



An Introduction

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Version 1.5

24 October, 2007



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What is it?

MyPRINCE2¹ is a project management method for use by Consultancies, under contract to Clients using PRINCE2², to enable them to manage projects, or parts of projects, within agreed quality, time and cost parameters whilst at the same time keeping project management and quality assurance costs to a minimum.

Figure 1 below provides an overview of the MyPRINCE2 process and project management structure.

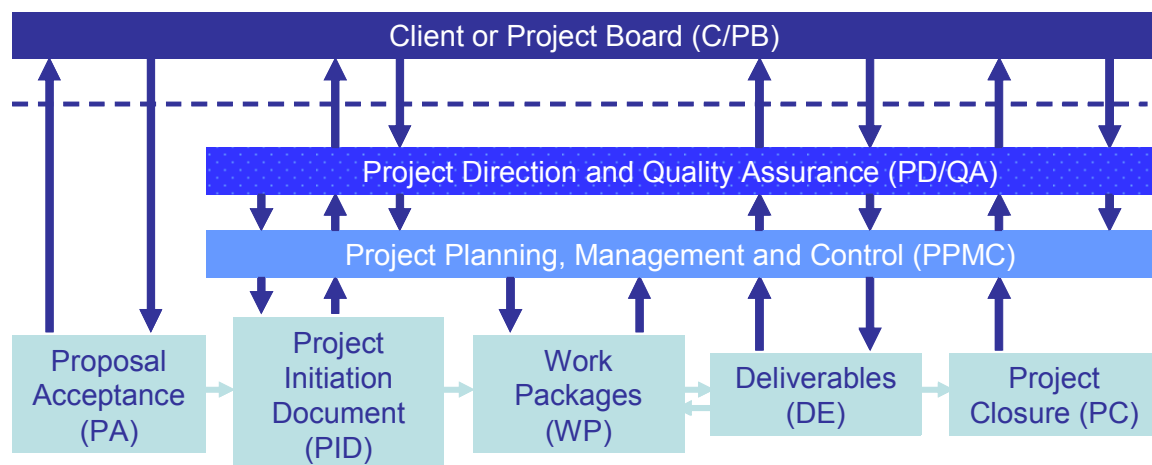


Figure 1: Overview of MyPRINCE2 Process and Project Management Structure

MyPRINCE2 is developed by The Management Standards Consultancy to manage research, standards development, software development and training projects. It is available to all organisations without charge and can be used in many other contexts. MyPRINCE2 is kept under continuous review; feedback on its use and suggestions for improvements are welcomed.

Training and a wide range of tools and techniques to support effective project management are available from The Management Standards Consultancy info@themsc.org.

¹ MyPRINCE2 is developed by The Management Standards Consultancy Ltd (www.themsc.org) as open source knowledge. It may be used by other organisations without charge. Please send feedback and ideas for improvements to info@MyPRINCE2.com.

² PRINCE2 is owned by the Office of Government Commerce. The approach can be used free of charge by any organisation in its drive to improve its Project Management processes and practices.

The Project Process

Figure 2 below illustrates the MyPRINCE2 project process from acceptance of a proposal by the Client through to closure of the project. It also shows how Project Planning, Management and Control are needed to assure quality deliverables and support the project through its various Work Packages. Each of these elements is described below.

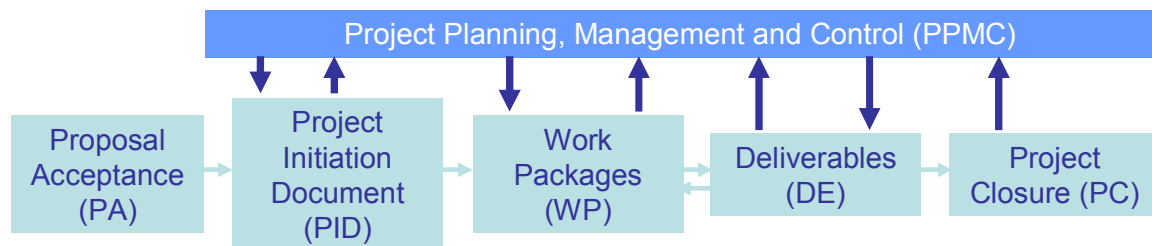


Figure 2: MyPRINCE2 Project Process

Proposal Acceptance (PA)

A project really starts for a Consultancy at the moment when the Client accepts its Proposal, tender or bid. However, a considerable amount of planning and preparatory work will have already gone into understanding the Client's needs and planning how these can be met most effectively (in terms of quality, cost and time) and how the Consultancy can add value for the Client.

Sometimes, a Client will require a Proposal in a specific format or even on a particular form. Whether or not this is the case, an effective Proposal will usually comprise the following components:

- **Title Page**
- **Table of Contents**
- **Introduction or Background** – showing the Consultancy's understanding of the Client's needs and how the Consultancy is competent to meet these needs
- **Aims and Objectives** – describing the purpose of undertaking the project and the specific objectives that need to be achieved
- **Methodology** – showing, with an appropriate level of detail, how the aims and objectives will be achieved, usually through a series of Work Packages each with its own deliverable(s)
- **Schedule with Milestones** – a Gantt chart showing when each work package and activity will start and finish and key milestones when products will be delivered and/or decisions need to be taken
- **Resources** – listing the people who will be involved in the project and their relevant experience
- **Risks** – a preliminary assessment of the risks to the project and how these can be mitigated

- **Management and Quality Assurance Structure** – describing how the project will be planned, managed and controlled, how quality will be assured and how communication will take place between the Consultancy and the Client’s project manager and/or Project Board
- **Costs** – overall costs (ex-VAT and inclusive of VAT where appropriate) with a breakdown that allows the Client to see how costs are apportioned to each of the Work Packages and Project Activities, together with a description of the assumptions made in arriving at the costs and a payment schedule, if required
- **Selection Criteria** – summary of how the Proposal meets the Client’s explicit selection criteria
- **References** – Clients for whom similar work has been carried out who are prepared to act as referees
- **Contact Details** – who should be contacted for clarification about the Proposal and how
- **Annexes** – other information required by the Client, such as curricula vitae of key resources, organisational policy documents, details of similar projects successfully carried out etc.

The Proposal should have appropriate page numbering, an expiry date (if the Proposal must be accepted by a certain date) and clear indication that it is “Commercial – In Confidence” (ie that the Client cannot use any of the information contained in the Proposal without the Consultancy’s permission).

Not all Proposals will require all the components listed above, or the same level of detail about the components. However, it is a useful checklist when preparing Proposals, and many of the tools developed – Gantt chart, milestones, descriptions of deliverables, budget, risk log etc – will be refined and then reused many times as part of the project’s management, planning and control methods. A Proposal Template facilitates the development and promotes the quality of Proposals.

Project Initiation Document (PID)

It is likely that Clients, if they are using PRINCE2, will produce the Project Initiation Document, often integrating aspects of the Proposal. This is especially likely if the Consultancy is contracted to carry out only part of the project with the Client or other contractors carrying out other parts. In this case, the Consultancy’s Project Manager should check that the PID is consistent with the work they are contracted to carry out and use the PID in planning, managing and controlling the project.

The PID is a key document which allows the Client and the Consultancy’s Project Manager (and other stakeholders, where relevant) to share a common understanding of the project, what it is expected to achieve, what products will be delivered, when and to what quality, the risks involved and how they can be mitigated. It provides a number of tools to help the Project Manager monitor and control progress and a sound basis for the ultimate assessment of the project’s success.

The PID should contain a number of components, many of which will have been partially developed in the Proposal. These include:

- **Title Page**
- **Table of Contents**

- **Background** – explaining the context of the project and why the project is required
- **Project Definition** – detailing what the project needs to achieve, including:
 - *Project Objectives* – the specific results that need to be achieved by the project
 - *Project Deliverables* – clear descriptions of the products to be delivered at different points during the project in sufficient detail that the Client and the Consultancy's Project Manager will be able to agree whether or not these have been delivered
 - *Project Scope* – the boundaries of the project, described in sufficient detail so that it is clear what is within the scope of the project and what is outside
 - *Constraints* – known constraints within which the project must operate (time, resources, availability of information, access to people etc)
 - *Assumptions* – outlining the key assumptions that have been made, including the co-operation of key stakeholders
 - *Interfaces* – how the project interfaces and communicates with other projects
- **Business Case** – explaining how the project will contribute to the Client's mission and strategic goals
- **Project Organisational Structure** – defining the project team and their responsibilities or terms of reference
- **Project Plan** – a detailed description of the project methodology, including a schedule with Gantt chart, Work Packages and Project Activities allocated to specific resources, and Milestones with Deliverables
- **Project Budget** – detailed breakdown costs by Work Package and Project Activity with a table identifying when payments will be received and made
- **Project Controls** – explaining how the project will be monitored and controlled and the reporting arrangements to support this
- **Exception Process** – describing what constitutes a significant deviation and the actions to be taken in the event of significant deviations
- **Risk and Contingency Management** – summarising the results of the risk analysis, the steps taken to avoid risks materialising and how serious risks will be managed if they materialise
- **Project Quality Assurance** – describing the processes in place to assure the quality of project deliverables
- **Project Communication Strategy** – defining what needs to be communicated about the project, to whom and at what stage, and how this communication will be handled
- **Document Control and Filing** – describing how information about the project and its deliverables will be controlled, stored and retrieved.

A PID Template facilitates the development and promotes the quality of PIDs.

Work Packages (WP)

The Project Plan will have identified a number of manageable Work Packages which need to be carried out in order to deliver the products or Deliverables required by the Client. In turn these Work Packages will have been divided into a number of Project Activities, each of which contributes to the production of the Deliverables.

Work Packages may be independent or dependent. If a Work Package is independent, it can be carried out and its products can be created without reference to other Work Packages. If a

Work Package is dependent, it relies on other Work Packages to provide products or information in order to proceed; alternatively, other Work Packages rely of the products and information it produces. A Product Flow Diagram (see *Deliverables* below) shows the dependencies between the various products and Work Packages.

There will be Milestones at the end of each Work Package at which the Client or Project Board will review the Deliverables and decide whether to accept them as meeting their quality expectations. Sometimes, the Deliverables will provide information to help the Client or Project Board reach a decision about whether future Work Packages should proceed or not, or whether changes are required to future Work Packages.

Clarification is required here about the use of the terminology “Work Packages” and “Stages”. PRINCE2 divides the Project Plan into Stages and, subsequently, each Stage into Work Packages. MyPRINCE2 collapses these two levels in the Project Plan’s hierarchy into one, called Work Packages. This is because MyPRINCE2 is designed for use by Consultancies which are likely to be working on relatively small and non-complex projects, or contracting for a single Stage within their Client’s much larger and more complex project (for which PRINCE2 with its Stages is the appropriate project management method).

Work Packages, however, still allow the Project Manager, Client and Project Board to exercise control over the project and its Deliverables. Using the Gantt chart, they can monitor whether progress is on track, take corrective action where required, assess the quality of deliverables and take important decisions at key project Milestones.

Deliverables (DE)

Every project will have a number of Deliverables, which divide into two groups:

- **Business Products** – the Deliverables for which the project’s Business Case was made and which will have wider use and benefits outside the project (examples may be a software programme, a conference, an e-learning course, a research report with policy recommendations or a set of National Occupational Standards)
- **Management Products** – the Deliverables for use within the project (such as the Project Plan, Project Initiation Document, Project Risk Analysis or progress reports), which are essential for the management and control of the project and ensure the Business Products are delivered.

Like PRINCE2, MyPRINCE2 uses product-centred planning to identify the Product Breakdown Structure (the hierarchy of products that need to be created in order to deliver the Business Products), create Product Descriptions (agreed specifications of the products) and build Product Flow Diagrams (which identify the dependencies between the various products and Work Packages).

Products must be created to specification and quality-assured before delivery to the Client or Project Board.

Project Closure (PC)

When all the project’s products have been delivered, MyPRINCE2 requires the Project Manager to carry out a straightforward procedure to close the project. This involves:

- Gaining agreement from the Client or the Project Board that all required products have been delivered to the agreed quality criteria
- Reviewing with the project team and the Client or Project Board what went well and not so well in the project and what lessons have been learned
- Identifying any outstanding issues, how these will be addressed and by whom
- Archiving the project's files
- Identifying any follow-on work or similar projects that the Consultancy might undertake for the Client.

Project Management Structure

MyPRINCE2 uses a straightforward project management concept, shown in figure 3 below, which is flexible enough to accommodate the needs of each project and the requirements of the Client.

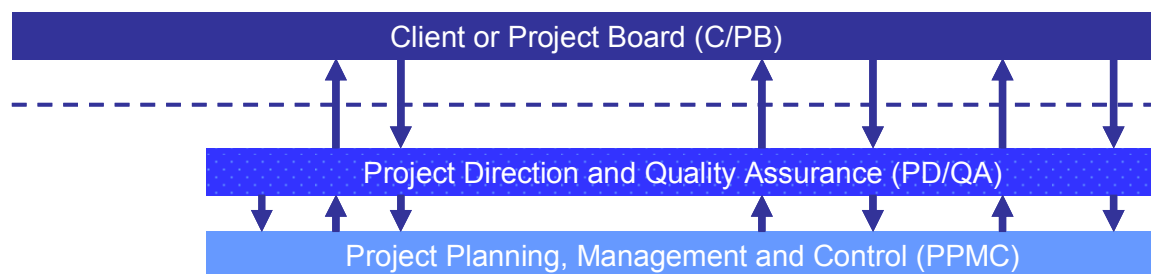


Figure 3: MyPRINCE2 Project Management Structure

Two distinct project management roles are carried out within the Consultancy: Project Direction and Quality Assurance (PD/QA); and Project Planning, Management and Control (PPMC). Both of these roles interface with the Client (in the person of the Client's Project Manager) and/or the Project Board (C/PB).

Project Direction and Quality Assurance (PD/QA)

With small and non-complex projects, the role of Project Director is as "hands-off" as possible, but involves a senior figure who assures the quality of project deliverables for the Client.

The Project Director's responsibilities include:

- appointing the Project Manager
- making available the resources (human, financial and material) for carrying out the project
- providing advice and support to the Project Manager, on request
- assuring the quality of all project deliverables, both Business Products and Management Products
- intervening by exception in the event of any significant deviation

- leading the review of the project during Project Closure (or participating in this review if it is led by the Client)
- representing the Consultancy to the Client at senior level, if required.

Project Planning, Management and Control (PPMC)

By contrast, the full weight of Project Planning, Management and Control falls on the shoulders of the Project Manager, who must be competent in the use of a wide range of project management tools and techniques.

The Project Manager's tasks include:

- preparing the Proposal and negotiating acceptance of this by the Client
- preparing the Project Initiation Document (or assisting the Client to prepare the PID) and negotiating this with the Client or Project Board
- preparing the Project Plan and Project Budget and updating these at each Milestone
- allocating Work Packages and Project Activities to project team members, supervising their performance and providing advice and support, as required
- taking action within the limits of his or her authority to keep the project to plan and/or add value where possible
- reporting on project progress to the Project Director and the Client or Project Board at agreed intervals and in the agreed format (these reports are Management Products from the project)
- advising the Project Director and the Client or Project Board promptly of any emerging issues, increasing risks or potential significant deviations from the Project Plan
- recording all approved changes to the project as described in the PID and the effects of these on the Project Plan and Project Budget
- delivering all project Deliverables, both Business Products and Management Products, to agreed quality criteria, on time and within budget
- participating in the review of the project during Project Closure
- representing the Consultancy to the Client on a day-to-day operational level.

Client or Project Board (C/PB)

If the Consultancy is contracting with a Client using PRINCE2, it is likely that the Client's Project Manager will be the key interface with the Consultancy's Project Manager. However, the Consultancy's Project Manager may report directly to a Project Board, either within the Client's organisation or within the Consultancy itself (if it is an internal project). For very small projects the Project Board may be a single person.

The responsibilities of the Client or Project Board (C/PB) include:

- approving the Project Initiation Document
- agreeing with the Consultancy's Project Manager the constraints within which he or she is working and the limits of his or her authority
- authorising work to commence on the project or individual Work Package
- approving the products (both Business Products and Management Products) delivered by the Project Manager
- approving any changes to the project as described in the PID
- providing advice and support to the Project Manager, on request

- leading or participating in the review of the project during Project Closure
- confirming that all Deliverables have been accepted and that the project is closed
- reporting to the Client's Programme Board.

Information Flows

The figure below indicates the key information flows between the various levels of management within both the Client and the Consultancy.

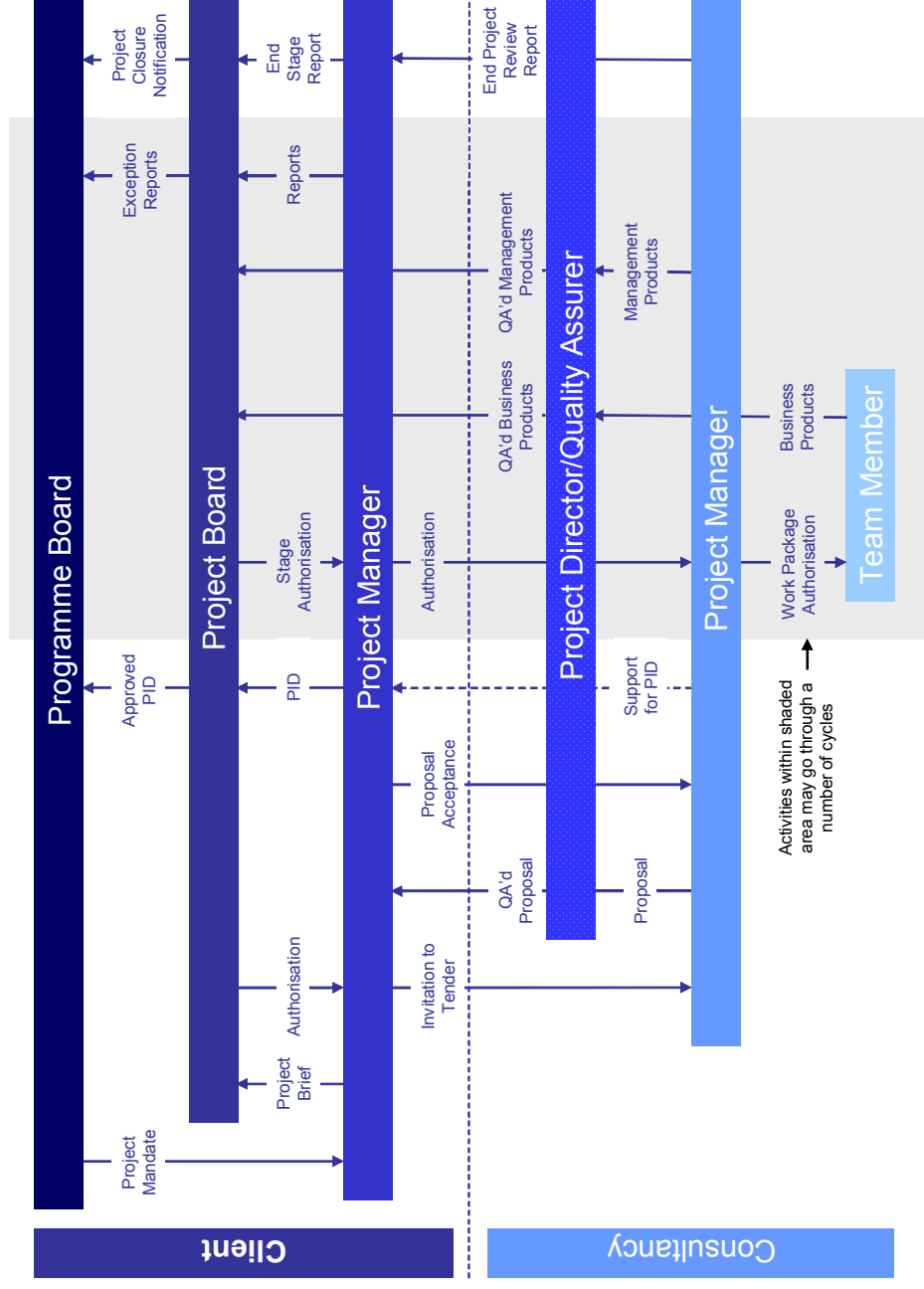


Figure 4: Key Information Flows