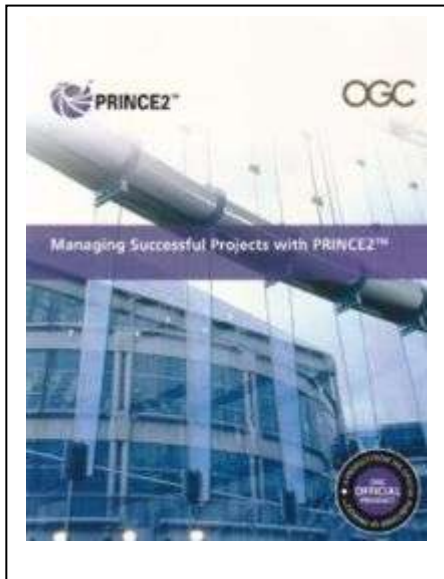


# The Marriage Proposal of PRINCE2™ and PMBOK®

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## **PRINCE2™**

**Age:** 37 years old (Born 1975) **Nick Name:** PRINCE2 Practitioner

**Birth Certificate:**

**“Managing Successful Projects with PRINCE2™ ”**

**Nationality:** British

**Family:** Office of Government Commerce (OGC)

**Father:** Management of Portfolios (MoP)

**Mother:** Managing Successful Programmes (MSP)

PRINCE2™ stands for **Project In Controlled Environment Version 2** and it is originated from Simpact Systems dated back to 1975. Simpact Systems has invented the proprietary project process called PROMPT and was partially adopted by the UK government as its preferred project management process. In 1989, UK government bought over PROMPT and have renamed it to PRINCE™ and placed it

in the public domain. The UK government's Central Computer and Telecommunications Agency (CCTA), now the Office of Government Commerce, (OGC) continued to develop PRINCE™ and has been evolved into newer version termed as PRINCE2™ and issued in 1996. OGC decided to keep the PRINCE2 name regardless of the future editions, ie there will not be PRINCE3 or 4 for newer versions.

PRINCE2 has been adopted widely in UK and Europe and getting more recognition in Australia and other parts of the world. In 2005 an updated manual entitled, “**Managing Successful Projects with PRINCE2**” is released. It is the fourth edition of the manual. The history of the manual is as followed:

- First Edition 1996
- Second Edition 1998
- Third Edition 2002
- Fourth Edition 2005
- Fifth Edition 2009

PRINCE2™ is made of seven principles themes, seven themes and seven processes.

The Seven PRINCE2 Principles are:

- 1. Continued business justification:**  
A PRINCE2 project has continued business justification.
- 2. Learn from experience:**  
PRINCE2 project teams learn from previous experience: lessons are sought, recorded and acted upon throughout the life of the project.
- 3. Defined roles and responsibilities:**  
A PRINCE2 project has defined and agreed roles and responsibilities within an organization structure that engages the business, user and supplier stakeholder interests.
- 4. Manage by stages:**  
A PRINCE2 project is planned, monitored and controlled on a stage-by-stage basis.
- 5. Manage by exception:**  
A PRINCE2 project has defined tolerances for each project objective to establish limits of delegated authority.
- 6. Focus on products:**  
A PRINCE2 project focuses on the definition and delivery of products, in particular their quality requirements.
- 7. Tailor to suit the project environment:**

PRINCE2 is tailored to suit the project's environment, size, complexity, importance, capability and risk.

The Seven PRINCE2 Themes are:

**1. Business Case:**

It addresses how the idea is developed into a viable investment proposition for the organization and how project management maintains the focus on the organization's objectives throughout the project.

**2. Organization:**

It describes the roles and responsibilities in the temporary PRINCE2 project management team required to manage the project effectively.

**3. Quality:**

It explains how the outline is developed so that all participants understand the quality attributes of the products to be delivered.

**4. Plans:**

It complements the Quality theme by describing the steps required to develop plans and the PRINCE2 techniques that should be applied.

**5. Risk:**

It addresses how project management manages the uncertainties in its plans and in the wider project management.

**6. Change:**

It describes how project management assesses and acts upon issues which have a potential impact on any of the business aspects of the project.

**7. Progress:**

It explains the decision-making process for approving plans, the monitoring of actual performance and the escalation process if events do not go according to plan.

The Seven PRINCE2 Processes are:

**1. Starting up a Project:**

The purpose of the Starting up a Project process is to ensure that the prerequisites for initiating a viable and worthwhile Project are in place.

**2. Directing a Project:**

The purpose of the Directing a Project process is to enable the Project Board to be accountable for the project's success by making key decisions and exercising overall control while delegating day-to-day management of the

project to the Project Manager.

**3. Initiating a Project:**

The purpose of the Initiating a Project process is to establish solid foundations for the project, enabling the organization to understand the work that needs to be done to deliver the project's products before committing to a significant spend.

**4. Controlling a Stage:**

The purpose of the Controlling a Stage process is to assign work to be done, monitor such work, deal with issues, report progress to the Project Board, and take corrective actions to ensure that the stage remains within tolerance.

**5. Managing Product Delivery**

The purpose of the Managing Product Delivery process is to control the link between the Project Manager and Team Manager(s), by placing formal requirements on accepting, executing and delivering project work.

**6. Managing a Stage Boundary:**

The purpose of the Managing a Stage Boundary process is to enable the Project Board to be provided with sufficient information by the Project Manager so that it can review the success of the current stage, approve the next Stage Plan, review the updated Project Plan, and confirm continued business justification and acceptability of the risks.

**7. Closing a Project:**

The purpose of the Closing a Project process is to provide a fixed point at which acceptance for the project product is confirmed, and to recognize that objectives set out in the original Project Initiation Documentation have been achieved (or approved changes to the objectives have been achieved), or that the project has nothing more to contribute.

PRINCE2 acts as a bridge between all of customers, users and suppliers, bringing these parties together on the Project Board through common project management language.

In addition, there are three types of PRINCE2's defined management products: baselines, records and reports

**Baseline:** management products are those that define aspects of the project and, once approved, are subject to change control. These are:

1. Benefits Review Plan
2. Business Case
3. Communication Management Strategy
4. Configuration Management Strategy
5. Plan (covers Project, Stage, and, optionally, Team Plans)

6. Product Description
7. Project Brief
8. Project Initiation Documentation
9. Project Product Description
10. Quality Management Strategy
11. Risk Management Strategy
12. Work Package

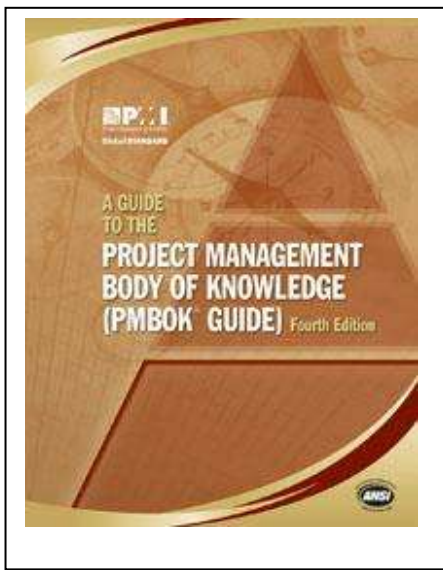
**Records:** are dynamic management products that maintain information regarding project progress. These are:

1. Configuration Item Records
2. Daily Log
3. Issue Register
4. Lessons Log
5. Quality Register
6. Risk Register

**Reports:** are management products providing a snapshot of the status of certain aspects of the project. These are:

1. Checkpoint Report
2. End Project Report
3. End Stage Report
4. Exception Report
5. Highlight Report
6. Issue Report
7. Lessons Report
8. Product Status Account

PRINCE2 management products are not necessarily documents, they are useful information sets so that the Project Board and Project Manager can take action and make decisions.



## **PMBOK®**

**Age: 25 years old (Born 1987) Nick Name: PMP**

**Birth Certificate: “A Guide to the Project Management Body of Knowledge”**

**Nationality: American**

**Family: Project Management Institute (PMI®)**

**Father: The Standard for Portfolio Management**

**Mother: The Standard for Program Management (PgMP)**

PMBOK® stands for Project Management Body of Knowledge and is owned by Project Management Institute.

PMI was founded in 1969 as people started to recognize project management was a unique set of management skills and discipline. After several years of research and studies, a manual entitled “Project Management Body of Knowledge” was developed in 1987 as the standard guide for project management. More areas and knowledge have been contributed to the book and in released a new version in 1996 called “A Guide to Project Management Body of Knowledge” . The guide has then been further revised and evolved into the PMBOK Guide 2000 Edition.

In 2004, the third edition of the Guide has been published and the current edition today is the fourth edition released in late 2008. The history of the guide is as followed:

- White Paper 1987
- First Edition 1996
- Second Edition 2000
- Third Edition 2005
- Fourth Edition 2008

There are five Project Management Process Groups illustrated in PMBOK:

1. Initiating Process Group
2. Planning Process Group
3. Execution Process Group
4. Monitoring & Controlling Process Group
5. Closing Process Group

The five Project Management Process Groups are required for any project and they are not project phases. In large scale or complex projects, the process groups could be repeated for each phase. It is similar to the Stage concept in PRINCE2. In total, there are 42 project management processes mapped into the 5 main Project Management Process Groups.

There are nine knowledge areas of Project Management in PMBOK :

1. Project Integration Management
2. Project Scope Management
3. Project Time Management
4. Project Cost Management
5. Project Quality Management
6. Project Human Resource Management
7. Project Communications Management
8. Project Risk Management
9. Project Procurement Management

According to PMBOK, project management knowledge areas are the identified areas of project management defined by their knowledge requirements and described in terms of their component processes, practices, inputs, outputs, tools, and techniques. Although not exactly matched, they are similar to the PRINCE2 themes.

## **The Complement of both approaches**

The underlying difference between the PMBOK and PRINCE2 is that the PMBOK is a knowledge based project management framework covering wide proven practices and areas while PRINCE2 provides a more prescriptive or process oriented approach for the project manager or team manager to apply to the projects. In general, PMBOK is more comprehensive while PRINCE2 is more pragmatic in nature. PMBOK addresses the “What” in project management while PRINCE2 tells the “How” in project management.

PMBOK is a guide rather than a methodology. Project managers could use different methodologies and tools to implement the PMBOK's recommended framework. PRINCE2 is a structured project management methodology encompasses methods for the management, control and organisation of a project. It is an ideal match between PMBOK and PRINCE2 as a guide and methodology in managing project.

The advantage of PMBOK is that it has very concise project management knowledge areas and easy to understand the concepts behind the theory. The nine knowledge areas covered are full of useful processes, tools and techniques in project management. The five project management process groups symbolize a typical phase or a life cycle in a project.

However, PMBOK does not tell you how to apply to the project as it only stated what are required. For example, it tells you that a Project Charter is required but the recommended template is not covered. The PRINCE2 approach has the advantage that it is very prescriptive and provides the necessary techniques and templates for project manager to apply. Most of the templates are either available from the manual or the OGC's website. There is also project management Health Check listed in PRINCE2 manual that can be used at various points in the project to assess the health of the project.

However, some may find that the very detailed process-oriented project management approach may be bureaucratic and hinder the creativity of the project manager. A good Project Manager must learn how to streamline the processes according to the complexity and environment of the project. PRINCE2 recognize this issue and created a new principle “Tailoring PRINCE2 to the project environment” . PRINCE2 is not a “one size fits all” approach but flexible to be tailored to the complexity of the project.

Both approaches should not be viewed as competing against each other but to complement the strengths and weaknesses of both knowledge and processes. Organizations may find the benefits to allow both methods to co-exist and apply them in a systematic yet creative ways. By using both PRINCE2 and PMBOK, the project

managers are using the best project management approaches from both worlds.

### Companies who are using both PRINCE2™ and PMBOK®

Getronics , IBM, HP and Sun Microsystem

### Comparison of PRINCE2™ and PMBOK®

As both project management methods differ in many ways in term of terminology and approaches, below are just some very brief comparison of the two methods.

<b>PMBOK Knowledge Areas</b>	<b>PRINCE2 Principles / Themes / Processes</b>
Project Integration Management	[Principles]: 7 Principles [Themes]: Organization, Plans, Change, Progress [Processes]: 7 Processes
Project Scope Management	[Principles]: 7 Principles [Themes]: Business Case, Plans, Change [Processes]: 7 Processes
Project Time Management	[Principles]: Continued business justification, Learn from experience, Manage by stages, Tailor to suit the project environment [Themes]: Plans, Change, Progress [Processes]: 7 Processes
Project Cost Management	[Principles]: Continued business justification, Learn from experience, Tailor to suit the Project environment [Themes]: Plans, Change, Progress [Processes]: 7 Processes

Project Quality Management	<p>[Principles]: Continued business justification, Learn from experience, Focus on products, Tailor to suit the Project environment</p> <p>[Themes]: Quality, Plans, Change</p> <p>[Processes]: 7 Processes</p>
Project Human Resource Management	<p>[Principles]: Learn from experience, Defined roles and responsibilities, Tailor to suit the Project environment</p> <p>[Themes]: Organization, Plans</p> <p>[Processes]: 7 Processes</p>
Project Communication Management	<p>[Principles]: Learn from experience, Tailor to suit Project environment</p> <p>[Themes]: Plans, Change, Progress</p> <p>[Processes]: 7 Processes</p>
Project Risk Management	<p>[Principles]: Learn from experience, Manage by exception, Tailor to suit Project environment</p> <p>[Themes]: Risk, Change, Progress</p> <p>[Processes]: 7 Processes</p>
Project Procurement Management	<p>[Principles]: Continue business justification, Learn from experience, Focus on products, Tailor to suit Project environment</p> <p>[Themes]: Business case, Plans, Change, Progress</p> <p>[Processes]: Initiating up a Project, Managing Product Delivery</p>

<b>PMBOK Process Groups</b>	<b>PRINCE2 Processes</b>
Initiating Process Group	Starting up a Project Directing a Project
Planning Process Group	Initiating a Project
Executing Process Group	Managing Product Delivery Managing a Stage Boundary
Monitoring & Controlling Process Group	Directing a Project Controlling a Stage Managing Product Delivery Managing a Stage Boundary
Closing Process Group	Managing a Stage Boundary Closing a Project

<b>PMBOK Certification</b>	<b>PRINCE2 Certification</b>
Project Management Professional (PMP)	PRINCE2 Practitioner
Certified Associate in Project Management (CAPM)	PRINCE2 Foundation

### **Similarity of PRINCE2 and PMBOK**

Both PMBOK and PRINCE2 have over 15 years of history as a guide, framework and method in Project Management discipline.

They are equally accepted globally by the project management practitioners and the manuals have been translated to several languages. The underlying PRINCE2 and PMBOK project management knowledge are pragmatic and resourceful to the Project Managers.

Certifications of both Project Management methodologies are available. PMP and PRINCE2 Practitioner are both well recognized professional certifications globally and treated as a prerequisite in most companies when recruiting Project Managers.

There are many recognized or accredited training providers of both methods worldwide. For PMI, the qualified training providers are known as Registered Education Providers (REP). In PRINCE2 case, the training providers are termed

Accredited Training Organizations (ATO).

Both PRINCE2 and PMBOK are proven Project Management methodologies in the industries and there are many case studies available.

There are wide knowledge bases of PRINCE2 and PMBOK resources available throughout the world. Both PMI and OGC / APMG have abundant supply of online articles, journals and research papers on PMBOK and PRINCE2 respectively.

### **Marriage Proposal**

PMBOK can be treated as the dictionary or vocabulary of Project Management while PRINCE2 is the Project Management practical manual. We could use PMBOK as a guide and PRINCE2 as a method to manage and control a project.

To combine both project management approaches and complements them with the strengths from both sides. For instance, PRINCE2 is strong in process and documentation but lack the focus on Communications, Human Resource Management and Procurement Management which PMBOK is able to complement them. On the other hand, the business case approach of PRINCE2 strengthens the business direction and strategy aspects of project management which PMBOK is weak in. PMBOK is geared more towards customer focused in emphasising to deliver quality products to the customer on time within project budget. It will be ideal if we deliver a high quality products or services to the customer with the controlled business justifications or satisfied the business needs within the company. Another important concept of PRINCE2 is the Project Board which PMBOK generally refer to the Project Sponsor who is supporting the project. PRINCE2 is more specific and has defined the role of Project Board more dynamically. In the PRINCE2 manual, the roles and responsibilities of the Project Management Team are clearly spelled out in the Appendix C.

With combination of PMBOK 's Work Breakdown Structure and PRINCE2 's Product Breakdown Structure or Product-based planning, the deliverables of the project will be clearer and more robust.

PRINCE2 and PMBOK should not be viewed as competitive approaches in managing projects. They should not be mutually exclusive and not able to coexist in a project. If both Project Management approaches could get married together, they could provide the best approach adopting the best practices from both worlds to manage the day- to-day projects in the organization. Thus, the combined approaches could deliver

customer focused and high quality products or services while satisfying the business needs or business case of the organization.

It is recommended for Project Managers to use PMBOK as the foundation knowledge and ensure all the areas are covered in the project plan. As for the typical project life cycle, we can adopt the PMBOK' s Project Management Process Groups approach and enrich by PRINCE2 Processes especially the Stage management approach and managing Product Delivery approach.

The PMBOK process outputs can be supported by the various PRINCE2 document templates with proper selection. We could also use the Health Checklist in PRINCE2 to ensure a high quality products or services been delivered.

Depending on the size and complexity of the project, the Project Manager could apply all the nine knowledge areas covered in PMBOK and strengthen the processes with the strength of PRINCE2. Remember one of the PRINCE2 themes is to Tailor to suit the Project Environment. For example the concepts that are unique in PRINCE2 :

- Business Case
- Project Board
- Product-Based Planning & Product Work Breakdown Structure
- Issue Management & Issue Log
- Work Package
- Managing Stage Boundaries Approach
- Tolerance and Exception Plan
- Configuration Management
- Health Check (Appendix E in PRINCE2)

Use both PMBOK and PRINCE2 as the integrative and complementary project management approaches. They could coexist efficiently and effectively in managing a project. Just like the spouse in a family, complement the strengths with each other and fill the gaps in the respective weaknesses.

These are just some of the suggestions to match the strengths of PMBOK and PRINCE2, however Project Managers should be flexible and creative enough to utilize and maximize both approaches instead of adopting them in the "as is" format. At the end of the day, the objective of the project is to deliver high quality products or services to the customers while satisfying the business needs of the organization.

We are looking forward for the happy ending of the marriage of PRINCE2 and PMBOK. The deliverable will be the successful project, high quality products or services, satisfied customers and stakeholders, highly motivated project team members and a profitable organization with sustainable business. The Project Manager will be the overall winner in adopting both Project Management approaches!

~ The End ~