

# Contents at a Glance

<b>Introduction .....</b>	<b>1</b>
<b>Part I: How PRINCE2 Can Help You.....</b>	<b>5</b>
Chapter 1: So What's a Project Method and Why Do I Need to Use One?.....	7
Chapter 2: Outlining the Structure of PRINCE2.....	15
Chapter 3: Getting Real Power from PRINCE2.....	27
<b>Part II: Working Through Your Project.....</b>	<b>39</b>
Chapter 4: Checking the Idea Before You Start .....	41
Chapter 5: Planning the Whole Project: Initiation .....	67
Chapter 6: Preparing for a Stage in the Project .....	93
Chapter 7: Controlling a Stage.....	109
Chapter 8: Building the Deliverables.....	121
Chapter 9: Finishing the Project .....	131
Chapter 10: Running Effective Project Boards.....	145
<b>Part III: Help with PRINCE2 Project Management .....</b>	<b>167</b>
Chapter 11: Producing and Updating the Business Case.....	169
Chapter 12: Deciding Roles and Responsibilities .....	187
Chapter 13: Managing Project Quality .....	209
Chapter 14: Planning the Project, Stages and Work Packages.....	223
Chapter 15: Managing Project Risk.....	253
Chapter 16: Controlling Change and Versions .....	275
Chapter 17: Monitoring Progress and Setting Up Effective Controls.....	295
<b>Part IV: The Part of Tens.....</b>	<b>311</b>
Chapter 18: Ten Ways to Make PRINCE2 Work Well .....	313
Chapter 19: Ten Tips for a Good Business Case.....	319
Chapter 20: Ten Things for Successful Project Assurance.....	325
<b>Part V: Appendices .....</b>	<b>331</b>
Appendix A: Looking into PRINCE2 Qualifications .....	333
Appendix B: Glossary of the Main PRINCE2 Terms.....	337
<b>Index .....</b>	<b>351</b>



# Table of Contents

.....

<b><i>Introduction</i></b> .....	<b>1</b>
About This Book .....	1
Foolish Assumptions .....	2
How This Book is Organised .....	2
Part I: How PRINCE2 Can Help You .....	3
Part II: Working Through Your Project .....	3
Part III: Help with PRINCE2 Project Management .....	3
Part IV: The Part of Tens .....	3
Part V: Appendices .....	3
Icons Used in This Book .....	4
Where to Go from Here .....	4

## ***Part I: How PRINCE2 Can Help You*** ..... **5**

### **Chapter 1: So What's a Project Method and Why Do I Need to Use One?** ..... **7**

Getting the Low-Down on PRINCE2 .....	8
Giving You Some Facts about Projects .....	8
Fact 1: A lot of projects go wrong .....	9
Fact 2: We know why projects go wrong .....	10
Fact 3: We know good ways of preventing a lot of those things.....	11
Fact 4: PRINCE2 is free to use.....	12
Making Your Life Easier with PRINCE2 .....	12
Clearing Up Some Misunderstandings about PRINCE2.....	13
Working Through Your Project .....	14

### **Chapter 2: Outlining the Structure of PRINCE2** ..... **15**

Getting to Know the Process Model.....	16
Getting things going.....	17
Repeating as necessary.....	18
Shutting down: Closing a Project.....	19
Introducing the Themes .....	20
Understanding the themes .....	20
Working in Line With the Principles .....	23
Appreciating the Six Control Variables .....	24
Fitting in Project Techniques.....	25
Putting it all Together .....	25
The environment of a PRINCE2 project .....	26

**Chapter 3: Getting Real Power from PRINCE2 . . . . . 27**

Understanding the Problems .....	27
Remembering that PRINCE2 Is a Tool.....	28
Getting the Power: Adjustment.....	30
Leaving out activities .....	30
Adjusting the degree to which you do activities .....	31
Altering the sequence of activities within a PRINCE2 process .....	31
Shifting activities between processes .....	32
Using PRINCE2 in a hurry – parallel initiation.....	33
Running the project without a project plan, just stage plans .....	33
Fitting PRINCE2 to the Project.....	34
Taking It Seriously: Being Professional.....	38

**Part II: Working Through Your Project ..... 39****Chapter 4: Checking the Idea Before You Start . . . . . 41**

Understanding ‘Starting Up a Project’ .....	41
Seeing Why You Really Need Start Up .....	42
Getting Start Up Done Fast .....	43
Starting Up Start-Up – a Mandate .....	44
Filling Project Roles.....	45
Appointing the first two key people .....	45
Appointing more Project Board roles .....	46
Deciding on the remaining roles .....	48
Creating the Daily Log.....	50
Learning Lessons from the Past .....	51
Checking the Project’s Viability.....	52
Writing the Outline Business Case .....	53
Checking the Approach and Writing the Project Brief .....	55
Thinking through the Project Approach.....	56
Writing the Project Brief .....	57
Getting it together with the brief .....	59
Planning the Planning: Initiation.....	63
Deciding to Plan in Detail – or Not .....	65

**Chapter 5: Planning the Whole Project: Initiation . . . . . 67**

Getting to Grips with Initiating a Project.....	68
Understanding Why You Need Plans .....	69
Looking at What’s in a PID.....	70
Getting Strategic .....	71
Thinking about risk management .....	71
Thinking about quality management.....	73
Thinking about Configuration Management.....	76
Thinking about communications .....	79

Deciding on Controls.....	82
Breaking the project into blocks.....	82
Setting up the other controls .....	83
Planning Your Project.....	85
Working on the Business Case.....	86
Building the full Business Case .....	86
Planning the measurement of benefits.....	87
Preparing for the First Delivery Stage.....	87
Fitting PRINCE2 to the Project .....	88
Writing the Extra Bits of the PID.....	88
Putting the PID Together .....	89
Looking at How You Use the PID .....	90
Asking the Project Board to commit to the whole project.....	90

## **Chapter 6: Preparing for a Stage in the Project . . . . . 93**

Understanding the Process of ‘Managing a Stage Boundary’ .....	94
Providing Key Information at End Stage.....	95
Triggering an End Stage.....	96
Stage planning in Start Up and Initiation .....	97
More about exceptions and stages.....	97
Planning the Next Stage .....	98
Using product planning in more detail .....	98
Preparing the Product Checklist.....	98
Getting detailed with quality .....	99
Updating the Project Management Team .....	100
Building an Exception Plan.....	100
Updating Project Documents and Plans .....	101
Updating the Project Plan.....	101
Updating the Project Approach .....	102
Reviewing Risk .....	102
Checking the Business Case.....	104
Preparing an End Stage Report.....	105
Reporting any lessons .....	107
Asking for Sign-Off and Authority to Proceed with the Next Stage.....	107

## **Chapter 7: Controlling a Stage . . . . . 109**

Understanding the Process Controlling a Stage.....	109
Controlling the Flow of Work to Teams.....	111
Dealing with Risks and Issues .....	113
Monitoring and Progress Reporting.....	115
Correcting a Stage or Reporting an Exception.....	118
Correcting the stage .....	119
Reporting an Exception.....	119

<b>Chapter 8: Building the Deliverables</b> . . . . .	<b>121</b>
Understanding the Process Managing Product Delivery.....	121
Unpacking the Work Package.....	123
Building the Work Package Products.....	127
Receiving the Work Package .....	127
Building the products.....	127
Returning completed products.....	129
<b>Chapter 9: Finishing the Project</b> . . . . .	<b>131</b>
Closing a Project.....	132
Planning the Planned Closure.....	133
Making sure that you've done everything.....	133
Checking for sign-offs and acceptances.....	133
Planning a Premature Closure .....	134
Handing Over the Final Product(s) .....	135
Checking the working environment .....	135
Looking at business benefits .....	136
Reviewing How the Project Went .....	137
Recording the follow-on actions .....	140
Writing the End Project Report.....	140
Writing the Lessons Report.....	140
Recommending Closure.....	142
Closing down the logs and registers .....	142
Storing the project records .....	142
<b>Chapter 10: Running Effective Project Boards</b> . . . . .	<b>145</b>
Introducing the Process Directing a Project.....	145
Understanding Five Key Responsibilities for the Project Board .....	146
Taking ownership of the project.....	147
Managing, not working.....	147
Getting sufficient authority.....	147
Checking availability .....	148
Appointing small boards.....	149
Taking Individual Responsibility .....	149
Business viewpoint – the Executive .....	149
User viewpoint – the Senior User(s).....	150
Supplier viewpoint – the Senior Supplier(s) .....	150
Taking Joint Responsibility .....	150
Making decisions without stepping over the line.....	151
Listening to the Project Manager.....	152
Deciding the Level of Control .....	152
Setting Project Manager authority levels .....	152
Deciding on the management stages.....	153
Fixing the level of risk acceptance.....	155

Determining highlight reporting .....	155
Sorting out project and quality assurance .....	156
Giving Advice When Asked.....	158
Getting Involved at Specific Points.....	158
Starting up .....	159
Initiating the project.....	159
Getting involved during a delivery stage.....	161
Ending a stage .....	162
Ending the project .....	162

### ***Part III: Help with PRINCE2 Project Management ..... 167***

#### **Chapter 11: Producing and Updating the Business Case ..... 169**

Understanding Two Key Documents .....	170
Knowing Who's Responsible for the Business Case .....	170
Justifying the Project .....	170
Compliance projects.....	171
Benefits-driven projects.....	171
Hybrid justifications .....	173
Keeping It Current: A 'Living Document' .....	173
Getting Help When It Gets Complicated .....	174
Dealing with Organisational Finance .....	176
Writing a Business Case.....	177
Setting down best case and worst case .....	180
Being sensitive .....	181
Checking If a Benefit Really Is a Benefit .....	181
Being Sure That You Can Deliver .....	182
Not claiming benefits that don't exist .....	182
Being prudent.....	183
Avoiding benefits contamination.....	183
Actually Measuring Benefits Delivery .....	184
Measuring during the project, at the end of the project and after the project.....	184
Understanding the responsibilities .....	185

#### **Chapter 12: Deciding Roles and Responsibilities ..... 187**

Getting the Right People Involved.....	187
Understanding PRINCE2 Management.....	188
Having roles, not jobs.....	188
Sticking to small Project Boards.....	189
Seeing the project from three viewpoints .....	190
Viewing the Project Board as central.....	191
Keeping the Project Organisation stable .....	192

Structuring the Organisation of PRINCE2.....	192
The PRINCE2 Project Management Team.....	193
Examining the Project Board .....	194
Understanding the three Project Board roles .....	194
Looking at Project Assurance .....	199
Knowing that Project Assurance isn't optional .....	199
Deciding how to do Project Assurance.....	200
Working with, and not against, the Project Manager.....	200
Blowing the whistle .....	202
Understanding Organisational Assurance.....	202
Changing Things – Board Authority.....	203
Getting to Know the Project Manager.....	203
Considering Team Manager(s) .....	205
Knowing How Project Support Helps.....	206
Setting up a Project Office .....	206

## **Chapter 13: Managing Project Quality . . . . .209**

Product Planning with Quality Built In .....	210
Taking Quality Seriously, Very Seriously .....	210
Delivering appropriate quality.....	211
Sticking to quality .....	212
Specifying Criteria for Project Acceptance .....	212
Customer quality expectations .....	212
Acceptance criteria .....	213
Writing a Quality Management Strategy.....	213
Planning Stage- (and Team-) Level Quality .....	216
Controlling and Auditing Quality.....	216
Controlling quality .....	217
Auditing and the Quality Register.....	217
Making sure of assurance .....	219
Checking Products with Quality Review .....	219
Roles in the quality review .....	220
Finding, not correcting, errors.....	220
Staying 'ego-less' .....	220
Signing off – the three options .....	221
Recording Quality.....	221
PRINCE2 quality records.....	222
Generic quality records .....	222

## **Chapter 14: Planning the Project, Stages and Work Packages. . . .223**

Thinking about the Planning.....	224
Considering organisational requirements.....	224
Thinking about money .....	224

Planning with Products.....	226
Looking at the planning problem.....	226
Focusing first on what you must produce.....	226
Identifying products in the project.....	227
Using the Product Flow Diagram .....	228
Writing Product Descriptions .....	232
Defining the project .....	236
Giving the product list some structure.....	237
Moving On to Activity Planning .....	239
Estimating – the Easy Bit .....	240
Scheduling and Resourcing.....	241
Activity networking and precedence networks .....	242
Activities with Gantt charts.....	246
Activities and resource levelling.....	246
Checking Risk.....	247
Explaining the Plan.....	248
Adding explanations for those who read the plan .....	248
Financial planning.....	249
Planning at Three Levels .....	250
The Project Plan.....	250
The Stage Plan.....	251
Team Plans .....	251

## **Chapter 15: Managing Project Risk . . . . .253**

Starting with the Basics: What Is Risk? .....	254
Deciding your strategy for handling risk .....	254
Understanding the sections of the strategy .....	255
Managing the Risk Budget .....	258
Using a Risk Cycle.....	259
Managing Risk with the Risk Procedure .....	260
Identifying Risk .....	261
Assessing risk.....	264
Making the ‘before or after’ decision .....	268
Planning how to deal with a risk.....	269
Implementing the Risk Responses.....	271
Actually taking the planned action.....	272
Communicating Information About Risk .....	272
Registering a Risk . . . or Not .....	273
Making a Risk Register entry .....	274
Safely Leaving Out Risk Management .....	274

<b>Chapter 16: Controlling Change and Versions</b> . . . . .	<b>275</b>
Allowing Change, but Not Scope Creep . . . . .	276
Taking control . . . . .	276
Avoiding a change freeze . . . . .	276
Defining a Project Issue . . . . .	277
Categorising Issues . . . . .	277
General Issue or ‘Problem/concern’ . . . . .	277
Request for Change (RFC) . . . . .	278
Off-Specification (Off-Spec) . . . . .	278
Conceding a concession . . . . .	279
Handling an Issue . . . . .	280
Step 1 – capturing the Issue . . . . .	280
Step 2 – examining the Issue . . . . .	282
Step 3 – proposing action . . . . .	283
Step 4 – deciding action . . . . .	283
Step 5 – implementing any work . . . . .	284
Understanding Authority Levels . . . . .	285
Setting up a change budget . . . . .	285
Setting up a Change Authority . . . . .	286
Controlling Versions – Configuration Management . . . . .	287
Deciding How Much CM to Do . . . . .	287
Writing the Configuration Management Strategy . . . . .	288
Keeping CM Information on Products . . . . .	290
Additional CI Information . . . . .	292
Seeing that CM Is a Different Control . . . . .	293
<b>Chapter 17: Monitoring Progress and Setting Up Effective Controls</b> . . . . .	<b>295</b>
Controlling at Different Levels . . . . .	295
Reporting: Time-Driven Controls . . . . .	296
Highlight reporting . . . . .	296
Checkpoint reporting . . . . .	296
Using the Event-Driven Controls . . . . .	297
Controlling the project with stages . . . . .	297
Making decisions at four key points . . . . .	299
Ordering Project Closure at Any Time . . . . .	299
Managing ‘By Exception’ . . . . .	300
Specifying the Limits: Tolerances . . . . .	300
Setting unequal tolerances . . . . .	301
Guarding against wishful thinking – tolerance lines . . . . .	302
Outlining the six types of tolerance . . . . .	304
Reporting Projections Outside of Tolerance: Exception . . . . .	305
Giving an Exception Report . . . . .	305
Deciding what to do . . . . .	306
Revising the plans . . . . .	306
Using Tolerance at Different Levels . . . . .	307

Monitoring Progress and Controlling Projects .....	308
Controlling teams with Work Packages .....	308
Measuring progress with the Product Checklist .....	308
Avoiding 'percentage complete' .....	309
Controlling quality .....	309
Looking for Financial Controls.....	309

## ***Part IV: The Part of Tens..... 311***

### **Chapter 18: Ten Ways to Make PRINCE2 Work Well ..... 313**

Staying Flexible – Using PRINCE2 Differently.....	313
Keeping the Documentation Down.....	314
Making PRINCE2 a Standard.....	315
Insisting on PRINCE2 .....	315
Training People in PRINCE2 .....	316
Implementing Project Assurance .....	316
Actually Doing the Benefit Reviews .....	317
Maintaining Product Planning.....	317
Using the Product Checklist.....	318
Keeping the Plans Up To Date .....	318

### **Chapter 19: Ten Tips for a Good Business Case . . . . . 319**

Measuring Benefits – Wherever You Can .....	319
Understanding that Some Projects Don't Have Benefits .....	320
Reviewing the Business Case Regularly .....	321
Being Prudent (1) .....	322
Being Prudent (2) .....	322
Owning the Business Case.....	322
Aligning the Business Case with Corporate Requirements.....	322
Standing Firm on the Figures .....	323
Updating the Business Case During Stages .....	323
Thinking 'Business Case' in Issue Handling .....	324

### **Chapter 20: Ten Things for Successful Project Assurance . . . . . 325**

Making Sure You Do It.....	325
Being Flexible about Assurance.....	326
Selecting Experienced People.....	327
Avoiding List Tickers .....	327
Steering Clear of Nit-Pickers.....	328
Working Co-operatively .....	328
Separating Assurance and Support.....	328
Being Careful When Using Other Project Managers .....	328
Getting Project Board Ownership .....	329
Being Clear on What You're Assuring.....	329

<b><i>Part V: Appendices</i></b> .....	<b>331</b>
<b>Appendix A: Looking into PRINCE2 Qualifications</b> .....	<b>333</b>
Choosing PRINCE2 Training .....	333
Looking at Sample Papers .....	334
The Foundation Exam .....	334
The Practitioner Exam .....	334
Staying Up To Date .....	336
Getting Qualified and Locating Exams .....	336
Getting Help With the Exams .....	336
Answers to the Sample Questions .....	336
<b>Appendix B: Glossary of the Main PRINCE2 Terms</b> .....	<b>337</b>
<b><i>Index</i></b> .....	<b>351</b>