



PRINCE2

IN PLAIN ENGLISH

An Overview of PRINCE2[®]:2009



AN OVERVIEW OF PRINCE2® :2009

Background

PRINCE2® is a practical, structured method for managing any kind of project, regardless of size, complexity, technology and organisational culture. The method is designed so that it can be adapted easily and quickly to any kind of project environment.

PRINCE2:2009 is the latest evolution in the method which is owned and maintained by the UK's Office of Government Commerce in response to a continuing demand for best practice guidance on general project management

The method is used widely throughout both the public and commercial sectors in the UK and abroad. It is based on the experiences of real projects, project managers and project teams.

What is a Project?

Projects bring together resources, skills, technology and ideas to deliver specific outputs and benefits. Effective project management helps to ensure that these outputs are delivered to an appropriate level of quality and within the constraints of time and cost. It is also an essential element in managing the risks inherent in change and innovation.

A project has the following characteristics:

- Measurable outcomes or **benefits**
- Clearly defined outputs or **products**
- A corresponding set of **activities** to deliver these products
- A defined amount of **resources** (people/budget/equipment)
- A temporary **organisation structure**, with defined responsibilities, to manage the project

Structure of PRINCE2

PRINCE2 is made up of four interlocking elements:

- **Principles:** a set of guiding principles which determine whether the project is genuinely being managed under PRINCE2
- **Processes:** a set of activities or steps which will guide the project through a clearly defined, controlled life-cycle
- **Themes:** the way that PRINCE2 approaches each of the disciplines which are common to every project
- **Tailoring:** a flexible approach to the method which allows it to be applied to any type or size of project

The PRINCE2 Principles

The method is based on **seven principles**; unless they are all applied it is not a PRINCE2 project:

- the **continued business justification** for a PRINCE2 project is documented in a business case which is kept under review and must remain valid throughout the project
- PRINCE2 project teams **learn from experience**; lessons are sought, recorded and acted on throughout the project
- a PRINCE2 project has **defined roles and responsibilities** with an organisation structure that engages both the project's customers and suppliers
- a PRINCE2 project is broken down into **stages** which provide flexible decision points which allow the project to be planned, monitored and controlled effectively
- senior management in a PRINCE2 project are encouraged to **manage by exception**; this involves delegating work to the Project Manager and Team Managers but giving clear guidance on when a problem should be brought to their attention
- a PRINCE2 project **focuses on products** ; this ensures that each output is clearly identified and defined and that the quality requirements are both understood and achieved
- every PRINCE2 project is **tailored to suit the project's environment**, taking account of size, complexity and other organisational factors

The PRINCE2 Processes

PRINCE2 is a **process-based** approach to project management. The **seven processes** provide a convenient framework which define the key steps in any project. These include activities to set the project off on the right track, control its progress and bring it to a properly controlled close.

Any project run under PRINCE2 will need to address each of these processes in some form. However, the key to successful use of the process model is in tailoring it to the needs of the individual project.

A high level decision-making process **Directing a Project (DP)** is used throughout the project by the **Project Board (PB)**. This enables them to make key decisions at appropriate points in the project and to provide informal advice and guidance at any time.

The **Project Manager (PM)** is primarily responsible for five processes which provide key information to the PB. In **Starting Up a Project (SU)** the PM provides sufficient high-level information about the project to allow the PB to decide if it is worth planning in depth. If the PB authorise the next process, **Initiating a Project (IP)**, the PM produces a **Project Plan** which is used to fully develop the Business Case and **Risk Register**. The PB uses this information in the form of a **Project Initiation Document (PID)** as the basis for the decision on whether or not to authorise the rest of the project.

PRINCE2 recommends that a project is divided into manageable pieces or **stages**. The PM is responsible for the day-to-day management of each stage of the project in the process **Controlling a Stage (CS)**. The core activities in this process include managing the work of specialist **Team Managers (TM)**, dealing with all kinds of issue and reviewing and reporting progress to the PB. Team Managers are responsible for the process **Managing Product Delivery (MP)** where the project's specialist products are developed, tested and delivered.

Towards the end of each stage the PM needs to provide the PB with sufficient information to allow them to decide whether or not to authorise the next stage. In the process **Managing a Stage Boundary (SB)** the PM reviews the project's Business Case, Project Plan and Risk Register; plans the next stage in detail and reports on the current stage. Towards the end of the final stage the PM needs to tie up the loose ends of the project to prepare for formal closure. This is done in the **Closing a Project (CP)** process.

The PRINCE2 Themes

There are seven **themes** – aspects of project management which must be addressed throughout the process model:



Business Case: The existence of a viable Business Case is vital throughout any PRINCE2 project. The Business Case is verified by the Project Board before a project begins and at every major decision point throughout the project. The project should be stopped if the Business Case is no longer viable.



Organisation: PRINCE2 provides a structured management team and defines the responsibilities and relationships of the roles within this team. Depending on the size and complexity of a project, these roles may be combined or shared.



Plans: PRINCE2 takes a product-based approach which involves defining what the project has to deliver as the essential first step in planning before activities, resources and timescales. The three levels of management in a PRINCE2 project will need to plan at an appropriate level of detail.



Progress: PRINCE2 ensures that decision makers are provided with the right information at the right time. This allows them to manage by exception, allowing the Project Manager to run the day-to-day aspects of the project without interference unless things begin to go seriously wrong. PRINCE2 projects are divided into stages which allow senior management to commit resources and make other key decisions at appropriate points in the project.



Risk: Risk – or uncertainty – must be managed throughout the life cycle of a project. PRINCE2 defines the key moments when risk should be identified and reviewed and provides a clear framework for the analysis and management of risk.



Quality: PRINCE2 takes a pragmatic approach to quality by establishing the customer's quality requirements as early as possible in the project life cycle. It then includes steps which ensure that the project delivers products which meet these requirements.



Change: Changes to requirements and other issues are inevitable in any project but they must be controlled to prevent budget overruns or unacceptable delays. PRINCE2 ensures that all changes are authorised at the appropriate level of the project management team.

PRINCE2 Techniques

PRINCE2 offers very few detailed techniques, preferring to leave the choice of technique to the users of the method according to the circumstances of the project. But the PRINCE2 Manual describes two techniques which have a specific PRINCE2 approach:

- Product-based Planning
- Quality Review

Product-based planning involves:

- Identifying what products are needed
- Defining the form and content of each product
- Determining the sequence in which each product should be produced

Product-based planning also defines the quality criteria which each product must meet.

PRINCE2 also offers a specific technique – the **quality review** - which is particularly suitable for the quality testing of any product which takes the form of a document.

The PRINCE2 Examinations

Delegates on our PRINCE2 Foundation and Practitioner Courses are given the opportunity to prepare for and take the appropriate Foundation and Practitioner Certificates Examinations administered by the APMG.

There are two levels of examination:

- **Foundation** – aimed at candidates who need to act as informed members of a project management team on a project using PRINCE2
- **Practitioner** – aimed at candidates who need to apply PRINCE2 to the running and management of a project

The Foundation Examination:

- One-hour, closed book examination
- Examines basic knowledge of PRINCE2
- 75 questions, factual, multiple-choice format
- Pass mark of 50%, 38 marks
- Prerequisite for Practitioner Examination

The Practitioner Examination:

- Two and a half hour examination, candidates may use the PRINCE2 manual **only** for reference
- Examines applied knowledge, understanding and ability to analyse and evaluate PRINCE2
- Based on a general project scenario
- Nine, objective (“tick box”) questions on each of the major elements of PRINCE2.
- 55% pass mark. Each of the nine questions is worth 12 marks. This gives a total of 108 marks and the pass mark is 59. Each of the nine questions will be sub-divided into parts. Each of the ‘part-questions’ will identify the portion of the 12 marks allocated to it. All questions and part-questions are expected to be answered.
- Exam papers are sent to the APMG to be marked by computer, greatly reducing the waiting time for results.
- The APMG notify Benchmark of the exam results, and Benchmark contact each delegate direct with the result of their examination.

Candidates must always take the Foundation Examination before the Practitioner Examination, either on the same day or separately. If a candidate has previously passed the Foundation Examination, they are qualified to sit the Practitioner Examination without the need to re-sit the Foundation Examination.

If a candidate chooses to sit the Foundation Examination only, and passes, they will receive a "Foundation Examination" certificate stating that they have passed. However, if a candidate sits both Foundation Examination and Practitioner Examination on the same day, and passes both, they will receive a "Practitioner Examination" certificate, but not a "Foundation Examination" certificate.

To maintain certification, candidates will need to sit a Re-registration examination between 3 and 5 years after passing the Practitioner examination. The examination is a one hour version of the Practitioner paper, consisting of three questions based on a practical scenario, with a pass mark of 50%. Please see information on the Practitioner exam for examples of the question types.

Delegates should note that the courses are intensive and that they are advised to undertake some revision work in the evenings to prepare for the PRINCE2 Examinations.