



PRINCE2[®] 2009 PRE FOUNDATION COURSE AND PRACTITIONER WORKSHOP READING

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Purpose of Pre-Course Reading for PRINCE2[®]

The PRINCE2® Foundation course and Practitioner workshop, is designed to help you understand the PRINCE2® methodology and pass the PRINCE2® examination(s). When you confirm your course with us, you are provided with this pre-reading. It is essential that you complete all the pre-reading prior to attending the course or workshop, to enable you to obtain maximum benefit from the instructor led portion of the course or workshop.

The pre-reading is designed to provide you with your first insight into the PRINCE2® Principles, Themes, Processes and Roles. If you spend a little time now preparing for the course, you will be able to gain more benefit from it and be confident when you approach the examinations.

Please do not underestimate the challenge imposed by the Foundation Course, Practitioner Workshop and their related exams. Delegates should note, that the course and workshop is intensive and that they are advised to undertake a great deal of revision work in the evenings (up to 3 or 4 hours) to prepare for the PRINCE2® Examinations.

An Overview of PRINCE2®

PRINCE2® is a process-based approach for project management providing an easily tailored and scalable method for the management of all types of projects. This structured project management method is based on experience drawn from thousands of projects – and from the contributions of countless project sponsors, Project Managers, project teams, academics, trainers and consultants. PRINCE2® is the *de-facto* standard for project management in the UK and is practised worldwide.

Background

The PRINCE® (**PR**ojects **IN** **C**ontrolled **E**nvironments) project management methodology was developed in 1989 by the CCTA (Central Computer and Telecommunications Agency) as the UK Government's standard for IT project management. Its successor, PRINCE2®, was released in 1996 in response to a demand for improved guidance on general project management, not just information systems projects.

The most current revision, PRINCE2® 2009, was released in mid 2009 by the UK Office of Government Commerce (OGC). The current course and examination(s) are based on this latest revision.

Introducing PRINCE2®

PRINCE2® is a non-proprietary method and has emerged worldwide as one of the most widely accepted methods for managing projects. This is largely due to the fact that PRINCE2® is truly generic. It can be applied to any project regardless of project scale, type, organisation, geography or culture.

PRINCE2® achieves this by isolating the management aspects of project work from the specialist contributions, such as design, construction, etc. The specialist aspects of any

type of project are easily integrated with the PRINCE2® method and, used alongside PRINCE2®, provide a secure overall framework for the project work.

Because PRINCE2® is generic and based on proven principles, organisations adopting the method as a standard can substantially improve their organisational capability and maturity across multiple areas of business activity – business change, construction, IT, mergers and acquisitions, research, product development and so on.

What makes projects different?

PRINCE2® defines a project as follows:

“A project is a temporary organisation that is created for the purpose of delivering one or more business products according to an agreed Business Case”

There are a number of characteristics of project work that distinguishes it from business as usual. They include:

- **Change** – Projects are the means by which we introduce change
- **Temporary** – Projects are temporary in nature. Once the desired change has been implemented, business as usual resumes (in its new form) and the need for the project is removed. Projects should have a defined start and a defined end.
- **Cross-functional** – Projects involve a team of people with different skills working together (on a temporary basis) to introduce a change that will impact others outside the team. Projects often cross normal functional divisions within an organisation and sometimes span entirely different organisations. This frequently causes stresses and strains both within organisations and between, for example, customers and suppliers. Each has a different perspective and motivation for getting involved in the change.
- **Unique** – Every project is unique. An organisation may undertake many similar projects, and establish a familiar, proven pattern of project activity, but each one will be unique in some way: a different team, a different customer, a different location. All these factors combine to make each project unique.
- **Uncertainty** – The characteristics already listed will introduce threats and opportunities over and above those we typically encounter in the course of business as usual. Projects are more risky.

Why have a Project Management method?

PRINCE2® defines project management as follows:

Project Management is the planning, delegating, monitoring and control of all aspects of the project, and the motivation of those involved, to achieve the project objectives within the expected performance targets for Time, Cost, Quality, Scope, Benefits and Risks.

It is the development of the project's deliverables (known as Products in PRINCE2®) that deliver the project's results. The purpose of project management is to keep control over the specialist work required to create the project's products.

Given that projects are the means by which we introduce business change, and that project work entails a higher degree of risk than other business activity, it follows that implementing a secure, consistent, well-proven approach to project management is a valuable business investment.

What does a Project Manager do?

In order to achieve control over anything, there must be a plan. It is the Project Manager who plans the sequence of activities, determines the resources required and so on. Being a manager implies that some or all of the work will be delegated to others. The ability to delegate is important in any form of management but particularly so (because of the cross-functionality and risks) in project management.

With the delegated work under way, the aim is that it should 'go according to plan', but we cannot rely on this always being the case. It is the Project Manager's responsibility to monitor how well the work in progress matches the plan. If work does not go according to plan, the Project Manager has to do something about it, i.e. exert control. Even if the work is going well, the Project Manager may spot an opportunity to speed it up or reduce costs.

Whether it is by taking corrective action or implementing measures to improve performance, the aim of PRINCE2® is to make the right information available at the right time to the right people to make the right decisions.

What is it we wish to control?

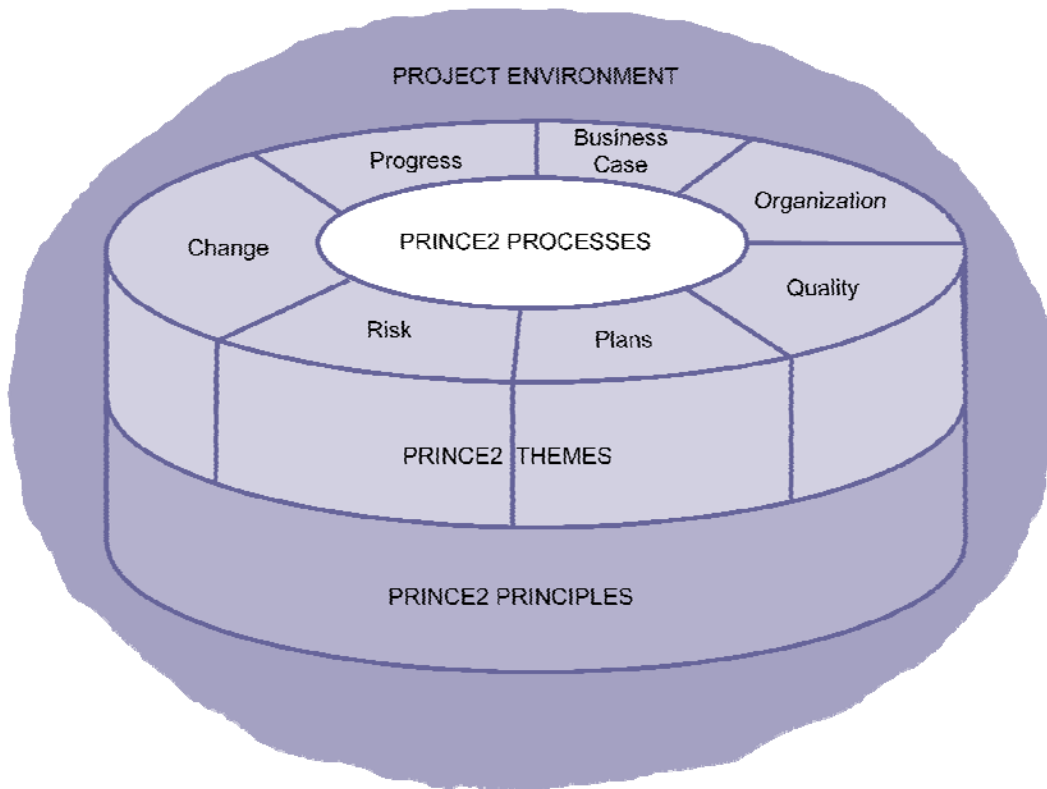
There are six variables involved in any project, and therefore six aspects of project performance to be managed. They are:

- **Costs** – The project has to be affordable and, though we may start out with a particular budget in mind, there will be many factors which can lead to overspending and, perhaps, some opportunities to cut costs.
- **Timescales** – Allied to this, and probably the next most-frequent question asked of a Project Manager, is: "When will it be finished?"
- **Quality** – Finishing on time and within budget is not much consolation if the result of the project doesn't work. In PRINCE2® terms, the project's products must be fit for purpose.
- **Scope** – Exactly what will the project deliver? Without knowing it, the various parties involved in a project can very often be talking at cross-purposes about this. On large-scale projects scope definition is much more subtle and complex. There must be agreement on the project's scope and the Project Manager needs to have a detailed understanding of what is and what is not within the scope. The Project Manager should take care not to deliver beyond the scope as this is a common source of delays, overspends and uncontrolled change ("scope creep").
- **Risk** – All projects entail risks but exactly how much risk are we prepared to accept? If we decide to go ahead, is there something we can do about the risk?
- **Benefits** – Perhaps most often overlooked is the question, "Why are we doing this?" The Project Manager must have a clear understanding of the purpose of the project as an investment and make sure that what the project delivers is consistent with achieving the desired return.

PRINCE2® is an integrated framework of processes and themes that address the planning, delegation, monitoring and control of all these six aspects of project performance.

The structure of PRINCE2®

The PRINCE2® method addresses project management with four integrated elements of principles, themes, processes and the project environment.



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The PRINCE2® Principles:

These are the guiding obligations and good practices which determine whether the project is genuinely being managed using PRINCE2®. There are seven Principles and unless all of them are applied, it is not a PRINCE2® project. The seven PRINCE2® Principles can be summarised as follows:

- Continued Business Justification
- Learn from Experience
- Defined Roles and Responsibilities
- Manage By Stages
- Manage By Exception
- Focus on Products
- Tailor to Suit the Environment

The PRINCE2® Themes:

These describe aspects of project management that must be addressed continually and in parallel throughout the project. The seven themes explain the specific treatment required by PRINCE2® for various project disciplines and why they are necessary. The seven Themes are as follows:

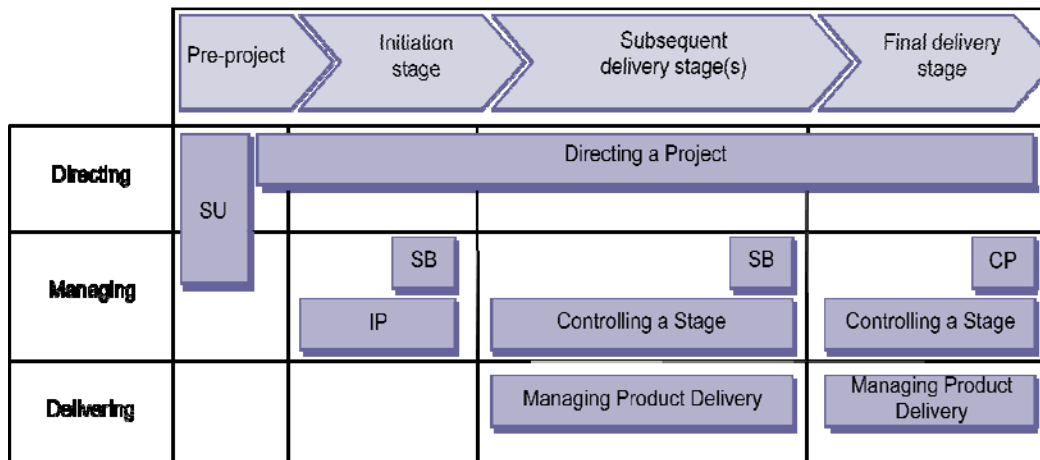
- Business Case
- Organisation
- Quality
- Plans
- Risk
- Change
- Progress

The PRINCE2® Processes:

These describe a step-wise progression through the project lifecycle (shown below), from getting started to project closure. Each Process provides checklists of recommended activities, products and related responsibilities. The seven Processes are:

- Starting up a Project
- Directing a Project
- Initiating a Project
- Controlling a Stage
- Managing Product Delivery
- Managing a Stage Boundary
- Closing a Project

The PRINCE2® Methodology Map:



Key
 SU = Starting up a Project
 IP = Initiating a Project
 SB = Managing a Stage Boundary
 CP = Closing a Project

Note

- Starting up a Project is used by both the directing and managing levels
- There should be at least two management stages, the first of which is the initiation stage.
- Managing a Stage Boundary is first used at the end of the initiation stage and repeated at the end of each subsequent stage except the final stage. It is also used to prepare Exception Plans, which can be done at any time including in the final stage.
- For complex or lengthy initiations, Controlling a Stage and Managing Product Delivery can optionally be used to manage the initiation stage.

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Tailoring PRINCE2® to the project environment:

This addresses the need to tailor PRINCE2® to the specific context of the project. PRINCE2® is not a “one size fits all” solution; it is a flexible framework that can readily be tailored to any type or size of project.

Benefits of PRINCE2®

Adopting PRINCE2® as the project management methodology of an organisation will result in the achievement of the following key benefits:

- PRINCE2® embodies established and proven best practice and governance for project management.
- It can be applied to any type of project – and can easily be implemented alongside specialist industry-specific models (e.g. “engineering models” or “development lifecycles”).
- PRINCE2® is widely recognised and understood, and therefore provides a common vocabulary for all project participants – promoting effective communication.
- PRINCE2® provides for the explicit recognition of project responsibilities – so that participants understand each other’s roles and needs. There is a defined structure for accountability, delegation, authority and communication.
- Its product focus clarifies (for all parties) what a project will deliver, why, when, by whom and for whom.

- PRINCE2® plans are carefully designed to meet the needs of different levels in the management team, improving communication and control.
- It is based on a “management by exception” framework, providing for efficient and economic use of management time (whether at corporate, programme, Project Board or project management levels).
- PRINCE2® ensures that participants focus on the viability of the project in relation to its Business Case objectives – rather than simply seeing the completion of the project as an end in itself.
- It defines a thorough but economical structure of reports.
- It ensures that stakeholders (including sponsors and resource providers) are properly represented in planning and decision making.
- Adopting PRINCE2® promotes learning and continual improvement in organisations.
- PRINCE2® promotes consistency of project work and the ability to reuse project assets; it also facilitates staff mobility and reduces the impact of personnel changes or handovers.
- PRINCE2® is an invaluable diagnostic tool, facilitating the assurance and assessment of project work, troubleshooting and audits.
- There are a large number of accredited training and consultancy organisations (ATOs and ACOs) operating worldwide, who can supply expert support for PRINCE2® projects or for organisations planning to adopt PRINCE2®.

What PRINCE2® does not provide?

It is not intended (or possible) for PRINCE2® to cover every aspect of project management. There are three broad topic categories which are deliberately considered to be outside the scope of PRINCE2®. They are:

- **Specialist Aspects** – The strength of PRINCE2® is in its wide applicability – it is entirely generic. Consequently, industry-specific or type-specific activity is excluded. Engineering models, project lifecycles or specific techniques (such as organisational change management or procurement) can readily be used alongside PRINCE2®. It categorises all these aspects of project as “specialist” (which means that the specialist products concerned need to be identified and included within project scope and plans).
- **Detailed Techniques** – There are many proven planning and control techniques that can be used in support of the PRINCE2® Themes. Examples are critical path analysis (in planning) and earned value analysis (in progress control). Such techniques are well documented elsewhere. Only techniques that have a specific PRINCE2® approach are described, e.g. the product-based planning and quality review techniques.
- **Leadership Capability** – Leadership, motivational skills and other interpersonal skills are immensely important in project management but impossible to codify in a method. Leadership styles vary considerably and a style that works in one situation may be entirely inappropriate in another. The fact that it is easy to think of successful leaders who have adopted very different styles – from autocratic to consensus-based – bears this out. PRINCE2® cannot address this aspect of project management directly. There are many leadership models and interpersonal-skills training programmes that fulfil this requirement.

The PRINCE2® Examinations

Delegates on the PRINCE2® Foundation Course and Practitioner Workshop are given the opportunity to prepare for and take the appropriate Foundation and Practitioner Certificate Examinations administered by the APMG.

The PRINCE2® Foundation Examination:

- One-Hour, closed book examination
- 75 questions, factual, multiple-choice format, of which there are 5 trial questions which are not scored
- Pass mark of 50% (35 out of a possible 70)
- Pre-requisite for the Practitioner Examination

The PRINCE2® Practitioner Examination:

- Two and a Half-Hour, objective test, open book examination
- Nine questions of 12 marks each, based on a practical scenario
- Examines applied knowledge and understanding of PRINCE2®
- Pass mark of 55% (59 out of a possible 108)

Candidates must always take the Foundation Examination before the Practitioner Examination. 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, the candidate will receive a 'Foundation Examination' Certificate stating that the candidate has passed. However if a candidate sits both the Foundation and Practitioner Examinations in the same week and passes both, the candidate will receive a 'Practitioner Examination' Certificate, but not a 'Foundation Examination' certificate.

Required Reading Prior to Practitioner Workshop Only	
Managing Successful Project With PRINCE2 Section	Manual Page Reference
Introduction and Course Objectives	1 - 4
Introduction to PRINCE2®	4 - 8
PRINCE2® Principles	9 - 14
PRINCE2® Themes Overview	15 - 18
PRINCE2® Processes Overview	111 - 117
Organisation	29 - 44
The Business Case	19 - 28
Starting Up a Project	119 - 131