PRINCE2® Foundation

(PR2-213 v3.01)

Quint
Wellington Redwood

Day 1

Introduction

- Welcome and housekeeping

- Getting to know each other

Course Objectives

- During the PRINCE2® Foundation course you will gain:
  - A context for PRINCE2®
  - PRINCE2® Foundation certification*
  - Understanding of PRINCE2® including:
    - Themes
    - Processes
    - Principles

The Importance of Projects

- Project deliver products that enable change

- Orgizations balance between two imperatives:
    - To maintain current business operations
    - To transform business operations in order to survive and compete in the future

What is a Project?

- In PRINCE2®, a project is:
  - "A temporary organization that is created for the purpose of delivering one or more business products according to an agreed upon Business Case"

- Another definition (PMBOK) of project:
  - "A temporary endeavor undertaken to create a unique product, service or result"

Characteristics of a Project

- Activity/Discussion
  - What are some characteristics of a project?

Characteristics of a Project

- Characteristics that distinguish projects from business as usual:
  - Change
  - Temporary
  - Cross-functional
  - Unique
  - Uncertainty

Why Projects Fail

- Activity/Discussion
    - Why do projects fail?

Why Projects Fail (1/2)

- Inexperienced Project Managers

- Lack of a clearly defined purpose

- Insufficient measurables and reports

- Lack of progress control and quality control

- A lack of coordination of resources and activities

- Cultural and ethical misalignment

- A poor estimation of duration and costs

Why Projects Fail (2/2)

- Stakeholders not managed (sufficiently), products not accepted
- Inadequate planning of resources, activities and scheduling
- Lacking progress control, overrun is noticed too late
- Lacking quality control, products are unacceptable

Why have a project management method?

- Project management is:
  - Control all aspects
  - Achieve project objectives
  - Planning, Delegating, Monitoring, Control
  - Motivation of those involved
  - Within targets for:
    - Time
    - Cost
    - Quality
    - Scope
    - Risks
    - Benefits

Slide 11

Benefits of Methodologies

- A method that is repeatable

- A method that is teachable

- Building on experience

- Ensuring that everyone knows what to expect, where, how and when

- Early warning of problems

- Being proactive and agile, instead of reactive and rigid

What does a Project Manager do?

- It is the Project Manager's responsibility to:
    - Plan the sequence of activities to deliver the products of the project
    - Delegate
    - Monitor how well the work in progress matches the plan
    - Take corrective action if necessary

Aspects of Project Performance

Slide 14

What is PRINCE2®?

- PRINCE2® is an acronym for:
  - Projects In Controlled Environments 2nd version

Why PRINCE2®?

- Global standard

- Available within the public domain—there is no charge to use PRINCE2®

- Embodies established and proven best practices in project management

- Common language and understanding

- Interfaces with other Axelos initiatives

Related Axelos Guidance

Common Glossary

Models

Refresh pending

Portfolio, Program and Project Management Maturity Model (P3M3™)

PRINCE2® Maturity Model (P2MM)

Guides

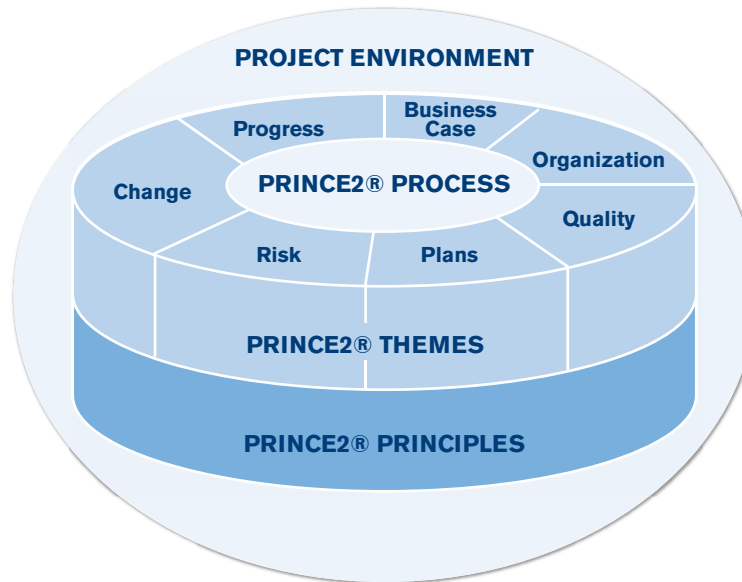Portfolio, Program and Project Office (P30*)

Gateway*

M_o_R*

ITIL*

Portfolio Guide (PfM)

MSP® (program)

PRINCE2® (project)

Slide 17

Structure of PRINCE2®

Slide 18

Benefits of PRINCE2® (1/2)

- PRINCE2® embodies established and proven best practices and governance for project management
- It can be applied to any type of project
- PRINCE2® is widely recognized and provides a common language for all project participants
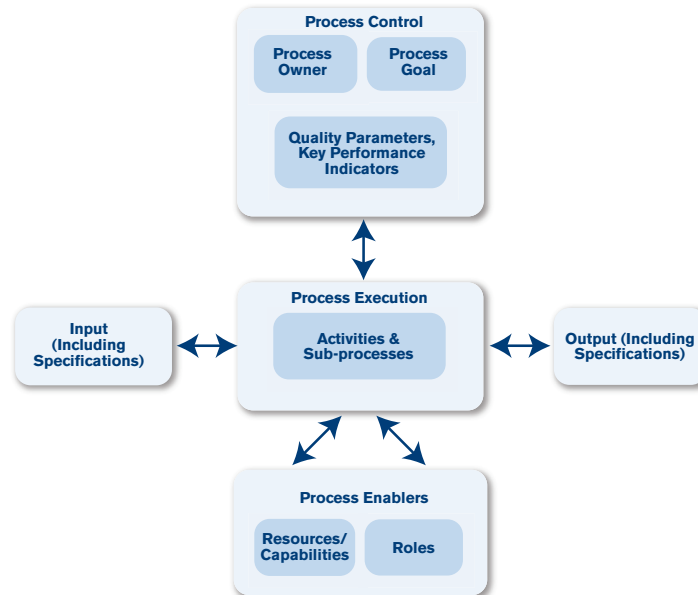- PRINCE2® provides for the explicit recognition of project responsibilities

Benefits of PRINCE2® (2/2)

- Provides a structure for accountability, delegation, authority and communication

- Clarifies deliverables of a project, because of the focus on products

- Is based on a "management by exception" framework

- Ensures that participants focus on the viability of the project

Brief History of PRINCE2®

- 1975 – PROMPT by Simpact Systems Ltd
- 1979 – Adopted by Central Computer and Telecommunications Agency (CCTA)
- 1989 – CCTA publishes own method, PRINCE
- 1996 – CCTA publishes new version, PRINCE2®
- 1998, 2002 and 2005, PRINCE2® revised editions
- 2009 – PRINCE2® 2009 refresh – two manuals!

What is a Process?

Process Control
- Process Owner
- Process Goal
- Quality Parameters, Key Performance Indicators

Process Execution
- Activities & Sub-processes

Input (Including Specifications)

Output (Including Specifications)

Process Enablers
- Resources/Capabilities
- Roles

Slide 22

PRINCE2® Processes – Introduction

	Pre-project	Initiation	Subsequent delivery stage(s)	Final delivery stage
Directing	**SU**	Directing a Project		
Managing		**IP** / **SB**	**SB** / Controlling a Stage	**CP** / Controlling a Stage
Delivering			Managing Product Delivery	Managing Product Delivery
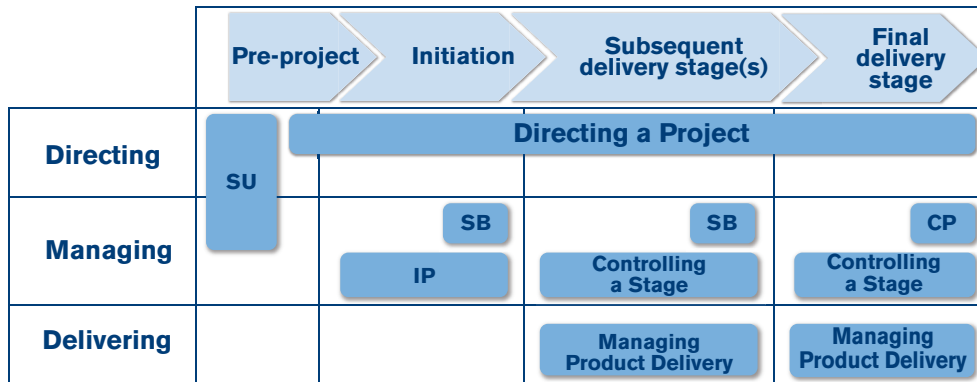
Key

SU = Starting up a Project
IP = Initiating a Project
SB = Managing a Stage Boundary
CP = Closing a Project

Note:

- Starting up a Project is used by both the directing and managing levels.
- There should be a least two management stages, the first of which is the initiation stage.
- Managing a Stage Boundary is first used at the end of the initiation stage and repeated at the end of each subsequent stage except the final stage. It is also used to prepare Exception Plans, which can be done at any time including in the final stage.
- For complex or lengthy initiations, Controlling a Stage and Managing Product Delivery can optionally be used to manage the initiation stage.

The PRINCE2® Journey

- Pre-Project – Project Mandate trigger

- Initiation Stage

- Subsequent Delivery Stages

- Final Delivery Stage

Key to Process Diagrams

Symbol	Key
Starting up a Project	This is a PRINCE2® process.
Authorize initiation	This is a PRINCE2® process. Each process comprises a number of activities.
Exception Plan request **Corrective action**	This is a event or decision that triggers another process or is used to notify corporate or program management. The arrow shows which process is triggered by the event. Double triggers indicate where there are alternative triggers from one process to another (e.g., a request to approve the next Stage Plan or a request to approve an Exception Plan). Those with dotted lines are triggers internal to a process (e.g., corrective action is a trigger from one activity in the Controlling a Stage process to another).
Business Case **Follow-on action Recommendations**	These are management products that are created or updated by a process's activities. Those with hard lines are defined management products with Product Description outlines in Appendix A. Those with dotted lines are components of a management product or are non-defined management products where PRINCE2® does not require specific composition or quality criteria.

Slide 25

PRINCE2® Themes

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

PRINCE2® Themes Summary (1/4)

- Business Case
  - The project starts with an idea that is considered to have potential value for the organization concerned

- Organization
  - Describes the roles and responsibilities required to manage the project effectively

PRINCE2® Themes Summary (2/4)

- Quality
  - Explains how to understand and deliver the quality attributes of the products.

- Plans
  - Describes the steps required to develop plans and the techniques that should be applied.
  - Plans are the focus for communication and control throughout the project.

PRINCE2® Themes Summary (3/4)

- Risk
  - Addresses how project management manages the uncertainties in its plans and in the wider project environment

- Change
  - Describes how project management assesses and acts upon issues
  - Issues may be unanticipated general problems, requests for change or instances of quality failure

PRINCE2® Themes Summary (4/4)

- Progress
  - Addresses the ongoing viability of the plans
  - Explains the decision-making process for:
    - Approving plans
    - The monitoring of actual performance and
    - The escalation process if events do not go according to plan.
  - Ultimately, the Progress theme determines whether and how the project should proceed.

Tailoring Themes

- All seven themes must be applied but tailored to fit:
  - The scale
  - Nature and
  - Complexity of the project
- Themes may be tailored for complex or high-risk projects, whereas more informal processes may be adequate for simple, low-risk projects

PRINCE2® Principles – Introduction

- PRINCE2® is principles-based
  - If a project does not adhere to these principles, it is not being managed using PRINCE2®

- Principles are characterized as:
  - Universal: they apply to every project.
  - Self-validating: they have been proven in practice.
  - Empowering: they give practitioners the ability to influence and shape how the project will be managed.

PRINCE2® Principles

- The seven PRINCE2® principles can be summarized as:
    - Continued business justification
    - Learn from experience
    - Defined roles and responsibilities
    - Manage by stages
    - Manage by exception
    - Focus on products
    - Tailor to suit the project environment

PRINCE2® Principle – Continued Business Justification

- Main theme
  - A PRINCE2® project has continued business justification
- A project's justification is documented in a Business Case
- Although the justification should remain valid, it may change
- If the project can no longer be justified, the project should be stopped

PRINCE2® Principle – Learn from Experience

- Main theme
  - PRINCE2® project teams learn from previous experience
  - Lessons are sought, recorded and acted upon throughout the life of the project
- In PRINCE2®, learning from experience should be used:
  - When starting a project
  - As the project progresses
  - As the project closes

PRINCE2® Principle – Defined Roles and Responsibilities

- Main theme
    - A PRINCE2® project has defined and agreed upon roles and responsibilities within an organization structure that engages all stakeholder interests

- All projects have the following primary stakeholders:
    - Business
    - Users
    - Suppliers

PRINCE2® Principle – Manage by Stages

- Main theme
  - A PRINCE2® project is planned, monitored and controlled on a stage-by-stage basis
- Management stages provide senior management with control points
- PRINCE2® requires there to be a minimum of two management stages:
  - One initiation stage and one or more further management stages

Structure of a PRINCE2® Project

Slide 38
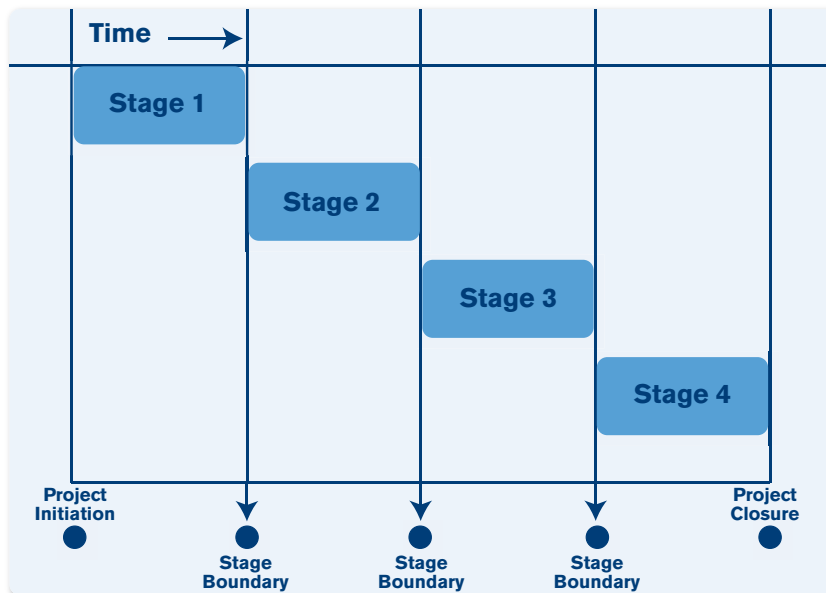
PRINCE2® Principle – Manage by Exception

- Main theme
  - A PRINCE2® project has defined tolerances for each project objective to establish limits of delegated authority.

- If tolerances are forecast to be exceeded, they are immediately referred up to the next management layer.

- Tolerances can be set against six objectives for the respective level of the plan:
  - Time, Cost, Quality, Scope, Risk and Benefit

PRINCE2® Principle – Focus on Products

- Main theme
  - A PRINCE2® project focuses on the definition and delivery of products, in particular their quality requirements
- A PRINCE2® project uses Product Descriptions to define each product's:
  - Purpose
  - Composition
  - Derivation
  - Format
  - Quality criteria and
  - Quality method

Slide 40

PRINCE2® Principle – Tailor to Suit the Project Environment

- Main theme
  - PRINCE2® is tailored to suit the project's:
    - Environment
    - Size
    - Complexity
    - Importance
    - Capability and
    - Risk

- When tailoring PRINCE2®, it is important to remember that it requires information and decisions

Comparison to PMBOK

- PRINCE2® is often compared and contrasted with PMBOK (Project Management Body of Knowledge)

- PRINCE2® is more focused on
  - "What" and "Why" of Project Management
  - Governance

- PMBOK is more focused on
  - "How" – Techniques of Project Management

Comparison to PMBOK

- PRINCE2®
  - A project management method
  - Prescriptive
  - An integrated set of processes and themes (not isolated silos that can be selectively applied)
  - Covers all project management roles
  - Does not cover interpersonal skills
  - References techniques

- Body of Knowledge
  - A broad collection of "good practices" for project management
  - Non-prescriptive
  - Each topic area can be referred to in isolation of others.
  - Targeted at Project Managers
  - Covers interpersonal skills
  - Describes techniques

What PRINCE2® Does Not Provide

- Categories that are deliberately considered to be outside the scope of PRINCE2®:
  - Specialist aspects
  - Detailed techniques
  - Leadership capabilities
- **PRINCE2® tells us what should be done and why, but not how.**

Organization (Theme)

Organization – Purpose

- The purpose of the Organization theme
    - To define and establish the project's structure of accountability and responsibilities

- PRINCE2® is based on a customer/supplier environment

- A successful project organization should have:
    - Business, user and supplier stakeholder representation
    - An effective strategy to manage communication flows
    - Stakeholder representation of the:
        - Business
        - Users and
        - Supplier

Slide 46

Organization – Definitions

- Definitions of key concepts of Organization
  - Project
  - Program
  - Corporate organization
  - Roles and responsibilities

Organization – Three Project Interests

Business

The Project

User

Supplier

Slide 48

Organization – Levels

Corporate or Program Management

Project Management Team

Directing – Project Board

Managing – Project Manager

Delivery – Team Manager
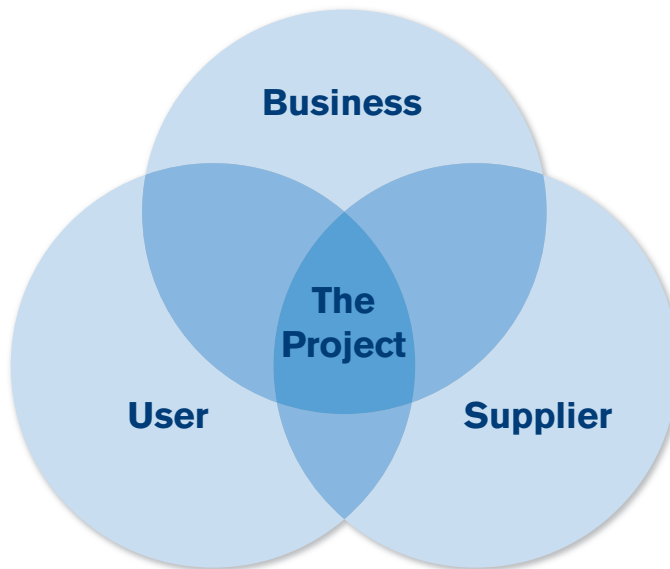
- Levels of management within the project management structure

Organization – Project Management Team

Corporate or Program Management

Project Board

| Senior User(s) | Executive | Senior Supplier(s) |

Business, User and Supplier Project Assurance

Project Manager

Change Authority

Project Support

Team Manager(s)

Team Members

- Within the project Management team
- From the customer
- From the supplier
- —— Lines of authority
- – – – Project Assurance
- ······ Lines of support/advice

Slide 50
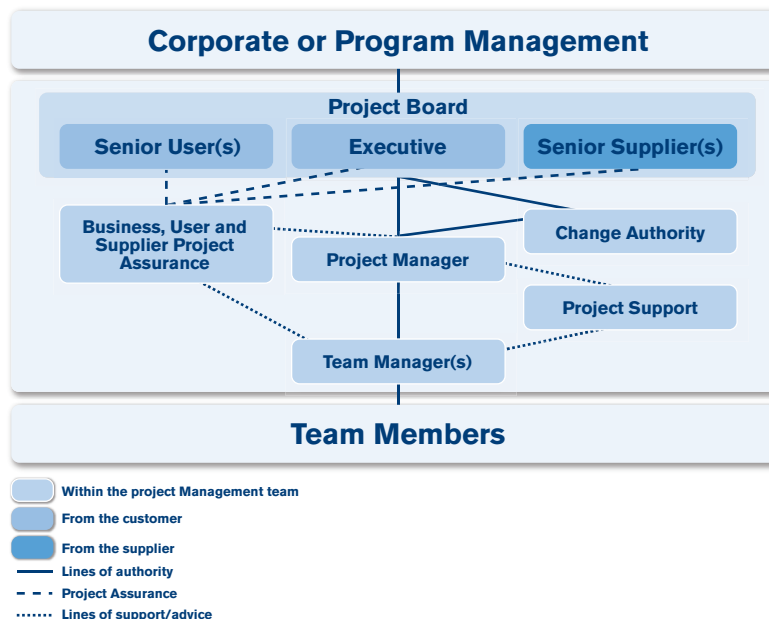
Organization – Project Board

- Project Board duties
  - Being accountable for the success or failure of the project in terms of the business, user and supplier interests
  - Providing the resources and authorizing the funds necessary for the successful completion of the project
  - Ensuring effective decision-making
- Project Board characteristics
  - Authority, credibility, ability to delegate, availability

Organization – Project Board Roles

- Executive
  - Responsible for the Business Case

- Senior User
  - Represents the interests of those who will use the project's products

- Senior Supplier
  - Represents the interests of those designing, developing, facilitating, procuring and implementing the project's products
  - Accountable for the quality of products delivered

Organization – Project Assurance

- The Project Assurance role monitors all aspects of the project's performance and products

- Project Board
  - Is responsible for Project Assurance aligned to their respective areas of concern–business, user or supplier
  - May delegate their Project Assurance responsibilities except to the Project Manager

Organization – Change Authority

- The Project Board may delegate authority for approving or rejecting requests for change or off-specifications.

- Depending on the severity, the request for change could be:
  - Handled by Corporate or Program Management
  - Handled by the Project Board
  - Delegated to a Change Authority
  - Delegated to the Project Manager

Organization – Project Manager

- The Project Manager
    - Is the single focus for day-to-day management of a project
    - Has the authority to run the project on behalf of the Project Board
    - Will normally come from the customer corporate organization, but may come from the supplier

Line management

Cost management

Strategy

Communication

Teamwork

Project Manager

Quality

Planning

Product status

Monitoring

User needs

Product vs project needs

Changes

Slide 55

Organization – Team Manager

- The Team Manager
  - Primary responsibility is to ensure production of those products allocated by the Project Manager
  - Have work allocated through Work Packages
  - Usually comes from the supplier corporate organization, and may have a reporting line to a senior supplier

Organization – Project Support

- Project Support
  - Is the responsibility of the Project Manager but may be delegated
  - Is responsible for administering any Configuration Management procedures
- Project Support and Project Assurance roles should be kept separate in order to maintain the independence of Project Assurance

Organization – Stakeholders

- Stakeholder engagement is the process of identifying and communicating effectively with those who have an interest or influence on the project's outcome.
  - It is usually carried out at the program level.
- Effective communication with key stakeholders is paramount.

Organization – Communication Management Strategy

- The Communication Management Strategy
  - A description of the means and frequency of communication to parties both internal and external to the project.
  - During the Initiating a Project process the Project Manager's responsible for documentation.

- The Project Manager should be responsible for documenting the Communication Management Strategy during the Initiating a Project process.

Organization – Responsibilities

- Responsibilities relevant to the Organization theme
  - Corporate or program management
  - Executive
  - Senior User
  - Senior Supplier
  - Project Manager
  - Team Manager
  - Project Assurance
  - Project Support

Case Study Activity

- Organization
  - Individually, or in groups, complete the Organization activity from the Case Study

Starting Up a Project (SU)
(Process)

Starting Up a Project – Purpose

- Starting Up a Project purpose
    - To ensure that the prerequisites for Initiating a Project are in place.
    - Answers the question:do we have a viable and worthwhile project?
- Starting Up a Project activities
    - Rational decisions about the commissioning of the project are defined.
    - Key roles and responsibilities are resourced and allocated.
    - Foundation for detailed planning is available.

Starting Up a Project – Objectives

- The objective of the Starting Up a Project process are to ensure that:
    - There is a business justification for initiating the project
    - Sufficient information is available to define and confirm the scope of the project
    - The various ways the project can be delivered are evaluated and a project approach selected
    - Individuals are appointed who will undertake the work required in project initiation and
    - The work required for project initiation is planned.

Starting Up a Project – Context

- Project mandate is the trigger to the project.

- Mandate is refined to develop the Project Brief
    - Project Brief: provide sufficient information to make the decision to initiate the project.

- Project Brief is the basis for the Project Initiation Documentation (PID)

Starting Up a Project – Overview

Project mandate

Corporate or Program Management

Directing a project

Appoint the Executive & the Project Manager

Capture previous lessons → **Design and appoint the Project Management team**

Prepare the outline Business Case ← **Select the project approach & assemble the Project Brief**

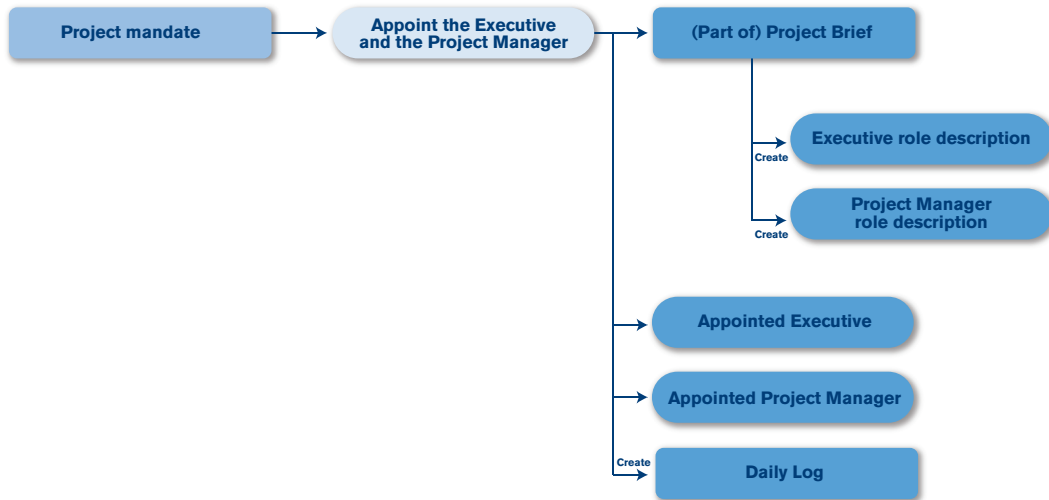**Plan the initiation stage** → **Request to initiate a project**

Starting up a Project

Slide 66
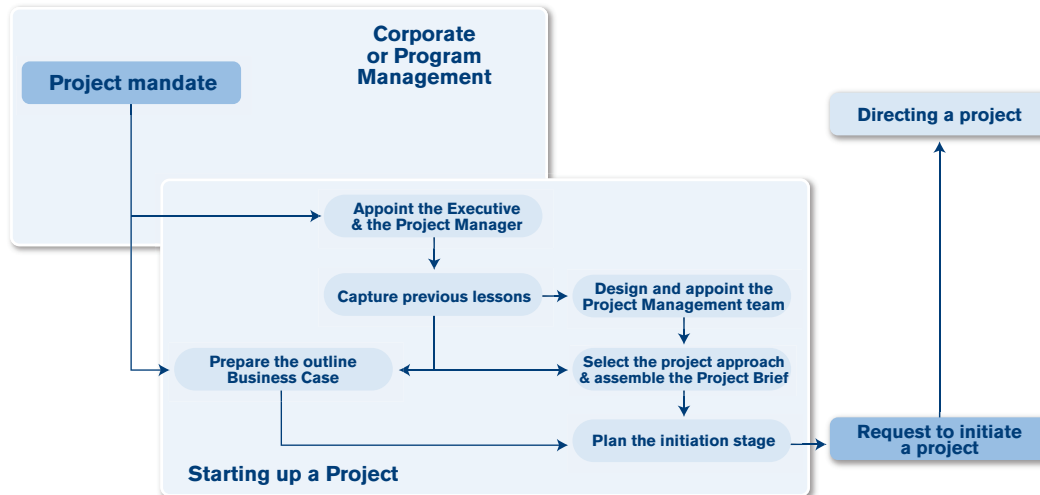
Starting Up a Project – Appoint the Executive and the Project Manager (1/2)

- The Executive
  - A decision-maker with appropriate authority
  - Represents the interests of the business stakeholders
- Project Manager
  - Allows for the project to be managed on a day-to-day basis on behalf of the Executive

Starting Up a Project – Appoint the Executive and the Project Manager (2/2)

Project mandate → Appoint the Executive and the Project Manager →

- (Part of) Project Brief
  - **Create** → Executive role description
  - **Create** → Project Manager role description
- Appointed Executive
- Appointed Project Manager
- **Create** → Daily Log

Starting Up a Project – Capture Previous Lessons (1/2)

- Lessons learned from previous projects should benefit:
    - The design of the project management team
    - The outline of the Business Case
    - The contents of the Project Brief and
    - The Stage Plan for the initiation stage.

Starting Up a Project – Capture Previous Lessons (2/2)

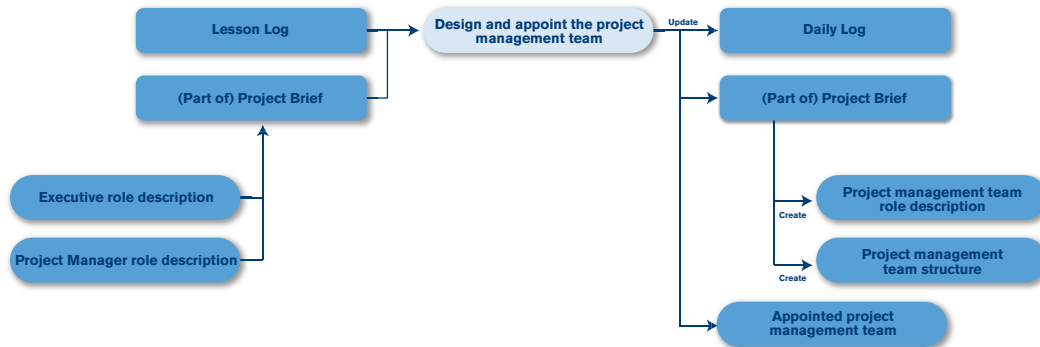**Previous lessons reports** → **Capture previous lessons** —Create→ **Lesson Log**

Starting Up a Project – Design and Appoint the Project Management Team (1/2)

- Individuals involved in the management of the project must understand and agree to:
  - Who is accountable to whom for what
  - Who is responsible for what
  - What the reporting and communication lines are

Starting Up a Project – Design and Appoint the Project Management Team (2/2)

Lesson Log	→ Design and appoint the project management team	Daily Log
(Part of) Project Brief	Update →	(Part of) Project Brief
Executive role description		Project management team role description
Project Manager role description	Create	Project management team structure
	Create	Appointed project management team

Starting Up a Project – Prepare the Outline Business Case

- The Business Case states why the work is worth doing.

- The outline Business Case is likely to be only a high-level view at this time

- It provides an agreed upon foundation for a more extensive Business Case developed in the Initiating a Project process.

- If the project is part of a program, then the Business Case may already have been defined at the program level.

Starting Up a Project – Prepare the Outline Business Case
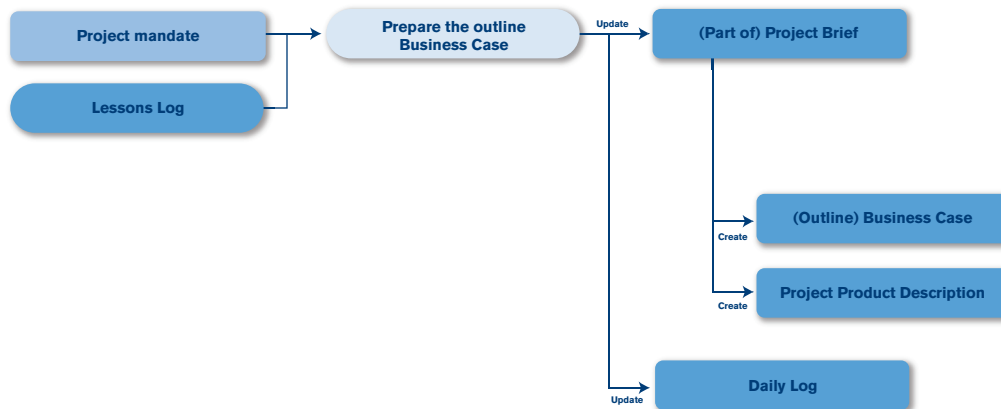
Starting Up a Project – Select the Project Approach and Assemble the Project Brief (1/2)

- An agreed upon Project Brief ensures that the project has a commonly understood and well-defined start point.

- Decisions must be made regarding how the work of the project is going to be approached. Will the solution:
  - Be developed in-house or contracted to third parties?
  - Be a modification to an existing product or built from scratch?
  - Be based on a commercial off-the-shelf product or will it require custom-designing?

Starting Up a Project – Select the Project Approach and Assemble the Project Brief (2/2)

```
(Part of) Project Brief ──────────▶ Select the project approach ──Assemble──▶ Project Brief
                                    and assemble the Project Brief                    │
Project Product Description                                                           │
                                                                          Create      ▼
(Outline) Business Case                                                          Project approach

Executive role description                                                Create      ▼
                                                                              Additional role descriptions
Project Manager
role description

Project management team
role descriptions                                                            Daily Log

Project management                                                 Update
team structure

Lessons Log
```

Slide 76

Starting Up a Project – Plan the Initiation Stage

- Initiating a Project takes time and consumes resources. The work should be planned and approved like any other project work.

- The application of PRINCE2® processes during Initiating a Project must be considered as part of the Starting Up a Project process.

  - For example, the project may choose to apply the Controlling a Stage and Managing Product Delivery processes during the Initiating a Project process.

Starting Up a Project – Plan the Initiation Stage

Project Brief	→	Plan the initiation stage	Create →	Stage Plan
Daily Log			Update →	Daily Log
Lessons Log			→	Request to initiate a project

Starting Up a Project – Scalability

- Normal standalone project
    - All processes apply
- Project part of Program
    - Check what work has already been done
- Small project
    - Informal
    - This process can be very short and may be combined with IP.

Business Case (Theme)

Business Case – Purpose

- The purpose of the Business Case theme
  - To serve as a means to support decision-making in its (continued) investment by
  - Establishing mechanisms to judge whether the project is (and remains) desirable, viable and achievable.
- The Senior User is responsible for:
  - Specifying the benefits and
  - Subsequently realizing the benefits through the use of the products.
- The Executive is responsible for:
  - Ensuring that those benefits represent value for money
  - Are aligned to corporate objectives and
 - Are capable of being realized.

Business Case – What is a Business Case?

- The Business Case is used to judge whether the project is (and remains) desirable, viable and achievable, and therefore worthwhile investing in.

- Since this viability question is ongoing, the Business Case is not static.
    - The Business Case should be actively maintained throughout the life of the project and be continually updated with current information on:
        - Costs
        - Risks and
        - Benefits

Business Case – Outputs, Outcomes and Benefits

- In PRINCE2®:

  - An output is any of the project's specialist products (whether tangible or intangible).

  - An outcome is the result of the change derived from using the outputs.

  - A benefit is the measurable improvement resulting from an outcome that is perceived as an advantage by one or more stakeholders.

Business Case – Development Path

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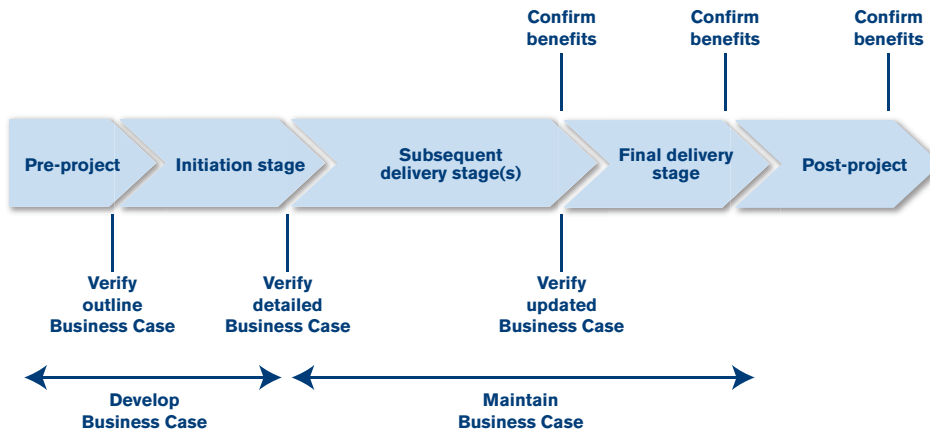
Business Case – Developing

- In PRINCE2® the Executive is responsible for the Business Case, though may delegate the development.

- The outline Business Case is derived from the project mandate and developed pre-project in the Starting Up a Project process.

- The detailed Business Case is derived from the outline Business Case, the Project Plan (costs, timescale, products) and the Risk Register.

Business Case – Verifying and Maintaining

- To drive the decision-making the Business Case should be reviewed:
  - At the end of
    - The Starting Up a Project process
    - The Initiating a Project process
    - The end of each stage or Exception Plan
  - As part of any:
    - Impact assessment by the Project Manager
    - New or revised issues or risks
  - During the final stage:
    - As part of the benefits review to determine project outcomes' succes in realizing their benefits.

Business Case – Confirming the Benefits

- A Benefits Review Plan will use the detailed Business Case to define the scope, timing and responsibility of a number of reviews.

- The Executive is responsible for ensuring that benefits reviews are planned and executed.

- The Benefits Review Plan is first created by the Project Manager in the initiation stage and updated towards the end of each stage.

Business Case – Contents

- The Business Case should describe the reasons for the project based on estimated costs, risks and expected benefits.
    - An executive summary
    - Reasons
    - Business options
    - Expected benefits and disbenefits
    - Timeframes
    - Costs
    - Investment appraisal
    - Major risks

Business Case – Responsibilities

- Business Case responsibilities
  - Corporate or program management
  - Executive
  - Senior User
  - Senior Supplier
  - Project Manager
 - Project Assurance
  - Project Support

Case Study Activity

- Business Case
    - Individually, or in groups, complete the Business Case activity from the Case Study.

Directing a Project (Process)

Directing a Project – Purpose and Objectives

- Purpose
  - Enable Project Board to make key decisions and exercise overall control.
  - Delegating day-to-day managent of the project to the Project Manager.

- The objectives are to ensure that:
  - There is authority to initiate, close and deliver the project's products
  - Management direction and control are provided throughout the project's life, and that the project remains viable

Directing a Project – Context

Slide 93
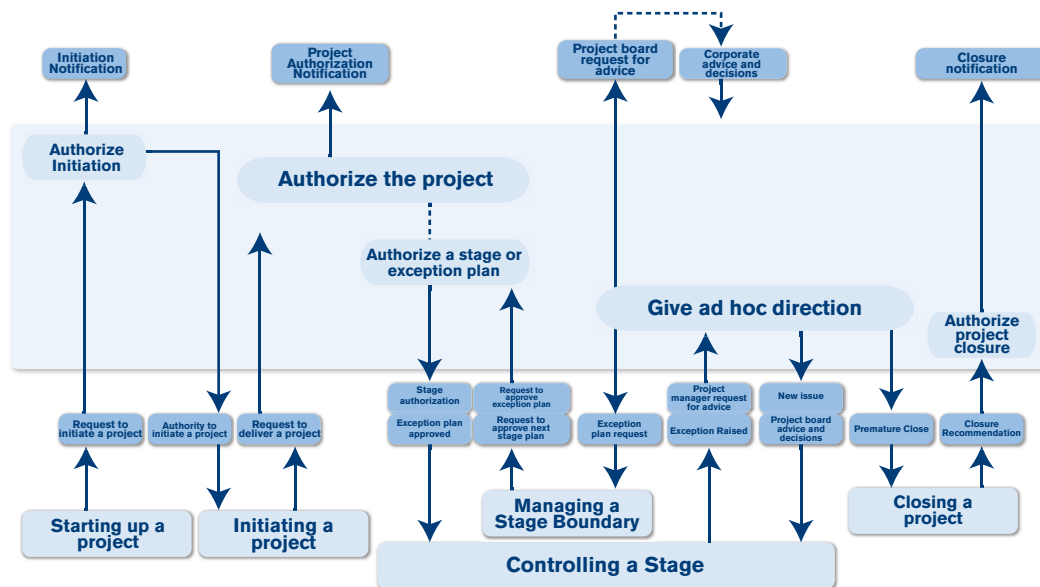
Directing a Project – Activities

- Directing a Project activities are Project-Board-oriented and comprise:
    - Authorize initiation
    - Authorize the project
    - Authorize a Stage or Exception Plan
    - Give ad hoc direction
    - Authorize project closure

Directing a Project – Authorize Initiation (1/2)
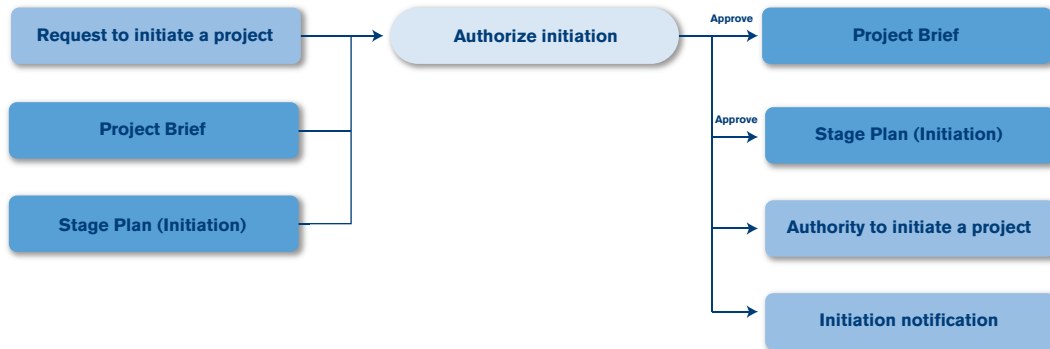
- Projects take:
  - Time
  - Cost money

  So: activities for initiation should be planned, monitored and controlled.

- Once a request to initiate a project is received from Starting Up a Project, the Project Board must decide whether to allow the project to proceed to the initiation stage.

Directing a Project – Authorize Initiation (2/2)

Request to initiate a project	→	Authorize initiation	Approve →	Project Brief
Project Brief			Approve →	Stage Plan (Initiation)
Stage Plan (Initiation)			→	Authority to initiate a project
			→	Initiation notification

Directing a Project – Authorize the Project (1/2)

- This activity is:
  - Triggered by a request from the Project Manager for authorization,
  - Should be performed in parallel with Authorize a Stage or Exception plan.
- The Project Board must confirm that:
  - An adequate and suitable Business Case exists and that it demonstrates a viable project
  - The Project Plan is adequate to deliver the Business Case

Directing a Project – Authorize the Project (2/2)

Request to deliver a project

Lessons Log

Project Initiation Documentation

Benefits Review Plan

Authorize the project

Approve → | Project Initiation Documentation |

Approve → | Benefits Review Plan |

→ | Project authorization notification |

→ | Premature close |
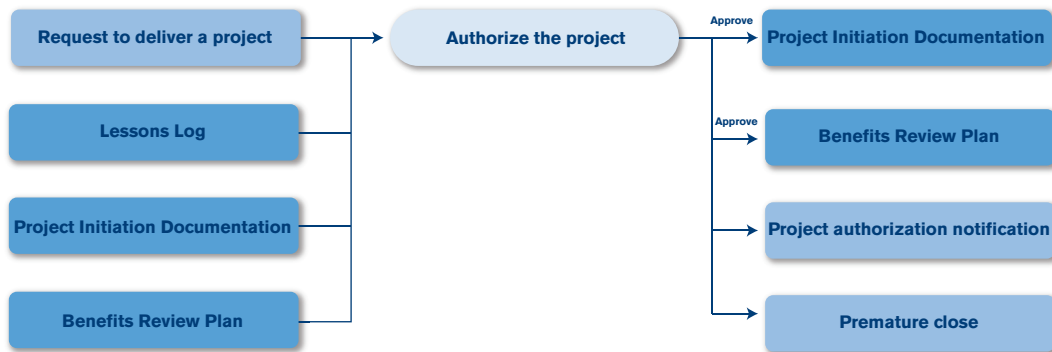
Directing a Project – Authorize a Stage or Exception Plan (1/2)

- The Project Board authorizes a management stage by:
  - Reviewing the performance of the current stage and,
  - Approving the Stage Plan for the next stage.

- If an exception has occurred during the stage, the Project Board may request that the Project Manager produces an Exception Plan for approval.
  - If approved, the Exception Plan will replace the plan that is in exception and will become the new baselined plan.

Directing a Project – Authorize a Stage or Exception Plan (2/2)
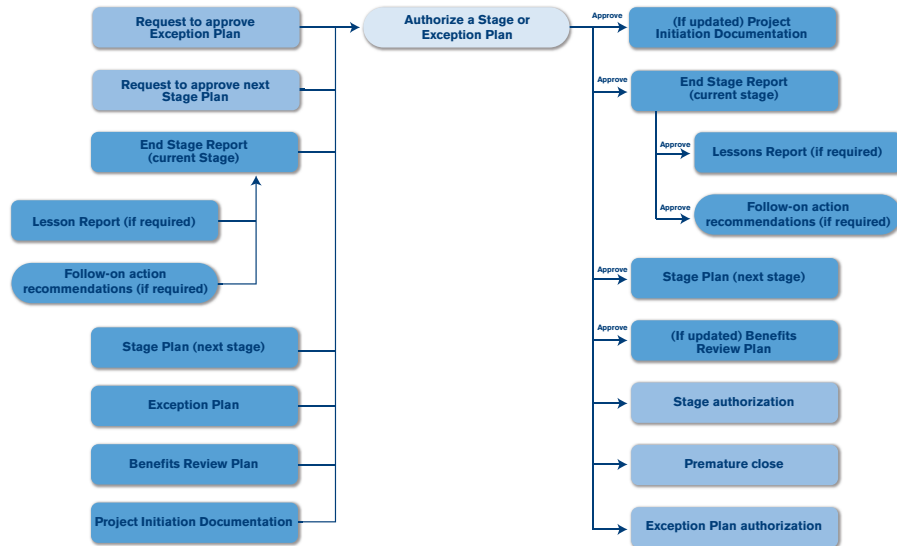
Directing a Project – Give Ad Hoc Direction (1/2)

- Project Board members may offer informal guidance or respond to requests for advice at any time during a project.

- There are a variety of circumstances that might prompt ad hoc direction, including:
  - Responding to requests
  - Responding to reports
  - Responding to external influences (e.g., changes in corporate priorities)

Directing a Project – Give Ad Hoc Direction (2/2)

- Project Manager request for advice
- Exception raised
- Corporate advice and decisions
- Highlight Report
- Exception Report
- Issue Report

→ Give ad hoc direction →

- Project Report request for advice
- Project Report advice
- Exception Plan request
- Premature close
- **Raise** → New issue

Slide 102
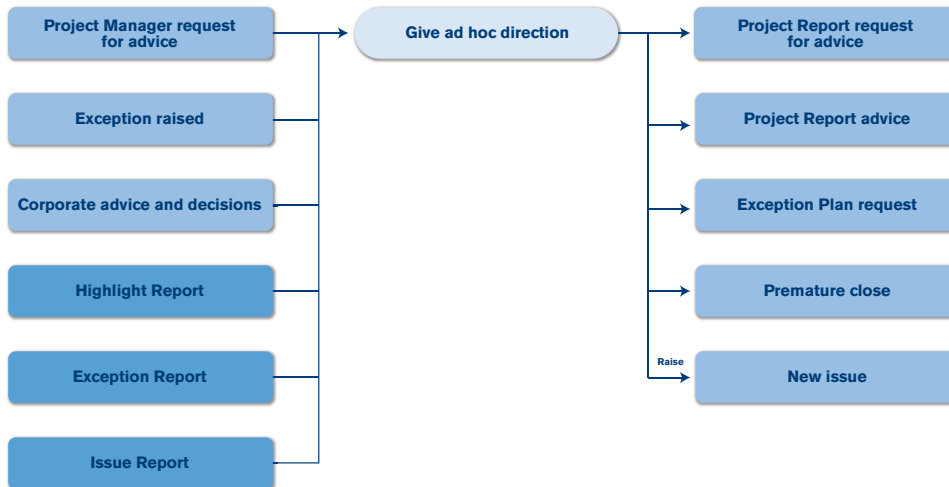
Directing a Project – Authorize Project Closure (1/2)

- Authorizing closure of the project is the last activity undertaken by the Project Board.

- There must be a point when the objectives set out in the original and current versions of the Project Initiation Documentation and Project Plan are assessed in order to understand:
  - Whether the objectives have been achieved
  - How the project has deviated from its initial basis
  - That the project has nothing more to contribute

Directing a Project – Authorize Project Closure (2/2)

Slide 104
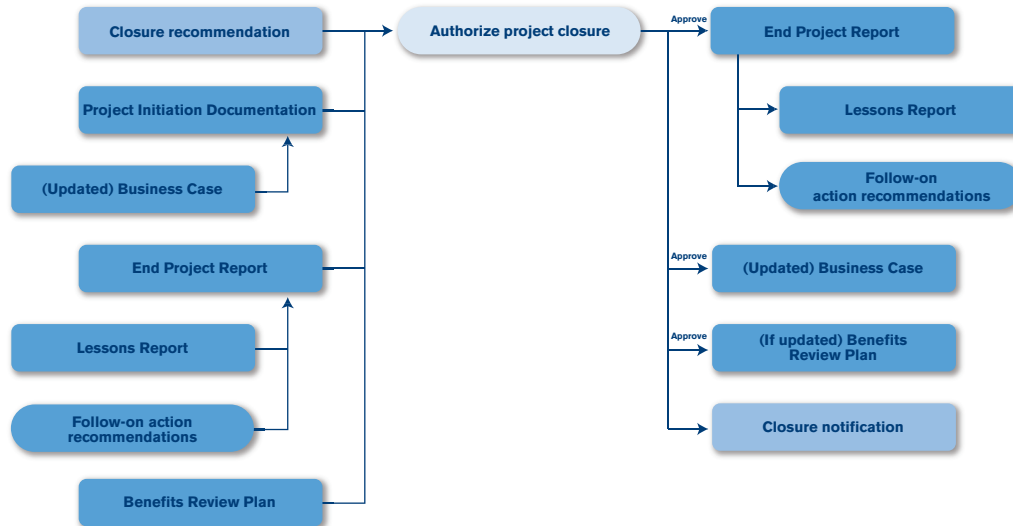
Directing a Project – Scalability

- The Project Board sets out the level of control of project

- May be formal or informal meetings/reports

- Regardless of project size, all decisions should
  be documented

Case Study Activity

- Directing a Project
    - Individually, or in groups, complete the Directing a Project activity from the Case Study.

Day 2
Initiating a Project (Process)

Initiating a Project – Purpose

- Purpose of the Initiating a Project process
  - To establish solid foundations for the project, enabling the organization to understand the work that must be done to deliver the project's products before committing to a significant expenditure

Initiating a Project – Objectives

- Objectives of IP is to ensure a common understanding of:
  - The reasons for executing the project, the benefits expected and the associated risks
  - The scope of what is to be done and the products to be delivered
  - How and when the project's products will be delivered and at what cost
  - How the quality required will be achieved
  - How risks, issues and changes will be identified, assessed and controlled
  - How progress will be monitored and controlled

Initiating a Project – Context

- Initiating a Project is aimed at laying down the foundations in order to achieve a successful project.

- Specifically, all parties must be clear on:
  - What the project is intended to achieve
  - Why it is needed
  - How the outcome is to be achieved
  - What their responsibilities are

Slide 4

Initiating a Project – Activities

Directing a Project

Authority to initiate project

Prepare the Risk Management Strategy

Prepare the Quality Management Strategy

Prepare the Configuration Management Strategy

Prepare the Communication Management Strategy

Set up the project controls

Create the Project Plan

Refine the Business Case

Assemble the Project Initiation Documentation

Request to deliver a project

Stage boundary approaching

Managing a Stage Boundary

Slide 5

Initiating a Project – Prepare the Risk Management Strategy (1/2)

- The Risk Management Strategy describes:
    - The goals of applying risk management
    - The procedure that will be adopted
    - The roles and responsibilities
    - The risk tolerances
    - The timing of risk management activities
    - The tools and techniques that will be used
    - The reporting requirements

Initiating a Project – Prepare the Risk Management Strategy (2/2)

Authority to initiate a project	Prepare the Risk Management Strategy	(Part of) Project Initiation Documentation
Project Brief		Create → Risk Management Strategy
Lessons Log		Create → Risk Register
Daily Log		

Initiating a Project – Prepare the Configuration Management Strategy (1/2)

- Configuration management is essential for the project to maintain control over its management and specialist products.

- The level of control is determined by breaking down the project's products until the level is reached at which a component can be independently installed, replaced or modified.

- The initial set of Configuration Item Records will be created during this activity.
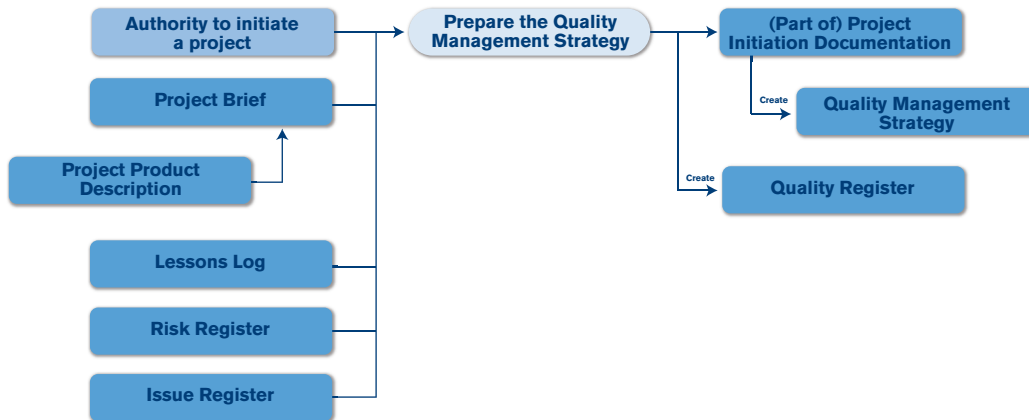
Initiating a Project – Prepare the Configuration Management Strategy (2/2)

Authority to initiate a project → Prepare the Configuration Management Strategy → (Part of) Project Initiation Documentation

Project Brief

Lessons Log

Risk Register

Daily Log

Create → Configuration Management Strategy

Update → Project management team structure

Update → Role description

Create → Configuration Item Records

Create → Issue Register

Slide 9
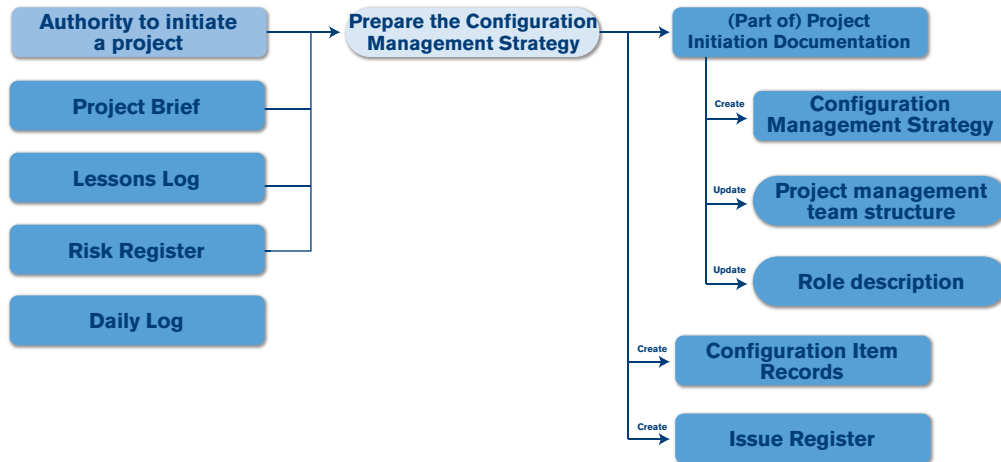
Initiating a Project – Prepare the Quality Management Strategy (1/2)

- A key success factor of any project is that it delivers what the user expects and finds acceptable.
  - Expectations are stated and agreed upon at the beginning of the project,
  - Standards to be used are defined,
  - Means of assessing achievement are defined.

- The purpose of the Quality Management Strategy is to ensure such agreements are captured and maintained.

Initiating a Project – Prepare the Quality Management Strategy (2/2)

Slide 11

Initiating a Project – Prepare the Communication Strategy (1/2)

- The Communication Management Strategy should contain the details of how the project management team will send information to, and receive information from, the wider organizations involved with the project

- The Communication Management Strategy addresses both internal and external communications.

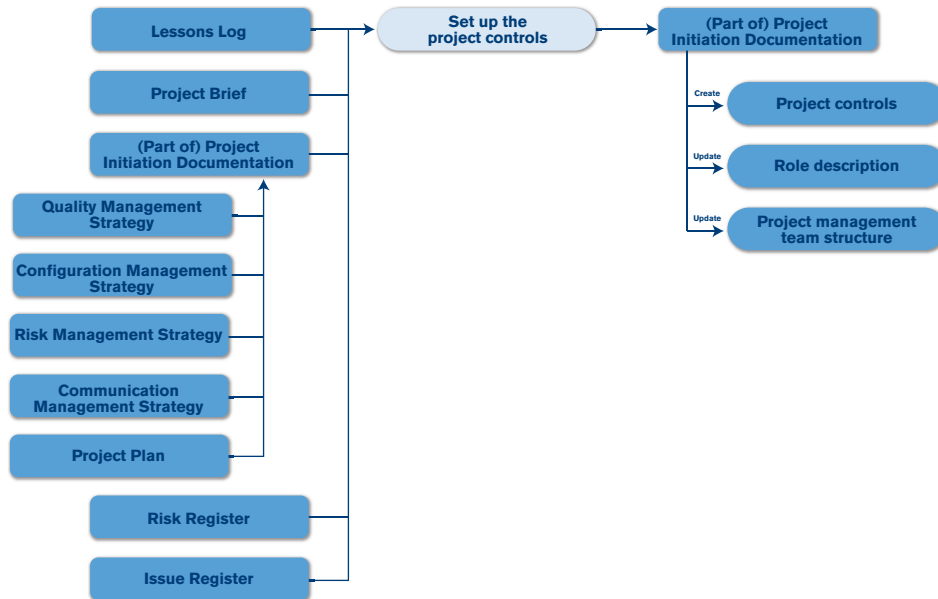# Initiating a Project – Prepare the Communication Strategy (2/2)


```
Project Brief ────────────┐
                          ├──→ Prepare the Communication ──→ (Part of) Project
Lessons Log ──────────────┤       Management Strategy          Initiation Documentation
                          │                                            │
Risk Register ────────────┤                                      Create│
                          │                                            ↓
Issue Register ───────────┤                                    Communication
                          │                                    Management Strategy
(Part of) Project Initiation
Documentation ────────────┘

Risk Management ──────────┐
Strategy                  │
Quality Management ───────┤
Strategy                  │
Configuration ────────────┘
Management Strategy
```
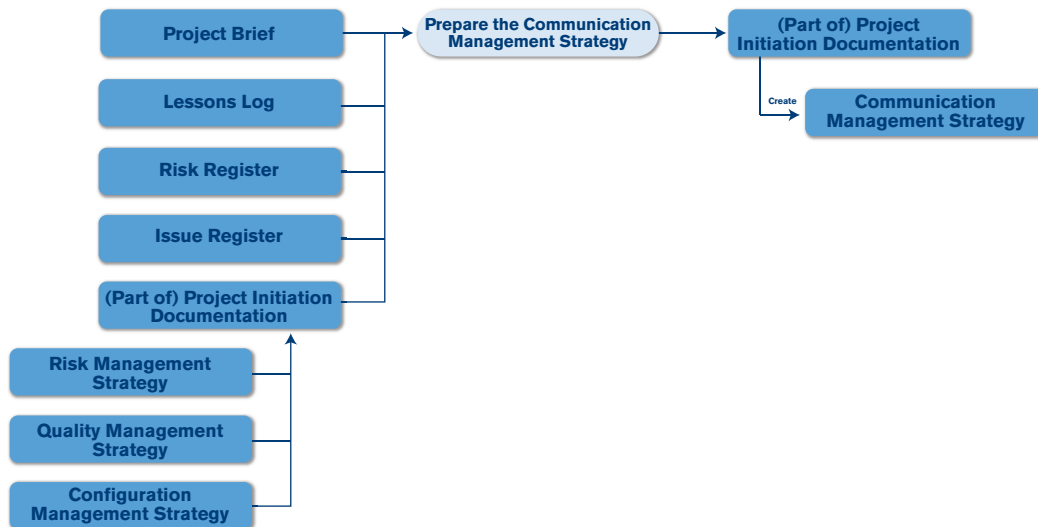
Initiating a Project – Set Up The Project Controls (1/2)

- Project controls enable the project to be managed in an effective and efficient manner.

- Effective project controls are a prerequisite for managing by exception.

- Project controls may include:
  - The frequency and format of communication between the project management levels
  - The number of stages and End Stage Assessments
  - Mechanisms to capture and analyze issues and changes
 - Mechanisms to escalate exceptions

Initiating a Project – Set Up The Project Controls (2/2)

Lessons Log

Project Brief

(Part of) Project Initiation Documentation

Quality Management Strategy

Configuration Management Strategy

Risk Management Strategy

Communication Management Strategy

Project Plan

Risk Register

Issue Register

Set up the project controls

(Part of) Project Initiation Documentation

Create → Project controls

Update → Role description

Update → Project management team structure

Slide 15

Initiating a Project – Create the Project Plan (1/2)

- Before committing to major expenditure on the project establish:
    - The timescale and,
    - Resource requirements.

- This information is held in the Project Plan and is needed so that the Business Case can be refined and the Project Board can control the project.
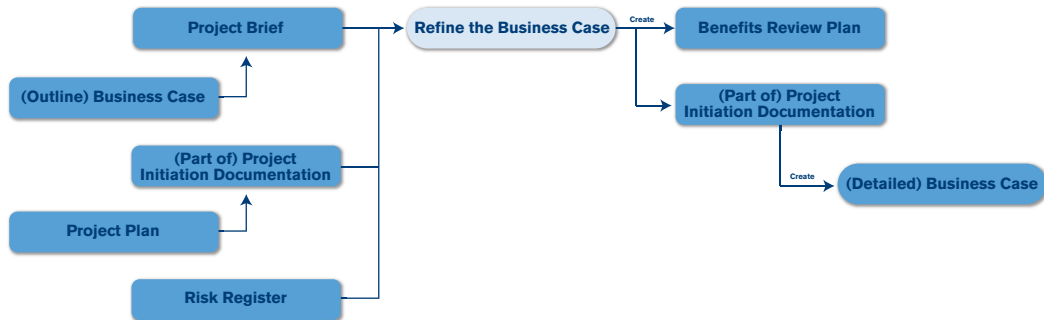
Initiating a Project – Create the Project Plan (2/2)

Slide 17
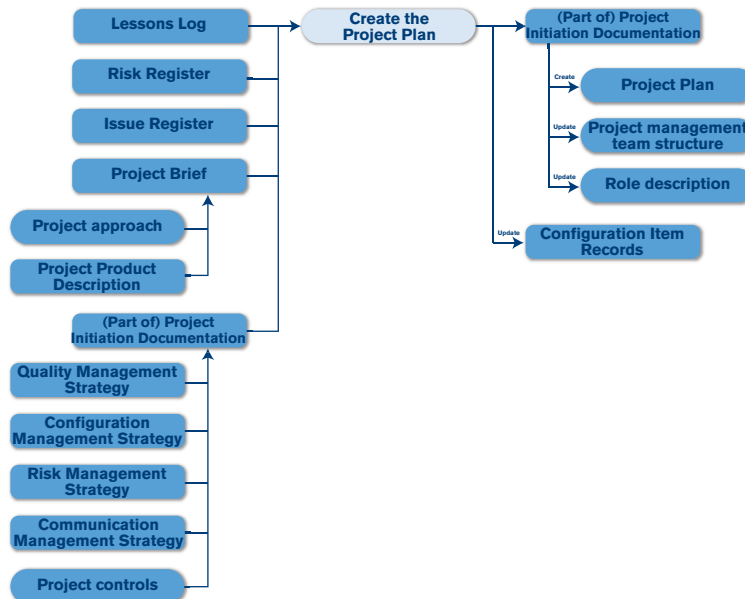
Initiating a Project – Refine the Business Case (1/2)

- The Project Plan and Risk Register --> Update the Business Case produced during Starting Up a Project on the dimensions:
    - Time,
    - Costs and,
    - Risks.
- The detailed Business Case will be used by the Project Board to:
    - Authorize the project and,
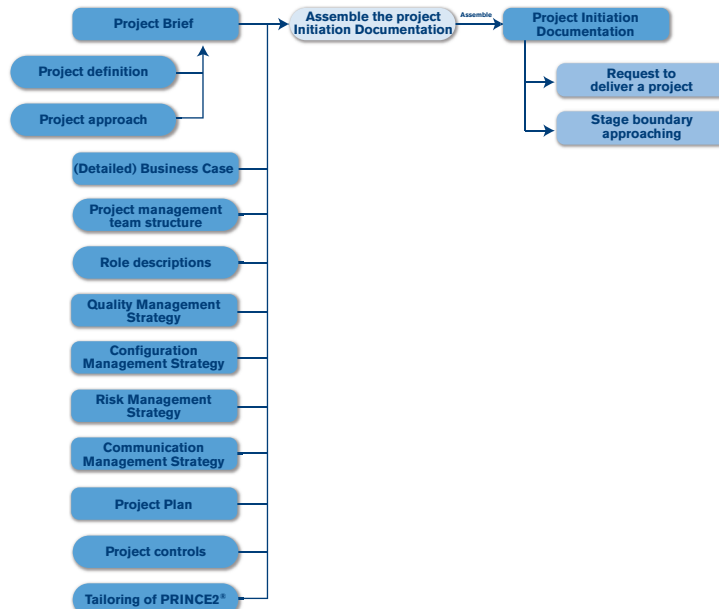   - Provide the basis of the ongoing check that the project remains viable.

Initiating a Project – Refine the Business Case (2/2)

```
Project Brief ─────────────▶ Refine the Business Case ──Create──▶ Benefits Review Plan

(Outline) Business Case ──▶                                │
                                                           ▼
(Part of) Project ─────────┐                        (Part of) Project
Initiation Documentation   │                        Initiation Documentation
                           │                                │
Project Plan ──────────────┤                                │ Create
                           │                                ▼
Risk Register ─────────────┘                        (Detailed) Business Case
```

Initiating a Project – Assemble the PID (1/2)

- The Project Initiation Documentation is an aggregation of many of the management products created during initiation and used to gain authorization for the project to proceed.

- The version of the Project Initiation Documentation will be used later as a means to compare the project's actual performance against the original forecasts that formed the basis of approval.

Initiating a Project – Assemble the PID (2/2)

Project Brief → Assemble the project Initiation Documentation → Assemble → Project Initiation Documentation

- Project definition
- Project approach

- Request to deliver a project
- Stage boundary approaching

- (Detailed) Business Case
- Project management team structure
- Role descriptions
- Quality Management Strategy
- Configuration Management Strategy
- Risk Management Strategy
- Communication Management Strategy
- Project Plan
- Project controls
- Tailoring of PRINCE2®

Slide 21

Initiating a Project – Scalability

- For small projects SU and IP can be combined
  - Combine project brief and project plan to form PID
  - Also need stage plan

Case Study Activity

- Initiating a Project
    - Individually, or in groups, complete the Initiating a Project activity (Project Initiation Document) from the case study.

Plans (Theme)

Plans – Purpose

- The purpose of the Plans theme is to facilitate communication and control by defining the means of delivering the products (the "where" and "how," by whom, and estimating the "when" and "how much").

- The development and maintenance of credible plans provides a baseline against which progress can be measured.

Plans – Plans Defined

- PRINCE2® requires a product-based approach
  to planning

- Plans are the backbone of the management information
  system required for any project.
  - It is important that plans are kept in line with the Business Case at
    all times.
  - A plan requires the approval and commitment of the relevant levels
    of the project management team.

- Poorly planned projects cause frustration, waste
  and rework.

Plans – Levels of Plans

Corporate or program plan → Project Plan; Corporate or program plan → (Initiation) Stage Plans; Project Plan → (Delivery) Stage Plans; Project Plan → Exception Plans; (Delivery) Stage Plans → Exception Plans; (Delivery) Stage Plans → Teams Plans

Exception Plans as necessary
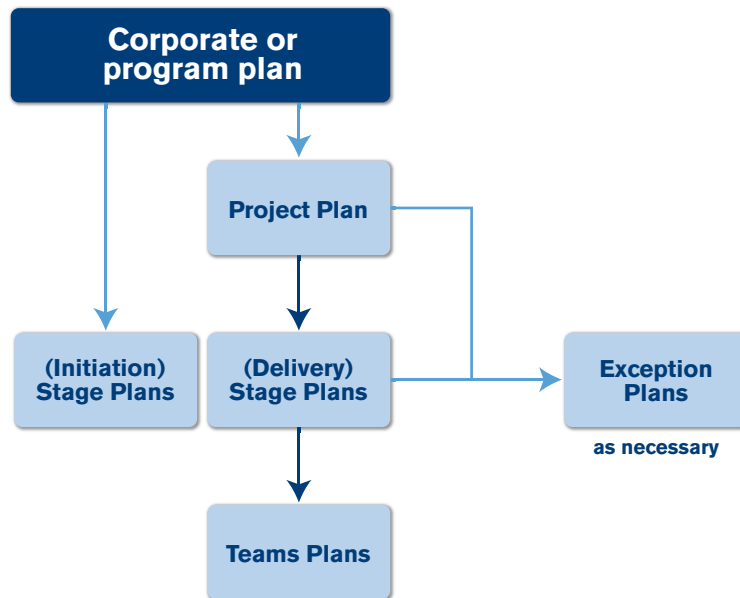
Plans – Project Plan

- The Project Plan provides a statement of how and when a project's time, cost, scope and quality performance targets are to be achieved.

- The Project Plan:
  - Provides the Business Case with planned project costs and timeframes, and identifies the major control points, such as management stages and milestones
  - Is used by the Project Board as a baseline against which to monitor project progress stage-by-stage

Plans – Stage Plan

- A Stage Plan is required for each management stage.

- Each Stage Plan for the next management stage is produced near the end of the current management stage. This approach allows the Stage Plan to:
  - Be produced close to the time when the planned events will take place
  - Exist for a much shorter duration than the Project Plan (thus overcoming the planning horizon issue)
  - Be produced with the knowledge of the performance of earlier management stages

Plans – Team Plan

- A Team Plan is produced by a Team Manager to facilitate the execution of one or more Work Packages.

- Team Plans are optional.

- PRINCE2® does not prescribe the format or composition of a Team Plan; therefore, the formality of the Team Plan could vary from simply appending a schedule to the Work Package to a fully-formed plan in similar style to a Stage Plan.

Plans – Exception Plan

- An Exception Plan shows the actions required to recover from the effect of a tolerance deviation.
  - If approved, the Exception Plan will replace the plan that is in exception.
  - An Exception Plan is prepared to the same level of detail as the plan it replaces.
- Replacement of a Project Plan should be referred to corporate or program management.
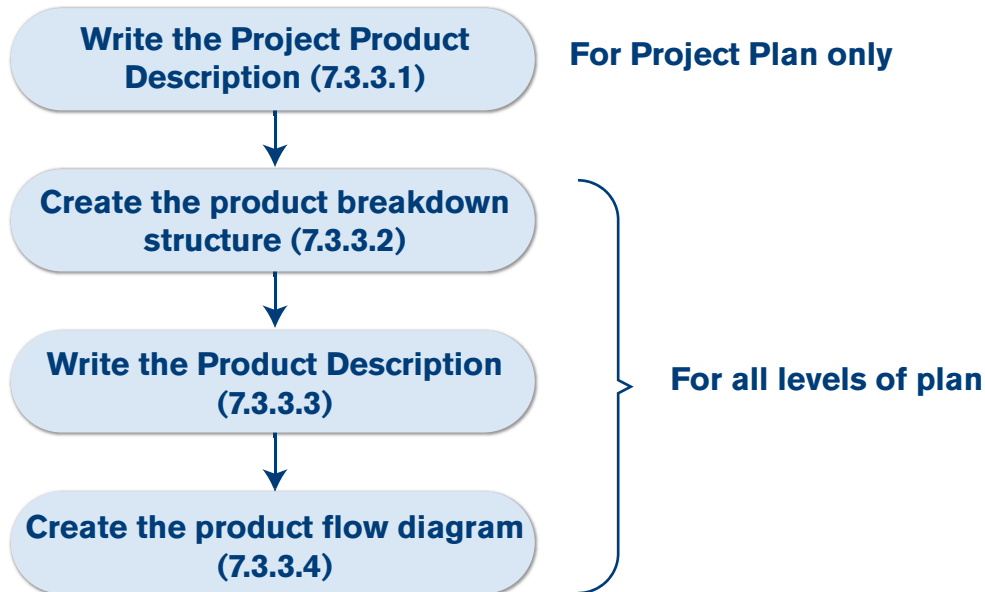 - Exception Plans are not produced for Work Packages.

Plans – Approach

Design the Plan (7.3.2)

Perequisite

Define and analyze the products (7.3.3)

Indentify activities and dependencies (7.3.4)

Prepare estimates (7.3.5)

Prepare the schedule (7.3.6)

Document the Plan (7.3.8)

Analyze the risks (7.3.7)

Repeated for:
• **Project Plan**
• **Stage Plan**
• **Team Plan (optional)**

Slide 32
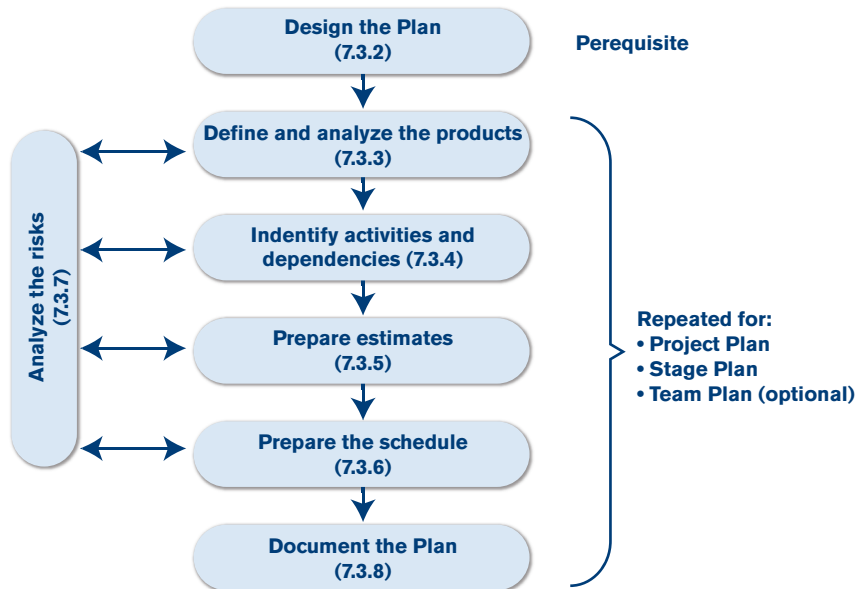
Plans – Design the Plan

- Decisions must be made about:
  - How the plan can best be presented
  - The audience for the plan and how it will be used
  - The presentation and layout of the plan
  - Planning tools
  - Estimating methods
  - Levels of plan
  - Monitoring methods to be used for the project

Plans – Design and Analyze the Products

Write the Project Product Description (7.3.3.1)

For Project Plan only

Create the product breakdown structure (7.3.3.2)

Write the Product Description (7.3.3.3)

For all levels of plan

Create the product flow diagram (7.3.3.4)

Slide 34

Plans – Identify Activities and Dependencies

- Activities
  - The activities required to create or change each of the planned products must be identified.
  - Should include management and quality-checking activities as well as the activities needed to develop the specialist products

- Dependencies
  - Any dependencies between activities and products should also be identified.
  - There are two types of dependencies: internal and external.

Plans – Prepare Estimates

- An estimate of the time and resources required for a piece of work must be made by:
  - Identifying the type of resources required. Requirements may include non-human resources, such as equipment, travel or money.
  - Estimating the effort required for each activity by resource type
- Example estimating techniques:
  - Top-down estimating
  - Bottom-up estimating

Plans – Prepare the Schedule

- Some of the activities to prepare a schedule include:
    - Defining the activity sequence
    - Assessing resource availability and assigning the resources– human and non-human
    - Agreeing upon control points
    - Defining milestones
    - Calculating total resource requirements and costs
    - Presenting the schedule

Plans – Analyze the Risks

- Each resource and activity, and all the planning information, should be examined for its potential risk content.
    - All identified risks should be entered into the Risk Register.

- Once the plan has been produced, it should still be considered a draft until the risks inherent in the plan have been identified, assessed and the plan modified, if needed.

Plans – Document the Plan

- A narrative must be added to explain the plan, any constraints on it, external dependencies, assumptions made, any monitoring and control required, the risks identified and their required responses.

- It may be sensible to have one plan format for presentation in submissions seeking approval, and a more detailed format for day-to-day control purposes.
  - Also, consider different levels of presentation of the plan for the different levels of readership.

Plans – Responsibilities

- Corporate or program management

- Executive

- Senior User

- Senior Supplier

- Project Manager

- Team Manager

- Project Assurance

- Project Support

Product-based Planning

Product-based Planning – Introduction

- Determine all of the products or deliverables that the project is to create.
    - Then plan the activities required to create them
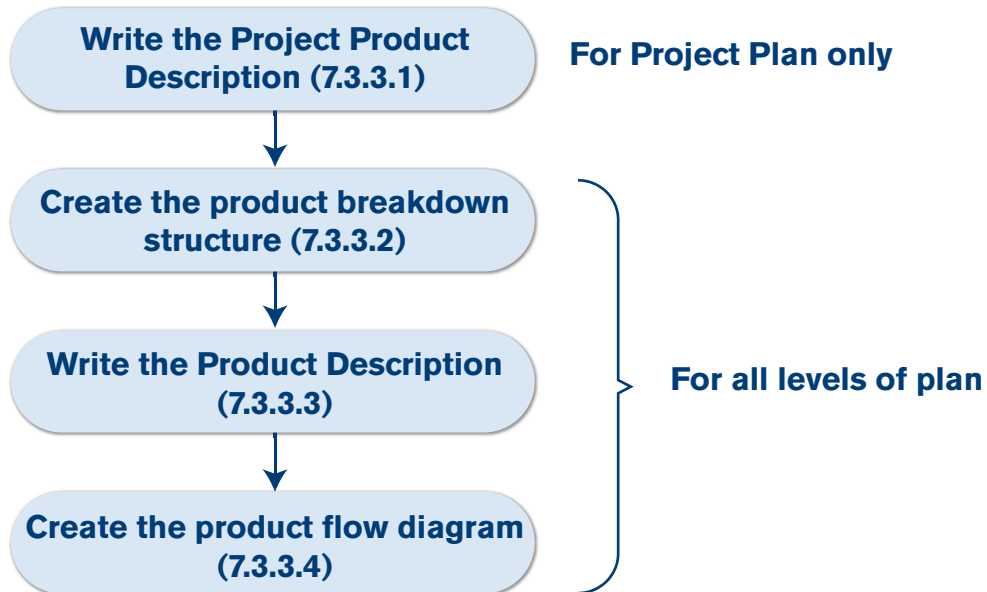- The use of the Product-based planning technique is recommended for all levels of plan required in a project.

Product-based Planning – Types of Products

- A PRINCE2® project has two types of products:
  - Management Products
  - Specialist Products

Product-based Planning – Management Products – Types

- There are three types of management product: baselines, records and reports.
  - Baseline management products are those that define aspects of the project and, once approved, are subject to change control
  - Records are dynamic management products that maintain information regarding project progress
  - Reports are management products providing a snapshot of the status of certain aspects of the project.

Product-based Planning – Steps

Write the Project Product Description (7.3.3.1)

For Project Plan only

Create the product breakdown structure (7.3.3.2)

Write the Product Description (7.3.3.3)

For all levels of plan

Create the product flow diagram (7.3.3.4)

Slide 45

Product-based Planning – Benefits

- The benefits of product-based planning include:
  - Identifying and documenting the plan's products and the interdependencies between them
  - Removing any ambiguity concerning expectations
  - Involving users in specifying the product requirements, thus increasing buy-in and reducing approval disputes
  - Improving communication
  - Clarifying the scope boundary
  - Identifying products that are external to the plan's scope but are necessary for it to proceed

Product-based Planning – Write the Project Product Descriptions

- The first task of product-based planning is to write the Project Product Description.

- Arguably the single most important outcome of planning

- The Senior User is responsible for specifying the project product.

  - In practice, the Project Product Description is often written by the Project Manager in consultation with the Senior User and Executive.

Product-based Planning – Create the Product Breakdown Structure

- The plan is broken down into its major products, which are then further broken down until an appropriate level of detail for the plan is reached.
  - The resultant hierarchy of products is known as a product breakdown structure.
  - As a hierarchical structure, a lower level product may only be a component of one higher level product.

Product-based Planning – Write the Product Descriptions

- A Product Description is required for all the identified products. When creating a Product Description, consider the following:
  - Product Descriptions should be written as soon as possible after the need for the product has been identified.
  - A Product Description should be baselined when the plan containing the creation of that product is baselined.

Product-based Planning – Create the Product Flow Diagram

- A product flow diagram must be created to identify and define the sequence in which the products of the plan will be developed and any dependencies between them.

- The product flow diagram also identifies dependencies on any products outside the scope of the plan.

  - It naturally leads into consideration of the activities required, and provides the information for other planning techniques, such as estimating and scheduling.

Case Study Activity

- Product-based planning
  - Individually, or in groups, complete the product-based planning activity from the case study.

Risk (Theme)

Risk – Purpose

- Purpose
  - To identify, assess and control uncertainty and, as a result, improve the ability of the project to succeed.

- Risk-taking in projects is inevitable since projects are enablers of change.

- Management of risk is performed throughout the life of the project.

Risk – What is a Risk?

- A risk is an uncertain event or set of events that, should it occur, will have an effect on the achievement of objectives.
    - Risk is about uncertainty. If a risk becomes certain it is no longer a risk!
- Risk consists of a combination of the probability of a perceived threat or opportunity occurring
    - **Threat** is used to describe an uncertain event that could have a negative impact on objectives.
    - **Opportunity** is used to describe an uncertain event that could have a favorable impact on objectives.

Risk – What is Risk Management?

- The term risk management refers to the systematic application of procedures to the tasks of identifying and assessing risks, and then planning and implementing risk responses

- For risk management to be effective, risks must be:
  - Identified
  - Assessed
  - Controlled

Risk – Management of Risk Principles

- PRINCE2®'s approach to the management of risk is based on Axelos's publication, Management of Risk: Guidance for Practitioners (2007):
    - Understand the project's context and objectives.
    - Involve stakeholders.
    - Develop the project risk management approach.
    - Regularly report on risks.
    - Monitor for early warning indicators.
    - Establish a review cycle and look for continual improvement.

Risk – Risk Management Strategy

- Risk Management Strategy defines the project procedures for risk management from identification to implementation.
    - This is known as the Risk Register.
- A key decision is the Project Board's attitude towards risk-taking which, in turn, dictates the amount of risk that it considers acceptable.
    - This information is captured in the form of risk tolerances.

Risk Tolerance and Risk Appetite

- Risk tolerance
    - The threshold levels of risk exposure which, when exceeded, will trigger an Exception Report to bring the situation to the attention of the Project Board
    - Documented in the Risk Management Strategy
- Risk appetite
    - An organization's unique attitude towards risk-taking that in turn dictates the amount of risk that it considers is acceptable

Risk – Risk Register

- The purpose of the Risk Register is to capture and maintain information on all of the identified threats and opportunities relating to the project.

- Each risk on the Risk Register is allocated a unique identifier as well as details such as:
    - Who raised the risk and when it was raised
    - The category of risk
    - Probability, impact and expected value and proximity
    - Risk response category and actions
    - Risk owner and actionee

Risk – Risk Management Procedure

Slide 60
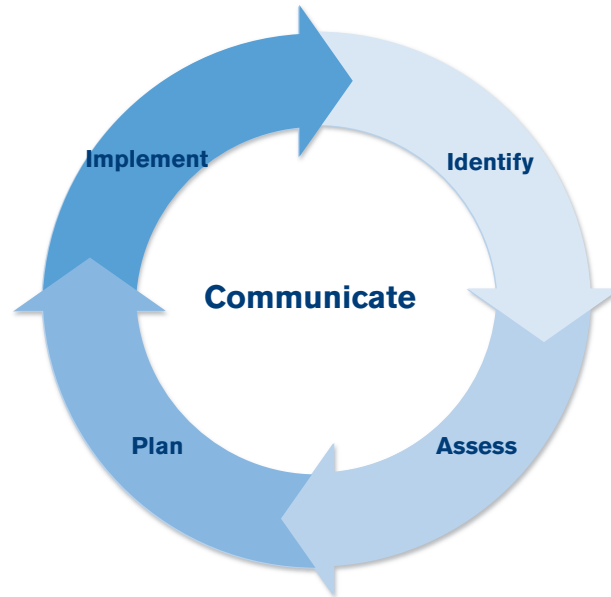
Risk – Identify (1/2)

- Identify context
  - The primary goal is to obtain information about the project in order to understand the specific objectives that are at risk and to formulate the Risk Management Strategy for the project.

- Identify risks
  - The primary goal is to recognize the threats and opportunities that may affect the project's objectives.

Risk – Identify (2/2)

A risk cause

may result in → A risk event

which may affect → An objective
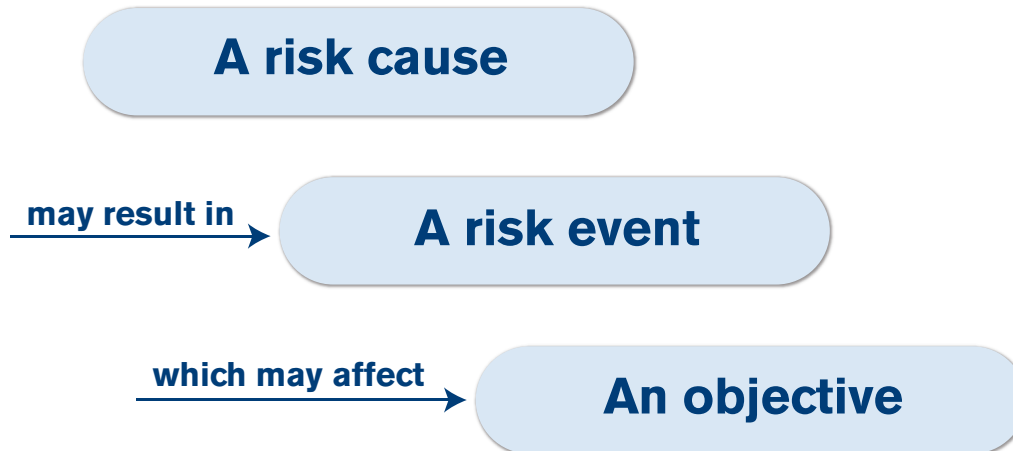
Risk – Assess (Estimate)

- Estimate
  - The primary goal of the "estimate" step is to assess the threats and the opportunities related to the project in terms of their probability and impact.

- PRINCE2® recommends that the following is understood about threats and opportunity:
  - The probability
  - The impact
  - The proximity
  - How the impact may change over time

Risk – Summary Risk Profile

	Very low	Low	Medium	High	Very high
Very high				1 3	
High	2				4
Medium		8		6	
Low		10		7	
Very low	9		2		5
Prob. / Impact	**Very low**	**Low**	**Medium**	**High**	**Very high**

━━━━ **Risk tolerance line**

Slide 64

Risk – Assess (Evaluate)

- Evaluate
  - The primary goal of the "evaluate" step is to assess the net aggregate effect of all the identified threats and opportunities on a project.

- An assessment is made:
  - Of the overall severity of the risks facing the project
  - To determine whether this level of risk is within the risk tolerance set by the Project Board
  - Whether the project has continued business justification

Risk – Plan

- Plan
  - The primary goal is to prepare specific management responses to the threats and opportunities identified,
    ideally to remove or reduce the threats and to maximize
    the opportunities.

- The "plan" step involves identifying and evaluating
  a range of options for responding to threats
  and opportunities.

Risk – Plan (Risk Responses 1/2)

Threat responses	Opportunity responses
Avoid	Exploit
Reduce (probability and/or impact) Fallback (reduces impact only) Transfer (reduces impact only, and often only the financial impact)	Enhance
Share	
Accept	Reject

Risk – Plan (Risk Responses 2/2)

- It is possible that the responses to risks, once implemented, will change some aspect of the project.

- This, in turn, may lead to secondary risks (i.e., risks that may occur as a result of invoking a risk response).

- Consideration should also be given to the effect the possible responses could have on:
  - The Project Plan, Stage Plan and Work Packages
  - The Business Case
  - The corporate and/or program management

Risk – Implement

- The primary goal is to ensure that the planned risk responses are:
    - Actioned,
    - Their effectiveness monitored and,
    - Corrective action taken where responses do not match expectations.

- The Project Manager should have support in the management of project risks. The main roles in this respect are:
    - Risk owner
    - Risk actionee

Slide 69

Risk – Communicate

- Communication is a step that is carried out continually.

- Risks are communicated as part of the following management products:
    - Checkpoint Reports
    - Highlight Reports
    - End Stage Reports
    - End Project Reports
    - Lessons Reports

Risk – Risk Budget

- A risk budget is a sum of money included within the project budget and set aside to fund specific management responses to the project's threats and opportunities.

- It is always prudent to set the risk budget to cover the known risks (as identified) and to make a provision for unknown risks (yet to be identified).

Risk – Responsibilities

- Corporate or program management

- Executive

- Senior User

- Senior Supplier

- Project Manager

- Team Manager

- Project Assurance

- Project Support

Case Study Activity

- Management of Risk
  - Individually, or in groups, complete the management of risk activity from the case study.

Progress (Theme)

Progress – Purpose

- Purpose
  - To establish mechanisms to monitor and compare actual achievements against those planned in order to provide a forecast for the project objectives, including its continued viability

- Progress is the measure of the achievement of the objectives of a plan.

- Control of progress is about decision-making and is central to project management, ensuring that the project remains viable against its approved Business Case.

Progress – Progress Controls

- Progress controls ensure that for each level of the project management team the next level of management can:
  - Monitor progress.
  - Compare level of achievement with plan.
  - Review plans and options against future situations.
  - Detect problems and identify risks.
  - Initiate corrective action.
  - Authorize further work.

Progress – Exceptions and Tolerances

The six tolerance areas by level

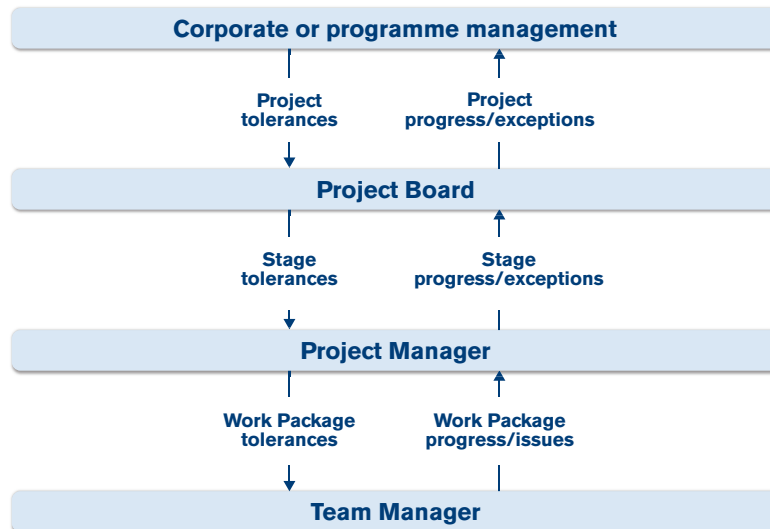| Tolerance areas	Project level tolerances	Stage level tolerances	Work Package level tolerances	Product level tolerances
Time +/- amounts of time on target completion dates	Project Plan	Stage Plan	Work Package	NA
Cost +/- amounts of planned budget	Project Plan	Stage Plan	Work Package	NA
Scope Permitted variation of the scope of a project solution, e.g., MoSCoW prioritization of requirements (Must have, Should have, Could have, Won't have for now).	Project Plan (Note 1)	Stage Plan (Note 1)	Work Package (Note 1)	NA
Risk Limit on the aggregated value of threats (e.g., expected monetary value to remain less than 10% of the plan's budget); and Limit on any Individual threat (e.g., any threat to operational service)	Risk Management Strategy	Stage Plan (Note 2)	Work Package (Note 2)	NA
Quality Defining quality targets In terms of ranges, e.g., a product that weighs 300g +/- 10g	Project Product Description	NA (Note 3)	NA (Note 3)	Product Description
Benefits Defining target benefits in terms of ranges, e.g., to achieve minimum cost savings of 5% per branch, with an average of 7% across all branches	Business Case	NA		NA
Note 1 - the scope of a plan is defined by the set of products to be delivered. Scope tolerance (if used) should be in the form of a note on or reference to the product breakdown structure for the plan. Scope tolerance at the stage or Work Package level is of particular use if applying a time-bound iterative development method such as Agile.				
Note 2 - more specific stage level risk tolerances may be set by the Project Board when authorizing a stage or by the Project Manager when commissioning Work Packages, especially from external suppliers.				
Note 3 - quality tolerances are not summarily defined at the stage or Work Package level but are defined per Product Description within the scope of the plan.				

Progress – Approach to Progress

- Progress control involves measuring the actual progress against the performance targets of:
    - Time,
    - Cost,
    - Quality,
    - Scope,
    - Benefits and risk.
- PRINCE2® provides progress control through:
    - Delegating authority
    - Dividing the project into management stages
    - Time-driven and event-driven progress-reporting and reviews
    - Raising exceptions

Progress – Delegating Authority

- Delegating tolerance and reporting actual and forecast progress

Corporate or programme management

Project tolerances / Project progress/exceptions

Project Board

Stage tolerances / Stage progress/exceptions

Project Manager

Work Package tolerances / Work Package progress/issues

Team Manager

Slide 79

Progress – Delegating Authority (Project Board)

- The main controls available to the Project Board include:
    - Authorizations – The Project Board uses the Directing a Project process to authorize the initiation, project, each stage and project closure.
    - Progress updates – Including Highlight Reports and End Stage Reports
    - Exceptions and changes – Including Exception Reports and Issue Reports

Progress – Delegating Authority (Project Manager)

- The main controls available to the Project Manager include:

    - **Authorizations** – The Project Manager will be responsible for agreeing upon and authorizing Work Packages and Work Package tolerances.

    - **Progress updates** – Including Checkpoint Reports produced by Team Managers or team members

    - **Exceptions and changes** – Use of project registers and logs to review progress and identify issues and risks that may need to be resolved

Progress – Management Stages (1/2)

- Management stages are partitions of the project with management decision points.

- The Project Board authorizes one management stage of the project at a time.

- The Project Board delegates the authority for day-to-day control of a stage, within agreed upon tolerances, to the Project Manager.
    - As long as the stage is forecast to remain within tolerance the Project Manager has discretion to make adjustments as required.
    - This allows the Project Board to manage by exception.

Progress – Management Stages (2/2)

- The Project Board only authorizes the next management stage if there is sufficient business justification to continue.

- Towards the end of each stage, during the Managing a Stage Boundary process, the Project Manager will:
    - Review the Business Case and Project Plan.
    - Update the project documentation with the results of the stage.
    - Create an End Stage Report and Stage Plan to request authorization to commence the next management stage.

Progress – Management Stages (Number)

- Number of stages
  - Defining management stages is a balance of:
  - How far ahead in the project it is sensible to plan
  - Where the key decision points must be on the project
  - The amount of risk within a project
- PRINCE2® projects consists of at least two management stages:
  - The initiation stage is mandatory.
  - At least one other management stage to cover the remainder of the project
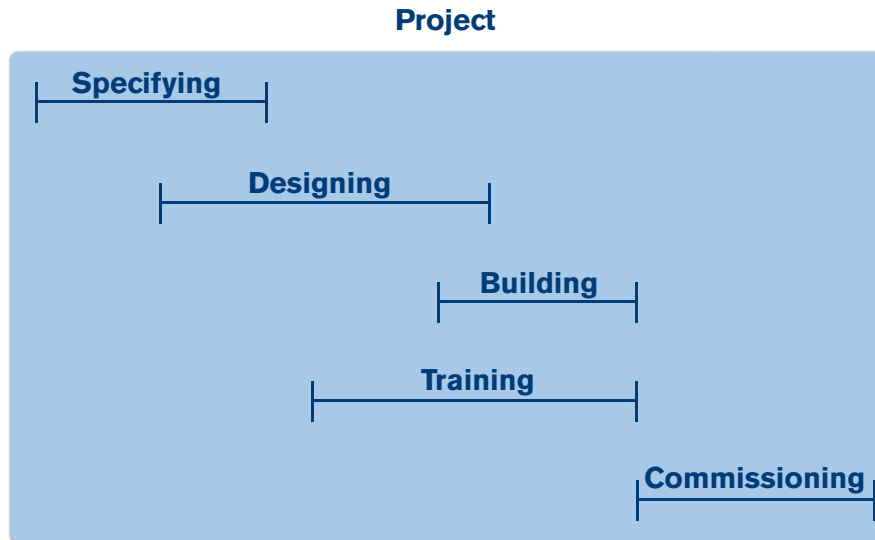
Progress – Management Stages (Length)

- Length of stages
  - Stages should be shorter when there is greater risk, uncertainty or complexity, for example at the beginning and end of projects.
  - Factors which will influence this decision include:
    - The planning horizon at any point in time
    - The technical stages within the project
    - Alignment with program activities
    - The level of risk

Progress – Management Stages vs. Technical Stages (1/4)

- Technical stages
  - Group work by the set of techniques used or the products created
  - Often overlap (but management stages do not)
  - Are typified by the use of a particular set of specialist skills.
- Management stages equate to commitment of resources and authority to spend.
- **The PRINCE2® approach is to concentrate on the management stages.**
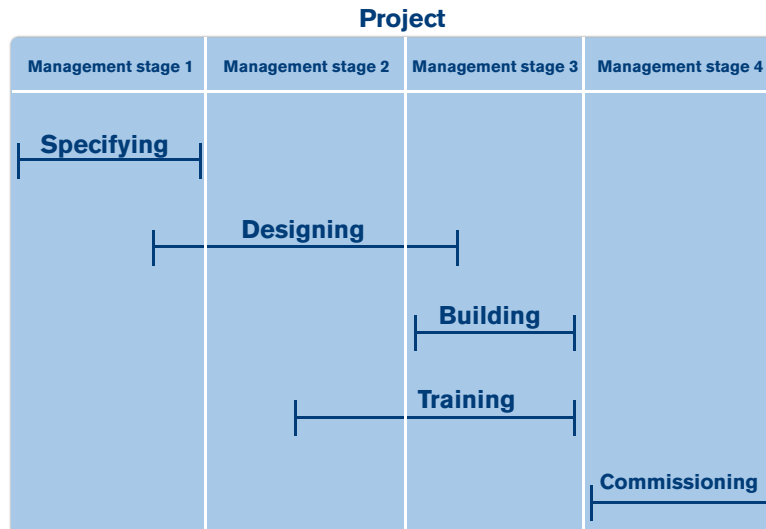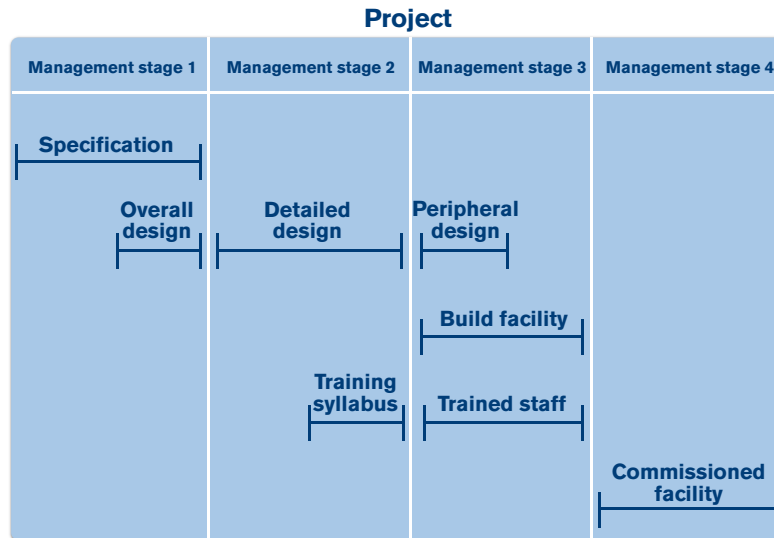
Progress – Management Stages vs. Technical Stages (2/4)

Project

Specifying

Designing

Building

Training

Commissioning

- Specialist work defined in technical stages

Slide 87

Progress – Management Stages vs. Technical Stages (3/4)

- Specialist work crossing management stage boundaries

Project

Management stage 1	Management stage 2	Management stage 3	Management stage 4

Specifying

Designing

Building

Training

Commissioning

Slide 88

Progress – Management Stages vs. Technical Stages (4/4)

Project

Management stage 1	Management stage 2	Management stage 3	Management stage 4
Specification			
Overall design	**Detailed design**	**Peripheral design**	
		Build facility	
	Training syllabus	**Trained staff**	
			Commissioned facility

- Specialist work aligned to management stages

Progress – Event-driven and Time-driven Controls (1/5)

- PRINCE2® provides two types of progress controls:
  - Event-driven controls – Take place when a specific event occurs
  - Time-driven controls – Take place at pre-defined periodic intervals
- Monitoring and reporting requires a time-based approach, whereas control (decision-making) is an event-based activity.

Progress – Event-driven and Time-driven Controls (2/5)

- The following management products assist the Project Manager in establishing baselines for progress control:
  - Project Plan
  - Stage Plans
  - Exception Plan
  - Work Packages

Progress – Event-driven and Time-driven Controls (3/5)

- Reviewing progress
    - As part of Controlling a Stage, the Project Manager will regularly review the progress of work through Checkpoint Reports and maintain a set of project registers and logs.
    - The following management products assist the Project Manager in reviewing progress:
        - Daily Log
        - Issue Register, Quality Register, Risk Register
        - Product Status Account

Progress – Event-driven and Time-driven Controls (4/5)

- Capturing and Reporting Lessons
  - The following management products are used for capturing and reporting lessons when reviewing progress:
    - Lessons Log
    - Lessons Report

Progress – Event-driven and Time-driven Controls (5/5)

- Reporting progress
  - The frequency of reporting should reflect the level of control required
  - The following management products are used for progress reporting:
    - Checkpoint Report
    - Highlight Report
    - End Stage Report
    - End Project Report

Progress – Raising Exceptions

- Work Package level exceptions
  - The Team Manager should inform the Project Manager by raising an issue.

- Stage level exceptions
  - The Project Manager should produce an Issue Report and then provide an Exception Report for the Project Board.

- Project level exceptions
  - The matter must be referred to corporate or program management for a decision.

Progress – Responsibilities

- Corporate or program management
- Executive
- Senior User
- Senior Supplier
- Project Manager
- Team Manager
- Project Assurance
- Project Support

Change (Theme)

Change – Purpose

- Purpose
  - To identify, assess and control any potential and approved changes to baselines
- Every project requires a systematic approach to the identification, assessment and control of issues that may result in change.
- A prerequisite of effective issue and change control is the establishment of an appropriate configuration management system.

Change – Change Defined (1/2)

- Issue and change control
  - Issue and change control procedures ensure that all changes that may affect the project's agreed upon baselines are identified, assessed and either approved, rejected or deferred.

- Configuration management
  - Configuration management is the technical and administrative activities concerned with the creation, maintenance and controlled change of configuration throughout the life of a product (or item).

Change – Change Defined (2/2)

- Issues
  - PRINCE2® uses the term "issue" to cover anything happening during the project that, unless resolved, will result in a change to a baselined product, plan or performance target (time, cost, quality, scope, risk and benefits).

- Types of issues
  - Issues may be raised at any time during the project, by anyone with an interest in the project or its outcome.

Change – Types of Issues

- Request for change
    - A proposal for a change to a baseline

- Off-specification
    - Something that should be provided by the project, but currently is not provided. This might be a missing product or a product not meeting its specification.

- Problem/concern
    - Any other issue that the Project Manager needs to resolve or escalate

Change – Establishing Controls

- The following management products are used to establish and maintain the project's controls for issues, changes and configuration management:
  - Configuration Management Strategy (see following page)
  - Configuration Item Records
  - Product Status Accounts
  - Daily Log
  - Issue Register
  - Issue Reports

Change – Configuration Management Strategy (1/2)

- A configuration management system facilitates impact assessments and maintains product baselines.

- The Configuration Management Strategy should define:
  - The configuration management procedure (e.g., planning, identification, control, status accounting, verification and audit)
  - The issue and change control procedure (e.g., capturing, examining, proposing, decision-making, implementation)

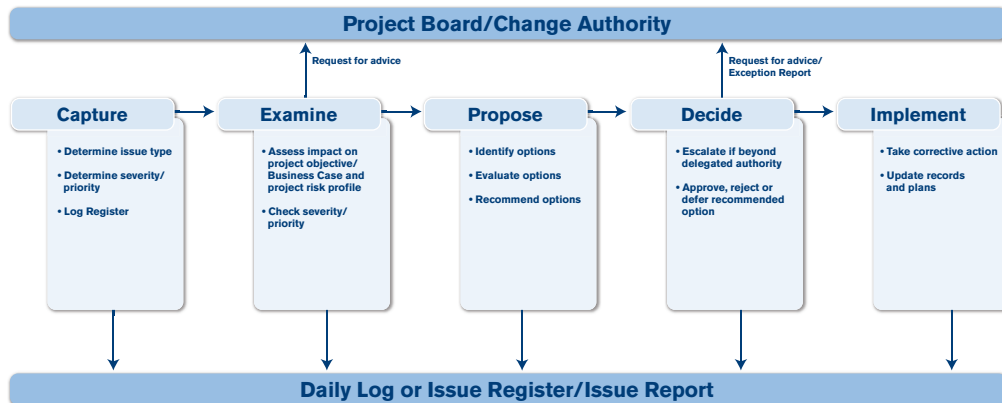## Change – Configuration Management Strategy (2/2)

- The Configuration Management Strategy should define the way issues are handled such as:
    - The scale for prioritizing issues
    - The scale for rating the severity of issues
    - The severity level of issues that can be handled at what management level
- The Project Board may consider
    - Delegating some decision-making for accepting/rejecting requests for change or off-specifications to a Change Authority
    - Whether to provide a budget to pay for changes

Change – Configuration Management Procedure

- Configuration management procedures can vary, but they typically comprise five core activities:
    - Planning
    - Identification
    - Control
    - Status accounting
    - Verification and audit

Change – Issue and Change Control Procedure (1/6)

- Issue and change control procedure

Project Board/Change Authority

Request for advice

Request for advice/
Exception Report

Capture	**Examine**	**Propose**	**Decide**	**Implement**
• Determine issue type	• Assess impact on project objective/ Business Case and project risk profile	• Identify options	• Escalate if beyond delegated authority	• Take corrective action
• Determine severity/ priority	• Check severity/ priority	• Evaluate options	• Approve, reject or defer recommended option	• Update records and plans
• Log Register		• Recommend options		

Daily Log or Issue Register/Issue Report

Change – Issue and Change Control Procedure (2/6)

- Capture
  - Undertake initial analysis to determine the type of issue that has been raised and whether it can be managed informally or formally.
  - Issues being managed formally should be entered in the Issue Register and given a unique identifier.
    - An Issue Report should be created to capture what's already known about the issue.

Change – Issue and Change Control Procedure (3/6)

- Examine
  - The issue is examined by undertaking an impact analysis.
  - The impact analysis should consider the impact the issue has (or will have) on:
    - The project performance targets
    - The project Business Case
    - The project risk profile

Change – Issue and Change Control Procedure (4/6)

- Propose
  - Having gained a full understanding of the impact of the issue, the next step is to consider alternative options for responding to it and proposing a course of action to take.
  - If the proposed option would take the stage or project beyond any tolerances, consider preparing an Exception Report for that option to accompany the Issue Report.

Change – Issue and Change Control Procedure (5/6)

- Decide
    - The Project Manager may be able to resolve issues without the need to escalate them to the Project Board.
    - Other issues may require escalation to the Project Board (or its delegated Change Authority) for a decision.
        - The escalation could be in the form of an Issue Report (as part of a request for advice) or in the form of an Exception Report.

Change – Issue and Change Control Procedure (6/6)

- Implement
    - The Project Manager will either:
        - Take the necessary corrective action
        - Create an Exception Plan for approval by the Project Board

- In both cases, the Project Manager will update the Issue Register and Issue Report with the decision and inform all interested parties.

Change – Management by Exception

- The Issue and Change Control procedure supports the manage by exception principle by establishing a procedure that can escalate any issues or changes that may have an impact on defined tolerances

- There will often be issues that may need to be escalated to the Project Board for a decision
  - The escalation could be in the form of an Issue Report or in the form of an Exception Report (if the selected option to address the issue would cause an exception)
  - For escalated issues and exceptions, the Project Board may ask for the Project Manager to produce an Exception Plan

Change – Responsibilities

- Corporate or program management

- Executive

- Senior User

- Senior Supplier

- Project Manager

- Team Manager

- Project Assurance

- Project Support

Day 3
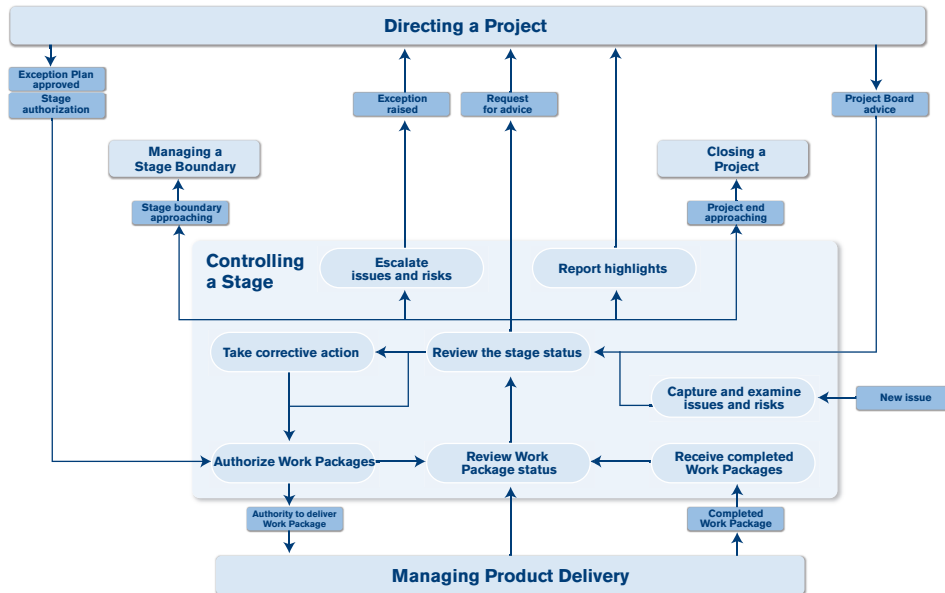## Controlling a Stage & Managing Product Delivery (Processes)

Controlling a Stage – Purpose

- Purpose
  - Assign work to be done,
  - Monitor such work,
  - Deal with issues,
  - Report progress to the Project Board and,
  - Take corrective actions to ensure that the stage remains within tolerance.

Slide 2

Controlling a Stage – Objectives

- Objectives
    - Attention is focused on delivery of the stage's products.
    - Risks and issues are kept under control.
    - The Business Case is kept under review.
    - The agreed upon products for the stage are delivered to stated quality standards, within cost, effort and time agreed upon, and ultimately in support of the achievement of the defined benefits.
    - The project management team is focused on delivery within the tolerances laid down.

Controlling a Stage – Context

Directing a Project

Exception Plan approved
Stage authorization

Exception raised

Request for advice

Project Board advice

Managing a Stage Boundary

Stage boundary approaching

Closing a Project

Project end approaching

Controlling a Stage

Escalate issues and risks

Report highlights

Take corrective action

Review the stage status

Capture and examine issues and risks

New issue

Authorize Work Packages

Review Work Package status

Receive completed Work Packages

Authority to deliver Work Package

Completed Work Package

Managing Product Delivery

Controlling a Stage – Activities

- Controlling a Stage activities
  - Work Packages:
    - Authorize a Work Package, review Work Package status, and receive completed Work Packages.
  - Monitoring and reporting:
    - Review stage status and report highlights.
  - Issues:
    - Capture and examine issues and risks, escalate issues and risks, and take corrective action.

Controlling a Stage – Authorize a Work Package (1/2)

- A Work Package should cover the work to create one or more products with their supporting Product Descriptions.

- The triggers for the Project Manager to authorize a Work Package include:
  - Stage authorization
  - Exception Plan approved
  - New Work Package required
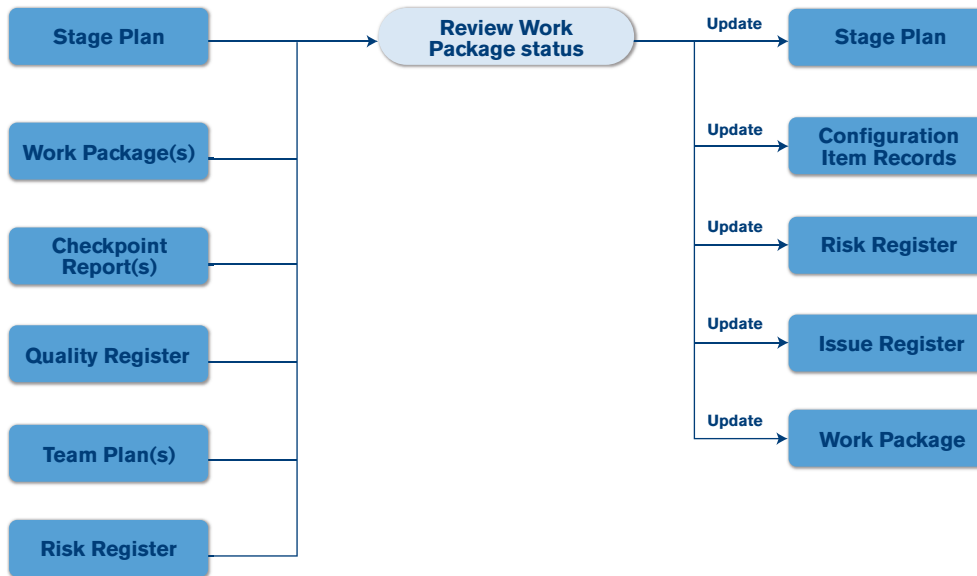 - Corrective action

Controlling a Stage – Authorize a Work Package (2/2)

Slide 7
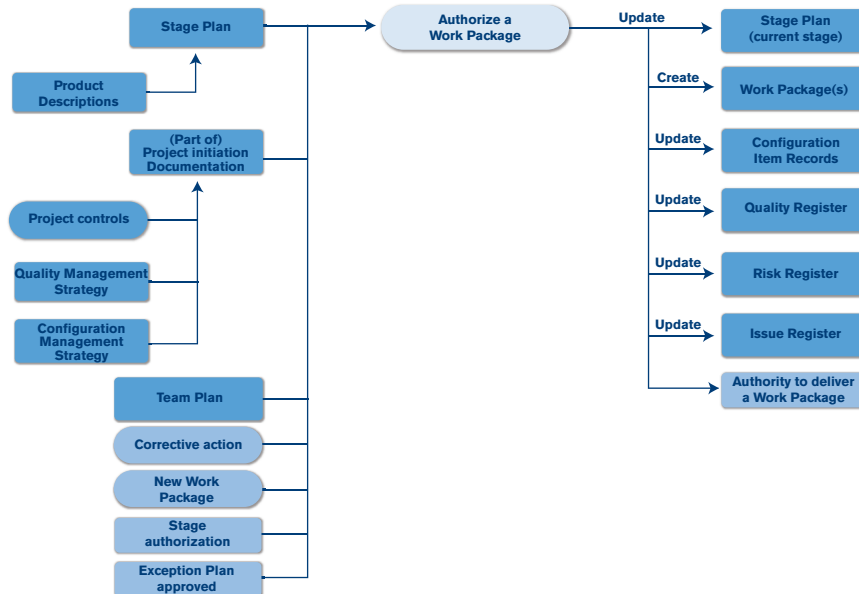
Controlling a Stage – Review Work Package Status (1/2)

- This activity provides the means for a regular assessment of the status of the Work Package(s).

- The frequency and formality of this activity will usually be aligned with the frequency of reporting defined in the Work Package(s) and supported by the Stage Plan for the current stage.
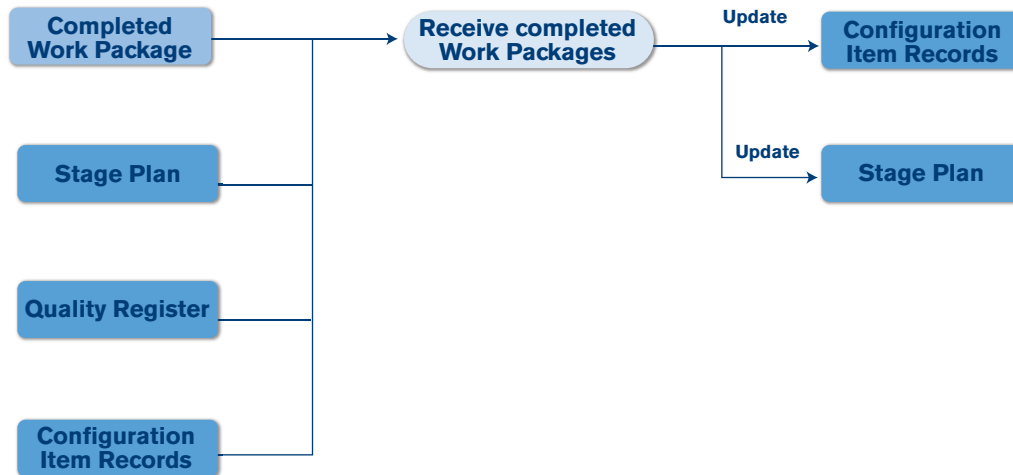
Controlling a Stage – Review Work Package Status (2/2)

Stage Plan → Review Work Package status

Work Package(s)

Checkpoint Report(s)

Quality Register

Team Plan(s)

Risk Register

Update → Stage Plan

Update → Configuration Item Records

Update → Risk Register

Update → Issue Register

Update → Work Package

Slide 9

Controlling a Stage – Receive Completed Work Packages (1/2)

- Where work has been allocated to individuals or teams, there should be a matching confirmation that the work has been completed and approved.

- Once approved, any subsequent changes to the product(s) must pass through change control.
  - This should be an automatic part of any configuration management method being used.

# Controlling a Stage – Receive Completed Work Packages (2/2)

```
Completed                    Receive completed        Update      Configuration
Work Package        ─────▶   Work Packages      ─────────────▶    Item Records

                                                        Update
Stage Plan                                         ─────────────▶   Stage Plan

Quality Register

Configuration
Item Records
```

Controlling a Stage – Review Stage Status (1/2)

- The objective of this activity is to maintain an accurate and current picture of progress on the work being carried out and the status of resources.

- This activity:
    - Occurs at a frequency defined in the Stage Plan
    - May be triggered by Project Board advice
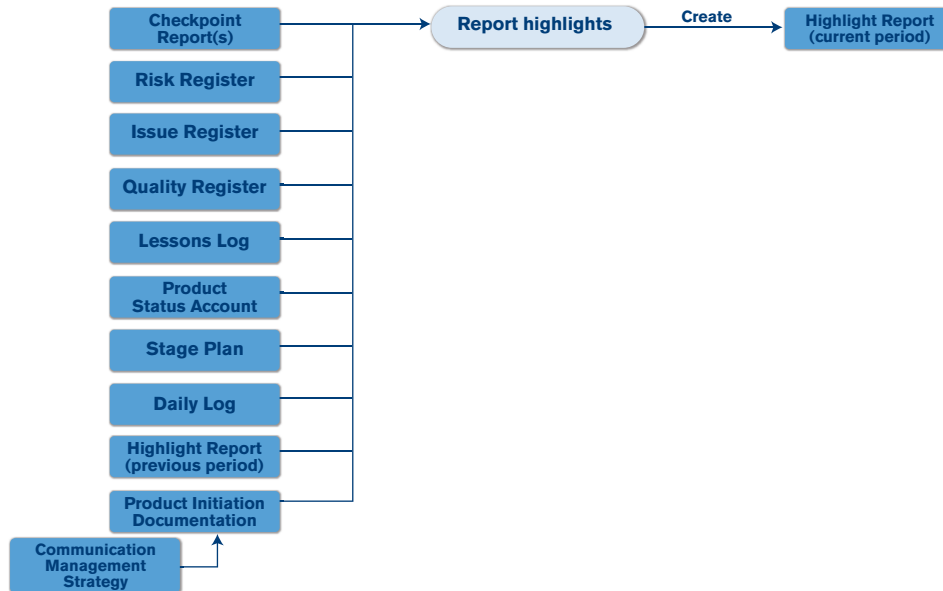   - Forms part of the analysis of new issues and risks

Controlling a Stage – Review Stage Status (2/2)

Slide 13
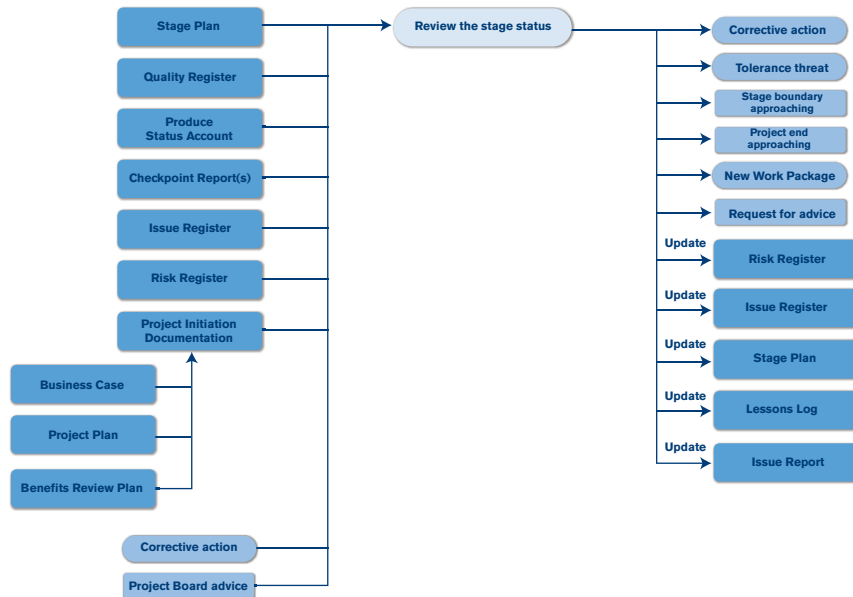
Controlling a Stage – Report Highlights (1/2)

- The Project Manager must provide the Project Board with summary information about the status of the stage and project via a Highlight Report.

- This should occur at a frequency documented in the Communication Management Strategy, as defined by the Project Board.
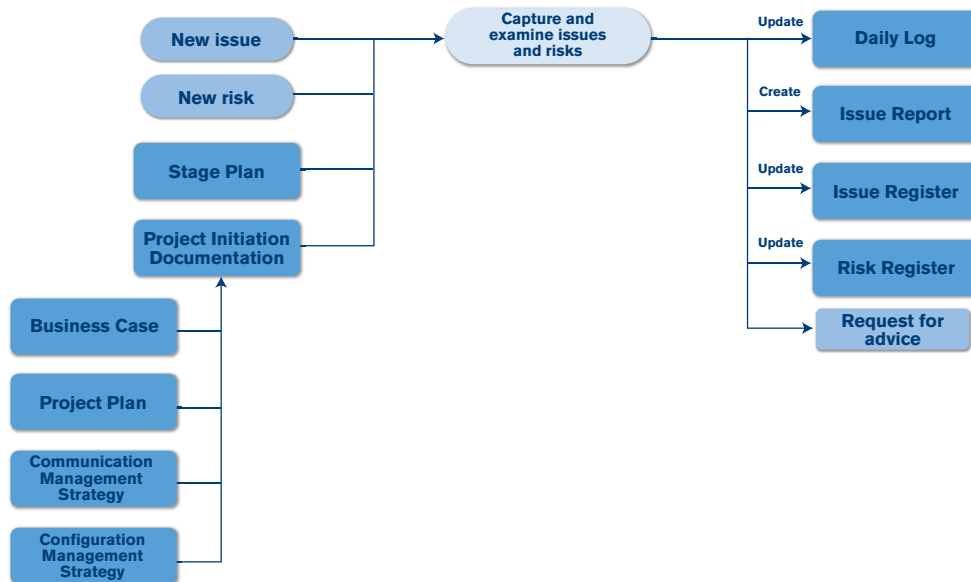
Controlling a Stage – Report Highlights (2/2)

Checkpoint Report(s)

Risk Register

Issue Register

Quality Register

Lessons Log

Product Status Account

Stage Plan

Daily Log

Highlight Report (previous period)

Product Initiation Documentation

Communication Management Strategy

Report highlights

Create

Highlight Report (current period)

Slide 15

Controlling a Stage – Capture and Examine Project Issues (1/2)

- In the course of managing the project, various issues will occur and risks may be identified.

- Issues or risks may be raised by anyone.

- Before making a decision on a course of action, each issue or risk should be registered and then assessed for its impact.
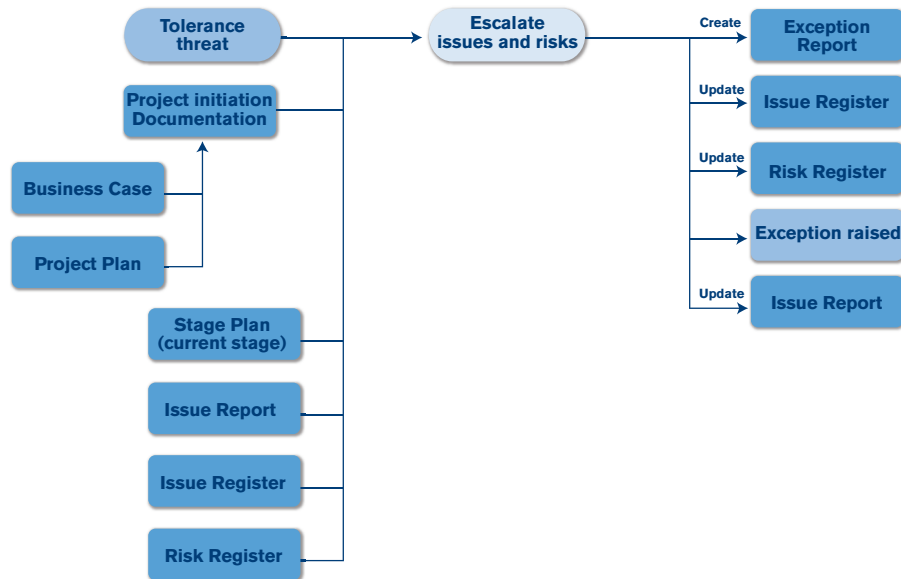
Slide 16

Controlling a Stage – Capture and Examine Project Issues (2/2)

New issue

New risk

Stage Plan

Project Initiation Documentation

Business Case

Project Plan

Communication Management Strategy

Configuration Management Strategy

Capture and examine issues and risks

Update — Daily Log

Create — Issue Report

Update — Issue Register

Update — Risk Register

Request for advice

Slide 17

Controlling a Stage – Escalating Issues and Risks (1/2)

- A stage should not exceed the tolerances agreed upon with the Project Board.

- The Project Manager can only take corrective action or maintain the status quo as long as the stage (or project) is forecast to complete within the tolerances set by the Project Board.
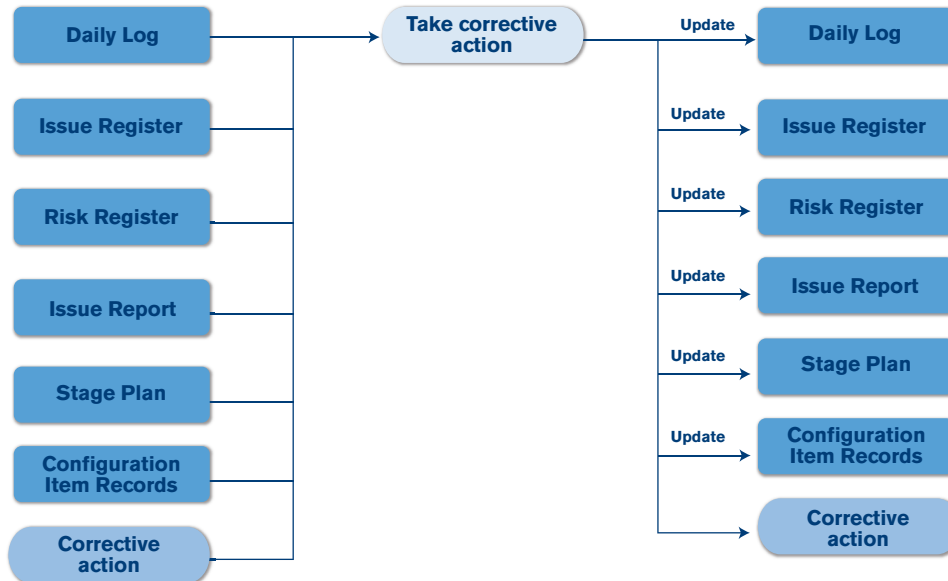
Controlling a Stage – Escalating Issues and Risks (2/2)

- Tolerance threat
- Project initiation Documentation
- Business Case
- Project Plan
- Stage Plan (current stage)
- Issue Report
- Issue Register
- Risk Register

→ Escalate issues and risks

- Create → Exception Report
- Update → Issue Register
- Update → Risk Register
- Exception raised
- Update → Issue Report

Slide 19

Controlling a Stage – Taking Corrective Action (1/2)

- The objective is to select and implement actions that will resolve deviations from the plan, within the limits of the stage and project tolerances.

- Corrective action is triggered during the review stage status activity and involves dealing with advice and guidance, received from the Project Board, and issues, raised by Team Managers.

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Wellington Redwood

Controlling a Stage – Taking Corrective Action (2/2)

| Daily Log | → | **Take corrective action** | → Update | Daily Log |

| Issue Register | Update | Issue Register |

| Risk Register | Update | Risk Register |

| Issue Report | Update | Issue Report |

| Stage Plan | Update | Stage Plan |

| Configuration Item Records | Update | Configuration Item Records |

| Corrective action | | Corrective action |

Slide 21

Managing Product Delivery – Purpose

- Purpose
  - To control the link between the Project Manager and the Team Manager, by placing formal requirements on accepting, executing and delivering project work
  - The role of the Team Manager is to coordinate an area of work that will deliver one or more of the project's products.

Managing Product Delivery – Objective

- Objective:
    - Work on products allocated to the team is authorized and agreed upon.
    - The planned products are delivered to expectations and within tolerance.
    - Accurate progress information is provided to the Project Manager at an agreed upon frequency to ensure that expectations are managed.
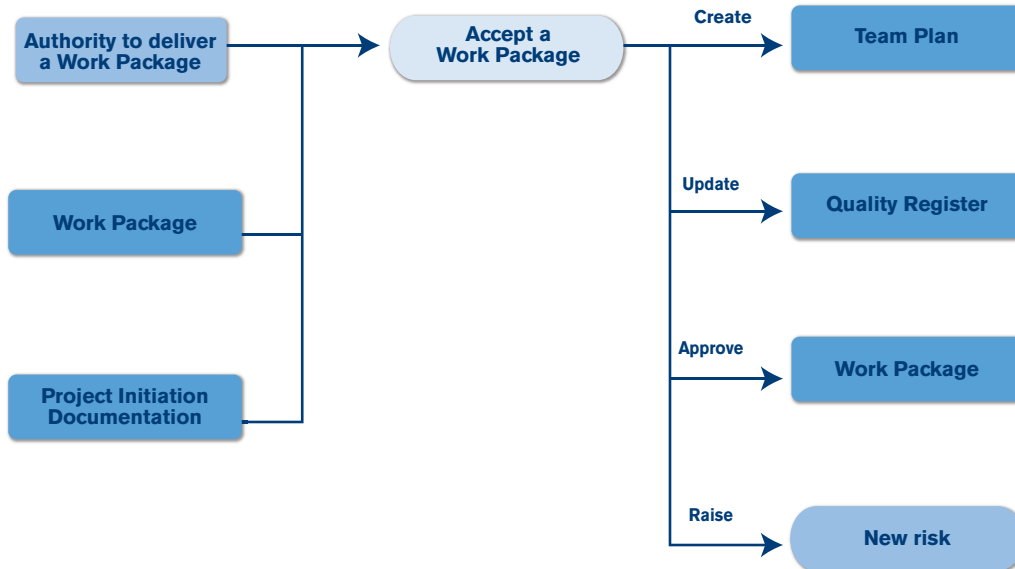
Managing Product Delivery – Context
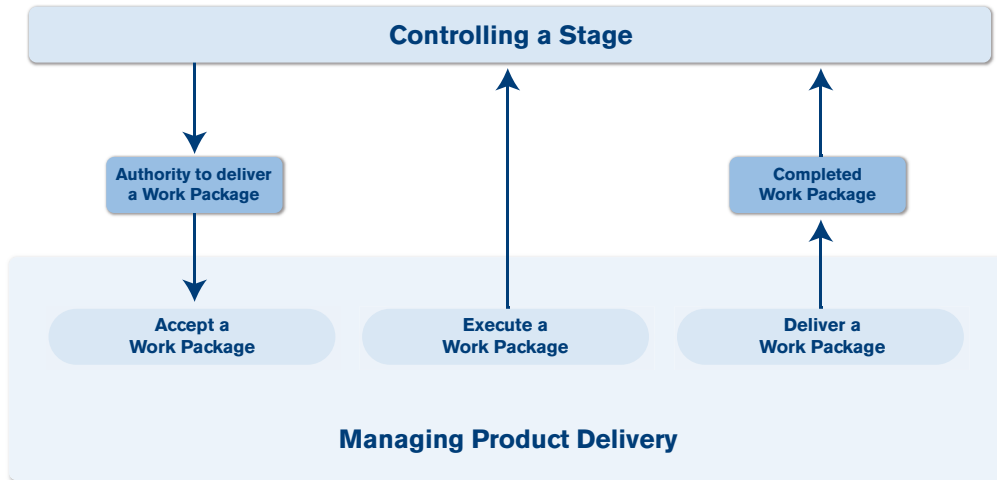
Managing Product Delivery – Accept a Work Package (1/2)

- There should be agreement between the Project Manager and the Team Manager as to:
  - What is to be delivered
  - The reporting requirements
  - What constraints apply
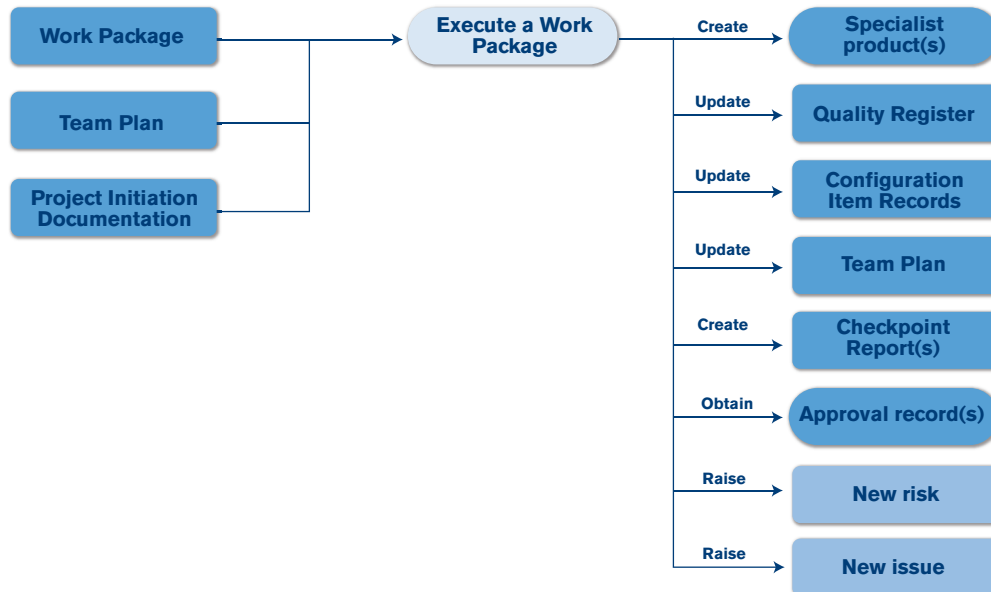 - Whether the requirements of the Work Package are reasonable and can be achieved

Slide 25

Managing Product Delivery – Accept a Work Package (2/2)

Authority to deliver a Work Package → Accept a Work Package

Create → Team Plan

Work Package

Update → Quality Register

Project Initiation Documentation

Approve → Work Package

Raise → New risk

Slide 26

Managing Product Delivery – Execute a Work Package (1/2)

- The work must be executed and monitored to the requirements defined in the authorized Work Package.

- While developing the products, the Work Package should not exceed the tolerances agreed upon with the Project Manager.
  - As soon as Work Package tolerances are forecast to be exceeded, the Team Manager should raise an issue to the Project Manager who will decide upon a course of action.
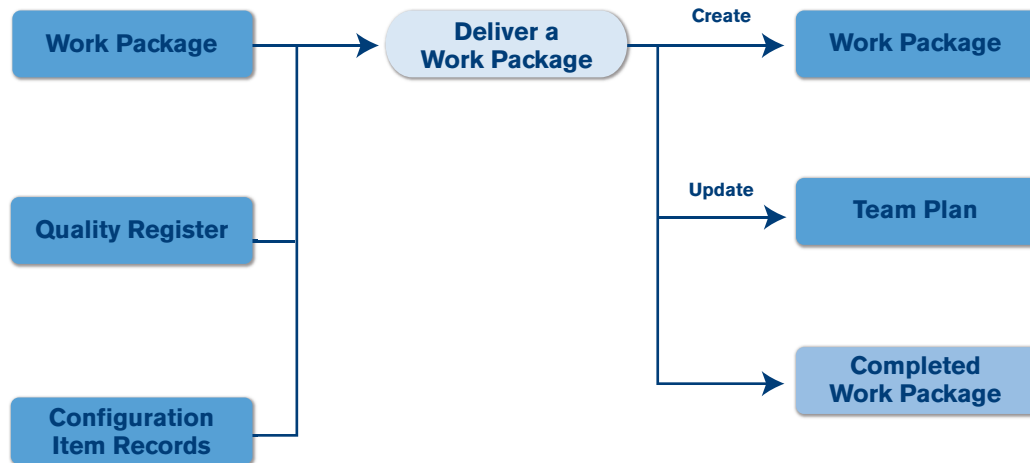
Managing Product Delivery – Execute a Work Package (2/2)

Work Package		
Team Plan	→ **Execute a Work Package**	
Project Initiation Documentation		

- Create → **Specialist product(s)**
- Update → **Quality Register**
- Update → **Configuration Item Records**
- Update → **Team Plan**
- Create → **Checkpoint Report(s)**
- Obtain → **Approval record(s)**
- Raise → **New risk**
- Raise → **New issue**

Slide 28

Managing Product Delivery – Deliver a Work Package (1/2)

- Just as the Work Package was accepted from the Project Manager, notification of its completion must be returned to the Project Manager.

Managing Product Delivery – Deliver a Work Package (2/2)

Work Package → **Deliver a Work Package**

Create → Work Package

Update → Team Plan

→ Completed Work Package

Quality Register

Configuration Item Records

Controlling a Stage and Managing Product Delivery – Scalability

- Written/Oral Reports
    - Work Packages
    - Highlight Reports
    - Exception Reports
- Project Manager/Team Manager

Managing Stage Boundaries (Process)

Managing a Stage Boundary – Purpose

- To enable the Project Board to be provided with sufficient information by the Project Manager so that it can:
    - Review the success of the current stage.
    - Approve the next Stage Plan.
    - Review the updated Project Plan.
    - Confirm continued business justification and acceptability of the risks.

Managing a Stage Boundary – Objectives

- Assure the Project Board that all products in the Stage Plan for the current stage have been completed and approved.

- Prepare the Stage Plan for the next stage.

- Review and, if necessary, update the Project Initiation Documentation.

- Request authorization to start the next stage.

- Prepare an Exception Plan as directed by the Project Board.
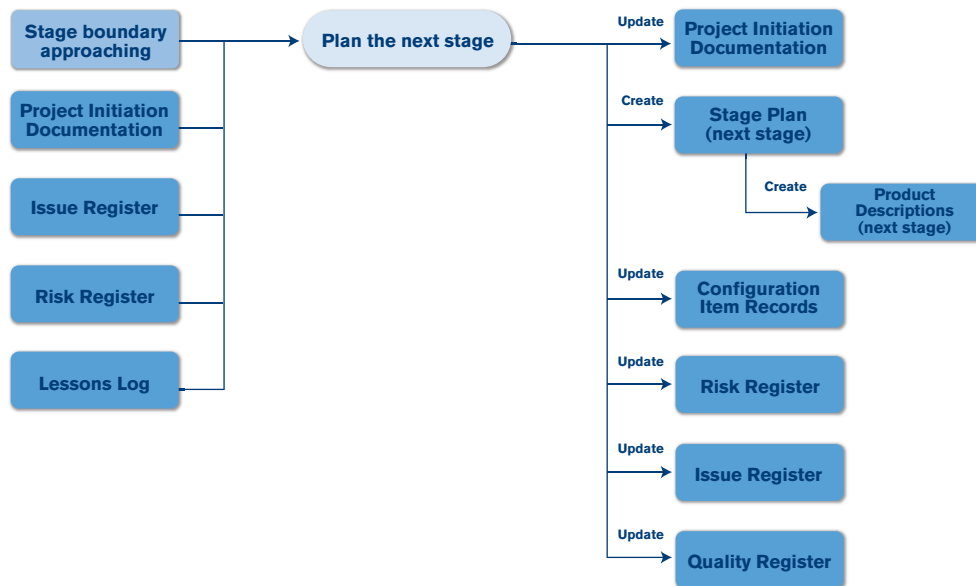
Managing a Stage Boundary – Context

Directing a Project

Request to approve Exception Plan

Request to approve next Stage Plan

Exception Plan request

Report stage end

Update the Business Case

Produce an Exception Plan

Update the Project Plan

Plan the next stage

Managing a Stage Boundary

Stage boundary approaching

Initiating a Project

Controlling a Stage

Slide 35
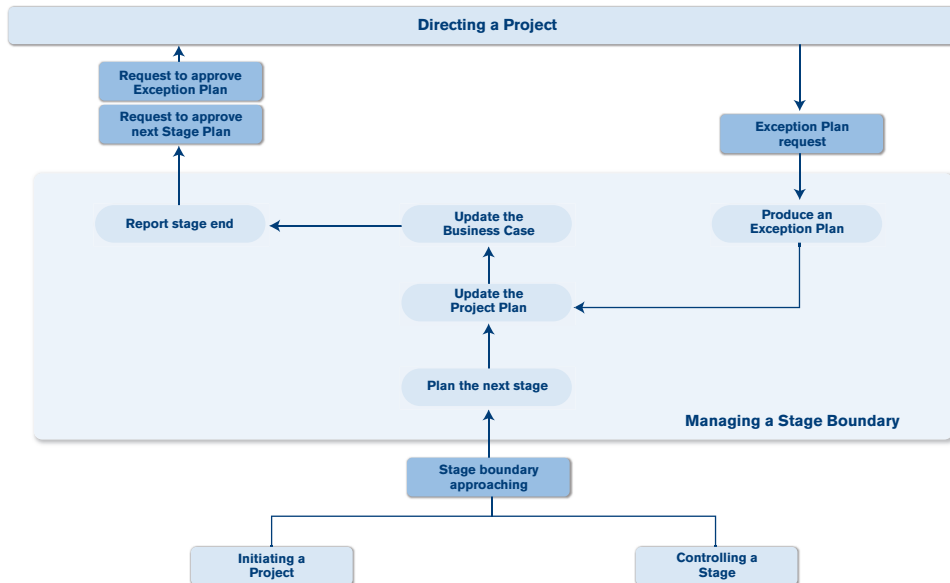
Managing a Stage Boundary – Activities

- Managing a Stage Boundary activities are Project Manager-oriented and comprise:
  - Plan the next stage.
  - Update the Project Plan.
  - Update the Business Case.
  - Report stage end.
  - Produce an Exception Plan.

Managing a Stage Boundary – Plan the Next Stage (1/2)

- The Stage Plan for the next management stage is produced near the end of the current stage.

- Closure activities should be planned as part of the Stage Plan for the final stage.

- Planning is not an activity undertaken in isolation.

Managing a Stage Boundary – Plan the Next Stage (2/2)

Stage boundary approaching

Project Initiation Documentation

Issue Register

Risk Register

Lessons Log

Plan the next stage

Update → Project Initiation Documentation

Create → Stage Plan (next stage)

Create → Product Descriptions (next stage)

Update → Configuration Item Records

Update → Risk Register

Update → Issue Register

Update → Quality Register

Slide 38

Managing a Stage Boundary – Update the Project Plan (1/2)

- The Project Board uses the Project Plan throughout the project to measure progress.

- The Project Plan is updated to incorporate actual progress from the stage that is finishing.

- Details of any revised costs or end dates are used when updating the Business Case.

Managing a Stage Boundary – Update the Project Plan (2/2)
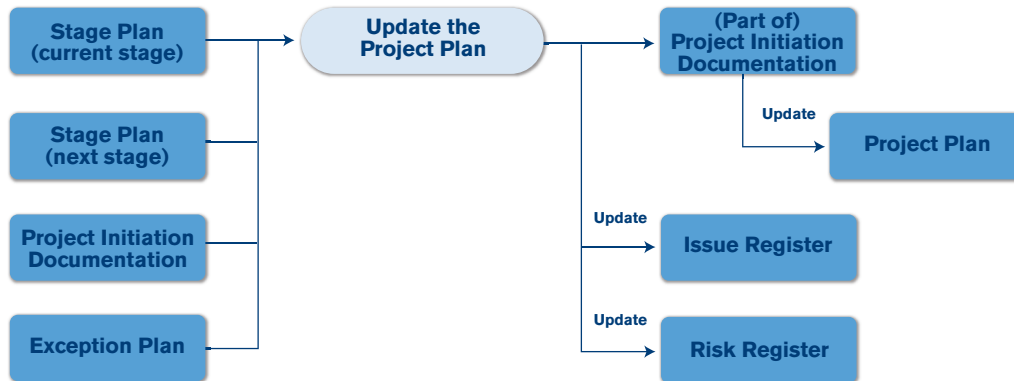
Managing a Stage Boundary – Update the Business Case (1/2)

- It is a PRINCE2® principle that projects have continued business justification

- The Project Board is only authorized to continue while the project remains viable

- The Business Case must reflect any possible changes and must be reviewed and amended to keep it relevant to the project
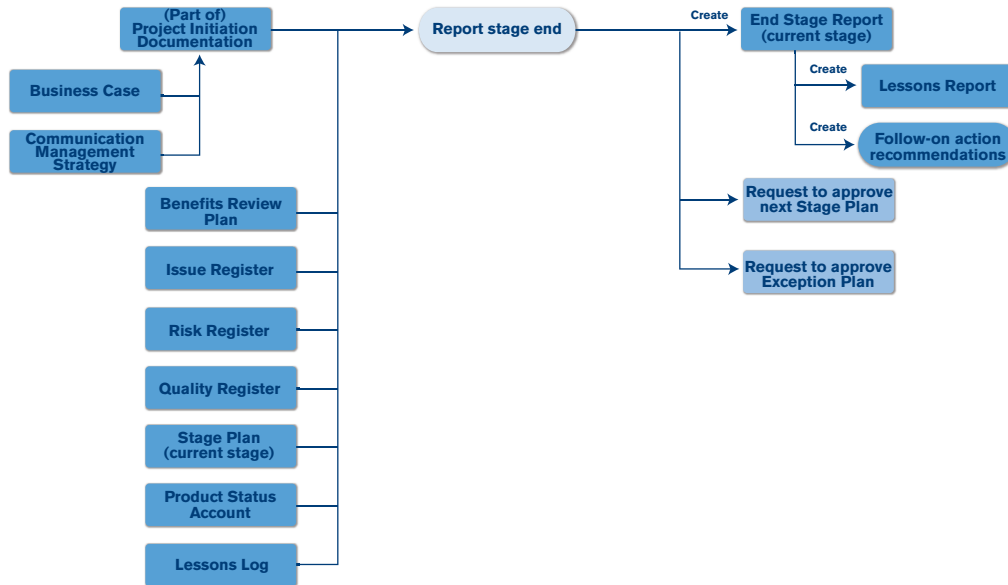
Managing a Stage Boundary – Update the Business Case (2/2)

Slide 42
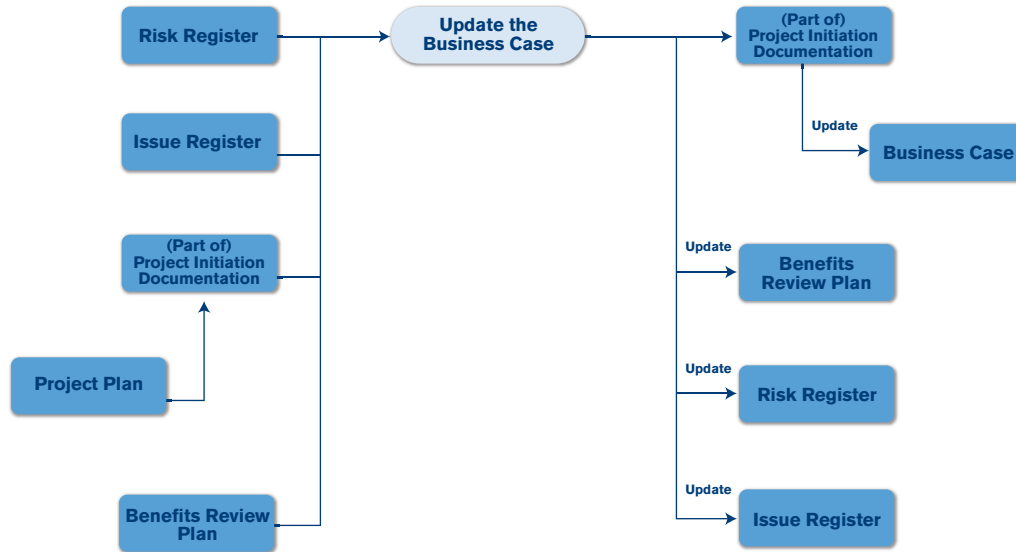
Managing a Stage Boundary – Report Stage End (1/2)

- The results of a stage should be reported to the Project Board so that progress is clearly visible to the project management team.

- The Project Manager provides a view on the continuing ability of the project to meet the Project Plan and Business Case, and assesses the overall risk situation.
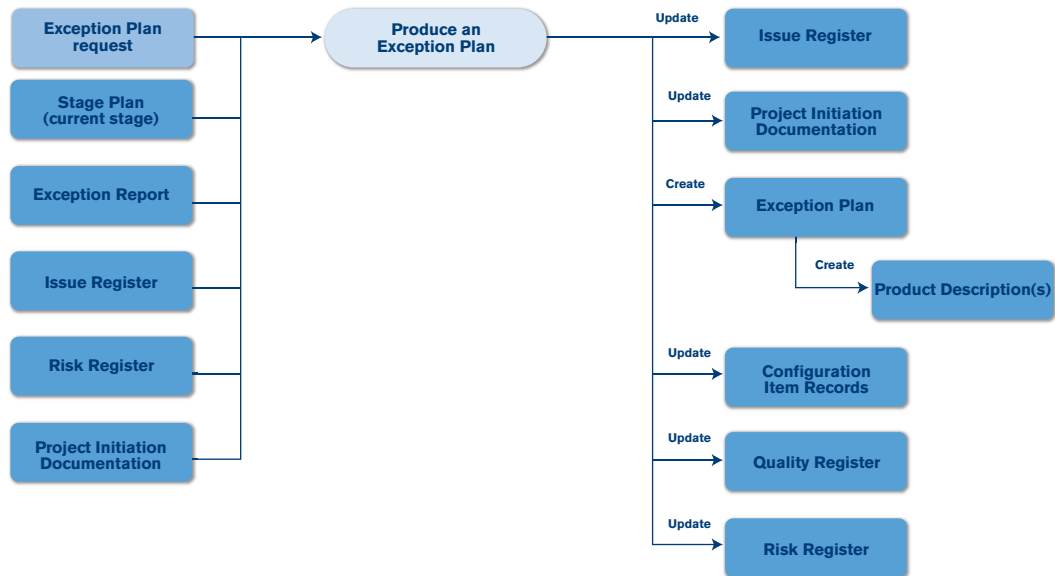
Managing a Stage Boundary – Report Stage End (2/2)

(Part of) Project Initiation Documentation

Business Case

Communication Management Strategy

Benefits Review Plan

Issue Register

Risk Register

Quality Register

Stage Plan (current stage)

Product Status Account

Lessons Log

Report stage end

Create → **End Stage Report (current stage)**

Create → **Lessons Report**

Create → **Follow-on action recommendations**

Request to approve next Stage Plan

Request to approve Exception Plan

Managing a Stage Boundary – Produce an Exception Plan (1/2)

- If a stage or the project is forecast to deviate beyond its agreed upon tolerances, it no longer has the approval of the Project Board.

- Exception Plans are requested by the Project Board in response to an Exception Report.

- Although an Exception Plan will be produced prior to the planned stage boundary, its approval by the Project Board marks a stage boundary for the revised stage.

Managing a Stage Boundary – Produce an Exception Plan (2/2)

Exception Plan request

Stage Plan (current stage)

Exception Report

Issue Register

Risk Register

Project Initiation Documentation

Produce an Exception Plan

Update → Issue Register

Update → Project Initiation Documentation

Create → Exception Plan

Create → Product Description(s)

Update → Configuration Item Records

Update → Quality Register

Update → Risk Register

Slide 46

Managing Stage Boundaries – Scalability

- Gather results of current stage and plan the next stage.

- Project Board approval for next stage may be formal or informal as required.

Quality
(Theme)

Quality – Purpose

- Purpose
    - To define and implement the means by which the project will create and verify products that are fit for purpose
- The "focus on products" principle is central to PRINCE2®'s approach to quality.
    - It provides an explicit common understanding of what the project will create (the scope) and the criteria against which the project's products will be assessed (the quality).

Quality – Definitions

- Quality
  - Quality is generally defined as the totality of features and inherent or assigned characteristics of a product, person, process, service and/or system that bear on its ability to demonstrate that it meets expectations or satisfies stated needs, requirements or specification.

- Quality Management System

- Quality Planning

- Quality Control

- Quality Assurance

Quality – Approach to Quality

Slide 51
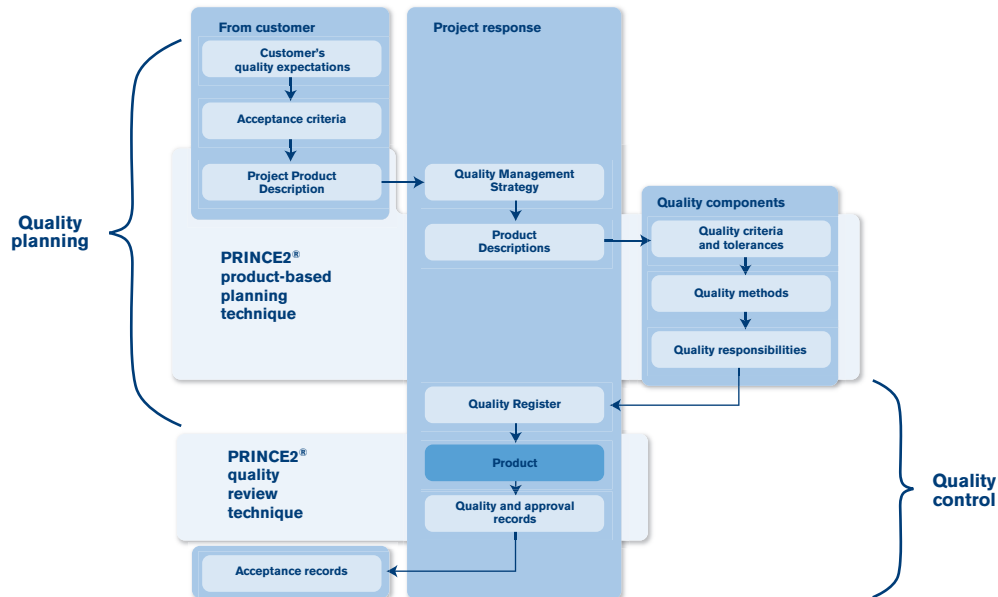
Quality – Quality Planning (1/2)

- The purpose of quality planning is to provide for:
    - **Project Board agreement** on the overall quality expectations
    - The products required with their associated quality criteria
    - The means by which quality will be achieved and assessed
    - The acceptance criteria by which the project's product will be judged

Quality – Quality Planning (2/2)

- Quality planning comprises:
  - Understanding the customer's quality expectations
  - Defining the project's acceptance criteria
  - Documenting the customer's quality expectations and the project's acceptance criteria in the Project Product Description
  - Formulating a Quality Management Strategy
  - Writing clear Product Descriptions containing quality criteria, quality tolerances, quality method and quality responsibilities
  - Setting up the Quality Register

Quality – CQE/AC

- The customer's quality expectation
  - Is the quality expected from the project product and is captured in the Project Product Description
- Acceptance criteria
  - The project's acceptance criteria form a list of measurable definitions of the attributes that must apply to the set of products to be acceptable to key stakeholders.
  - The acceptance criteria will be refined, agreed upon and reviewed at the end of each management stage.

Quality – Project Product Description

- The approved Project Product Description is included as a component of the Project Brief and is used to help select the project approach.

- The Project Product Description includes:
  - The overall purpose of the product
  - Its composition (i.e., the set of products it needs to comprise)
  - The customer's quality expectations
  - Acceptance criteria, method and responsibilities
  - Project level quality tolerances

Quality – Quality Management Strategy

- The Quality Management Strategy
    - Is prepared during the Initiating a Project process
    - Describes how the quality management systems of the participating organizations will be applied to the project
    - Confirms any quality standards, procedures, techniques and tools that will be used
    - Outline the arrangements for Quality Assurance.
    - Key responsibilities for quality should be defined.

Quality – Product Descriptions (1/2)

- Product Descriptions must be created for all of the project's products as they govern the development of the products and their subsequent review and approval.

- Care should be taken in relation to the level of detail of Product Descriptions
    - Too much detail can lead to an unnecessary increase in the cost of quality for the project.
    - Incomplete or inaccurate Product Descriptions can lead to acceptance disputes if the delivered results do not match the customer's expectations.

Quality – Product Descriptions (2/2)

- Product Descriptions include:
  - Quality criteria
  - Quality tolerances
  - Quality methods
  - Quality responsibilities
  - Producer, Reviewer, Approver

Quality – Quality Register

Quality Activity ID	Product-ID	Product	Quality Method	Producer	Reviewer(s)	Approver(s)	Target Review Date	Actual Review Date	Target Approval Date	Actual Approval Date	Result
1	121	Test Plan	Inspection	Ali	Paulo	John, Rita	14-Feb	21-Feb	21-Feb	28-Feb	Pass
2	124	Water Pump	Performance Test	Paulo	Ali, Bob	John	20-Mar	20-Mar	27-Mar	NA	Fail
3	124	Water Pump	Maintenance Test	Paulo	Ali, Amir	Rita	21-Mar	21-Mar	27-Mar	27-Mar	Pass
-	-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-	-
9	124	Water Pump	Performance Test	Paulo	Ali, Bob	John	14-Jun		21-Jun		

Slide 59

Quality – Quality Control

- Quality control, is achieved by
    - Implementing,
    - Monitoring and,
    - Recording the quality methods and responsibilities.
- Quality control comprises:
    - Carrying out the quality methods
    - Maintaining quality and approval records
    - Gaining acceptance

Quality – Quality Assurance

	Project Assurance	Quality Assurance
What they do	Provide assurance to the project's stakeholders that the project is being conducted appropriately and properly.	Provide assurance to the wider corporate or programme organization that the project is being conducted appropriately, properly and complies with relevant corporate or programme management standards and policies.
How they differ	Must be independent of the Project Manager, Project Support, Team Managers and project teams. Responsibility of the Project Board, therefore undertaken from within the project.	Performed by personnel who are independent of the project (i.e. not a member of the project management team). Responsibility of the corporate or programme management organization, therefore external to the project.
How they relate	Quality assurance as a corporate or programme management function could be used by the Project Board as part of its Project Assurance regime (for example, having quality assurance perform a peer review).	Quality assurance would look for (or require) effective Project Assurance as one of the indicators that the project is being conducted properly.

Quality – Quality Review Technique

- Objectives
    - To assess the conformity of a product that takes the form of a document (or similar item, e.g., a presentation or test results) against set criteria
    - To involve key interested parties in checking the product's quality and in promoting wider acceptance of the product
    - To provide confirmation that the product is complete and ready for approval
    - To baseline the product for change control purposes

Quality – Quality Review Technique Roles

- Review team roles
    - Chair
    - Presenter
    - Reviewer
    - Administrator

Quality – Quality Review Technique Steps

- Quality Review technique has three steps:
    - Review preparation
    - Review meeting agenda
    - Review follow-up

Quality – Responsibilities

- Corporate or program management

- Executive

- Senior User

- Senior Supplier

- Project Manager

- Team Manager

- Project Assurance

- Project Support

Closing a Project (Process)

Closing a Project – Purpose

- Purpose
    - To provide a fixed point at which acceptance for the project product is confirmed
    - To recognize that objectives set out in the original Project Initiation Documentation have been achieved, or
    - That the project has nothing more to contribute

Closing a Project – Objectives

- The objective of the Closing a Project process is to:
    - Verify user acceptance of the project's products.
    - Ensure that the host location is able to support the products when the project is disbanded.
    - Review the performance of the project against its baselines.
    - Assess any benefits that have already been realized, update the forecast of the remaining benefits, and plan for a review of those unrealized benefits.
    - Ensure that provision has been made to address all open issues and risks with follow-up action recommendations.
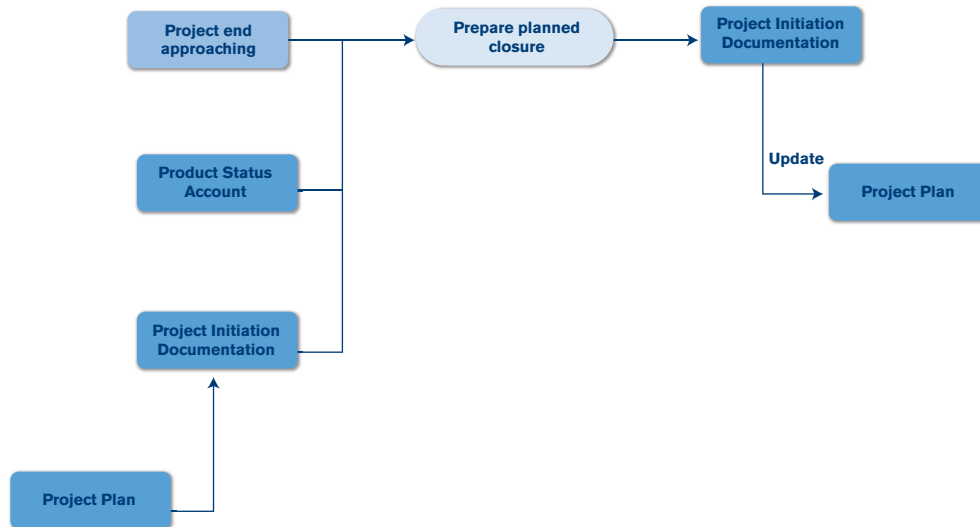
Closing a Project – Context

Slide 69
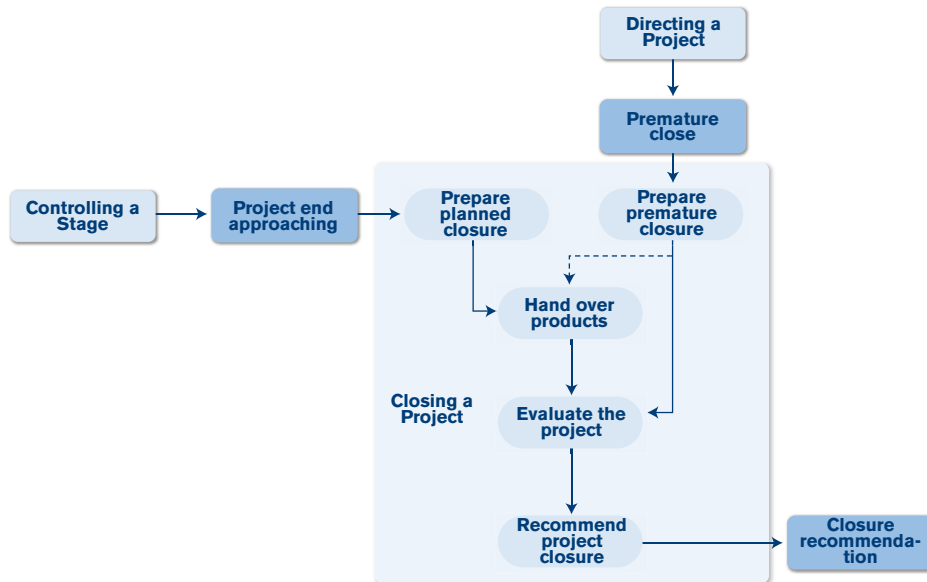
Closing a Project – Activities

- Closing a Project activities are Project Manager-oriented and comprise:
    - Prepare planned closure
    - Prepare premature closure
    - Hand over products
    - Evaluate the project
    - Recommend project closure

Closing a Project – Prepare Planned Closure (1/2)

• Before closure of the project can be recommended, the Project Manager must ensure that all the expected results have been achieved and delivered.
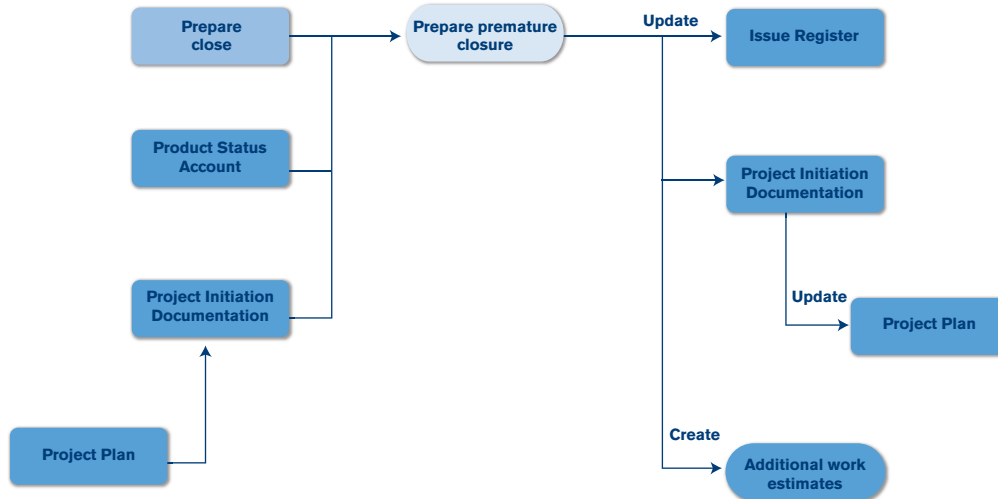
Closing a Project – Prepare Planned Closure (2/2)

Closing a Project – Prepare Premature Close (1/2)

- The Project Board may instruct the Project Manager to close the project prematurely.

- The Project Manager
  - Must ensure that work in progress is not simply abandoned
  - That the project salvages anything of value created to date
  - Must check that any gaps left by the cancellation of the project are raised to corporate or program management

Closing a Project – Prepare Premature Close (2/2)

Prepare close

Prepare premature closure

Update → Issue Register

Product Status Account

Project Initiation Documentation

Update → Project Plan

Project Initiation Documentation

Project Plan

Create → Additional work estimates

Closing a Project – Hand Over Products (1/2)

- The project's products must be passed to an operational and maintenance environment prior to the project being closed.

- It is not a project activity to undertake benefits reviews post-project, only to plan for such benefits reviews to occur.

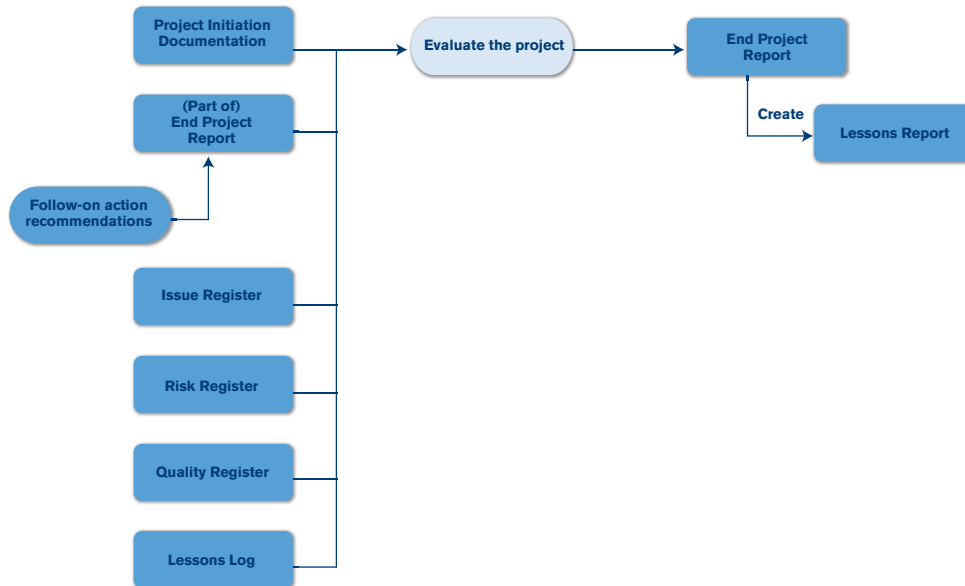# Closing a Project – Hand Over Products (2/2)
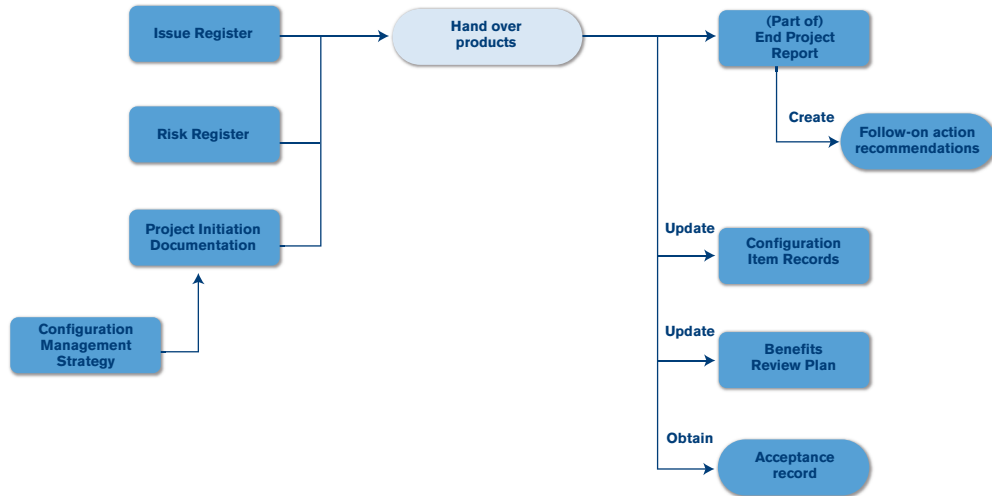
Closing a Project – Evaluate the Project (1/2)

- Successful organizations learn from their experiences with projects.

- When evaluating the project, the objective is to assess how successful or unsuccessful the project has been.
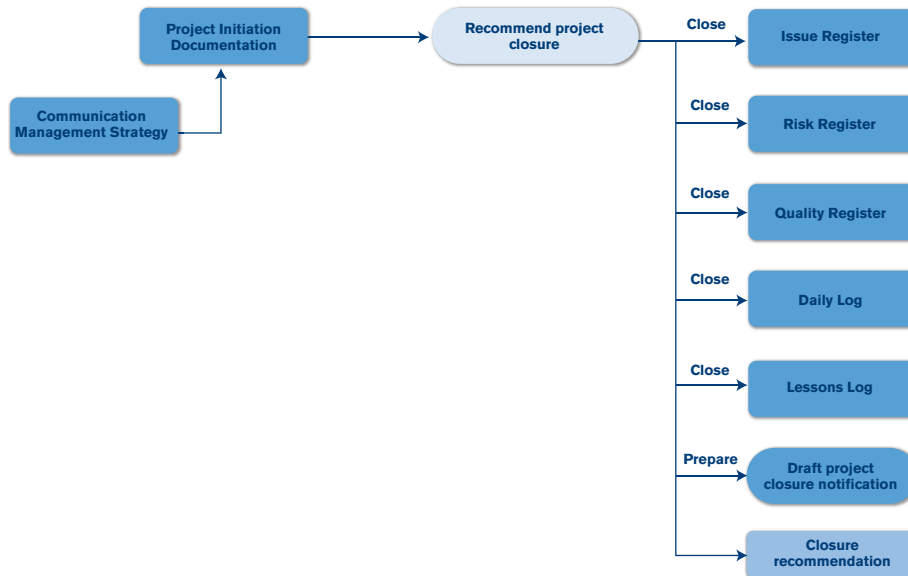
Closing a Project – Evaluate the Project (2/2)

Slide 78

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Closing a Project – Recommend Project Closure (1/2)

- Once the Project Manager has confirmed that the project may be closed, a closure recommendation should be raised to the Project Board.

Closing a Project – Recommend Project Closure (2/2)

Project Initiation Documentation

Communication Management Strategy

Recommend project closure

Close → **Issue Register**

Close → **Risk Register**

Close → **Quality Register**

Close → **Daily Log**

Close → **Lessons Log**

Prepare → **Draft project closure notification**

Closure recommendation

Closing a Project – Scalability

- Check that everything has been delivered.

- Check that the product is accepted.

- Record any follow-up recommendations.

- Release resources.

Case Study Activity

- Closing a Project
    - Individually, or in groups, complete the closing a project activity from the case study.

Tailoring PRINCE2®

Tailoring PRINCE2® – Introduction

- PRINCE2® is extremely flexible and can be used on a wide range of projects that vary in size and complexity.

- It is important to tailor and scale the PRINCE2® methodology to suit the particular project you are working on.

- Tailoring does not consist of omitting elements of PRINCE2® because the methodology is a web of interlinking elements.

Tailoring PRINCE2® – Embedding and Tailoring

- **Tailoring** refers to the appropriate use of PRINCE2® on any given project, ensuring that there is the correct amount of:
  - Planning,
  - Control,
  - Governance and,
  - Use of the processes and themes.
- **Embedding** is the adoption of PRINCE2® across an organization.

Tailoring PRINCE2® – Approach

- Applying the principles

- Adapting the themes

- Applying the organization's terms and language

- Adapting the management products

- Adapting the roles

- Adapting the processes

Tailoring PRINCE2® – Projects in a Program Environment

Projects

Driven by deliverables

Finite - defined start and finish

Bounded and scoped deliverables

Delivery of product

Benefits usually realized after project closure

Shorter timeframe

Program

Driven by vision of "end state"

No predefined path

Changes to the business capability

Coordinated outputs delivery - includes projects not directly delivering benefits

Benefits realized during the program and afterwards

Longer timeframe

Slide 87

Tailoring PRINCE2® – Small Projects

- Small Projects
    - Project executive (as the Project Board)
    - Project manager
    - A Project Initiation Document
    - Single working stage
    - Informal reviews and reports (may be verbal)

Tailoring PRINCE2® – Large Projects

- PRINCE2® methodology to maintain control on large projects
  - Project board with separately represented interests
  - Project manager and team managers
  - Project Initiation Document
  - Multiple stages
  - High degree of formality (documentation and reporting)
  - Work packages will be legal contracts
  - Formal closure

Product Based Planning Example

Product-based Planning Example

- Project Scenario (Part 1)
  - A project is required to organize and run a conference for between 80 and 100 delegates.
  - A required date and the selected subject matter of the conference has been provided.
  - The conference will be held at a venue that must be identified, checked for availability, facilities and price, and then booked.
  - All delegates will be members of the profession, and a mailing list is available for use.
  - Suitable speakers must be identified, approached and booked.
  - Once the speakers are booked, a detailed agenda and program must be identified.
  - One hundred delegate handout packets will be required, with its cover reflecting the selected subject matter.

Slide 2

Product-based Planning Example

- Project Scenario (Part 2)
  - The packets must contain a printed agenda covering the agreed upon program, copies of slides and notes used by the speakers, and a feedback form, based on the program, to capture attendee reviews.
  - Booking arrangements must be established, the program must be agreed upon, and the venue must be selected and booked before the direct mail is sent out.
  - Once the venue is booked, a press release based on the program must be prepared and issued.
  - The attendance list will be updated with the responses once the press release has been issued and the direct mail distributed.
  - Staff must be recruited to help on the day, based on the finalized attendance list.
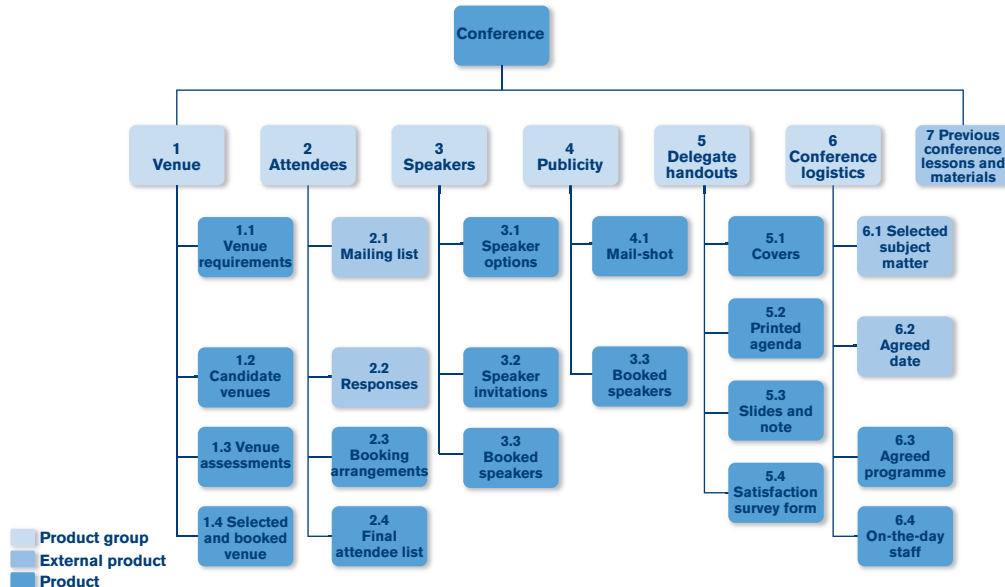
Product Breakdown Structure Examples

- PRINCE2® does not specify the format in which a product breakdown structure is drawn. Three example formats are provided for the conference project:
  - Hierarchy chart
  - Mind map
  - Indented list

Product Based Planning Example

Product Breakdown Structure – Hierarchy Chart

Slide 5

Product Based Planning Example

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Product Breakdown Structure – Mind Map

- **1 Venue**
  - 1.1 Venue requirements
  - 1.2 Candidate venues
  - 1.3 Venue assessments
  - 1.4 Selected and booked venue
- **2 Attendees**
  - 2.1 Mailing list
    - External
  - 2.2 Responses
    - External
  - 2.3 Booking arrangements
  - 2.4 Final attendee list
- **3 Speakers**
  - 3.1 Speaker options
  - 3.2 Speaker invitations
  - 3.3 Booked speakers
- **4 Publicity**
  - 4.1 Mail-shot
  - 4.2 Press release
- **5 Delegate handouts**
  - 5.1 covers
  - 5.2 Printed agenda
  - 5.3 Slides and notes
  - 5.4 Satisfaction survey form
- **6 Conference logistics**
  - 6.1 Selected subject matter
    - External
  - 6.2 Agreed date
    - External
  - 6.3 Agreed programme
  - 6.4 On-the-day staff
- **7 Previous conference materials**
  - External

Conference

Product Based Planning Example

Product Description

Identifier	Conference/4.1/version 1.0		
Title	Mail-shot		
Purpose	The mail-shot is the primary means of advertising the conference to potential delegates. It will be mailed to a list of professionals working in the industry.		
Composition	• Mailing envelope • Letter giving outline explanation of the conference • Leaflet giving detailed explanation of the conference. The venue and how to make a booking • Booking form • Response envelope		
Derivation	• Mailing list • Agreed programme • Booking arrangements • Selected venue		
Format and presentation	Letter to be A4 on standard branded letterhead. Leaflet and booking form to be A5 size. Mailing envelope to be C5		
Development skills required	Marketing, design and copywriting skills required. Knowledge of conference necessary		
Quality responsibilities	• Producer – Event management company • Reviewers – as stated under 'Quality Skills Required' • Approver – Membership secretary		
Quality criteria	Quality tolerance	Quality method	Quality skills required
Adheres to corporate identity standards	As defined in corporate identity standards	PRINCE2® quality review	Marketing team
Letter and leaflet accurately reflect all agreed details of the conference	None	Inspection	Conference Project Manager
No spelling or grammatical errors In any elements of the mail-shot	None	Word processor spell checker Inspection	Proof reader
The covering letter fits on one side of A4	May extend to reverse of a single sheet of A4	Inspection	Proof reader

Slide 7

Product Based Planning Example

Product Flow Diagram

Slide 8