

**PRINCE 2**

**P**rojects **IN**  
**C**ontrolled **E**nvironments

# Six Typical Complaints

**The End-Product is not what we originally asked for.**

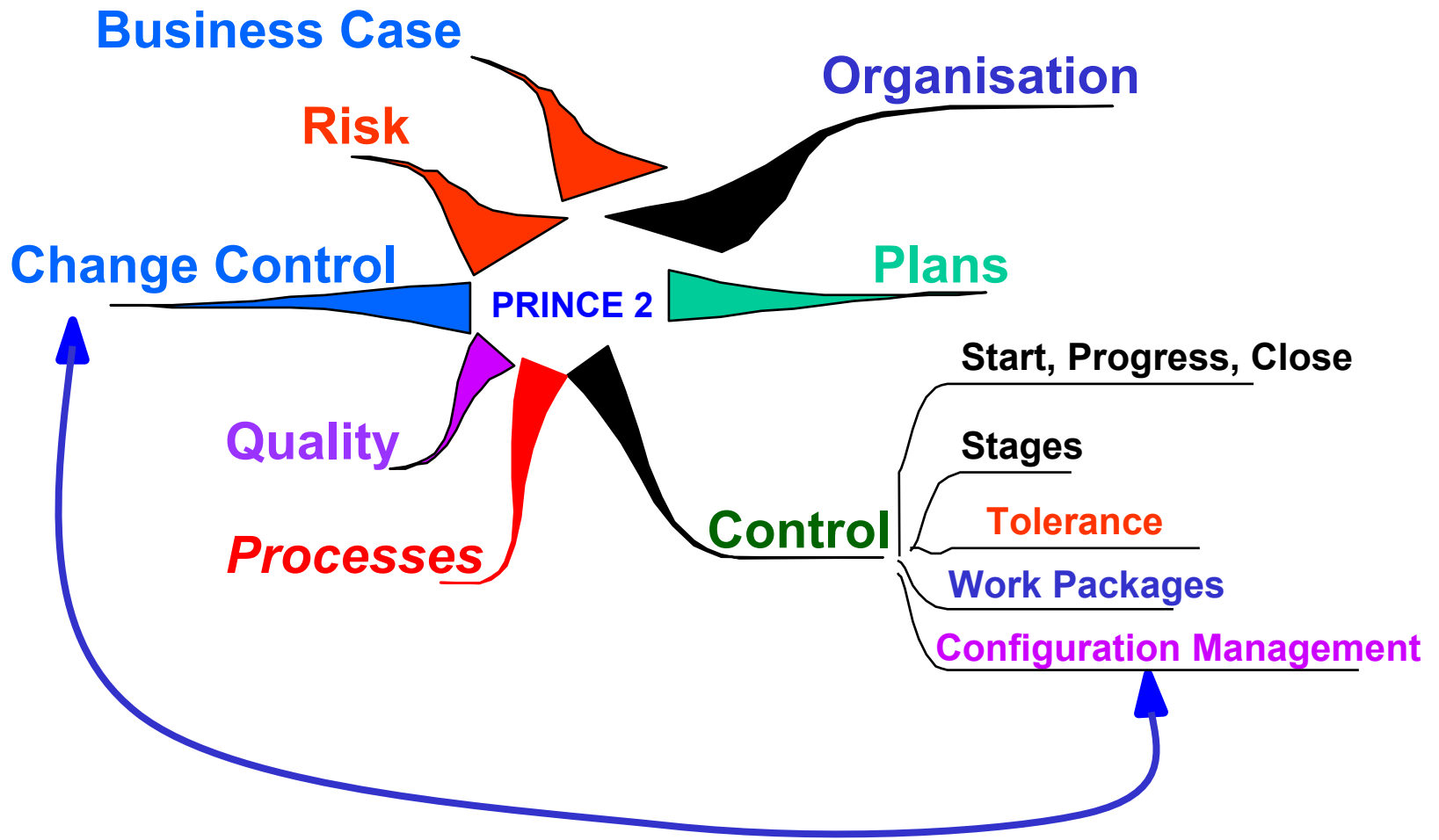
**The project changed direction without our realising it.**

**The costs escalated without our realising it. Then it was too late to stop it.**

**We were told the system would be delivered late, but were only told this when it was too late for us to supply extra effort.**

**We were not kept informed during the development, and even now we do not really understand how to make the system work.**

**The end product is not reliable, hence maintenance costs are more than we expected.**



Customer  
Sponsor

Programme Management

Developer  
Procurer

Product User  
Product Seller

**Project Board**

Senior  
User

Executive

Senior  
Supplier

**Project Assurance**

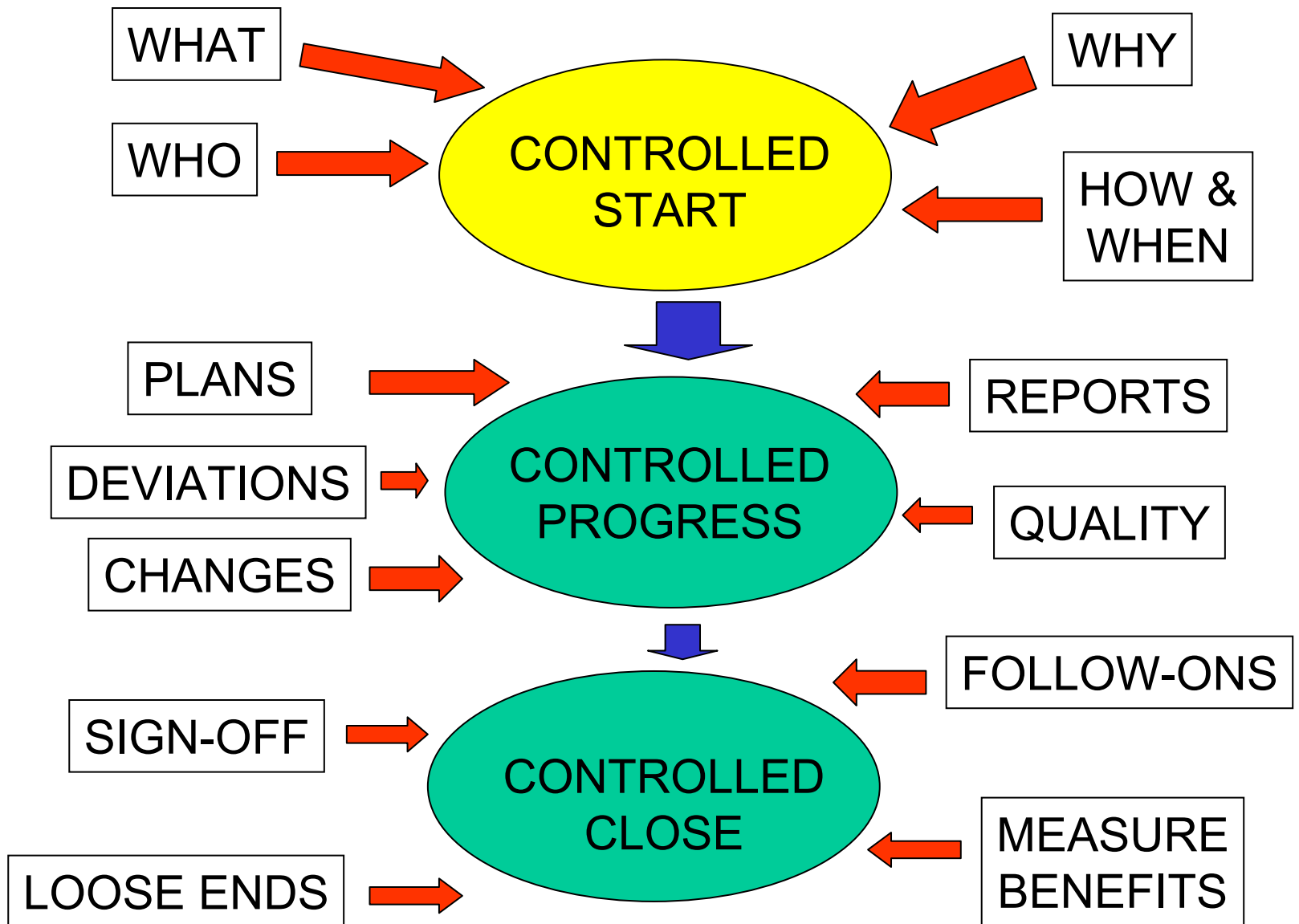
**Project Manager**

Project Support

Team Manager

Team Manager

Team Manager



# PROJECT INITIATION DOCUMENT

**Background**

**Project Definition**

**Assumptions**

**Business Case**

**Organisation**

**Communications Plan**

**Quality Plan**

**Project Plan**

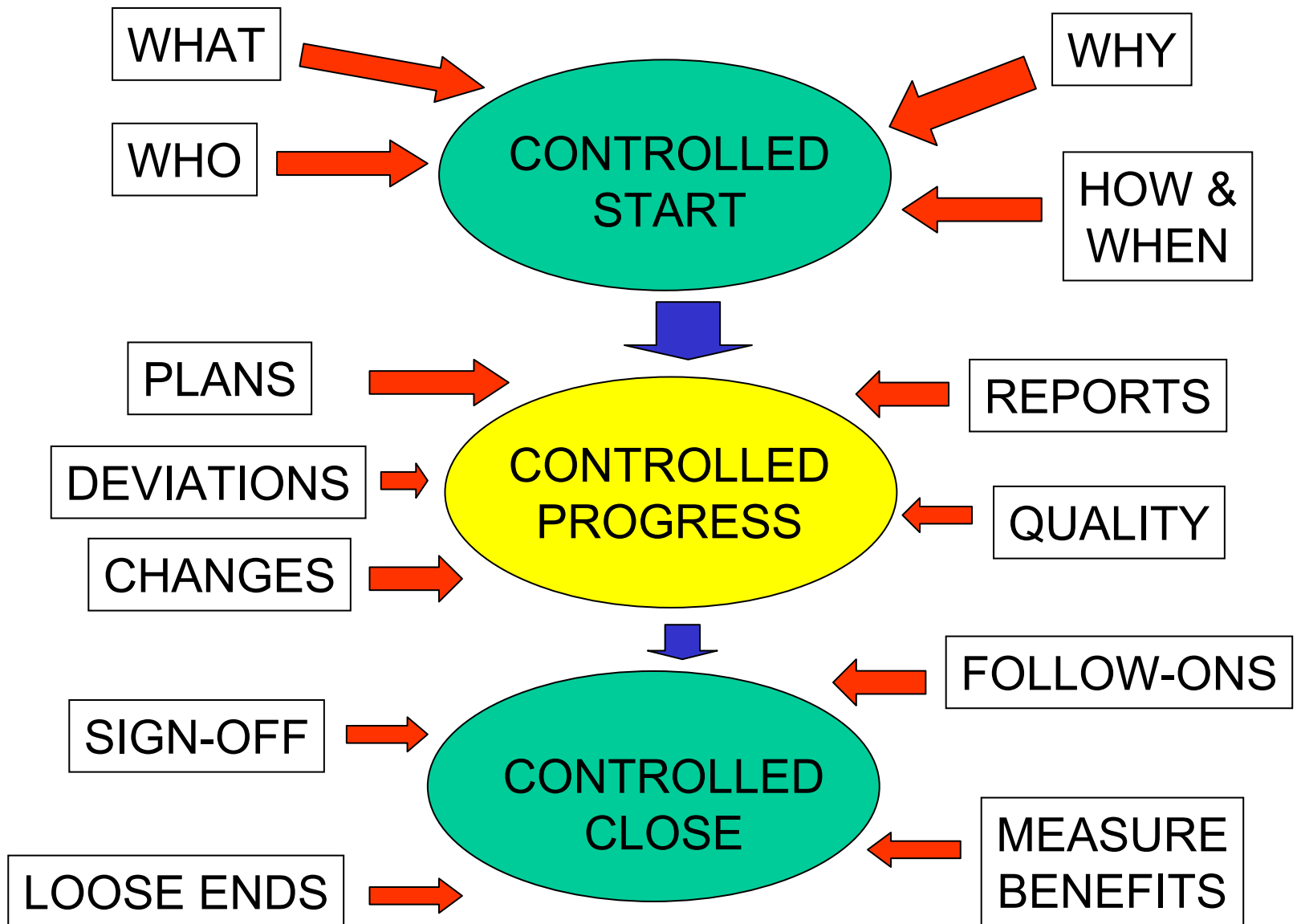
**Controls**

**Exception Process**

**Risk Log**

**Contingency Plans**

**Filing Structure**



## WHY PLAN IN STAGES?

How can I make sure I stay in control?

How can I limit the risks?

How can I stop it if it goes wrong?



**Project  
Board**

---

---

Too much time planning

Too far ahead

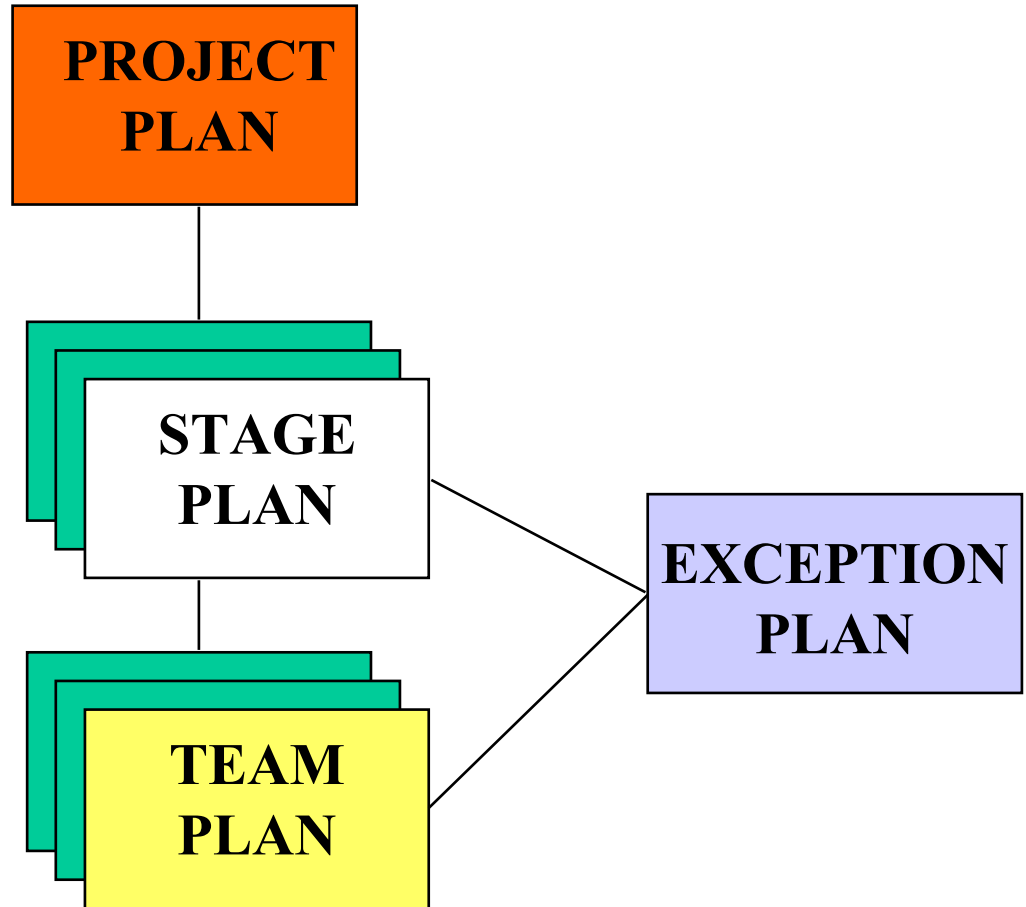
Too many unknowns

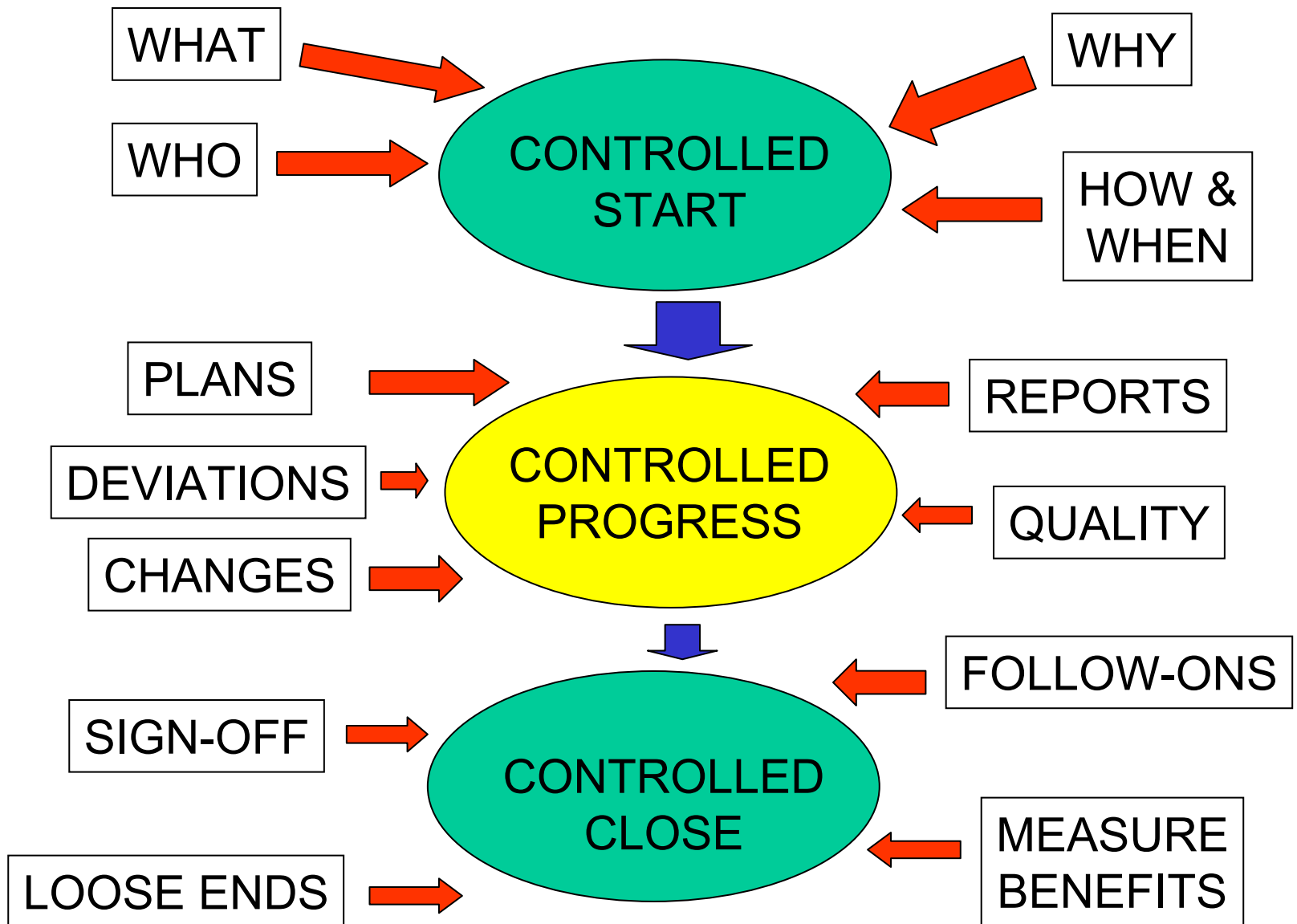
Too much guesswork



**Project  
Manager**







# TOLERANCE

Permissible deviation from a plan without having to refer the problem to the next higher level of authority

## Project tolerance

Set by corporate or programme management

**TIME  
COST  
SCOPE  
QUALITY**

## Stage tolerance

Set by Project Board before each stage

# RISK

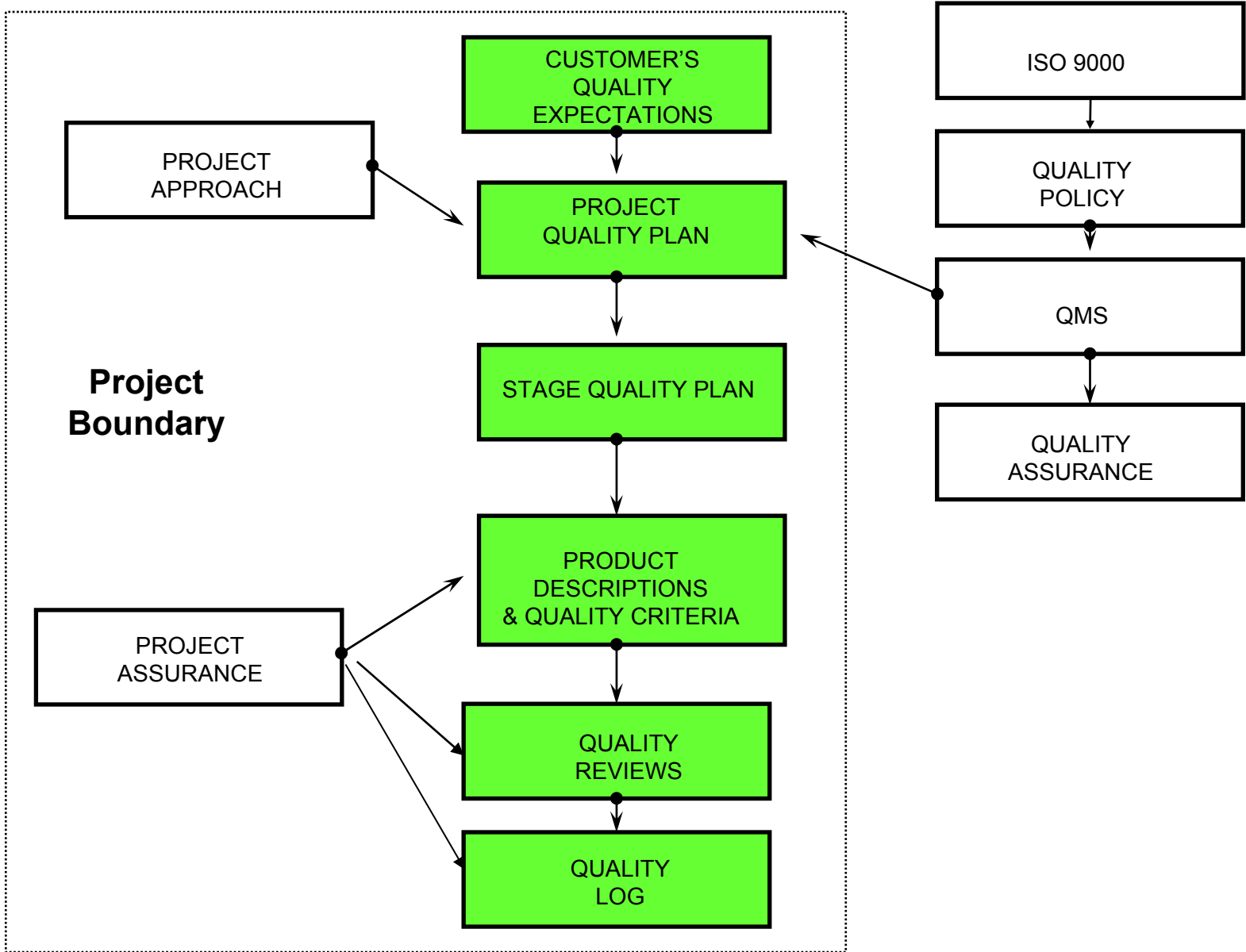


As part of the Controlled Start

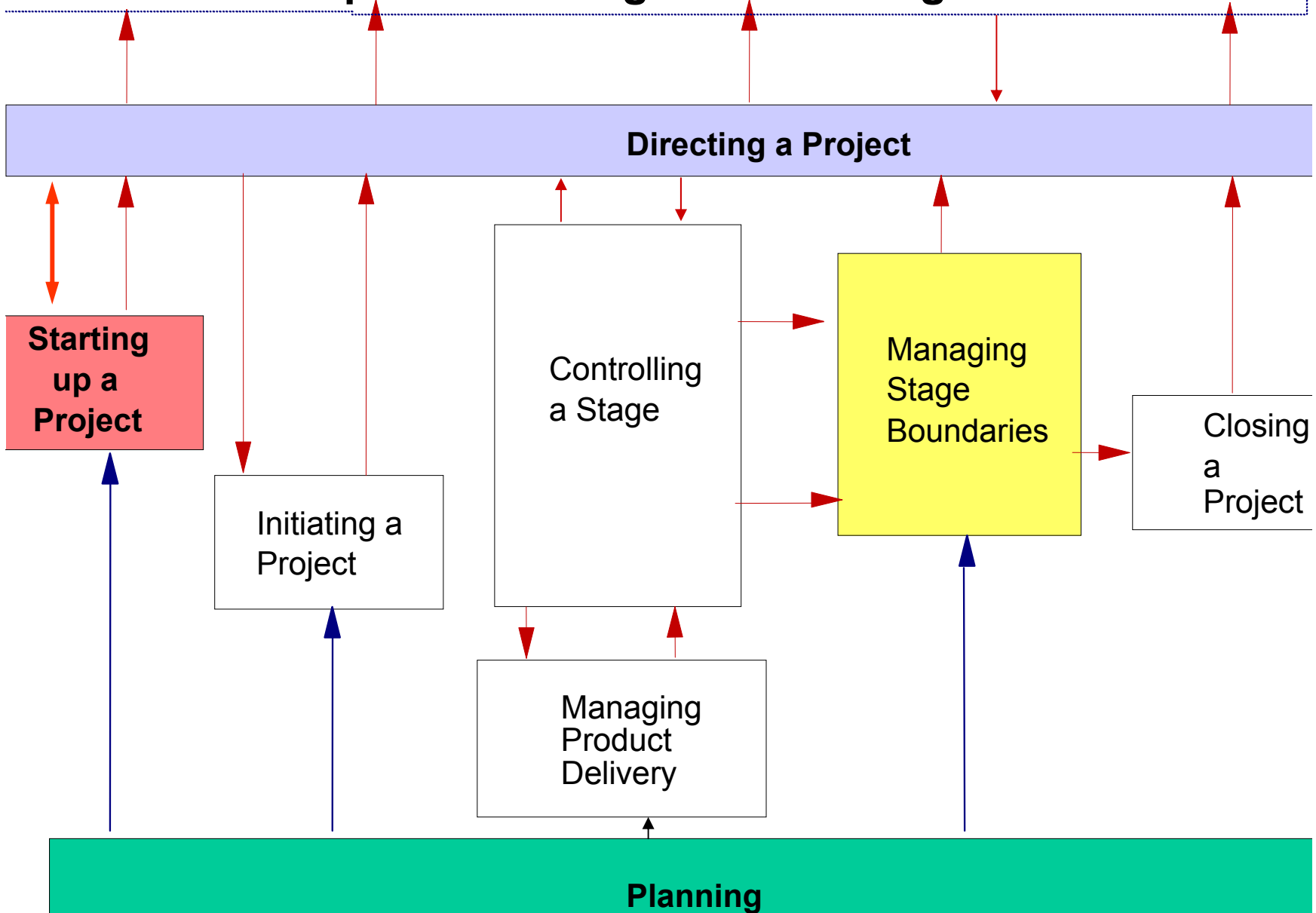
At the end of every stage

For every major change request

As part of the Controlled Close



# Corporate or Programme Management



# PRINCE USERS

**Australian MoD**

**SEMA**

**GCHQ**

**Local Councils**

**AA**

**Sun Microsystems**

**Norwich Union**

**Police Forces**

**Glaxo Wellcome**

**Lloyds TSB**

**NHS**

**ECGD**

**Royal Mail**

**Tesco Stores**

**Home Office**

**Railtrack**

**BT**

**Rolls Royce**

**Camelot**

**Nat West**

**Post Office Counters**

**Hong Kong Telecom**

**HM Land Registry**

**London Underground**

**Vodaphone**

**Philip Morris**

**RAF**

**Hitachi**

**UN**

**Barclays Bank**

**DHL**

# Some Statistics

- Manual or books, exams in
  - English, Dutch, Danish, Italian, French, German, Spanish, Polish, Japanese
- Manual translations coming in
  - Chinese, Bulgarian
- Over 100,000 examination candidates since 1996



# THE STOCK EXCHANGE

**Following previous project failures, such as Taurus, The Stock Exchange realised that it needed a much more structured project management method. It now uses a project management method based on PRINCE, and in recent years has introduced a number of successful projects under this method.**

**It is particularly important to The Stock Exchange to succeed in its projects because so many other organisations are affected by the end product. There are 250 member companies. The use of a structured project management method is essential in this environment, and PRINCE provides this very well.**

# ***WHY USE PRINCE 2?***

**Free  
Backed by the CCTA  
Common Sense  
Large User Group  
Commitment to  
continuous  
enhancement**

**Flexible  
Applies to any  
kind of project**

# Benefits of PRINCE2

- Leadership (senior management)
- Formal approach to project management
- Improved project management skills
- Manageable pieces of a project
- Define, track & measure quality
- Improve supplier relationships