



**Project Controls**  
E X P O

**Project Controls Expo**  
**09/10 Nov London 2011**

**The Hidden Value in**  
**Product-Based Planning**

# Speaker Profile

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## Bruce McNaughton, Independent Consultant

### Team Performance Improvement

- Programme and Project Management
- Process Improvement
- Assessment and Audit
- Business Change

### Client experience

- British Airways, Crossrail, Vodafone, British Telecom, Novartis, and many others

# Index

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- What is Product-Based Planning?
- Areas of Value
- Key Areas and Hidden Value
- Questions
- Summary

# Product-Based Planning Activities

formerly (PL) In PRINCE2™

- Design the plan
- Define and analyse the products
  - Write the **Project Product Description**
  - Create the **Product Breakdown Structure (PBS)**
  - Write the **Product Descriptions (PD)**
  - Create the **Product Flow Diagram (PFD)**
- Identify activities and dependencies
- Prepare estimates
- Prepare the schedule
- Analyse the risks
- Document the plan

# Value?

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## Result of doing something...

- Carrying out activities
- Producing something

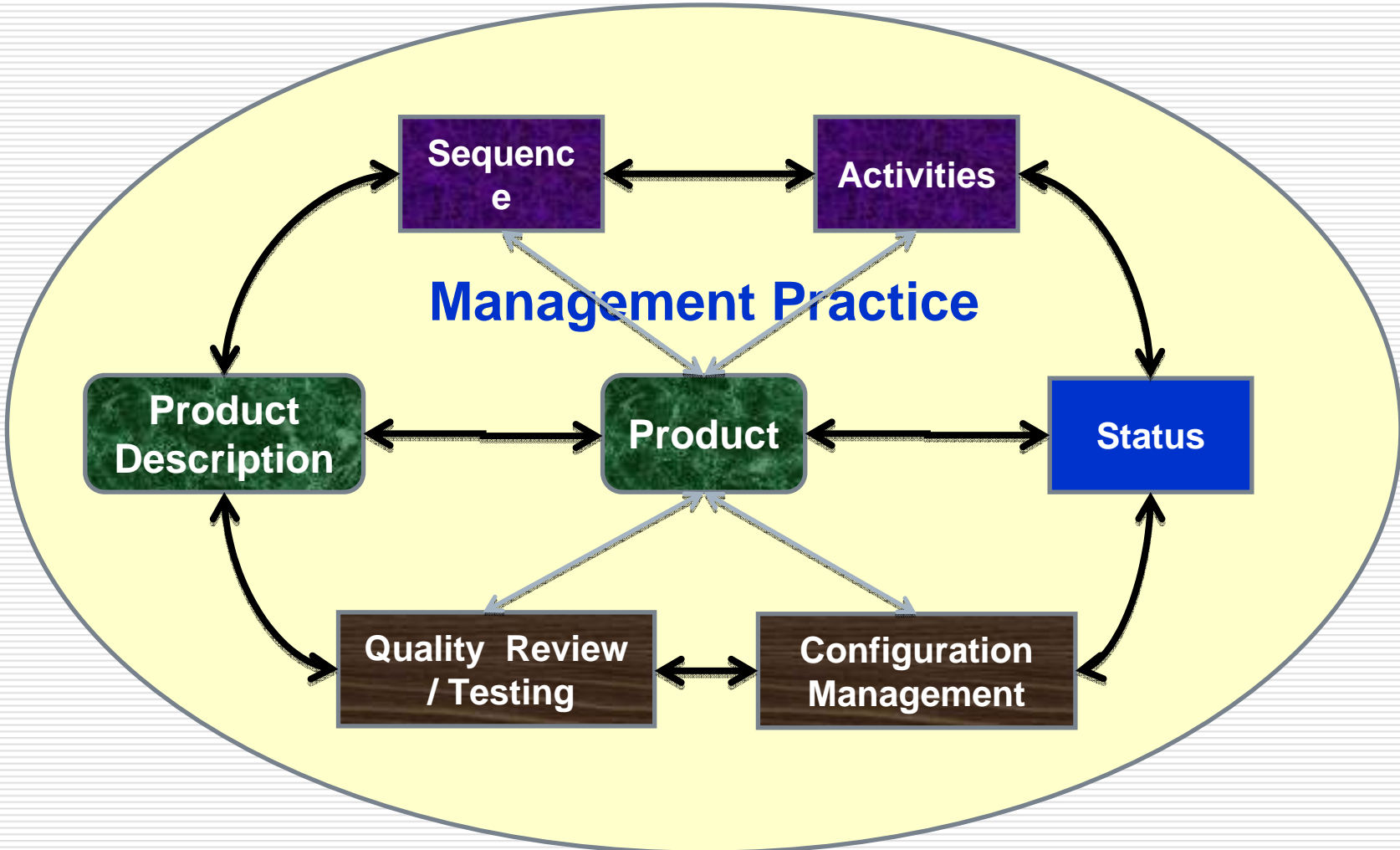
## Benefits

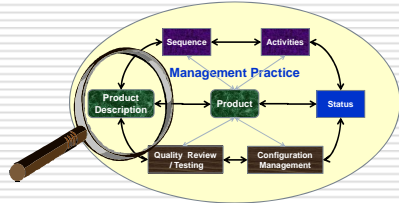
- Time / cost saving
- Better understanding, flow
- Teamwork

## A good process delivers value and flow

- Otherwise, something wrong with the process.

# Sources of Value





# Product Description

## Purpose

- What and Why; where does it fit and how used.

## Composition

- What capabilities / functions are provided

## Derivation

- Where to find the detail specification of the product (if needed ... e.g. section in an architecture doc etc.)

## Format and Presentation

- Characteristics of the end product. Templates or style for the product; packaging; etc

## Quality Criteria and Quality Tolerance

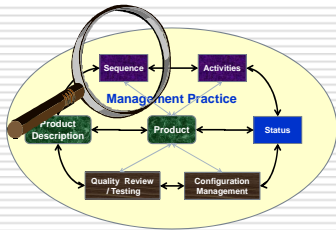
- The specification (and quantified range) the product must meet to be complete.

## Quality Method

- The activities or procedure to be carried out to confirm the criteria have been met.

## Skills / Responsibilities

- What skills are required and if possible who is responsible.



# Sequence

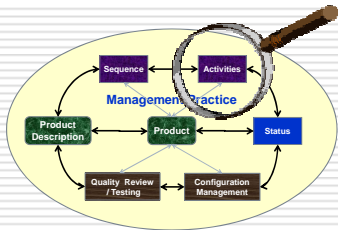
## □ What?

- Order to create or acquire and complete
- Order of integration
- Sometimes no sequence only priority.
- Work backwards from Solution
- “Begin with the end in Mind”, Stephen Covey

## □ Value?

- Eliminate or minimize rework
- Not miss critical products
- Identify resource / skill needs





# Activities

## □ What?

- Activities to create or acquire a work product
- Estimates, Costs, Quantities
- Skills, knowledge and experience
- Dependencies / Schedule

## □ Value?

- Getting a second opinion (people doing work)
- Further identify sequence problems
- Further identify product identification
- Test teams understanding of the product.
- Understand the relative size and cost of the product.



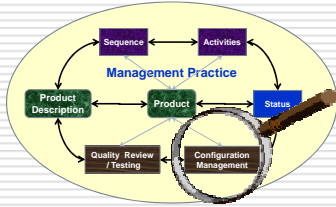
# Quality Review / Testing

## □ What?

- Confirm product is complete
- Test using the Criteria and method
- Find any defects and underlying causes
- Testing is not 100% effective. Defects escape.

## □ Value?

- Ensure the product is actually complete (EV)
- Remove defects early and learn (Feedback)
- Find problems with plan and products
- Test understanding of the problem / solution.
- Raise Issues; Monitor, Identify or Trigger Risks



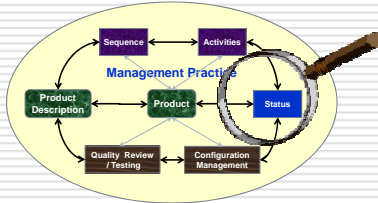
# Configuration Management

## □ What?

- Unique Identification of a work product
- Placed under change control when complete
- Status is known
- Interfaces and Relationships known
- Moved to safe area.

## □ Value?

- Minimize probability of accidents
- Track status and use of completed products
- Change control with known items
- Traceability into Configurations / Baselines.



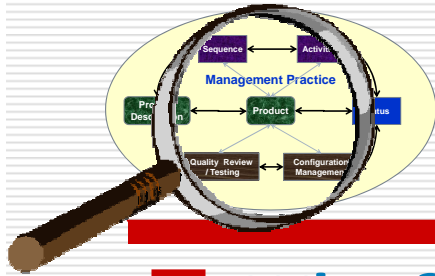
# Status

## □ What?

- Status built from product status
- Traceability through Plans, Requirements, CI
- Earned value at product level ... status based upon progress and review status.

## □ Value?

- Reduce work to identify status
- Focus is on product completion not activities
- Can identify earned value based upon reviews and tests.
- Status can be visible on PBS and PFD



# Management Practice

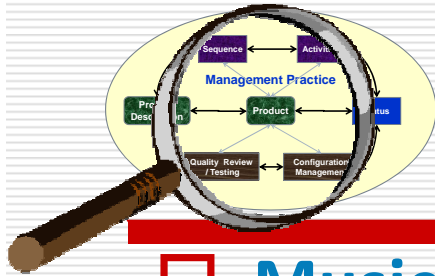
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## □ What?

- Project manager interface to team at product level
- Each individual responsible for own P-D-C-A cycle
- Each individual understands their contribution.
- “Begin with the end in mind”, Stephen Covey

## □ Value?

- Good Management Practice
- Everyone knows what they are responsible for and their contribution.
- Feedback provided all through the process.
- Shared Team Understanding



# Second Simplification

## □ Music analogy – 1 second difference

- The Project Manager is both composer and conductor

## □ Second Simplification through

### ■ Writing the Product Descriptions

- Combining, splitting, reorganizing

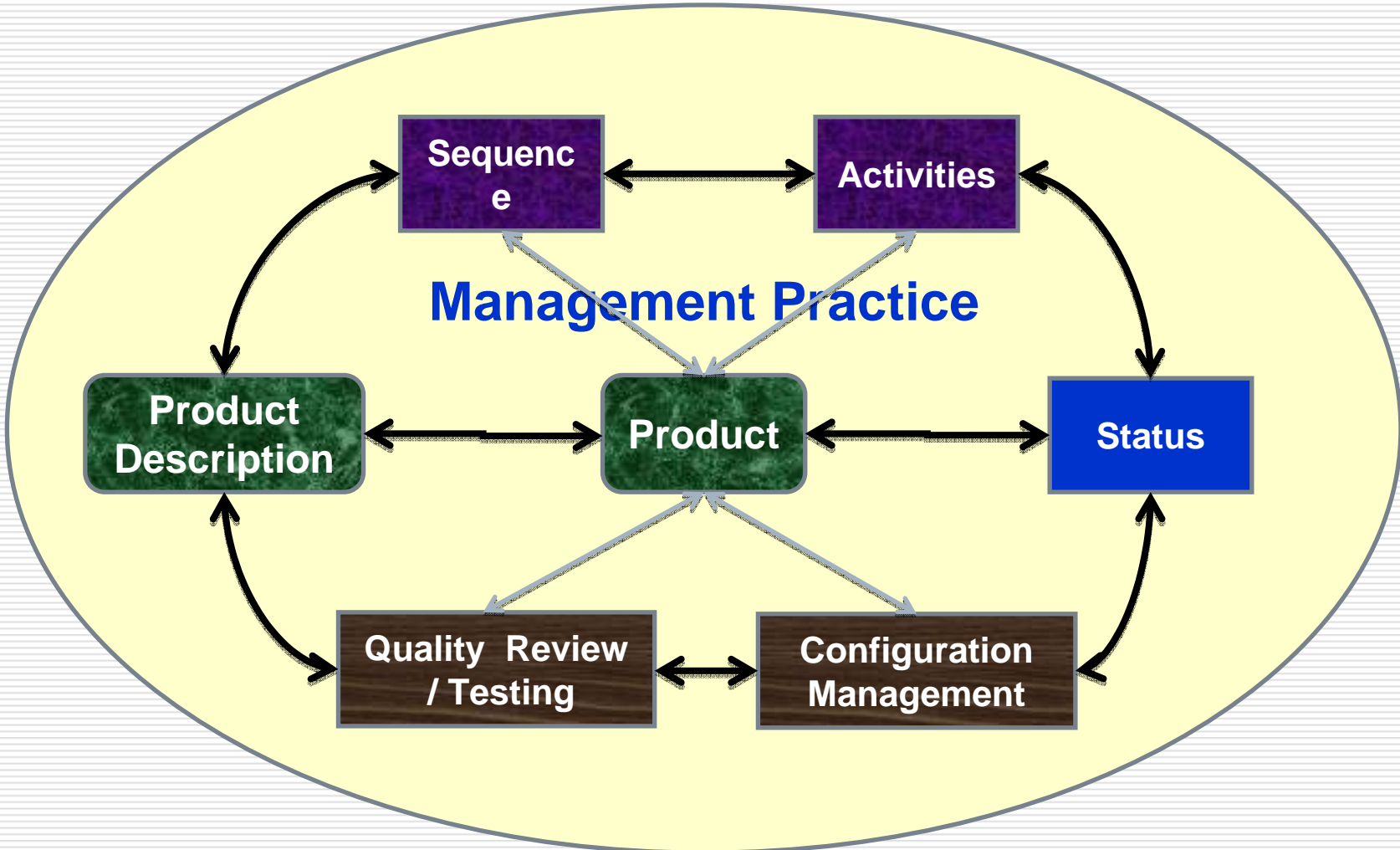
### ■ Planning

- Balancing Products vs Activities
- Looking at the timing and dependencies
- Looking at resources and skills

### ■ Involving the team

- Different perspectives and views
- Individuals taking responsibility.

# Sources of Value – Questions?





# Summary

## □ Product-Based Planning

- Based upon 'good management practice'
- Used / maintained throughout the project
- Improved traceability
- Fully integrated planning and control

## □ Value

- Benefits to many people not just the Project Manager
- More effective and Faster Reviews
- Reduced defects and waste
- Collection delivers more value than the parts.

## □ Thank you for your participation

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- All feedback / improvements welcome!!



# References

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# Product Completion

(Management System View)

