

Overview of PRINCE2

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PRINCE2 is a type of project management system that puts great emphasis on control. It aims to ensure that a challenging, complex project can be easily managed and controlled by being divided into smaller stages and conducted with certain principles in mind.

It's a strategic approach founded on the belief that all projects, no matter how well-planned or high-budget they are, can fall apart due to changes from external forces and a failure to manage risks. With PRINCE2, you only need to deal with one stage at a time, which provides much more control.

The official website for the system describes it like this:

The method explains how to manage risk, quality, and control change on the project. Risk management is about working out what could go wrong and planning what to do if it does. Quality management is checking the quality of the work done on the project by either testing or reviewing it in some way.

It's a much-respected and widely used method that was originally introduced to serve as a government standard for IT project management in the United Kingdom. Its predecessor was a similar system from the 1980s called PROMPT II, which stood for Project Resource Organization Management Techniques.

This is also derived from the idea of dividing projects into manageable chunks. Over the years, it evolved and developed and eventually resulted in the PRINCE2 system, with the acronym now standing for **PR**ojects **IN** **C**ontrolled **E**nvironments. And then, of course, the

'2' - that refers to the fact that the most commonly used variation of the system today is the second incarnation, first released in 1996.

Though it is pretty similar to some other project management systems designed to curb the impact of change, PRINCE2 is unique in that it is a system recognized at a government level and the most widely used project management system in the world at that. You can get a certification in PRINCE2, and it's often a requirement in high-level management jobs.

As Avantika Monnappa of *SimpliLearn* put it:

Your PRINCE2 certification is globally recognized. Today it's the de facto Project Management standard in many parts of the world. Governments, public and private sector companies all over the world are using it today and its popularity continues to grow in the USA, Asia and Africa.

So for any budding project manager out there, it's definitely worth looking into PRINCE2.

Let's dive deeper to get a better look at what ideas are the basis for the system:

The PRINCE2 system is quite multifaceted, and it operates through several different ideas and subsystems. Those utilizing this process will generally aim to view a project through six core performance indicators. These include **risks, quality, benefits, scope, timescale, and cost.**

Every decision made about the project and the structure of each individual stage will be pursued with these aspects in mind. And it is through those that the seven principles of PRINCE2 were developed.

As you have no doubt noticed, it's a common trend in PRINCE2 to construct lists for their methodology. It can seem gratuitous when analyzing the process, but making lists is an extremely effective way to organize information. It helps a lot in keeping track of the teachings of PRINCE2.

In his book *The Checklist Manifesto*, Atul Gawande said:

The volume and complexity of what we know has exceeded our individual ability to deliver its benefits correctly, safely or

reliably. We need a different strategy for overcoming failure, one that takes advantage of the knowledge humans have but also somehow makes up for inevitable human inadequacies.

Gawande was, of course, referring to checklists somewhat specifically, but the same logic applies to informative lists. It simplifies and controls the delivery of the information, and PRINCE2 is all about simplifying and controlling. So, back to those seven principles.

First is Continued Business Justification. This involves keeping a constant eye on the business behind the project to ensure that the project is still being conducted in a viable way for the business. This will involve the construction and subsequent adherence to a "business case".

A business case is a document that outlines the purposes and benefits of the project and is essential in guiding the team during the process. Brian Herman and Jay M. Siegel's 2009 Global Conference paper stated:

The Business Case will help inform the project manager as to which approach to take when alternative technical options present themselves, and the project's stakeholders can use it to monitor the project and the project's environment to determine if it continues to make organizational sense.

And so, such a document is necessary for fulfilling that first principle.

The second principle is Learn From Experience. This one is relatively self-explanatory. PRINCE2 is rooted in being adaptable to change, and recognizing mistakes and areas for improvement can help that a lot. The method dictates that a 'lesson log' be kept for each project that can serve as a record of these mistakes.

The third principle is Defined Roles. One of the keys to the control afforded by the PRINCE2 system is having distinct roles and responsibilities for the team. If everybody serves a specific purpose and understands what that purpose is, they can better contribute to the team.

The primary role is the Project Manager. It's up to them to assemble the team, draw up the business case, and draw up the project plan, including the schedule and the budget.

There will also be a Team Manager, whose job will be to closely supervise the team members and ensure that everyone is fulfilling their role.

The team itself will be made up of professionals and specialists. The Team Manager will perform tasks such as consolidating their respective contributions, monitoring individual performances, and settling disputes.

The fourth principle is Manage by Stages. This is the principle from which the actual workflow of a PRINCE2 project is derived. A stage is essentially a small chunk of the large project, which may result in a deliverable. Depending on how far into the project the stage is, it might be a design stage, a developmental stage, or a testing stage.

Stages all go through a similar roadmap with seven processes—another list within the PRINCE2 method and a valuable one in its own right. The processes are: Starting Up, Initiating, Directing, Controlling, Managing Product Delivery, Managing Stage Boundaries, and Closing. This applies to each stage and is also the trajectory of the project itself.

The fifth principle is Manage by Exception. This is a somewhat tricky principle to uphold, but it's an important one as it pertains to control. Managing by exception essentially means ensuring that the project is maintaining its adherence to the six aspects and making alterations if it isn't.

So if there are elements of the project which are generating too much risk, proving to be too costly, or are holding the overall project back, things need to change. And this often means redirecting the trajectory of a stage. That may not sit well with the team, but it is likely to be necessary.

In a study from HBR on effective project management, Antonio Nieto-Rodriguez discussed the typical approach of working on a stage until it's finished, then never returning to it. He explains why it can be counter-productive to do this, saying:

In taking on work that's never been done before, projects involve experiments and false starts and failures and as a result are prone to movement back and forth through the stages.

This is precisely correct and makes the Managing by Exception principle essential.

The sixth principle is Focus on Products. This is also quite self-explanatory and ties into the quality aspect of PRINCE2. The resulting benefits of the project must meet the quality expectations of the customer and so it's necessary to put a quality management plan together.

The seventh and final principle is Tailor to the Environment. Milvio DiBartolomeo discussed tailoring in an article for *Axelos* and put it like this:

Tailoring refers to the appropriate use of PRINCE2 on any given project, ensuring there is the correct amount of planning, control, governance and use of processes and themes.

PRINCE2 is a very adaptable methodology, and you can apply it to any number of projects. Like anything else, though, it must be adapted to suit the specific needs of the product and the capabilities of the team. And so, fulfilling this principle of tailoring needs to be done early in the process.

In summary, the workflow imposed on a project by PRINCE2 is rooted in a strict and comprehensive list of principles. Business justification, learning from experience, defined roles, managing by stage, managing by exception, focusing on products, and tailoring to the environment.

The process of going through the stages themselves becomes very straightforward under the guiding light of these principles.

So what you should take away from this when managing your own projects is that the quality of what you produce will be heavily swayed by the mindset you and your team adopted. If this mindset is based on principles informed by things like product quality, customer benefits, and risk management, you will have a lot of control over the process and the outcome.

That's all for today. Thanks for listening.

Reading List:

[Article] PRINCE2 — A Structured Project Management Methodology, PRINCE2 Team

[Article] Top 10 Reasons to Get a PRINCE2 Certification, Avantika Monnappa

[Book] The Checklist Manifesto, Atul Gawande

[Article] Is it Really Worth the Effort? The Need for a Business Case, Brian Herman & Jay M. Siegelaub

[Article] The Project Economy Has Arrived, Antonio Nieto-Rodriguez

[Article] The Fine Art of Tailoring to Suit the Project Environment, Milvio DiBartolomeo