

PRINCE2®

PRINCE2® is a generic method for all kinds of project management. The method can be used by all involved parties of a project to reach the project objectives within the predefined goals of time, cost, quality, scope, risk and benefits.

PRINCE2® is a generic method for all kinds of project management. It can be used in different markets/sectors (setting up world championship in football to producing medical devices) due to that it's not connected to the actual function/technology used to achieve the result. It can also be used in various sizes of projects ranging from branding a pen for a trade show to implement IoT worldwide in freight containers, due to that the content of the method can and should be customized to meet the need of the project.

The method is rather extensive, in order to meet the need for large/complex project, but below is a high-level summary.

The method consists of 4 main concepts:



1. Principles – definitions of best practice in project management.
A project must follow this.



2. Themes – answer the project manager's question: "How should I do this?".
It could be seen as a toolbox for project managers.



3. Processes – answer the project manager's question: "What should I do at a certain point in the project?".
It helps the project manager to know what to do at all times.



4. Tailoring – Adjust the administration to what's needed for the organization and project.

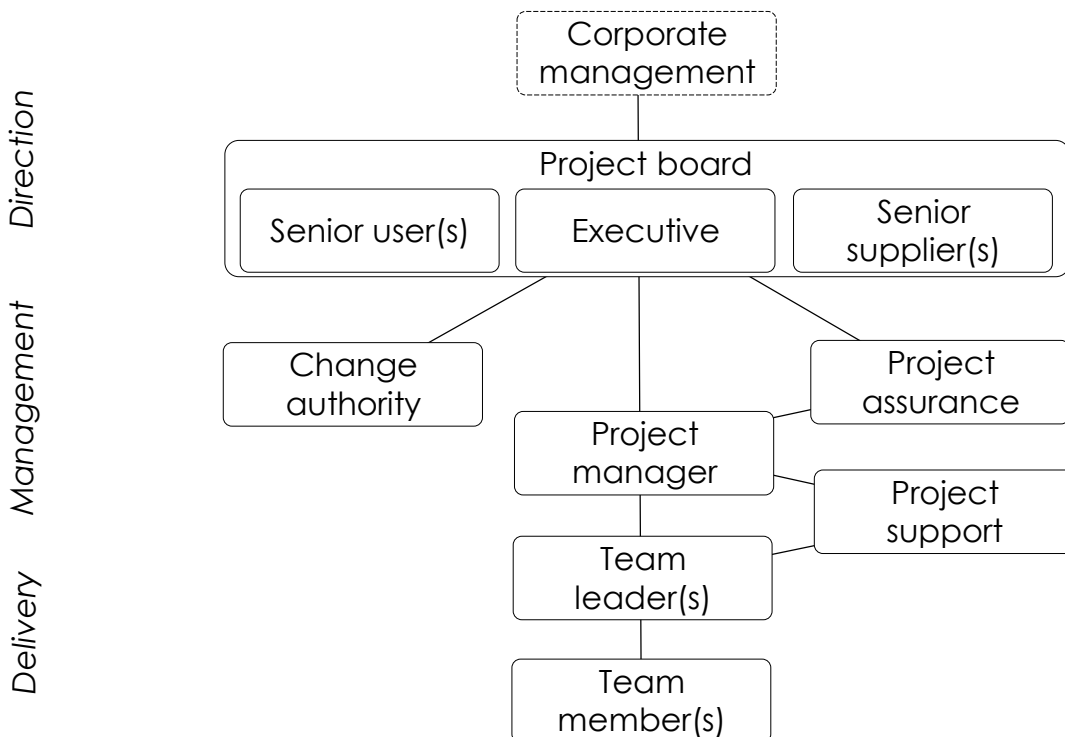


Principles

Principles are the only concept that can't be customized; due to that it's the core concept of the method. There are 7 principles:

1. Continued business justification – the business result must be valid during the whole project; otherwise stop or redo the project.
2. Learn from experience – capture and share experience so you won't make the same mistakes twice.
3. Defined roles and responsibilities – there are 3 main stakeholders: business, users and suppliers.
4. Manage by stages – break down complex task to manageable stages (minimum 2 stages are required). Update business case, risk, overall plan upon need.
5. Manage by exception – delegate tasks and let the responsible report if they are exceeding agreed tolerances of the 6 control parameters: time, cost, quality, scope, risk and benefits. Regular meetings are considered inefficient and unnecessary.
6. Focus on products – focus on the what is to be produced; named products. Documents that are used to manage the project (management products) and the actual product that the project delivers (specialist products; also known as deliverables in other project methods).
7. Tailor to suit the project – modifying the Themes and Processes (never Principles) to suit the project.

Organization example

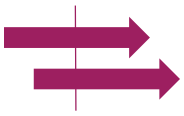




Themes

Themes are practical ways of handling the 7 project management topics:

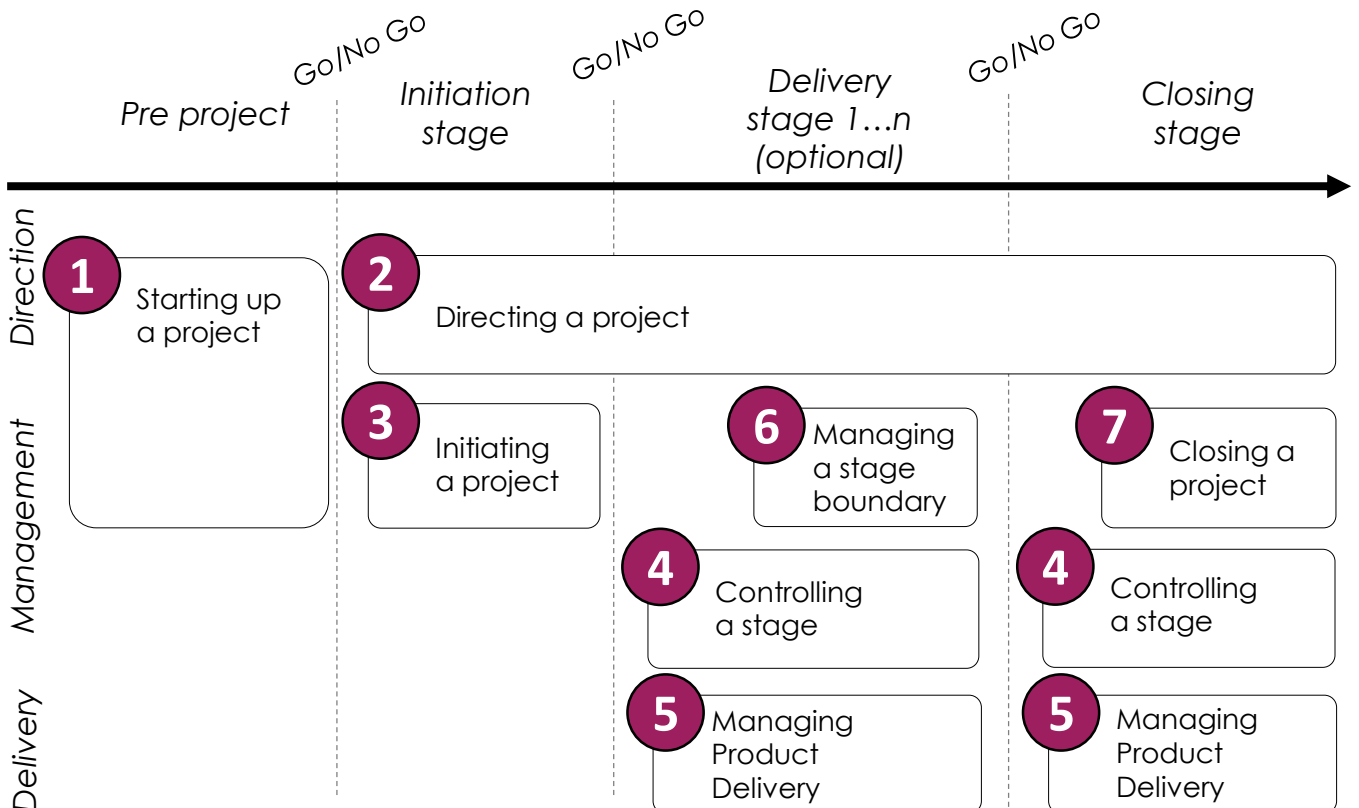
1. Business case – the way to document and justify output (products), outcome (result of changes by using the products) and benefits (measurable improvement resulting from an outcome) before and during the project.
2. Organization – define roles and accountability in the project. Definitions are well described for the different roles in the three interests' groups: business (judge “value for money”), user (assure benefits) and suppliers (deliver the resources). The organization is divided into hierarchical levels, such as Corporate, Project Board, Project Management and Delivery, with clear responsibilities.
3. Quality – the way to verify that products are fit for purpose. Management products (documents) are defined to have control of everything from customers' expectations down to skills needed to produce a product. All products descriptions are set before starting the project.
4. Plans – control the delivery of products, by producing different level of plans: project plan, stage plans and the optional team plan (+ the exception plan if a project/stage plan needs to be replaced). To have a manageable planning horizon the project plan broken down to stages, which product deliveries/dependencies are controlled.
5. Risk – the way to identify, assess and control uncertainty in the project. There are both threats and opportunities to the project that needs to be dealt with, tools are provided to identify, evaluate, plan response to and implement response.
6. Change – due to that a baseline is set in the start of the project; tools are provided to control any potential and approve changes to them. Issues that occurs have 3 types: request-for-change (proposal of change), off-specification (something that should but isn't provided by the project) and problem/concern (all other issues). Configuration items records can be used to track versions of product.
7. Progress – tools to monitor and compare actual achievements against planned and make forecasts. Checkpoint reports (between team managers and project manager) and highlight reports (between project manager and project board) are time driven reports and exception reports are event driven (when project manager finds out that the one or more stage is threatened).



Processes

Processes are 7 management activities of a project:

1. Starting up a project (SU) – ensure that project to be is viable and worthwhile. The project team is appointed.
2. Directing a project (DP) – overall control by project board and delegation of daily management to project manager.
3. Initiating a project (IP) – establish the foundation for the project, before committing to invest in it. Baseline is set; business case completed and project initiation document (PID) is assembled.
4. Controlling a stage (CS) – assign work to be done and manage issues. Work packages are authorized and distributed to team manager(s).
5. Managing Product Delivery (MP) – control the link between project manager and team manager(s).
6. Managing a stage boundary (SB) – review current stage and prepare for next stage – dictates how transition from one stage to another should be handled.
7. Closing a project (CP) – confirm acceptance of project products (incl. benefits evaluation).





Tailoring

Adjust the administration to what's needed for the organization and project.

As mentioned earlier the method in total is rather extensive, in order to meet the need for large/complex project, but everything (besides the principles) can and should be customize. Even a small project in a small company, e.g. producing a brochure in a 2 person company, can easily be manage by the method if just the appropriate tools and plan are chosen.

Tips! Templates

A great benefit of the method is that it provides templates for the management products. Examples of templates follows:

- Project brief – definition, outlined business case, approach, team structure, role description and references.
- Business case – reason, options, expected benefits/dis-benefits, timescales, cost, investment appraisal and major risks.
- Project Product Description – purpose, composition, derivation, skills needed, quality expectations with tolerances and acceptance criteria/method/responsibilities.
- Plan – prerequisites, dependencies, assumptions, monitor and control, budgets, tolerances and product descriptions.
- Risk register – risk description, probability/impact/value, proximity, category, status and owner.
- Exception report – cause, consequence options, recommendation and lessons.
- ... and many more

The method can be used to by all involved parties of a project to reach the project objectives within the predefined goals of time, cost, quality, scope, risk and benefits.