

PLANNING FOR YOUR PROJECT

This tool kit has been designed to provide an introduction to planning.

It will help you to think about the reasons behind why you should plan, what to plan and the variations of plan that can be used. It will also cover; how to plan and how monitoring and reporting is essential to manage progress. This should give you an overview of how planning can benefit a project.



When you are about to start a project, good planning is vital. The project plan is the core tool at the heart of project management and is the key to controlling the progress of the project.

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Planning



Why plan the project?

The fundamental reason for planning is to maximise the chances of project success. A popular quote regarding this is “Fail to plan and you plan to fail”. This is very true, as good planning is the basis of all good projects and failure to plan can often result in project failure. Planning- and the resulting plan - help you to understand where you are, and put you in control.

Planning is the process of identifying the means, resources and actions necessary to accomplish the project’s objectives. The plan should be a detailed proposal for doing or achieving something and it should specify the ‘what’, ‘when’, ‘how’ and ‘by whom’. Not having answers to these questions leads to lack of control and reduced visibility of progress during the project.

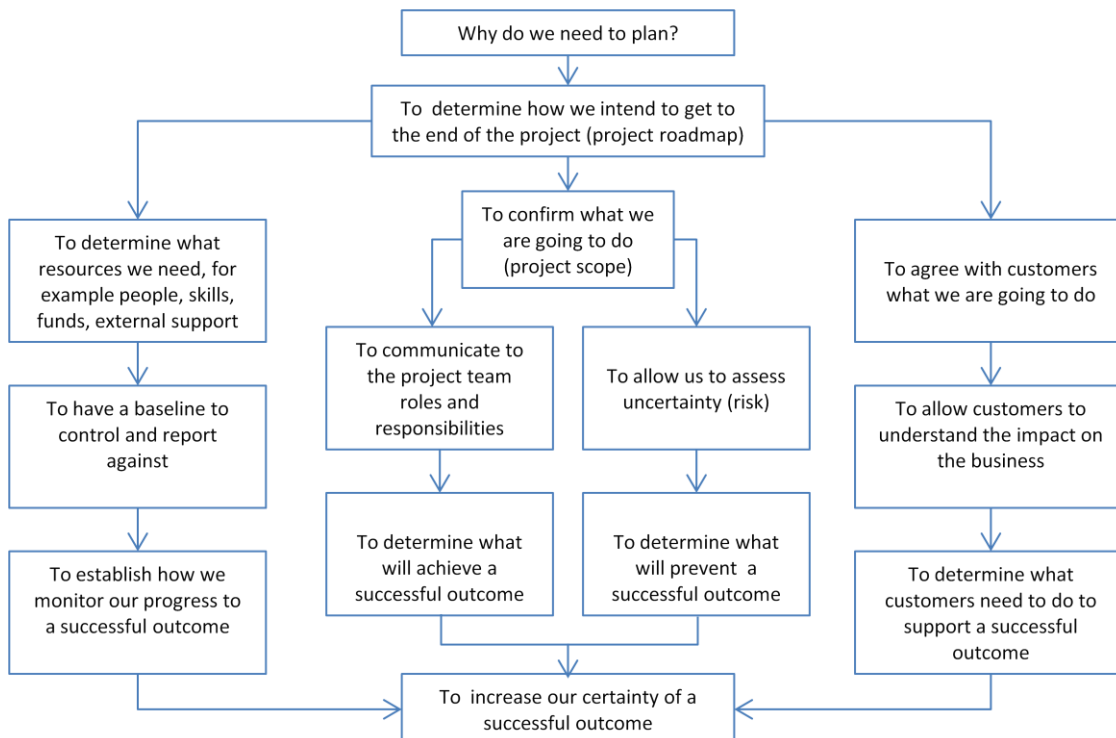
Planning is an iterative process that goes on throughout the life of the project.

The plan should be reviewed regularly as it can change throughout the project.



Planning the project helps to increase certainty of a successful outcome... how do we get to the end, what do we need to do, who do we need to talk to, what are our options, what are the resources that will be required? It also enables us to assess any uncertainties (See Toolkit on Risk Management).

The below diagram shows some of the main reasons why plans are needed and the connections required to increase the certainty of a successful outcome.



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What to plan

Planning commences during the project’s concept stage and continues throughout the project. The below areas should be considered as feeding factors into the plan. At what point these areas should be considered is detailed in the next section, please see below (*) which indicates the phase. This will be further explained on Page 4.

- ◆ Why – Define the business case for the project? (*Start up Phase*)
- ◆ What – What do you need to deliver? (*Start up Phase*)
- ◆ How – How are you going to do it, what’s the strategy behind the project? (*Initiation Phase*)
- ◆ How much – Breakdown of the budget and cost monitoring (*Initiation Phase*)
- ◆ Who – Required resources and their role description (*Initiation Phase*)
- ◆ When – Sequence of activities and timescales (*Initiation Phase*)
- ◆ Where – Locations of the project (*Initiation Phase*)

These areas should feed into the project plan in order to gain a consolidated view of the project. The project plan provides a statement of how and when the projects time, cost, scope and quality performance targets are to be achieved, by showing the major products, activities and resources required for the project. The below diagram shows which areas should be considered and subsequently encompassed in the project plan.



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Who should plan?

Planning, as a process, should engage all key stakeholders who are involved in the project (for help in identifying stakeholders please see the Stakeholder toolkit part 1). The plan will usually be owned and managed by the project manager but as a process it should involve key project members to ensure that all requirements are included. Creating a plan should be one of the first tasks on initiating a project and it is essential that those impacted by the project should be involved in this process. Possible stakeholders would include;

- ◆ Project executive – the individual in this role should pay particular attention to ensuring that the planning group remains focussed and has a common vision. This should be the project executive rather than the project manager, as the former would have more visibility with the senior management team and wider organisation. Their specific role regarding the planning process is to ensure that the required resources are available. This may mean negotiating with other senior management to utilise the resource or identifying other possible resources/solutions where availability is denied or limited. As they are accountable for the project they can also provide an insight into what should be prioritised, and into expectations from the wider organisation.
- ◆ Project manager – the individual in this role should manage and coordinate the planning process, ensuring that all information is captured, and then produce and circulate the project plan for review, prior to base-lining, and for ongoing monitoring and maintenance.
- ◆ Project team – team members should be involved, so that their specialist skills and experience can be utilised to ensure the production of a comprehensive plan. They could include members who will use the end system, to provide information on training requirements for instance, or commercial leads who can input on commercial requirements that will need to be planned, along with other members from key areas.

Once the key stakeholders are identified, a planning session should be arranged, as detailed in the “How to plan” section, in order to initiate the project planning process.



When to Plan

Planning should start as soon as the need for a project has been identified and continues throughout the project life cycle. As soon as a plan is finalised it can quickly become out of date so continual planning is vital. The plan will be used for varying reasons throughout the project;

- ◆ Start up Phase – this is the first stage of any project, during which the need for the project is confirmed, the feasibility of the project is confirmed, and the preferred solution identified. The project scope is defined and the appropriate methods for completing the project are determined. Following this step, the plan is developed, with the durations for the various tasks necessary to complete the work being listed.
- ◆ Initiation Phase – during this stage the preferred solution is further assessed and more detailed planning takes place. This is the “how” stage, also a time when planning would uncover risks and issues. This is generally the point where the plan is baselined, which will enable future variance reporting.



Planning

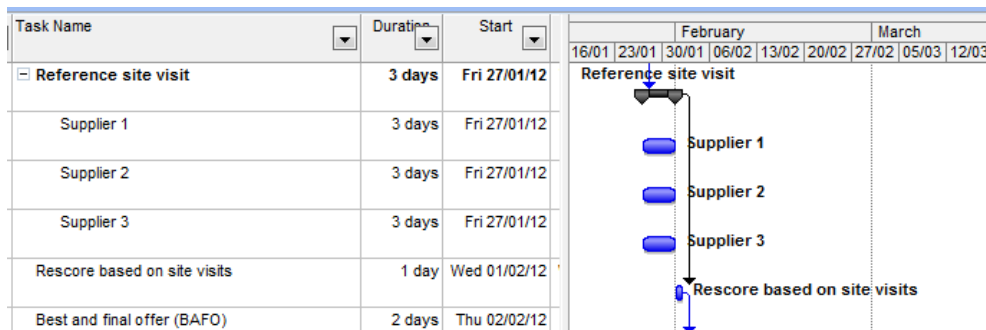
- ◆ Implementation Phase – At this stage the plan is used to provide the basis for monitoring and controlling. The plan is used to show all milestones and deliverables that are due throughout this stage, along with the % complete. Maintenance on the plan is essential throughout the stage to show progress and also allow for any rescheduling.
- ◆ Handover Phase – During this phase the deliverable of the project is handed over to the customer. This needs to be carefully planned to ensure training needs etc have been covered. This stage also needs to be monitored and controlled before the project is signed off as closed.
- ◆ Closure Phase – This phase is the end of the project, during which final reviews take place and all areas are closed down. The plan should be finally reviewed and reported on to ensure all deliverables are complete. The plan can then be closed down



Types of Plans

Depending on the type of project, various types of plans can be used. Some of the main types of plan are shown below, along with examples. Depending on the size of the project, more than one plan may be used.

- ◆ Gantt Chart – To support high level planning for any scale of project. This details activities, tasks, deliverables and milestones. The most efficient tool for this type of planning is Microsoft Project.



- ◆ Budget Plans- These types of plans could be used to estimate income and expenditure for a team/department or company. This type of plan is generally for a fixed period equating to the term the budget relates to. The most efficient tool for this type of plan is Microsoft Excel.

BUSINESS BUDGET
Feb-12

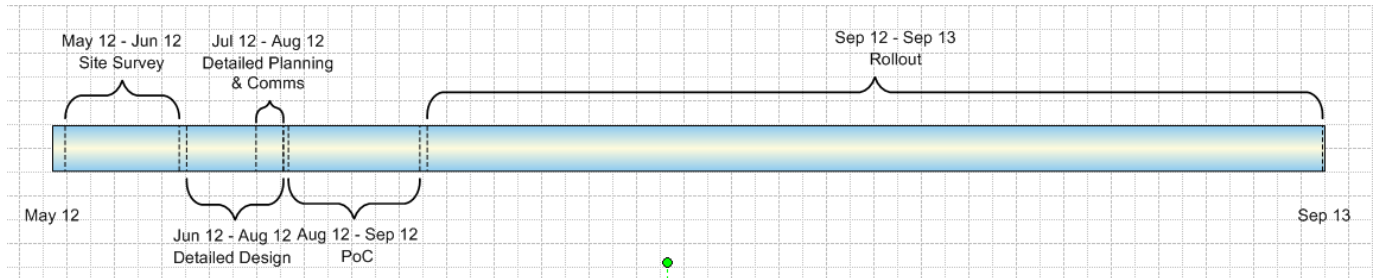
Month/Year: ✓

SUMMARY	ACTUAL	BUDGETED	OVER BUDGET	UNDER BUDGET	
Total income	1,432,500.00	1,318,080.00	114,420.00		
Total expenses	339,760.00	314,910.00	24,850.00		
Income less expenses:	1,092,740.00	1,003,170.00	89,570.00		
INCOME DETAILS	ACTUAL	BUDGETED	OVER BUDGET	UNDER BUDGET	NOTES
Sales	1,400,000.00	1,200,000.00	200,000.00		
Interest earned	5,000.00	4,500.00	500.00		Increase advertising next year.
Fees	1,000.00	980.00	20.00		
Commissions	10,000.00	98,000.00		-88,000.00	
Rent	9,000.00	8,000.00	1,000.00		
Royalties	2,500.00	2,600.00		-100.00	
Other	5,000.00	4,000.00	1,000.00		
Total income:	1,432,500.00	1,318,080.00	114,420.00		
EXPENSE DETAILS	ACTUAL	BUDGETED	OVER BUDGET	UNDER BUDGET	NOTES
SELLING					
Salaries and wages	246,000.00	248,000.00		-2,000.00	
Commissions	10,000.00	12,000.00		-2,000.00	
Advertising	6,000.00	8,000.00		-2,000.00	Increase Here 3%.
Delivery	0.00	0.00			
Shipping	0.00	0.00			
Travel	4,600.00	5,600.00		-1,000.00	
Other	1,000.00	1,200.00		-200.00	



Planning

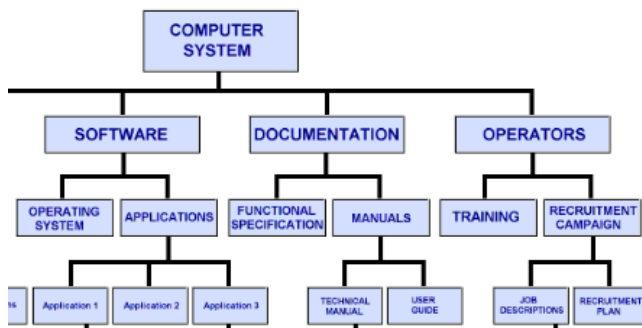
- ◆ Timelines – These can be useful for smaller projects. Project milestones and key activities can be shown in a simple timeline. This type of planning can be used to provide high level key information in an easy to read format. The most efficient tool for this is Microsoft Visio.



- ◆ Contingency Plans – These are used to plan on key risk areas. Possible risk scenarios can be identified, alongside options that could be taken if they occurred. Having these in a plan means that if a risk were realised you could transfer to a new plan instantaneously. The most efficient tool for this type of plan is Microsoft Word.

Contingency Plan		
Contingency Plan		
Purpose:		
Authority:		
Trigger Point:		
Notification List of Managers		
	Name	Responsibility/ Notification for:
		Phone Number

- ◆ Product Based Plans – This is the Prince2 recommended approach, and involves looking at the deliverables and components of a project and treating them as products. This approach can highlight dependencies, and detail what needs to occur first.



Planning

Now you have an understanding of 'why', 'when' and 'what' types of plan are available, it is time to think about how you use them and how your plan can be utilised effectively going forward. The next sections should help with this.



How to plan

The initial stages of the planning process will usually take place in the format of a planning session, in which the stakeholders meet to discuss as a group. Alternatively this could be done via individual stakeholder meetings, with the Project Manager collating the plan. The amount of planning should be appropriate to the size of the project. However, no matter how small the project is, planning is still essential. Some of the key areas that should be discussed for all projects include:

- ◆ Activities – the tasks that must be undertaken for completion of deliverables.
- ◆ Deliverables – outcomes or items that must be produced to complete part of a project.
- ◆ Milestone – a significant event in the plan's schedule, for instance sign off of a stage.
- ◆ Dependencies – relationships in which a task or milestone relies on other tasks to be performed before it can be performed.
- ◆ Timescales – this is the schedule for completion and shows the outline for how long the project should take.
- ◆ Resources – the resources that are required to complete specific tasks.

When thinking about the above key areas for discussion, questions such as the ones below could be asked;

- ◆ What are our goals and objectives?
- ◆ What activities/tasks do we need to complete to achieve these?
- ◆ Which tasks are dependent on other tasks?
- ◆ Who can complete the necessary tasks and activities?
- ◆ Are the resources available? What are their time constraints?
- ◆ How long will the activities/tasks take to complete?
- ◆ What training will be required?
- ◆ Have we factored in contingency?
- ◆ How much will each task cost?
- ◆ Are there any risks that now need to be recorded?

Critical Path.

The Critical Path is the longest sequence of activities in the plan that must be completed on time, in order for the project to complete on the due date.

An activity on the critical path cannot be started until its predecessor is complete, meaning that if this activity is delayed, then it will delay the whole project.

This can prove useful for highlighting dependencies within your plan.

Once you have held your initial planning session, the Project Manager should compile the information gathered into a project plan, either using one of the examples in the Types of Plan section or another format suitable for that team. This should then be circulated to the team for review, and once approved, base-lined.



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Base-lining the plan will enable monitoring and reporting to take place in relation to the initial captured requirements. This will provide a useful tracking mechanism to show what has changed, and the value the project is earning. Variance levels should be established at the beginning of the project so that valid reports and monitoring can take place.



Monitoring and Reporting

Monitoring should take place throughout the project lifecycle, and is an integral part of any project. Monitoring and reporting of your plan(s) in particular mean that information concerning project performance is being managed, and key stakeholders are being regularly communicated with regarding project status. Monitoring enables variances in the plan to be detected, and reacted to appropriately, in order to control any deviation.

The status and progress according to the project plan should form part of regular project reviews and project reports. Some key points to consider when thinking about how to review and report on your plan are shown below.

Project reviews should:

- ◆ Be held regularly and added into calendars at the beginning of each project
- ◆ Include the project team
- ◆ Review project status reports
- ◆ Focus on progress and variance reporting
- ◆ Identify corrective actions to put the project back on track
- ◆ Identify any possible risks based on project progress
- ◆ Discuss any upcoming milestones and dependencies
- ◆ Establish a communications strategy, if required, for any delays

Project reporting should:

- ◆ Report on variances regarding progress in a clear, defined structure
- ◆ Highlight variances based on pre-defined limits
- ◆ Provide a high level snapshot of progress to senior management
- ◆ Provide a basis for discussion at project review meetings
- ◆ Highlight relevant risks relating to project progress

The key to a successful project is good planning; your project plan should guide your project.

The plan will outline your key activities and milestones, and with regular monitoring and reporting can identify variances in a timely manner, to allow corrective action to be taken.



Planning

Project Office top tips

- ◆ Plans should be reviewed at regular scheduled intervals, as they can change.
- ◆ Your signed off plan should be baselined to enable variance reporting.
- ◆ When base-lining your plan, ensure you baseline your other documents too.
- ◆ The plan will have input from varying stakeholders but you should always ensure that there is one owner of the plan.
- ◆ Choose the right of type of plan for you to make planning easier to understand.
- ◆ Your chosen planning method should be appropriate to the size of the project.
- ◆ For further reading on advanced planning techniques such as PERT and Critical Path a useful website is <http://www.mindtools.com/critpath.html>
- ◆ Finally.....good project planning is critical to project success.

Planning

For more information and advice contact the Project Office: projects@contacts.bham.ac.uk

