



PRINCE2[®]

7th Edition

Masterclass

Handbook



Handbook 5

Copyright



*The Swirl logo™ is a trademark of AXELOS Limited, used under permission of AXELOS Limited.
All rights reserved.*

*PRINCE2® is a registered trademark of AXELOS Limited, used under permission of AXELOS Limited.
All rights reserved.*

*Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited.
All rights reserved.*

Cover and internal design © The Projex Academy
V1.0 March 2024

<https://www.projex.com>

All rights reserved. No part of this book may be reproduced in any form or by any electronic or mechanical means, including information storage and retrieval systems – except for brief quotations in articles or reviews – without permission in writing from its publisher, David Geoffrey Litten.

All brand names and product names used in this book are trademarks, registered trademarks, or trade names of their respective holders.

PRINCE2 7th Edition

PRINCE2[®] Seventh Edition Masterclass

Module 5

Lesson 1

Organizing Practice Introduction

Based upon AXELOS[®] PRINCE2[®] materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition Organizing Practice Learning Outcomes - 1

FOUNDATION: Explain the purpose of the 'organizing' practice

Describe the key relationships between the 'organizing' practice and the principles

Explain the purpose of the key management products required to support the 'organization' practice:

- PID: project management team structure
- PID: role descriptions
- PID: commercial management approach

Define key concepts related to the 'organizing' practice:

- Project board
- Project team

Describe the guidance for effective organizing of:

- The three project interests
- PRINCE2 roles
- Work breakdown structure

Describe the PRINCE2 technique for the 'organizing' practice



Based upon AXELOS[®] PRINCE2[®] materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition Organizing Practice Learning Outcomes - 2

PRACTITIONER:

Apply the PRINCE2 'organizing' practice, demonstrating an understanding of:

a) the key management products required to support the 'organizing' practice:

- PID: project management team structure
- PID: role descriptions
- PID: commercial management approach

Analyse whether an approach to applying the 'organizing' practice is effective and fit for purpose, taking into consideration:

The PRINCE2 principles, and the effective management and associated techniques of the practice, and tailoring to the project's environment/context

b) The areas of focus for key roles associated with the 'organizing' practice

c) Effective management and associated techniques

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Module 5 Organizing Syllabus

Organizing essentials
Applying the PRINCE2 practices
Project management team structure
The three project interests
The four organizational layers
Roles and responsibilities of the project management team
The work breakdown structure
Organizational design and development
Delivery models
The RACI chart

Applying the organizational context
Applying organization commercial context
Delivery method
Sustainability
Project Scale
The commercial management approach
Project management team structure
Role descriptions
Organizing practice principle relationships



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

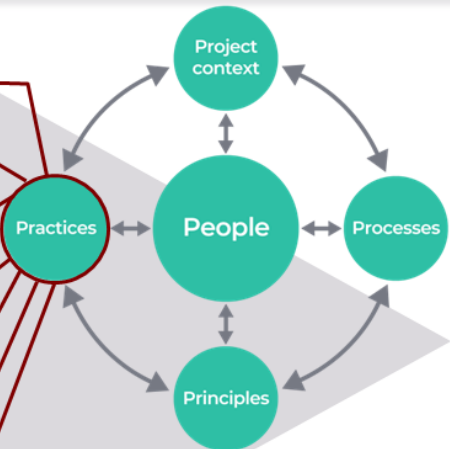
The integrated elements of PRINCE2

The PRINCE2 practices describe aspects of project management that must be continually addressed as the project progresses through its lifecycle

Designed to support application and tailoring

All 7 practices should be applied, varied according to context

Business case
Organizing
Plans
Quality
Risks
Issues
Progress



Management approaches define procedures, techniques, standards and responsibilities

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Applying the PRINCE2 practices - 1

It is expected that the **PRINCE2 method** will be **applied and tailored** to ensure it is fit for purpose for the project's context, **and** this will include the way the **PRINCE2 practices** are applied

The PRINCE2 practices are designed to help the **project management team** apply and **tailor the method**, principally through a suite of **management approaches** (such as the benefits management approach)



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Applying the PRINCE2 practices - 2

Each **management approach** defines the procedures, techniques, and standards to be applied and the responsibilities for that aspect of the project management to be effective

Contextual factors such as the project's importance, risk, and urgency will influence the **level of control** required, which will determine the degree of **formality and frequency** of monitoring, reviewing, reporting, and decision-making

All seven practices should be applied in a project. However, they vary according to the scale, risk, the people and organizations involved, and the complexity or simplicity of the project concerned



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PRINCE2® Seventh Edition Masterclass

Module 5

Lesson 2

Organizing Essentials

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Organizing essentials

Roles and responsibilities must be defined for the project management team

No amount of scheduling or control will help without the right people

Everyone involved in the project must know the expectations of them and others

Effective communication between roles should be planned and agreed upon

Roles can be shared or combined if necessary

Projects must have an explicit **project management team** structure

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

A successful project management team

Has **business, user, and supplier** stakeholder representation

Ensures appropriate **governance** by defining responsibilities at each level

Reviews the project roles throughout the project

Has an effective approach to manage **communication flows** to and from stakeholders

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

The Organizing Practice - 1

The purpose of the organizing practice is to define and establish **the project's structure of accountability and responsibilities** (the 'who')

Projects are complex **ecosystems** comprising an ever-changing web of relationships

For a project to succeed, it is essential to establish an effective **project management team** structure that supports navigating this complexity

For this reason, one of **PRINCE2's principles** states that projects must:

Define **roles, responsibilities, and relationships** for the project within an organizational structure that engages with and represents the **interests of business, user, and supplier communities**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

The Organizing Practice - 2

Projects require people with the necessary **skills and knowledge** to collaborate to deliver the products

These people may come from **within** the organization, or **external suppliers** may be used for their skills and knowledge

The PRINCE2 method requires that certain roles (with associated responsibilities) are fulfilled on every project

If the responsibilities are fully allocated, the roles can be **shared or combined**, within certain limits, to align with the **skills and capabilities** of the project team and the project's needs

In a successful team, **business, user and supplier** stakeholder interests are represented and responsibilities defined

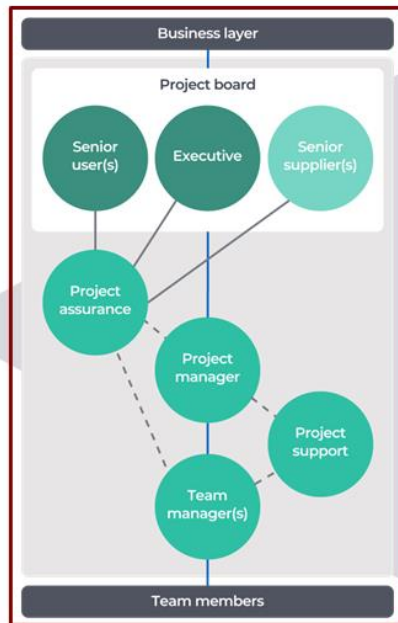
Project roles are reviewed throughout the project, and an effective approach to manage **communication flow** is established



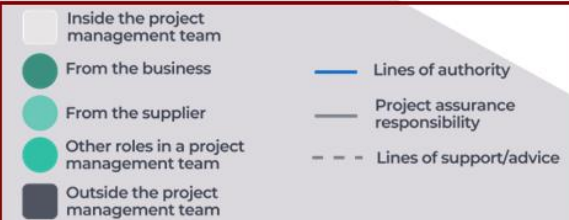
Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project management team structure - 1



PRINCE2 requires that certain roles (with associated responsibilities) are fulfilled on every project



Provided responsibilities are fully allocated, **roles** can be **shared or combined**, within limits, to align with the skills and capabilities of the **project team** and the **project's needs**

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

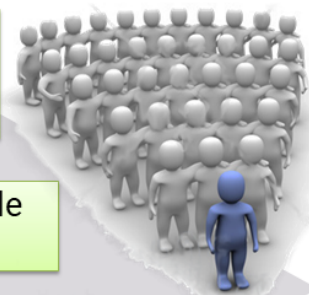
Project management team structure - 2

The **project management team structure** is composed of the project board, project manager, team managers, and project assurance and project support roles

PRINCE2 uses the term **project team** to cover all people required to allocate their time to the project

Projects are created to meet a **business need**, which needs to be continuously justified as value for money throughout the lifetime of the project

PRINCE2 defines a **project executive** role to represent this viewpoint on the project



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PRINCE2® Seventh Edition Masterclass

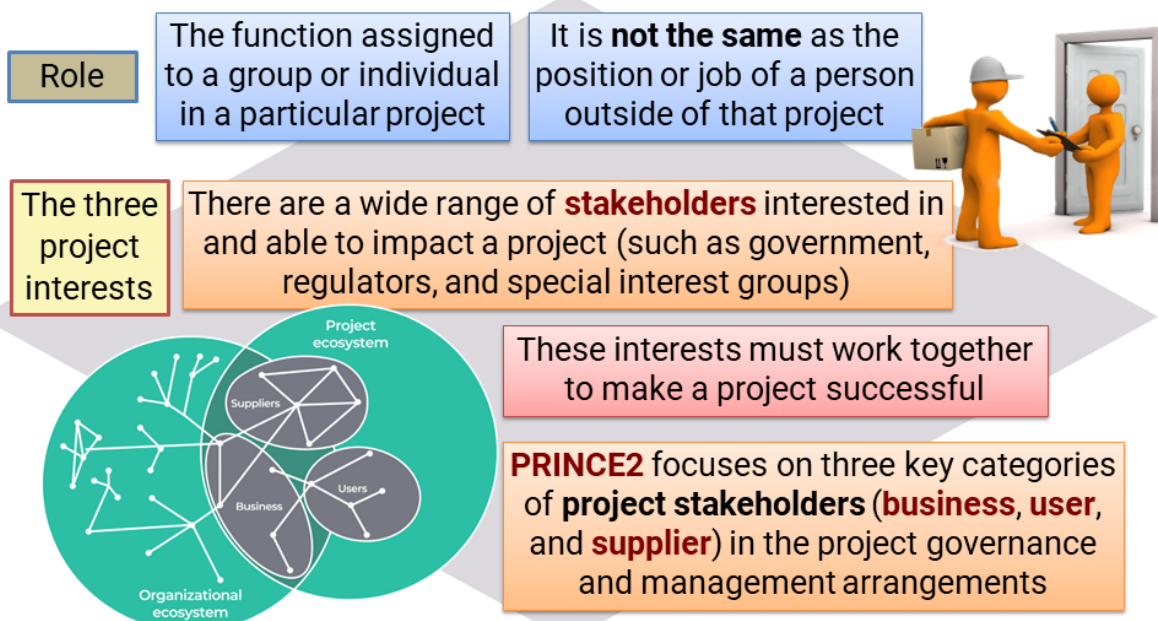
Module 5

Lesson 3

Organizing Project Interests

PRINCE2 7th Edition

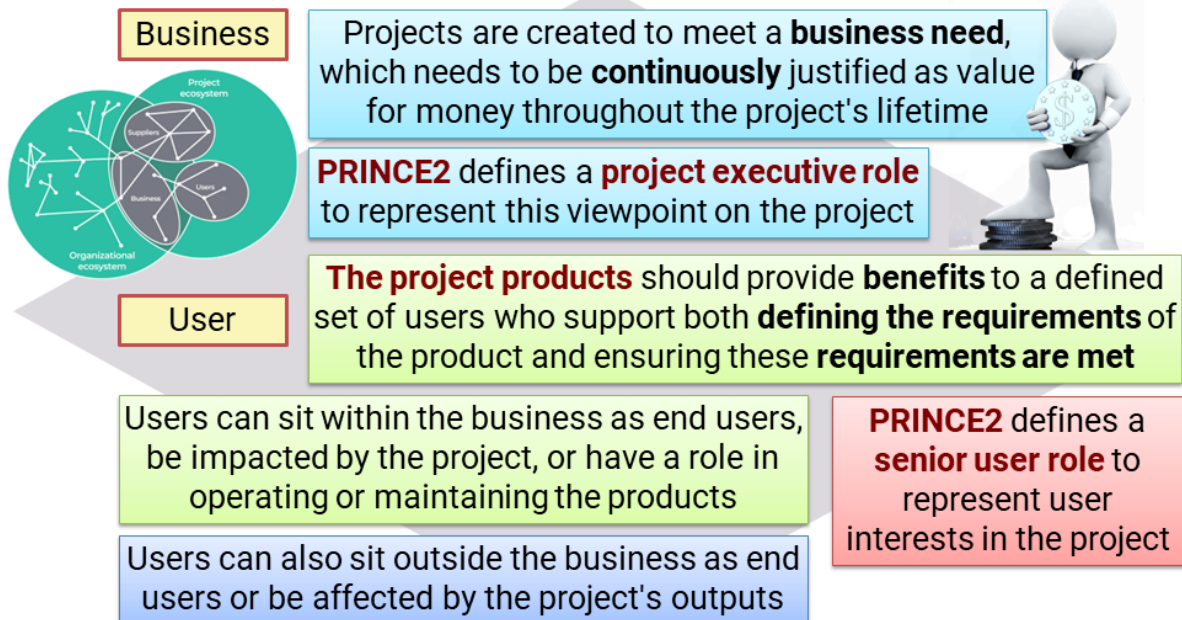
The three project interests



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

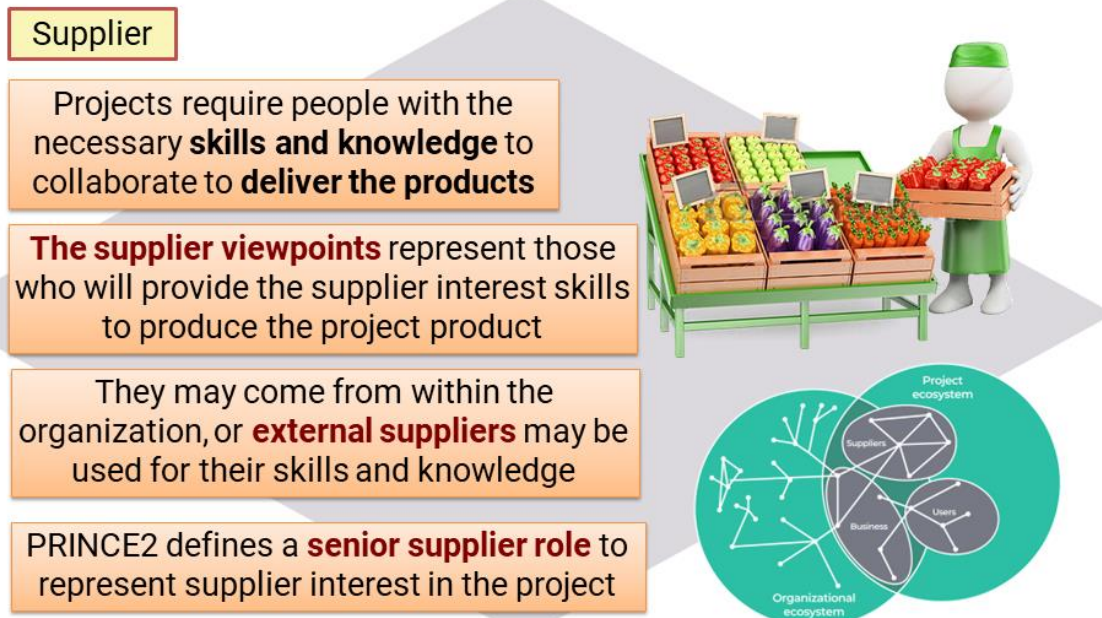
The business and user project interests



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

The supplier project interests



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

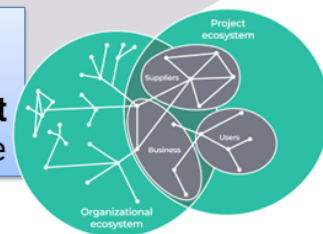
The project board interests - 1

Project board

The business, user, and supplier interests are brought together on the project board, which is accountable for the project's success

Accountable to the business for the success of the project and has the authority to direct the project within the remit set by the business

The PRINCE2 **manage by exception principle** supports **day-to-day management** of the project enabling **multi-layered decision-making at the most local level** where the knowledge and capacity reside



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

The project board interests - 2

All PRINCE2 projects must have a project board comprising the project executive, senior user, and senior supplier roles

On small and less complex projects, the project executive role can be combined with the senior user or the senior supplier roles

It is not recommended to **combine** the senior user and senior supplier roles for decision-making conflicts of interest and ensure the user and supplier communities perspectives and interests are adequately represented on the project

The project board has authority and responsibility within **project tolerances** set by the business, often captured in a project mandate

They are responsible for creating the right environment for the project to succeed



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project board roles and responsibilities - 1

Having sufficient **funding**, people, and resources to deliver the project objectives

Establishing clear feedback loops to support **adapting and evolving the project**

Assuring all aspects of the project's performance and products independently of the project manager

Ensuring business strategy and objectives are reflected in the **business case**

Ensuring the project and its **management approaches** are aligned to the business' environmental, social, and governance (**ESG**) commitments

Setting **stage tolerances** to enable **management by exception**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project board roles and responsibilities - 2

Governing the project and determining the rules, constraints, shared values, and perspectives needed to guide decision-making at all levels

Establishing the **tolerances** and change budget to support effective decision-making

Focusing on the **safety and well-being of the project team**

Monitoring and supporting **social cohesion** within the **project ecosystem**

Relationships at the interface of the **organizational ecosystem** and **project ecosystem**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PRINCE2[®] Seventh Edition Masterclass

Module 5

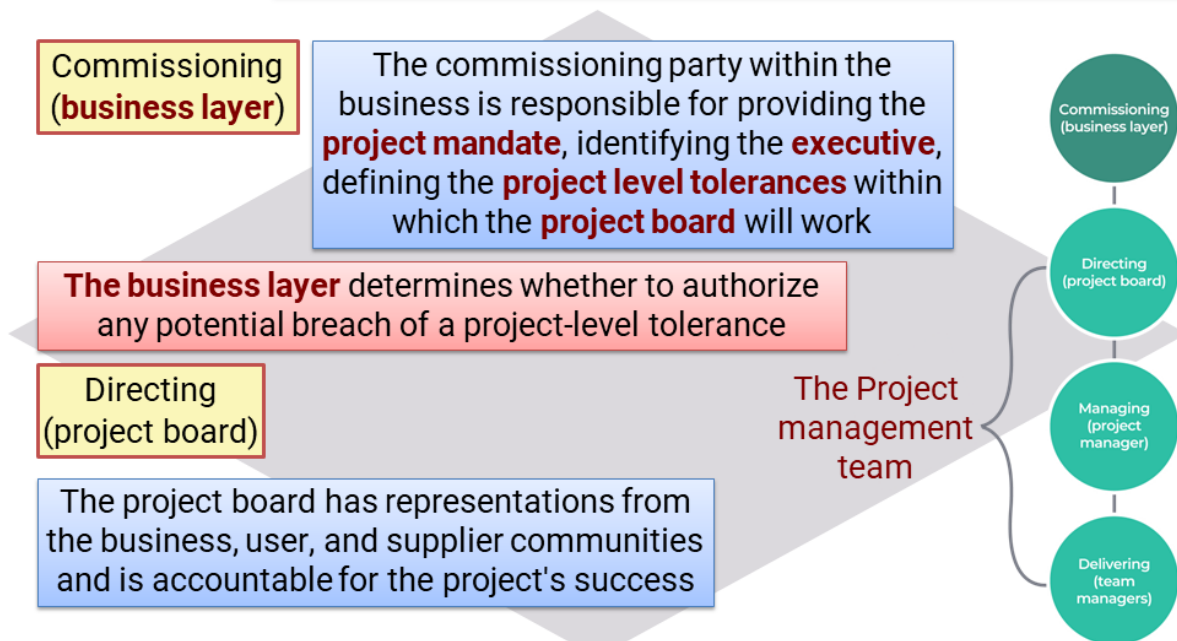
Lesson 4

Organizational Roles & Responsibilities - 1

Based upon AXELOS[®] PRINCE2[®] materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

The four organizational layers - 1



Based upon AXELOS[®] PRINCE2[®] materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

The four organizational layers - 2

Directing
(project board)

Responsible for the overall direction and management of the project within the constraints established by the business layer

The project board **authorizes** the start and completion of each stage, including **setting stage tolerances** (such as people, timelines, resources, and sustainability targets)

Responsible for determining whether to authorize any deviation that **breaches** or is **forecast to breach** the agreed **stage tolerances**

Responsible for communicating with the business and other impacted stakeholders as decided in the **communication management approach**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

The four organizational layers - 3

Managing
(project manager)

The project manager is responsible for the **day-to-day management** of the project within the **constraints** established by the **project board**

Primary responsibility is to **manage** the relationships within the project to ensure that the project produces the **products** by the strategic objectives and the agreed requirements

Delivering
(team managers)

Responsible for the **day-to-day management** and decision-making for their **element of the project** within the constraints established by the **project manager**

Co-creating where required with other team members from across the **project ecosystem**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition Role and responsibilities of the project executive

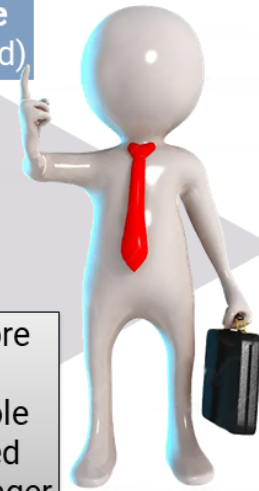
Appointed by the business as the single point of project accountability, the executive is ultimately **accountable for the success of the project** (this accountability cannot be delegated)

The project executive **secures funding** for the project and is responsible for the **business case** and the continued business justification of the project

Responsible for effective **project governance** in a way aligned to the business strategy

Ensures longer-term thinking on topics such as environmental, social, and economic impacts

There cannot be more than one project executive and the role **cannot** be combined with the project manager



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition Role and responsibilities of the senior user

Represents the user community and is accountable for the approach taken to **capture user requirements** and for the **specification of benefits** aligned to the **business case**

The role is responsible for:

Ensuring **user** buy-in to the **approach**

Monitoring products against the requirements in line with the business case

Demonstrating to the business that **forecasted benefits** in the business case are **on track** to being realized

Controlling change to requirements and benefits

Successful handover and **adoption** of **products** into the business

Depending on the user community scale and complexity, **more than one person may represent users**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Role and responsibilities of the senior supplier

Represents the **supplier community** that is involved in all aspects of delivering the project products, and must ensure sufficient ongoing **commitment of people and resources** from the supplier to **support the project work**

The senior supplier is accountable for the **quality of the products** delivered by the suppliers and for the **technical integrity** of the project

Depending on the scale and complexity of the supplier community, **more than one person may represent suppliers**

Projects require people with the necessary **skills and knowledge** to collaborate to deliver the products

These people may come from **within the organization**, or **external suppliers** may be used for their skills and knowledge



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project assurance - role and responsibilities

Project board members are accountable for the **assurance** of their respective areas of concern

Project board members are responsible for establishing **how project assurance** will be undertaken, ensuring clarity in the roles and responsibilities and how those appointed to assurance roles will **interact** with each other

Project board members may appoint **separate individuals, but not** the project manager, team members, or project support



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PRINCE2® Seventh Edition Masterclass

Module 5

Lesson 5

Organizational Roles & Responsibilities - 2

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project manager role and responsibilities - 1

Has the authority to **run the project** on behalf of the **project board** within the agreed **project tolerances and constraints**

Responsible for **day-to-day management** of a project, including:

Managing and delegating the work to the **team managers** or **team members**

Setting the **work package tolerances** and constraints for the team managers and project support roles to work within



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project manager role and responsibilities - 2

Monitoring and supporting the safety and well-being of **team members** and the **sustainability** of the project approach

Ensuring decisions are being made in line with the project board guidance and **tolerances**

Managing **relationships** within the **project ecosystem**

Depending on scale, complexity, skill and capacity, the **project manager** may also perform the **team manager** and **project support roles** or delegate these **directly to team members**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Team manager role and responsibilities - 1

Delivery depends on the **size and complexity** of the project

The team manager role may be assigned to the **project manager** (e.g., on a small project) or to a **separate person**, who is accountable to the project manager

The project manager allocates work to a team manager through **work package descriptions** in line with the commercial management approach,

The team manager manages **relationships** in their teams and interfaces with other teams



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Team manager role and responsibilities - 2

Responsible for delivering the **work** allocated to teams within the **tolerances and constraints** agreed with the **project manager**, through:

Delivering the products to the agreed specifications

Setting the tolerances and constraints for team members to work within

Ensuring team decisions are in line with the **project manager's guidance** and the tolerances

Managing relationships both within their team and any interfaces with others

Monitoring and supporting the **safety and wellbeing** of team members and the **sustainability** of the team's approach



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project support - role and responsibilities

Responsible for providing **services** such as: administrative support, facilitating meetings and workshops, advice and guidance on the project tools, planning support, risk management, issue management, and change management

Although the role is the responsibility of the **project manager**, it can be delegated to suppliers, individuals, or groups within the business or to other team members

Project support must be kept **separate** from **project assurance** roles to maintain the **independence** of assurance

A project office may be set up



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

The Work Breakdown Structure - 1

Supports the project manager in
structuring teams and setting boundaries

Most useful when there are multiple work packages and particularly when there is a mix of **internally staffed and externally supplied work packages**

There is a fundamentally different character and set of relationships between an **internal agreement** and an **external contract**, therefore, it is better to **manage them separately**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

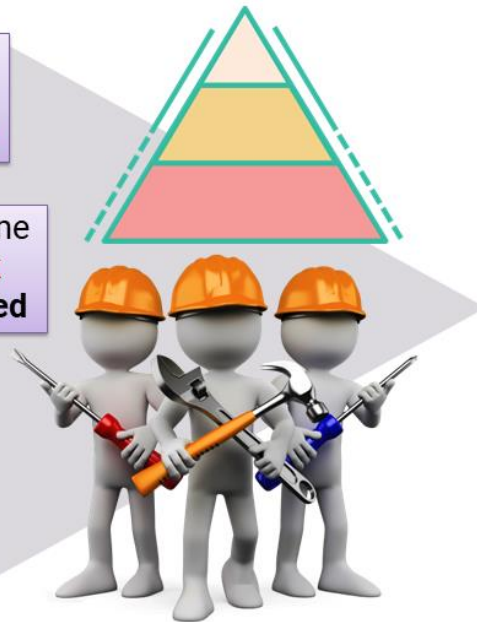
PRINCE2 7th Edition

The Work Breakdown Structure - 2

The former makes clear the internal staff effort level, and for the latter, it is useful in creating a **statement of the work required**

For a **simple project**, such as delivery of one work package with a small team, a **work breakdown structure would not be required**

A hierarchy of all work to be done during a project that forms a link between the **product breakdown structure** and the **work packages**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

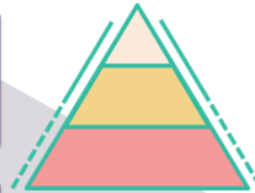
PRINCE2 7th Edition

The Work Breakdown Structure - 3

The work breakdown structure is a representation of the hierarchy of work to be done during a project, which is typically represented visually

If a single **work package** is being used in the project, it is best that it does not include both **internal and external** team members

The work breakdown structure creates a link between the **work packages** and the **product breakdown structure**, supporting the project manager in determining how to **structure project teams and the boundaries between them**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PRINCE2® Seventh Edition Masterclass

Module 5

Lesson 6

Organizational Design & Development - 1

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Organizational design and development

Several areas such as culture, collaboration, relationships, and ultimately, effective project teams, can be addressed by proactive organizational design and development

PRINCE2 has a **five-step** organizational design and development technique shown below:



If the business has **already** developed an organizational procedure, this could be used instead and documented within the **tailoring decisions** in the **project initiation documentation**

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Understand organizational ecosystem - 1

STEP ONE

Understand organizational ecosystem

This is necessary to successfully design the project organization and determine how the **project ecosystem will develop** as a **distinct entity** from the **organizational ecosystem**, with **alignment** and an **effective interface** where required

Projects unite people from organizations with defined organizational structures and corporate governance requirements

An understanding of the **organizational ecosystem** is required to **design** a successful project organization and determine how the **project ecosystem** will develop as a distinct entity from the above

As a **temporary organization**, the **project approach** needs to define how the project will interface and align with the **organizational ecosystem**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Understand organizational ecosystem - 2

STEP ONE

Understand
organizational
ecosystem

There should be clarity on who retains **responsibility for issues** such as:

people management: for example, performance management, rewards, advancement, and wellbeing

governance: for instance, which decisions are subject to corporate governance or governance pathways

management approaches, such as policies, procedures, and ways of working

how and when: the transition of project team members on and off the project



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Design the project ecosystem - 1

STEP TWO

Design
project
ecosystem

Project organizational design describes **organizing work and people** to achieve the project's objectives. This includes:

determining the project **team structure**

determining the **people and resources** needed

implementing integrated **working practices**

developing the project behaviours and **culture**



Subject to the project's **scale, complexity, project approach,** and **delivery method,** the organizational structure may need to **transition at different stages of the project**

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

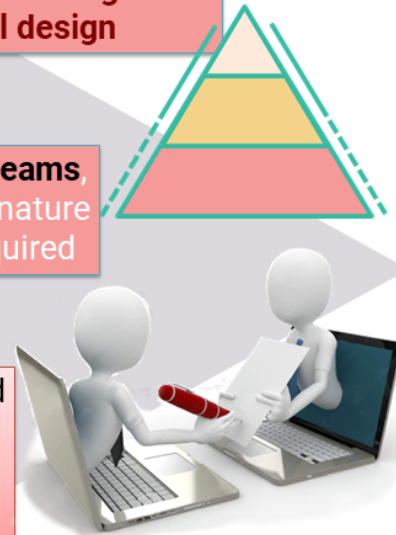
PRINCE2 7th Edition

Design the project ecosystem - 2

The **work breakdown structure** and the **commercial management approach** inform the project's **organizational design**

These will determine the **number and size of teams**, which **organizations** they come from, and the nature of any **customer or supplier relationships** required

The capabilities required of a project delivered by people entirely from **within the business** will differ from those required of a project delivered mainly by **external suppliers**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Design the project ecosystem - 3

The **project executive**, supported by the **project manager**, is responsible for the project's **organizational design**

Subject to the scale and complexity of the project, the **project executive** may need to **delegate** this responsibility:

... as with project organizational design, it is essential to recognize that this requires people with **specialist skills and resources** with the appropriate **capabilities**

... within the organization if they have this skill set

... **outsource** the responsibility to a **specialist supplier**

The design is documented in the **project initiation documentation**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition
 PROJEX ACADEMY

PRINCE2® Seventh Edition Masterclass

Module 5

Lesson 7

Organizational Design & Development - 2

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Develop the project ecosystem - 1

STEP THREE

Develop
project
ecosystem

Project **organizational development** involves **implementing, adapting and evolving** the organizational design as the project progresses

The project ecosystem will need ongoing development in response to **changing project needs**, team members, and **emerging relationships**, so the project delivers its objectives and continuously improves

The change management approach to deliver new capabilities to the **organizational ecosystem** can also be used to provide **new capabilities** to the **project ecosystem**

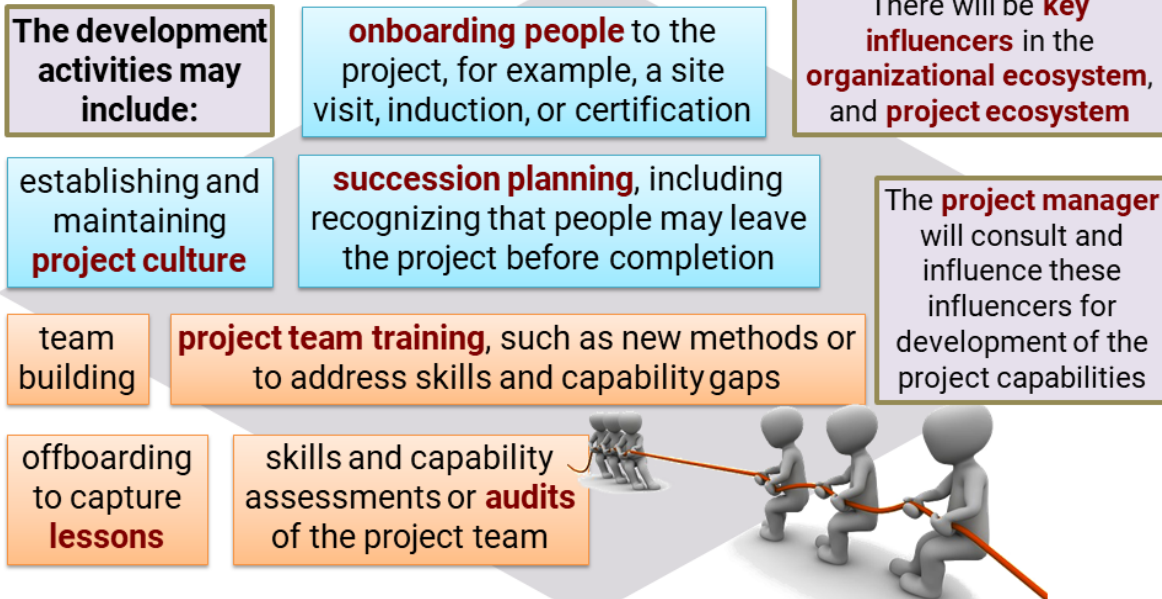
... particularly in preparing **transition points**, such as appointing a **key supplier**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

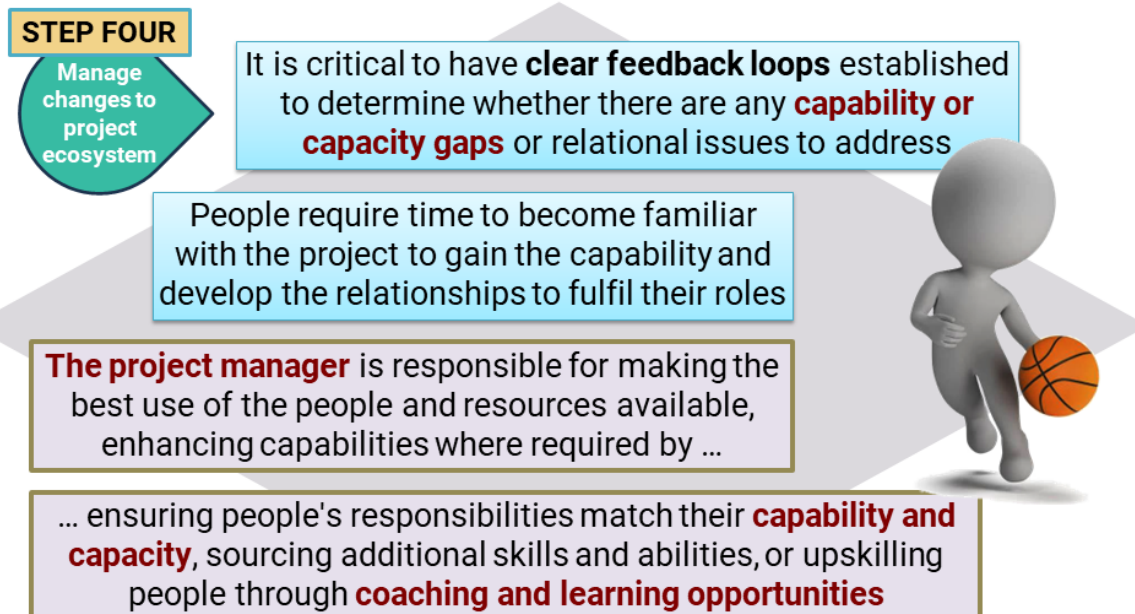
Develop the project ecosystem - 2



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Manage changes to project ecosystem - 1



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Manage changes to project ecosystem - 2

The **capabilities** required on a project will change over the project lifecycle, requiring the project manager to ensure the **commercial management approach** supports this, transitioning people onto and off the project as needed and enhancing capacity and capabilities

The **project manager** must also ensure that a robust **change management procedure** is established to ensure the impact on different areas of the **project ecosystem** is considered in decision-making

One way this can be done is to identify **new capabilities** the **products** will provide and **review any barriers** to embedding this new capability into **business-as-usual** activities



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Manage changes to project ecosystem - 3

Clarifying these barriers early in the project lifecycle will highlight **new project risks or issues** and establish realistic expectations to **realise benefits**

These **transition points** in the required capabilities often define **a project stage**

This is an excellent point to **review the project management team structure** and the associated roles and responsibilities, ensuring that the **commercial management approach** supports the **proposed changes**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition Transition project into organization ecosystem

STEP FIVE

Transition
project into
organizational
ecosystem

Just like the project start, it is vital to understand the **organizational ecosystem** that the **products** of the project and any **remaining project team members** will be transitioning into

There are **three key aspects** the **project board** needs to consider as part of the transition:

Products:

ensuring all products have been accepted into the business and any ongoing associated product activities have business area ownership, e.g. developments, monitoring operating benefits, and product maintenance

People:

ensure remaining project team members are successfully transitioned back into the business or managed as per commercial arrangements for external suppliers

Learning:

ensuring effective means for sharing lessons and using the gained project work knowledge, as project team members may have acquired skills and capabilities that will benefit the business and organizations

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

 PROJEX ACADEMY

PRINCE2® Seventh Edition Masterclass

Module 5

Lesson 8

Delivery Models & RACI

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Delivery models - 1

The delivery model definition

The organizational and commercial arrangements to be deployed to meet the project **objectives given the project constraints** and capabilities of the user, business, and supplier organizations

It is described in the **commercial management approach** and reflected in the **project management team** structure

Delivery models range from **thin client models**, where most of the project work is undertaken by suppliers, to **thick client models**, where the business undertakes most of the work

In **thin client models**, the work to develop the project **products** and to manage the project, fulfilled by **external suppliers**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Delivery models - 2

The delivery model will define **which aspects** of **project management** will be in-house or external, and whether the work fulfilled by **external suppliers** will be contracted on a **product or labour basis**

Contracting on a **labour basis** means the **client** generally remains responsible for their **work performance**, whereas, on a **product basis**, the **supplier** remains responsible for their performance

In consultation with the **project manager**, the **project board** is responsible for determining the right balance between **in-house and external suppliers** and the required commercial arrangements

This is captured in the **commercial management approach**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Delivery models - 3

The **delivery model choice** can be impacted by how unique the project is to the business

For **highly unique projects** or where the project could become **political**, the **project board** may choose a model with a high level of **organizational input** to assure the work ...

... whereas, for more standardized work or where the **project board** (as the governing body) does not have the **technical capability** or understanding to make informed decisions or appropriately challenge the project teams ...

... a model utilizing the expertise of **external suppliers** to assure the work and support decision-making may be chosen

The delivery model should support **risk** allocated to the part of the **organizational ecosystem** most **capable of managing the risk**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

RACI Chart - 1

Although **PRINCE2** provides clarity on the **roles**, **responsibilities**, and **relationships** within the core project team, it can be useful to define the same for aspects of the **wider project ecosystem** using techniques such as a **RACI chart**



A **RACI chart** is a matrix of all the activities or decision-making authorities in the project that shows the people or roles involved

RACI stands for:

responsible: one or more people who perform the task
accountable: the single person who 'owns' the task
consulted: the people whose input is required for the task
informed: the people who are informed of progress or completion of the task

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

RACI Chart - 2

As there are usually many different people involved in any task, and they have differing responsibilities, a **RACI chart** makes the relationships and the authorities explicit

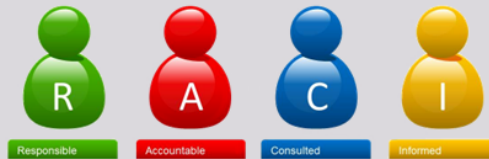
The benefits of a RACI chart include:

clarity of **ownership**

clear **responsibility** for delivery

stronger **teamwork**

visual format that **reduces confusion** and ensures there are no gaps



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PRINCE2® Seventh Edition Masterclass

Module 5

Lesson 9

Organizational & commercial context

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Applying the organizational context - 1

Projects exist within a broader organizational context e.g.

A one-off project delivered in-house functionally being **part of a programme**

A portfolio of project teamwork delivered through **multiple organizations**

A project that forms part of a **programme** may find that many **change management** activities will be coordinated and performed at programme level

It may be **impacted by the programme structure** and its various reporting requirements

The programme and project management **team structures and roles** need to be integrated such that:

Clear **lines of responsibility** and accountability from top to bottom

Duplication is **avoided**

Efficient reports and reviews, with collective project board members aligning stage boundaries and end-stage assessments for programme project reviews

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Applying the organizational context - 2

The integration of roles may involve the following:

The **programme manager** may be the **project executive** for one or more of the projects

Within a programme, there may be **multiple project boards**, a **single body** directing several projects (effectively replacing multiple project boards), or a **combination of both**

A **business change manager** from the **programme** may fulfil the project role of **senior user** (or have input into the appointment of the senior user) for one or more of the projects or be the **project executive** for one or more projects

A **single programme office** may take **project support** responsibilities for all projects



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Applying organization commercial context - 3

Where projects work together in **multiple organizations**, consider how to bridge different **working and governance practices**

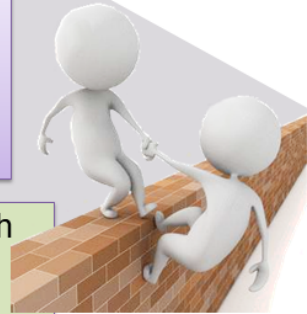
There may be **political business aspects** to consider when defining the **project organizational structure**

These will impact the **commercial management approach** and issues such as how **risk and reward** are allocated

Also, the **track record** of the business in delivering projects and competing interests on **issues** such as **competition** for the same people and resources

There are numerous ways to structure the **project management team** roles in a **commercial customer-supplier context**

The aim is to ensure that both organizations establish and maintain sound business justification for their work and that their **governance** is respected



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Commercial context considerations - 1

The project manager will generally come from the customer organization, and will need to understand their obligations under any contract with a supplier organization

Supplier staff may fulfil some of the project **team manager** roles (they may be called **project managers** in the supplier's organization)

Differences in job titles compared to their project role title need to be clarified

The customer may **increase project assurance** rigour and appoint its own staff to fulfil **project assurance**

Some projects may have the **project manager** coming from the **supplier's organization**, with the **customer** staying far from the working level and expect the supplier to manage the project



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Commercial context considerations - 2

There may be a **joint project board** with customer and engaged supplier representatives **The customer** may supply the **project executive** on this joint project board, with senior suppliers representing each supplier

The supplier may treat their **work packages** within the customer's project as a project within the supplier's organization, and may mean establishing a separate supplier project board

The relationship between such boards and the **customer's project board should be defined**

If there are **multiple suppliers**, with all represented on the **project board** providing a forum to integrate direction and decision-making



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Commercial context considerations - 3

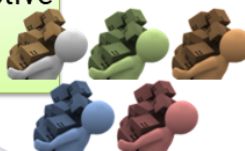
If there are **more than three or four suppliers**, it may be more effective for the **contracts manager** responsible for the performance of supplier contracts to sit on the project board on their behalf ...

... or maybe appoint a **prime contractor**?

Deciding to include **external suppliers** on the **project board** may be more **cultural based** on the customer's perception of the **risk of divulging commercial or financial issues**

During procurement, the project may need a **temporary appointment** from within the **customer organization** (such as from its procurement team) for the **senior supplier role** until a supplier has been appointed

When the **commercial management approach** requires a significant **project team change**, it should detail how **commercial arrangements** support project team members through the transition points, i.e. **Fixed-term stage contract**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PRINCE2[®] Seventh Edition Masterclass

Module 5

Lesson 10

Delivery Method, Sustainability & Scale

Based upon AXELOS[®] PRINCE2[®] materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Delivery method - 1

When a project is deploying a **specific delivery method**, the **project manager** will need to understand:

How will delivery method roles align with **PRINCE2 roles**?

Sometimes, a simple **terminology change** and minor role description amendments will be fine

e.g., **iterative-incremental product development** techniques often include the **product owner** role, which could be aligned with the **senior user** role

How will the **project manager** liaise with teams using different delivery methods from each other?

If **self-organizing** delivery teams are used, how do they relate to the **team manager** role?

Sometimes, **new roles** need to be added to the **project management team structure** and agreed how they relate to the **PRINCE2 roles**



Based upon AXELOS[®] PRINCE2[®] materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Delivery method - 2

If **self-organizing** delivery teams are used, how do they relate to the **team manager** role?

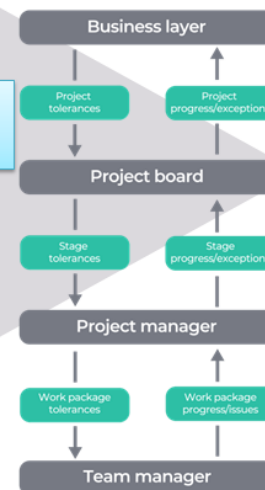
Would the **team manager** role be held by a **scrum master**?

Would it be held collectively by **team members**?

Would the **team manager**'s responsibilities be split between **team members**, **product owner**, and **scrum master**?

Using **management by exception** is **essential** to enable the **PRINCE2 method** and **iterative incremental techniques** to work together most effectively

This empowers the **project management team** and enables it to **self-organize** within **clearly defined boundaries**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Sustainability - 1

The **project executive** ensures the project remains aligned with the **business objectives**

This typically includes targets for environmental, social, and governance (**ESG**) objectives, the UN's sustainable development goals (**SDG**), and others

Projects are often used to deliver an organization's **sustainability targets**

You need clear accountability for **sustainability targets** across the **project ecosystem** captured in the **business case**, and the **requirement setting**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Sustainability - 2

The **project organization** impacts its ability to deliver **sustainably**

The **project approach** should empower team members to **deliver sustainably**, embedding **sustainability considerations** into all decision-making including diverse perspectives to challenge the way things have always been done

The **project management team structure and role descriptions** should define responsibilities for **sustainability target delivery**, including how they will be managed once the project is concluded

The **commercial management approach** should ensure products are **ethically procured** and the applied **performance measures** meet **sustainability targets**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project Scale - 1

The **project management team structure** could include breaking the **PRINCE2 roles** into **multiple appointments** on a large, complex project e.g., several senior users or senior suppliers could be appointed

However, it is good practice to keep the **project board** size as small as possible while still representing all **business, user, and supplier** interests

On large complex projects, the project board often needs to delegate authority to approve **requests for change** or **off-specification**

In this way, request handling and their progress will experience **faster responses**

The project board may establish a **change authority** distinct from the **project manager**, who reports to the board

The **issue management approach** states the **change authority** use and composition



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project Scale - 2

On smaller, more straightforward projects, staff may be assigned multiple roles if the **project manager** is separated from the **project executive** and **project assurance** is observed

The delegation to the **change authority** should align with agreed **project tolerances** with decision-making and ownership at the most **local level**, where such knowledge and capacity reside

Delegated authorities should be reviewed at **each stage** and whenever a **project tolerance** or **authorized person** changes

The project board clarifies who can make decisions within what **tolerances**

These authorities are agreed during **initiation** and captured within **role descriptions** and the relevant **management approach**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PRINCE2® Seventh Edition Masterclass

Module 5

Lesson 11

Management Products

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition The commercial management approach - 1

This is part of the **project initiation documentation**

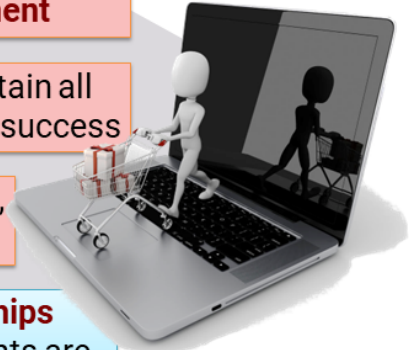
The **commercial management approach** purpose is to describe the procedures, techniques, and standards to be applied and the responsibilities for **effective commercial management**

This covers the approach to secure, service, and maintain all **commercial agreements** required for the project to be a success

This may include activities such as **market engagement**, **procurement**, and **contract management**.

Scope:

description of the **commercial relationships** required; for example, if any user agreements are needed, what supplier contracts are needed



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition The commercial management approach - 2

Delivery model:

description of delivery model for the project work (for example, elements of the work breakdown structure to be delivered by external suppliers)

Resources:

for market engagement, procurement, and contract management activities

Responsibilities:

defines the responsibilities for market engagement, procurement, and contract management activities

Supporting tools and techniques:

for example, tender systems or contract management systems to be used

Standards:

any market engagement, procurement, or contract management standards (i.e., procurement policies or existing procurement frameworks)

References:

any associated documents or products



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project management team structure

Part of the **project initiation documentation**

Purpose is to define who is **involved** in the project, **their relationships**, and **how they will work together**

It may also describe **relevant key personnel outside the project team**

Project structure:

chart showing structure of the team and reporting lines

Summary of authority and responsibilities:

governance arrangements, possibly in matrix form, showing **management levels**, the **decisions** they are **authorized** to make, who holds them **accountable**, and who **assures** them

Working practices for co-location or remote team arrangements

Supporting information:

other key personnel, relationships



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Role descriptions

The role descriptions are part of the **project initiation documentation**

The purpose of role descriptions is to describe the roles of those in the **project management team** and their **specific responsibilities**

Role:

name of role

Authority:

What the role has the authority to approve

Responsibilities:

list of responsibilities assigned to the role

Accountable to:

who the role reports to

Supporting information:

whether role is part-time/full-time, and if role is combined with another role

ROLES



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PROJEX ACADEMY

PRINCE2® Seventh Edition Masterclass

Module 5

Lesson 12

Key Relationships with Principles

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Organizing practice Principle relationships - 1

The **organizing practice** contributes to the adherence to **PRINCE2 principles** across the **project lifecycle**

Ensure continued business justification

Achieved by:

assigning someone from the **business** to the **project executive role** who represents the business viewpoint and has sufficient authority and availability to fulfil the role and be accountable for the project

Resulting in:

the project can **adapt** to **changing business needs** appropriate decisions are made that align with the **business case**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Organizing practice Principle relationships - 2

The **organizing practice** contributes to the adherence to **PRINCE2 principles** across the **project lifecycle**



Learn from experience

Achieved by:

using lessons to inform the **project management team structure**, **work breakdown structure**, and a healthy **project ecosystem**

Resulting in:

the **right people** are in the **right roles** at the **right time** to deliver the project



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Organizing practice Principle relationships - 3

The **organizing practice** contributes to the adherence to **PRINCE2 principles** across the **project lifecycle**



Define roles, responsibilities, and relationships

Achieved by:

developing an explicit **project management team structure** that ensures everyone involved is fully aware of their **responsibilities and relationships**

Resulting in:

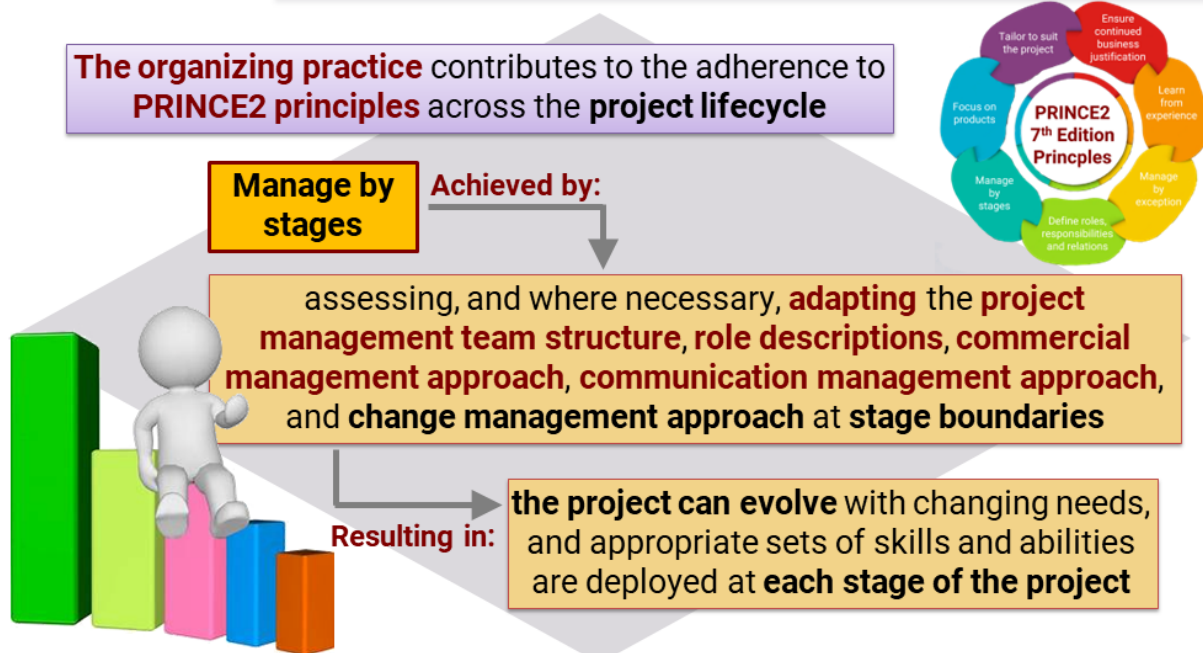
there is **no duplication of or gap in responsibilities**; there are **positive relationships** across the **project ecosystem** and between the **project** and **those impacted by the project**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Organizing practice Principle relationships - 4



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Organizing practice Principle relationships - 5



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

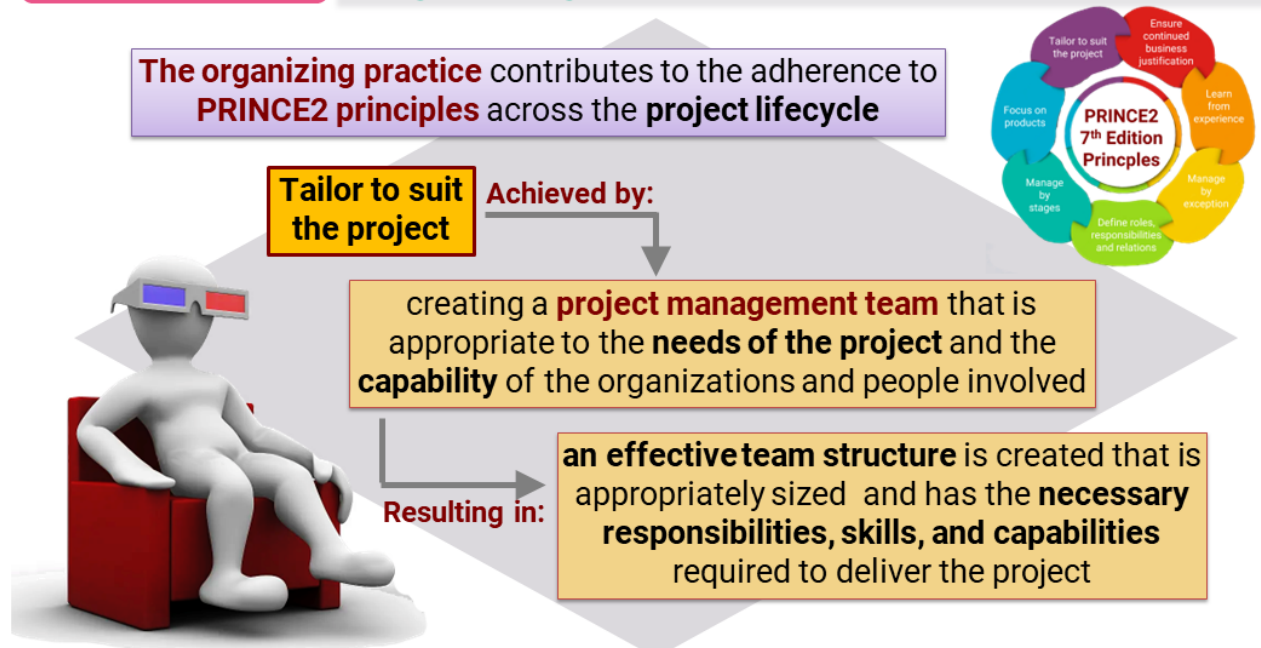
Organizing practice Principle relationships - 6



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Organizing practice Principle relationships - 7



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

PRINCE2® Seventh Edition Masterclass

Module 5

Lesson 13

Organizing Practice key role focus areas

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Organizing layer responsibilities

Business (commissioning) layer

appoint the **project executive** and
(possibly) the project manager

provide the **communications
standards** required by the business

provide information to the project
as defined in the **communication
management approach**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project executive responsibilities

Project executive

appoint the **project manager** (if not done by the business)

work with the **project manager** to confirm the **organizational design** for the project and **approve** the **project management team structure**

confirm **appointments** to the **project management team**

approve the **commercial management approach**, the **communication management approach**, and the **change management approach**

review and confirm the **project approach** and the choice of **delivery model** and ensure they are compatible with the business' **ESG objectives**



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Senior user responsibilities

Senior user

ensure appropriate level of **involvement** of people from the **user community**

contribute to **stakeholder analysis**



agree the **commercial management approach**, the **communication management approach**, and the **change management approach**

advise on the **people aspects** of the **user community**, for example, who the **key influencers** are



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project manager & team manager responsibilities

**Senior
supplier**

ensure appropriate level of **involvement** of people from the **supplier community**



agree the **commercial management approach** (if appropriate), the **communication management approach**, and the **change management approach**



advise on the people aspects of the **supplier teams**, for example, specific health, safety, and **wellbeing** requirements

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project manager & team manager responsibilities

**Project
manager**

prepare and update the **commercial management approach**, the **communication management approach**, and the **change management approach**

prepare **role descriptions**

design, review and update the **project management team structure** and **work breakdown structure**



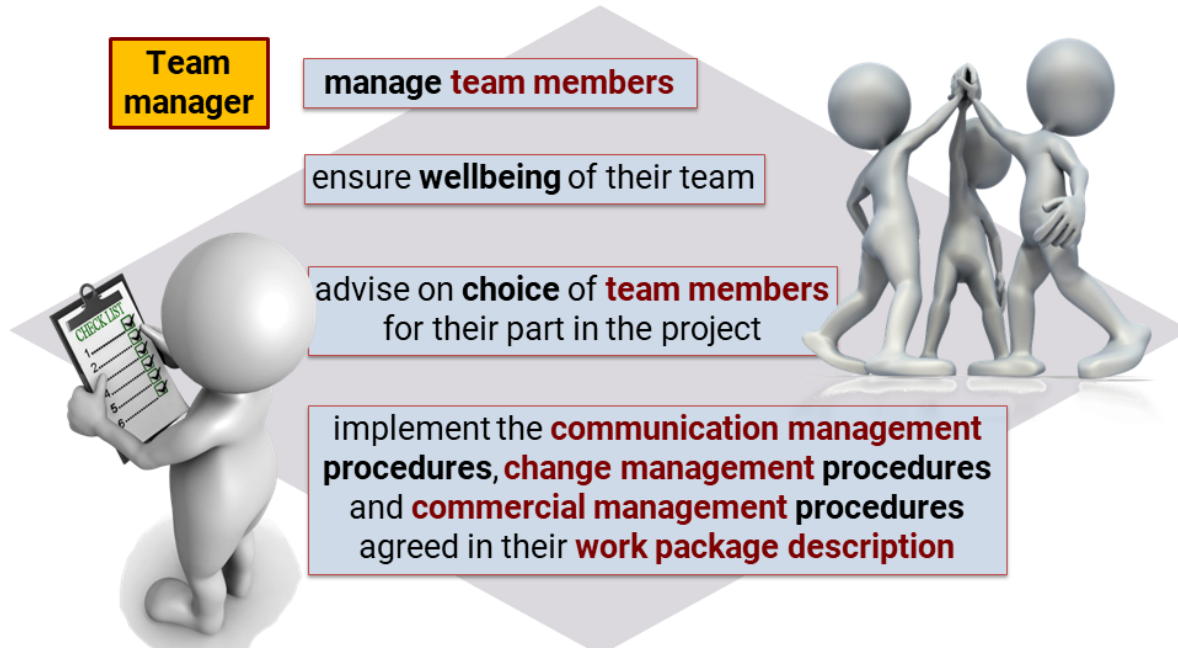
establish and maintain a healthy **project ecosystem** and ensure the **wellbeing** of the project management team



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project manager & team manager responsibilities



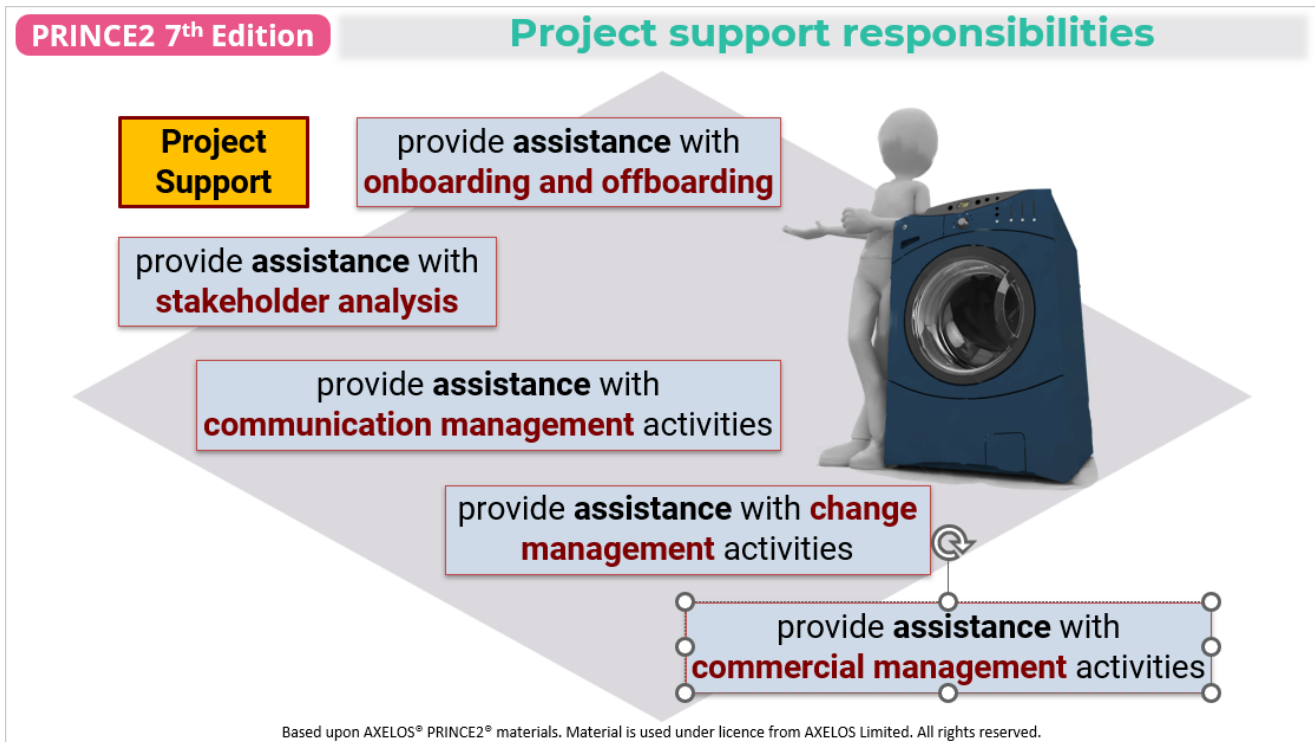
Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.

PRINCE2 7th Edition

Project assurance responsibilities



Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.



PRINCE2 7th Edition **Well Done! on completing Module 5!**

PART ONE	PART TWO	PART THREE	PART FOUR	PART FIVE
Module 1 PRINCE2 Overview ✓	Module 4 Starting Up a Project ✓	Module 7 Initiating a Project	Module 10 Product-based Planning	Module 13 Controlling a Stage
Module 2 PRINCE2 Principles ✓	Module 5 Organizing Practice ✓	Module 8 Risk Practice	Module 11 Plans Practice	Module 14 Managing Product Delivery
Module 3 People ✓	Module 6 Business Case Practice	Module 9 Quality Practice	Module 12 Directing a Project	Module 15 Managing a Stage Boundary
PART SIX	Module 16 Issues Practice	Module 17 Progress Practice	Module 18 Closing a Project	

Don't forget to carry out the module workshops!

Based upon AXELOS® PRINCE2® materials. Material is used under licence from AXELOS Limited. All rights reserved.



PRINCE2 7th Edition Module 5 Exercises



The objective of these exercises is **NOT** to replicate exam questions, but rather to test how much you have absorbed from the PRINCE2 7th Edition syllabus information within the video lessons.

I strongly recommend that you watch each video at least once, and you may find it helpful to skim over video sections for clarification.

I have deliberately not provided answers as I want to encourage you to go back over any video sections that you need to review to obtain the answer. I have included in this handbook graphics of each presentation slide used for each video, and you may prefer to use those instead of the videos.

Finding topic areas, you need to review is a powerful way of honing your PRINCE2 knowledge and gaining a pass in your exams.

1. Define the difference between PRINCE2 practices and management approaches
2. How do the practices inform the management approaches?
3. Complete the sentence: "Each management approach define the _____ and _____ to be applied along with the responsibilities for each"
4. From an organizing perspective, what are the FOUR attributes for a successful project management team?
5. Complete the sentence: "The purpose of the organizing practice is to define and establish the projects _____"
6. What are the THREE main stakeholders/project interests in a PRINCE2 project management team?
7. State the guidelines with regard for sharing, combinations and limits for how these THREE stakeholder roles can be filled
8. State the main objectives of the business, user and supplier roles in a project
9. What is the project boards objectives about accountability and authority?

10. What is it that the project board assures?
11. Which tolerance does the project board set?
12. What are the responsibilities of the commissioning layer within PRINCE2?
13. What are the responsibilities of the directing layer within PRINCE2?
14. What are the responsibilities of the managing layer within PRINCE2?
15. What are the responsibilities of the delivering layer within PRINCE2?
16. What are the project executive's accountability and responsibilities?
17. What are the senior user's accountability and responsibilities?
18. What are the project supplier's accountability and responsibilities?
19. Who owns project assurance, and describe the ways it can be implemented
20. Which roles cannot represent project assurance, and why?
21. What are the project manager's accountability and responsibilities?
22. What are the various ways the team manager role can be implemented, and what are the reasons for doing so?
23. The team manager is responsible for delivering work to the teams. There are THREE main responsibilities for this. What are they?
24. What are the typical activities project support will undertake, and what must it be kept separate from?
25. How is the work breakdown structure used and why is it important to use one?
26. What are the FIVE steps of organizational design and development? Can you explain the purpose of each step?
27. What is the project ecosystem?

28. What is the organizational ecosystem?
29. What should you include when designing the project ecosystem?
30. How does PRINCE2 recommend change procedures are managed to the project ecosystem?
31. What are the THREE aspects the project board needs to consider as part of transition step?
32. In which approach document will the delivery model definition be described?
33. What is the difference between thick and thin delivery models?
34. Why might the project board use external suppliers for the delivery model choice?
35. What does RACI stand for and what benefits does it give?
36. If a project forms part of a programme, how will the programmes roles be used with a PRINCE2 project?
37. How might the project management team be modified when multiple organizations are being used within a customer-supplier environment?
38. In an iterative-incremental product development, which role could the product owner take?
39. In an iterative-incremental product development, how could the team manager be used?
40. What does the project executive ensure regarding sustainability?
41. How does the commercial management approach assist in supporting sustainability?
42. How might change authority be tailored for simple and complex projects?
43. What is the purpose of the commercial management approach?

44. The organizing practice contributes to PRINCE2 principles across the project lifecycle. What are the positive outcomes each provides?

To help think this through, here are the SEVEN principles:

- Ensure continued business justification
- Learn from experience
- Define roles, responsibilities, and relationships
- Manage by stages
- Manage by exception
- Focus on products
- Tailor to suit the project

Example Scenarios

These are directly from the “Managing Successful projects with PRINCE2 Guide. The authors have included them for some of the chapters, so that you can read them to see an example of the topic you have been reading.

I have included all the scenarios in Handbook ONE for your easy reference.

In THIS case these relate to the Organizing practice Module. In each case these are:

**Based upon AXELOS® PRINCE2® materials.
Material is used under license from AXELOS
Limited. All rights reserved.**

Scenario: role of the team manager and who this might be.

Due to the specialist areas involved in the building of a shopping centre, the manager of the LouisShopping project has distributed the work by teams, where each team has been assigned a team manager reporting directly to the project manager.

The principal electrical building services engineer and the maintenance plumber, both from BuildyBrick, have been assigned as team manager for the electricity and plumbing teams.

Scenario: role of the team manager in the self-organizing agile team.

The software development team in the Data Knowledge project is an experienced agile team that values trust and self-organization.

The team has agreed that the team manager role will be held collectively by the whole team. This means that all the areas of the team manager’s responsibility will be the responsibilities of the whole team and each individual member of the team.

These areas of responsibility include planning, monitoring and managing progress, managing issues and risks, obtaining acceptance, and handover of products.

The team has also appointed one person, the single point of contact for the project manager, with whom the project manager will liaise and who will provide the project manager with all the information they need.

All the agile team role names will remain the same. These team arrangements have been accepted by the project manager as an appropriate tailoring of the PRINCE2 method at the team level.

Scenario: different team structures at different stages of a project

With multiple new products being released by Findef soon, it is paramount that adequate team structures are established for the different stages of the project.

Now that the project is at the beginning of stage 3 (detailed design), with early market testing for product 1 and DevOps upskilling as key planned activities, new teams will need to be formed.

The marketing agency contracted to advise on market testing, as well as the training company awarded the training contract for the upskilling of the DevOps team, will now have an active role as suppliers.

There will also be representation in the project board through the senior supplier role, who is responsible for managing the relationship with suppliers and conducting supplier assurance.

A change manager will also be appointed at this stage and is expected to work with the project management team to ensure that the change is effectively planned, managed, and embedded, in preparation for the soft launch of product 1 to MVP.

As the products progress to full launch and transition to BAU support, representatives of operations will start to become more involved with the project. They will work with the change manager to enable a smooth transition and effective user adoption.

Scenario: example of a delivery model

Since NowByou did not have professional project management capability in-house, a make-or-buy decision had to be made on how to deliver the new campaign against discrimination.

Due to the limited funding available to NowByou, it relied mostly on donations, and this

Decision was severely constrained by the resources available.

Cost was a major driver to not hire a specialist project management provider such as a consulting company. Nonetheless, NowByou understands that professional project management is an enabler of successful campaigns and vital to its long-term strategy.

Subsequently, a managerial decision was made to contract a professional project manager to set the foundations for good practices at NowByou and whose responsibility is also to build the project management capabilities of internal staff.

The other aspects of the project will be delivered internally, except for elements of consultation which will be undertaken by a number of voluntary organizations that NowByou collaborates with.

Scenario: suppliers attending part of board meeting

The LouisShopping project is approaching a critical stage, where the design of the new shopping centre is to be defined and agreed. BuildyBrick, the main contractor, is responsible for presenting design options that enable the infrastructure to be consistent with the environment.

This is while also offering modern facilities supported by the latest technology.

To allow the project board to ask questions about BuildyBrick's design proposals and receive complete and prompt responses and advice directly from the supplier, who retains technical expertise, the project manager has requested a permanent board arrangement.

Representatives of BuildyBrick attend the first part of every meeting. This is where a status update on design and delivery is presented, whereas the other part of the meeting is focused on matters related to the internal business case.

Scenario: representation on the project board

Sustainability concerns are not just about the environment but also manifest on how organizations manage the impact of their projects on local communities.

Because NowByou is targeting the homeless and refugees as two key groups covered by the new campaign, the NGO wants to put their words into action. It has invited two local organizations close to its headquarters to be actively involved in the campaign and have a seat on the project board with the role of senior user.

These two organizations will help the project team to understand the impact on the local community and that their interests are being taken into consideration.

They will also ensure that the decisions being made offer a sustainable outcome that could last beyond the campaign.

FOUNDATION QUESTIONS

1. Which statement about the 'define roles, responsibilities and relationships' principle is **CORRECT**?

- A. The project management team should consist exclusively of internal Stakeholders
- B. An organization's day-to-day management structures are likely to be suited to control the project work
- C. The project board should exclude external supplier representatives
- D. Suppliers are stakeholders that can be external to the business

2. Which statement describes how the principles support effective project management?

- A. They allow the project team to decide how the method should be applied on the project
- B. They take into account industry-specific models as PRINCE2 is generic
- C. They rely on a common vocabulary that should be applied as defined in PRINCE2
- D. They should be applied in the same way across projects within an Organization

3. Which activity should be managed carefully as part of 'leading across organizational boundaries', because it is likely to be performed by people outside the project team?

- A. Securing funding from the business layer for the business case
- B. Integrating new products into each impacted area of the business
- C. Gaining commitment for the realization of benefits post-project
- D. Delivering the products to the agreed quality specifications

4. A new team member has just joined the project team and will be going on a site visit. In which step of the organizational design and development technique should this occur?

- A. Develop the project ecosystem
- B. Understand the organizational ecosystem
- C. Design the project ecosystem
- D. Manage the ongoing changes to the project ecosystem

5. Which principle is being applied by the 'organizing' practice when the project executive ensures that decisions align to changing business needs?

- A. Focus on products
- B. Ensure continued business justification
- C. Learn from experience
- D. Manage by exception

6. According to the guidance for effective organizing, how should the commissioning party contribute to a project when it is started?

- A. By identifying the project executive in the project mandate
- B. By setting sustainability targets on a stage-by-stage basis
- C. By authorizing any breach of a project level tolerance that arises
- D. By being responsible for the overall management of the project

7. Which principle is being applied by the 'organizing' practice when actioning this feedback?

- A. Learn from experience
- B. Define roles, responsibilities, and relationships
- C. Manage by stages
- D. Tailor to suit the project

8. Which management product should specify individual accountability for sustainability targets?

- A. Role descriptions
- B. Project management team structure
- C. Product description
- D. Business case

9. What is defined as having the authority to direct the project within the remit set by the business?

- A. Project manager
- B. Project executive
- C. Project management team
- D. Project board

10. How should the senior user fulfil their responsibility for continued realization of benefits post project?

- A. By representing the work needed in a hierarchy to help organize the project
- B. By ensuring commitment from people in the user community to adopting the new products
- C. By defining how to assure the continued justification of the project
- D. By ensuring the technical integrity of the project products delivered to the users

11. A new team member has just joined the project team and will be going on a site visit. In which step of the organizational design and development technique should this occur?

- A. Develop the project ecosystem
- B. Understand the organizational ecosystem
- C. Design the project ecosystem
- D. Manage the ongoing changes to the project ecosystem

FOUNDATION ANSWERS

1. Which statement about the 'define roles, responsibilities and relationships' principle is **CORRECT**?

- A. The project management team should consist exclusively of internal Stakeholders
- B. An organization's day-to-day management structures are likely to be suited to control the project work
- C. The project board should exclude external supplier representatives

D. Suppliers are stakeholders that can be external to the business

D. Correct. Supplier stakeholders can be external to the organization. "Stakeholders can be individuals or groups within or external to the business... stakeholders outside the business could be trade unions, customers, suppliers, communities, interest groups, banks, or the media." Ref 2.3

2. Which statement describes how the principles support effective project management?

A. They allow the project team to decide how the method should be applied on the project

- B. They take into account industry-specific models as PRINCE2 is generic
- C. They rely on a common vocabulary that should be applied as defined in PRINCE2
- D. They should be applied in the same way across projects within an Organization

A. Correct. The principles guide how PRINCE2 can be tailored to best fit a project and its context. "To enable PRINCE2 to be used for such a wide range of projects, the method is flexible in how it can be used for any given project. Rather than prescribing what to do to align the method to the specific project, PRINCE2 offers guidance through principles." Ref 2

3. Which activity should be managed carefully as part of 'leading across organizational boundaries', because it is likely to be performed by people outside the project team?

A. Securing funding from the business layer for the business case

B. Integrating new products into each impacted area of the business

C. Gaining commitment for the realization of benefits post-project

D. Delivering the products to the agreed quality specifications

B. Correct. "... people within the business who are affected by the project but do not work within the defined project team" may contribute by "integrating new products into their area of the organization." Ref 3.3.1

4. A new team member has just joined the project team and will be going on a site visit. In which step of the organizational design and development technique should this occur?

A. Develop the project ecosystem

B. Understand the organizational ecosystem

C. Design the project ecosystem

D. Manage the ongoing changes to the project ecosystem

A. Correct. During the 'develop the project ecosystem' step, "the project ecosystem will need ongoing development in response to changing project needs, team members and their emerging relationships, ensuring the project is set up to deliver its objectives and to continuously improve. The development activities may include: onboarding people to the project, for example, a site visit, induction, certification." Ref 6.3.1.3

5. Which principle is being applied by the 'organizing' practice when the project executive ensures that decisions align to changing business needs?

A. Focus on products

B. Ensure continued business justification

C. Learn from experience

D. Manage by exception

B. Correct. The 'ensure continued business justification' principle is applied by the 'organizing' practice by "assigning someone from the business to the project executive role who represents the business viewpoint." This results in "the project is able to adapt to changing business needs" and "appropriate decisions are made that align with the business case". Ref 6.7 tab 6.5

6. According to the guidance for effective organizing, how should the commissioning party contribute to a project when it is started?

A. By identifying the project executive in the project mandate

B. By setting sustainability targets on a stage-by-stage basis

C. By authorizing any breach of a project level tolerance that arises

D. By being responsible for the overall management of the project

A. Correct. “The commissioning party within the business is responsible for providing the project mandate, identifying the executive, defining the project level tolerances within which the project board will work, and determining whether to authorize any potential breach of a project level tolerance.” Ref 6.2.2

7. Which principle is being applied by the ‘organizing’ practice when actioning this feedback?

A. Learn from experience

B. Define roles, responsibilities, and relationships

C. Manage by stages

D. Tailor to suit the project

A. Correct. The ‘learn from experience’ principle is applied by the ‘organizing’ practice by “using lessons to inform the project management team structure, work breakdown structure, and a healthy project ecosystem.” This results in “the right people are in the right roles at the right time to deliver the project.” Ref 6.7 tab 6.5

8. Which management product should specify individual accountability for sustainability targets?

A. Role descriptions

B. Project management team structure

C. Product description

D. Business case

A. Correct. Role descriptions describe “the roles of those in the project management team and their specific responsibilities.” This should include specify accountability for sustainability targets. Ref 6.5

9. What is defined as having the authority to direct the project within the remit set by the business?

- A. Project manager
- B. Project executive
- C. Project management team
- D. Project board**

D. Correct. The project board is defined as “Accountable to the business for the success of the project and has the authority to direct the project within the remit set by the business.” Ref 6.2.1

10. How should the senior user fulfil their responsibility for continued realization of benefits post project?

- A. By representing the work needed in a hierarchy to help organize the project
- B. By ensuring commitment from people in the user community to adopting the new products**
- C. By defining how to assure the continued justification of the project
- D. By ensuring the technical integrity of the project products delivered to the users

B. Correct. “The senior user must ensure sufficient ongoing commitment from people in the user community to support these activities, in particular where there is a longer term commitment beyond the lifespan of the project such, as the realization of benefits.” Ref Appendix B – senior user - overview

11. A new team member has just joined the project team and will be going on a site visit. In which step of the organizational design and development technique should this occur?

- A. Develop the project ecosystem**
- B. Understand the organizational ecosystem
- C. Design the project ecosystem
- D. Manage the ongoing changes to the project ecosystem

A. Correct. During the ‘develop the project ecosystem’ step, “the project ecosystem will need ongoing development in response to changing project needs, team members and their emerging relationships, ensuring the project is set up to deliver its objectives and to continuously improve. The development activities may include: onboarding people to the project, for example, a site visit, induction, certification.” Ref 6.3.1.3

PRACTITIONER QUESTIONS

Here are three roles relating to the NowByou Project.

Which individual (A-F) would be most appropriate for each role according to the 'organizing' practice? Choose only **ONE** individual for each role. Each individual can be used once, more than once, or not at all.

1. Project manager
2. Project executive
3. Senior supplier

ROLES:

- A. Chief Executive Officer**
- B. Graduate Trainees**
- C. Chief Finance Officer**
- D. Marketing Agency Director**
- E. Head of Publicity and Social Media**
- F. Head of IT**

4. NowByou has just made the decision to run the 6-month campaign as a project. As a result, the Director of Campaigns has appointed the Chief Finance Officer (CFO) as the project executive so that the 'starting up a project' process can commence.

Is this appointment an appropriate application of the 'organizing' practice, and why?

- A. Yes, because the CFO should be in a position to ensure that the project contributes to the financial standing of the organization
- B. Yes, because the project executive should be the single point of accountability for the Campaign against Discrimination Project
- C. No, because the Director of Campaigns is sponsoring the project and is advised and mentored by the Contracted Project Manager to oversee the project
- D. No, because the Head of Publicity and Social Media should be responsible for the outcome 'increased awareness of discrimination' from the delivered multi-channel campaign

5. NowByou has just made the decision to run the 6-month campaign as a project. As a result, the Chief Executive Officer (CEO) has appointed the Director of Campaigns as the project executive so that the 'starting up a project' process can commence. One of the graduate trainees is likely to be appointed as the project manager.

Is the appointment of the Director of Campaigns appropriate according to the 'organizing' practice, and why?

A. Yes, because the project executive role should be separate to the project manager role being fulfilled by the graduate trainee

B. Yes, because the Director of Campaigns should be well suitable to represent the interests of the CEO on the project

C. No, because the CEO is more experienced in the not-for-profit-sector and should be more suitable to fulfill the role of project executive

D. No, because the project executive should ensure that improved capacity planning leads to increased staff morale

The high-level requirements gathering and implementation of the chosen options will be carried out by an external marketing agency, CharityM. Here are three items of information to be included in the commercial management approach.

Under which heading of the commercial management approach (A-E) should the information be recorded?

Choose only **ONE** heading. Each heading can be used once, more than once or not at all.

Headings:

A. Scope

B. Delivery model

C. Resources

D. Responsibilities

E. Standards

6. The Head of Publicity and Social Media will work with the procurement team to agree the scope of work and terms with CharityM

7. The procurement team will provide two experts to work alongside the Head of Publicity and Social Media during stage 1 to agree the scope of work and terms with CharityM

8. The high-level requirements gathering and implementation of the chosen options will be carried out by an external marketing agency, CharityM.

9. The Chief Executive Officer has informed the Contracted Project Manager that they will be the single point of accountability for the project when developing the initial project management documentation. This is because of their track record of successful delivery in the not-for profit sector.

Is this an appropriate application of the 'organizing' practice, and why?

- A. Yes, because the project executive should be appointed by the Chief Executive Officer
- B. Yes, because the CEO should appoint a single project executive to be accountable for the project
- C. No, because the Contracted Project Manager cannot perform any other role on the project
- D. No, because the Contracted Project Manager cannot also perform the role of project executive

10. The Director of Campaigns has decided that the Contracted Project Manager should continue as project manager during stage 2. In addition, the Director of Campaigns has asked the Contracted Project Manager to perform the team manager role for the requirements gathering work package in stage 2.

This is because the Contracted Project Manager understands the not-for-profit sector in general, and how to make best use of a variety of media on this project. The Director of Campaigns has agreed to employ them on a full-time basis during stage 2.

Is this an appropriate application of the 'organizing' practice, and why?

- A. Yes, because the project management maturity of NowByou is very low and the Contracted Project Manager should advise the project team on the use of media
- B. Yes, because the project manager has the necessary knowledge of media channels and the time to devote to the role of team manager
- C. No, because the project manager's sole focus should be on the day-to-day management of stage 2, which is critical for the success of the project
- D. No, because the project manager role should not be shared between the Contracted Project Manager and team managers

11. Using the NowByou additional information on the employees and stakeholders, design a suggested project management team

Additional Information

Roles

Chair of Trustees. As a not-for-profit organisation, there is a board of trustees who oversee the organisation. The chair of trustees is the member of parliament for the area in which NowByou HeadOffice is located.

The Chief Executive Officer (CEO) of NowByou was one of the founders of NowByou and has been CEO for the whole of its existence. She is very experienced in the not-for-profit sector and is a Director of a number of other charities.

The Chief Finance Officer (CFO) of NowByou was appointed 6 months ago and has been very active with donors and partners to increase the financial standing of the organization. Was previously a senior executive with a major bank and is keen to bring good portfolio and project management practises to NowByou.

Head of Fund-Raising reports to the CFO and previously worked within an organization with good portfolio, programme and project management practices and helped to gain approval for the appointment of the external professional project manager and the establishment of a Portfolio Office within NowByou. Is PRINCE2 qualified.

Fund-Raising Administrator reports to the Head of Fund-Raising. He joined NowByou 10 years ago and has previously worked in the HR and Campaign Departments. He has asked his manager if he can be trained in PRINCE2.

The Human Resources Director (HR) Director is responsible for ensuring the terms and conditions and working conditions are appropriate and in line with market expectations so that high-quality staff and volunteers can be recruited and retained. She is responsible for ensuring all NowByou staff, volunteers and contractors have been appropriately cleared and vetted to work with their vulnerable clients.

The NowByou Director of Campaigns has recently joined NowByou having previously been a senior marketing manager with a commercial organization manufacturing baby foods where he had a successful track record in managing a team launching new products. He has overall responsibilities for all campaigns within NOWBYOU. This is his first director level appointment.

A Portfolio Office Manager, previously a senior administrative officer within NowByou has been appointed to set up the portfolio office and work with the Contracted Project Manager to implement and establish the initial project management documentation and processes. This is a significant promotion for her and hopes that her role will ultimately be responsible for the line management of project staff across NowByou.

The Contracted Project Manager has worked with many NGO's across the world successfully helping them manage and deliver projects. This contract is initially for 50% of her time but this is expected to decrease to 25% after the first three months. She assisted in the selection and appointment of the Portfolio Office Manager.

The Police Liaison Officer joined NowByou five years ago after retiring from a successful career with the national police force as a Chief Inspector. He has worked closely with the HR Director on past initiatives and has been establishing a close professional relationship with the new Director of Campaigns.

Graduate Trainees the HR Director instigated a graduate trainee programme two years ago. The first four trainees will reach the end of their two-year training programme in two months' time and a decision needs to be taken as to whether they will be offered ongoing roles with NowByou. All have received PRINCE2 training.

Copyright © 2023 PeopleCert International Limited and its affiliates ("PeopleCert"). All rights reserved.
No part of this document or the information in it may be copied, distributed, disclosed or used other than as authorized by PeopleCert. PRINCE2® is a registered trademark of PeopleCert.
EN_P2_7_PRAC_SamplePapers1&2_ScenarioBk_v1.0

PRACTITIONER ANSWERS

Here are three roles relating to the NowByou Project.

Which individual (A-F) would be most appropriate for each role according to the 'organizing' practice? Choose only **ONE** individual for each role. Each individual can be used once, more than once, or not at all.

1. Project manager
2. Project executive
3. Senior supplier

ROLES: A. Chief Executive Officer
B. Graduate Trainees
C. Chief Finance Officer
D. Marketing Agency Director
E. Head of Publicity and Social Media
F. Head of IT

Project manager. B. Correct. According to the additional information relating to the Graduate Trainees, "The first four trainees will reach the end of their two year training programme in two months' time and a decision needs to be taken as to whether they will be offered ongoing roles with NowByou. All have received PRINCE2 training." According to the 'organizing' practice, project managers "are responsible for day-to-day management of a project." This includes the need to "Ensure that project risks are being identified, assessed, and controlled throughout the project. Ensure that team managers implement the management approaches agreed in their team plans." Ref 6.2.4.5

Project executive. C. Correct. According to the additional information, "the Chief Finance Officer (CFO) of NowByou was appointed 6 months ago and has been very active with donors and partners to increase the financial standing of the organization. Was previously a senior executive with a major bank and is keen to bring good portfolio and project management practices to NowByou." According to the 'organizing' practice, "the project executive is appointed by the business as the single point of accountability for the project and is ultimately accountable for the success of the project." Ref 6.2.4.1

Senior supplier. D. Correct. According to the additional information, the "Marketing Agency Director NowByou have a relationship with a commercial marketing agency, CharityM, who works with the Head of Publicity and Social Media in developing and placing advertising on TV and radio stations." According to the 'organizing' practice, "the senior supplier represents the supplier community that is involved in all aspects of delivering the project products." Ref 6.2.4.

4. NowByou has just made the decision to run the 6-month campaign as a project. As a result, the Director of Campaigns has appointed the Chief Finance Officer (CFO) as the project executive so that the 'starting up a project' process can commence.

Is this appointment an appropriate application of the 'organizing' practice, and why?

A. Yes, because the CFO should be in a position to ensure that the project contributes to the financial standing of the organization

B. Yes, because the project executive should be the single point of accountability for the Campaign against Discrimination Project

C. No, because the Director of Campaigns is sponsoring the project and is advised and mentored by the Contracted Project Manager to oversee the project

D. No, because the Head of Publicity and Social Media should be responsible for the outcome 'increased awareness of discrimination' from the delivered multi-channel campaign

A. Correct. According to the additional information the CFO "has been very active with donors and partners to increase the financial standing of the organization. Was previously a senior executive with a major bank and is keen to bring good portfolio and project management practices to NowByou." And "the project executive secures funding for the project and is responsible for the business case and the continued business justification of the project." Ref 6.2.4.1

5. NowByou has just made the decision to run the 6-month campaign as a project. As a result, the Chief Executive Officer (CEO) has appointed the Director of Campaigns as the project executive so that the 'starting up a project' process can commence. One of the graduate trainees is likely to be appointed as the project manager.

Is the appointment of the Director of Campaigns appropriate according to the 'organizing' practice, and why?

A. Yes, because the project executive role should be separate to the project manager role being fulfilled by the graduate trainee

B. Yes, because the Director of Campaigns should be well suitable to represent the interests of the CEO on the project

C. No, because the CEO is more experienced in the not-for-profit-sector and should be more suitable to fulfill the role of project executive

D. No, because the project executive should ensure that improved capacity planning leads to increased staff morale

B. Correct. The CEO is a member of the NowByou senior management team that is likely to be the commissioning party responsible for "... commissioning the project ...[and] ... identifying the executive ..." as the Director of Campaigns is the project sponsor and is well situated to represent the NowByou senior management team. "The project executive is appointed by the business as the single point of accountability for the project and is ultimately accountable for the success of the project. This accountability cannot be delegated." Ref 6.2.4.1, Ref tab 6.2

The high-level requirements gathering and implementation of the chosen options will be carried out by an external marketing agency, CharityM. Here are three items of information to be included in the commercial management approach.

Under which heading of the commercial management approach (A-E) should the information be recorded?

Choose only **ONE** heading. Each heading can be used once, more than once or not at all.

Headings:

- A. Scope**
- B. Delivery model**
- C. Resources**
- D. Responsibilities**
- E. Standards**

6. The Head of Publicity and Social Media will work with the procurement team to agree the scope of work and terms with CharityM

D. Correct. The commercial management approach should include "Responsibilities: defines the responsibilities for market engagement, procurement, and contract management activities." Here, the Head of Publicity and Social Media will be responsible for working with procurement to agree the contract with CharityM. Ref 6.5

7. The procurement team will provide two experts to work alongside the Head of Publicity and Social Media during stage 1 to agree the scope of work and terms with CharityM

C. Correct. The commercial management approach should include "Resources: for market engagement, procurement, and contract management activities." Here, the procurement team are providing two people (resources) to agree contract terms with CharityM. Ref 6.5

8. The high-level requirements gathering and implementation of the chosen options will be carried out by an external marketing agency, CharityM.

B. Correct. The commercial management approach should include "Delivery model: description of delivery model for the project work (for example, elements of the work breakdown structure to be delivered by external suppliers)." Here it is a thin client structure with the work being performed by an external marketing agency. "Delivery models can range from thin client models where most of the project work is undertaken by suppliers to thick client models where most of the work is undertaken by the business. In thin client models, not only is the work to develop the project's products fulfilled by external suppliers, but also much of the work to manage the project is fulfilled by external suppliers too." Ref 6.5, 6.3.2.1

9. The Chief Executive Officer has informed the Contracted Project Manager that they will be the single point of accountability for the project when developing the initial project management documentation. This is because of their track record of successful delivery in the not-for profit sector.

Is this an appropriate application of the 'organizing' practice, and why?

A. Yes, because the project executive should be appointed by the Chief Executive Officer

B. Yes, because the CEO should appoint a single project executive to be accountable for the project

C. No, because the Contracted Project Manager cannot perform any other role on the project

D. No, because the Contracted Project Manager cannot also perform the role of project executive

D. Correct. "The project executive is appointed by the business as the single point of accountability for the project." In addition, "there cannot be more than one project executive role, and the role cannot be combined with the project manager role." Ref 6.2.4.1

10. The Director of Campaigns has decided that the Contracted Project Manager should continue as project manager during stage 2. In addition, the Director of Campaigns has asked the Contracted Project Manager to perform the team manager role for the requirements gathering work package in stage 2.

This is because the Contracted Project Manager understands the not-for-profit sector in general, and how to make best use of a variety of media on this project. The Director of Campaigns has agreed to employ them on a full-time basis during stage 2.

Is this an appropriate application of the 'organizing' practice, and why?

A. Yes, because the project management maturity of NowByou is very low and the Contracted Project Manager should advise the project team on the use of media

B. Yes, because the project manager has the necessary knowledge of media channels and the time to devote to the role of team manager

C. No, because the project manager's sole focus should be on the day-to-day management of stage 2, which is critical for the success of the project

D. No, because the project manager role should not be shared between the Contracted Project Manager and team managers

B. Correct. According to the scenario the Contract Project Manager has a "track record of successful delivery in the not-for-profit sector" and they also have an understanding of the media required. According to the 'organizing' practice, "depending on the... skill and capacity of the project manager, the project manager may also perform the team manager and project support roles." The Director of Campaigns has also employed them full-time to give them the capacity to complete this role. Ref 6.2.4.5

11. Using the NowByou additional information on the employees and stakeholders, design a suggested project management team

Additional Information

Roles

Chair of Trustees. As a not-for-profit organisation, there is a board of trustees who oversee the organisation. The chair of trustees is the member of parliament for the area in which NowByou HeadOffice is located.

The Chief Executive Officer (CEO) of NowByou was one of the founders of NowByou and has been CEO for the whole of its existence. She is very experienced in the not-for-profit sector and is a Director of a number of other charities.

The Chief Finance Officer (CFO) of NowByou was appointed 6 months ago and has been very active with donors and partners to increase the financial standing of the organization. Was previously a senior executive with a major bank and is keen to bring good portfolio and project management practises to NowByou.

Head of Fund-Raising reports to the CFO and previously worked within an organization with good portfolio, programme and project management practices and helped to gain approval for the appointment of the external professional project manager and the establishment of a Portfolio Office within NowByou. Is PRINCE2 qualified.

Fund-Raising Administrator reports to the Head of Fund-Raising. He joined NowByou 10 years ago and has previously worked in the HR and Campaign Departments. He has asked his manager if he can be trained in PRINCE2.

The Human Resources Director (HR) Director is responsible for ensuring the terms and conditions and working conditions are appropriate and in line with market expectations so that high-quality staff and volunteers can be recruited and retained. She is responsible for ensuring all NowByou staff, volunteers and contractors have been appropriately cleared and vetted to work with their vulnerable clients.

The NowByou Director of Campaigns has recently joined NowByou having previously been a senior marketing manager with a commercial organization manufacturing baby foods where he had a successful track record in managing a team launching new products. He has overall responsibilities for all campaigns within NOWBYOU. This is his first director level appointment.

A Portfolio Office Manager, previously a senior administrative officer within NowByou has been appointed to set up the portfolio office and work with the Contracted Project Manager to implement and establish the initial project management documentation and processes. This is a significant promotion for her and hopes that her role will ultimately be responsible for the line management of project staff across NowByou.

The Contracted Project Manager has worked with many NGO's across the world successfully helping them manage and deliver projects. This contract is initially for 50% of her time but this is expected to decrease to 25% after the first three months. She assisted in the selection and appointment of the Portfolio Office Manager.

The Police Liaison Officer joined NowByou five years ago after retiring from a successful career with the national police force as a Chief Inspector. He has worked closely with the HR Director on past initiatives and has been establishing a close professional relationship with the new Director of Campaigns.

Graduate Trainees the HR Director instigated a graduate trainee programme two years ago. The first four trainees will reach the end of their two-year training programme in two months' time and a decision needs to be taken as to whether they will be offered ongoing roles with NowByou. All have received PRINCE2 training.

Copyright © 2023 PeopleCert International Limited and its affiliates ("PeopleCert"). All rights reserved.
No part of this document or the information in it may be copied, distributed, disclosed or used other than as authorized by PeopleCert. PRINCE2® is a registered trademark of PeopleCert.
EN_P2_7_PRAC_SamplePapers1&2_ScenarioBk_v1.0

