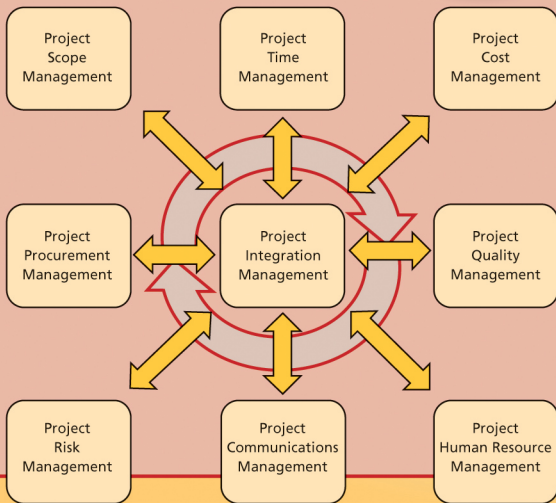


# A pocket companion to PMI's **PMBOK® Guide** (updated version)

Based on  
**PMBOK® Guide**  
Fourth Edition



Paul Snijders  
Thomas Wuttke  
Anton Zandhuis

A POCKET COMPANION TO PMI'S  
*PMBOK® GUIDE*  
(UPDATED VERSION)

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**A Pocket Companion to PMI's**

# ***PMBOK® Guide***

**(updated version)**

**A quick introduction to  
'A Guide to the Project Management Body of Knowledge'  
(PMBOK® Guide)  
"PMI," "PMP," and "PMBOK," are registered marks for  
the Project Management Institute, Inc.**

Paul Snijders PMP  
Thomas Wuttke PMP  
Anton Zandhuis PMP



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# Preface

“I don’t believe in miracles; I count on them!” Delivering projects successfully is more than coincidence and the success of one individual. It requires project management knowledge by all stakeholders and some well defined processes to ensure real cooperation and drive, in order to make these ‘miracles’ happen. A relatively small change in the mind-set and actions of all project stakeholders will bring a large improvement in successful project delivery. With this pocket companion to PMI’s *PMBOK® Guide* we want to foster this change.

If you are already familiar with the *PMBOK® Guide*, the title of this book ‘A Pocket Companion to PMI’s *PMBOK® Guide*’ is setting your expectations. However, if the *PMBOK® Guide* hasn’t crossed your path yet: The *PMBOK® Guide (A Guide to the Project Management Body of Knowledge)* is widely recognized as the worldwide standard in project management, confirmed by the fact that more than two million copies are in circulation. However, this rather voluminous standard was lacking an easy accessible and short introduction. This did not facilitate an easy adoption by a wider audience. This pocket guide is intended to fill this gap by creating a straightforward introduction and high level summary of the *PMBOK® Guide*.

This pocket edition is especially useful for project sponsors, project managers, and project team members, as these are the three key roles we distinguish in this book. It is also useful when acting in a project supporting role (for example as a member of a Project Management Office, PMO). It will support all project stakeholders in two ways:

- Better understanding of their role in projects based on good practices in project management;
- Improvement of an organizational-wide project management approach.

At the organizational level it allows for a structured and well supported lifecycle-driven project approach, as well as ensuring all project stakeholders are speaking 'the same language'. It will improve the practical application of project management processes, when these are understood by all and consistently applied. The flexibility of the concept enables all organizations and project teams to adapt it to their level and needs, often referred to as 'lean project management'.

This is exactly what the Project Management Institute (PMI) aimed for when issuing the *PMBOK® Guide*. It has become the international de-facto standard in project management. Many project management methodologies refer to this standard. It is recognized as an ANSI standard for project management processes. Other global standards tend to follow the same direction. The *PMBOK® Guide* is, therefore, a fundamental input when working on projects and striving for project success.

Research confirms that organizational excellence in project management brings clear tangible benefits. We encourage you, your project management community and project stakeholders collectively, to become familiar with the *PMBOK® Guide's* knowledge and processes in order to reap and increase these benefits.

November 2009,

Paul Snijders, PMP

Thomas Wuttke, PMP

Anton Zandhuis, PMP

# Chapter 1

## Introduction

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

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

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

When working in a project management environment, which is far more dynamic than 'normal' operations, good communication is essential. For this you need 'one common language' within your project management environment, which is understood by everyone involved. This pocket guide aims to quickly establish a shared vocabulary and terminology on the project management fundamentals and create a common understanding about the basic project management processes and the key roles and responsibilities.

What is it not? It is definitely not a 'project management recipe book'. The project manager and the team remain ultimately responsible for deciding

what good practices shall be applied to the specific project at hand, closely cooperating with the project sponsor and the management of the standing organization. At the organizational level this can be enhanced by implementing a project management methodology, based on these good practices.

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

In chapter 3 you will find a more detailed description about the *PMBOK® Guide*, its fundamental definitions and its structure. In chapters 4 to 12 we will further detail the areas of project management knowledge and their underlying processes.

## 1.2 Practical tips for using this pocket guide

On the additional cover page attached to the back cover of this book, all knowledge areas and applicable processes and chapter numbers are listed. On the pages of the pocket guide each chapter is recognizable by the icon representing the applicable knowledge area on the side of the page, enabling you to quickly locate the appropriate topic.

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

## 1.3 Project management and its value

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

*PMI Definition:*

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

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

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

These opportunities as well as the savings offered by organizational project management excellence are tangible. But the value proposition for project

management is much greater and also includes less tangible benefits like:

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

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

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

- Projects mostly deliver late, over-budget, or without meeting the functionality requirements of the project sponsor and end-users;
- Project managers do it 'their way' as there are no, or poor, standards for project management processes and techniques;
- Project management is regarded as an overhead instead of being recognized as providing business value;
- The project work undertaken by resources from within the line organization is not carefully planned for as part of the operations planning, but is typically regarded as 'next to your primary function';
- Project budgets do not include the cost of internal workforce as they are 'already paid for';
- There is no overall insight available on all the projects being undertaken in the organization, nor their cost versus the added value;
- The required work for managing projects proactively is not included in the project plan;

- Projects may be somehow ‘successful’ in the end but only through heavy stress and overtime work.

*Do you recognize the above? Having disciplined project management is the way to overcome these shortcomings. The value of a good project management practice, using standard project management processes, will enable better communication to deal with contingencies pro-actively. This will substantially and continuously increase the chances of project success. It will establish new management procedures and processes. It will enable you to run your organization as an economic enterprise.*

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

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

1. The **project sponsor** acts as the continuous link between the line organization and the project. It is the sponsor who is responsible at the start for defining the business case for the project; why should we do this project; what are the organization’s needs? When the project is approved and the project manager takes over the responsibility for ‘delivery of the defined project result’, the sponsor still fulfills an ever-important role. The sponsor should, amongst other things, ensure that the organization sticks to its initial decisions, preventing constant priority changes based on daily operational issues. The project sponsor, therefore, plays an important role in ensuring that there is sufficient support from functional and operational management, which in turn fulfills a key role in assigning the appropriate resources to the project



- team. The sponsor should also support the organization's readiness to effectively deal with the project result when it is delivered, as this is where the benefits realization will start. The project sponsor must work closely with the project manager. The fluent communication between them is crucial for the project and organizational success.
2. The **project (management) team member** is typically responsible for delivering the expertise and work needed to create the project result. During the initial phases of the project, their focus is on defining the best approach and developing a feasible high-level plan for the project; in other words, the preparation. During the execution they realize the project end-result and specific sub-components, based on their expertise. Sufficient representation within the project team, of the organization which takes over the project result at the end of the project is essential, in order to ensure the smooth transition of the project result to the standing or sponsoring organization.
  3. The **project manager** is ultimately responsible for the delivery of the defined project result. Key elements in this role are stakeholder management, and guiding the project team and the appropriate stakeholders in selecting and applying the right project management processes at the right time. But everything must be undertaken with an eye on the delivery of the project result. The project manager must take advantage of the project sponsor's business knowledge and influential position. He/she must escalate to him/her all issues or business- related problems that they are not able to solve themselves.

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

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

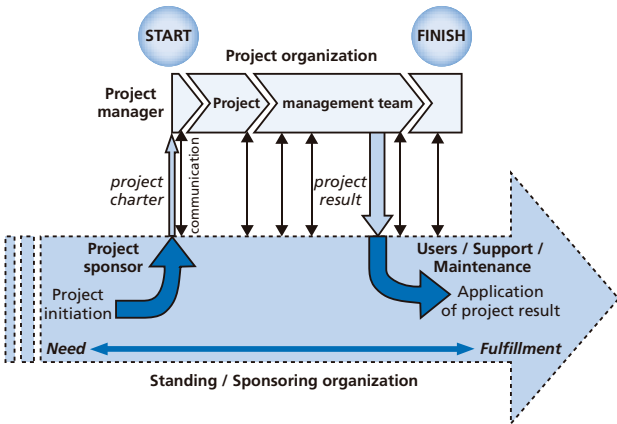


Figure 1.1 Common relationship between line and project organization

## 1.5 FAQ

We have identified some typical questions one could ask when first confronted with project management or the *PMBOK® Guide*.

### What is a project?

#### *PMI Definition:*

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

This means:

- It has a defined start and end, otherwise it's not temporary;
- It has a certain 'volume' of work which needs some form of organization, otherwise it's not an endeavor;

- It is not business as usual, not following normal procedures, because there is something unique to it;
- It creates an end result, being a product, a service or result.

There are projects of all sorts and levels, demanding that project management activities should be geared to the project at hand. But it remains the organization's responsibility to decide if the desired result should be realized by means of undertaking a project.

## Is 'project management' a profession?

While there is no agreed definition of a 'profession', you could describe it as:

'A disciplined group of individuals who adhere to defined ethical standards and uphold themselves to the public as having specific knowledge and skills in a generally recognized, organized body of learning, derived from education and training, and who apply this knowledge and these skills in the interest of others.'

With projects getting more and more complex, the demands on a project manager's competence are also increasing. For example, everyone can apply a bandage to a wound but that does not make everyone a doctor. The need to obtain specific skills, knowledge and education, in order to successfully fulfill the role of project manager, is generally recognized. This is even confirmed in the Academic world where Masters degrees in Project Management are now available.

Typically for professions like lawyers, doctors, etc. the responsibility for the welfare, health and safety of the community takes precedence over other considerations. This aspect is also confirmed by PMI's 'Code of Ethics', the signing of which is an eligibility requirement for obtaining a PMI credential. One can therefore conclude that 'project management has become a profession.

## Can you manage a line organization effectively without projects?

Line organizations are typically function-centric and, in general, focus on 'doing their thing better', and are therefore mostly resistant to changes outside their function. Projects and project management are all about realizing changes. No organization can survive in today's environment without having projects. At times they are not formally recognized but organizations undertake them anyway. The increasing number of 'reorganizations' reflect this, with a constant drive for ensuring the line organization keeps up with the increasingly complex and ever-faster changes in the environment. The increasing number and level of changes, as well as the risks associated to these, are demanding greater focus and attention on projects, together with the need for a more professional approach towards project management. This ensures that the changes are delivered and managed in an appropriate way. It will support line organizations in continuing to 'do the right thing, the best way'.

## What is the purpose of the *PMBOK® Guide*?

The *PMBOK® Guide* describes a professional approach towards project management, which is applicable to most projects. This approach is based on its proven value and benefits in practice, through the contribution of thousands of project managers worldwide.

## Is the *PMBOK® Guide* a methodology?

The *PMBOK® Guide* is referred to as a framework. A framework can be defined as a basic conceptual structure to allow homogenous handling of different business processes grouped together, i.e. business units. It also increases management discipline. It pre-defines common deliverables to and from each business process. A framework is a well-defined tactic to master the complex environment of an organization in a simple fashion. It acts as a taxonomy or map of the entire body of project management knowledge.

A methodology can be defined as a system of methods that are followed in a particular discipline. A method describes the process by which a task is completed; a prescribed way to execute the processes. Being a basic reference the *PMBOK® Guide* is more of a framework than a methodology. Although the project management processes are described, together with the tools and techniques commonly applied, it does not prescribe the exact way of doing. In practice, for the implementation of this framework, several project management methodologies can be defined and applied, fine-tuned towards the application area and specific subject of the projects. But before one can select, define, or apply any project management methodology, there should first be a thorough and common understanding of the project management framework.

## **How is this pocket edition aligned with the *PMBOK® Guide* and what if you want to know more?**

Creating a shared view, a common structure, and then consistently building on that, is essential for clear and concise communication. For this reason we have simply maintained the well-considered structure of the *PMBOK® Guide*. Therefore chapters 1 to 3 form a high-level introduction for building this common view, just as the first three chapters of the *PMBOK® Guide* do in a much more detailed level. We have then ensured full alignment of this pocket guide with the original *PMBOK® Guide* in the numbering of Chapters 4 to 12 as well as their sub paragraphs (e.g. 4.1. Develop Project Charter). So, when looking for a more detailed explanation and understanding about a certain subject, simply refer to the related chapter and paragraph number in the *PMBOK® Guide*.

## **Can you get certified on the *PMBOK® Guide* as an individual or as an organization?**

PMI set up several individual certifications, for the typical project manager roles, of which the Certified Associate in Project Management (CAPM)® and the Project Management Professional (PMP)® use the *PMBOK® Guide*

as a basis. PMI does not issue organizational certifications in the same way that ISO or ANSI do.

## How can the *PMBOK® Guide* support you in real-life application?

As the *PMBOK® Guide* is based on good practices, it can effectively act as a ‘worldwide lessons learned database’. Based on its structure and well defined processes, it will definitely turn the mind-set from an ‘ad-hoc’ and fire-fighting mode, towards a more proactively oriented approach. It enables you, when faced with challenging project situations, to quickly refer to the appropriate project management process, and fine-tune these to your project. It directly enhances the project communications by creating a common understanding of ‘projects’ and a shared vision on how to manage these the best way.

## How does the *PMBOK® Guide* align with other standards, frameworks and methodologies?

The *PMBOK® Guide* provides a framework that is generally accepted as global good practice for project management. Therefore it is a perfect guideline for creating and understanding your organizational project management methodology, which needs to fit with your specific projects in your specific environment. This is typically where the project management processes and the content creation processes should be integrated. ‘Drowning’ people in several different methodologies, with different backgrounds and definitions, and having each individual doing their own ‘integration exercise’, is likely to cause confusion, errors and miscommunication, as well as being inefficient. A well-organized comparison of the processes, terms and definitions of the *PMBOK® Guide* with the processes, terms and definitions of other standards, frameworks and methodologies applied in your organization, will enable a quick identification of any potential overlap, and enable effective integration in an appropriate way.

## How does the *PMBOK® Guide* address the different organizational entities and levels?

Organizations develop procedures for delivering results in a predictable way that allow them to manage expectations. However, as most projects are cross-functional, several organizational entities typically come together in projects and are required to deal with situations not encountered before, and for which no procedures are defined (as yet). As projects result in changes in organizations, the appropriate stakeholders are involved, leading to the involvement of different organizational levels, i.e. operations level, tactical level, and even strategic level. Therefore the understanding and application of a common organizational-wide reference such as the *PMBOK® Guide* is of particular value in such situations.

## Is the *PMBOK® Guide* likely to supersede our current (organizationally developed) project management approach or methodology?

Organizationally-developed project management approaches or methodologies mostly stem from a recognized need for improvement in project management application, based on organizational experiences and good practices. As the *PMBOK® Guide* is also based on good practices, the majority of your own project management methodology will not drastically change. However, maintaining these good practices, as well as ensuring continuous alignment with latest developments in the project management profession, can become very costly and time consuming. This is the major reason why organizations switch to simply taking the *PMBOK® Guide* as their basic reference for a project management standard and only adjust this where appropriate, documenting this transparently. Following the Pareto rule; around 80% of the standard is likely to be generally applicable to your type of projects. This allows a focus on the specific 20% of the project management processes which form the uniqueness of your organization. This becomes the heart of your project management methodology.

Most generic project management methodologies, publicly available, refer to the *PMBOK® Guide* as a basic framework. In such cases the knowledge contained in the *PMBOK® Guide* substantially supports the better understanding and positioning of this project management methodology, thus reinforcing the right application.

## What if I need more information?

As this is a pocket book, it should be considered as introductory summary of the *PMBOK® Guide* and PMI. Far more details and explanations on certain subjects can be found in the *PMBOK® Guide*. Also PMI's website, **[www.pmi.org](http://www.pmi.org)**, will give you access to more detailed information.



