

apmKNOWLEDGE

Introduction to Project Planning

PLAN

Contents

List of figures	vii
Foreword	viii
Acknowledgements	ix
1 Introduction	01
2 What is project planning?	03
3 Why plan?	08
3.1 Reasons to plan	08
3.2 Relevance to different types of organisation	09
4 When to plan	12
4.1 The concept phase	12
4.2 The definition phase	14
4.3 The implementation phase	15
4.4 The handover phase	15
4.5 The closeout phase	16
5 Who plans?	17
5.1 The sponsor	17
5.2 The project manager	18
5.3 The specialist planner	18
5.4 The WBS element owner/control account manager	19
5.5 Other project team members and key stakeholders	20
6 How to plan	21
6.1 Appropriateness	21
6.2 Planning techniques	21
6.3 Strategic planning	22
6.4 Detailed planning	25
7 Characteristics of good planning	30

Contents

Appendix A – Further information	31
Appendix B – Planning techniques	33
Appendix C – Information about the APM Planning SIG	37

List of figures

1.1	Planning is at the heart of project management	1
2.1	Planning is recorded in the project management plan	4
4.1	Planning continues through the project life cycle	13
6.1	The relationship of techniques to strategic and detailed planning	23
6.2	The strategic planning process	26
6.3	The detailed planning process	28

1

Introduction

The *APM Body of Knowledge (APM BoK)* defines project management as ‘the process by which projects are defined, planned, monitored, controlled and delivered so that agreed benefits are realised.’ The *APM BoK* defines planning as ‘the process of identifying the means, resources and actions necessary to accomplish an objective.’

The APM Planning SIG (see Appendix C) has a particular interest in project planning and believes that:

- Good project planning is critical to project success.
- Planning should therefore be at the heart of successful project management.
- Planning overlaps with and is key to integrating many individual project management disciplines (Figure 1.1).

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Planning is central to effective project management and integrates many individual project management disciplines



Figure 1.1 *Planning is at the heart of project management*

Introduction to Project Planning

The Planning SIG also believes that:

- The meaning of project planning is misunderstood by many in the project management community.
- The value of effective planning is only occasionally recognised.
- Education and training in planning practice is limited and often poor.
- Good planning practice is often neglected.
- The discipline of planning is undervalued.

As a result of these factors, the central contribution of good planning to project management is not fully appreciated, and it often does not make its maximum contribution to project success. The purpose of this *APM Introduction to Project Planning* is therefore to raise awareness of project APM planning, and to stimulate debate in the project management community in general and in the planning community in particular. It addresses five key questions:

- What is project planning?
- Why plan?
- When to plan
- Who plans?
- How to plan.

It also ventures to define the characteristics of good planning. It does not include a detailed treatment of planning tools and techniques: the Planning SIG intends to address these in future publications.

4

When to plan

Planning starts immediately the organisation identifies the probable need for a project, and continues throughout the project life cycle. The emphasis changes from strategic planning through detailed planning to monitoring and control using the plan, and while the project is being implemented action may be required to maintain the plan and to replan if necessary. Figure 4.1 illustrates the changing emphasis throughout the life cycle, and indicates typical timing of gate reviews – formal points in a project where its plan, progress, expected cost and benefits are reviewed and decisions are made on whether to continue to the next phase.

4.1 The concept phase

The concept phase is the first phase in the project life cycle. During this phase, the need, opportunity or problem is confirmed, the overall feasibility of the project is considered and a preferred solution is identified.

On behalf of the organisation, the project sponsor appoints the project manager and briefs him or her on the probable need for a project – *probable* at this stage because until the project has been defined it cannot be reviewed and approved for implementation. The nucleus of the project team is formed around the project manager and the concept phase begins.

Initially, there are mostly questions about the project and few answers – *there is, as yet, no plan*. The project manager should have a good idea of ‘why’ from the sponsor, and probably an indication of ‘what’, in terms of an outline of the objectives, scope and deliverables of the project. All the other planning questions must be answered. Planning is top-down and strategic, helping to develop the business case, and providing enough detail to justify continuing the project into the definition phase.

The concept phase is least expensive in terms of overall project effort, but planning is a large part of this effort. Moreover, effective planning is critical because it has maximum leverage on the likely success of the

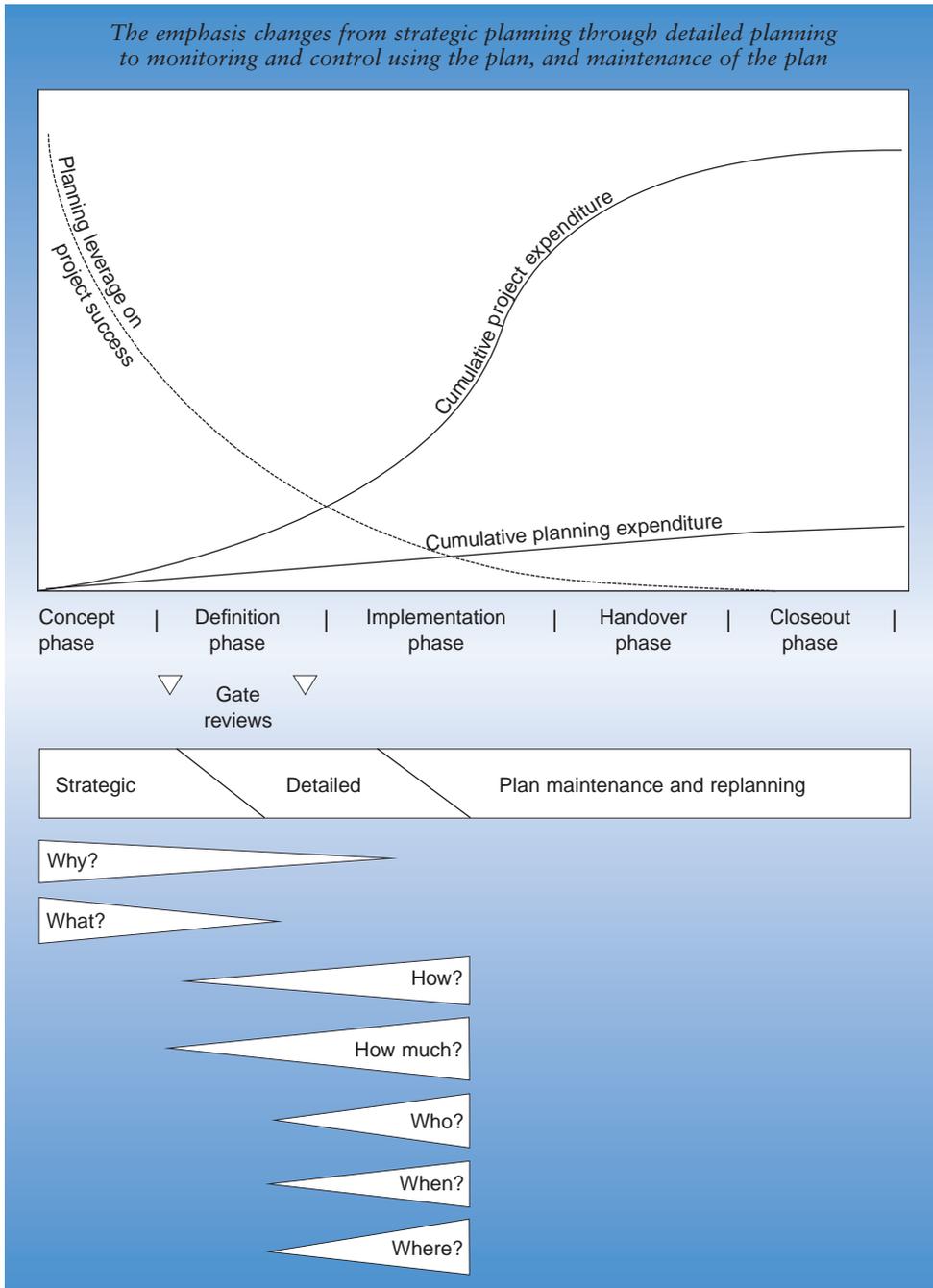


Figure 4.1 *Planning continues throughout the project life cycle*

project. Selection of the best implementation option and strategies is fundamental to effective implementation of the project.

The strategic plan is developed, with enough detail to inform the business case and a gate review at the end of the concept phase. If the sponsor and the organisation are convinced of the viability of the project, that it can deliver the desired benefits with acceptable risk to the organisation, it is allowed to continue into the definition phase.

4.2 The definition phase

During the definition phase the preferred solution is further evaluated and optimised – often an iterative process. This phase requires a transition from strategic to detailed planning, to work out the scope, time, cost and quality objectives of the project. The plan must be developed in sufficient detail to expose issues with the project to enable its implementation to be justified, and to provide a sound basis for implementation – a baseline against which the project subsequently can be monitored and controlled.

The questions ‘why?’ and ‘what?’ will have been answered in the concept phase – perhaps definitively, although there may be further refinements. Now, in the definition phase, ‘how’ is developed in more detail, enabling ‘how much?’, ‘who?’, ‘when?’ and ‘where?’ to be answered. The answers must be sufficiently robust:

- for client projects: to convince the sponsor, and via the sponsor the organisation, that the project may be proposed to the client, has a good chance of winning a contract from the client, and has a good chance of being successfully implemented;
- for internal projects: to convince the sponsor, and via the sponsor the organisation, that implementation of the project should be funded.

At the end of the definition phase, the plan should be baselined ready for use during implementation for monitoring and control purposes. Subsequent changes to the plan should be under formal change control.

6

How to plan

6.1 Appropriateness

The *amount* of planning should be appropriate to the nature of the project. Considerations include:

- *Project size (cost) and complexity.* A high-cost project is not necessarily complex, but complexity does tend to increase with project size. Small projects may be complex, for example if including new technology or a complex supply chain. Large size/cost and complex projects typically require additional planning directly because of their size and complexity, and indirectly because the organisation requires a greater burden of proof of viability at gate reviews.
- *Project uncertainty and risk.* Uncertain or risky projects are likely to require additional planning, to reduce uncertainty and risk to levels acceptable to the organisation and to other key stakeholders.
- *Project criticality.* A project may be of high criticality to the organisation, for example a ‘must win’ contract or a key internal change project. Organisations are likely to require additional planning effort on such projects.
- *Time and resources available for planning.* Planning must be accomplished within constraints of available time and resources. Available time may be determined by a potential client’s timescales for a response to a request for proposals; resources may be determined by the extent to which the project team can be formed prior to project launch and by the availability of specialist planners.

6.2 Planning techniques

The planning techniques used vary throughout the project life cycle, reflecting the transition from strategic to detailed planning and the evolving emphasis of the questions about the project that planning must

answer. Not all of these techniques are planning-specific – many have other project management applications, and some are wider than project management – but they can all contribute to effective planning. Figure 6.1 shows the relationship of some of the techniques to strategic and detailed planning; Appendix B briefly defines these and other techniques.

Planning techniques need to be chosen carefully. The aim is to assist the project manager and the team, and through them the sponsor and the key stakeholders, to conceptualise and define the project, and to provide the baseline for monitoring and control. The techniques used should be relevant, appropriate and cost-effective. They need to be neither so simple that they ignore significant issues, nor so complex as to confuse matters. The project manager's experience in project planning, often aided by that of the specialist planner(s), determines the techniques appropriate to the project.

6.3 Strategic planning

Planning in the early phases of the project life cycle is strategic rather than detailed: it is top-down and focuses on 'why', 'what' and 'how'. The answers to these questions provide the strategic framework for the project plan. The project manager asks 'why' and 'how' questions of the project sponsor and other key stakeholders in structured interviews. The client is a key stakeholder but may not be directly accessible to the project manager, in a situation where the organisation is participating in competitive bidding for a contract to undertake the client's project. In this situation, indirect means may need to be employed to obtain the client's perspective: informal contacts, stakeholder analysis and market intelligence. Some of the answers given will prompt further research or analysis. Requirements management may commence.

For an internal project for the organisation, the answer to 'why?' is often in the form of a business objective, to move an organisation from its present position to a desired future state. The vehicle that delivers this change is a project, and planning provides the route. It therefore follows that the answer to 'why?' may be found in the business plan.

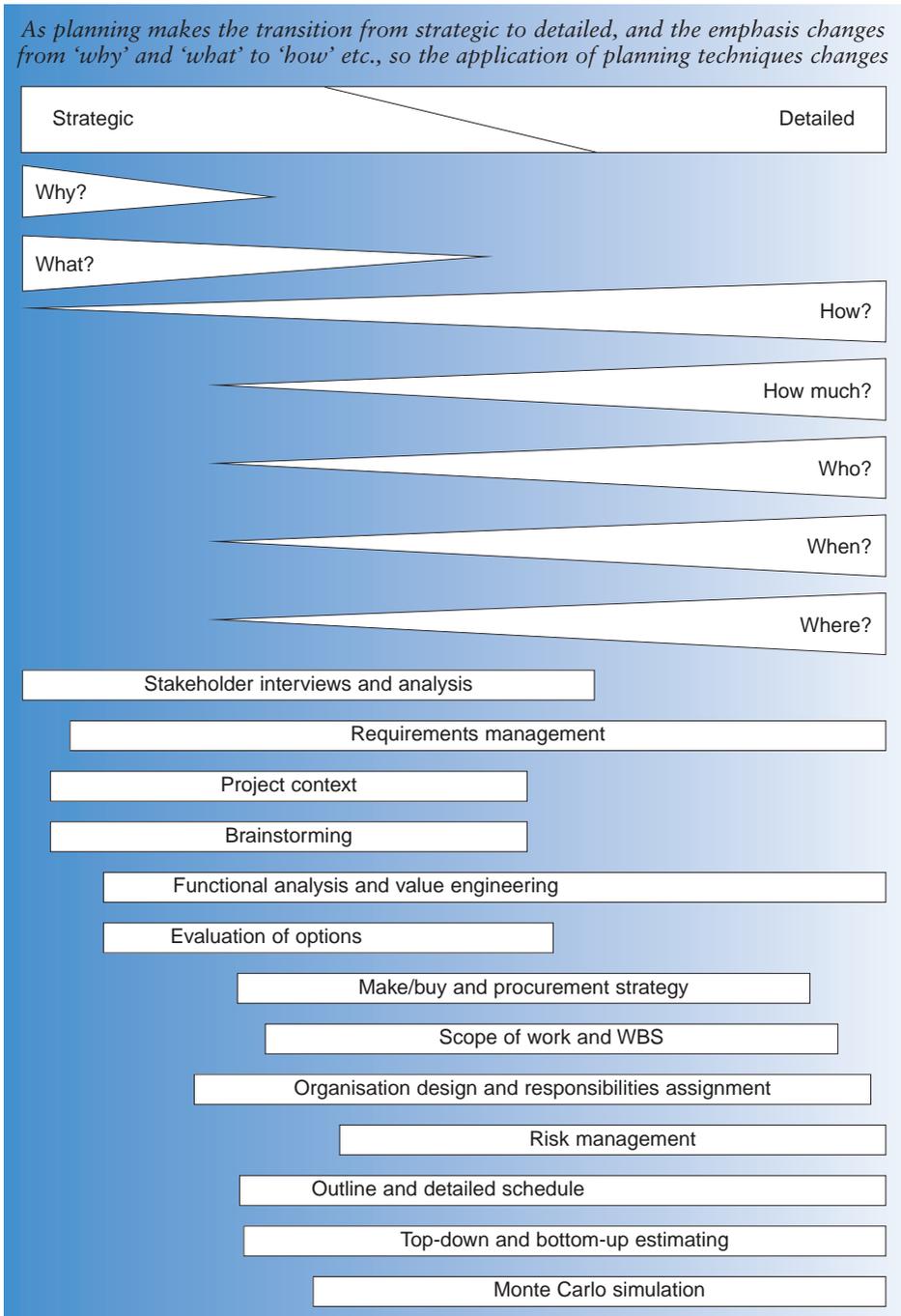


Figure 6.1 The relationship of techniques to strategic and detailed planning

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