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BRITISH AMERICAN TOBACCO
HUNGARY

PRINCE2
Starter Kit

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 get on with it. The real benefit of not planning is that failure comes as a complete surprise and is not preceded by months of worry."

- Sir John Harvey-Jones.

However …

Failures can only be avoided by planning!

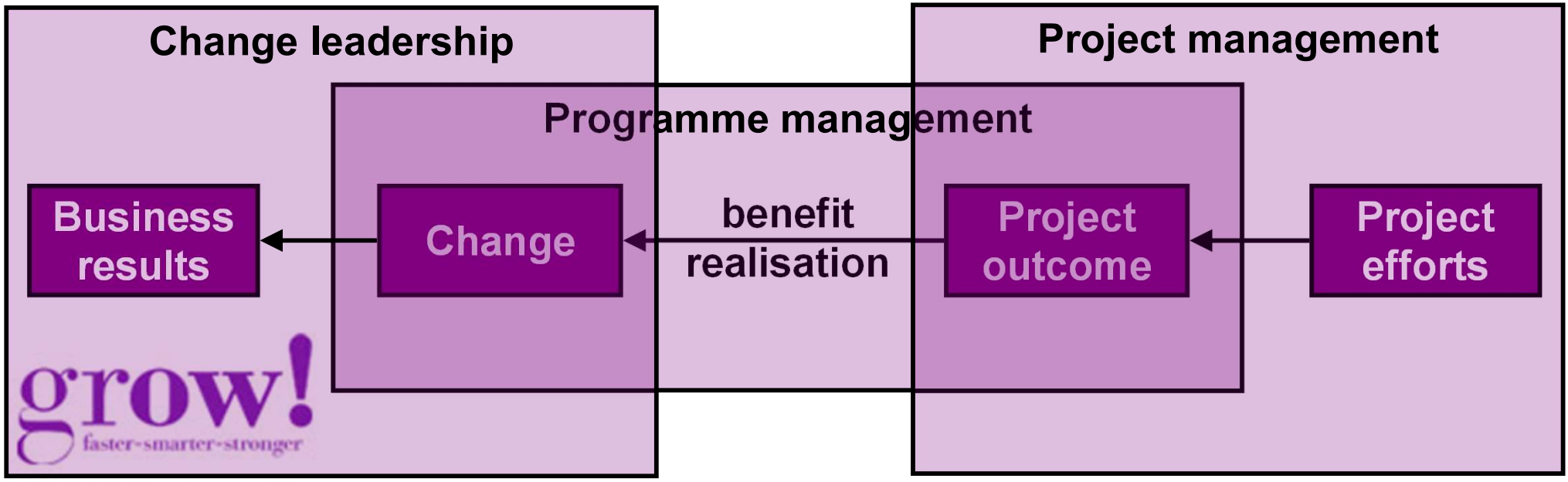
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It is all about planning.

Close relationships

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

- Changes are implemented by realizing potential benefits through **programmes**
  - BUT the potential benefits are actually built by **projects** into outcomes (tangible project results)



PRINCE – a Project Management Method

PRojects

IN

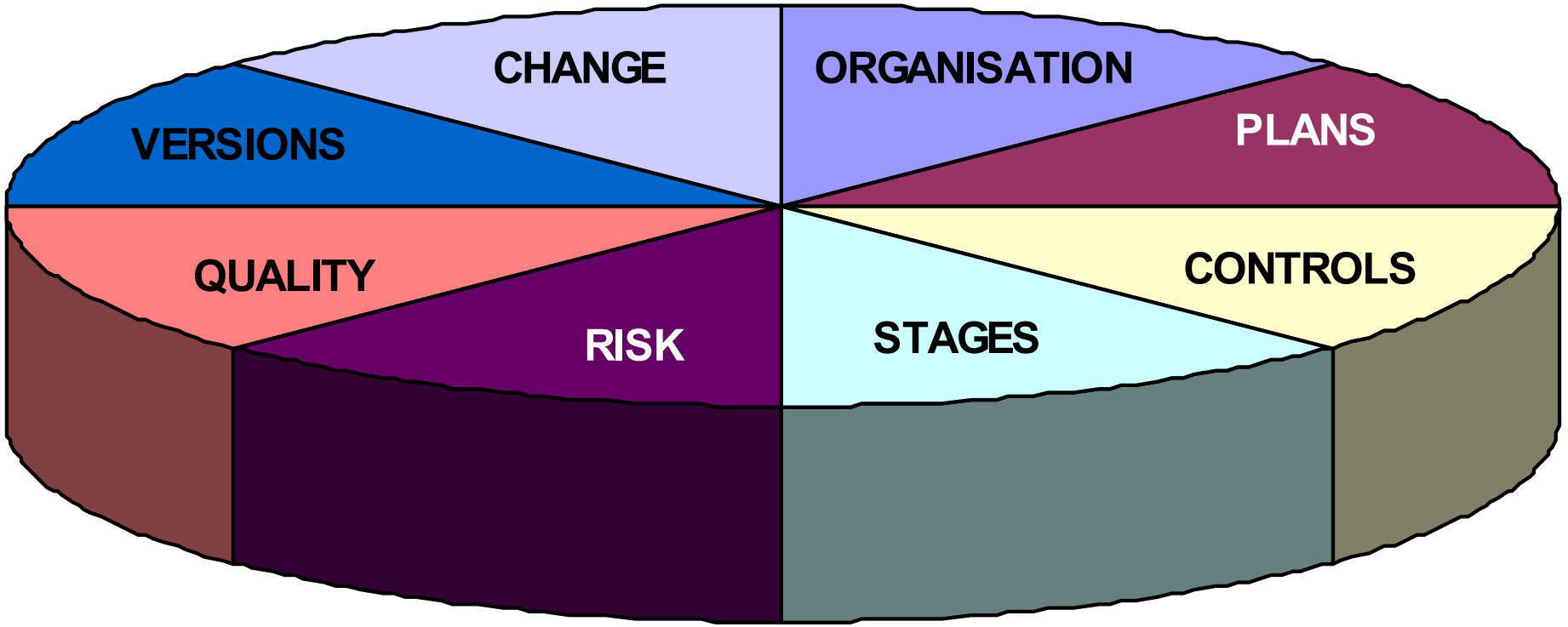
Controlled

Environment

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No miracle, just a way of managing business results

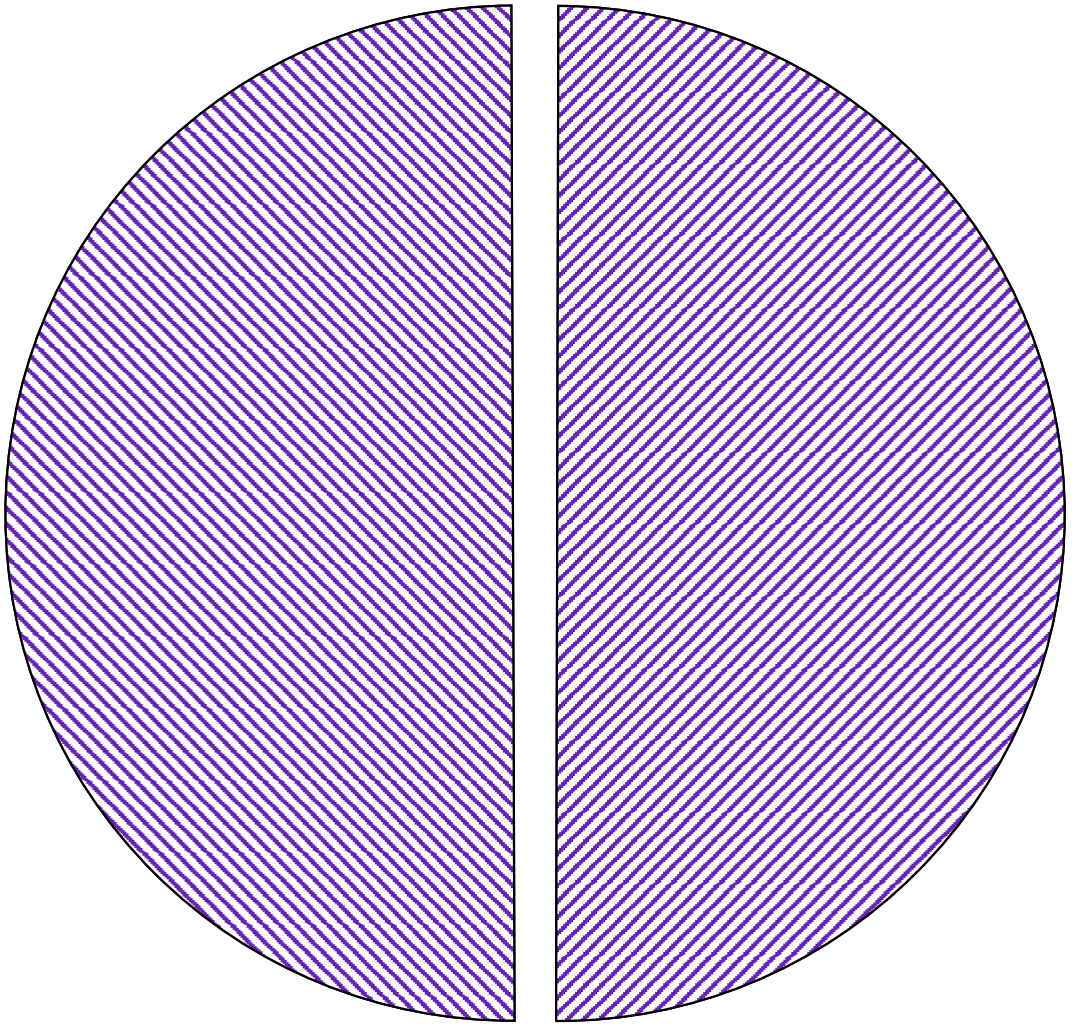
PRINCE Components



Fundamental issues to be thought at by each task we do!

PRINCE Environment

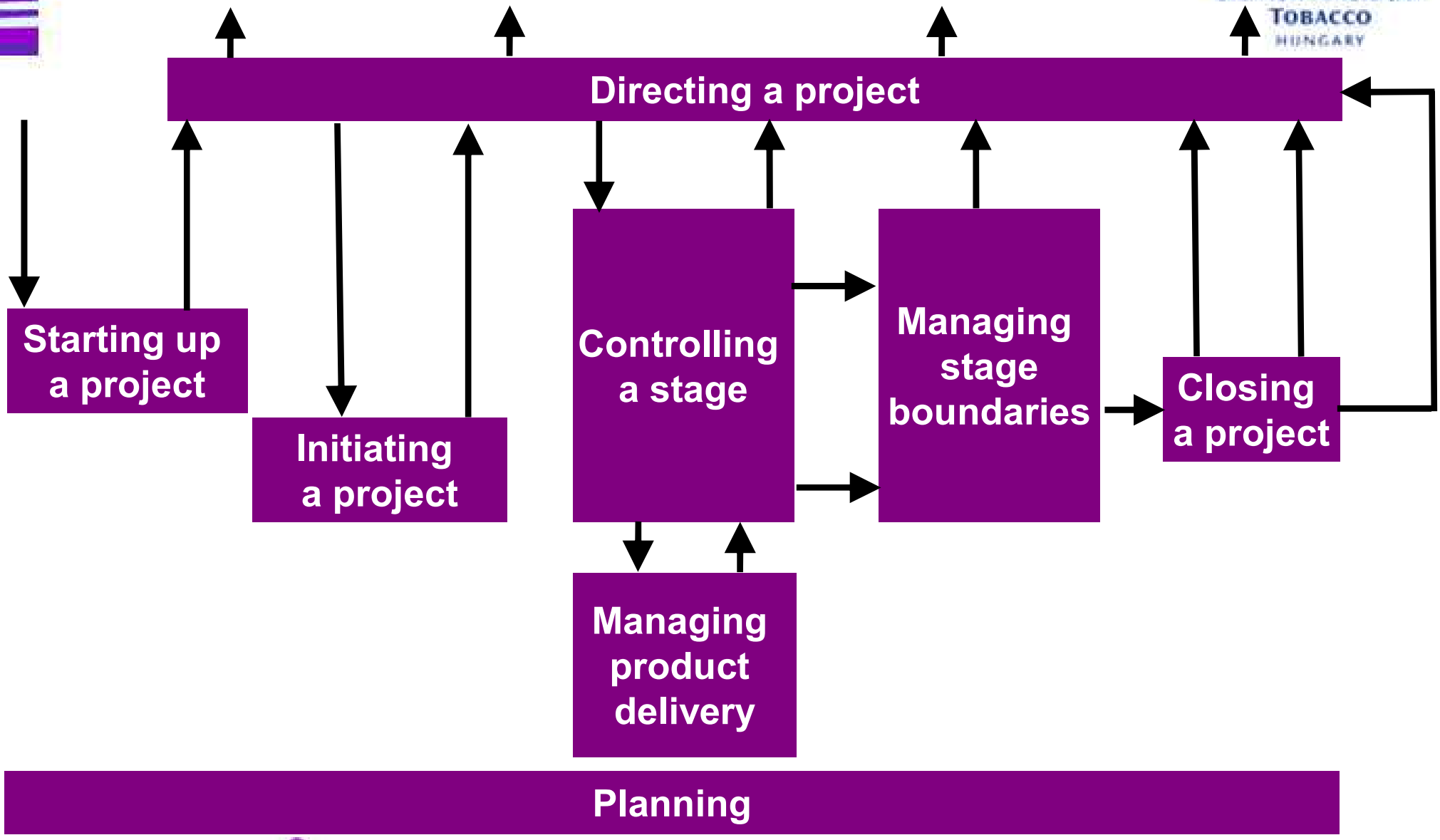
CUSTOMER



SUPPLIER

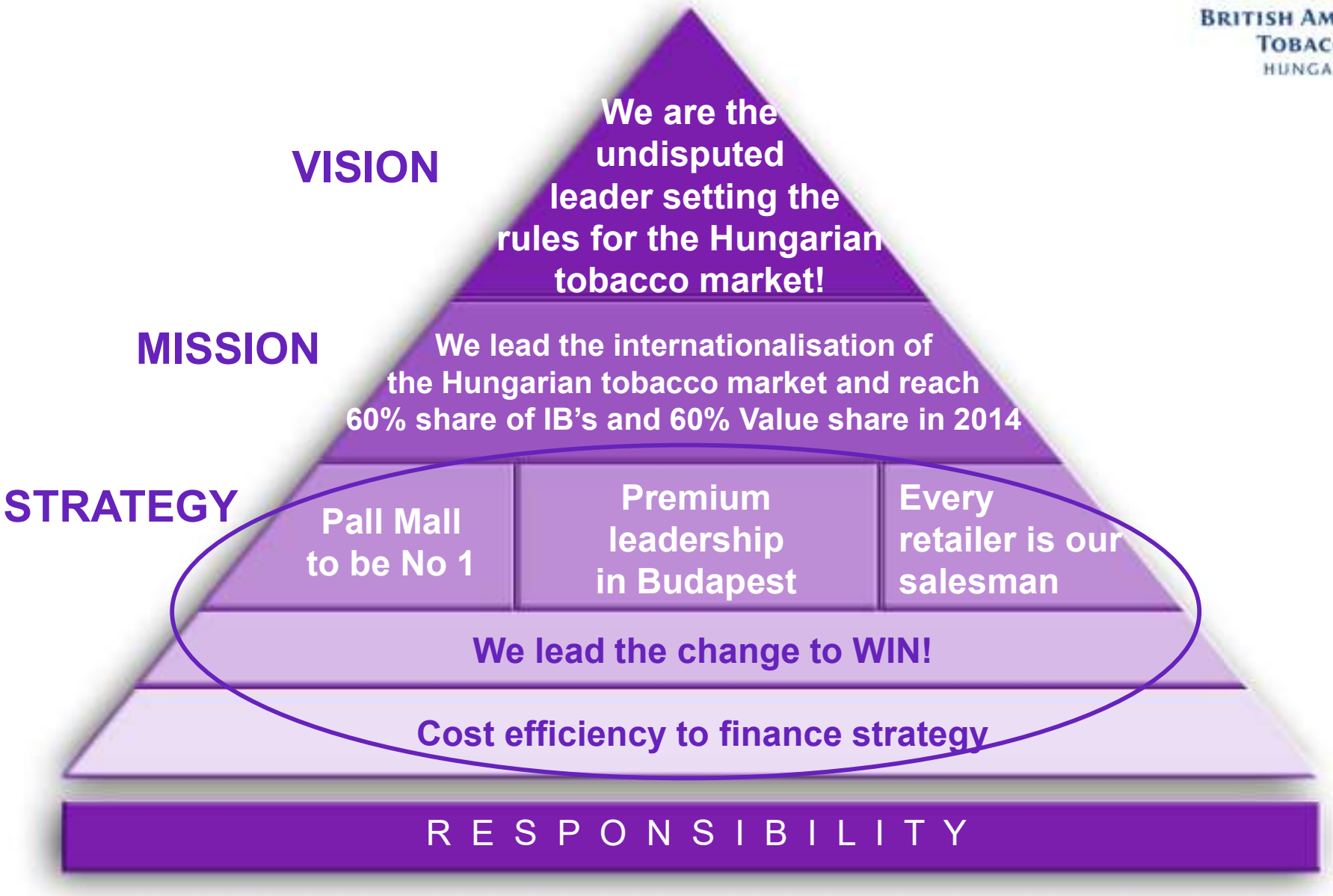
PRINCE assumes a customer-supplier relationship but the supplier may be internal

PRINCE Processes



Key PRINCE Concepts

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



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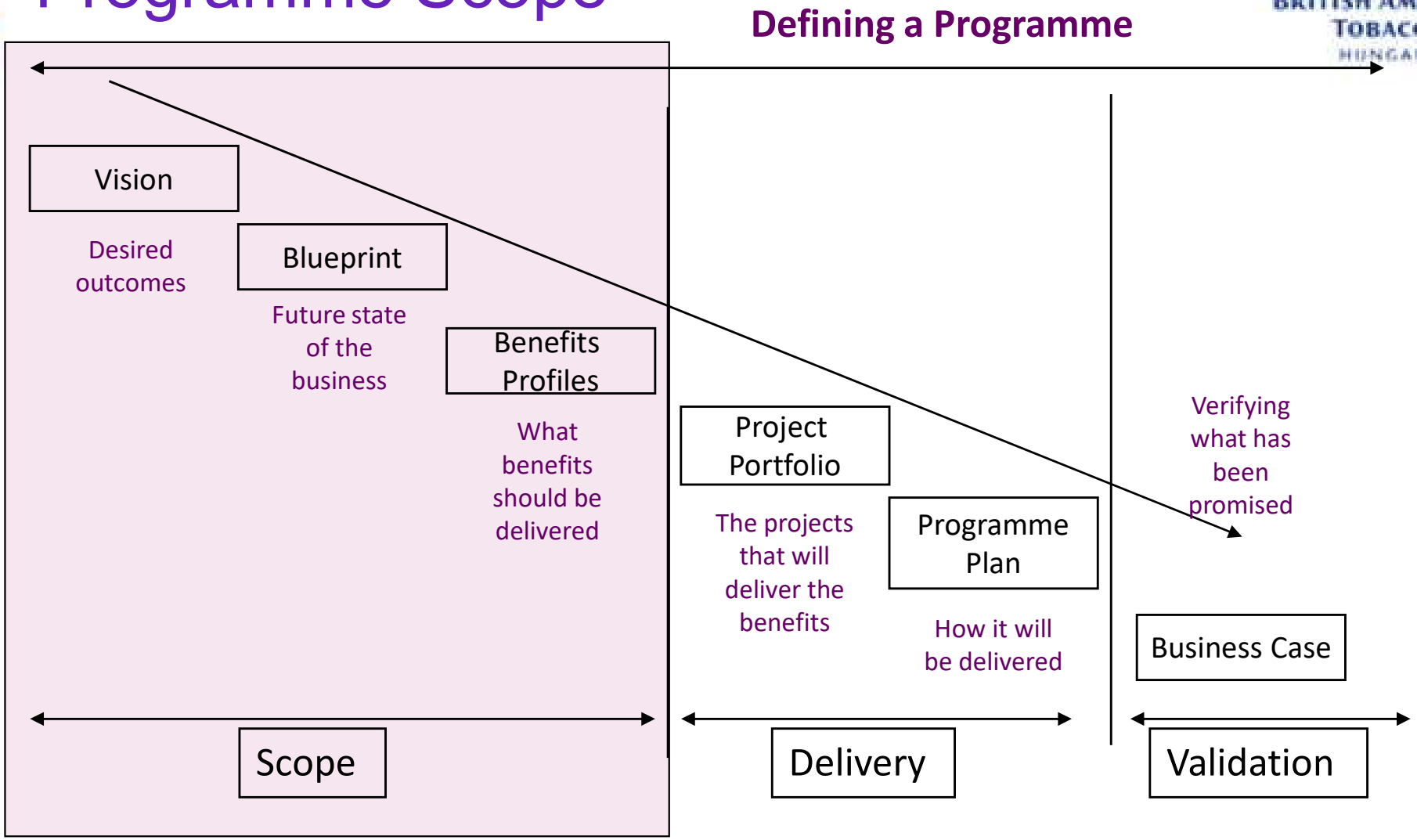
Programmes

- A programme typically involves co-ordinating many projects along with the capacity to visualise and work towards the ‘bigger picture’

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

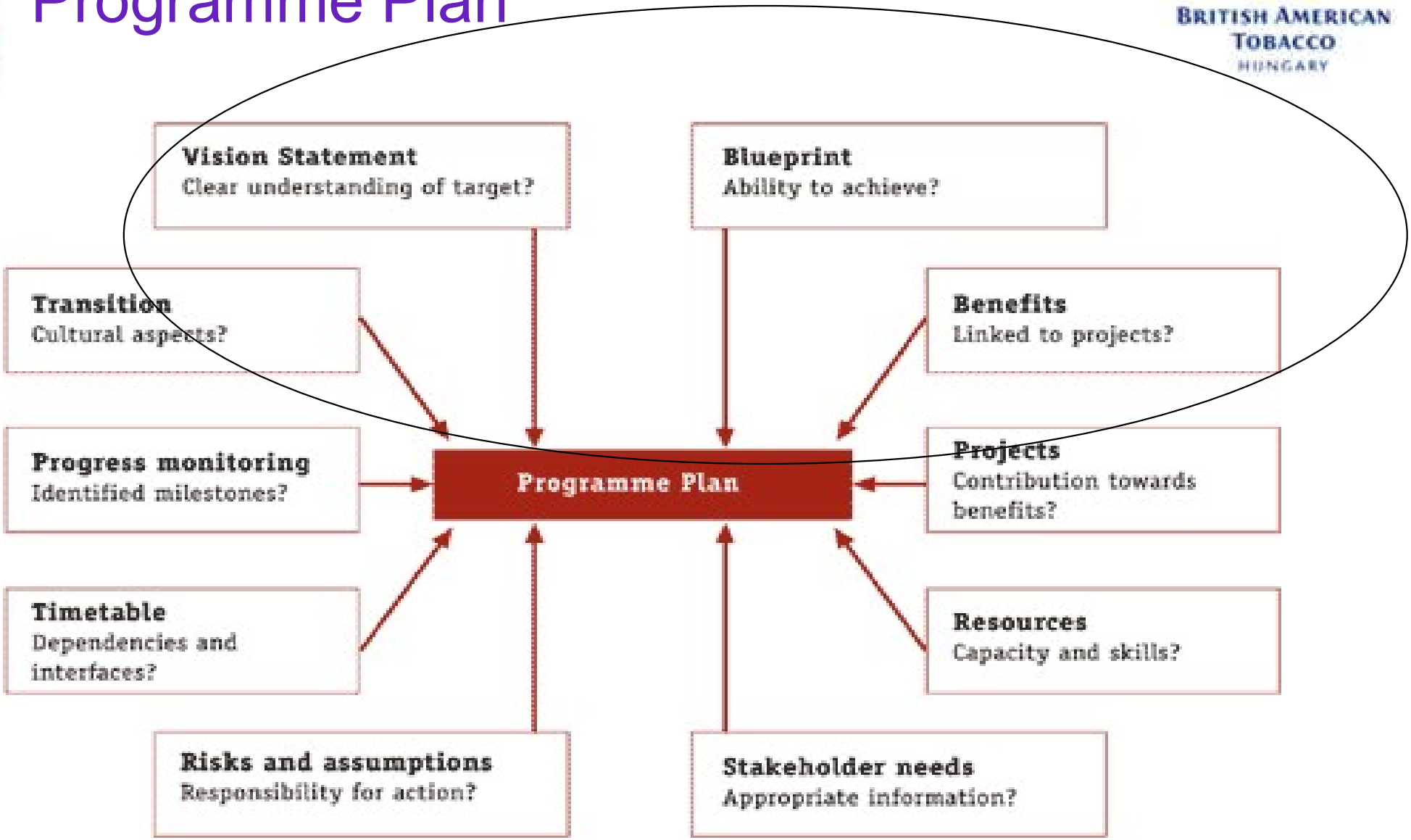
- What is to be achieved is understood at the start of a programme, but not how it will be achieved, in terms of products and projects. The how evolves as the programme develops, for example in response to changes in the business

Programme Scope



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

Programme Plan



Project is

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

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

Programs vs. Projects

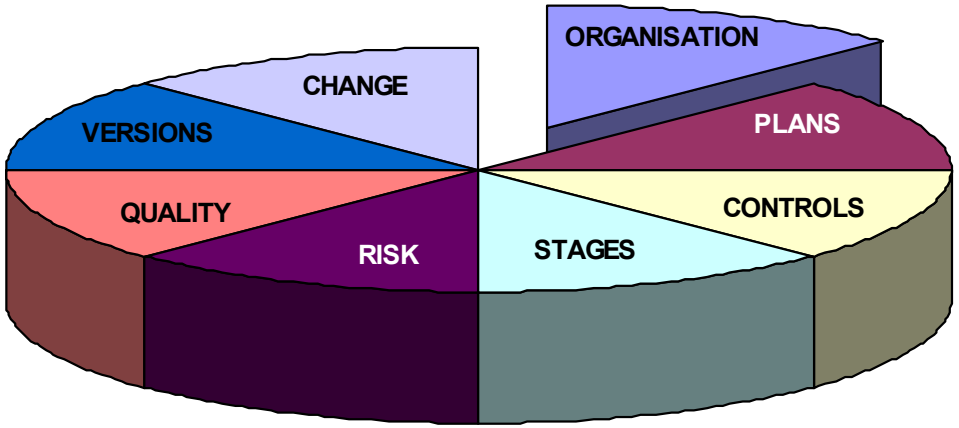
- **Vision** = preferred future – where we would like to be in 10 years

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

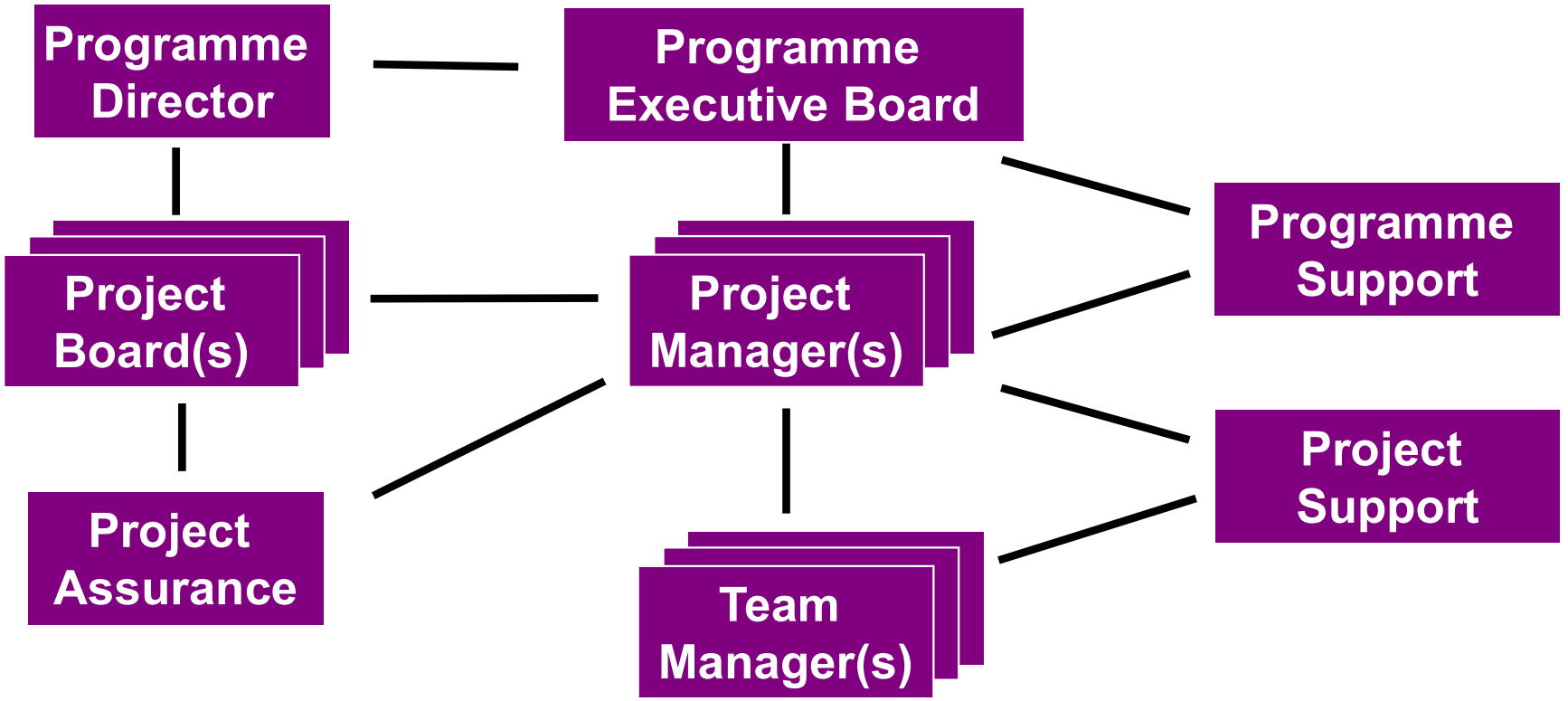
- **Project** = the different building blocks which together make us achieve a program objective;
  Pall Mall No1 -> VFM strategy, Sopianae-Pall Mall migration, organisation structure etc.

Organisation

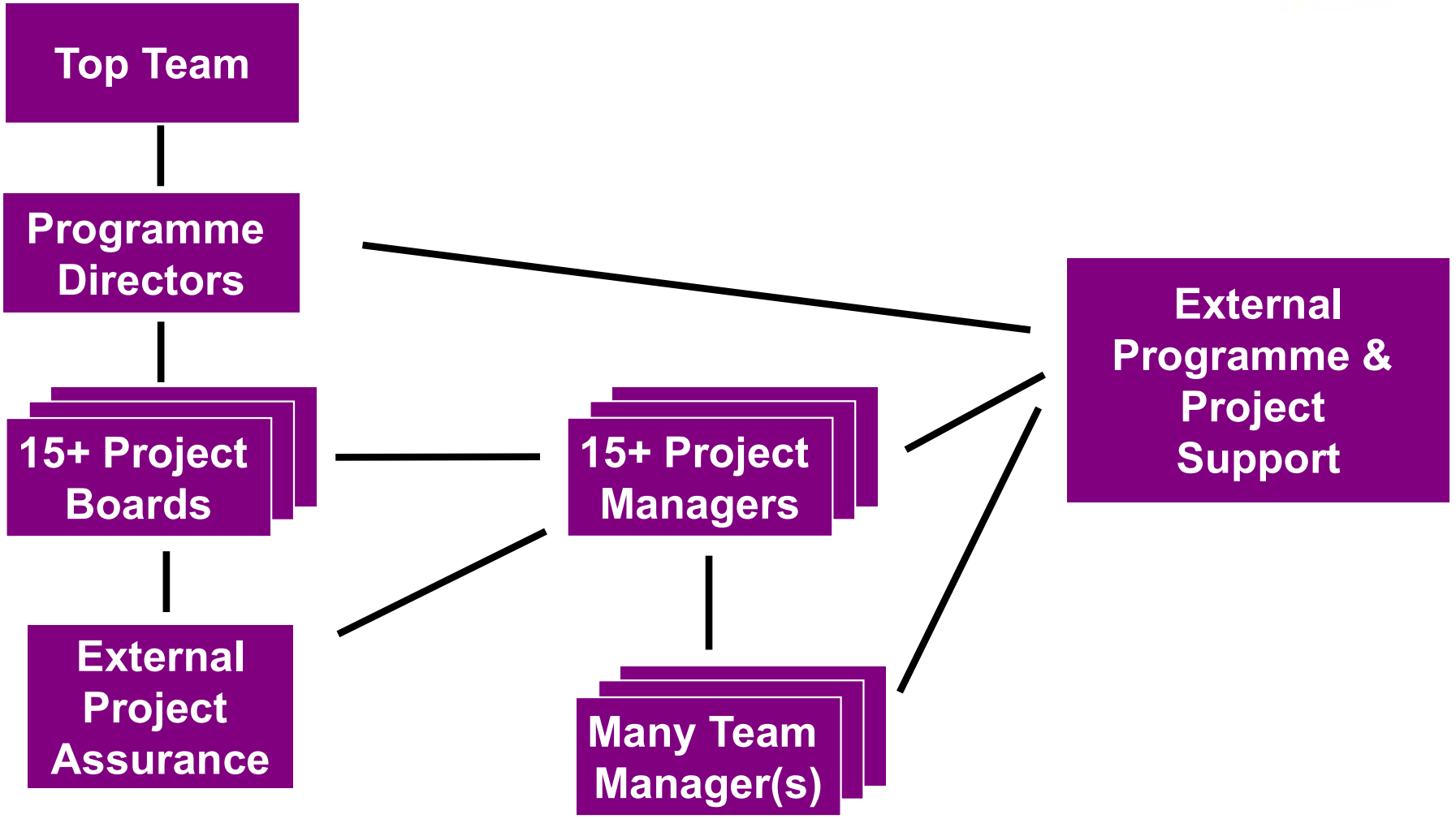
- Organisation extends up to ‘programme’ level
- The Project Board is responsible for assurance – but may delegate
- Several teams may work on a stage with Team Managers



Where is the lead in such organisation?



How do we do it in BAT?



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

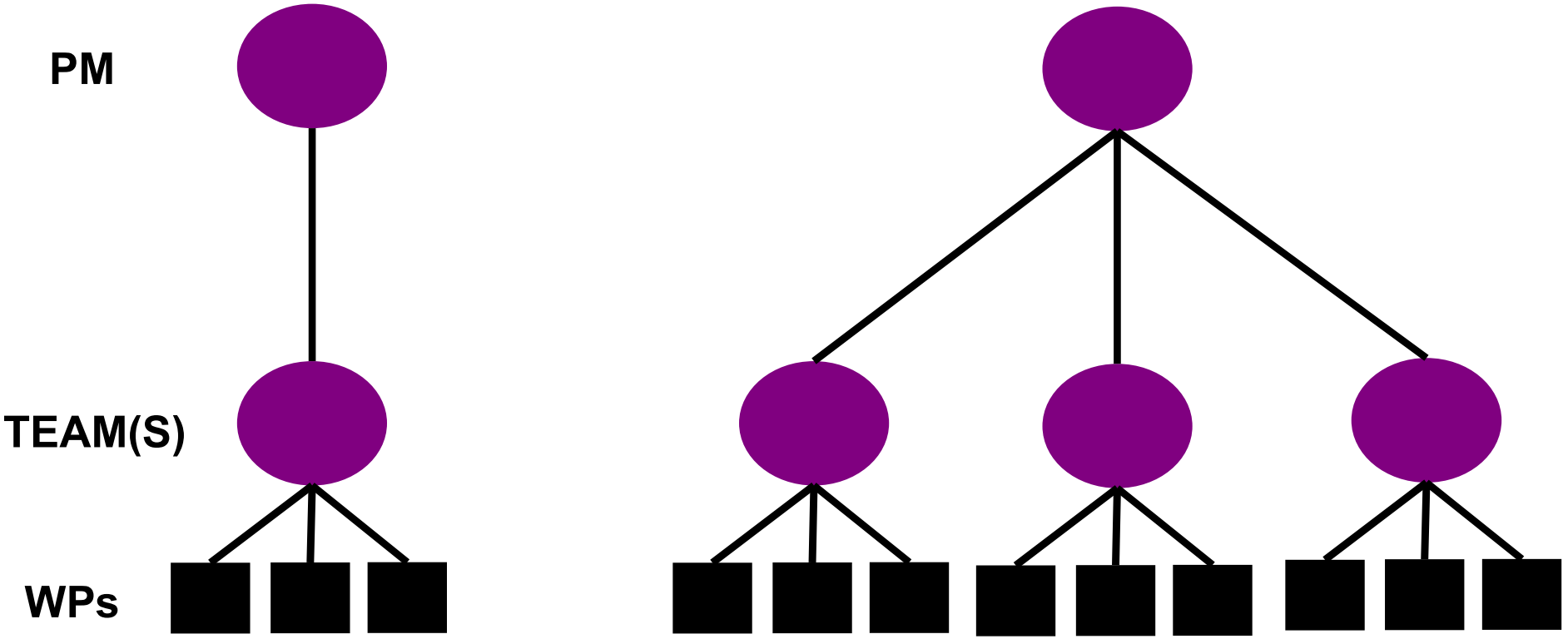
- Business case
- Organisational change

Design Authority

- Compatibility
- Interfaces
- Standards

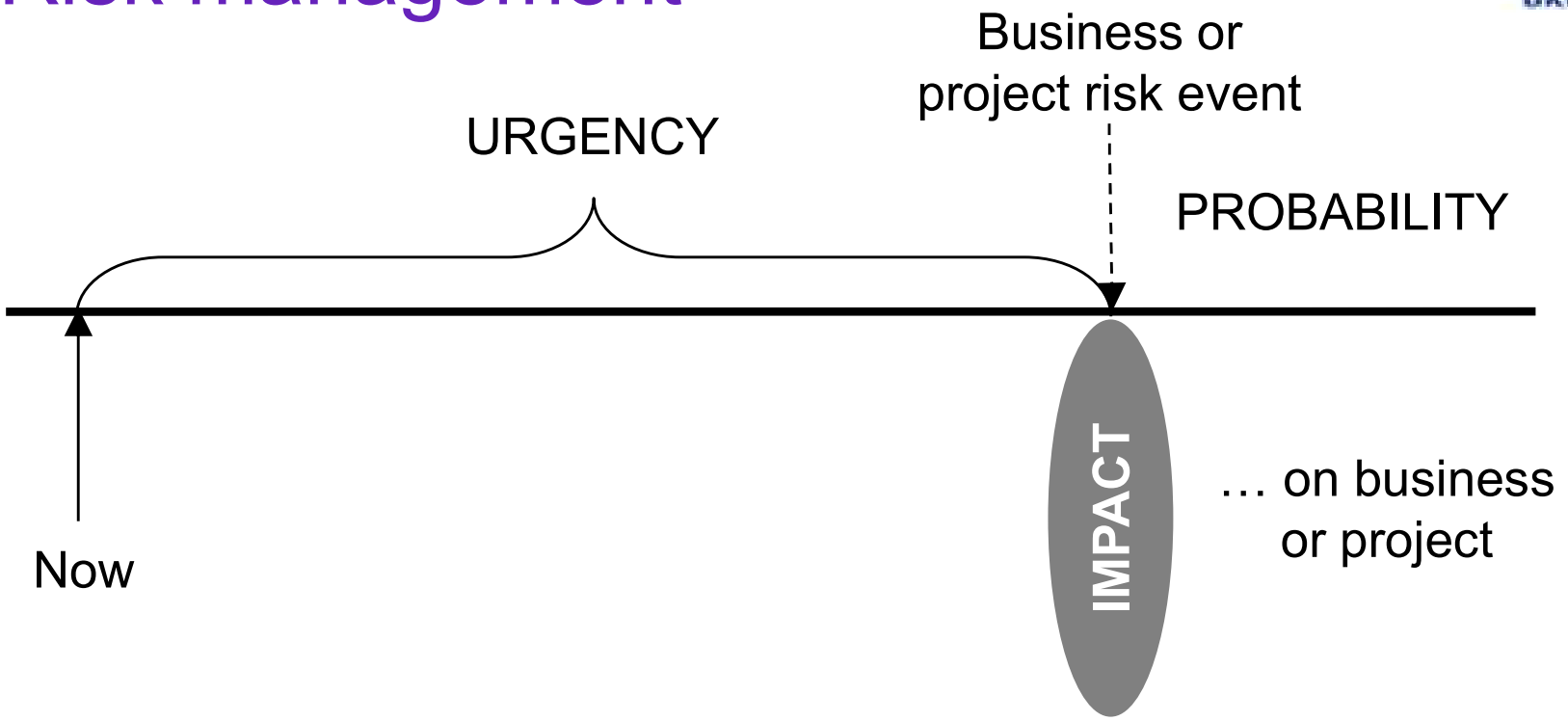
They may be combined if practical.

Organisation below: Work packages



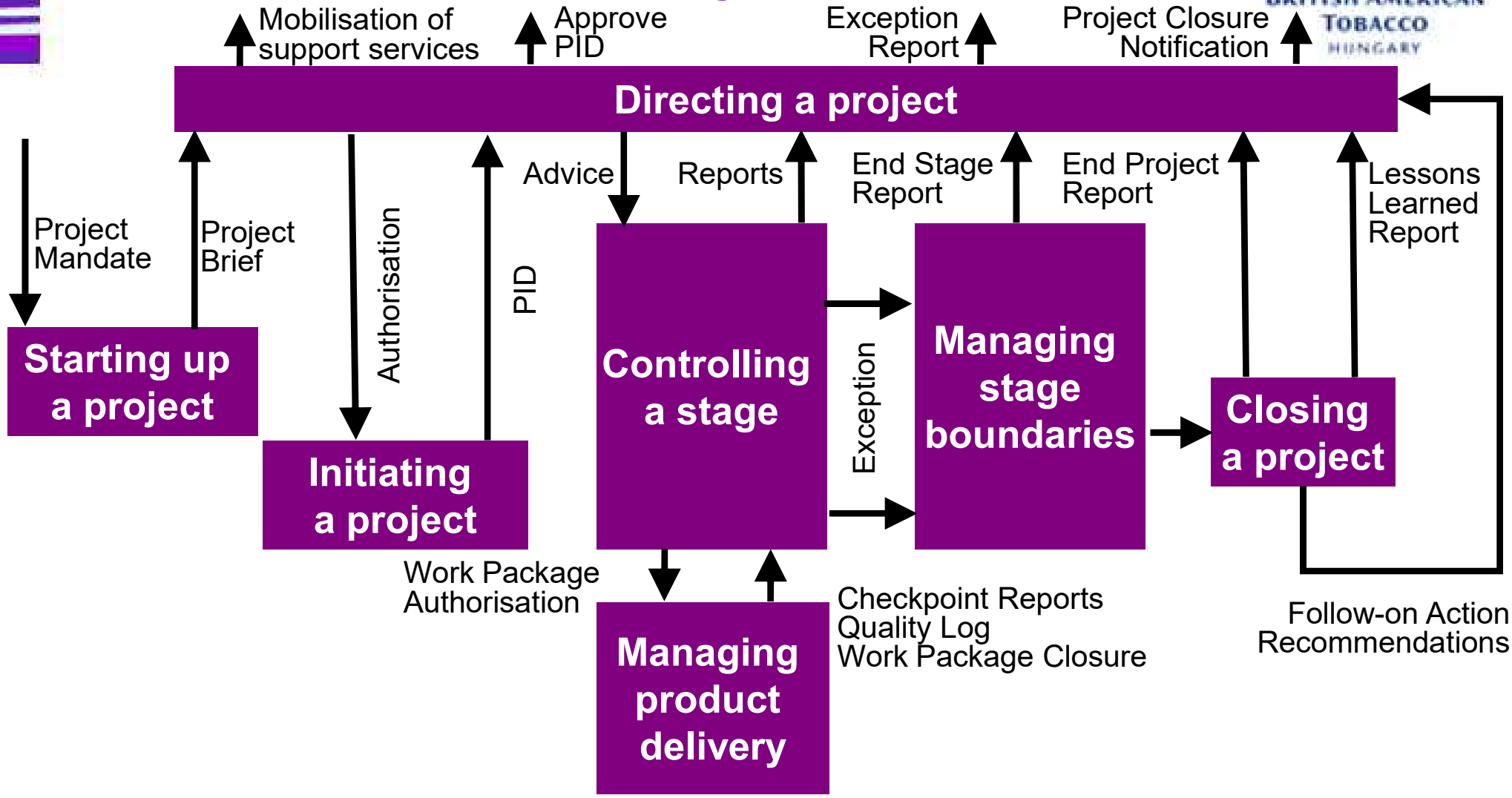
The approach can be used with only 1 team working or with many teams working

Risk management



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

Processes and management products



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

If no convincing answers can be produced in reasonable time then … what is the question?

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 required to produce the outcome?
- **DEADLINES:** What are the most important deadlines in producing the outcome?
- **JUSTIFICATION:** Why should or must the project's outcome be produced?
- **STAKEHOLDERS:** Who are affected by the project's outcome?
- **DEPENDENCIES & RISKS:** What does the success of the project depend on?

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Transform an **idea** into measurable **goals**!

Project initiation

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

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Transform the **goals** into a manageable **project**!

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, responsibilities)
  - Include reporting responsibilities, frequencies and methods
- WHAT will be the outcome of the project?
  - Prepare Product Catalogue describing structure, production methods, tools, constraints
  - Plan in quality (criteria and investigation methods)
- HOW will the project be executed?
  - Prepare overall project plan (timing and resources)
  - Create detail plan for the first stage

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 risks

Who, what, how, when and why?