BRINGING THE PMBOK® GUIDE TO LIFE

A Companion for the Practicing Project Manager

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Foreword

Every company has projects that are uniquely characterized by the size and nature of the business, the length of the project, whether for internal or external clients, whether or not a profit margin is included, and the project’s strategic importance. Creating a project management methodology to encompass all of these characteristics is difficult, and even more complex is the attempt to create an enterprise project management methodology capable of use on all projects.

Most companies do not have the resources to research/benchmark other companies on what works and what fails, and this holds true even if the company possesses a project management office (PMO). As such, companies must rely on established project management standards.

The *PMBOK® Guide* provides the necessary framework and standards for project management. The real value in the use of the *PMBOK® Guide* lies in the guidance it provides companies in how to manage projects, irrespective of the characteristics. The *PMBOK® Guide* is also invaluable as the primary source for creating project management methodologies.

There are three ways to manage projects; the right way, the wrong way, and the *PMBOK® Guide* way. Not all of the information contained in the *PMBOK® Guide* will be applicable to all companies, nor should a company force all of the material to apply. The value in the *PMBOK® Guide* is that—it is just a “guide.”
Every three or four years, hundreds of PMI members pool their intellectual knowledge to update the *PMBOK® Guide* based on current best practices. Companies should rely on the *PMBOK® Guide* for both current and future applications of project management best practices.

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Introduction

The field of project management is actually a collection of skills, tools, knowledge, techniques, lessons learned, insights, and observations gained from just about every industry and profession. Project managers develop skills in communications, financial management, conflict resolution, negotiation, planning, organizing, leading, and much more. There is a huge base of knowledge available for project managers. That base of knowledge is referred to as the body of knowledge of project management. This is such a large base of information that it would be impossible to include every element of project management in one book. Project managers are involved in strategic planning, disaster recovery, research, green technology, information technology, construction, and pretty much anything that involves people and plans. Most project managers are in a constant search for best practices and lessons learned that will help them improve how projects are implemented and to increase the probability of success.

The continued search for information has generated book after book about the subject. Each author is looking to introduce a new technique or find some new way to manage projects more effectively. Some new ideas are introduced, but much of the material that is available is a reissue of what is already known, just packaged slightly differently. The importance here is that project managers continue to develop the profession through
new books, articles, and presentations, and they are using their creativity, innovation, and passion for the profession to add to the existing and ever-growing body of knowledge.

This vast collection of information and knowledge handed down year after year, with a continuous stream of new data coming in, requires some type of organized system or standard. The Project Management Institute, utilizing project managers from a wide range of industry including government, the private sector, and nonprofit organizations, have developed a standard from which project managers can create project management methodologies and benefit from the knowledge of others in the profession. That standard is known as A Guide to the Project Management Body of Knowledge. The standard, ANSI/PMI 99-001-2004, is currently in its 4th Edition. The next version was issued on December 2008.

The PMBOK® Guide, as it is commonly known, was developed and will continue to be developed by volunteers who offer their time and expertise in the continuing pursuit of higher levels of quality and improvement. The PMBOK® Guide can be found in the libraries of thousands of project managers worldwide, and has been translated into at least eight languages. It is used as part of the study and preparation for the PMP exam (Project Management Professional) offered by the Project Management Institute (PMI) and as reference for planning projects or to develop customized project management methodologies for hundreds of organizations and project management offices (PMOs).

The PMBOK® Guide is extremely useful to project managers at any level of an organization and for any type of project—from short-term, limited deliverable type projects to large, complex undertakings. It is important to note that it is a guide and is not all-inclusive. The PMBOK® Guide provides a solid basis for planning, and it introduces key processes and provides a framework
for understanding project management. There are many views and perspectives about the *PMBOK® Guide*, and there is probably a fair amount of disagreement about how it should be used, and even some of its contents. Regardless of viewpoint, it is a valuable addition to any project manager's library.

**THE PMBOK® GUIDE—THE BASICS**

The *PMBOK® Guide* provides a foundation from which project plans and project management office (PMO) methodologies or enterprise wide processes can be developed. The first step is to become *PMBOK® oriented*. This means to become familiar with how the information in the document is presented and what the specific terminology used in the *PMBOK® Guide* means. This is particularly important because, although the terminology is used commonly across many industries, there are differences in meanings that could cause some confusion and miscommunication. An important item to remember is that the *PMBOK® Guide* is just that, a guide. It is not the entire project management body of knowledge condensed into about four hundred pages. The *PMBOK® Guide* is a representation of many best practices in project management that have evolved over the years and may, let me emphasize may, be used (meaning that there are many options, depending on the type of project) to manage a project successfully.

Chapters One through Three of the *PMBOK® Guide* provide an introduction to the reader and establish the basic framework from which the remaining chapters have been developed. These chapters introduce the forty-two project management processes that are mapped to the nine knowledge areas and five process groups. The remaining chapters describe the nine knowledge areas of project management.
A BRIEF DESCRIPTION OF THE PROJECT MANAGEMENT KNOWLEDGE AREAS

*Integration management.* This knowledge area emphasizes the generally accepted role of a project manager—coordination and bringing all the pieces (the deliverables of the project) together.

*Scope management.* Defining and determining what work must be done. It includes setting clearly defined project objectives, defining major project deliverables, and controlling changes to those deliverables. Scope management includes creating the work breakdown structure (a breakdown of the major project elements to improve planning and to assist in overall project control) to understand the complexity of the project.

*Time management.* The project is further defined through activity definition, sequencing of activities, estimating the duration of activities, determining the critical path, schedule development and managing schedule and time issues effectively.

*Cost management.* This involves estimating all project costs, budgeting costs over time, and controlling costs throughout the project life cycle.

*Quality management.* This area includes developing plans to ensure that requirements are met, establishing a quality policy, understanding quality principles introduced by quality experts, developing quality assurance processes, and controlling the quality of all project deliverables.

*Human resource management.* This involves identifying project stakeholders, developing the project team, motivating the team, understanding management styles, and organizational structure.
Communications management. This involves planning for and distributing information correctly and to the appropriate stakeholders, performance reporting, managing stakeholders, and developing processes to ensure effective transfer of information. Communications management includes developing an understanding of the communications sender–receiver model (transmitting messages, possible message distortion, and feedback loops).

Risk management. This area includes identifying potential project risk events, using qualitative analysis (expert judgment and experience) or quantitative analysis (using mathematical models and computer simulations) to prioritize potential risks, respond to risk situations, and develop risk monitoring and controlling processes.

Procurement management. This includes determining what goods and services should be purchased or developed internally by an organization, planning purchases and, developing procurement documentation such as requests for proposals (RFP). It also involves determining appropriate contract types, negotiating terms, selecting sellers, managing contracts through implementation, and then managing project closure and contractual closure.

The purpose of this book is to create a bridge between the larger, broader project management body of knowledge, the PMBOK® Guide, and the practicing project manager. This book is not all-inclusive regarding the subject of project management, but will provide some additional knowledge, clarification of terms, suggested approaches for the use of project management tools and techniques, and templates developed directly from information provided in the PMBOK® Guide. The book also provides suggestions and study tips that will assist
in preparing for the PMP exam and includes a Project Plan Accelerator (PPA) that can be used with the *PMBOK® Guide* by project managers and project teams to develop plans that are specifically tailored to meet the needs of the client or sponsoring organization.
Chapter One

Why Do Project Managers Need This Book?

The main purpose of this book is to create a connection between what is referred to as “the body of knowledge of project management,” the Project Management Institute’s *A Guide to the Project Management Body of Knowledge*® (better known as the *PMBOK*® *Guide*), and the needs of the practicing project manager. The book is not specific to any industry. It is intended to provide additional information regarding the processes associated with managing projects and offer the reader other perspectives about the discipline including a practical and useful explanation of many of the tools, techniques, and processes described in the *PMBOK*® *Guide*. There are countless other books about project management that include suggested methodologies, templates, defined processes and procedures, and best practices—and many are excellent sources of reference. The focus of this book is on the practitioner, especially those who manage projects of moderate complexity.
This book is intended to make a direct connection between many of the terms and specific tools, techniques, inputs, and outputs described in the *PMBOK® Guide* and the common needs of today’s practicing project managers. The objective is to provide a quick reference and a source of information that translates tools and techniques into useful templates, actionable steps, clarified processes, and common-sense approaches to managing a project.

The material and references in this are designed to be of interest to the newly appointed project manager as well as the seasoned professional. Experienced project managers may find the material helpful in further developing well-defined practices they are currently using, or the material may spark a new level of creativity and innovation that will take project management to a new level of efficiency. This book will help project managers and students of project management differentiate between generally practiced processes and those processes that are specific to a particular organization.

I have heard many people refer to the *PMBOK® Guide* as the “PMI Way” or refer to project management methodology in terms of “the Right Way, the wrong way, and the “PMBOK® way.” The *PMBOK® Guide* does not suggest a right or wrong way and, in my opinion, there is no specific “PMI Way” or “PMBOK® Way.” Everything in the *PMBOK® Guide* originates from the knowledge of hundreds of project managers who have decided to share their experiences across a very broad spectrum of projects and industries. This shared knowledge has been organized into the nine knowledge areas and 5 processes which provide the basis for developing organizational project management methodologies. Simply stated, there are projects that are managed well and those that are not managed well regardless of preferred methodology. If the methodology was developed using logic, common sense and the basic principles of project
management along with a connection to the organization’s culture, work ethic, business goals and capabilities then that would be the “right” methodology for the organization. Chances are that many of the project management steps and processes found in any organizational methodology can also be found in the PMBOK® Guide or can be directly related to PMBOK® Guide processes. I believe that most project managers will agree that in the discipline of, or if you prefer, the profession of project management the general principles are the same, regardless of what type of project is being managed. These general principles are then modified and combined with different approaches specific to the organization that can be used to achieve the common goals of on time completion, remaining within budget, and according to specifications. (there are other goals to consider but these are the goals most people associate with project success). The PMBOK® Guide provides a solid framework for developing a methodology that would have a high probability of being accepted by the stakeholders of an organization. It may not provide the extreme levels of detail that may be needed to develop a complete methodology, but it does provide the project manager with a reference point developed through the experience of hundreds of project managers over many years.

The purpose of this book is to bridge the needs of the project manager with the vast stores of knowledge about project management and to encourage project managers to expand their knowledge about the profession, challenge some of the processes in place and develop newer, more efficient ways of managing projects in a world filled with complex projects and new opportunities. This book will, I hope, encourage more thought about how to manage projects more effectively and open up the creative minds of project managers who can widen the project management information highway.
THE PMBOK® GUIDE, THE BODY OF KNOWLEDGE OF PROJECT MANAGEMENT, AND THE CONNECTION TO MANAGING PROJECTS

The PMBOK® Guide is a collection of tools, techniques, and processes developed by project managers engaged in projects across every type of business and industry. Project managers have offered their time and their expertise voluntarily to produce a consensus-based standard for managing a project. It is a valuable source of information for project managers, project management professionals, and future project managers, regardless of discipline. The PMBOK® Guide provides the basis for developing project management methodologies and can be found in the library of literally thousands of project management offices and practicing project managers. The challenge is to take the information provided in the PMBOK® Guide and apply it most effectively and appropriately to an actual project environment. This book focuses on specific techniques, explanations of terms, and application of tools that will enable project managers to effectively adapt the principles and processes described in the PMBOK® Guide to the practical world of project management. These techniques transform the PMBOK® Guide from a framework and standards reference to a sharpened tool in the project manager’s toolbox.

Project management and the processes included within it definition is actually a collection of knowledge from every business discipline, and that knowledge base is in a continuous state of growth. This knowledge encompasses what has been learned through years of managerial experience, studying human behavior, analyzing relationships between organizations, engaging in strategic planning, managing conflict, performing financial planning, and understanding organizational structure and overall organizational performance. The greater, more complex, project management body of knowledge is basically a
repository of information and best practices gathered from and covering every aspect of business and organizational manage-
ment. The PMBOK® Guide organizes that knowledge in a logi-
cal format that is not intended to be viewed as a set of rules and regulations. It provides a basis for developing customized methods that will assist in meeting an organization’s project and strategic objectives through an effective project manage-
ment process. The lessons learned from completed projects are documented and shared (whenever possible) through network-
ing with other practitioners, articles, books, and other forms of knowledge transfer and are added to the larger body of knowl-
edge in a continuous and ever expanding cycle.

THE FIRST STEP: UNDERSTANDING HOW THE PMBOK® GUIDE WORKS

Many project managers consider the PMBOK® Guide to be the method for managing projects and carry it around as if it were some type of project management law book that must be fol-
lowed. They profess that failure to follow the PMBOK® Guide will result in certain project failure and costly customer dis-
satisfaction. This type of thinking may result in a very inflex-
ible approach to the management of the project and an attempt to force a technique or a process that is inappropriate for the project or that will cause unneeded work and possibly team frustration. This approach will, in many cases, result in resistance or even rejection of the PMBOK® Guide by management and the project team.

The first step in bringing the PMBOK® Guide to life is to understand that it is a guide (see Figure 1.1). The processes, tools, and techniques described in the document are meant to be considered and applied when appropriate. An inflexible atti-
dude and approach in the use of the information provided in the PMBOK® Guide may result in considerable resistance by
Why Do Project Managers Need This Book?

the project team or other stakeholders, a perception of inflexibility among team members about the project manager, challenges about the process, and possibly some undesired assistance from upper management or the project sponsor. To prevent this, it is important for the project manager and team to develop an understanding of how the PMBOK® Guide has been developed and structured and to review each input, tool and technique, and output within each process group described in each knowledge area and to understand their relationships and interdependencies during project planning and implementation:

**Inputs.** For all practical purposes, inputs are “things.” They are generally deliverables (tangible work outputs) and are, in many cases, the outputs of other business or