

# PRINCE2 vs the PMBOK®

## What's the Big Deal?

PMI Queensland Chapter  
17 May 2006

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# Where are we at?

- PMP or CAPM certification?
- PMI Member, non-PMP/CAPM ?
- PRINCE2 Practitioner certification ?
- PRINCE2 Foundation certification ?
- PMP & PRINCE2 certification ?
- Work in a PRINCE2 Project environment ?
- Work in a PMBOK Project environment ?
- Carry a CD copy of the PMBOK® ?
- “Managing successful projects with PRINCE2” ?

# PRINCE2

- A Project Management methodology that can be tailored for use on all types of project
- Owned by the UK Office of Government Commerce (OGC) - is in the public domain
- Described in a reference manual entitled 'Managing Successful Projects with PRINCE2'
- The APM Group provides PRINCE2 Training Accreditation and administers the Examination scheme as a partner of OGC
- Training and exams are conducted by Authorised Training Organisations

# P2 or PMP – it's all jargon



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# PMBOK®

- The 'Project Management Body of Knowledge', describes the PMI's view of the relevant topics and knowledge within the Project Management profession
- 'A Guide to the Project Management Body of Knowledge – 2005 Edition' identifies and describes a subset of PMBOK® which is generally accepted
- The publication is authored and owned by The Project Management Institute, Inc (PMI®)
- When people talk about PMBOK®, they are usually referring to the Guide

# PMBOK® Knowledge Areas

- Project Integration Management
- Project Scope Management
- Project Time Management
- Project Cost Management
- Project Quality Management
- Project Human Resource Management
- Project Communication Management
- Project Risk Management
- Project Procurement Management

# Knowledge Outcomes



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# Comparative Data

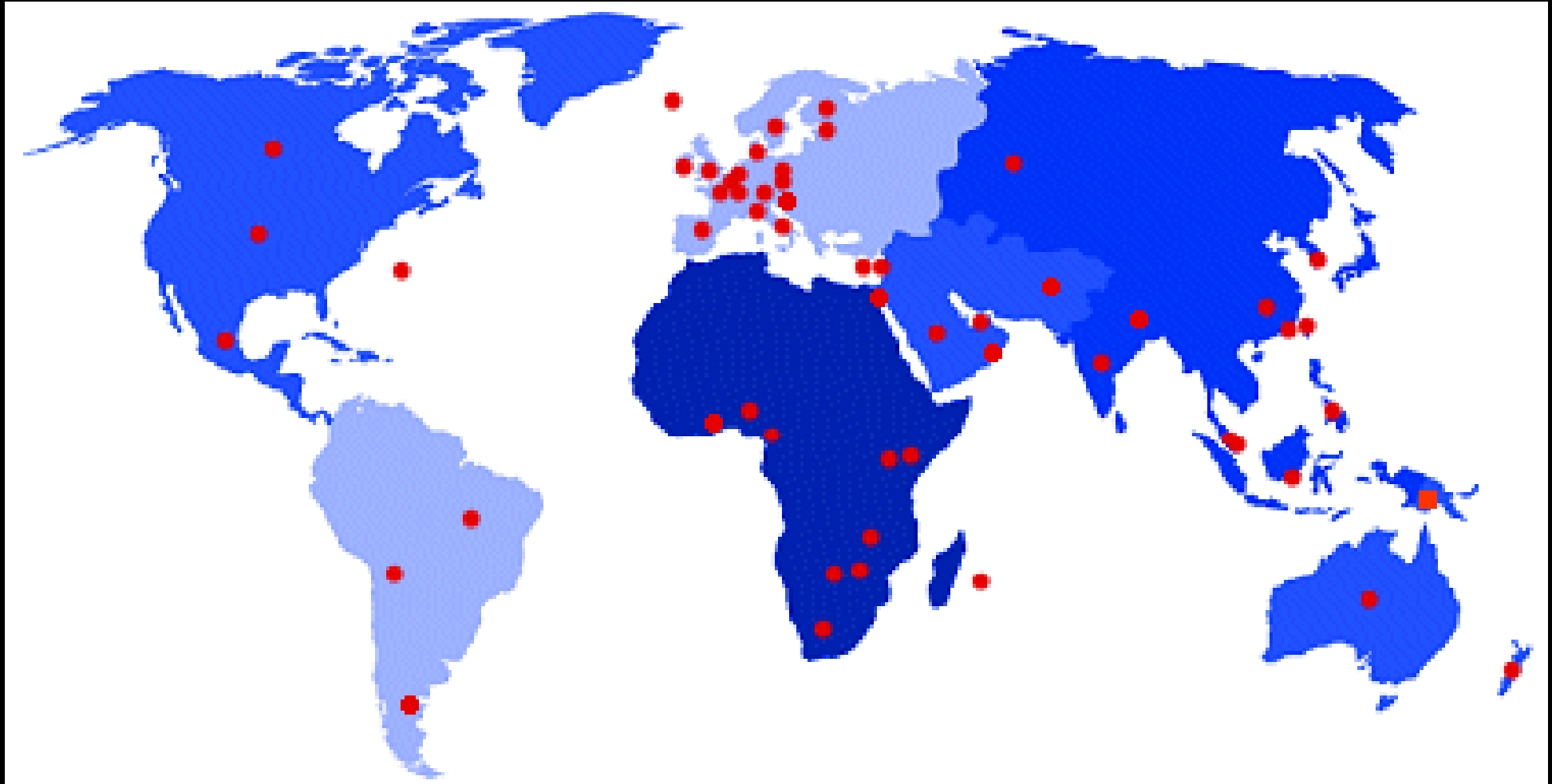
- **PMBOK®**
  - Over 200,000 PMI Members world-wide (2006)
  - Over 100,000 PMP project management professionals
  - No software included
  - Not a methodology
- **PRINCE2**
  - Started in UK, strong growth in Netherlands, Australia, Europe, Asia
  - Over 150,000 PRINCE2 trained project managers
  - 4,192 people took exams worldwide in March 2006
  - No software included
  - PRINCE2 is a methodology

# PRINCE2 – International Scope

- PRINCE2 in a period of significant expansion, constantly adapting to the international community's growing interest
- Accredited training organisations located in 12 countries globally, with affiliated organisations in many more
- PRINCE2 Offices in 7 countries, with more to come:

<b>United Kingdom</b>	<b>Denmark</b>
<b>Netherlands</b>	<b>China</b>
<b>Australia</b>	<b>USA (2006)</b>
<b>Germany</b>	<b>India (2007)</b>

# Countries where PRINCE2 Exams have been taken



# Comparing PRINCE2 and the PMBOK®

- From PMI perspective, a watershed review by Max Wideman in 2003 raised interest
- PRINCE2 and the Guide take very different approaches to the presentation of their material
- They really serve different purposes and are therefore not directly comparable
- Wideman believes that the Guide takes the best approach for teaching the subject content of each knowledge area
- But is not as effective as PRINCE2 in providing guidance for running a particular project
  - [www.maxwideman.com/papers/comparing/intro.htm](http://www.maxwideman.com/papers/comparing/intro.htm)

# Conclusions: by Max Wideman

- PRINCE2's approach is a single unified methodology starting from developing the initial Product Breakdown Structure through to identifying the corresponding network schedule
- This straight-forward and well-explained proposition should lay to rest the controversies that we have seen in North America
- That is, over whether a Work Breakdown Structure should be Product or Activity based, which comes first, and how they are related
  - See PRINCE2 Planning model (next slide)

# PRINCE2 PL1 – What sort of plan? (Project, Stage, Team, etc.)

**PL7**

- Project Plan
- Plan Narrative
- Objectives
- Assumptions
- Pre-requisites
- Costs
- Controls
- Tools
- Reporting
- Product Checklist
- Risks

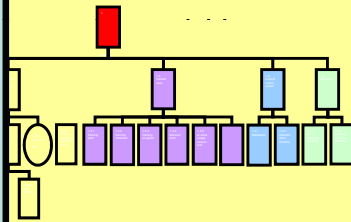
**PL2**

Product Description of the Final Product

**1**

**PL2**

Product Breakdown Structure



**2**

**PL2**

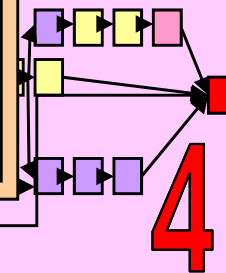
Product Descriptions

- Product Title
- Purpose
- Composition
- Derivation
- Format and Presentation
- Allocated to
- Quality Criteria
- Acceptance Criteria

**3**

**PL2**

Product Flow Diagram

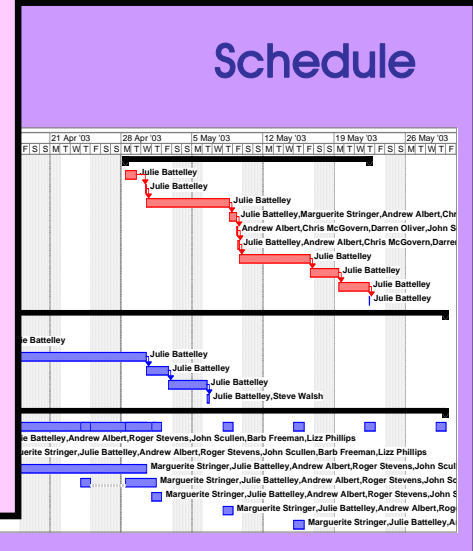


**4**

Product-based Planning

**PL3, 4 and 5**

Schedule



Key Risks

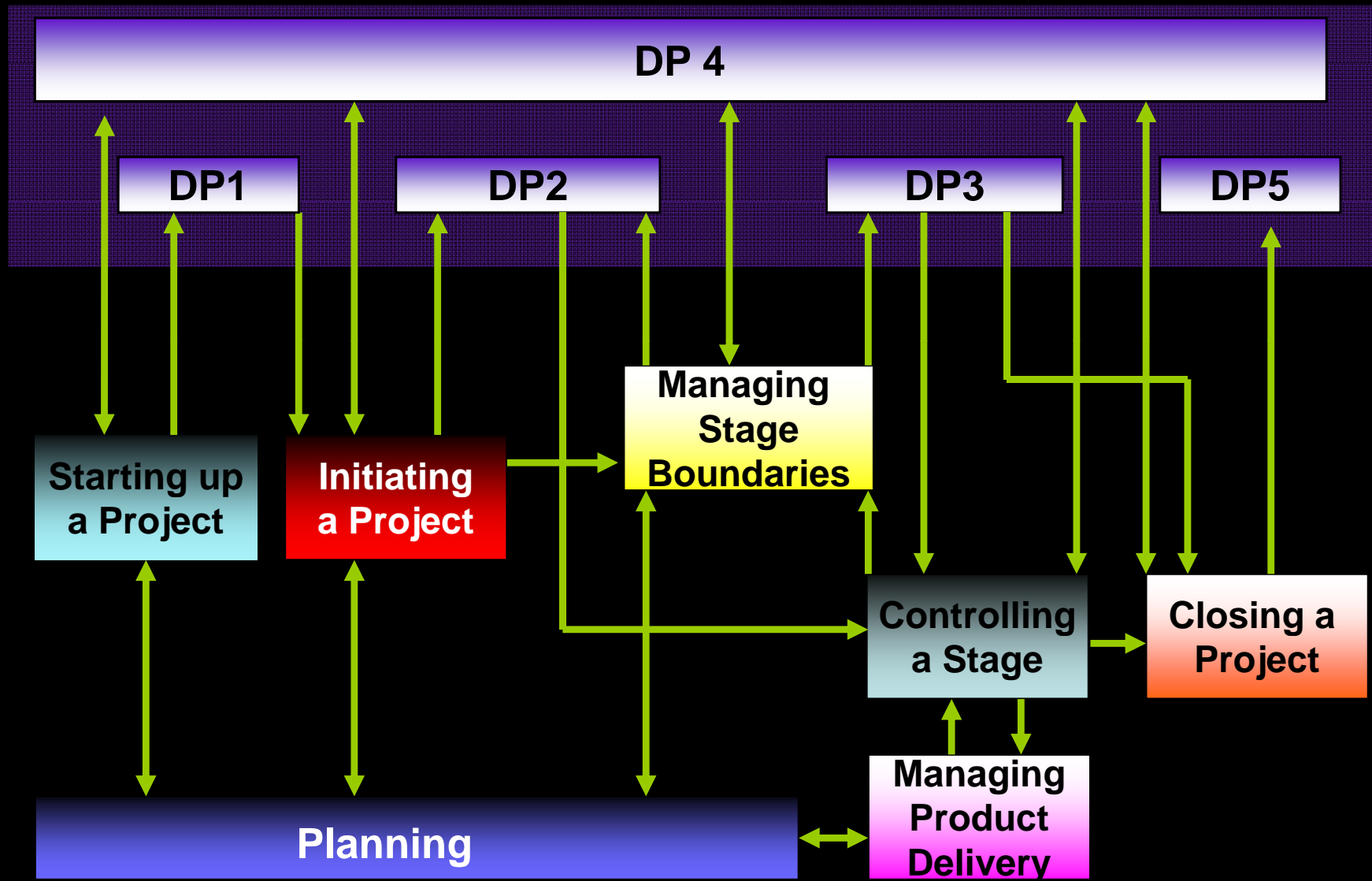
Risk Log

Risks?

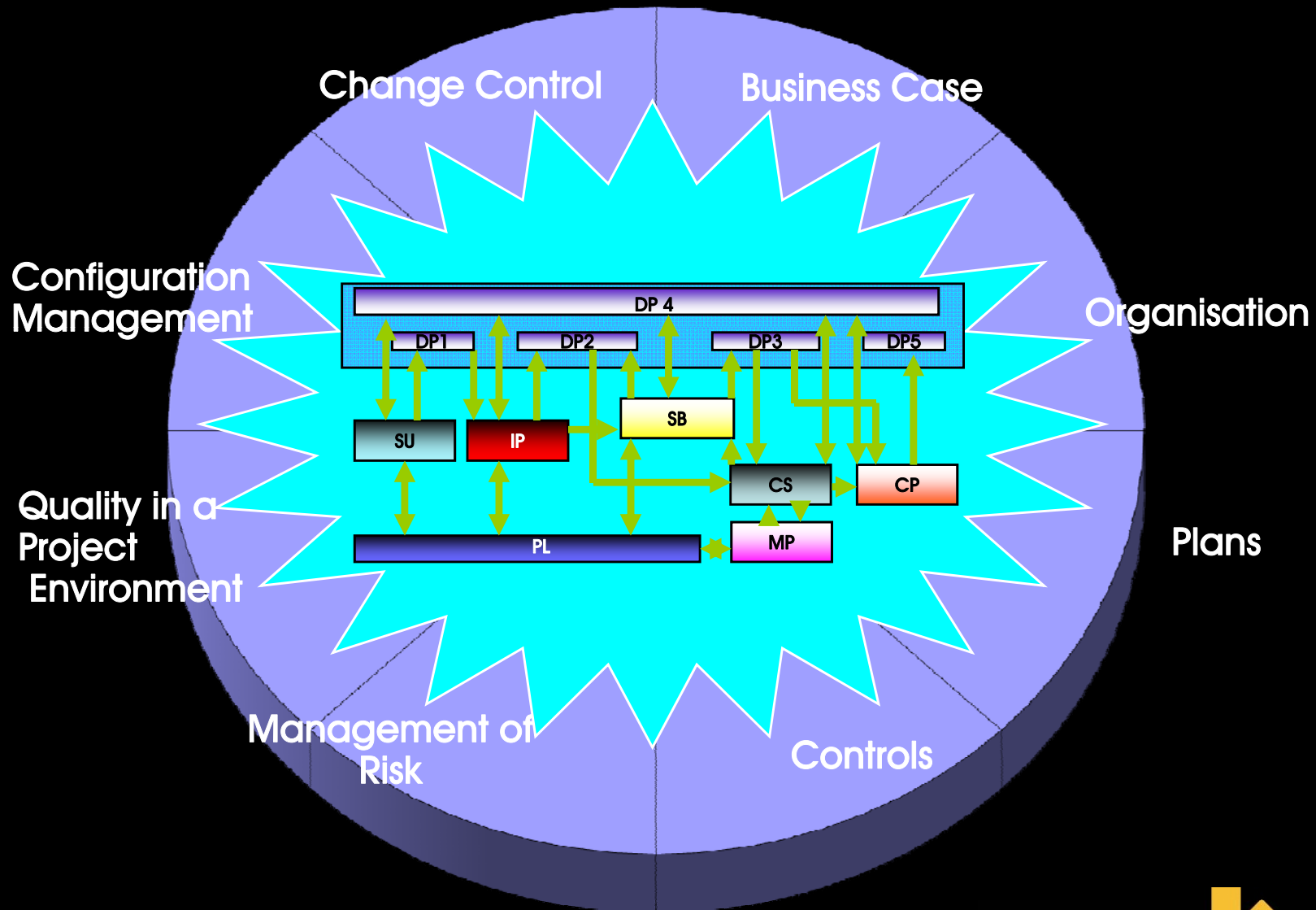
# PRINCE2 Processes

- PRINCE2 is a Project Management methodology
- It is designed to be tailored to fit any type of project
- The methodology is documented in the PRINCE2 reference manual
- It defines the management activities to be carried out from Project Start Up to Project Closure in terms of 8 Processes

# Process Model



# Components and Processes



# *Relative positions of PRINCE2 & PMBOK®*

- PRINCE2 started life in the UK and PMBOK® in the US
- These are still their strongholds although there is worldwide use of both
- People in the UK have heard of PMBOK® but do not know what it is & vice versa for PRINCE2 in the US
- Many people assume PRINCE2 and PMBOK® are alternative, even competitive, approaches to Project Management and they need to choose between them
- This in fact is not the case
- PRINCE2 is a pragmatic Project Management method
- PMBOK® is an encyclopaedic source of information about all aspects Project Management

# Getronics Case Study

- With PRINCE2 and PMBOK® increasingly in use in the Project Management community this Case Study describes a combined approach
- It is written for people who know PRINCE2 and/or PMBOK® and who are:
  - trying to understand their relative positioning , or
  - researching ways of improving project management and who want to know what is available
- The Case Study was commissioned by The APM Group
  - Case Study is on the PRINCE2 website  
[www.prince2.org.uk/PRINCE2Resources/Case-Studies.asp](http://www.prince2.org.uk/PRINCE2Resources/Case-Studies.asp)

# Getronics Case Study

- To get maximum benefit from a management by project approach, the study shows the importance of combining:
  - Good Project Management processes
  - Thorough education & development programme for project personnel
- Many organisations struggle to understand the differences and ensure both are implemented in an appropriate and professional way
- The Getronics case study may give them the confidence to succeed in their endeavours

# PRINCE2 and PMBOK®

- As people become exposed to both PRINCE2 and PMBOK®, they realise that the two are complementary and can be used together to effectively manage projects
- PRINCE2 could be viewed as a structured checklist of how to manage a project
- There is a misconception that PRINCE2 is a piece of software or a set of templates
- As well as a basic reference for anyone interested in Project Management, The PMBOK® Guide provides
  - a basis for assessing professional competency
  - a common lexicon of project management terms

# The Complementary Nature of PRINCE2 and PMBOK®

- PMBOK® is a compilation of all the “generally accepted” Project Management knowledge
- Getronics sees it as a foundation of Project Management principles and a rich reference
- It says what a Project Manager should know as base information
- PRINCE2 is a process-based Project Management methodology
  - It describes in detail the different activities to perform
  - It describes what a Project Manager should know and should do

# The Complementary Nature of PRINCE2 and PMBOK®

- Getronics has a view that PRINCE2 and PMBOK® are complementary
- They consider PRINCE2 to be the more prescriptive, but very scaleable
- To quote the PRINCE2 Manual 'the key to successful use of this process model is its tailoring'
- Each process must be approached with the question 'How extensively should this process be applied on this project?'
- They haven't identified any conflict between using PRINCE2 and the PMBOK® together

# Complementary Benefits of PRINCE2 ad PMBOK®

- PMBOK® provides valuable information, enriching PRINCE2, especially in the following knowledge areas or topics:
  - Contract Management (procurement management)
  - People Management
  - Cost Management
  - Earned Value Management
  - Time Management
  - Communication Management

# PRINCE2 Features for Projects

- PRINCE2 Projects are
- **Business Case** driven
- **Deliverables Driven** (reinforced by Product Based Planning) – the products are the outputs
- **Strong process model** defining the management activities to be carried out during the project
- **It is much more detailed than the PMBOK® processes**
- **Project Assurance** especially supported by the detailed controls and organisational structure
- **Roles and responsibilities** are clearly defined
- **Management by Exception** (especially for the senior management)

# PRINCE2 elements that are very valuable for Getronics

- The clear differentiation between the “management deliverables” and the “specialist deliverables”
- The Appendix in the PRINCE2 Manual containing the product description of the management deliverables
- The Project Support Office concept
- The relationship between projects and programmes
- PRINCE2 certification complementing PMI certification

# Combining PRINCE2 and PMBOK® at Getronics

- The PMBOK® is used as a foundation enriched by the PRINCE2 methodology
- The Project Management approach combines both and complements them with elements from Getronics' own experience
- Practically, the approach combines PRINCE2 and the PMBOK® in the day-to-day work of a Project Manager
  - Application of the detailed PRINCE2 processes
  - The PMBOK® knowledge areas as reference material
  - Augmented by PRINCE2 components

# Methodology and Success

- **Even the simplest methodology, if accepted by the organization and used correctly, can increase your chances of success**
  - Harold Kerzner, PhD, from "Project Management - a Systems Approach to Planning, Scheduling and Controlling"

# Conclusion

- A wealth of information is available about PMI, the PMBOK®, PMP certification – from your local PMI Chapter
- Personal development – get to know the PMBOK®, get into PMP and/or CAPM
- If you are already a PMP and looking for a best-practice methodology for training and implementation – why not PRINCE2 ?
- **Finally, for training courses in PRINCE2 or PMP**
  - Lizz Robb & Brian Phillips
  - **ph +61 7 3394 8364**
  - [www.yellowhouse.net](http://www.yellowhouse.net)