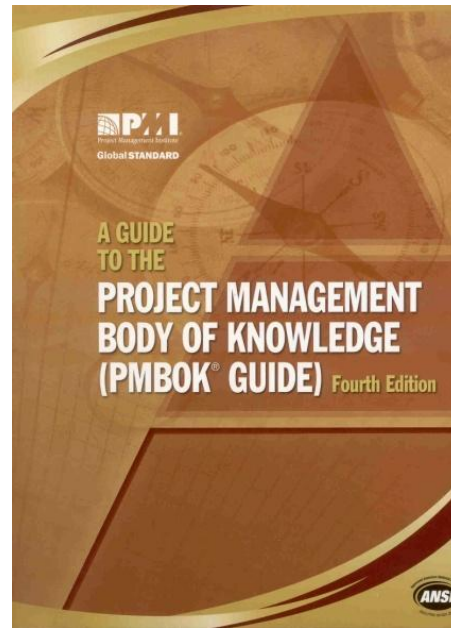




# PMBOK® Guide – Chapter 1 Introduction

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# Chapter 1 - Introduction



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- A Guide to the Project Management Body of Knowledge (PMBOK Guide) is a recognized standard for the project management profession.

# Chapter 1 - Introduction

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- Enterprise Environmental Factors

# Chapter 1 - Introduction

## Purpose of PMBOK

- Application of appropriate knowledge, processes, skills, tools, techniques impact **Project Success**
- PMBOK as a common and standard vocabulary for project management profession
- PMBOK neither complete nor all-inclusive
- PMBOK is a **Guide** rather than methodology
- The Project Management Institute Code of Ethics and Professional Conduct  
**(honest, fair practices, respectful dealings)**

# Chapter 1 - Introduction

## What is a Project?

- A project is a temporary endeavor undertaken to create a unique product, service, or result.



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## A Project can create:

- A Product
- A Capability
- A Result



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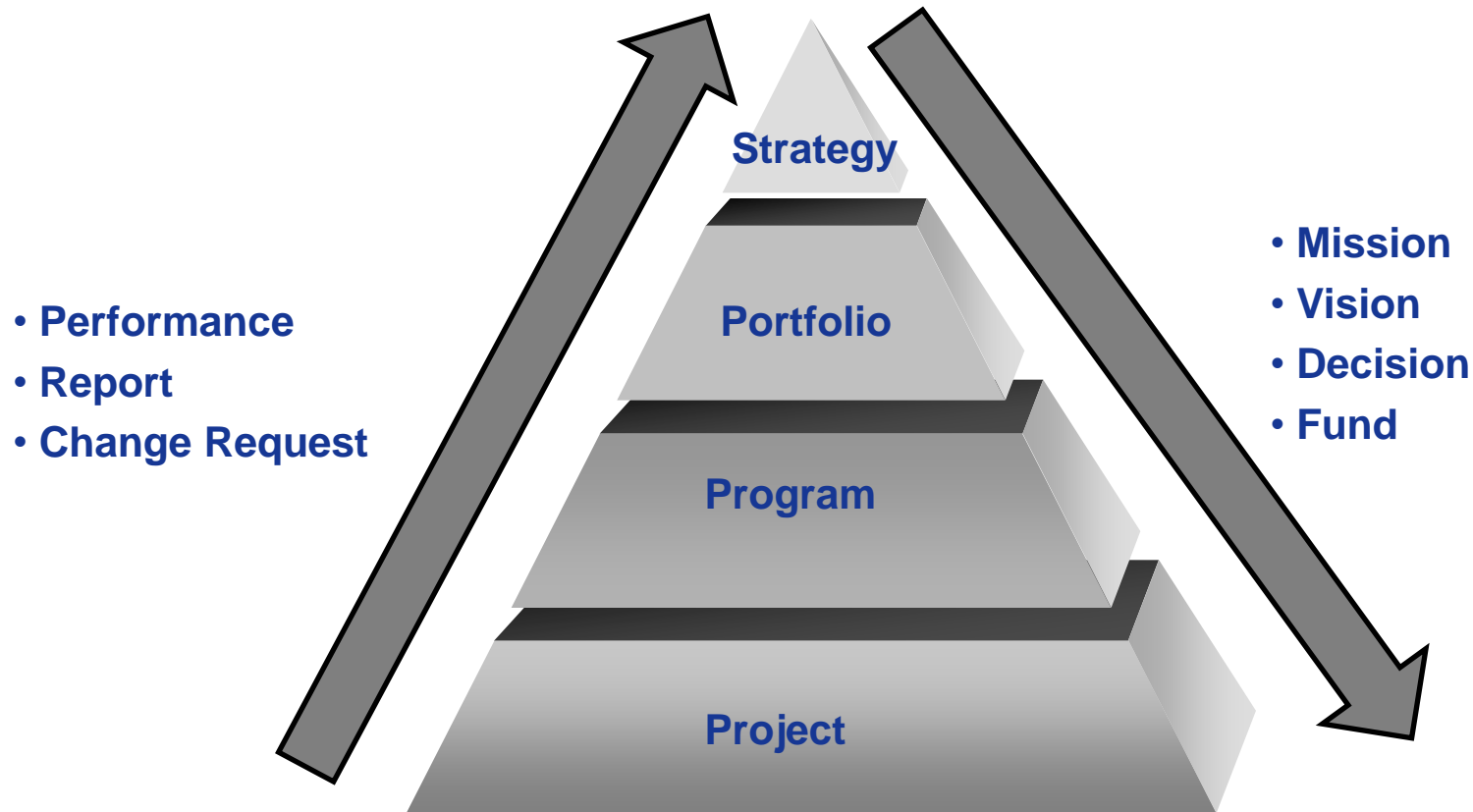
## What is Project Management?

- Project management is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirement.



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## Linking Strategy to Portfolio, Program & Project



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## Comparative Overview of Project, Program, and Portfolio (PMBOK 4<sup>th</sup> Ed, Pg 9)

	<b>PROJECTS</b>	<b>PROGRAMS</b>	<b>PORTFOLIOS</b>
Scope	Projects have defined objectives. Scope is progressively elaborated throughout the project life cycle.	Programs have a larger scope and provide more significant benefits.	Portfolios have a business scope that changes with the strategic goals of the organization.
Change	Project managers expect change and implement processes to keep change managed and controlled.	The program manager must expect change from both inside and outside the program and be prepared to manage it.	Portfolio managers continually monitor changes in the broad environment.
Planning	Project managers progressively elaborate high-level information into detailed plans throughout the project life cycle.	Program managers develop the overall program plan and create high-level plans to guide detailed planning at the component level.	Portfolio managers create and maintain necessary processes and communication relative to the aggregate portfolio.
Management	Project managers manage the project team to meet the project objectives.	Program managers manage the program staff and the project managers; they provide vision and overall leadership.	Portfolio managers may manage or coordinate portfolio management staff.
Success	Success is measured by product and project quality, timeliness, budget compliance, and degree of customer satisfaction.	Success is measured by the degree to which the program satisfies the needs and benefits for which it was undertaken.	Success is measured in terms of aggregate performance of portfolio components.
Monitoring	Project managers monitor and control the work of producing the products, services or results that the project was undertaken to produce.	Program managers monitor the progress of program components to ensure the overall goals, schedules, budget, and benefits of the program will be met.	Portfolio managers monitor aggregate performance and value indicators.

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## Portfolio Management

- A Portfolio refers to a collection of projects or programs and other work that are grouped together to facilitate effective management of that work to meet strategic business objectives.
- Portfolio management refers to the centralized management of one or more portfolios, which includes identifying, prioritizing, authorizing, managing, and controlling projects, programs, and other related work, to achieve specific strategic business objectives.



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## Program Management

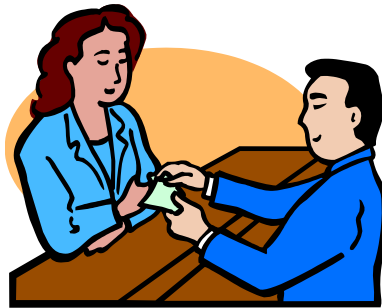
- A Program is defined as a group of related projects managed in a coordinated way to obtain benefits and control not available from managing them individually.
- Program management is defined as the centralized coordinated management of a program to achieve the program's strategic objectives and benefits.



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## Projects and Strategic Planning

- Projects are often utilized as a means of achieving an organization's strategic plan.
  - Market demand
  - Strategic opportunity / business need
  - Customer request
  - Technological advance
  - Legal requirements



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## Project Management Office

- A project management office (PMO) is an organizational body or entity assigned various responsibilities related to the centralized and coordinated management of those projects under its domain.



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## PMO's Primary Functions

- Managing shared resources
- Identifying, developing PM Methodology, best practices and standards
- Coaching, mentoring, training and oversight
- Monitoring compliance with PM standards, policies, procedures and templates
- Developing and managing project policies, procedures, templates and other shared documents
- Coordinating communication across projects

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## Differences between PM and PMO

Project Manager	Project Management Office
Focuses on specific project objectives	Manages major program scope changes to better achieve business objectives
Controls the assigned project resources to best meet project objectives	Optimizes the use of shared organizational resources across all projects
Manage the constraints (scope, schedule, cost, and quality) of individual project	Manages the methodologies, standards, overall risk / opportunity, interdependencies among projects

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## PM and Operations Management

- Operation: Organizational function performing **ongoing** execution activities to produce same products
- Project and Operation intersection:
  - At each closeout phase
  - Developing new product, upgrading, expanding outputs
  - Improvement of operations
  - At the end of product life cycle

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## Role of a Project Manager

- Achieving Project Objectives
- May report to functional manager, portfolio manager or program manager
- Should apply knowledge, tools and techniques known as good practice
- Project Manager should have following characteristics:
  - Knowledge of project management
  - Performance
  - Personal attitudes, personality and leadership

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## Project Management Body of Knowledge

- Standard for managing projects
- Describing PM processes, tools and techniques
- Do not address all details of every topic
- Should consult other Standards
  - The standard for Program Management
  - The standard for Portfolio Management
  - Organizational Project Management Maturity Model (OPM3)

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## Enterprise Environmental Factors

- Organizational culture, structure and processes
- Government or industry standards
- Infrastructure
- Existing human resources
- Personnel administration
- Company work authorization systems
- Marketplace conditions
- Stakeholder risk tolerances
- Political climate
- Organization's established communication channels
- Commercial databases
- Project management information systems

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