Linguarama

LANGUAGE TRAINING FOR BUSINESS

Course in English as a Foreign Language

This is to certify that

Sergio Muzzalupo

has attended a Linguarama course in

English

at

37 Golden Square London W1R 3AA

From **22nd May 2000** *To* **26th May 2000**

Date **26.05.00**

Signed **Patricia Le Ret** *Course Director*

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IAE
UNIVERSIDAD AUSTRAL

NOBLEZA PICCARDO

Certifican que

Sergio Muzzalupo

ha participado en el

"IAE – Nobleza Piccardo Business Programme"

organizado para la empresa Nobleza Piccardo, en Buenos Aires, República Argentina, entre los meses de marzo y mayo de 2001.

Laureano Berasategui
Director del Programa

Mark Cobben
Presidente y Gerente General

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idea

Sergio Pablo Muzzalupo

ha participado del

Programa Ejecutivo en Estrategia Fiscal para la Toma de Decisiones

con una duración de 8 hs. presenciales.

Por lo tanto, le extendemos el presente certificado.

Buenos Aires, 26 de noviembre de 2010

Laura Gaidulewicz
Directora Escuela de Negocios
Instituto para el Desarrollo
Empresarial de la Argentina

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9th September 2003

Sergio Muzzalupo Esq.
Nobleza Piccardo
Casilla de Correo 899
1000 Buenos Aires
Argentina

Dear Sergio,

Please find enclosed a self-sufficiency certificate. You will see that this was granted in July 2003. We think that some formal recognition is appropriate for you and your team's achievement.

Please display the certificate with pride and keep up the good work.

Kind regards

Peter Radford
Head of International Audit & Business Risk

Enclosure

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Audit Self-Sufficiency

for

Nobleza Piccardo, Audit Department

In recognition of their achievement of audit self-sufficiency, through people quality, diligence and application of the highest audit standards.

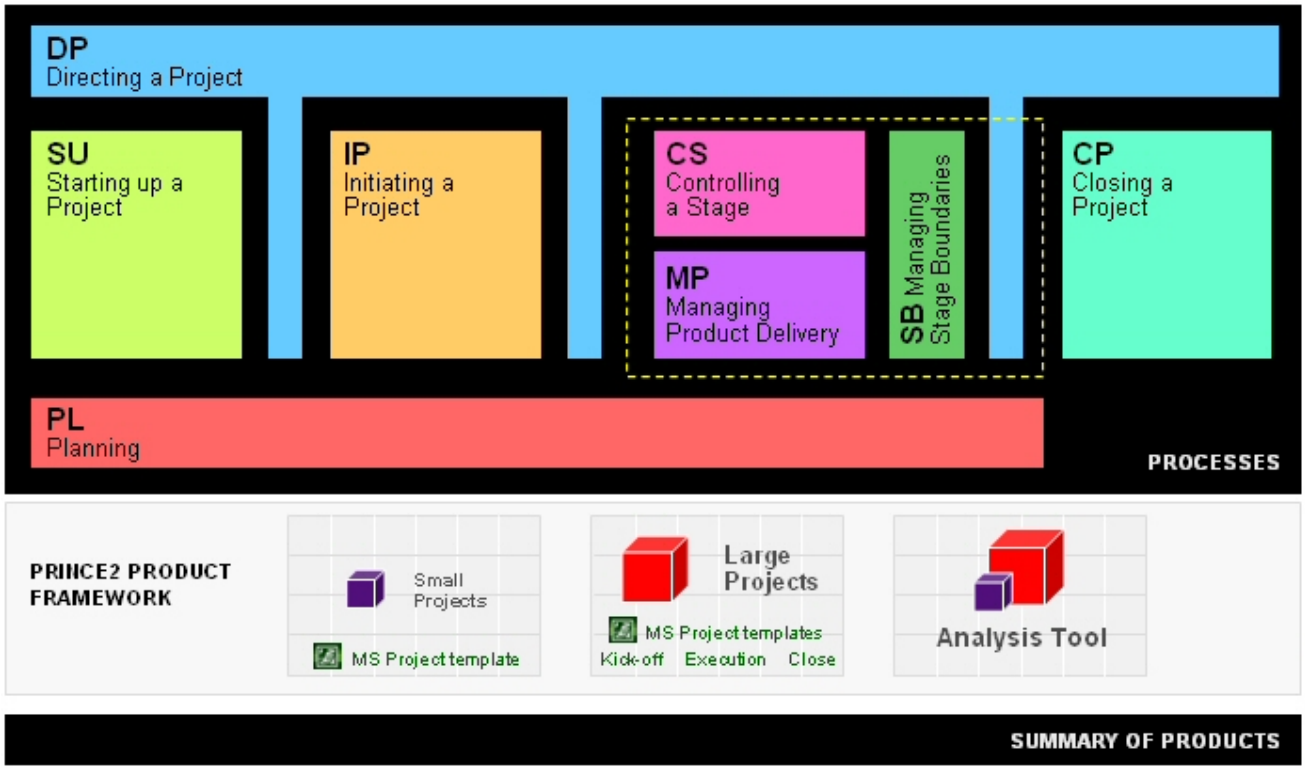
Paul Adams
Latin America & Caribbean
RAC Chairman

Peter Radford
Head of Audit & Business Risk

Granted July 2003 by the
Latin America & Caribbean Regional Audit Committee

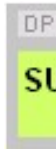
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BAT PRINCE2® Overview



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Starting up a Project (SU)



Starting up a Project (SU) is the first process in PRINCE2®. It is a pre-project process, designed to ensure that the prerequisites for in - it answers the question 'Do we have a viable and worthwhile project?'. The process expects the existence of a Project Mandate that reason for the project and what product is required.

Nothing can be done in the project until responsibilities are defined and key roles have been filled. Someone has to 'kick-start' the project into being and make the first decisions.



The process should be very short.

The objective of the process is to enable a controlled start to the project by ensuring that:

- All the necessary project management authorities exist for undertaking the project
- Sufficient information is available about the project's objectives scope and constraints
- Sufficient information is available to formalise the terms of reference for the project
- Individuals are appointed who will undertake the work required in project initiation and/or will take significant project management roles in the project
- The work required for project initiation is planned
- The organisation that will host the project team is informed of the existence and implications of the new project.

The work of the process is built around the production of six elements:

- Designing and appointing the project management team
- Ensuring that the information required for the Project Brief is available
- Establishing the Project Approach which will be used to deliver the required outputs from the project
- Establishing the customer's quality expectations
- Setting up a Risk Log
- Creating the Initiation Stage Plan.

Appointing a Project Board Executive and a Project Manager (SU1)

To get anything done in the project, you need a decision maker and someone to undertake the planning.

The objectives of this process are to:

- Identify the Executive from the project's stakeholders
- Identify the Project Manager most appropriate for the project
- Confirm the selected people's availability, their acceptance of these roles and their commitment to carry them out
- Appoint them to their respective roles.

A prerequisite of this first process is the existence and availability of a Project Mandate. The following steps will be involved:

- Ratify the key elements of the Project Mandate
- Establish any missing information
- Identify candidates for Executive and Project Manager
- Establish the responsibilities for each role
- Appoint Executive
- Appoint Project Manager
- Confirm appointments via agreement to job descriptions by corporate or programme management and appointees.

Designing a Project Management Team (SU2)

The project needs the right people in place, with the authority, responsibility and knowledge to make decisions in a timely manner. T needs to reflect the interests of all parties who will be involved, including business, user and supplier needs. Project management requ range of skills, which must be available within the project management team. It is important that consideration is given to all the managing the project, so that no important aspects are overlooked. It is also important that all the skills needed by the project are made

The objectives of this process are to:

- Design the project management team structure appropriate to the size and nature of the project and the groups involved
- Identify candidates for each role in order to produce a recommended project management team
- Determine the responsibilities and skills required for each position.

There are certain steps that must be undertaken:

- Identify candidates for the Project Board roles and create their job descriptions
- Assess whether any members of the Project Board are likely to delegate any of their assurance responsibilities
- Consider whether separate individuals are likely to be needed as Team Manager(s) or whether the Project Manager will be filli
- Examine the Project Manager role definition and propose any Project Support roles required
- Assign candidate names to all roles identified
- Identify who will need to approve these appointments in the next process, SU3.

Appointing a Project Management Team (SU3)

An essential for a well-run project is that every individual involved in the management of the project understands and agrees:

- Who is accountable to whom and for what
- Who is responsible for what
- What the reporting and communication lines are.

There must be agreement and acceptance by everyone of their roles and responsibilities. There should be no gaps in responsibilit tailored; someone should be clearly responsible for each given management aspect.

The objectives of this process are to:

- Appoint people to the Project Board, Project Assurance (where appropriate), Project Support (where appropriate), and team m
- Ensure these individuals understand their roles and responsibilities in the management and support of the project
- Ensure that the individuals are actively committed to carrying out their roles and responsibilities
- Confirm the reporting and communication lines.

These objectives are met by a process of consultation and discussion with all the people involved and, if necessary, their line manager

Preparing a Project Brief (SU4)

Before proceeding any further, the Project Board needs to satisfy itself that the project is worth doing. The project needs to star requirements and expectation, to ensure it is based on consistent and adequate information. Even if the project is part of a prograr provided a Project Brief, documentation can become out of date quickly, hence it will need checking before we proceed.

The objectives of this process are to:

- Prepare the formal terms of reference for the project
- Establish the customer's quality expectations
- Establish the Acceptance Criteria for the project
- Begin a record of any risks facing the project
- Ensure there is an outline Business Case based on the information provided in the Project Mandate.

The aim of the Project Brief is to allow the Project Board to decide whether there is sufficient justification to warrant the expenditure pr Plan. The Project Brief needs to include high level information on:

- **what** needs to be done
- **why** (the benefits to be achieved)

- **who** needs to be involved in the process
- **how** it will be done
- **when** it will be done.

Defining a Project Approach (SU5)

Before any planning of the project can be done, decisions must be made regarding how the work of the project is to be approached. be bought 'off-the-shelf', developed in-house, contracted to third parties, and so on. This process takes information from the Project B from a range of corporate and industry sources, to produce the defined Project Approach.

The objectives of this process are to:

- Decide how the work of the project should be approached
- Identify any constraints on the way that the work of the project must be carried out or the timing of certain product deliveries
- Identify the skills required to conduct the work of the project.

Planning an Initiation Stage (SU6)

Having already checked in SU4, Preparing a Project Brief, that there is a definition of what the project is to do, plus some justification needs to know what effort is required to create the Project Initiation Document.

The objectives of this process are to:

- Produce a plan (the initiation Stage Plan) that covers the production of two management products
    - the Project Initiation Document (which includes the Project Plan)
    - the Stage Plan for the stage immediately following initiation
- Define the reporting and control arrangements for the initiation stage.

The Project Initiation Document is an extension and refinement of the Project Brief with the addition of project management team de Risk Log. The initiation Stage Plan needs to show the investigation and development of the extra information required, plus the develo the format required for the Project Initiation Document.

Initiating a Project (IP)

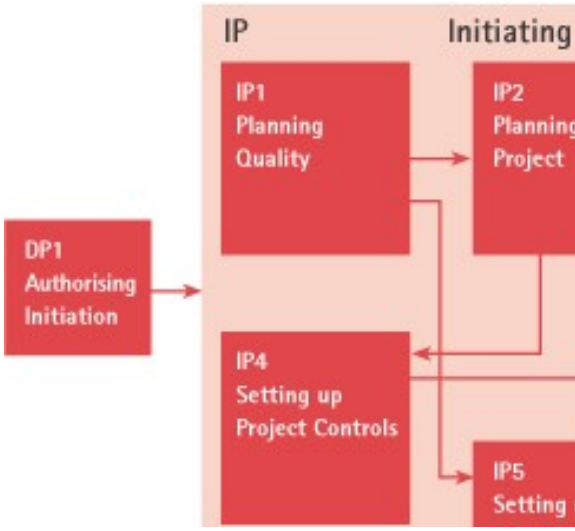
A successful project should observe the following principles:

- A project is a finite process with a start and end
- All parties must be clear on what the project is intended to achieve, why it is needed, how the outcome is to be achieved and w that achievement, so that there can be genuine commitment to the project
- Well-managed projects have an increased chance of success.

Initiating a Project ensures that the project can be successfully scoped and managed to its completion.

The purpose of Initiating a Project is to draw up a 'contract' (in the form of a Project Initiation Document, or PID) between the Project Board and Project Manager, so that there is a common understanding of:

- The reasons for doing the project
- What key products the project will deliver
- How and when will these be delivered and at what cost
- The scope of what is to be done
- Any constraints which apply to the product to be delivered
- Any constraints which apply to the project
- Who is to be involved in the project decision making
- How the quality required will be achieved



- What risks are faced
- How the project is to be controlled
- Who needs project progress information, how and when
- The next commitment that the Project manager needs (the next Stage Plan).

Planning Quality (IP1)

A key success factor of any project is that the outcome of the project conforms to the customer's quality expectations. This will only ha
both stated and agreed at the beginning of the project, together with the means of assessing achievement of these within the final prod

The objectives of this process are to determine the quality required for the products of the project, and to plan the project's approach
Plan) by:

- Establishing the quality regime that will apply to the project and what Project Assurance arrangements will be in place
- Agreeing Customer's quality expectations
- Refining the project Acceptance Criteria
- Establishing the approach to be used within the project for the control of changes.

Planning a Project (IP2)

Before committing to major expenditure on the project, the timescale and resource commitments must be established. This informat
and is needed so that the Business Case can be evaluated and the Project Board can control the project.

The objectives of the process are to:

- Understand at a high level the totality of the work that is about to be undertaken by:
    - identifying and, where possible, defining the major products of the project
    - identifying the major activities to be performed to deliver the products
    - assessing the major risks of the project and putting in place countermeasures

  - identifying what timescales are achievable, given the project constraints and any key milestones
  - identifying the overall resource requirements and costs
- Identify the key decisions and review points for the project and from these decide where the management stage divisions shou
- Use the Planning (PL) process to produce the Project Plan.

Refining the Business Case and Risks (IP3)

When setting up, and particularly while running, the project, it is all too easy to concentrate on what is being done and how it is to l needs to be done. The Business Case states why the work is being done and as such is a crucial element of the project.

It is also important to anticipate any problems or threats to which the project could be subject, so that appropriate actions can be taken

The process involves creating and refining the Business Case:

- Refine the Business Case in the light of what is now known about the project
- Identify how the achievement of each benefit is to be measured (benefit realisation)
- Add to the Risk Log any extra problems or threats identified during this process
- Modify the Project Plan in the light of any risk management activities.

Setting up Project Controls (IP4)

Each decision on the project has to be made in a timely manner by the person or group most appropriate to make that decision, an information. This process ensures that an appropriate communication, control and monitoring framework is put in place.

The objectives of this process are to:

- Establish the level of control and reporting required by the Project Board
- Develop controls that are consistent with the risks and complexity of the project
- Establish the day-to-day monitoring required to ensure that the project will be controlled in an effective and efficient manner
- Identify all interested parties and agree their communication needs.

Setting up Project Files (IP5)

Once the project is underway, it is important to keep track of all the information being produced about the project and the manage There is a need to be able to manage different versions of products and to be able to retrieve information quickly and reliably. Establis project filing system at the start of the project can ease these problems.

The objectives of the process are to:

- Institute a system of storing and retrieving all information relevant to the management of the project, the quality checking themselves, which will provide appropriate support to the project team and to the implementation of change management
- Assign responsibility for managing this filing system.

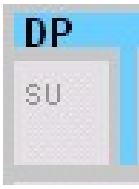
Assembling a Project Initiation Document (IP6)

There needs to be a focal point at which all information relating to the 'what, why, who, how and when' of the project is gather stakeholders and then for guidance and information for those involved in the project.

The objectives of this process are to:

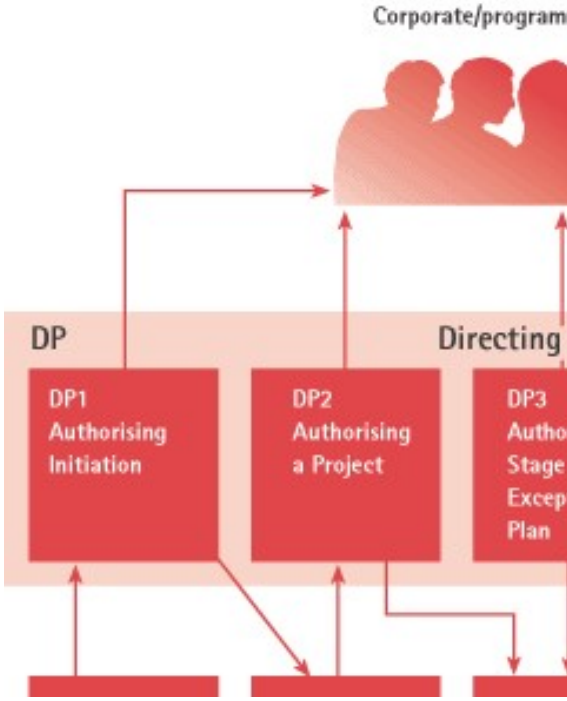
- Provide a basis for the decisions to be made in Authorising a Project (DP2)
- Provide a benchmark for all the other management decisions that need to be made during the life of the project
- Provide an information base for everyone who needs to know about the project
- Prepare a plan for the next stage for Project Board approval.

Directing a Project (DP)



Directing a Project runs from start-up through to closure of the project.

This process is aimed at the Project Board, a group of managerial decision makers at a level above the Project Manager and representing business, users and suppliers. The Project Board has authority and responsibility for defining what is required from the project, authorising funds, committing resources and communicating with external interested parties. The Project Board typically delegates day-to-day charge of the project to a Project Manager and manages by exception, monitors via reports, and controls through a number of decision points.



The objectives of the process are to:

- Ensure the ultimate success of the project, judged by:
  - the ability of the products of the project to deliver the business benefits set out in the Business Case
  - delivery to agreed time, cost and quality parameters
- Manage the identified risks to the project
- Ensure the effective management of all people and resources concerned with the project
- Commit the required resources
- Make decisions on any changes when requested by the Project Manager

- Provide overall direction and guidance throughout the project
- Make decisions on exception situations
- Ensure that the project and products remain consistent with business plans and the external environment
- Ensure that necessary communications mechanisms are in place
- Sponsor appropriate external communications and publicity about the project.

Authorising Initiation (DP1)

No-one should commit to large expenditure on the project before verifying that it is sensible to do so.

Authorising Initiation is the first major activity for the Project Board. After the process Starting up a Project (SU), it must decide wheth the initiation stage.

The objective is to ensure that the project is properly initiated by:

- Formally confirming the appointments to the project management team
- Ratifying the Project Brief with corporate or programme management
- Approving a plan to develop the Project Initiation Document
- Obtaining or committing the resources needed by the initiation Stage Plan
- Requesting the necessary logistical support via the project start-up notification to the host organisation (the location where the

Authorising a Project (DP2)

The objective of this stage is to decide whether to proceed with the project.

This decision is based on approval or rejection of the Project Initiation Document (PID). Once the PID is accepted by the Project Board is preserved of the project's original intentions.

The PID should include:

- The project definition
- Business Case
- Project Quality Plan
- Risk Log
- Project Approach
- Project Plan
- Project Organisation
- Controls
- Communication Plan
- External interfaces.

Authorising a Stage or Exception Plan (DP3)

It is important that work commences on a stage only when the Project Board says it should. This avoids the problem of projects co thinks to stop them.

To enable this to happen, the project should be broken down into manageable sections (stages), at the end of which the Project Board is to continue or not.

The objective of this process is to decide whether to authorise the next stage of work and hence commit the required resources, based

- A view of the current status of the project
- A detailed forecast of the commitment of resources required by, and the products to be created from, the next stage of the proj
- A reassessment of the likely project end date
- A reassessment of the risk situation
- A reassessment of the Business Case and the chances of achieving the expected benefits.

The Project Manager usually presents the current status of the project, including the results of the previous stage compared with expec

Giving Ad Hoc Direction (DP4)

Even when a stage is proceeding according to plan and within tolerance, there may be a need for the Project Board to be consulted - direction when options need clarifying. It is also possible that the Project Board itself will need to pass information to the Project Mana its own changing requirements or pass information to external parties.

The objectives are for the Project Board to:

- Ensure that the project remains focused on the business objectives set and remains justified in business terms
- Ensure that the stage is progressing according to plan
- Ensure that changes in the corporate or programme environment that may impact on the project are notified to the Project Ma is taken
- Ensure that the project is kept informed of external events that may affect it
- Make decisions on Project Issues or Exception Reports that are beyond the Project Manager's authority
- Keep corporate or programme management and other interested parties informed about project progress.

Confirming Project Closure (DP5)

The project needs to be closed down in an orderly manner:

- There needs to be a formal handover of responsibility and ownership of the project's products to the ultimate user(s)
- For most final products there must be a reliable operational and support environment in place
- Every effort should be made to pass on any lessons that have been learned from the project.

The objectives of this process are to:

- Ensure that the project has a clearly defined end and an organised handover of responsibility to the group(s) who will use, sup
- Release the resources provided to the project
- Gain formal acceptance from the customer that the Acceptance Criteria set down at the outset have been met adequately
- Direct any changes that have not been implemented to an appropriate authority for attention and any lessons learned to the them
- Establish a future method for verifying that the product has produced the desired benefits
- Recommend closure of the project to corporate or programme management.

Controlling a Stage (CS)

Once a decision has been taken to proceed with the work, and resources have been committed, the project management team must be focused on delivery within the tolerance laid down. This means controlled production of the agreed products:

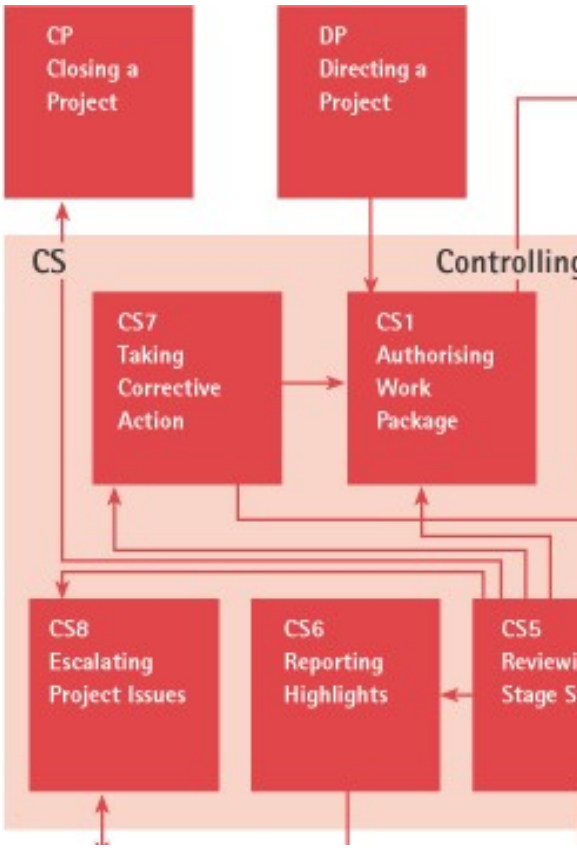
- To stated quality standards
- Within cost, effort and time agreed
- Ultimately to achieve defined benefits

To achieve this success, the project must:

- Focus management attention on delivery of the stage's products
- Focus the resources used during the stage towards this end
- Keep the risks under control
- Keep the Business Case under review
- Carefully monitor any movement away from the direction and movement away from the direction and products agreed at the start of the stage to avoid 'scope creep' and loss of focus.

The objectives of Controlling a Stage are to:

- Deliver the right products
- Ensure that quality is achieved as planned



- Deliver products on time and to cost within agreed tolerances
- Correctly direct and conduct work on products
- Keep control of products via configuration management
- Properly direct and utilise resources
- Update plans with actuals, enabling progress to be checked against the plan
- Correctly manage any deviations from Stage or Project Plans
- Inform all interested parties about project progress in a timely manner
- Ensure that projects are stopped or redirected if the reasons for setting them up have been invalidated by internal or external e

Authorising Work Package (CS1)

It would be chaotic to have the people who are working on the project starting activities whenever they think fit. There must be a level team(s), but there will be wider issues involved of which they cannot be expected to be aware. It is therefore important that, in broad and continues with the consent of the Project Manager.

The objective of this process is to keep control over the work of the team(s) by:

- Issuing work instructions (work trigger) to the Team Manager(s) to commence work
- Revising the instructions as required following management decisions.

The set of instructions issued to the Team Manager(s) is known as a Work Package.

Assessing Progress (CS2)

In order to make informed decisions and exercise rational control, it is necessary to know what has actually happened, to be com would happen. 'Fire fighting' and day-to-day problem solving can dominate project management. This can result in Project Managers l It is vital that this is countered by a steady flow of information that provides an overall view of progress and simple, robust mon information.

The objective of assessing progress is to maintain an accurate and current picture of

- Progress on the work being carried out
- The status of resources.

Capturing Project Issues (CS3)

In the course of managing the project, various problems, queries and changes will occur. They will arrive in a haphazard manner and consistent and reliable way so that they can be assessed and managed properly.

It is also important that Project Issues are not forgotten, especially if there is no immediate solution.

The objectives of this process are to capture, log and categorise all Project Issues. The stages involved in achieving this are:

- Enter all Project Issues in the Issue Log as soon as they are identified
- Assess whether a Project Issue is:
    - a Request for Change
    - an Off-Specification
    - a general issue.

Examining Project Issues (CS4)

Before making a decision on a course of action, each Project Issue should be assessed for its impact and alternative actions considere

An initial examination of a Project Issue should be performed as soon as it is logged. On a regular basis, all open Project Issues should

To prepare Project Issues for review in Reviewing Stage Status (CS5), the following steps need to be taken:

- Assemble all available and relevant information about the Project Issue, including anything that pertains to the Project Issue's e
    - costs
    - timescales

  - benefit achievement and/or value
  - risks
  - meeting the requirements of the project
  - meeting the stated quality standards.
- Update the Risk Log if the Project Issue relates to a previously identified risk or reveals a new risk
- Recommend a course of action.

Reviewing Stage Status (CS5)

A Project Manager's job can easily become dominated by day-to-day problem solving. this can mean that overall progress is not che not checked on a timely basis, there is a danger that it will get out of control. There needs to be a balance between planning ahead an

This process provides the means for a regular assessment of the stage status. The process decides whether:

- Further Work Packages should be proposed
- Any plan modifications are required.

Reporting Highlights (CS6)

The Project Board has overall responsibility for the outcome of the project, while delegating day-to-day management to the Proj structures keep the Project Board (and all other interested parties) informed and involved.

The objectives of this process are:

- To provide the Project Board with summary information about the status of the stage and project at the frequency defined by th
- To pass out any other information required by the Communication Plan.

Taking Corrective Action (CS7)

Changes and adjustments to the project need to be made in a considered and rational way, even when they appear to be sufficientl within tolerance.

The objective of this process is to select and (within the limits of the stage and project tolerances) implement actions that will reso
Decisions may be required from the Project Board via Giving Ad Hoc Direction (DP4). The Project Manager has to decide when to s
Board.

Escalating Project Issues (CS8)

A stage should not go outside the tolerances agreed with the Project Board.

The Project Manager should always present a recommendation when escalating Project Issues. The Project Board must make th
changes to approve for action.

In order to retain the Project Board's overall control, the following steps are taken:

- Carry out a full impact analysis of the deviation
- Identify and evaluate options for recovery
- Make a recommendation
- Put the situation, options and recommendation to the Project Board in an Exception Report
- The Project Board indicates support or otherwise for the Project Manager's recommendation
- Update the information in the Configuration Item Records of any affected products.

Receiving Completed Work Package (CS9)

Where work has been allocated to individuals or teams, there should be a matching confirmation that the work has been completed or

Confirmation is sought that the Work Package has been completed satisfactorily. This includes checking that:

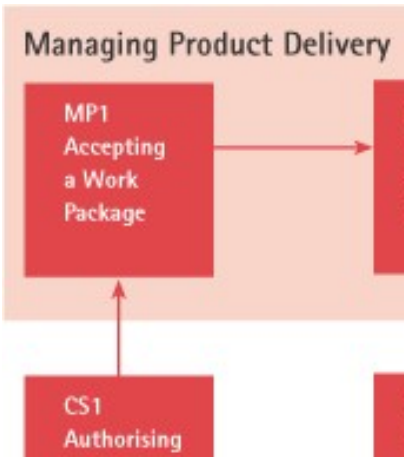
- The recipient of the products has accepted them
- The Quality Log entries are complete
- The appropriate records have been put in the quality file
- The products have been transferred to configuration management.

Managing Product Delivery (MP)

Managing Product Delivery allows a controlled break between the Project Manager, Team Manager and product creation/provision process needs careful implementation to avoid being over-bureaucratic.

The objectives of this process are to allow a Team Manager to:

- Agree work with the Project Manager
- Get it done
- Hand it back to the Project Manager.



This agreement to do a defined amount of work is parcelled into Work Packages. Where external suppliers are involved, the acceptance of Work Packages will be affected by the terms of their contract.

The Team Manager ensures that planned products are created and delivered by the team to the project by:

- Accepting and checking authorised Work Packages from the Project Manager
- Making certain that work on products allocated to the team is effectively authorised and agreed
- Ensuring that work links to any interfaces identified in the Work Package
- Creating or revising a team plan for the work
- Ensuring that the work is done
- Ensuring that work progress and forecasts are regularly assessed

- Ensuring that completed products meet quality criteria
- Obtaining approval for the completed products.

Accepting a Work Package (MP1)

The fundamental principle of this process is that before a Work Package is allocated to the team, there should be agreement with the P

- What is to be delivered
- What constraints apply
- Any interfaces to be recognised
- Whether the requirements of a Work Package are reasonable and can be achieved.

The Team Manager has to agree the Work Package with the Project Manager. The steps for this are:

- Negotiate with the Project Manager on behalf of the team the constraints within which the work is to be done
- Agree tolerance margins for the Work Package
- Understand the reporting requirements
- Understand how, and from whom, approval for the products is to be obtained
- Understand how the approved products are to be formally handed over
- Confirm how the Project Manager is to be informed of completion of the Work Package
- Produce or amend a team plan to show that the Work Package can be completed within the constraints
- Perform risk analysis, planning and resourcing.

Executing a Work Package (MP2)

The fundamental principles of this process are that:

- Whatever the type of project, the actual task of creating the required products needs to be managed

- In the same way that work is delegated to a Team Manager, so the tracking of that work is also delegated.

The work on an authorised Work Package has to be monitored at the depth required to provide feedback to the Project Manager as c Package. The necessary steps are:

- Manage the development of the required products/services
- Capture and record the effort expended
- Determine the status of each product in the Work Package
- Monitor and control the risks associated with the Work Package
- Evaluate with the creator(s) the amount of effort still needed
- Feed the progress and status information back to the Project Manager
- Ensure that the required quality-checking procedures are carried out and that the product(s) satisfy the quality standards defin
- Update the Quality Log with details of all quality checks carried out
- Advise the Project Manager of any problems that might impact the agreed tolerance levels for the Work Package.

Delivering a Work Package (MP3)

Just as the Work Package was accepted from the Project manager, notification of its completion must be returned to the Project Manag

The process has three elements:

- Obtain acceptance for the products developed
- Hand over the completed products
- Advise the Project Manager of completion of the Work Package.

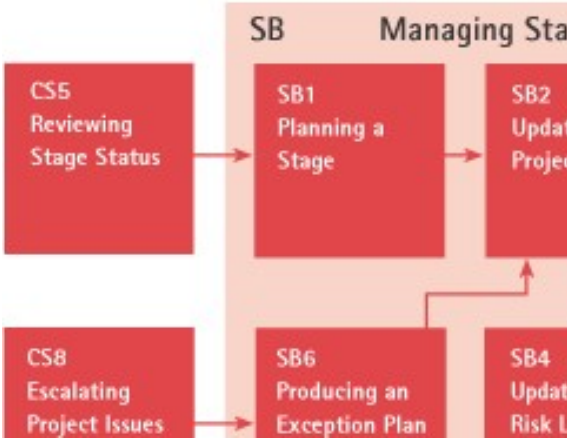
The methods of achieving these elements should have been defined as part of Work Package authorisation. The acceptance shoul person or group identified as the recipient and the Configuration Librarian.

Managing Stage Boundaries (SB)

Projects, whether large or small, need to be focused on delivering business benefit, either in their own right or as part of a larger progr
focus of the project should be confirmed at the end of each stage. If necessary, the project can be redirected or stopped to avoid v
process produces the information on which the Project Board will take key decisions on whether to continue with the project or not.

The objectives of the process are to:

- Assure the Project Board that all products planned in the current Stage Plan have been completed as defined
- Prepare the next Stage Plan
- Provide the information needed for the Project Board to assess the continuing viability of the project
- Provide the Project Board with any other information needed to approve the current stage's completion and authorise the start of the next stage, together with its delegated tolerance level
- Record any measurements or lessons that can help later stages of this project and/or other projects.



There could well be changes of personnel and management, necessitating changes to the project management team.

Planning a Stage (SB1)

Planning each stage of the project ensures that:

- There is sufficient detail for day-to-day control to be exercised against the plan

- Each Stage Plan has the commitment of the Project Board and Project Manager
- The Project Board is fully aware of what it is approving at the start of each stage.

The main objective is to prepare a plan for the next stage of the project. The high-level summary of the next stage is expanded from detail that the Project Manager will be able to control progress against it on a day-to-day basis. The Planning (PL) process is used to d

The plan should include all products - not only the specialist ones but management products as well. A typical management product w will require preparation towards the end of the stage. Quality activities and products should also appear in the plan.

Updating a Project Plan (SB2)

The Project Board uses the Project Plan throughout the project to measure overall progress. As stages are completed or planned in d updated to reflect the latest understanding of the project and to allow the Project Board to revise its expectations.

The Project Quality Plan and Project Approach are reassessed and refined to reflect the current understanding of the project and to f Project Plan.

The Project Plan is updated based on the actual costs and schedule from a completed Stage Plan or Exception Plan, the new detail c next Stage Plan and any acquired knowledge about the project.

Updating a Project Business Case (SB3)

Projects do not take place in a static environment. The environment external to the project changes, as do the nature and timing Business Case needs to reflect these changes and must be reviewed and amended to keep it relevant to the project.

The objective is to revisit and revise, where necessary, the costs, benefits, key risks and timings stated in the Business Case. Thes internal or external events.

A revised version of the Business Case is created. The Risk and Issue Logs are examined to see if anything has changed that might a

Updating the Risk Log (SB4)

Risks change during the life of the project. New risks arise. Old risks change their status. The exposure of the project to risk should be

The objective is to revisit and revise, where necessary, the risks in the Risk Log. These may have been affected by internal or external

Each risk should be examined to see if it has increased, disappeared, decreased, happened or stayed the same.

Reporting Stage End (SB5)

The results of a stage should be reported back to those who provided the resources and approved its execution so that progress i management team.

This process should happen as close as possible to the actual end of a stage. The results of the stage are presented in an End Stage the actual results of the stage in terms of costs, dates achieved and products produced with the original Stage Plan. A statement is ma the agreed tolerances for the stage. The Project Manager gives a view on the continuing ability of the project to meet the Project I assesses the overall risk situation. Feedback is given of the quality control activities undertaken and the results of that work.

Producing an Exception Plan (SB6)

A stage is deemed to be in exception as soon as the current forecasts for the end of the stage deviate beyond the delegated tolerance exception if the whole project is likely to go beyond tolerance boundaries.

If either stage or project is forecast to deviate beyond its agreed tolerance boundaries, it no longer has the approval of the Projec presented to take the place of the current plan.

If a stage or the project is forecast to go outside the tolerances agreed with the Project Board when the plan was approved and the sit Project Manager has no further mandate to carry on with the work.

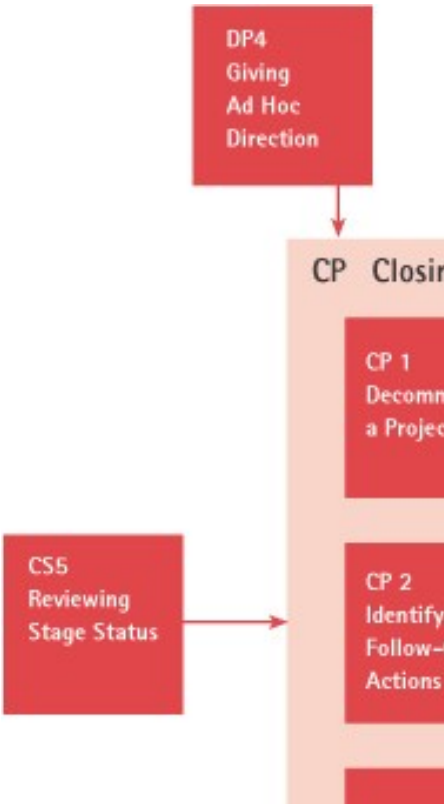
The Exception Plan will have the same structure as other PRINCE2® plans. It should run from the present time to the end of the p Project Plan that is in exception, a revised Project Plan should be created, taking into account the actuals to date.

Closing a Project (CP)

One of the defining features of a project is that it is finite - it has a start and an end. If the project loses this distinctiveness, it loses some of its effectiveness over purely operational management approaches.

The following is an illustrative list of the aims of the process to close the project. According to the types of project, they may not all be required:

- Ensure that the objectives or aims set out in the Project Initiation Document have been met
- Ensure that all expected products have been handed over and accepted by the customer or relevant subsequent project
- Ensure that the Acceptance Criteria have all been met and get the customer's confirmation of this
- Ensure that arrangements for the support and operation of project products are in place
- Request formal acceptance of the products from the Project Board
- If the project has been closed prematurely, document what has been achieved and recommend the way forward
- Identify any recommendations for follow-on actions
- Capture and document lessons resulting from the project
- Prepare an End Project Report



- Plan any post-project review required
- Prepare notification to the host location of the intention to disband the project organisation and resources
- Arrange secure and orderly archiving of the project's records.

Decommissioning a Project (CP1)

The main principles are that:

- Every project should come to an orderly close
- Customer and supplier should be in agreement that the project has delivered what was expected; this expectation should have the project
- Everyone who has provided support for the project should be warned of its close, so that they can plan for the return of th support
- Project records should be retained to assist with possible audits or the production of estimating metrics.

The objectives of the process are to:

- Check that all Project Issues are closed or transferred to Follow-on Action Recommendations
- Ensure that all project products have been approved and handed over to the customer or user
- Confirm that the delivered products meet any needs defined in the customer's specification for operation and support (where a
- Confirm that the correct operational and maintenance environment is in place (where applicable)
- Confirm that all Acceptance Criteria have been met
- Complete and store all project information
- Prepare a notification to all involved organisations and interested parties that the project is to be closed and facilities and resou

Identifying Follow-On Actions (CP2)

If there is any unfinished business at the end of the project, it should be formally documented and passed to those who have the auth action.

The aims of the process are to:

- Establish actions required following the project
- Document any Follow-on Action Recommendations
- Recommend a date and plan for any post-project review(s) considered necessary.

A number of actions may be required after the project. The input will come mainly from the Project Issues that were put into 'pendin during the project. The Risk Log may affect the product in its useful life.

Project Evaluation Review (CP3)

Successful organisations learn from their experiences with projects. This is more likely if the lessons learned are somehow preserved b

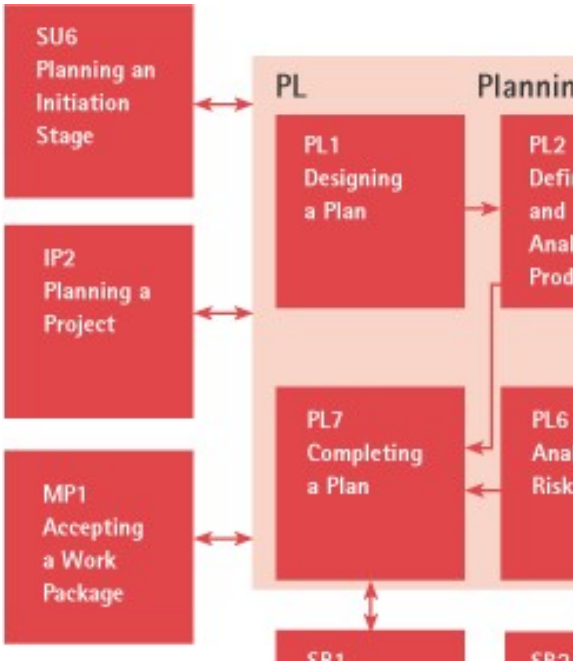
The objectives of the process are to:

- Update the Project Plan with actuals from the 'final' stage
- Assess the results of the project against what it was intended to achieve
- Examine the records of the completed project to assess the quality of its management, especially quality and risk managemen
- Identify lessons to be learned from the project and applied on future projects.

Planning (PL)

Effective project management relies on an effective planning and control process. Even small projects require planning. Planning pro
the project with information on:

- What is required
- How it will be achieved and by whom, using what specialist equipment and resources
- When events will happen.



The philosophy behind producing plans in PRINCE2® is that:

- Plans are constructed by identifying the products required, and then the activities and appropriate resources necessary to deliver them
- Plans should cover management needs as well as the customer's products
- There should be assurance that all activities are thought through in advance and to a level consistent with the control requirements identified in the Project Initiation Document.

The product-based planning technique provides a start to the planning activity and a planning framework. It involves:

- Establishing what products are needed for this plan
- Describing those products and their quality criteria
- Determining the sequence in which each product should be produced and any dependencies.

Designing a Plan (PL1)

A plan is the backbone of every project and is essential for a successful outcome. Good plans cover all aspects of the project, giving understanding of the work ahead.

Designing a plan will ensure that all aspects are adequately covered. It is important that all involved can easily assimilate the plan.

Choices need to be made for presentation and layout of the plan, planning tools, estimating methods, levels of plan and monitorin project. Any recipients of plans and their updates should be identified. There may be a central function that consolidates all p particularly if the project is part of a programme.

Defining and Analysing Products (PL2)

By defining a plan in terms of the products to be delivered, the creation, quality and suitability of those products can be managed addition, by defining the required products, everyone involved can see and understand the required outcome.

The process is divided into three steps:

- Identify the specialist products and the management products to be produced
- Describe each of them in terms of their quality requirements and ensure that they are fully understood and agreed by everyone
- Sequence them in their logical order of creation.

Identifying Activities and Dependencies (PL3)

Simply identifying products may be insufficient for scheduling and control purposes. The activities implied in the delivery of each of the to give a fuller picture of the plan's workload.

The process is divided into three steps:

- Identify all activities necessary to deliver the products
- Establish the interdependencies between activities
- Ensure that dependencies both internal and external to the project are covered.

Estimating (PL4)

Estimating cannot guarantee accuracy, but it is better than not estimating at all.

This is an iterative process. The objective is to identify all the resources and time required to complete each activity. This will incluc other resources that will be required.

The two major steps in a typical estimating process are:

- Identify resource types required
- Estimate effort required for each activity.

Scheduling (PL5)

A plan can only show the ultimate feasibility of achieving its objectives when the activities are put together in a schedule that defir carried out.

The objectives of scheduling are to:

- Match available resources to the identified activities
- Schedule work according to the defined sequence and dependencies
- Smooth resource usage within the bounds of the identified dependencies and any overall time constraints
- Identify surplus resource effort or additional resource effort needed and negotiate with the Project Board to resolve these
- Calculate total requirements for human and other resources and produce a cost for these.

Analysing Risks (PL6)

Commitment to a course of action without consideration of the risks inherent in that course is courting disaster. Risks should be consi to the course of action in order to remove or lessen the impact of those risks.

Analysing risks runs parallel to all other planning work. It is an iterative process and the results of analysing risks may result in re repeating the process as necessary.

Any planning assumptions create a risk. Is the assumption correct?

Each resource should be examined for its potential risk content. Countermeasures would include tighter and more frequent mon
resource is achieved.

Each activity should be checked for risk. At the very least countermeasures should include more frequent monitoring to give early warn

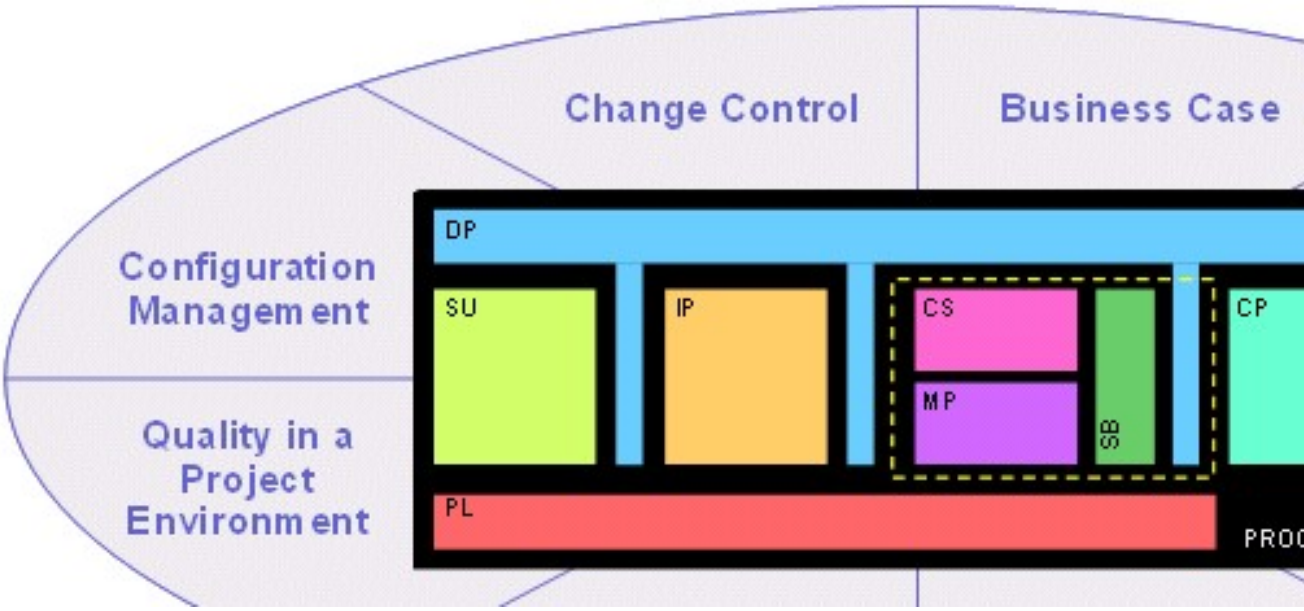
Completing a Plan (PL7)

A plan is not simply a diagram. It is incomplete without certain supporting narrative sections.

The narrative should explain the plan, any constraints on it, external dependencies, assumptions made, the risks identified and their re

The format of plans presented for approval should be a summary and should show the major products and activities that will occur thr
the resource and cost requirements.

PRINCE2® Components



Business Case

PRINCE2®'s key philosophy is that its Business Case must drive the project. If a satisfactory Business Case does not exist, a proje Business Case is verified by the Project Board before a project begins and at every major decision point throughout the project. If a start of a project, but this justification disappears once the project is underway, the project should be stopped. The focus of the Bus totality of business change, not just one element, e.g. the cost of buying new equipment should take into account the impact on procedures, etc.

What is a Business Case?

The Business Case is a description of the reasons for the project and the justification for undertaking the project, based on the estim risks and the expected business benefits and savings.

The Business Case covers the entire scope of change to the business that is affected by the project.

The Business Case is the most important set of information for the project. It drives the decision-making processes and is used co progress to the business objectives that are defined within the Business Case.

Business Cases need to be developed according to any organisational standards that might exist and the nature of the project. Som significant effort in their development and approval because the project will have a major impact on the organisation. Others will requi as the project is self-contained and has minimal impact on other parts of the organisation. Also the level of investment required will i the Business Case is developed.

Each Business Case should contain sufficient management information such that it can be used effectively throughout the project. As a

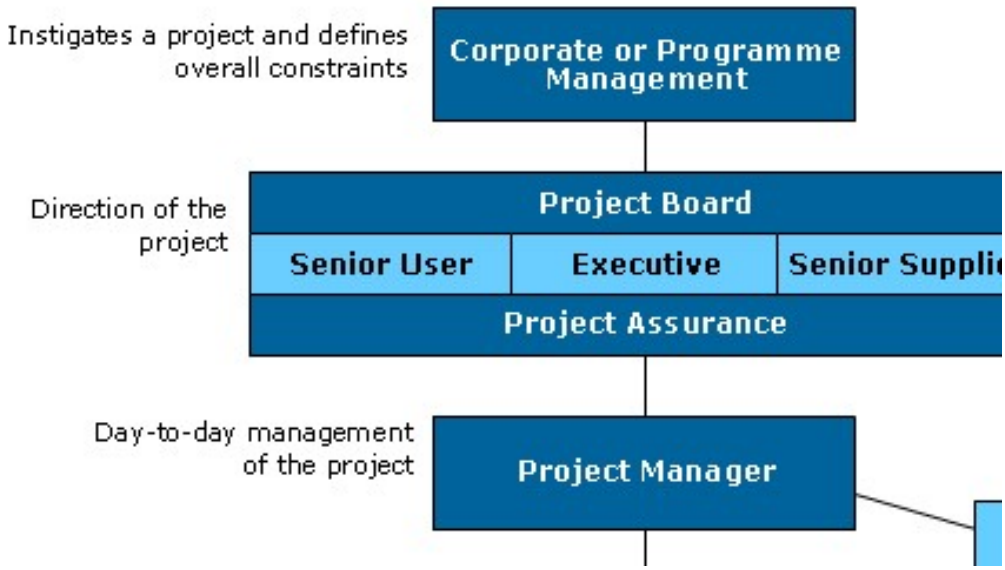
- Reasons
- Options
- Benefits
- Risks
- Costs and timescale
- Investment appraisal

Organisation

PRINCE2® provides a structure of a project management team and a definition of the responsibilities and relationships of all roles inv
to the size and complexity of a project, these roles can be combined or shared.

Management layers

PRINCE2® separates the management of the project from the work required to develop the products and concentrates on the former.



Project management structure

PRINCE2® provides a structure for a project management team that supports:

- Roles for decision makers
- Management by exception for the decision makers
- Full or part-time project management
- Controlled delegation of some day-to-day management responsibilities, where required, to Team Managers
- Roles for the independent inspection of all aspects of project performance
- Administrative support, as required, to the Project Manager and Team Managers
- Agreement by all concerned on what the various roles and responsibilities are
- Lines of communication between the project management team members.

In order to be flexible and meet the needs of different environments and different project sizes, PRINCE2 does not define managem
one-to-one basis to people. PRINCE2 defines roles, which might be allocated, shared, divided or combined according to the project's r

Plans

PRINCE2® offers a series of plan levels that can be tailored to the size and needs of a project and an approach to planning based on p

A plan is a document describing how, when and by whom a specific target or set of targets is to be achieved. A plan is a desig products, timescales, costs and quality can be met.

Plans are the backbone of the management information system required for any project. It is important that plans are kept in line with t

A plan requires the approval and commitment of the relevant levels of the project management team, i.e. the Project Board and Projec and all Stage Plans, the Project Manager and a Team Manager for a team plan.

What are the elements of a plan?

A PRINCE2® plan should contain the following elements:

- The products to be produced
- The activities needed to create those products
- The activities needed to validate the quality of products
- The resources and time needed for all activities (including project management and quality control) and any need for people w
- The dependencies between activities
- External dependencies for the delivery of information, products or services
- When activities will occur
- The points at which progress will be monitored and controlled
- Agreed tolerances.

Controls

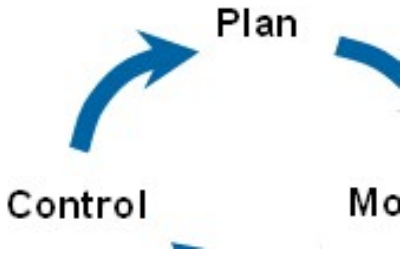
PRINCE2® provides a set of controls which facilitate the provision of key decision-making information, allowing an organisation to decisions on problem resolution. For senior management PRINCE2® controls are based on the concept of management by exception.

In order to promote sound management control, a project is split into stages as an approach to defining the review and commitme stages also helps to reduce the amount of work that the Project Manager needs to plan in detail at any one time.)

Control is all about decision making and is central to project management. Its purpose is to ensure that the project:

- Is producing the required products, which meet the defined quality criteria
- Is being carried out to schedule and in accordance with its resource and cost plans
- Remains viable against its Business Case.

In the control loop, monitoring activities facilitate the checking and reporting on progress against the plan. Control activities promote re in response to problems discovered during monitoring.



Management of Risk

Risk is a major factor to be considered during the life of a project. PRINCE2® defines the key moments when risks should be reviewe analysis and management of risks and tracks these through all the processes.

The task of risk management is to manage a project's exposure to risk (that is, the probability of specific risks occurring and the pote The aim is to manage that exposure by taking action to keep exposure to an acceptable level in a cost-effective way.

Risk management involves having:

- Access to reliable, up-to-date information about risks
- Decision-making processes supported by a framework of risk analysis and evaluation
- Processes in place to monitor risks
- The right balance of control in place to deal with those risks.

Risk management at the project level focuses on keeping unwanted outcomes to an acceptable minimum. Decisions about risk man important part of the Business Case. Where suppliers or partners are involved, it is important to gain a shared view of the risks and ho

Quality in a Project Environment

Quality in a Pr
Environment

PRINCE2® recognises the importance of quality and incorporates a quality approach to the management and technical processes customer's quality expectations and follows these up by laying down standards and quality inspection methods to be used and by used.

Quality is defined (in ISO 8402) as the 'totality of characteristics of an entity which bear on its ability to satisfy stated and implied need question of identifying what it is about the project's products or services that makes them fit for their purpose of satisfying stated need implied needs. These lead to uncertainty and, as such, are of little use.

Quality management

Quality management is the process of ensuring that the quality expected by the customer is achieved. It encompasses all the proje determine and implement the Project Quality Plan. The various elements of an organisation's quality management interrelate and are a

- *A quality system*, which has an organisation structure, procedures and processes to implement quality management.
- *Quality assurance*, which creates and maintains the quality system and monitors its application to ensure that the quality syste in achieving an end product that meets quality and customer requirements.
- *Quality planning*, which establishes the objectives and requirements for quality and lays out the activities for the application of
- *Quality control*, which is the means of ensuring that products meet the quality criteria specified for them.

Configuration Management



Changes to specification or scope can potentially ruin any project unless they are carefully controlled. Change is, however, highly means the assessment of the impact of potential changes, their importance, their cost and a judgmental decision by management on w Any approved changes must be reflected in any necessary corresponding change to schedule and budget.

PRINCE2® emphasises the need for change control, and this is enforced with a change control technique plus identification of the pro control.

There is a need in any project to manage all the documents input to it. These documents may be change requests, suggestions or g to problems in fulfilling the requirements, recording external changes to the Business Case or risks or simply asking questions or ma aspect of the project. PRINCE2® uses change control as a common procedure to capture all these issues. All such input is recorded a

Managing Project Issues will involve:

- Capturing and formally logging the issue (in the Issue Log)
- Assessing the issue to decide on the type and therefore what action is required
- Investigating the required actions
- Documenting the actions and confirming their completion
- Reviewing the Issue Log on a regular basis to monitor progress on outstanding issues.

Change Control

Tracking the components of a final product and their versions for release is called configuration management. There are ma management available. PRINCE2® defines the essential facilities and information requirements for a configuration management meth other PRINCE2® components and techniques.

Configuration management may be thought of as an asset or product control. It is a discipline that gives precise control over the management to:

- Specify the versions of products in use and in existence and hold information on:
    - their status (e.g. in live use, archived, ready for quality checking)
    - who owns each product (the individual with prime responsibility for it)
    - the relationship between products
- Maintain up-to-date records containing these pieces of information
- Control changes to the products by ensuring that changes are made only with the agreement of appropriately named authoritie
- Audit the records to ensure that they contain the authorised products and only these products.

Configuration management is needed throughout a product's life and will need to continue beyond the life of the project that created it.

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Starter

Content

- PRINCE2 Introduction
- Project Management Roles
- Templates for
  - Project Brief
  - Project Initiation Document
  - Business Case
  - Project Closure (End Project Report)
  - Post-project Review

Motto

„Planning is an unnatural process - it's much more fun to
The real benefit of not planning is that failure comes as
surprise and is not preceded by months of wo

However …

Failures can only be avoided by planning

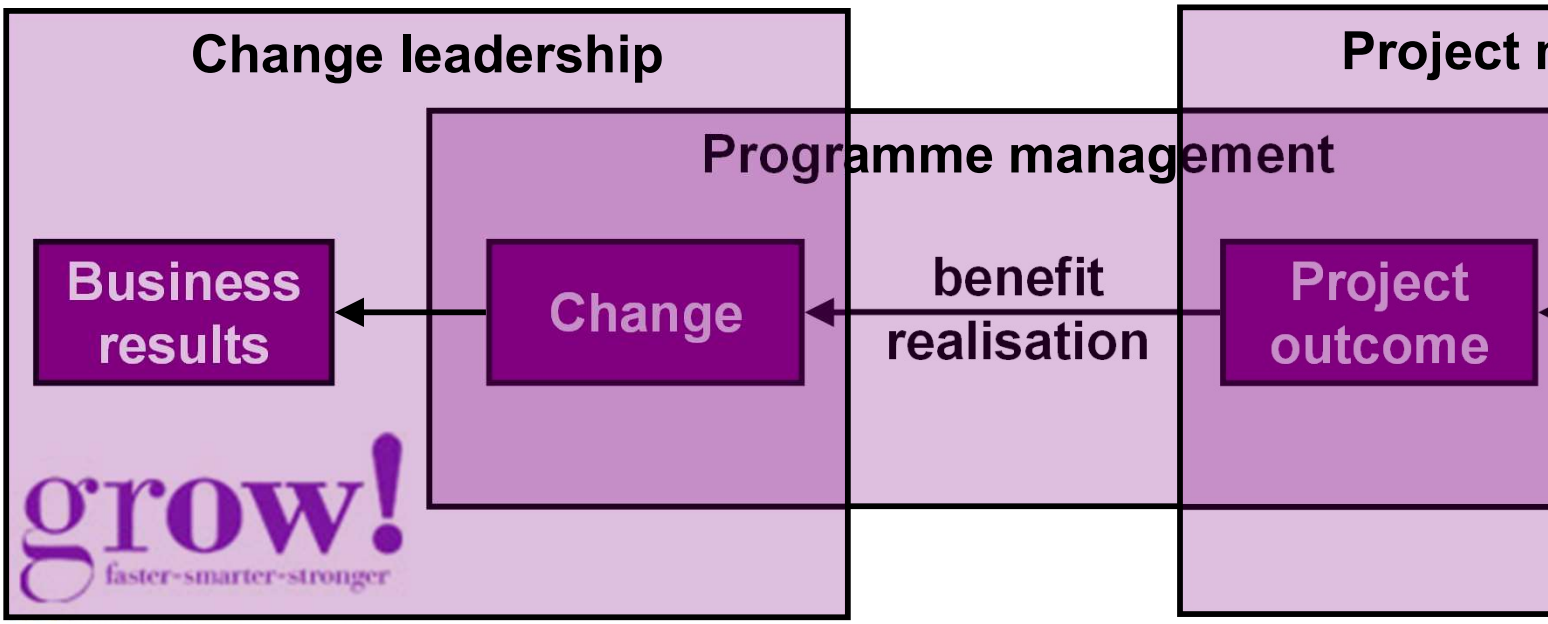
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It is all about planning.

Close relationships

- **Strategic changes** planned at BAT
  - BUT changes must lead to business results harvested thro **leadership**

- Changes are implemented by realizing potential benefits throu
  - BUT the potential benefits are actually built by **projects** int (tangible project results)



PRINCE – a Project Management Method

PRojects

IN

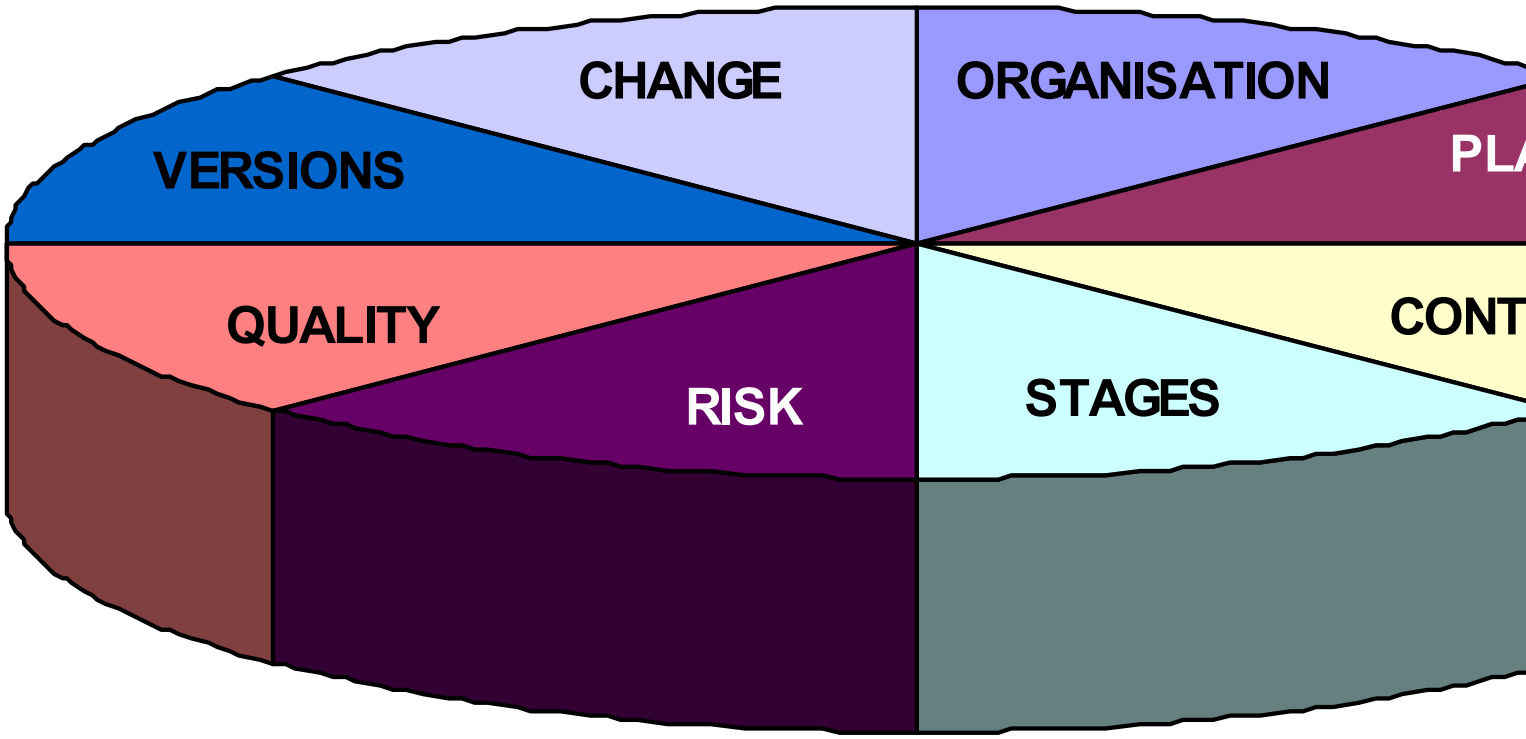
Controlled

Environment

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No miracle, just a way of mana
business results

PRINCE Components

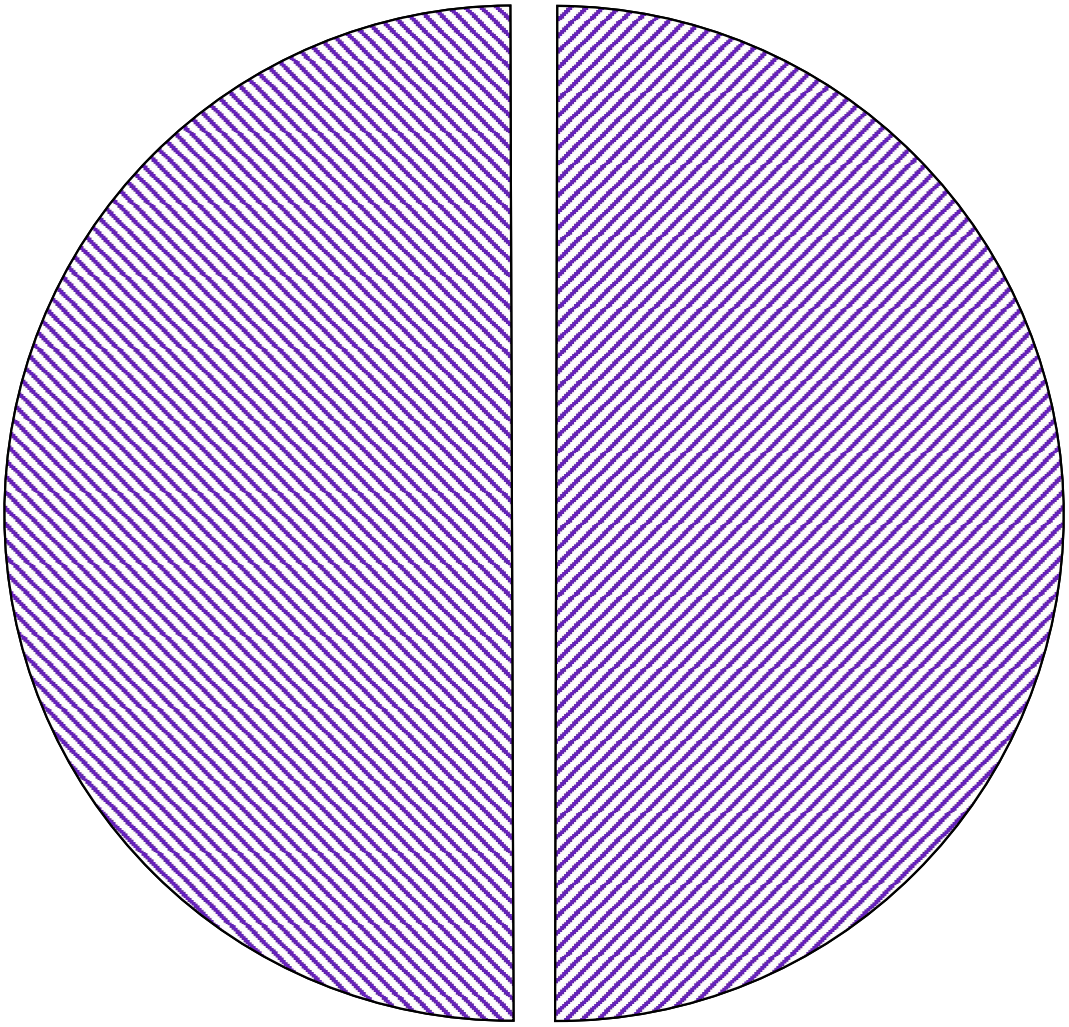


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Fundamental issues to be thou
each task we do!

PRINCE Environment

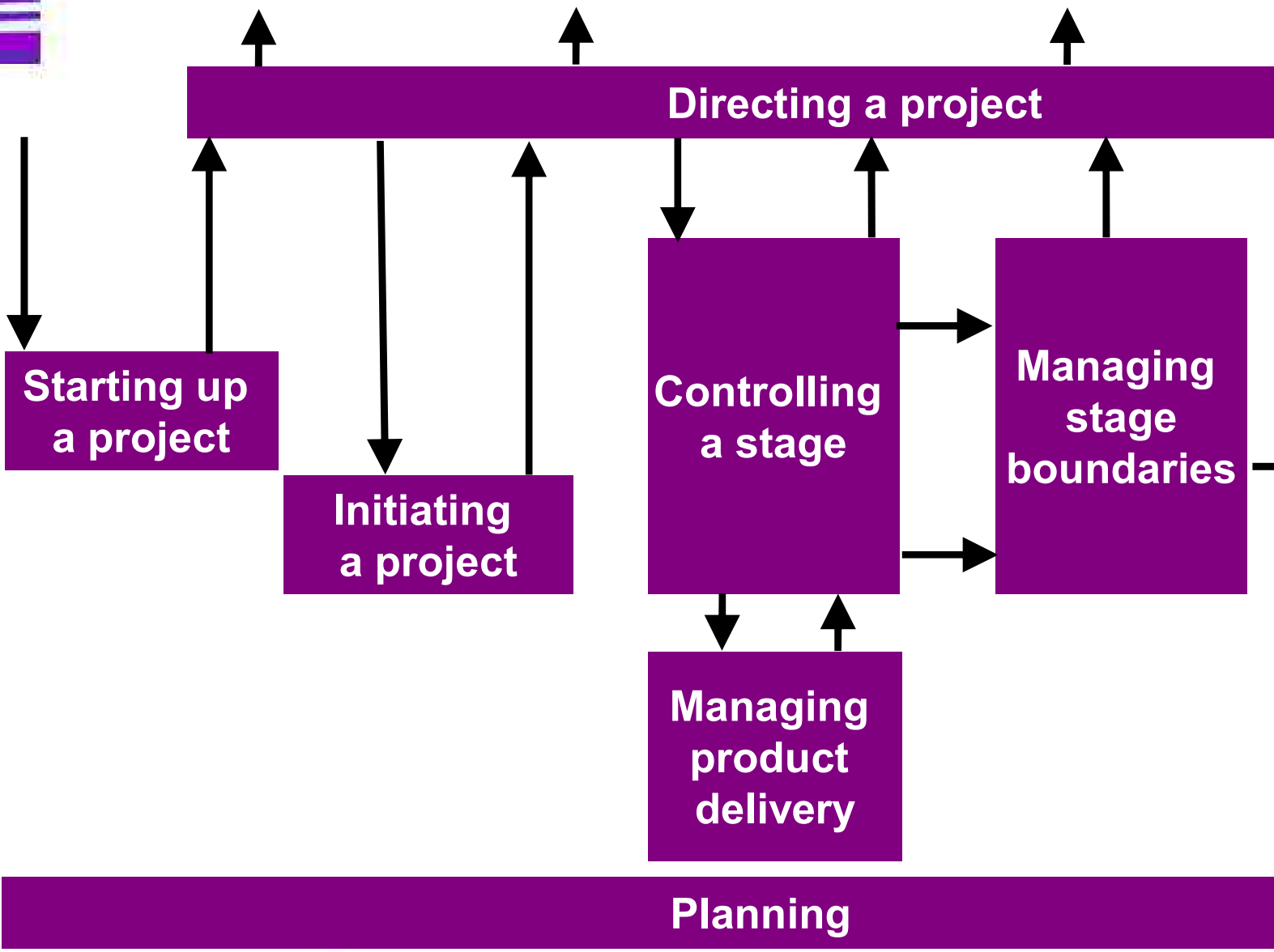
CUSTOMER



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PRINCE assumes a customer-supp
relationship but the supplier may be

PRINCE Processes



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Key PRINCE Concepts

- Business alignment
- Staged control
- Realistic plans
- Product led
- Management of risk
- Tailored control
- Scalability
- Delegating authority

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Programmes

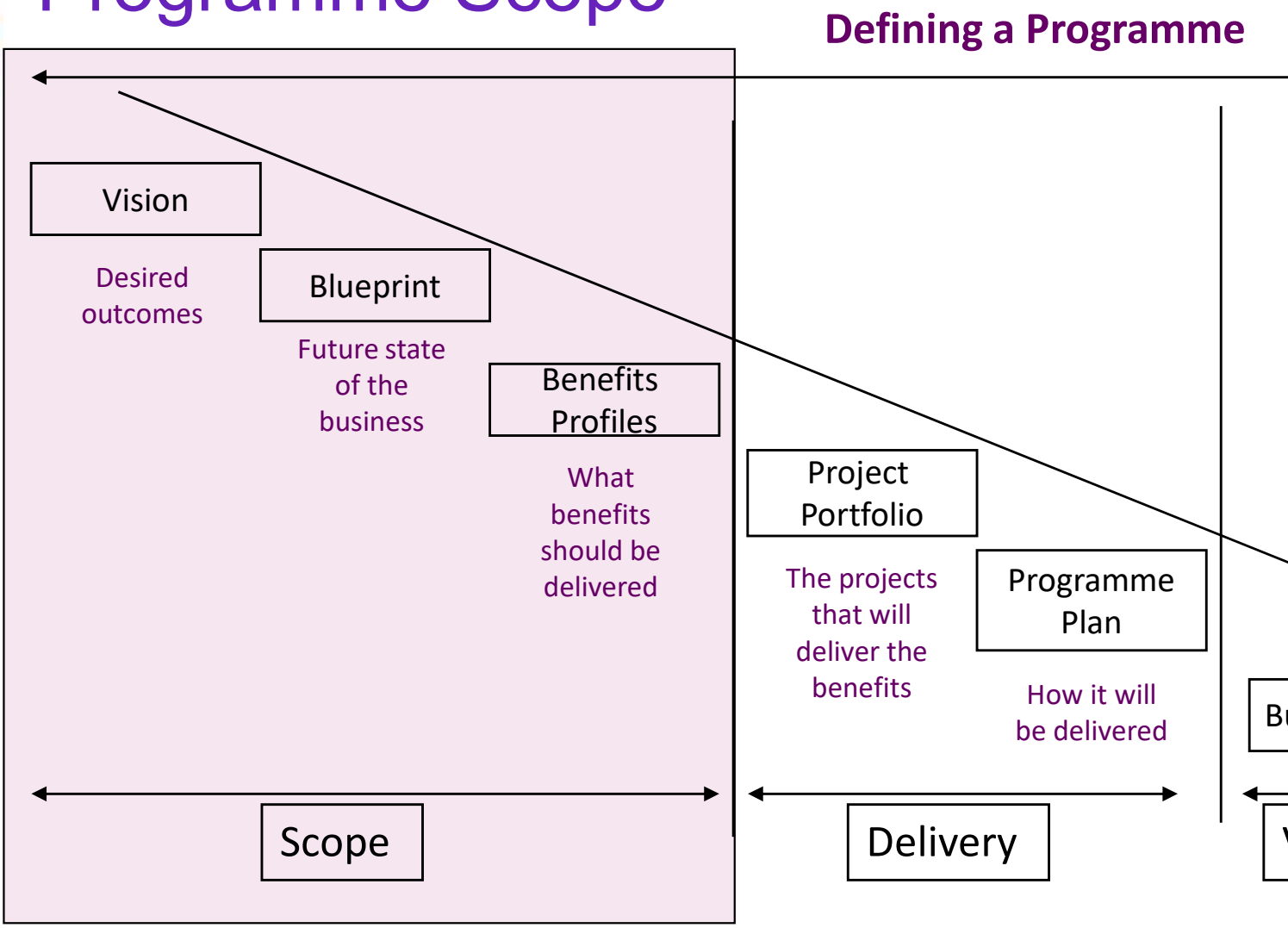
- A programme typically involves co-ordinating many proje
  the capacity to visualise and work towards the ‘bigger pi

- This ‘bigger picture’ is not achieved unless the programm
  realised. In other words not only must individual projects
  but the programme must deliver the benefits that are syn
  the delivery of those projects

- What is to be achieved is understood at the start of a pro
  not how it will be achieved, in terms of products and proj
  evolves as the programme develops, for example in resp
  changes in the business

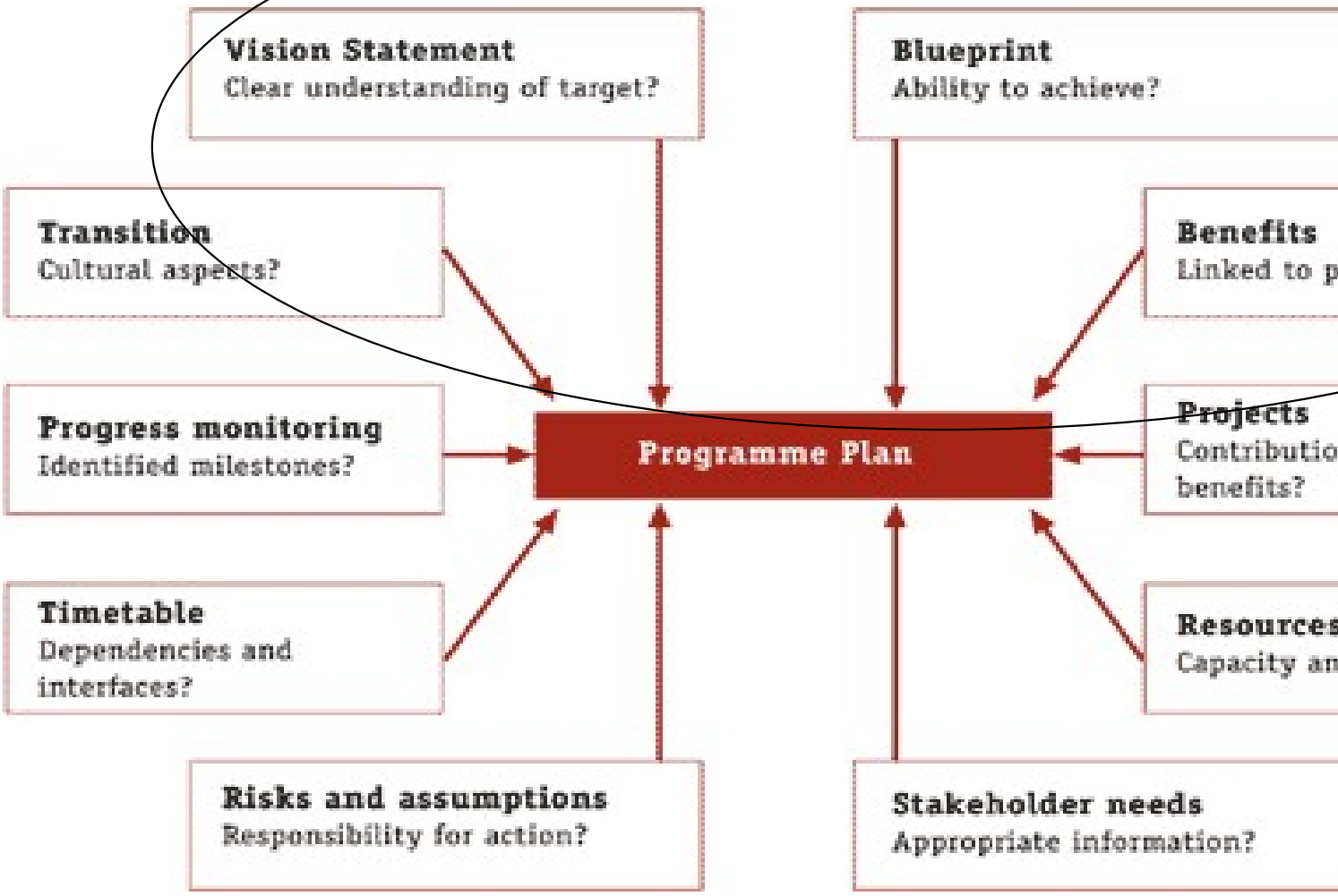
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Programme Scope



According to "Managing Successful Programmes", programmes are not 'scoped' in the same
With programmes, desired outcomes are articulated in the Vision for the programme, then a
organisation is created along with the Benefits Profiles. The programme is thus determined
are to be delivered. It is then through the iterative process of programme design , along wit
that the detailed programme scope emerges.

Programme Plan



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Project is

- **a temporary organization that is needed to p**
  unique and predefined outcome or result at
  prespecified time using predetermined reso

- A finite and defined life cycle
- Defined and measurable business products
- A corresponding set of activities to achieve the
  products
- A defined amount of resources
- An organization structure, with defined respons
  manage the project.



Programs vs. Projects

- **Vision** = preferred future – where we would lik
  years

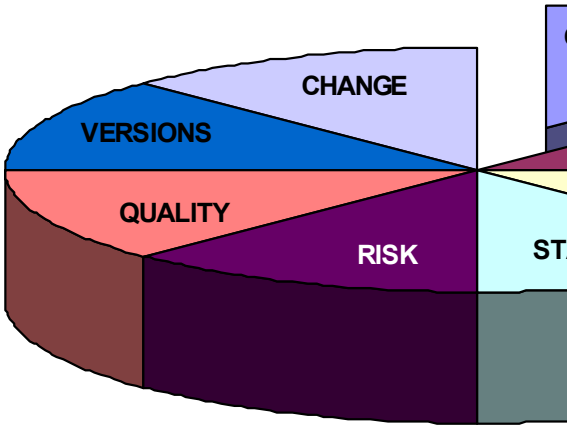
- **Program** = the key strategies reach the vision
  to be No1, Every retailer a BAT Salesman

- **Project** = the different building blocks which to
  us achieve a program objective;
  Pall Mall No1 -> VFM strategy, Sopianae-Pall
  migration, organisation structure etc.

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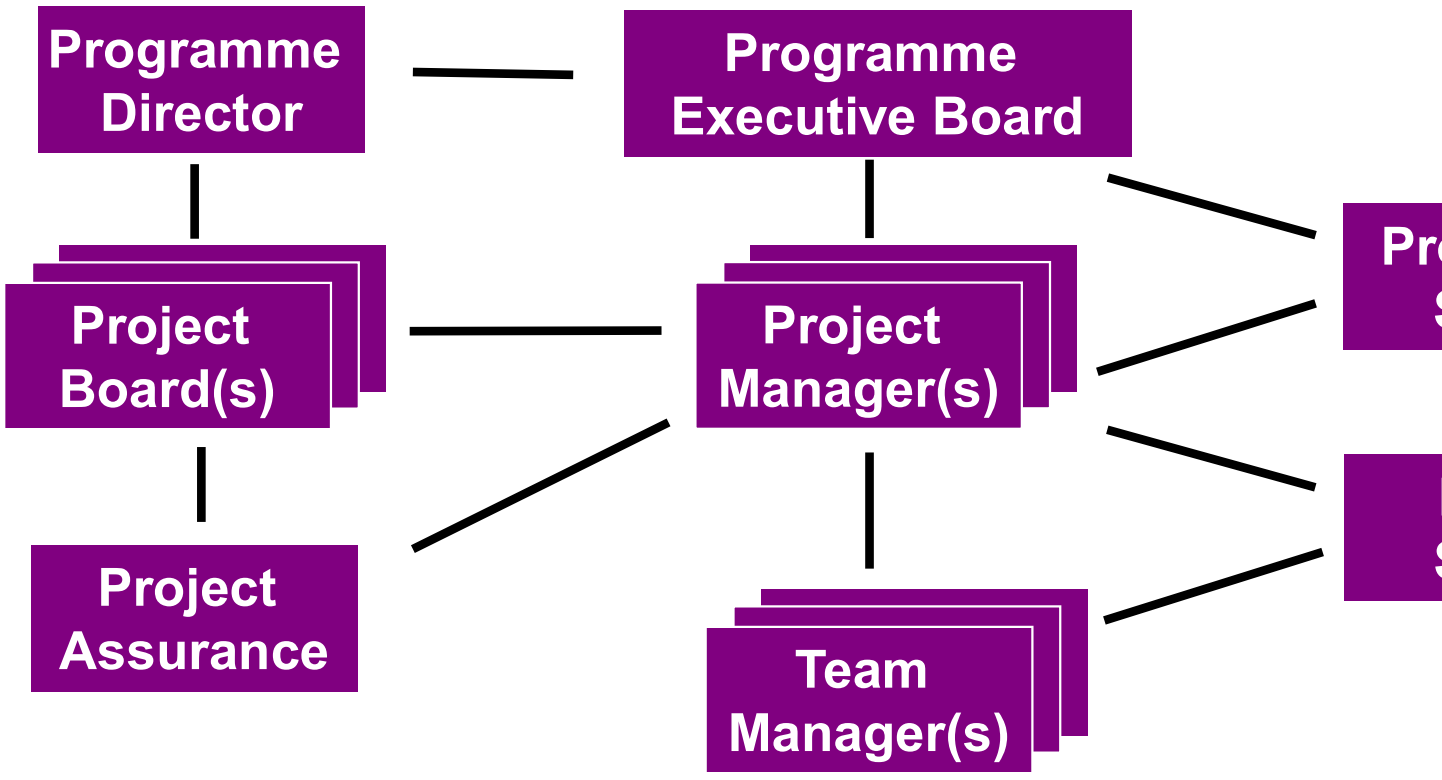
Organisation

- Organisation extends up to ‘programme’ level
- The Project Board is responsible for assurance
  delegate
- Several teams may work on a stage with Team



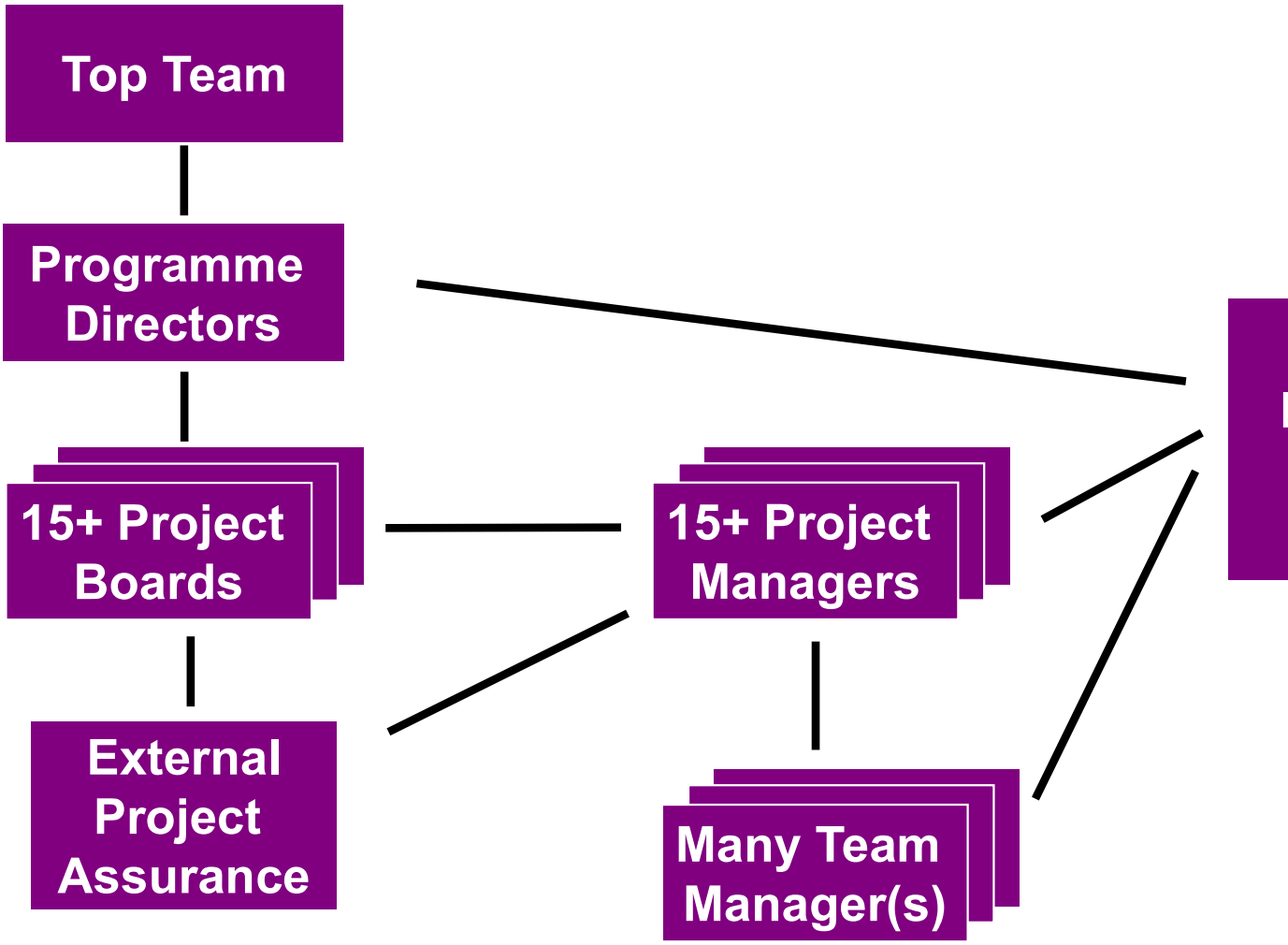
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Where is the lead in such organisation



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How do we do it in BAT?



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Programme Roles

Programme Director

- Establishes programme
- Establishes projects
- May appoint PBs
- Monitor progress
- Ensures business alignment

Programme Executive Board

Programme Manager

- Co-ordination
- PM support
- Risk management

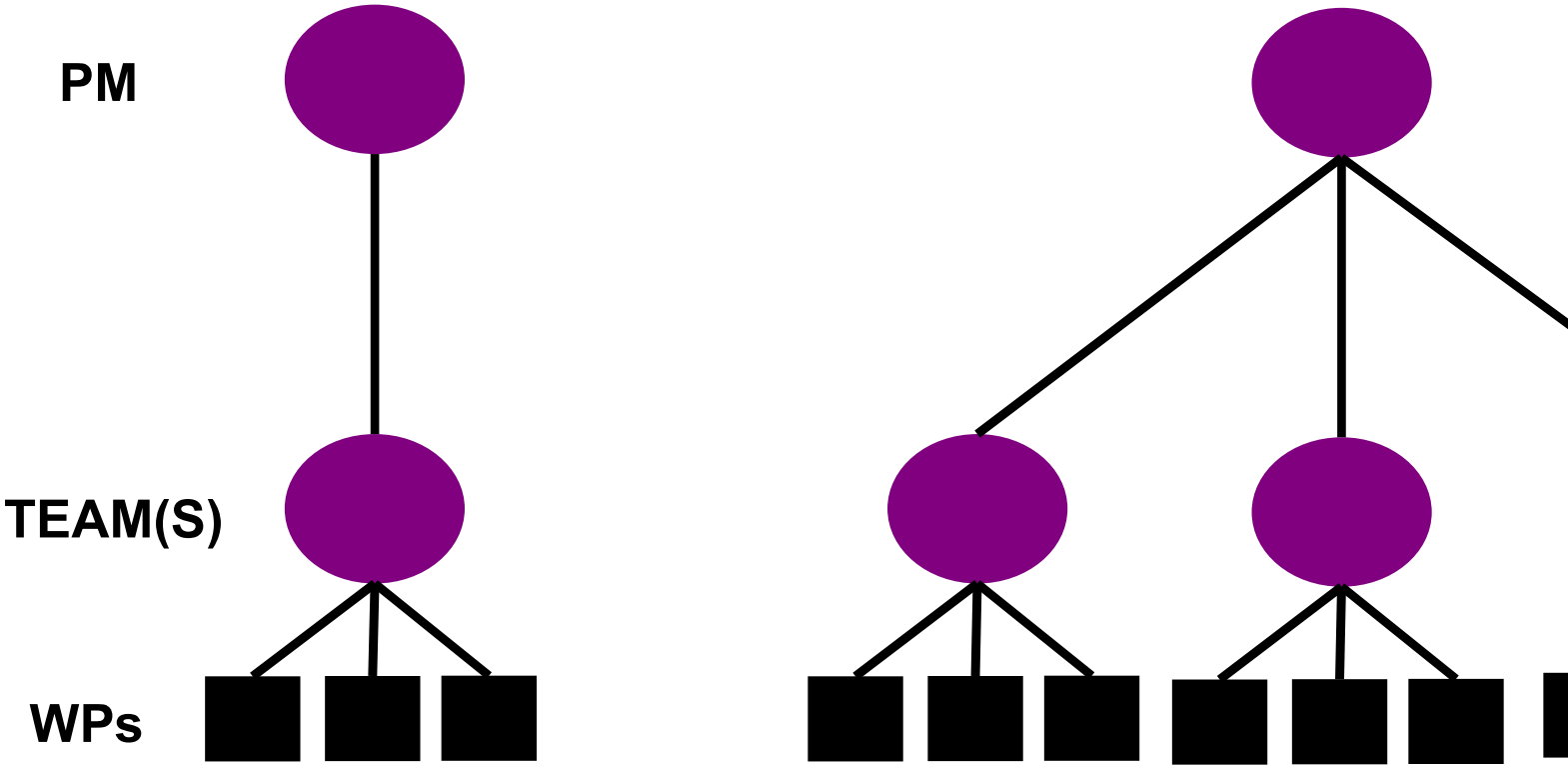
Business Change Manager

- Business case
- Organisational change

They may be combined if practical.

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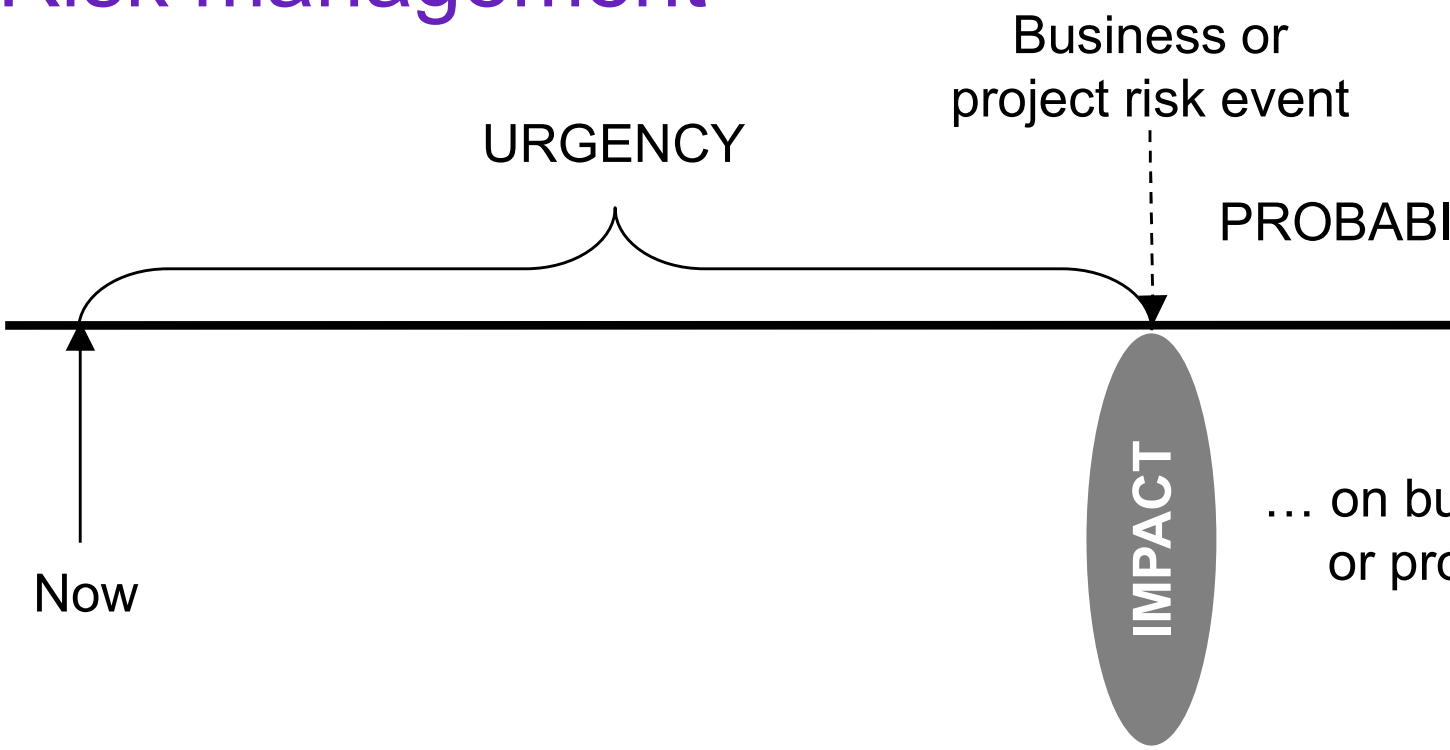
Organisation below: Work packages



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The approach can be used with only
working or with many teams working

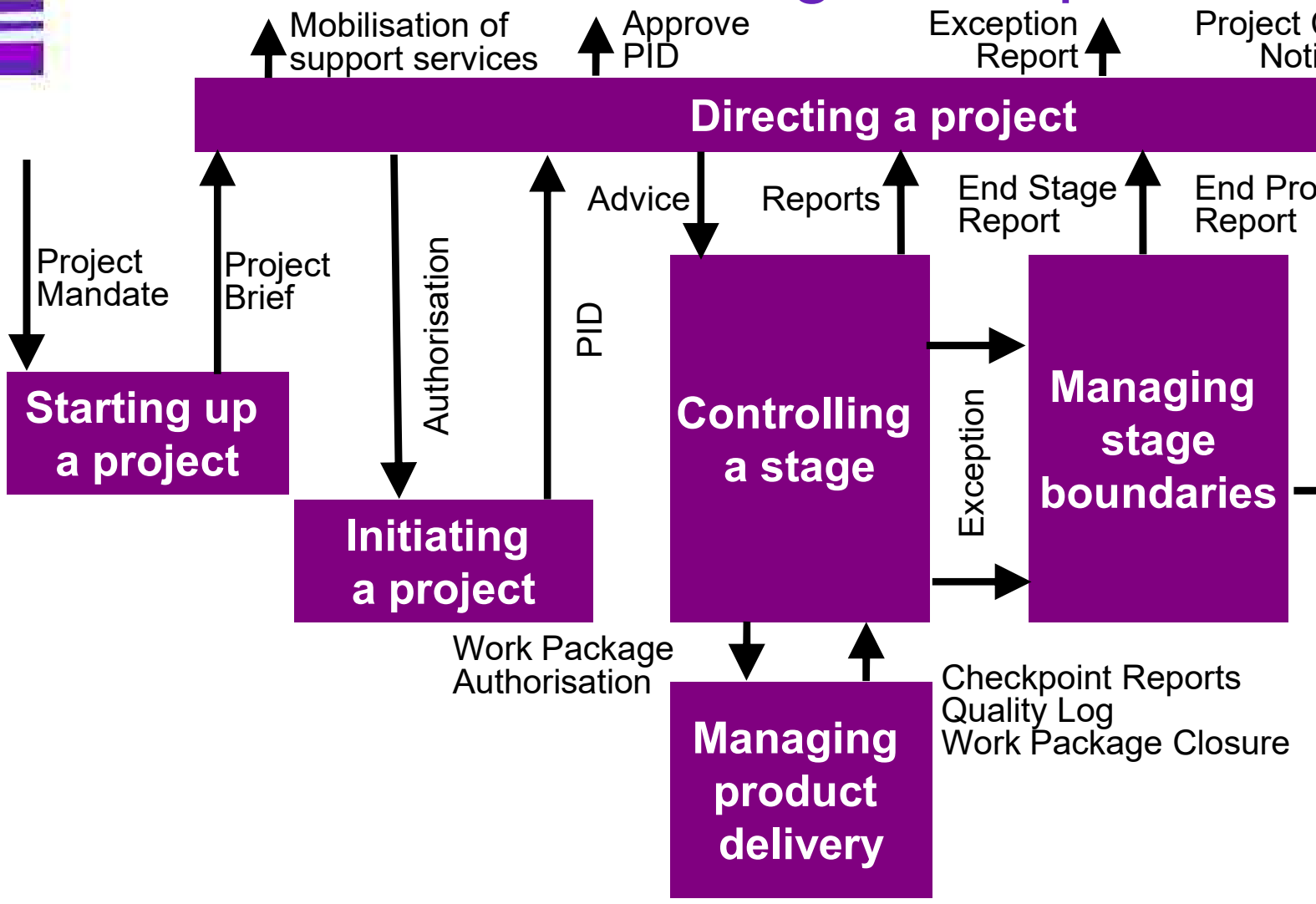
Risk management



- Risk assessment
  - Identification
  - Analysis
  - Evaluation
- Risk treatment
  - Selection of cou
    - preventive
    - reductive
  - Implementation
  - Monitoring

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Processes and management products



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Project start-up

- Purpose
  - To transform an idea into measurable goals
  - To strengthen (NOT to eliminate) innovative ideas

- Approach
  - Answer key questions of project success
  - Maximise communication (and thinking)
  - Minimise writing

- Decision
  - Project Board level approval
  - Authorisation for initiation of the project
  - Committing resources for initiation

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If no convincing answers can be pro
reasonable time then … what is the

Project Brief - seven answers in 1-2 pages

- **GOAL:** What is the goal of the project in measurable terms?
- **OUTCOME:** What work and outcome will achieve the goal?
- **INVESTMENTS & EFFORTS:** What investments/efforts are re

  the outcome?
- **DEADLINES:** What are the most important deadlines in produ

  outcome?
- **JUSTIFICATION:** Why should or must the project's outcome b
- **STAKEHOLDERS:** Who are affected by the project's outcome
- **DEPENDENCIES & RISKS:** What does the success of the pro

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Transform an **idea** into measurable

Project initiation

- Purpose
  - To transform the goals into a manageable projec
  - To compile all the necessary information into a c (but still comprehensible) document
- Approach
  - Expand Project Brief's topics
  - Continue communication (and thinking)
  - Maximise value of sharing information through w
- Decision
  - Project Board level approval
  - Authorisation for the actual start of the project
  - Committing resources for the first stage of the p

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Transform the **goals** into a manage

Project Initiation Document (1)

- What are the GOALS of the project?
  - Take PB's goals and modify if necessary.
- WHO are going to do the project?
  - Describe project organisation (roles, responsibil
  - Include reporting responsibilities, frequencies ar
- WHAT will be the outcome of the project?
  - Prepare Product Catalogue describing structure methods, tools, constraints
  - Plan in quality (criteria and investigation methoc
- HOW will the project be executed?
  - Prepare overall project plan (timing and resourc
  - Create detail plan for the first stage

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Who, what, how, when and why?

Project Initiation Document (2)

- WHY should the project be executed?
  - Analyse costs and benefits
  - Prepare the business case for the project
- WHAT does the project's success depend on?
  - Identify dependencies on other projects
  - Analyse risks and evaluate them
  - Identify and select potential measures to contain

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Who, what, how, when and why?