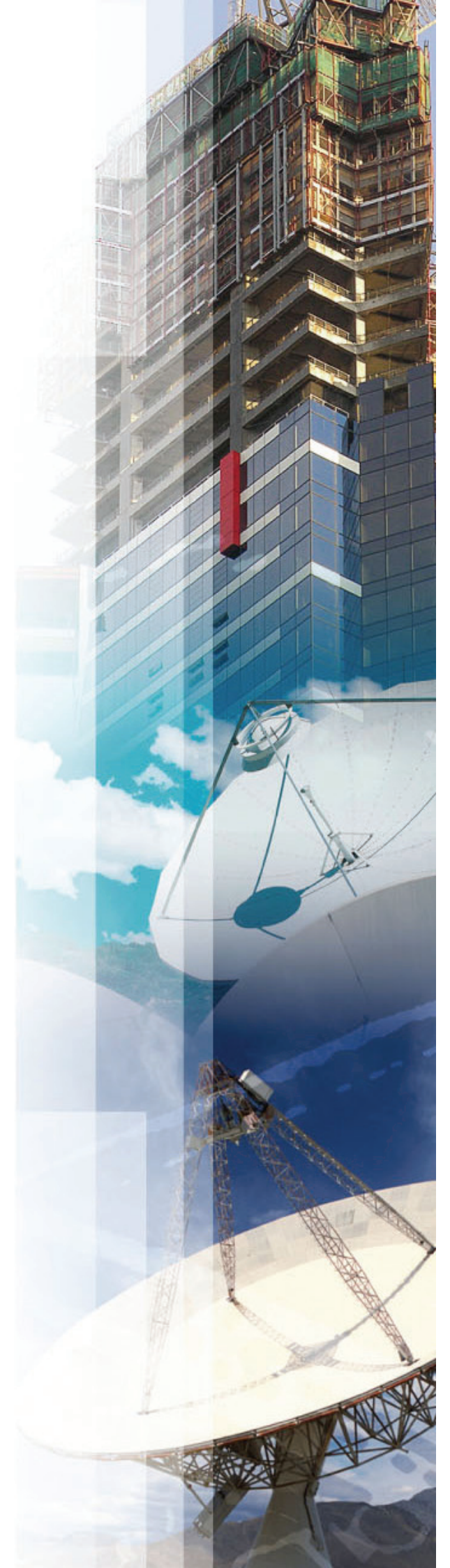
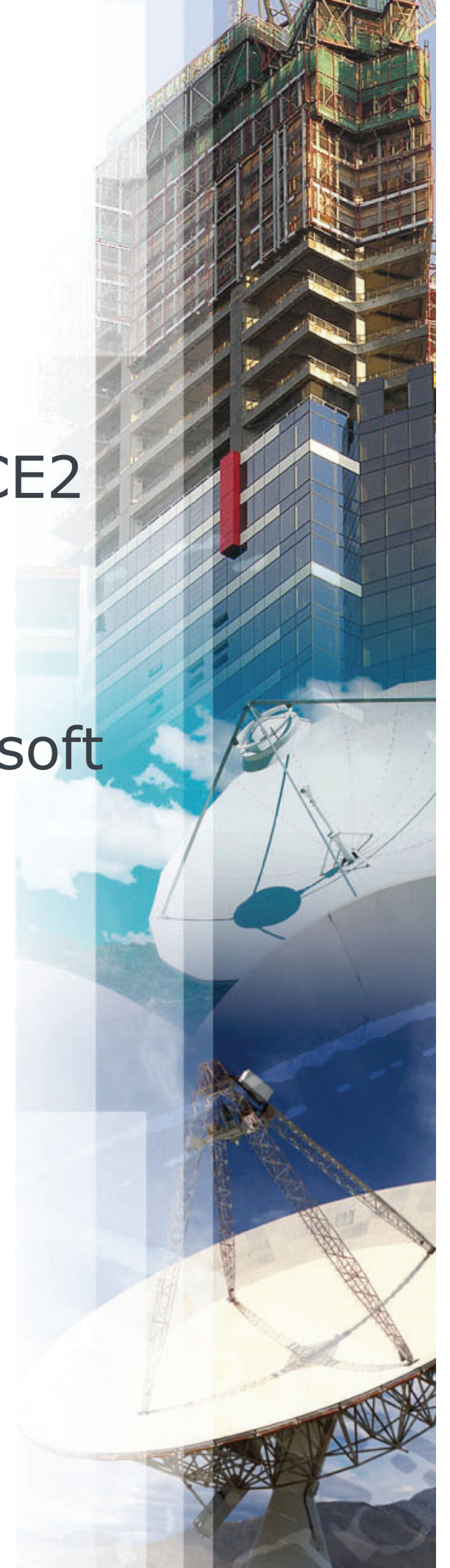


Welcome to the
Eastwood Harris Pty Ltd
Introduction to
PRINCE2™
Revised 2009
and
Microsoft Office Project



Purpose of the Presentation

- Present an overview of the changes to the PRINCE2 methodology
- Identify the changes in Product Based Planning
- Demonstrate some practical ways in which Microsoft Office Project 2007 may be used to support your PRINCE2 project.



PRINCE2 2009 Changes

- The 2009 Managing Successful Projects with PRINCE2™, fifth edition of the manual introduced some significant changes in both the terminology used and the structure of PRINCE2.



Main Changes

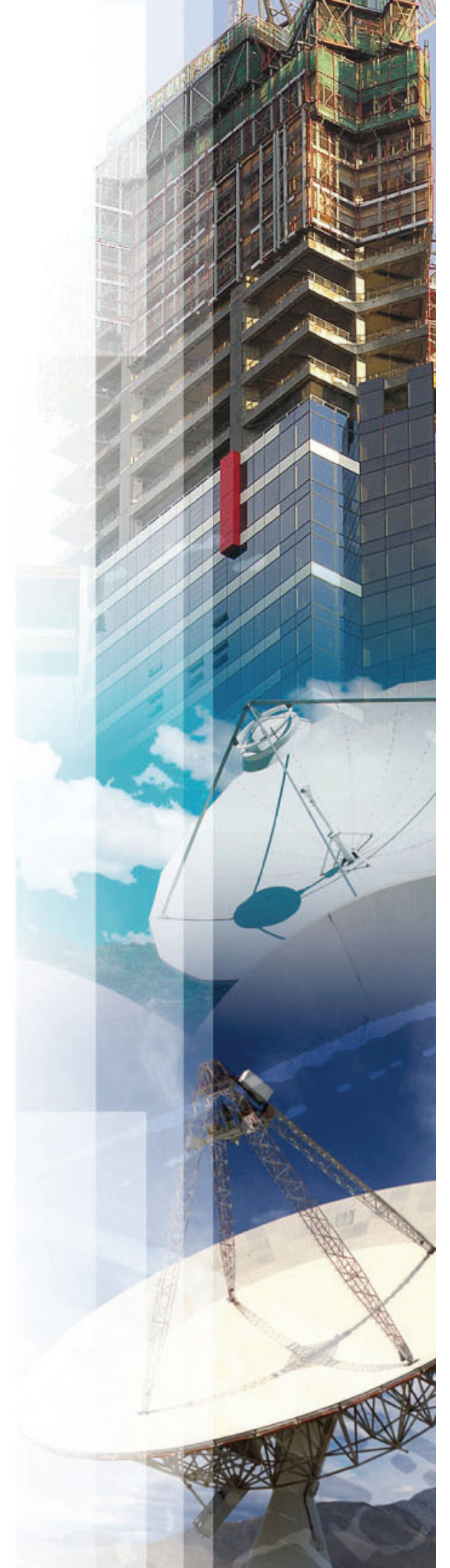
- There are now two texts.
 - Managing Successful Projects with PRINCE2 2009 Edition and
 - Directing PRINCE2 Projects with PRINCE2 Manual.
- New chapters have been included titled:
 - **Principles of PRINCE2** and
 - **Tailoring PRINCE2 to the Project Environment.**
- The **Components** and **Techniques** chapters have been removed and these chapters have now been combined into the new **Themes** section.
- The 2009 manual now consists of the following chapters;
 - Introduction
 - Principles
 - Themes
 - Processes
 - Tailoring PRINCE2 to the project environment



PRINCE2 2009 Terminology

The following terminology changes have been made:

- **Components** are now called **Themes**,
- **Processes** remain **Processes**,
- **Sub processes** are now called **Activities**,
- **Processes** and **Activities** are no longer assigned codes such as SU and SU1.



Additions and Removals

- This edition is a major rewrite of the book and not just an update,
- Some sub processes have been removed, many are renamed with some new ones being introduced,
- One of the more significant changes is that the Planning Process has been removed and the Planning sub processes have been moved and restructured in the **Planning Theme** under a heading titled **The PRINCE2 Approach to Plans**,
- These Planning sub processes are now referred to as **Steps**.



Starting up a Project

PRINCE2 4th Edition 2005 Processes

Sub Processes

Starting up a Project

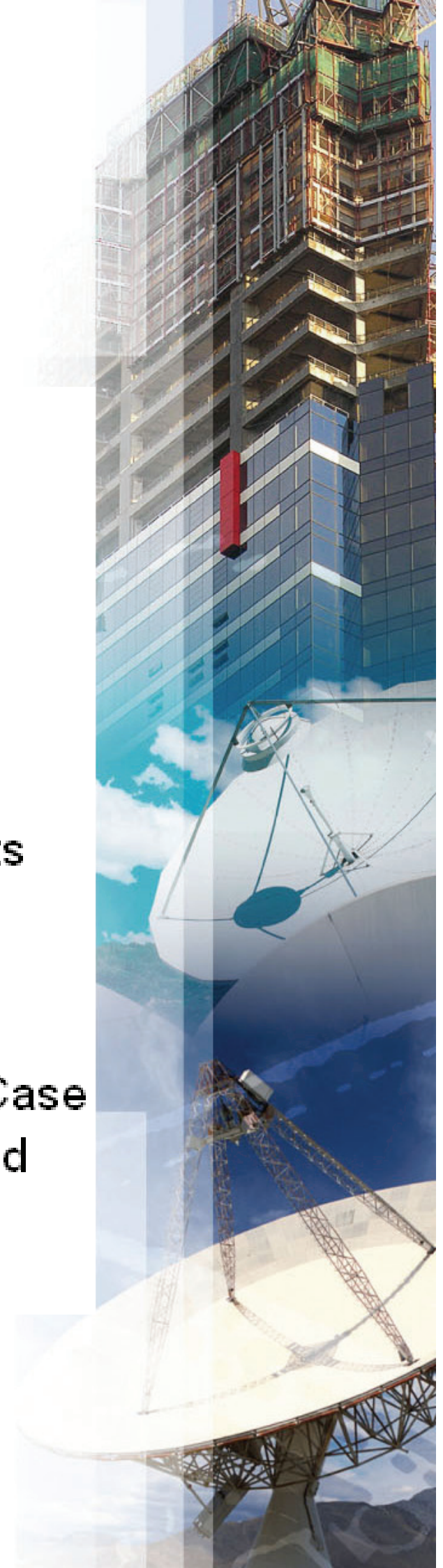
- SU1 Appointing a PB Executive and a PM
- SU2 Designing a PM Team
- SU3 Appointing a PM Team
- SU4 Preparing a Project Brief
- SU5 Defining a Project Approach
- SU6 Planning an Initiation Stage

PRINCE2 5th Edition 2009 Processes

Activities

Starting up a Project

- Appoint the Executive and the Project Manager
- Capture previous lessons*
- Design and appoint the projects management team
- Prepare the outline Business Case
- Select the project approach and assemble the Project Brief
- Planning the Initiation Stage



Directing a Project

PRINCE2 4th Edition 2005 Processes

Sub Processes

Directing a Project

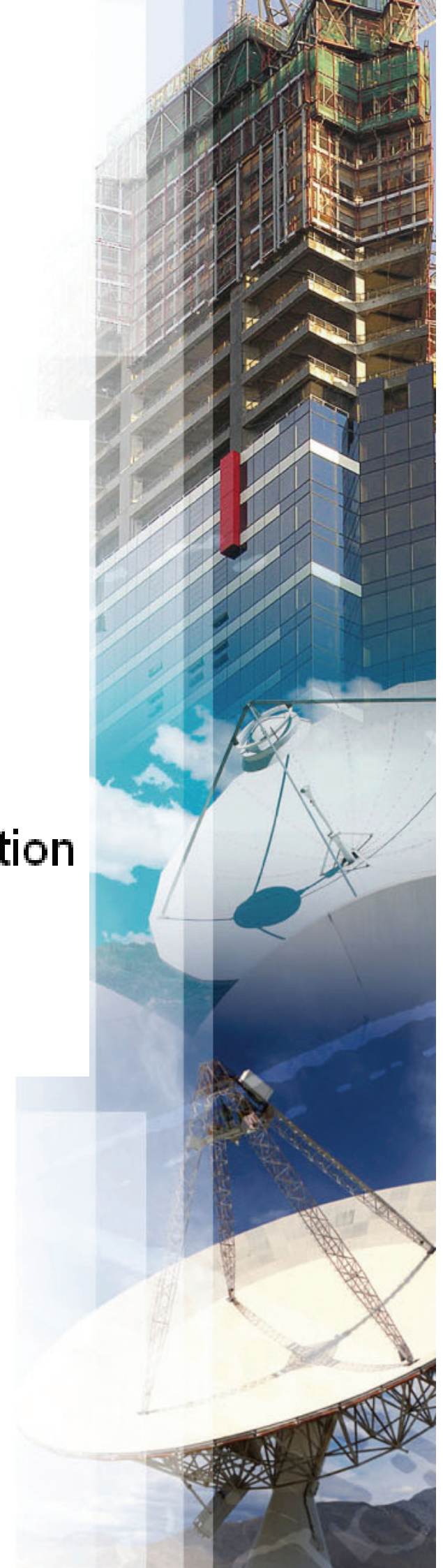
- DP1 Authorising Initiation
- DP2 Authorising a Project
- DP3 Authorising a Stage Plan or Exception Plan
- DP4 Giving ad hoc Direction
- DP5 Confirming Project Closure

PRINCE2 5th Edition 2009 Processes

Activities

Directing a Project

- Authorize initiation
- Authorize the project
- Authorize a Stage or Exception Plan
- Give ad hoc direction
- Authorize Project Closure



Initiating a Project

PRINCE2 4th Edition 2005

Processes

Sub Processes

Initiating a Project

IP1 Planning Quality

IP4 Setting up Project Controls

IP2 Planning a Project

IP3 Refining the Business Case
and Risks

IP6 Assembling a PID

IP5 Setting up Project Files

PRINCE2 5th Edition 2009

Processes

Activities

Initiating a Project

*Prepare the Risk Management
Strategy*

*Prepare the Configuration
Management Strategy*

Prepare the Quality Management
Strategy

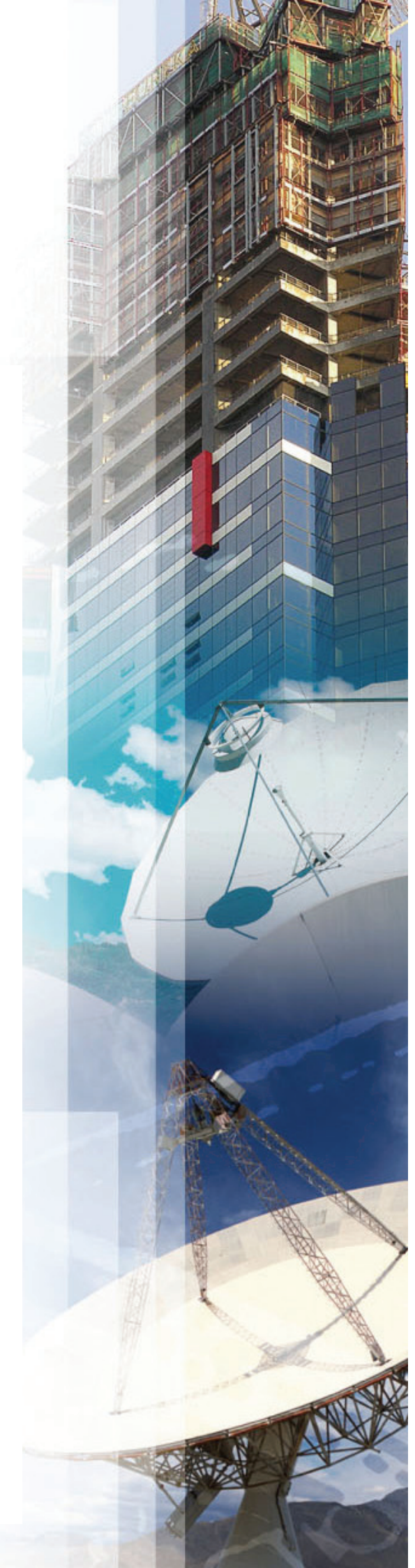
*Prepare the Communications
Management Strategy*

Setting up Project Controls

Create a Project Plan

Refine the Business Case

Assembling a Project Initiation
Document



Controlling a Stage

PRINCE2 4th Edition 2005

Processes

Sub Processes

Controlling a Stage

CS1 Authorising a Work Package

CS2 Assessing Progress

CS9 Receiving Completed Work Package

CS5 Reviewing Stage Status

CS6 Reporting Highlights

CS3 Capturing Project Issues

CS4 Examining Project Issues

CS8 Escalating Project Issues

Pa CS7 Taking Corrective Action

PRINCE2 5th Edition 2009

Processes

Activities

Controlling a Stage

Work Packages

Authorize a Work Package

Review Work Package Status

Receive Complete Work Package

Monitoring and reporting

Reviewing the stage status

Report highlights

Issues

Capture and examine issues and risks

Escalate issues and risks

Take corrective action



Managing Product Delivery

PRINCE2 4th Edition 2005 Processes

Sub Processes

Managing Product Delivery

MP1 Accepting a Work Package

MP2 Executing a Work Package

MP3 Delivering a Work Package

PRINCE2 5th Edition 2009 Processes

Activities

Managing Product Delivery

Accept a Work Package

Execute a Work Package

Deliver a Work Package



Planning

PRINCE2 4th Edition 2005 Processes

Sub Processes

Planning

- PL1 Designing a Plan
- PL2 Defining and Analysing Products
- PL3 Identifying Activities and Dependencies
- PL4 Estimating
- PL5 Scheduling
- PL6 Analysing Risks
- PL7 Completing a Plan

PRINCE2 5th Edition 2009 Processes

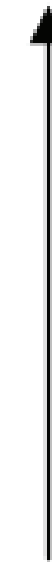
Activities

PRINCE2 Theme - Steps in the Approach to Plans

- Design the plan
- Define and analyse the products
- Identify activities and dependencies
- Prepare estimates
- Prepare the schedule

Analyse the risks (throughout the whole Theme)

Document the Plan



Managing Stage Boundaries

PRINCE2 4th Edition 2005

Processes

Sub Processes

Managing Stage Boundaries

SB1 Planning a Stage

SB2 Updating a Project Plan

SB3 Updating a Project Business Case

SB4 Updating the Risk Log

SB5 Reporting Stage End

SB6 Producing an Exception Plan

PRINCE2 5th Edition 2009

Processes

Activities

Managing a Stage Boundary

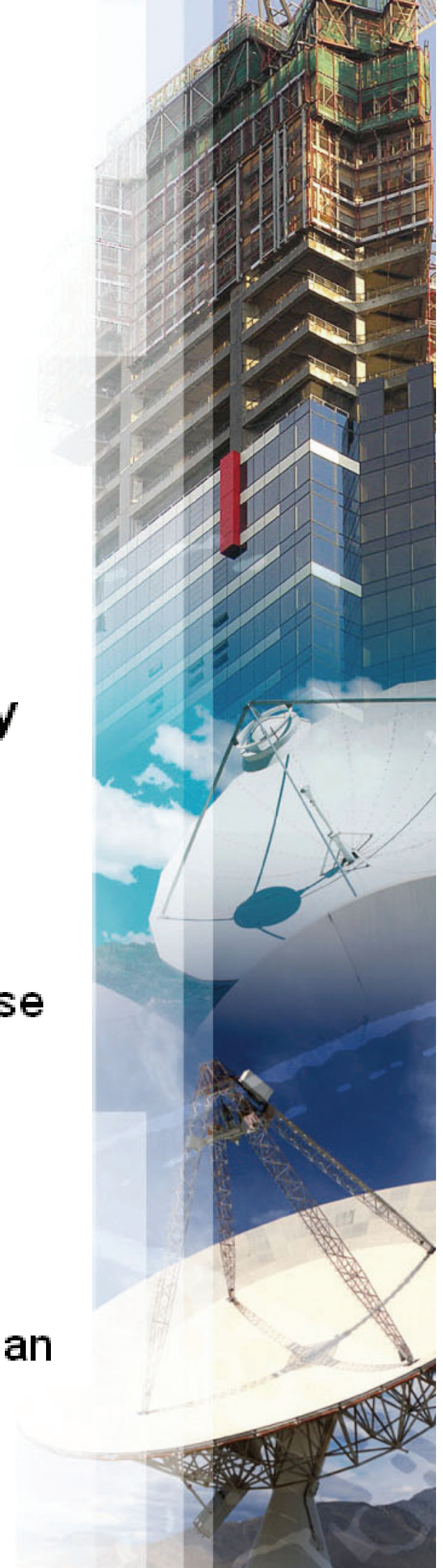
Plan the next stage

Update the Project Plan

Update the Business Case

Report stage end

Produce an Exception Plan



Closing a Project

PRINCE2 4th Edition 2005

Processes

Sub Processes

Closing a Project

CP3 Evaluating a project

CP1 De-commissioning a project

CP2 Identifying Follow on Actions

PRINCE2 5th Edition 2009

Processes

Activities

Closing a Project

Prepare planned closure

Prepare premature closure

Hand over products

Evaluate the project

Recommend project closure

Purpose of Planning

- The ultimate purpose of planning is to build a model that allows you to predict which tasks and resources are critical to the timely completion of the project, then:
- Strategies may then be implemented to ensure that these tasks and resources are managed properly, thus ensuring that the project will be delivered both **On Time** and **Within Budget**.

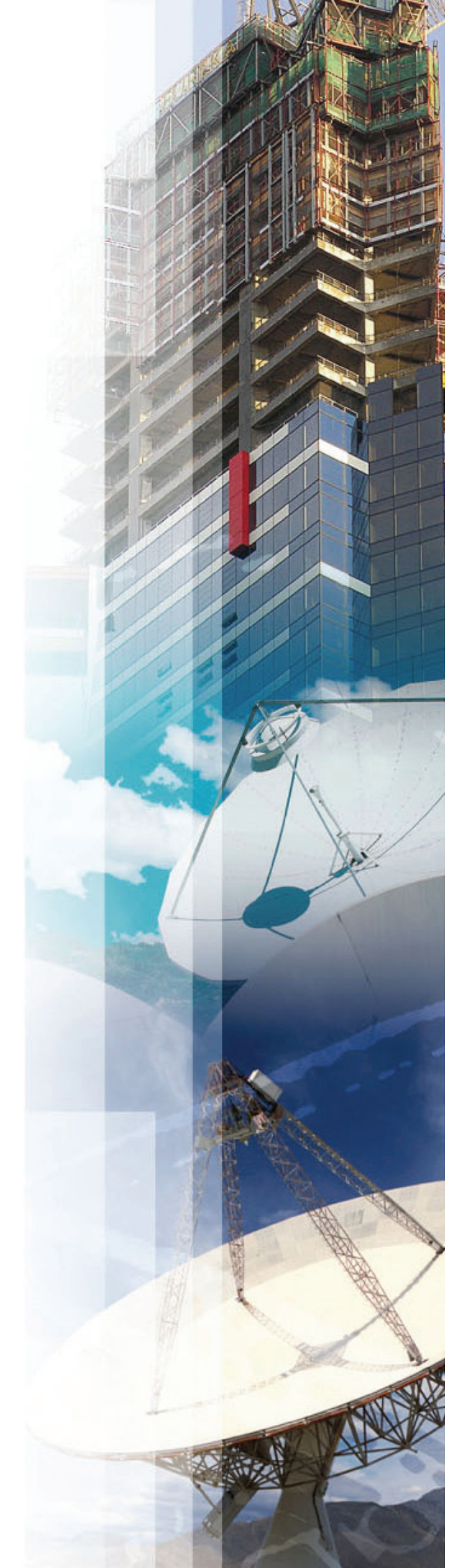
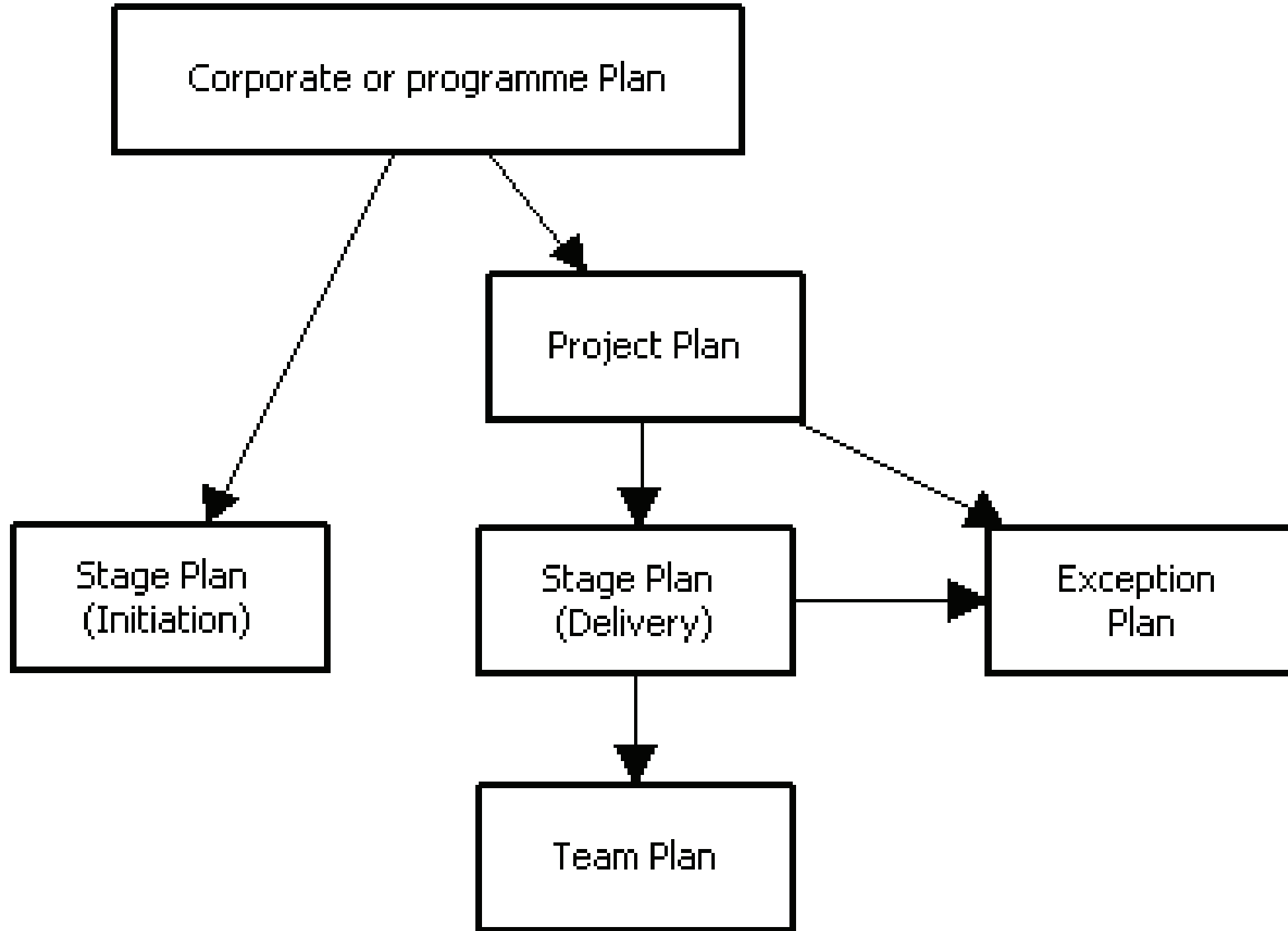


Plan Levels

- PRINCE2 defines three levels of plans below a corporate or programme plan:
 - Project
 - Stage
 - Team
- PRINCE2 also defines 5 types of plan as per the picture on the next slide, (which was created using the Microsoft Project Network Diagram function).

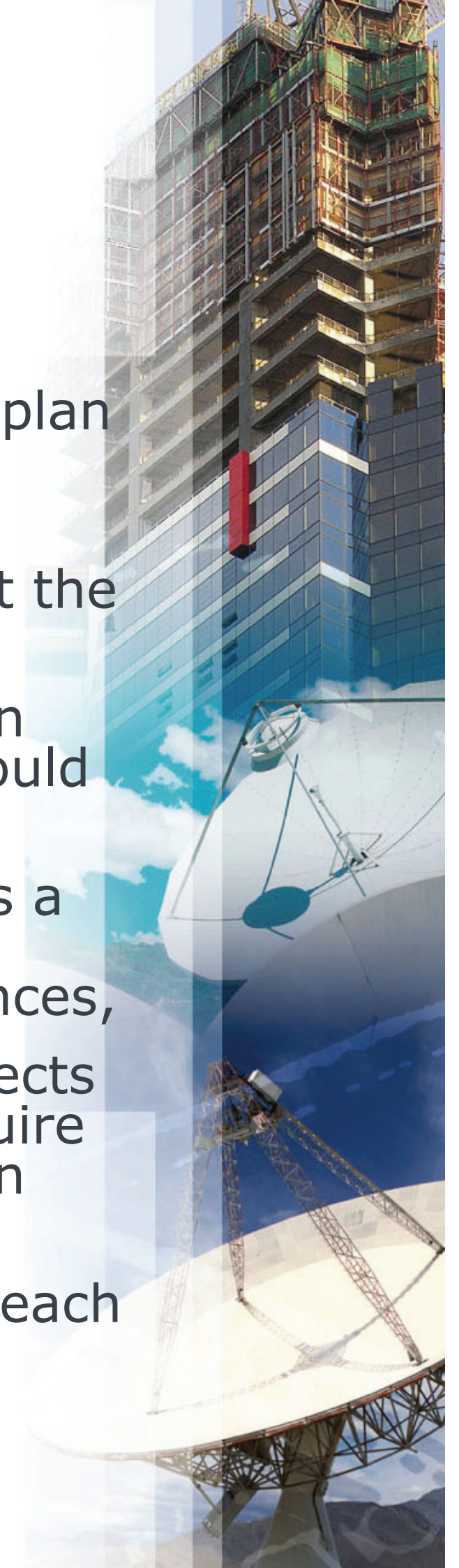


Plan Levels



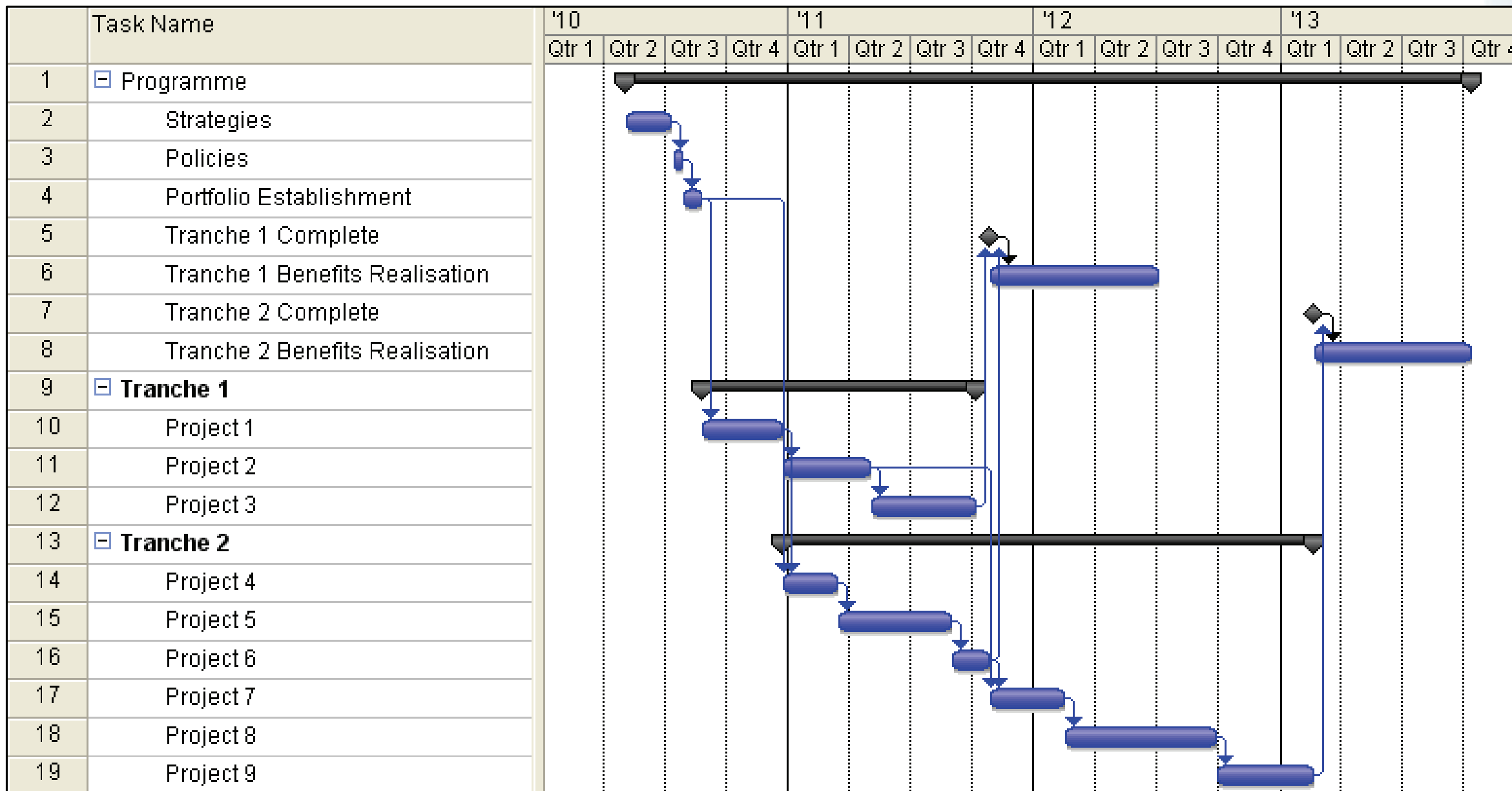
PRINCE2 Plan Levels

- **Programme Plan**, a Project Plan may be a stand-alone plan or part of a portfolio of multiple projects within a programme,
- **Project Plan**, this is mandatory and updated throughout the duration of a project,
- **Stage Plan**, there are a minimum of two Stage Plans: an **Initiation Stage Plan** and **First Stage Plan**. (There would be usually one Stage Plan for each Stage.),
- **Exception Plan**, which is at the same level and detail as a Stage Plan and replaces a Stage Plan at the request of a Project Board when a Stage is forecast to exceed Tolerances,
- **Team Plan** is optional and would be used on larger projects where Teams are used for delivering Products which require detailed planning. A typical example is a contractor's plan that would be submitted during the bidding process,
- **The Design the Plan** PRINCE2 activity will set out how each of these plans will be managed, there are many options.



Programme Planning in Microsoft Project

- This is an example of how high level Programme Planning may be completed in Microsoft Project:



Project Board Controls

The Project Board controls the project through:

- Authorize initiation where an Initiation Stage Plan would be reviewed and approved,
- Authorize the project where the Project Plan and First Stage would be reviewed and approved,
- Authorize a Stage or Exception Plan,
- Give ad hoc direction,
- Prepare planned closure where the Actual Duration and Costs would be compared to the Planned Duration and Costs.



Project Manager Controls

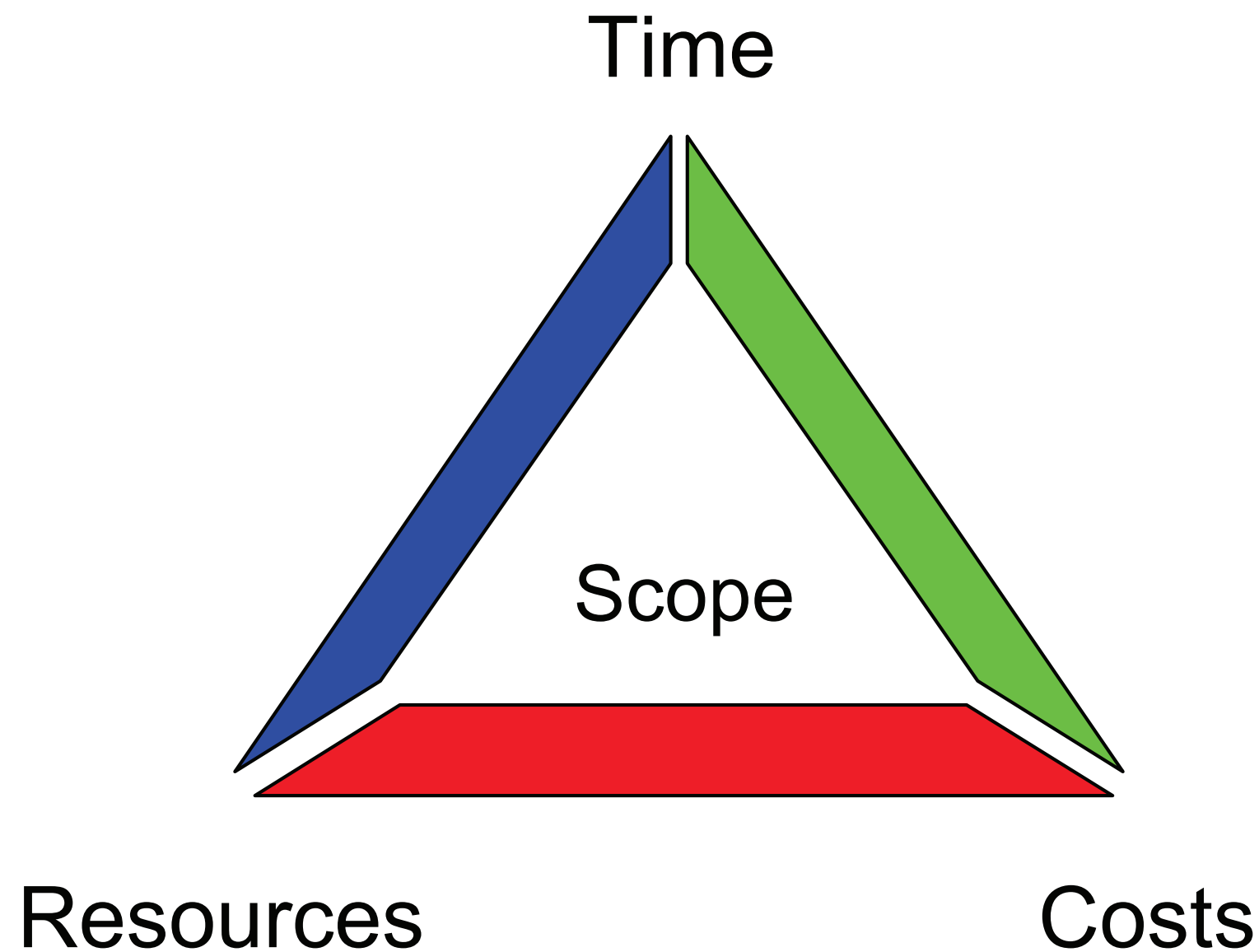
The Project Manager controls the project through:

- The definition of Products in **Define and analyse the products,**
- Authorising work to commence in **Authorize a Work Package,**
- **Review Work Package Status** where the Project Manager would review Checkpoint Reports created by Team Managers, and
- **Receive Complete Work Package.**

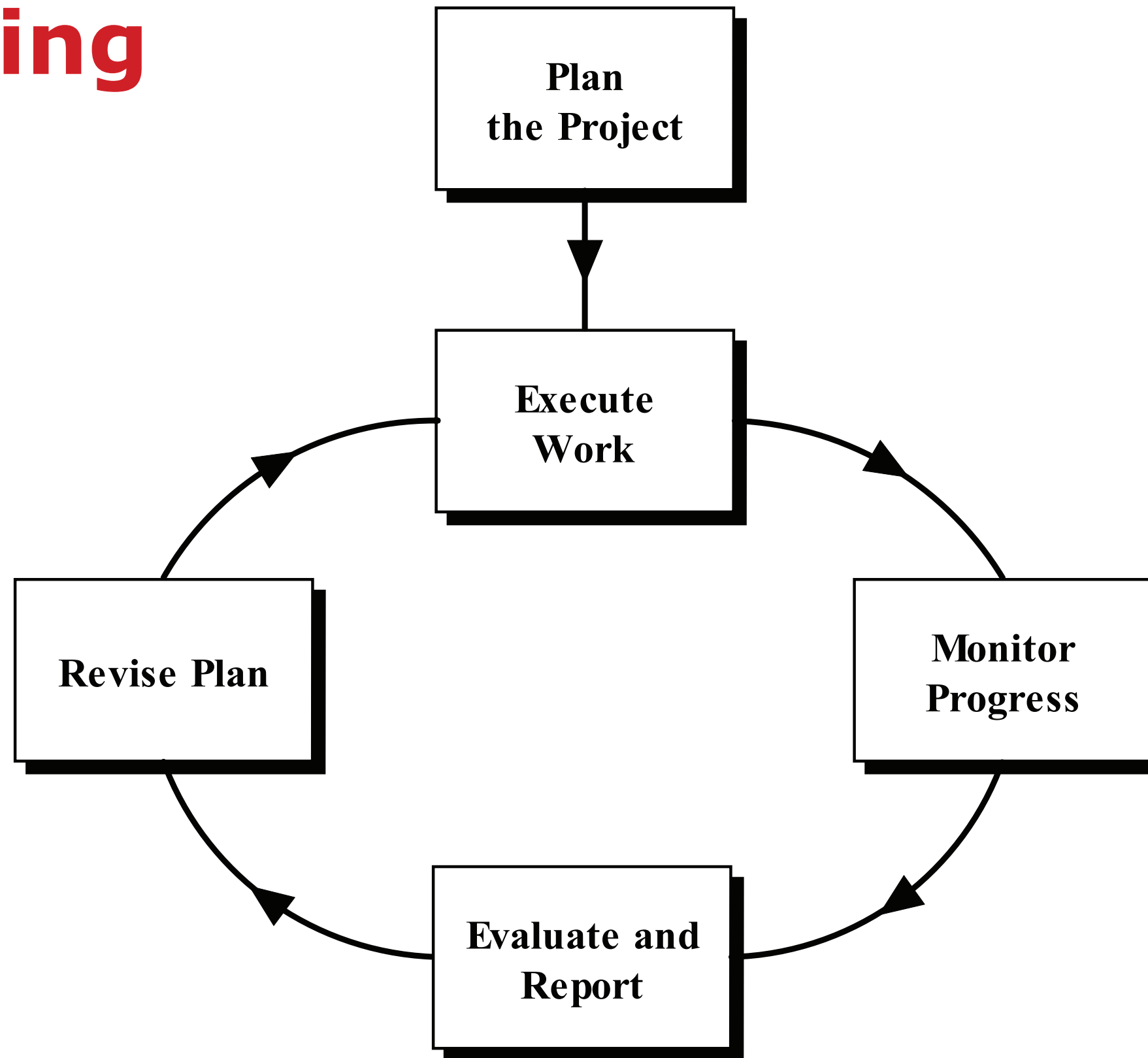


Project Planning Metrics

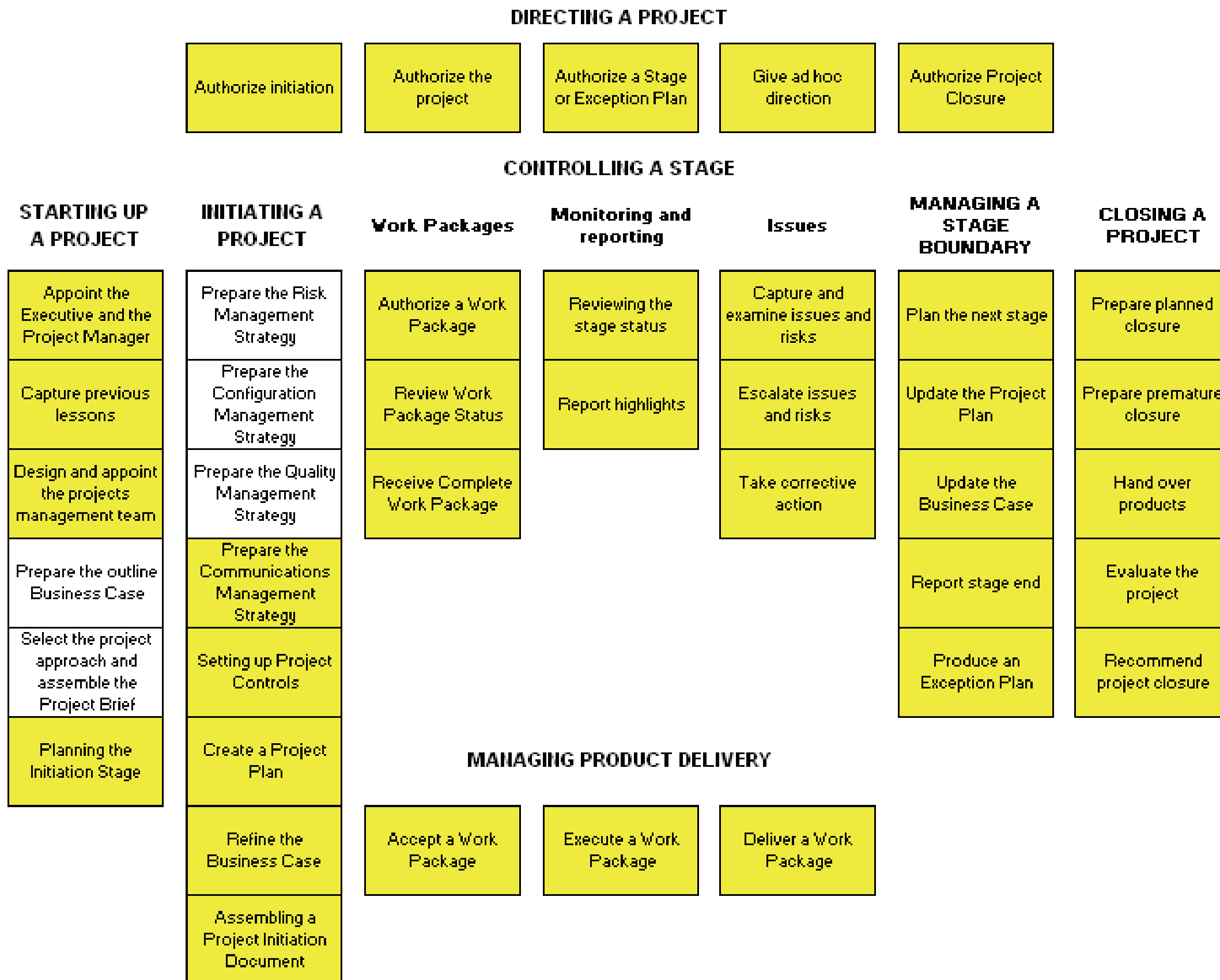
- A change in any one of these components normally results in a change in one or more of the others.



Planning Cycle



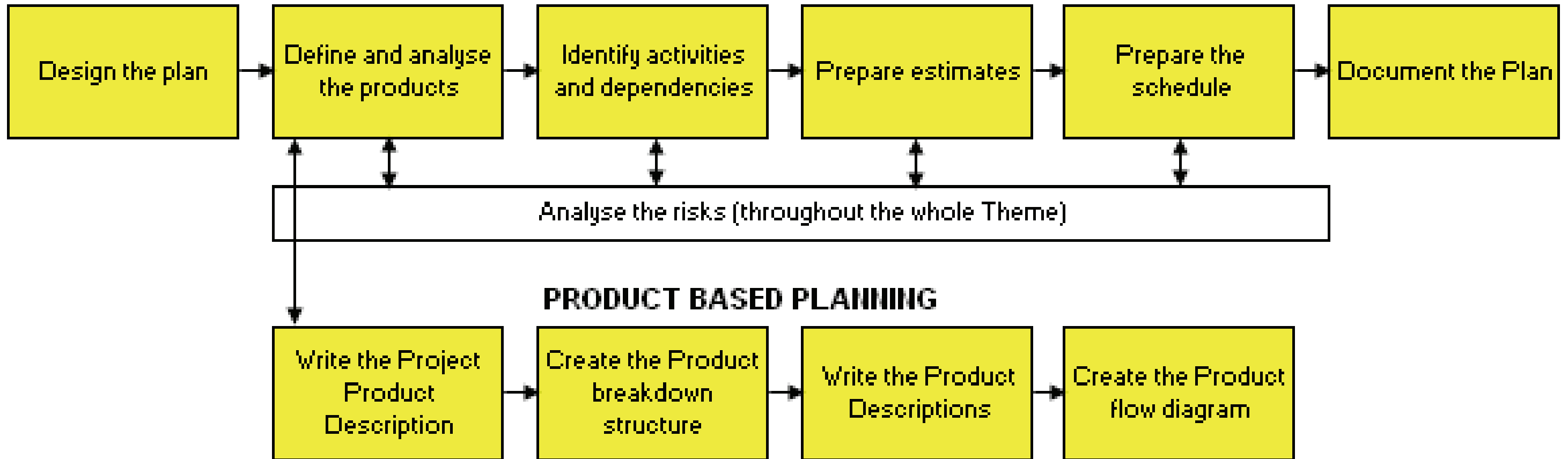
PRINCE2 Planning Components supported by Microsoft Project





PRINCE2 Planning Components supported by Microsoft Project continued...

PRINCE2 Theme - Steps in the Approach to Plans



Four modes or levels

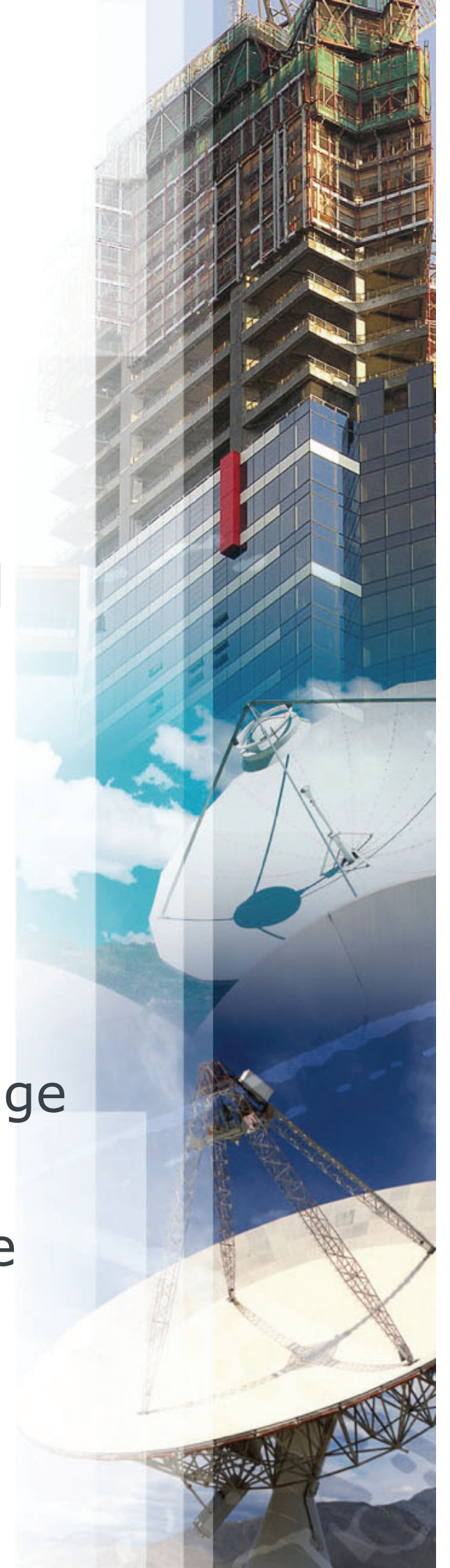
- There are four levels in which planning and scheduling software may be used,
- The more information that is entered then the more that may be retrieved:

	Planning	Controlling
Without Resources	LEVEL 1 Planning without Resources	LEVEL 2 Tracking progress without Resources
With Resources	LEVEL 3 Planning with Resources	LEVEL 4 Tracking progress with Resources



Microsoft Project Options for Product Based Planning

- Microsoft Project was not entirely suitable to complete Product Based Planning with the older version of PRINCE2, but PRINCE2 2009 has relaxed some of the requirements making using Microsoft Project easier,
- We will make some suggestions on how to use Microsoft Project to create a PBS next,
- Other options are:
 - To invest in PRINCE2 planning software such as Change Aide, or
 - Use a word processor or spreadsheets and indent the text to create a hierarchical structure, or
 - Use Microsoft's OBS feature in Word or Excel.



Product Breakdown Structure Options in Microsoft Project

- A close approximation of a Product Breakdown Structure may be duplicated either using **Outlining**, or
- Using **Custom Outline Codes**:
- **NOTE:** No graphical tree structure may be produced from Microsoft Project

	Task Name
1	[-] Specialists Products
2	[-] Collective Group 1
3	Product 1
4	Product 2
5	Product 3
6	[-] Collective Group 2
7	Product 4
8	Product 5
9	Product 6

Level	Outline Code	Description
1	[-] 1	Project
2	[-] 11	Collective Grouping 1
3	111	Product 1
3	112	Product 2
3	113	Product 3
2	[-] 12	Collective Grouping 2
3	121	Product 4
3	122	Product 5
3	123	Product 6

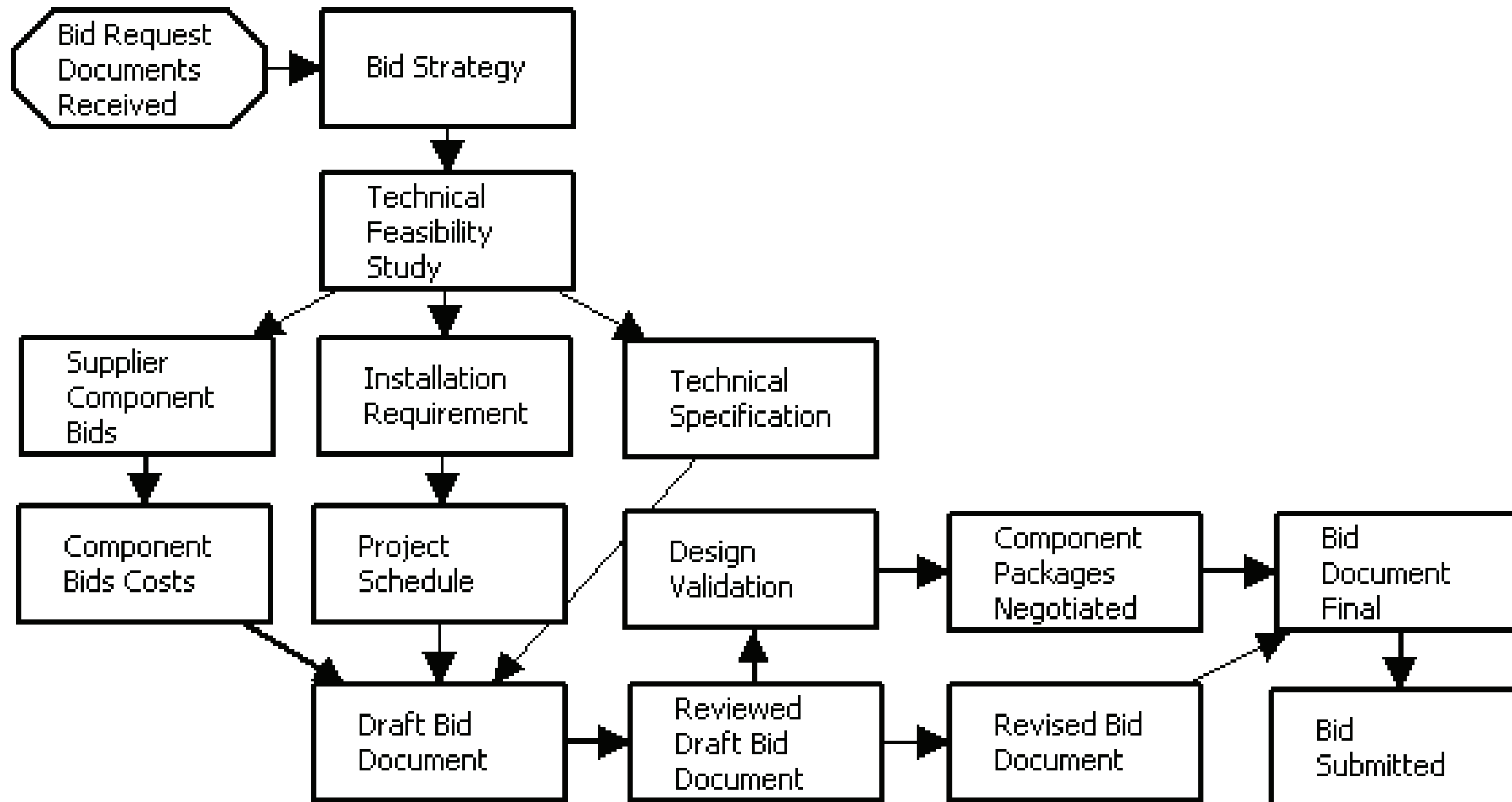
Product Description

- **Product Descriptions** may be recorded in Microsoft Project in:
 - **Notes**, or
 - As an attached file, or
 - **Custom Fields**,
- **Note:** When data is recorded in Microsoft Project, this information is no longer accessible to those who do not have access to the software. This may deter the use of Microsoft Project to record such data.



Product Flow Diagram

- A **Product Flow Diagram (PFD)** may be created in Microsoft Project using the Network Diagramming function as the Products have been entered as tasks.



Product Flow Diagram

Therefore the **Network Diagramming View** may be used to create and display the **PRINCE2 Product Flow Diagram** but the combination of the software functionality and the PRINCE2 requirements makes it difficult to use for this purpose:

- The formatting and presentation of the boxes around the Task Names are linked to scheduling functions; for example, Critical Activities may be assigned a specific box format,
- Elliptical Boxes are not available for External Products, but this requirement has been dropped in PRINCE2 2009,
- A filter should be created to ensure that only tasks designated as Products are displayed,
- The default boxes are designed to display scheduling data such as dates and float and are not ideal for the display of simple data such as descriptions.



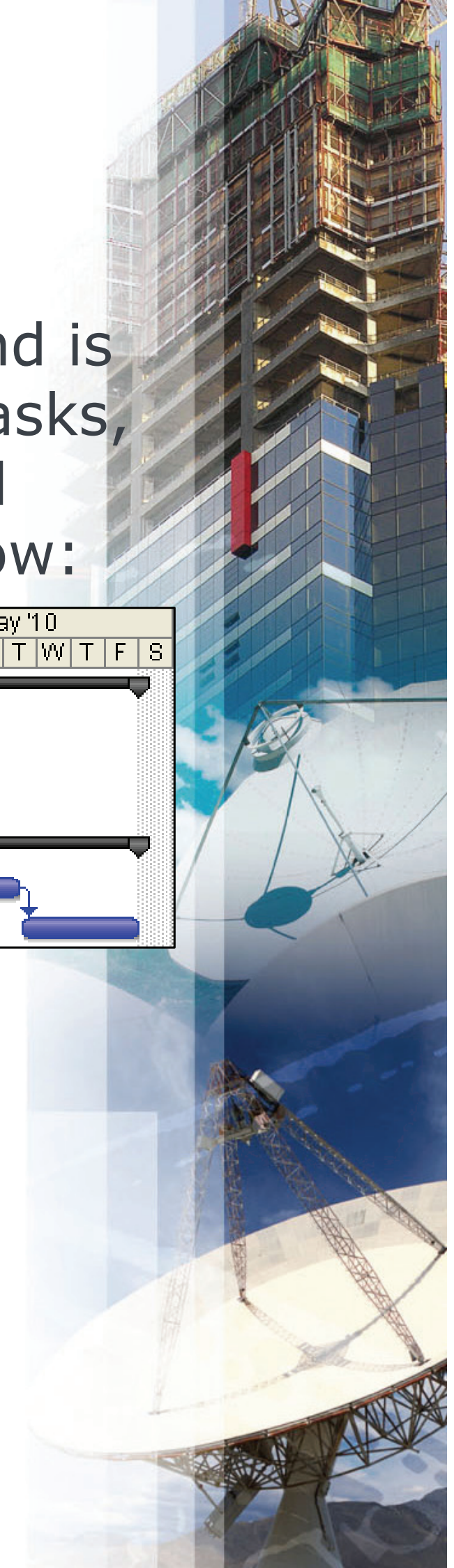
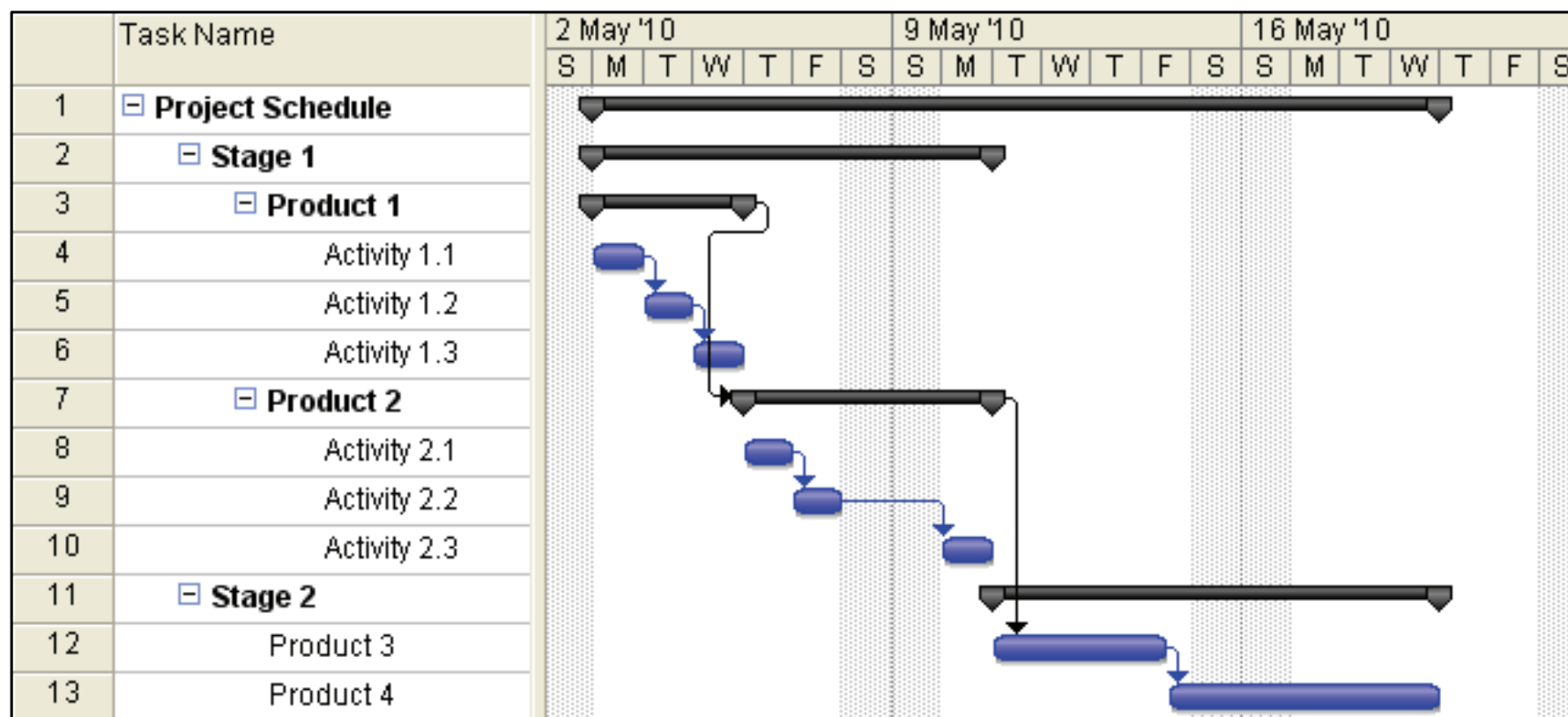
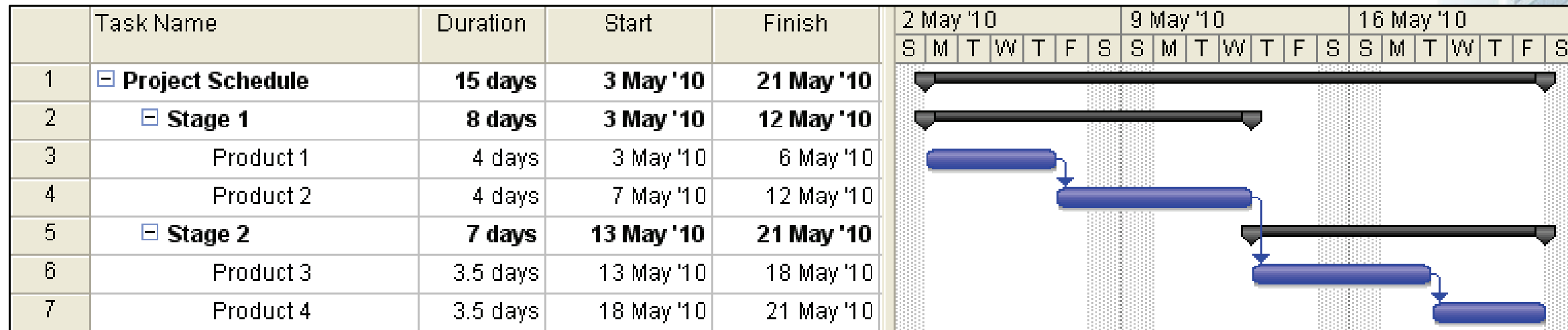
Coding up a Project

- Project breakdown structures are coding structures that are used to Group, Summarize and/or Filter tasks,
- Other project codes may include Stages, Locations, Disciplines, Contract Breakdown Structure and Organisational Breakdown Structure,
- The principal method to assign a project breakdown structure to a project in Microsoft Project is through the Outlining function,
- Before creating a project, you should decide which is your primary project breakdown structure and use Outlining for this function,
- Design your other project breakdown structures using Custom Outline Codes or Text Fields.



Adding Tasks

- Microsoft Project is a "top down" scheduling tool and is ideally suited to project planning using summary tasks, created using the Outlining function, as Stages and Products in a Project Plan as per the examples below:



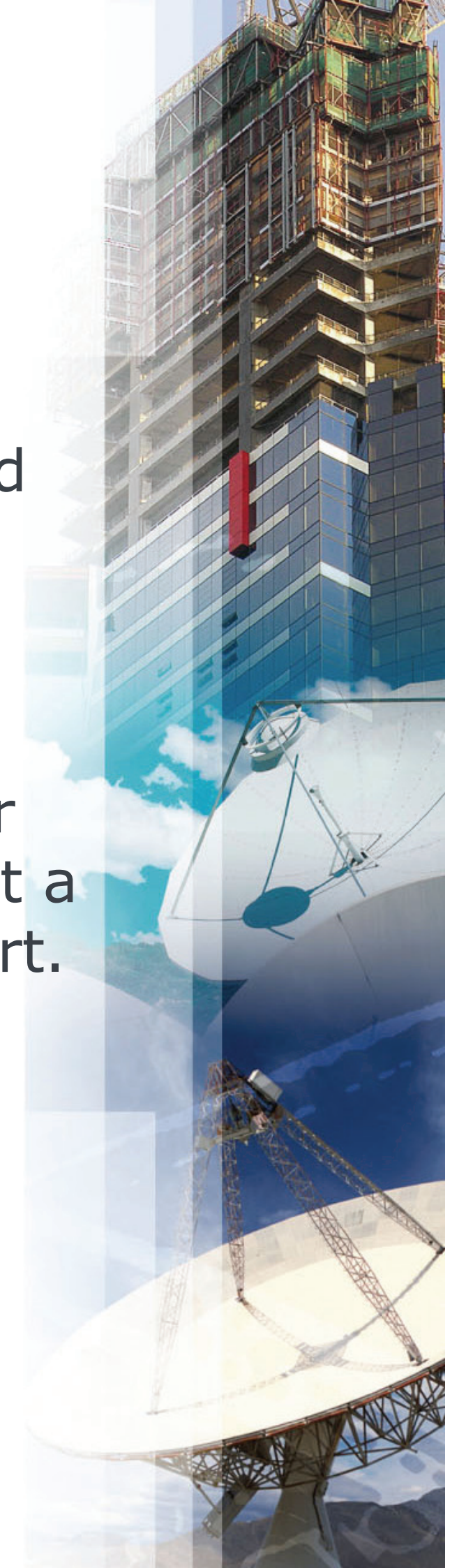
Options for Displaying Stages and Products

- **Summary Tasks** in Microsoft Project may be used to represent PRINCE2 Stages and/or Products, as per the example above and this is the simplest way to use Microsoft Project. Other alternatives are:
- **Custom Fields** are an alternative function which may also be used to identify Stages and/or the Product Breakdown Structure.
- **Milestones** may be used to identify the completion of Stages when the schedule is organised using Outlining which does not include Stages.
- **NOTE:** These alternative methods require more knowledge of the software and the display options are not simple to use.



Views

- A **View** is a function where the formatting such as the **Table, Grouping, Filters, Print Settings** and **Bar Formatting** are saved and reapplied later.
- A filter is saved as part of a **View**.
- In a PRINCE2 project a **View** could be created for each type of report and for displaying Team Plan or Stage Plan activities. It is highly recommended that a View be produced for each frequently-created report.



Tracking Progress

The main steps for monitoring progress are:

- Saving a Baseline schedule
- Recording or marking-up progress as of a specific date, often titled the Data Date, Status Date, Update Date, Current Date and As-Of-Date
- Updating or Statusing the schedule with Actual Start and Actual Finish dates where applicable, and adjusting the task's Remaining Durations and Percent Completes
- Scheduling, moving the Status Date to the new date and recalculating all the tasks
- Comparing and Reporting actual progress against planned progress and revising the plan and schedule, if required.



Summary

- PRINCE2 2009 is a refinement and evolution of the PRINCE2 methodology and users of the earlier version should have no problems adopting to the 2009 version,
- The use of Microsoft Project to create a PBS is made simpler with the relaxing of the requirements for the presentation of the PBS,
- The use of Microsoft Project in all other areas of PRINCE2 has not changed.



Thank you for attending.

