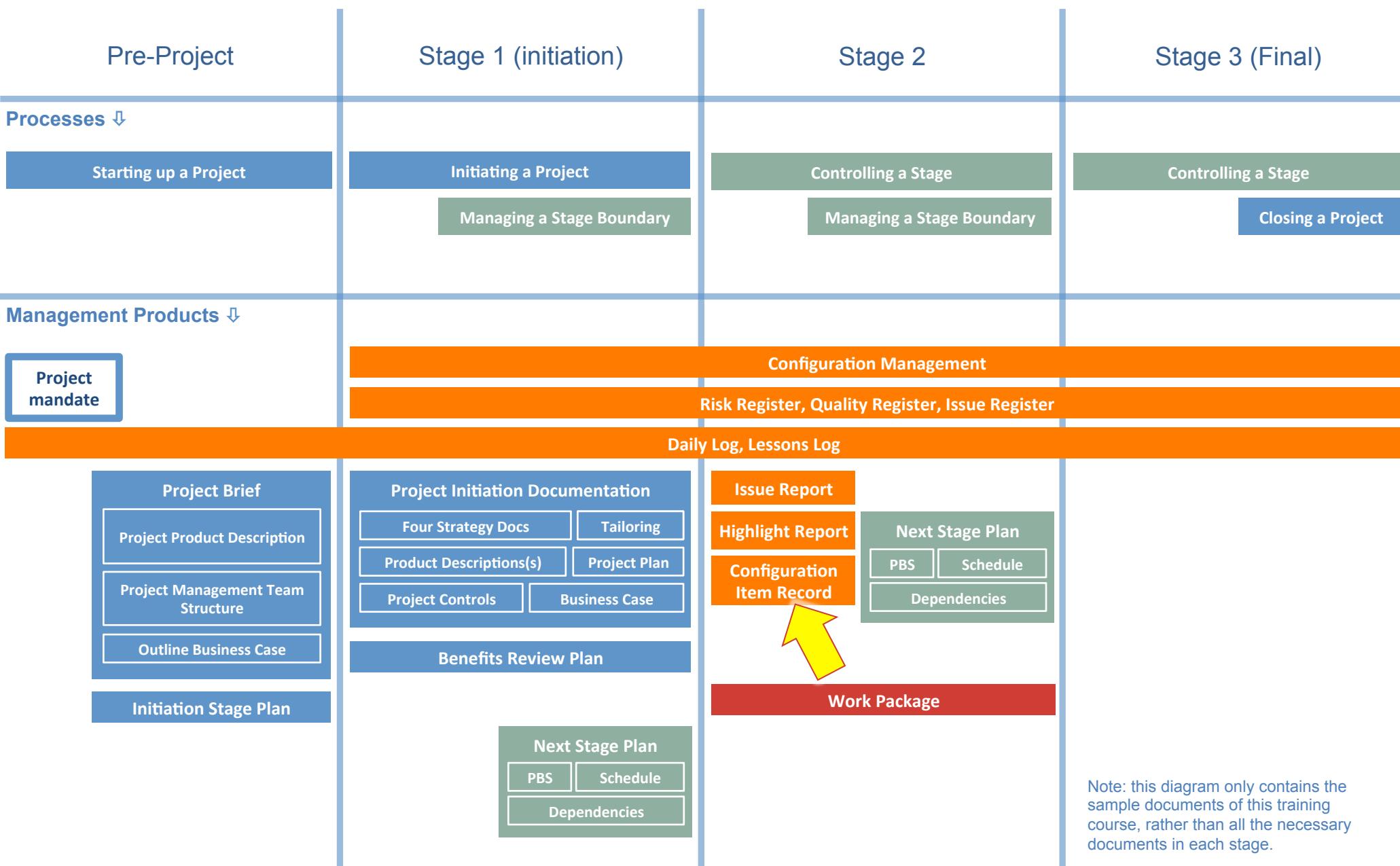
Project: Pen Project

Author: Project Manager

Date:

Data Date: 2013-07-20

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Document: Configuration Item Record #14

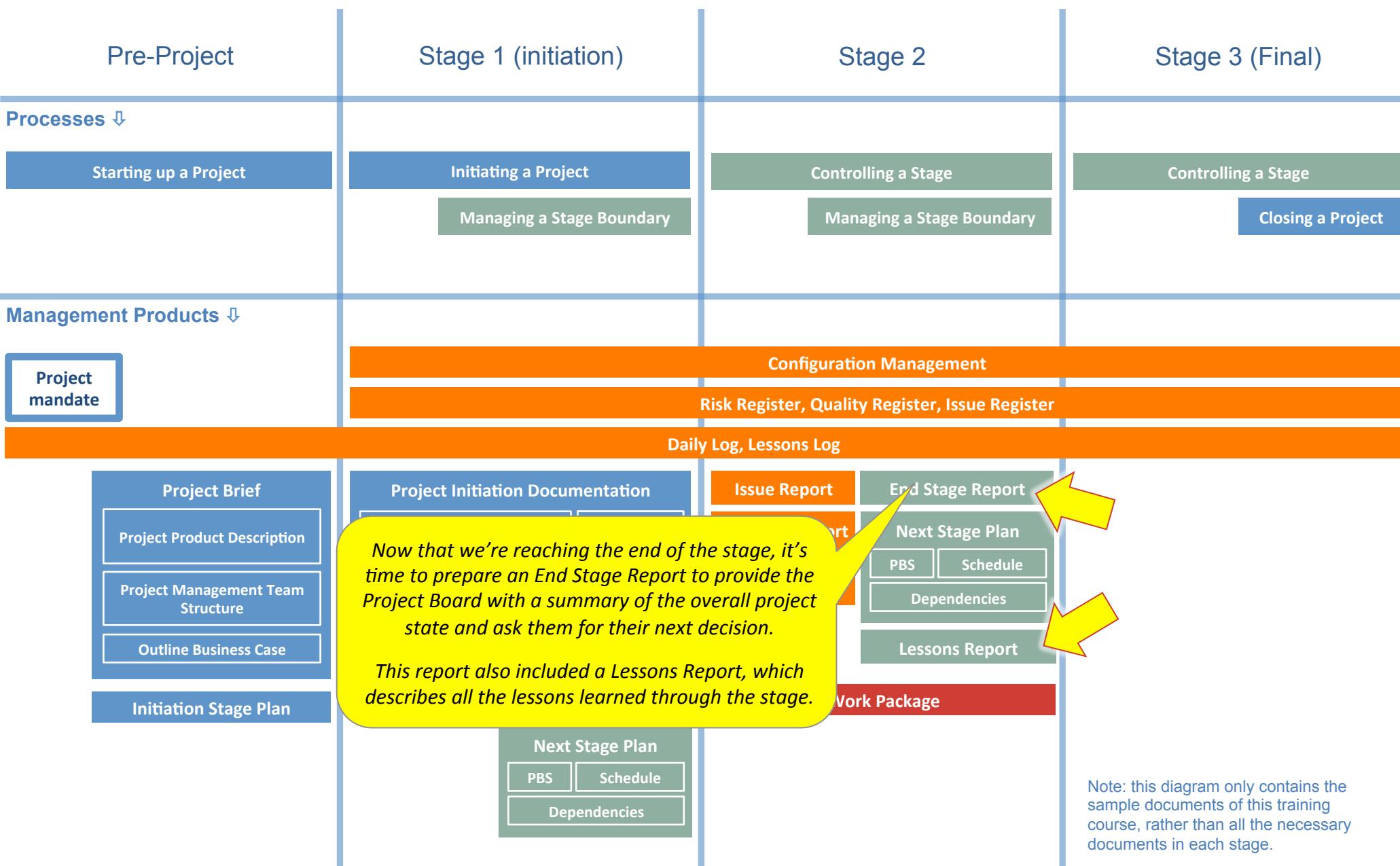
Project: Pen Project

Author: Project Manager

Date:

Data Date: 2013-07-20

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Document: **End Stage Report #2**

Project: Pen Project

Author: Project Manager

Date:

1. Project Manager's report

This stage went well, and we were on schedule and on budget. We had some minor delays in the middle of the stage, which we could recover with the help of the IT Department.

2. Review of the business case

The business case stays viable and unchanged. We've realized that we are actually able to buy quality pens in 6 to 8 Euros range. Either of the four selected pens for evaluation meet all the requirements.

3. Review of the objectives

- Time: 10 days, on schedule
- Cost: €560, on budget
- Scope: as defined
- Quality: as defined
- Risks: as defined
- Benefits: as defined

*How we've performed so far
(Six project variables)*

4. Review of the team performance

All team members spend enough time for the project, and performed as planned.

5. Review of the products

- Supplier: potential suppliers were reviewed, and the best option selected for the project.
- Evaluation Pens: four of the pens selected to be evaluated in the next stage.
- Internal Evaluation: evaluators are selected to evaluate the sample pens in the next stage.
- Logo: an appropriate version of the logo was prepared to be printed on the pens.

6. Forecasts

TF: 0% | we forecast the project to be in time for the whole project.
CF: -17% | we forecast the project to be finished with a cost 17% less than the planned cost.

7. Issues and risks

Issue: Supplier provided us with the catalogs with two days delay.
Risk: the supplier might have more delays in preparing the final pens.

No exception yet

8. Lessons learned

Attached: Lessons Report #2

Document: **Lessons report #2**

Project: Pen Project

Author: Project Manager

Date:

1. Executive summary

We had a successful stage, and learned a lesson, which helps us avoid problems in future. We also had some positive points, and we believe that we can experience them in future by paying attention to their root causes.

2. Scope of the report

The second stage of the project

What we've learned through the stage.

3. Lessons

What went well:

- We could easily choose the supplier, because the team provided us with needed information in time, and had good communications and expediting capabilities. We should always take help from such people in our projects.
- We could easily choose the evaluators, because of the historical records we had in our database of employees. This kind of information will always be handy.
- The help of IT Department was really useful, and we couldn't recover the delay without their help. Having cross-functional employees in IT Department.

What didn't went well:

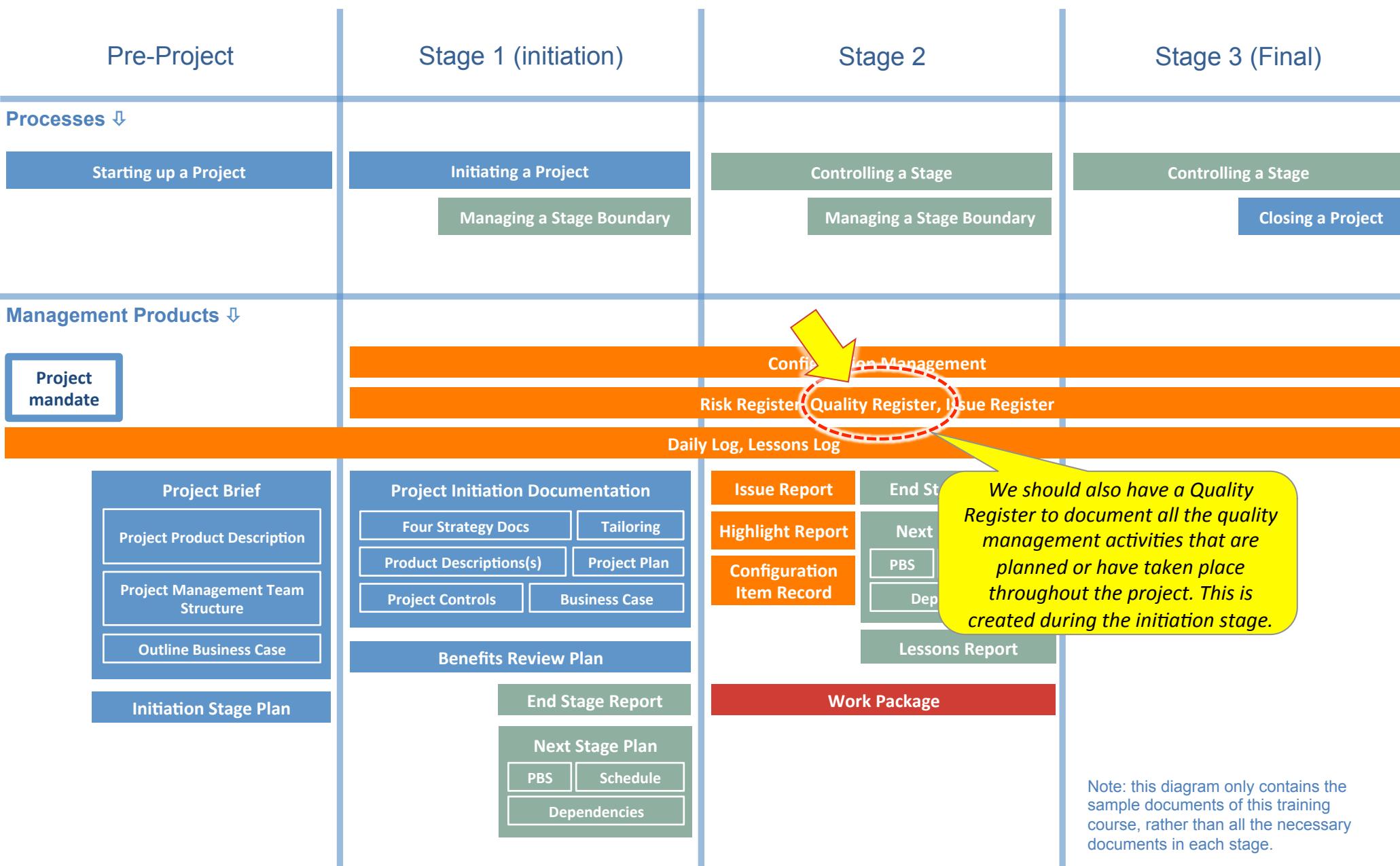
- There were delays in receiving catalogs to choose evaluation pens, and this delayed all its successors. In retrospective, we realized that we could ask them for the catalogs sooner and avoid such problems. We should be more careful with scheduling our activities.

Stage 3

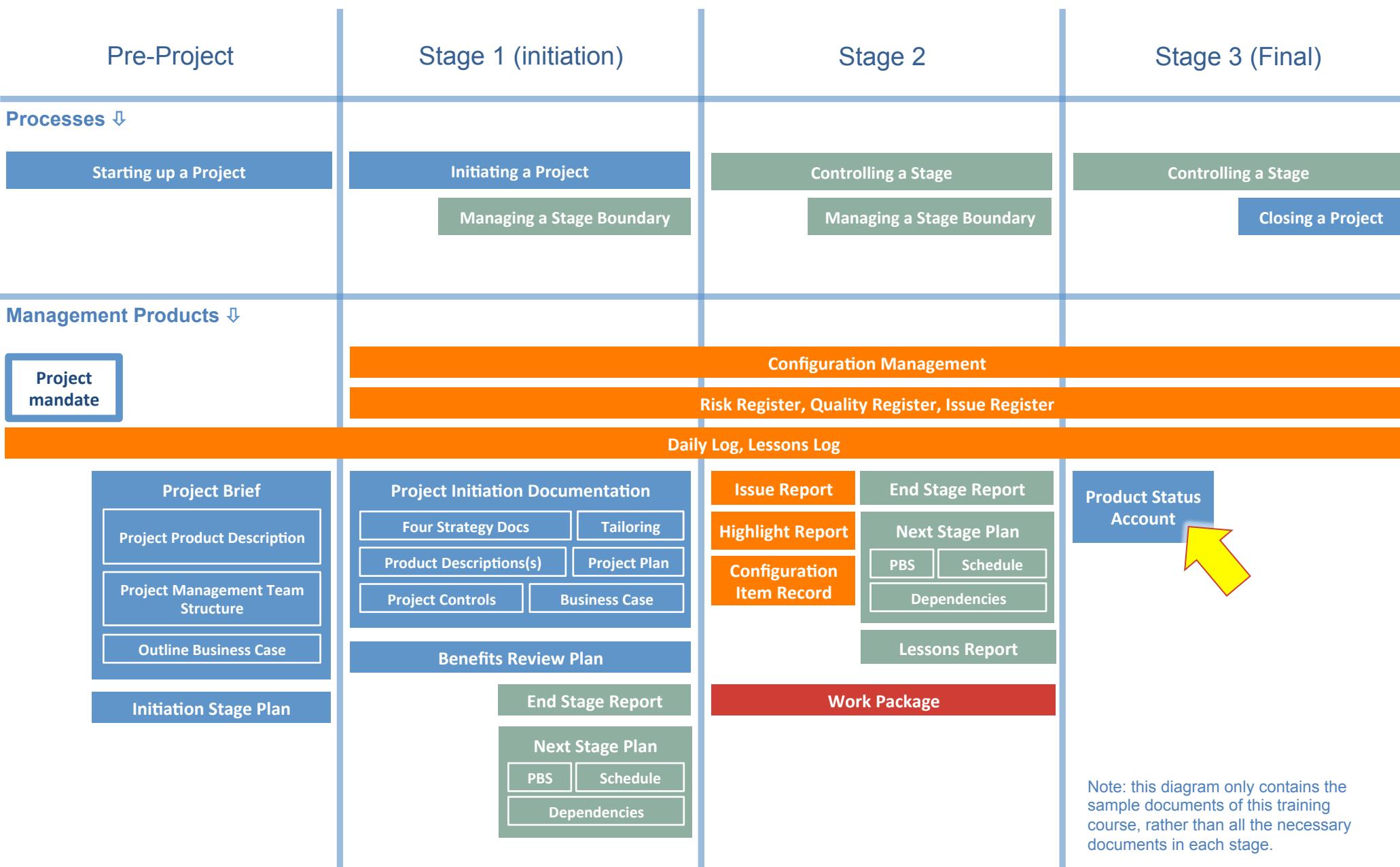
Final Stage

This is the last stage of the project.

We should also perform the Closing a Project process at the end of this stage.



Document: Quality Register			Project: Pen Project			Author: Project Manager			Date:				
Data Date: 2013-07-20													
Quality ID	Product ID(s)	Product Name	Quality Method	Producer	Quality Reviewer	Approver	Production date	Target Quality Review Date	Quality Date	Set Approval Date	Actual Approval Date	Result	Records
01	01	List of potential suppliers	Inspection										Link
02	02	Short list of qualified suppliers	Inspection										Link
03	03	Selected supplier	Inspection										Link
04	05	Short list of pens to be evaluated	Inspection	John	Bob	Frank	6-29	6-30	6-30	6-30	7-1	Pass	Link
05	06	Purchase order of pens to be evaluated	Inspection	Robin	Stephan	Frank	6-29	6-30	6-30	6-30	7-2	Pass	Link
06	07, 08, 09, 10	Evaluation of pens	Inspection	Robert	Stephan	Frank		7-28		7-29			
07	11, 12	List of clients and sales people	Inspection	Mary	Bob	Frank		7-30		7-30			
08	13	Requirements	Inspection	Tom	Stephan, Bob	Frank	6-20	6-20		6-22			
09	14	Logo	Inspection	Daniel	Mary	Frank	6-27	6-27		6-27			



Document: **Product Status Account #6**

Project: Pen Project

Author: Project Manager

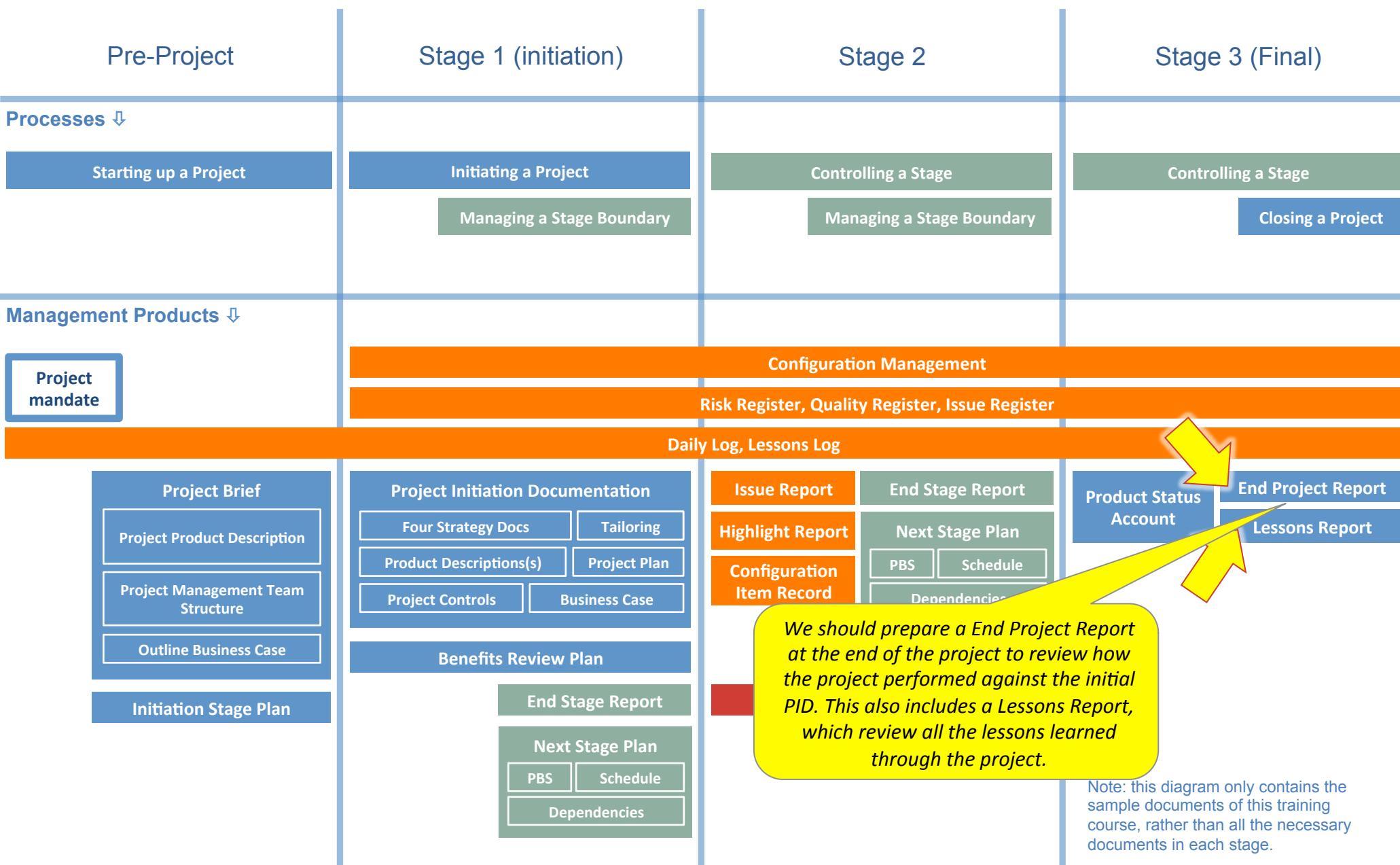
Date:

1. Scope

All products for the third stage

2. Date Produced

2013-07-20



Document: **Lessons report #3**

Project: Pen Project

Author: Project Manager

Date:

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(Click [here](#) to see the advantages of the premium version)

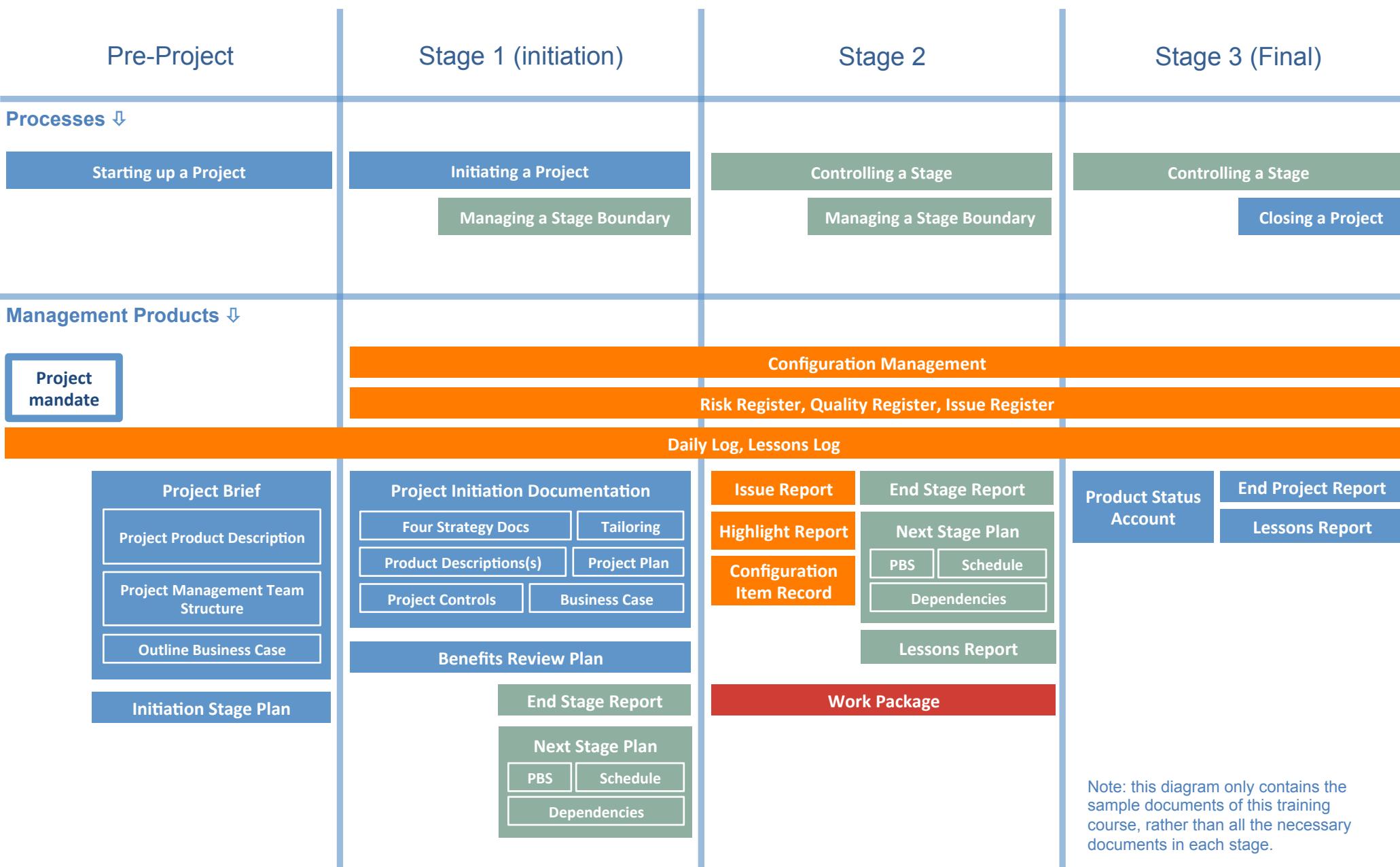
Document: **End Project Report** Project: Pen Project Author: Project Manager Date:

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Summary

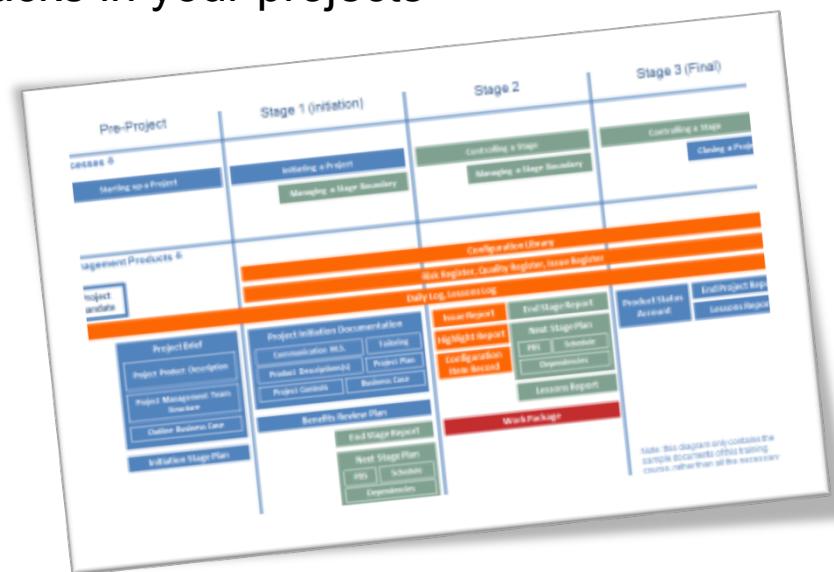
What we practiced in this sample project:

- **Pre-Project**
 - Project mandate
 - Daily Log
 - Lessons Log
 - Project Brief
 - Project Product Description
 - Project Management Team Structure
 - Outline Business Case
 - Initiation Stage Plan
- **Stage 1**
 - Benefits Review Plan
 - Risk Register
 - Project Initiation Documentation
 - Communication Management Strategy
 - Product Description(s)
 - Project Controls
 - Tailoring of PRINCE2
 - Business Case
 - Project Plan
 - Next Stage Plan
 - End Stage Report
- **Stage 2**
 - Work Package
 - Issue Register
 - Issue Report
 - Lessons Report
 - Highlight Report
 - Configuration Management
 - Configuration Item Record
 - Next Stage Plan
 - End Stage Report
- **Stage 3**
 - Product Status Account
 - Lessons Report
 - End Project Report



How this sample project helps you and your company:

- Helps you to better understand PRINCE2 **in practice**
- Helps you **document** a standard project
- Can be **shared** with other team members and even external stakeholders of your projects
- Can be used as a **reference** in your projects
- Can be updated and **tailored** based on the feedbacks in your projects
(continuous improvement)



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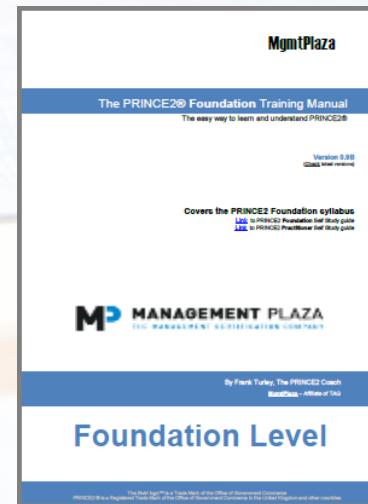
mgmtplaza.com

Recommended material:



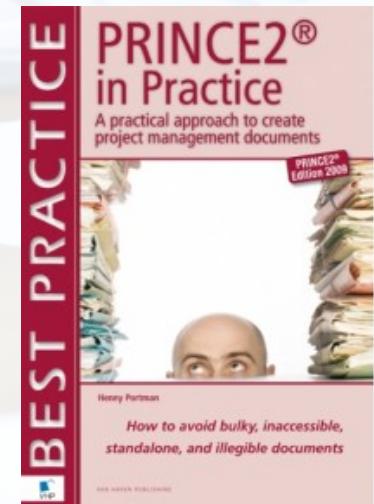
An Introduction to PRINCE2
By Frank Turley

<http://bit.ly/1d6WcFd>



**The PRINCE2 Foundation
Training Manual**
By Frank Turley

<http://bit.ly/16g7uy4>



PRINCE2 in Practice
A practical approach to create
project management documents
By Henny Portman

<http://bit.ly/16yGGwB>

Notes

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