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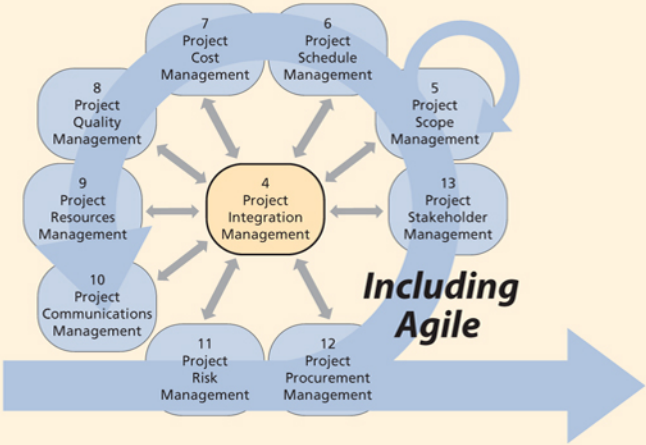

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A POCKET COMPANION TO PMI'S

PMBOK® GUIDE

SIXTH EDITION

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A Pocket Companion to PMI's

PMBOK® Guide

Sixth edition

A quick introduction to
'A Guide to the Project Management Body of Knowledge'
(PMBOK® Guide)

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Anton Zandhuis PMP
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Colophon

Title:	A Pocket Companion to PMI's *PMBOK® Guide* - Sixth edition
Series:	PM series
Authors:	Anton Zandhuis PMP Thomas Wuttke PMP
Reviewers 2nd edition:	Alfonso Bucero (PM Consulting) Portfirio Chen (PM Consultant) Iain Fraser (Project Plus Ltd) Alfred J. Howard (PM by Pros) Crispin Piney (PMI France Sud) Ray Riedel (HP USA) Rodney Turner (Lille University) Thomas Walenta (IBM Industrial Sector, Automotive & Electronics North)
Reviewers 3rd edition:	Portfirio Chen (PM Consultant) Iain Fraser (Project Plus Ltd) Thomas Walenta (IBM Industrial Sector, Automotive & Electronics North) Bill Yates (Velociteach)
Reviewers 4th edition:	Thomas Dubois (Threon) Stef Cuisinier (Independent ICT consultancy)
Text editor:	Steve Newton
Publisher:	Van Haren Publishing, 's-Hertogenbosch, www.vanharen.net
ISBN hard copy:	978 94 018 0110 2
ISBN eBook:	978 94 018 0111 9
Editions:	First edition, first impression, December 2009 Second edition, first impression, March 2012 Third edition, first impression, February 2013 Fourth edition, first impression, April 2019
Layout and typesetting:	Coco Bookmedia, Amersfoort - NL
Copyright:	© Van Haren Publishing, 2009, 2012, 2013, 2019

Published on behalf of the PMI Netherlands Chapter – Publications Board, www.pmi-netherlands-chapter.org

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Preface

Billions of dollars are spent globally each year on projects across all industries and sectors. Delivering projects successfully, and as agile as possible, has become essential for an organization's growth and survival in the long run. Success is due to more than just coincidence or the effectiveness of just one individual project manager. To make these 'miracles' happen, it requires project management knowledge as well as an understanding of basic Agile principles from all project stakeholders and some well-defined and understood processes to ensure focused cooperation. This collaborative mindset and actions of all project stakeholders enables real cooperation towards the project's success. It will bring a large improvement in continuous successful project delivery in environments which are changing more rapidly than ever before. With this pocket companion to PMI's *PMBOK® Guide* we want to foster the creation of such a collaborative mindset and shared 'language', for our project environments which become more and more international and multi-organizational.

Based on the success of 'A Pocket Companion to PMI's *PMBOK® Guide*' fifth edition, we had no hesitation in creating a new edition again, which is now fully aligned with the *PMBOK® Guide*' sixth edition (2017). If you are already familiar with the *PMBOK® Guide*, the title of this book, 'A Pocket Companion to PMI's *PMBOK® Guide*', will already set your expectations. However, if the *PMBOK® Guide* hasn't crossed your path yet: The *PMBOK® Guide* (*A Guide to the Project Management Body of Knowledge*) is widely recognized as a worldwide standard in project management, confirmed by the fact that more than six millions of copies are in circulation, starting with the first edition, issued in 1987 and now the Sixth Edition, published in 2017, which also integrated Agile concepts as this is a key part in our projects environments nowadays. However, this standard is rather voluminous and therefore, with this pocket edition, we provide a more easily accessible and shortened version, to facilitate an easy adoption by a wider audience, by providing a brief and straightforward introduction and high-level summary.

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What's really new to this Sixth Edition, compared to earlier editions, is that, along with some minor updates, each PM aspect – referred to as a knowledge area - now contains a section entitled Approaches for Agile, Iterative and Adaptive Environments, describing how these practices can be integrated in your projects. Also more emphasis is placed on a project manager's strategic and business knowledge - including discussion of the more business management-related documents - the business case and benefits management plan - which drive our projects.

At the **individual level**, this pocket edition is especially useful for the key stakeholders in projects, which includes project sponsors, project managers and project team members, as these are the three key roles we distinguish in this book. It is also useful when acting in a project governance or project supporting role (for example as a member of a Project Management Office, PMO) or as a program or portfolio manager. It will support all these project stakeholders in two ways:

- Better fulfillment of their role in projects based on an understanding of basic good practices in project management;
- Improved application of an organizational-wide shared project management approach.

This will become a fundamental tenet for jointly realizing the organizational strategy.

At the **organizational level** it allows for a structured and well supported life cycle-driven project approach, as well as ensuring all project stakeholders are speaking 'the same language'. This will improve the practical application of project management processes; understood by all and consistently applied. The flexibility of the concept doesn't prescribe a rigid structure; it enables all organizations and project teams to adapt it to their level and needs, both in Agile and lean project management environments.

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When issuing the *PMBOK® Guide,* the Project Management Institute (PMI) aimed to create an international guideline in project management. Many project management methods refer to this standard. It is recognized as an ANSI standard for project management processes. The 'ISO 21500 Guidance on Project Management' shares the same structure (with only slightly different names) and displays more than a 90% overlap with the processes mentioned in the *PMBOK® Guide.* Other global standards tend to follow the same direction. The *PMBOK® Guide* is, therefore, a fundamental input when cooperating in projects and jointly striving for project success.

Research confirms that organizational excellence in project management brings clear tangible benefits for organizations which implement projects continuously, to keep up with the ever-faster changing environments and demands. We encourage you, your project management community and project stakeholders collectively, to become familiar with the *PMBOK® Guide's* knowledge and processes to reap and increase these benefits.

Finally, by continuing the series of the *PMBOK® Guide* pocket companion with a new edition, we also want to pay tribute to our former co-author, Paul Snijders, who has sadly passed away in 2014, and with whom, as a team, we started the initiative of issuing the companion to the *PMBOK® Guide*.

March 2019,
Anton Zandhuis, PMP
Thomas Wuttke, PMP

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Chapter 1
Introduction

1.1 Purpose of this Pocket Companion to PMI's *PMBOK® Guide*

This pocket companion to the *PMBOK® Guide* is intended as a brief reference to aid in quickly understanding the purpose, background and key elements of the *PMBOK® Guide* Sixth Edition.

What is the added value of the *PMBOK® Guide*? The *PMBOK® Guide* is recognized worldwide as a foundational reference for the application of project management knowledge and good practices. Research has confirmed that it clearly enhances the successful delivery of projects. Project environments that consistently apply this fundamental project management good practice approach not only show better project performance in terms of lower costs and shorter delivery times, they also show higher customer satisfaction. So, there are many benefits to gain from the application of project management good practices, as described in the *PMBOK® Guide*.

When working in a project management environment, which is far more dynamic than 'normal' operations, good communication is essential for supporting good collaboration. Whether you follow a more classical 'Waterfall' like development approach, or apply Agile working principles in your projects, it's key that all stakeholders within your project management environment share 'one common language', which is understood by everyone involved, particularly by the project's key-stakeholders. The purpose of this pocket guide (why) is to quickly establish a shared mindset, vocabulary and terminology, on project management and Agile fundamentals. If we have a common understanding of the basic management deliverables (what), the key-roles and responsibilities (who), the processes (how) and their logical order (when), we

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will achieve increasing levels of collaboration and real teamwork that are key for project success.

What is it not? It is definitely not a 'project management recipe book'. The project manager and the team, using their experience and common sense, remain ultimately responsible for deciding what good practices shall be applied to the specific project at hand, closely cooperating with the project sponsor and the management and stakeholders of the user organization.

It's also not a project management methodology. It can be used as a shared reference for creating a project management methodology at the organizational level, based on these worldwide shared good practices.

In a nutshell, this pocket book is intended as a key contributor and tangible asset, when introducing and reinforcing concepts of Agile project, program and portfolio management in your organization for improved communication and cooperation. It supports an organizationally wide implementation of an Agile project management culture, bringing you the benefits of 'the right projects delivered fast and right'!

In chapter 3 you will find a more detailed description about the *PMBOK® Guide*, its fundamental definitions and its structure. In chapters 4 to 13 we will further detail the areas of project management knowledge and their underlying processes. In chapter 14 we will take a closer look at basic Agile principles as described in PMI's Agile standard, which was issued in combination with the *PMBOK® Guide* Sixth edition.

1.2 Practical tips for using this pocket guide

On the additional cover page attached to the back cover of this book, all knowledge areas and applicable processes and chapter numbers are listed. On the pages of the pocket guide each chapter is recognizable by the icon

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representing the applicable knowledge area on the side of the page, enabling you to quickly locate the appropriate topic.

Key terms and definitions are explained in a restricted selection from the Glossary of the *PMBOK® Guide*, in appendix A.

1.3 Project management and its value

Several companies have built a good reputation for being able to consistently deliver top quality projects. However, quite a lot of organizations are still struggling with this. Do you recognize the following characteristics?

- Projects without a focus on optimum benefits realization - which should in fact be the key driver and the reason for the existence of the project;
- Projects mostly delivering too late, over-budget, or without meeting even the key functionality requirements of the project sponsor and end-users;
- Projects may somehow be 'successful' in the end but only through heavy stress and overtime work;
- Project managers do it 'their way' as there are no, or poor, organizational guidelines for project management processes and techniques;
- The project work undertaken by resources from within the line organization is not carefully planned-for as a valuable part of the operations planning, instead it is typically regarded as 'next to your *real job*';
- There is no overall insight available on all the projects being undertaken in the organization, nor on their associated effort, or cost versus the added value;
- There is extra pressure on operational budgets as project budgets do not separate the effort, and therefore the cost, of internal workforce since they are 'already paid for';
- The required work for managing projects proactively is not accounted for in the project plan, because project management is regarded as a waste of time, instead of being recognized as assuring improved business value realization.

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Do you recognize the above? Having disciplined project management is the way to overcome these shortcomings. The value of a mature project management practice in your organization, using well defined and communicated project management processes, will enable better communication to deal with contingencies proactively. This will substantially and continuously increase the chances of project success. It will establish specific management procedures and processes for changing your business which will, in turn, enable increased business benefits.

Every organization has its unique culture and faces diverse challenges. Also, organizations start with a different situation and set of problems to be resolved. In order to define the value of project management, we firstly need to define exactly what is meant by project management, as this is a broad concept. Then we can look at the various aspects of project management and show the value associated with each aspect.

PMI definition*:*
Project management is the application of knowledge, skills, tools and techniques to meet project requirements.

This is accomplished by the application of project management processes. Research shows that, with the increasing complexity and faster changing environments that businesses are faced with, projects managed by the structural application of good practice-based processes show consistently better performance in areas such as, but not limited to:

- 'Deliver as promised' by realistic expectation-setting through up-front project definition, more realistic planning and estimation;
- Faster delivery through the reuse of commonly shared and known project management processes combined with Agile planning and delivery principles;
- Less 'surprises' during project execution, utilizing proactive project management processes;
- Improved customer satisfaction and less rework by delivering the right product or service, right, the first time.

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These opportunities, together with the savings offered by organizational project management excellence, are tangible. But the value proposition for project management is much greater and also includes less tangible benefits like:

- A highly committed and motivated team that can work together through effective communication and goal setting;
- An inspiring project environment with a 'can-do' mentality through ambitious yet realistic commitments;
- Transparent and improved decision making at all organizational levels through more effective project communication;
- Continuous learning and improvement, at individual, team and organizational levels.

These qualitative benefits will even reinforce the quantitative advantages, which will guarantee that an organization is able to excel.

1.4 Successfully fulfilling your role as project sponsor, project team member or project manager

Understanding your role in a project and acting accordingly is vital for project success. Therefore we highlight the three key roles which are the major contributors in realizing a successful project:

1. The **project sponsor** acts as the continuous link between the line organization and the project. It is the sponsor who is responsible at the start for defining the business case and the benefits management plan for the project; why should we be doing this project; what are the organization's needs and how can we assure that, when the project result is delivered, the organization is ready to use it for realizing that business case? When the project is approved, the project manager takes over the responsibility for 'delivery of the defined project objective'. The sponsor still fulfills an ever- important role for ensuring the project objective is aligned to the project goal. The sponsor should, amongst other things, ensure that the organization sticks to its initial decisions regarding

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goal setting, thus preventing constant priority changes based on daily operational issues. The project sponsor, therefore, plays an important role in ensuring that there is sufficient support from functional and operational management, which in turn fulfills a key role in assigning the appropriate resources to the project team. The sponsor should also support the organization's readiness to effectively deal with the project objective when it is delivered, as this is where the benefits realization will start. For realizing this, the project sponsor must work closely together with the project manager. The fluent communication between these two roles is crucial for both project and organizational success.

2. The **project (management) team member** is typically responsible for delivering the expertise and work needed to create the project result. During the initial phases of the project, their focus is on defining the best approach and developing a feasible high-level plan for the project; in other words, the planning. During the execution phases, based on their expertise, they realize the project objective and specific subcomponents. It is essential that the organization taking over the responsibilities at the end of the project has enough representation within the project team, , as this will help to ensure the smooth transition of the project objective to the operational or sponsoring organization.
3. The **project manager** is ultimately responsible for the delivery of the defined project objective. Key elements in this role are stakeholder management and guiding the project team and the appropriate stakeholders in selecting and applying the right project management processes at the right time. But everything must be undertaken with an eye on the delivery of the project objective. The project manager must take advantage of the project sponsor's business knowledge and influential position and escalate all issues or business-related problems that cannot be solved by the project management team.

In every project these key roles that are needed for its successful delivery should be clearly described and understood, so that every stakeholder can act accordingly.

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Figure 1.1 clearly describes the common relationships between the line and project organization, and shows where each role is positioned.

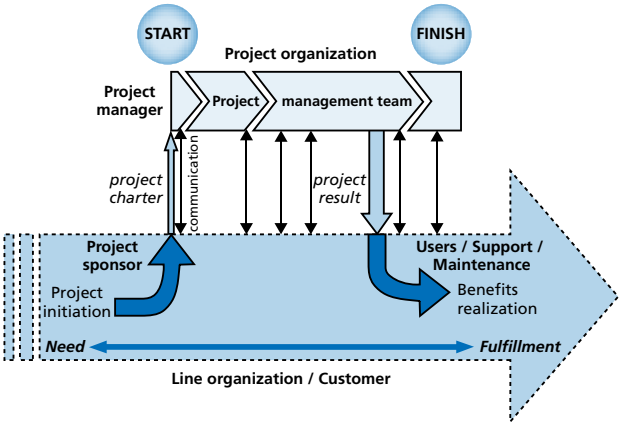

Figure 1.1 Common relationship between line and project organization

1.5 FAQs

We have identified some typical questions one could ask when first confronted with project management or the *PMBOK® Guide*. If applicable, we provide a reference to the *PMBOK® Guide* where more detailed information can be found.

What is a project?

PMI definition:
A project is a temporary endeavor undertaken to create a unique product, service or result.

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