Project Management Fundamentals

Get to Know the *PMBOK® Guide 5th Edition*

**PROJECTinsight**
Project & Portfolio Management Software
Initiate Project Intelligence®
Moderator

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Things to Know...

- All participants will be on mute
- Questions are welcome
  - Please use the questions box to ask questions
  - The moderator will select questions
  - All questions will be answered today or by email at info@projectinsight.net
- Webinar recording available in the PI Community
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Project Management Institute
Poll: Who Is on the Call?

Are you:

- A Project Manager without your PMP certification?
- A PMP in the role of a Project Manager?
- A program manager?
- Just looking for ways to use Project Insight more effectively?
Goals of the Fundamentals Series

- Deepen your understanding of fundamental project management concepts
- Identify tools and techniques that can be implemented to manage projects more effectively
- Discover practical applications for your existing projects
- Use project management software more effectively
**POLL: Why?**

Why are you interested in learning about the *PMBOK® Guide* changes? (Select all that apply.)

- I want to keep my project management knowledge current
- I am planning to take the PMP exam after July 31, 2013
- I teach others project management related skills
- I may volunteer to participate the next time it is updated
**POLL: I have...**

What is your experience with the *PMBOK® Guide* changes?

(Select all that apply.)

- I know PMI published an updated *PMBOK® Guide* in January 2013
- I downloaded or purchased a copy of the updated *PMBOK® Guide*
- I briefly glanced at or skimmed the updated *PMBOK® Guide*
- I have studied the updated *PMBOK® Guide* in detail
- I compared/contrasted the update *PMBOK® Guide* to the new Program and Portfolio standards
Objectives of This Webinar

- Describe the differences in the *PMBOK® Guide* 4th edition and 5th edition
- Highlight the components of the new knowledge area, Project Stakeholder Management
- Define best practices to implement within Project Insight
Why Make Changes to the *PMBOK® Guide*?

- Reflect the current consensus regarding project management knowledge and practices
- Include comments and feedback deferred from 4th Edition update as appropriate
- Edit for greater consistency and clarity
- Harmonize with other PMI standards
Why Make Changes to the *PMBOK® Guide*?

- Reposition *The Standard for Project Management* as a stand-alone, ANSI-approved standard
- ANSI standard – requires periodic review
- Ensure alignment with ISO 21500 [12]
What’s the BIG Change?

- New knowledge area: Project Stakeholder Management
- Much of the content was previously included in Project Communications Management
- Goal is to effectively engage stakeholders in project decisions and execution
- Appears to focus on stakeholders outside the project team
Why the Split?

- Eliminate confusion
  - Distribute Information vs. Report Performance
- Eliminate overlap
  - Control Scope, Control Schedule & Control Cost
- Focus Project Communications Management on communications needs and activities
- Emphasize stakeholder engagement in project decisions and activities
Project Stakeholder Management

- **Identify Stakeholders** – generally the same focusing on using stakeholder analysis to complete a stakeholder register
- **Plan Stakeholder Management** – focuses on strategies to engage stakeholders and manage their expectations
- **Manage Stakeholder Engagement** – communicating and working with stakeholders to increase support/minimize resistance
- **Control Stakeholder Engagement** – monitoring and adjusting stakeholder strategies
Plan Communications Management – generally the same resulting in a communications management plan; previously called Plan Communications

Manage Communications – create and distribute project communications including performance reports; previously called Distribute Information

Control Communications – monitoring communications to ensure stakeholder information needs are met; previously called Report Performance
Overall Changes

- ITTOs, project documents, project management plan
  - Developed basic rules
    - Description
    - Usage
    - Mapping to other processes
    - Sequencing

- Added 4 planning processes
  - Scope, schedule, cost, stakeholder management

- Meetings were added as a tool in many areas
Overall Changes (cont.)

- Changed titles of many processes, e.g.
  - Plan Quality ➔ Plan Quality Management

- Harmonized with other PMI standards
  - Glossary terms – harmonized with *PMI Lexicon of Project Management Terms*
    - What? You didn’t even know about the Lexicon?
  - Introduction – Chapter 1
Organizational Influences & Project Life Cycle

- Reorganized
- Expanded definitions of:
  - Stakeholders
  - Project team
- Added descriptions of predictive, iterative, incremental, and adaptive (agile) life cycles
Operational Stakeholders

- Sales
- Training
- Plant Supervisor
- Customer Call Center
- Line Manager
- Manufacturing Operator
- Maintenance
Question for You

How do you include operational stakeholders in your initiating or planning processes?

Please submit your ideas through the question box

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Project Management Processes

- **Standard for Project Management of a Project** moved to Annex A1
  - Allows for evolution of *PMBOK® Guide* separate from Standard

- **Redefined**
  - *Work performance data* – raw observations & measurements
  - *Work performance information* – data that has been analyzed
  - *Work performance reports* – physical or electronic compilations of information

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Refinements to ITTO

Differentiates between project management plan and project documents

- *Project management plan* includes all subsidiary plans, e.g. cost management plan

- *Project documents* are not part of the project management plan, e.g. cost forecast
**Project Scope Management**

- **Added Plan Scope Management**
- **Collect Requirements** expanded
  - Includes all requirements necessary for project success
    - Product/service deliverables, quality, other
- **Verify Scope ➔ Validate Scope**
  - More than accepting deliverables; they must add value and fulfill project objectives
Question for You

Besides the triple constraint, what other criteria might be necessary for your project to be considered a success?

Please submit your ideas through the question box

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Added *Plan Schedule Management*

In *Sequence Activities*, internal dependencies described separately

Differentiated between:
- Management reserves – for *unknown unknowns*
- Contingency reserves – for *known unknowns*

*Develop Schedule* includes:
- Sample critical path calculation (the hard way!)
- Agile concepts
- Differentiation between resource leveling & resource smoothing

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### Project Insight Display Options

#### Display Options

**Available Columns:**
- Actual End Date
- Actual Expenses Total
- Actual Hours
- Actual Rate
- Actual Start Date
- Actual Time Total
- Actual Total
- Attachments
- Billable Expense Total
- Billable Hours
- Billable Rate
- Billable Time Total

**Selected Columns:**
- Action Options
- Task Name
- Duration
- Work Hours
- Schedule Start Date
- Schedule End Date
- Resources
- Predecessors
- Admin

**Scale:**
- Week

**Date Range Type:**
- All Dates

**Quick Selection:**
- Planning View

**Column Options:**
- Wrap Text
- Pixels Wide

- Show Resource Assignments
- Show Critical Tasks In Red
- Show baseline as a separate row.
Project Cost Management

- Reflects changes in *Practice Standard for Estimating* and *Practice Standard for Earned Value Management 2nd Ed.*
- Added *Plan Cost Management*
- Differentiated between:
  - Management reserves – for *unknown unknowns*
  - Contingency reserves – for *known unknowns*
- Includes summary table of earned value calculations and descriptions
## Task Report - Total Budget

19 tasks matching query for project(s): Restaurant Distribution Improvement Project; And projects in Active state;

<table>
<thead>
<tr>
<th>Name</th>
<th>Duration</th>
<th>Start Date</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Kick-off</td>
<td>1d</td>
<td>Fri 10/1/10 8 AM</td>
<td>Fri 10/1/10 5 PM</td>
</tr>
<tr>
<td>Analyze current business process</td>
<td>10d</td>
<td>Mon 10/4/10 8 AM</td>
<td>Fri 10/15/10 5 PM</td>
</tr>
<tr>
<td>Marketing Plan</td>
<td>5d</td>
<td>Wed 10/6/10 8 AM</td>
<td>Tue 10/12/10 5 PM</td>
</tr>
<tr>
<td>Create Marketing Message</td>
<td>8d</td>
<td>Wed 10/13/10 8 AM</td>
<td>Fri 10/22/10 5 PM</td>
</tr>
<tr>
<td>Determine areas for improvement</td>
<td>10d</td>
<td>Mon 10/18/10 8 AM</td>
<td>Fri 10/29/10 5 PM</td>
</tr>
<tr>
<td>Review improvement opportunities with Management</td>
<td>2d</td>
<td>Mon 11/1/10 8 AM</td>
<td>Tue 11/2/10 5 PM</td>
</tr>
<tr>
<td>Approval on Improvements</td>
<td>3d</td>
<td>Wed 11/3/10 8 AM</td>
<td>Fri 11/5/10 5 PM</td>
</tr>
<tr>
<td>Design training materials</td>
<td>8d</td>
<td>Wed 11/17/10 5 PM</td>
<td></td>
</tr>
<tr>
<td>Create Order Intake to Shipping Report</td>
<td>10d</td>
<td>Wed 11/19/10 5 PM</td>
<td></td>
</tr>
<tr>
<td>Deliver marketing message through several channels</td>
<td>10d</td>
<td>Mon 11/8/10 8 AM</td>
<td>Fri 11/19/10 5 PM</td>
</tr>
<tr>
<td>Create Report on Shipments Same Day to Total</td>
<td>10d</td>
<td>Mon 11/8/10 8 AM</td>
<td>Fri 11/19/10 5 PM</td>
</tr>
<tr>
<td>Implement improvements</td>
<td>25d</td>
<td>Fri 12/10/10 5 PM</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>1/18/10 8 AM</td>
<td>Mon 11/22/10 5 PM</td>
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<td>2/13/10 8 AM</td>
<td>Fri 12/17/10 5 PM</td>
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<td>1/10 8 AM</td>
<td>Wed 6/8/11 5 PM</td>
</tr>
</tbody>
</table>

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Added figure showing relationships between 5 process groups and:
- Quality assurance, quality control, cost of quality
- Plan-do-check-act (PDCA) model
- Initiate-plan-execute-control-close (IPECC) model

New figures describe the 7 quality tools
- Added SIPOC

In *Perform Quality Assurance*, added descriptions and figures for other quality tools
Project HR Management

- Updated definitions of
  - Plan HR Management
  - Acquire Project Team
  - Develop Project Team

- Expanded on benefits and disadvantages of virtual teams
Question for You

What are the major advantages or disadvantages of virtual teams in your organization?

Please submit your ideas through the question box

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**Project Communications Management**

- **Identify Stakeholders** and **Manage Stakeholder Expectations** moved out.
- **Distribute Information** and **Report Performance** revised to highlight differences and how they interact with **Control Scope**, **Control Schedule**, **Control Cost**.
- **Distribute Information** → **Manage Communications**
- **Report Performance** → **Control Communications**
Project Risk Management

- Shifted terminology from positive risk to opportunity
- Introduced term *risk profile*
- Added descriptions of:
  - *Risk attitude* – willingness to accept risk
  - *Risk appetite* – degree of uncertainty that is acceptable in return for a reward
  - *Risk tolerance* – degree of risk that is tolerated
  - *Risk thresholds* – measures of probability or impact that indicate where an organization will accept a risk or take action

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Project Procurement Management

- Administer Procurements
- Control Procurements
- No other major changes
Review

- What differences are important to you between the PMBOK® Guide 4th edition and 5th edition?
- What are the 4 processes in Project Stakeholder Management?
- Questions & Answers ???
Goals of the Fundamentals Series

- Deepen your understanding of fundamental project management concepts
- Identify tools and techniques that can be implemented to manage projects more effectively
- Discover practical applications for your existing projects
- Use project management software more effectively
Books for Credentials

- Achieve PMP® Exam Success
- Achieve CAPM® Success
- Program Management Professional (PgMP®) Study Guide

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- Discover concepts, tools and ways to better manage projects

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2013 Fundamentals Webinar Series

- The 2nd Wednesday of Every Month - 8:00am PT

- Topics
  - Jan 9 – Estimating Time
  - Feb 13 – Estimating Cost
  - Mar 13 – Get to Know the PMBOK® Guide 5th Edition (NEW!)
  - April 10 – Identifying and Managing Risk
  - May 8 – Meeting Effectiveness
  - June 12 – Agile PM: What It Is and What It Isn’t
  - July 10 – A New Focus on Stakeholders
  - Aug 14 – Avoiding Communication Pitfalls
  - Sept 11 – Mastering Business Networking
  - Oct 9 – Delivering Quality in Projects
  - Nov 13 – Earned Value Basics
  - Dec 11 – The Global Challenge in Projects

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Register Ahead of Time

- Go to www.projectinsight.net

- 2 ways to register:
  - Free Project Management Training
  - Training & Webinar Calendar
Earn PDUs

- You will automatically receive your PDUs via email after the webinar
- For further questions: Janelle.Abaoag@projectinsight.com
- Earn 1 PDU for each webinar session attended
- To register your PDUs go to www.pmi.org
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- Select Category B – Continuing Education
- Knowledge Areas: All
- Process Groups: All
- Enter the information provided on your proof of attendance
- Click continue

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