

Managing Successful Projects

PRINCE2 vs. PMBOK

“Even the simplest methodology, if accepted by the organization and used correctly, can increase your chances of success”

Harold Kerzner

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Why have a Project Management (PM) Method?

- ♦ PM 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... that deliver the project's results.
- ♦ The purpose of PM is to keep control over the specialist work required to create the project's products or, taking the example of constructing of a new house, to make sure the roofing contractor doesn't arrive before the walls are built.
- ♦ Additionally, given that projects are the means by which we introduce business change, and that project work entails a higher level of risk than other business activity, it follows that implementing a secure, consistent, well-proven approach to PM is a valuable business investment.

PRINCE2 vs. PMBOK methodologies

- ♦ There are a range of different methodologies which are often applied to project management, with the two most commonly considered being PMBOK and PRINCE2. If one is trying to weigh up what are the pros and cons of PMBOK versus PRINCE2, one may find it useful to consider them in context with the project that one is undertaking, as well as comparing one to the other. To help one in assessing what are the pros and cons of PMBOK vs. PRINCE2 and which of these methodologies may work best in one's individual situation, here is an overview of each of these systems for general project management best practice:

♦ PMBOK - pros and cons

PMBOK is short for Project Management Body of Knowledge. Users of this system find that it has more substantial frameworks for contract management, scope management and other aspects which are arguably less robust in PRINCE2. However, many users of PMBOK find that they are not entirely happy with the way this system limits decision making solely to project managers, making it difficult for handing over aspects of the management to other parties and senior managers. With PMBOK, the project manager can seemingly become the primary decision maker, planner, problem solver, human resource manager and so on.

♦ PRINCE2 - pros and cons

PRINCE2 stands for Projects in a Controlled Environment and this is a project management program that shares more of the functional and financial authority with senior management, not just the project manager. This program has a focus on aiding the project manager to oversee projects on behalf of an organization's senior management. On the pros side, PRINCE2 provides a single standard approach to the management projects, which is why many government and global organizations prefer this option. It is also favored because of its ease of use, which makes it easy to learn, even for those with limited experience. On the downside, there are users who feel that PRINCE2 misses the importance of “soft skills” that should be a focus for a project manager.

Key high level differences between PRINCE2 and PMBOK

- Here is a quick summary chart showing some high level differences between the PM standards PRINCE2 and PMBOK:

PRINCE2	PMBOK
Origin - United Kingdom	Origin - United States
Administered by APMG	Administered by PMI
Worldwide adoption	Worldwide adoption
A process based project management methodology	A knowledge based approach to project management
A series of management processes defining what must be done, when and how it must be done and by whom over the life of a project	Describes core practices and a wider range of techniques that can be applied to manage a project
Prescriptive, but tailorable	Non-prescriptive
Defines the roles of everyone involved in a project	Focuses on the project manager's role
PRINCE2 Training organizations must be Accredited and hold a UK Government licence to train in PRINCE2. Accreditation requires compliance against the UKAS Quality Management standard for training & certification. Trainers must pass an independent competency assessment before certification and are subject to independent competency assessments on an annual basis.	PMP training organizations must comply with the PMI training syllabus. Trainer's competency to deliver training is not assessed.
Certification confirmed within approximately 1 week from the training	Certification typically confirmed within a month or more of the training
HiLogic course fees include exam fee as PRINCE2 Accredited Training Organizations are permitted to invigilate exams set by the accreditation body.	Exam fee typically not included in training course fee as exams are completed at an exam centre specified by the accreditation body.

(source: <http://www.hilogic.com.my/PRINCE2-PMP-PMBOK-Comparison.html>)

Which methodology to choose?

Well, if one is interested in comparing PMBOK vs. PRINCE2 and is wondering about the pros and cons, there are several answers. Each of these has its distinct differences.

- ✓ If the project manager needs to be the sole decision maker, then PMBOK could be preferable.
- ✓ Alternatively, PRINCE2 provides the possibility to wider the process of PM control to other levels of responsibility. It's a method that shares more of the functional and financial authority with senior management, not just the project manager.
- ✓ Each project manager will form different opinions and they may even change their mind on which is best based upon changes from one project to the next.

Getronics Case-Study

(a combined approach)

- ♦ With PRINCE2 and PMBOK increasingly in use in the Project Management community this Case Study describes a combined approach.
- ♦ It was 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.

- ♦ To get maximum benefit from a management by project approach, the study shows the importance of combining:
 - Good Project Management processes.
 - Thorough education & development program for project personnel.
 - Many organizations 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 endeavors.

The advantages of combining both methods

- ♦ As people become exposed to both PRINCE2 and PMBOK, they realize 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, as:
 - It describes in detail the different activities to perform.
 - It describes what a Project Manager should know and should do.

- ♦ Getronics has a view that PRINCE2 and PMBOK are complementary.
- ♦ They consider PRINCE2 to be the more prescriptive, but very scalable.
- ♦ 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.

The complementary benefits of PRINCE2 and 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

Why 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

Conclusion

- ♦ In summary, a skilled project manager is one that can apply project management knowledge areas, for example those of PMBOK with the aid of a structured methodology such as PRINCE2. A highly skilled project manager should also have the 'know-how' to apply project management controls that are appropriate to the scale, complexity and nature of the project.

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