APM Body of Knowledge 7th edition

An evolving structure: progress report

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THE **CHARTERED BODY** **FOR THE**
PROJECT PROFESSION

Contents

Introduction

Following an eight-week consultation, the *APM Body of Knowledge 7th edition* writing team, led by Dr Ruth Murray-Webster and Professor Darren Dalcher, have reviewed more than 1,500 comments and numerous supporting documents.

As a result of the consultation the structure has been updated to reflect the ideas and suggestions of those who took part. Specifically, it aims to address recurring themes such as agile, benefits, stakeholders and communication.

The writing team will continue to evolve the structure as the writing phase progresses, but for now, please take the opportunity to see how your feedback is helping to shape the content plan for the next edition.

Welcome: Editor's note

Welcome to this latest progress report. Inside there's a revised structure for you to look at – so you can see how the editorial team has listened to feedback and changed the structure to give appropriate weight to all topics.

Hopefully you'll be able to see how we have:

- Positioned project-based working (as individual projects or as projects and other operational work within programmes and portfolios) in the organisational context.

- Clarified different ways that the accomplishment of organisational change through projects can be governed, shaped, funded, assured, delivered – right through to the realisation of the desired benefits by the investing organisation.

- Focused on people and behaviours and the skills needed to engage stakeholders, lead teams, negotiate deals whether formal or informal and resolve conflicts.

- Addressed the linear/deliberate and iterative/adaptive variants of core planning and monitoring elements for projects.

We'll have even more detail for review by members and volunteers in early September but we'd encourage you to take a look at where we are up to, and of course, let us know your thoughts. yourviews@apm.org.uk.

Dr Ruth Murray-Webster

Editor, APM Body of Knowledge 7th edition

What's changed?

The first thing to say is that the original draft structure was well received by participants taking part in the original consultation, with nearly 90 per cent of respondents rating it 'Fully' or 'Mostly' comprehensive. The breadth of topics covered again was largely supported and there were no obvious omissions.

One change identified was the need to recognise the variety of delivery options available across all projects types – from more traditional, linear and deliberate life cycles to structures that are more iterative and adaptive. Often described as 'agile v waterfall'. The feedback strongly supported the view of the writing team that these should not be considered as binary options, so the structure will also highlight the option of hybrid models of delivery.

Chapters

Based on your feedback we took the decision to add in an extra chapter – *Chapter 2: Organising the change* – bringing the total number to four main chapters overall.

Chapter 2 is an important addition, as it helps bridge the gap between the organisational perspective (Chapter1) and the delivery phase. Organising the change is written primarily for those who need to build and lead teams to shape, fund and assure projects, programmes and portfolios and to ensure that project outputs are transitioned to the business and adopted to realise the intended benefits.

Importantly, it addresses the need to set up projects properly, and have a clear line of sight of the intended benefits – a recurring theme from the original consultation, which saw nearly two thirds of respondents mention either how benefits are defined, tracked or realised.

In addition, Chapter 2 lists topics that are important when shaping and funding investments early in the life cycle, and when transitioning the outputs created into business operations so that benefits can be realised.

Chapter 3: *People and behaviours* builds on the previous chapter, covering the human element in project-based working. You told us that teamwork, leadership and communication were vital elements in any successful project and should be at the heart of the next edition. The inclusion of 'new' topics on culture and cultural differences, diversity and inclusion and dealing with stress, are all influenced by comments from the consultation.

Chapter 4: *Delivering projects* addresses the linear/deliberate and iterative/adaptive variants of core planning and monitoring elements for projects.

Topics

While the number of sections (12) stays the same, the number of topics is now 68 – one less than the original draft structure. This change resulted from the consolidation of certain topics and introduction of new ones, following a review of the consultation feedback.

Each topic in the structure will have a two-page spread in the *APM Body of Knowledge 7th edition* – so approximately 400 words plus a diagram and pointers for further reading. That's why big and important aspects of our profession, like value, benefits, knowledge, risk, contracts and procurement, governance, assurance, stakeholders, people, etc, don't have one topic, but are featured in multiple topics throughout the structure.

Agile approaches moves to a broader topic on iterative life cycles, including hybrid life cycles. This in addition to the approach in Chapter 4 which addresses the linear/deliberate and iterative/adaptive variants of core planning and monitoring elements for projects. Respondents advised against setting agile apart, and highlighted the strengths of a blended approach and we have responded to this.

We are keen to represent systems thinking in the *Body of Knowledge*, again not as one topic, but to demonstrate where the management of projects benefits from whole systems thinking. As a result systems thinking will be mentioned across a number of topics to address social (soft) systems as well as systemic approaches to planning and control.

You may recall that we consulted on whether mega-projects should be included alongside projects, programmes and portfolios. Respondents advised against this, suggesting that it would further complicate the structure and encourage sub-strands such as mini-projects or micro-projects, or mega-programmes and mega-portfolios.

While the number of sections (12) stays the same, the number of topics is now 68

Revised structure

We hope to agree the final structure when the writing team meets in late August to go through their initial drafts of extended storyboards for each of the topics. This may result in additional topics being included where we feel we do not have the space to do justice to the knowledge in one topic. It may also result in minor changes to the running order. In the meantime please take a look at how the content for the seventh edition is shaping up, and if you have any thoughts, email yourviews@apm.org.uk.

APM Body of Knowledge 7th edition

Chapter 1: The organisational perspective

This first chapter places projects in context and is written primarily for those leaders in organisations who have decisions to make about the role of projects, programmes and portfolios in implementing strategy. We assume that in most situations, there is some degree of choice to be made about how best to structure project-based work in order to achieve unique and specific objectives for change.

Section A. The role of project-based working in implementing strategy

1. **Organisational environment**
    - VUCA world as a way of framing the context for organisations
    - What factors introduce complexity?
    - Recognising sources of uncertainty, emergence and disruption

2. **Strategic implementation**
    - Investments in planned change
    - Strategic intent
    - Dealing with emergence
    - Creating value

3. **Organisational change**
    - Nature of change
    - Barriers to change
    - Leading change

4. **Benefits to the organisation**
    - Relationship between strategy, value, change and benefits/dis-benefits
    - Benefits in their organisational context – performance measurement at the organisational level
    - Ownership of benefit realisation

5. **Delivery options – projects, programmes and portfolios**
   - The case for standalone projects
   - Strategic programmes combining projects and business-as-usual work
   - Portfolios at multiple organisational levels (strategic benefits, operational efficiency benefits, etc)

Section B. Governance

6. **Governance principles**
   - The need for clear governance of project-based work
   - How governance differs for projects, programmes and portfolios and/or when there are multiple parties investing in the change
   - Alignment with wider corporate governance

7. **Sponsorship**
   - The role of the sponsor – primary risk taker
   - Sponsorship when there are multiple investors (multi-owned)
   - Sponsorship at multiple levels – projects, programmes, portfolios
   - Sponsor – project manager relationship

8. **Steering groups**
   - Role and responsibilities
   - Typical composition
   - Reporting/relationship with wider corporate governance

9. **Aligning and balancing temporary and permanent organisational structures**
   - Temporary organising principles
   - Ownership of change in business-as-usual
   - Challenges and choices for managing the boundary between temporary and permanent teams

10. **Operational adjustments during project-based working**
    - Temporary cessation of some activities
    - Simultaneous operations
    - Implications for people and processes

11. **Sustainability**
    - Sustainable development
    - Corporate social responsibility

12. **Strategic sourcing**
    - 'Make or buy' – when to invest in internal resources and when to partner in the supply chain
    - Public private partnerships and other consortia/partnerships/alliances/joint ventures
    - Implications for governance and shaping

Section C. Delivery options and choices

13. Delivery philosophy

- Predictive (planned, linear) – adaptive (emergent, iterative) life cycle continuum
- Benefits of different choices

14. Linear project life cycle

- When this works well – delivery of specified outputs trading time and cost to achieve the right scope and quality.
- Development by sequence
- Efficient capital spend – emergent change by exception
- APM life cycle phases introduced here

15. Iterative (and evolutionary) life cycles

- When this works well – agile projects – delivery of optimal solutions quickly – trading scope and quality to deliver on time and to cost
- Dealing with uncertainty
- Programme structures – trading pace and effective capital spend when emergent change is expected

16. Hybrid life cycles

- Building agile working into an overall project or programme investment life cycle
- Projects within programmes – sizing for efficiency and flexibility
- No right answer – what are you trying to achieve?
- Concurrent structures

17. Extended life cycle

- Income and operational costs as well as spending capex
- Implications for business input into temporary teams

18. Product life cycle

- Whole life costs – through to decommissioning of the product
- Implications for business ownership

Chapter 2: Organising the change

This second chapter is written primarily for those leaders in organisations who need to build and lead teams to shape, fund and assure projects, programmes and portfolios and to ensure that project outputs are transitioned to the business and adopted to realise the intended benefits. This chapter addresses a collection of topics that can be seen as the points of interface with the organisation making the investment. They are topics that are important when shaping and funding investments in change in early life cycle, and when transitioning the outputs created into business operations so that benefits can be realised.

Section D: Shaping and funding

19. Projects

- Clarity about the problem statement/business need
- Understanding relative priorities of time, cost and scope/quality
- Agreeing the high-level scope of the project and interfaces with the business (including a project, extended or product life cycle)
- Principle – projects can be shaped to deliver benefits without being in a programme structure with the responsibility into the extended life cycle being with the project manager OR handed over to someone else in the business.

20. Programmes

- Rationale for organising the work as a programme – benefits that are greater than could be delivered by projects alone
- Programme vision
- Selection and shaping of projects and BAU activities into tranches
- Incremental benefit realisation
- Agreeing how projects within the programme are sponsored and governed

21. Portfolios

- Rationale for organising the work as a portfolio – benefits that are greater than could be delivered by projects alone, or a programme approach
- Balancing the portfolio – aligning objectives with strategy – optimising resources to maximise value vs given objectives
- Agreeing how projects and/or programmes within the portfolio are sponsored and governed

22. Best-fit contracting strategy

- Contract strategy relevance to risk/reward – collaborative – transactional spectrum
- Forms of contract and implications for risk sharing
- Contract management options including things like payment schedules

23. Investment decisions

- Confidence levels
- Decision bias
- Investment appraisal, hurdle rates etc

24. Business case

- Balancing benefit, cost, time, risk – getting financial value from investing (ROI)
- Balancing the investment case with benefits you choose not to quantify financially
- Business case as the baseline to take into detailed planning and delivery
- Reviewing, appraisal and evaluation of business cases

Section E: Assurance, learning and maturity

25. The PMO

- Which P?
- Variants
- Pros and cons of each variant

26. Decision gates

- Purpose of decision gates
- Preparation for decision gates
- Documenting decisions and re-planning

27. Assuring performance

- The importance of documentation
- Audit
- Role of assurance in preparing for decision gates

28. Knowledge and knowledge management

- Building and codifying organisational knowledge
- Structuring projects to enable organisational learning
- Managing and using knowledge
- Communities of practice

29. Maturity of practice

- Models to measure maturity – culture, process, capabilities
- Implications for setting up projects, programmes and portfolios for success

Section F: Transition into use

30. Business readiness

- Engagement of recipients of change
- Change impact analysis
- Coordinating project outputs with change activities to ensure optimal handover into use

31. Handover of project outputs

- Different handover strategies – soft launch etc
- Recognise messiness
- Activities to ensure effective adoption

32. Adoption and benefits realisation

- Support for change recipients to adopt
- Other business-as-usual activities to enable benefit realisation
- Tracking benefits and adjusting accordingly

33. Early closure of projects

- Fail fast – clear governance (including links to programmes and portfolios)
- Recognising interim benefits achieved
- Ensuring learning

34. Administrative closure of projects

- Document management
- Ensuring team members are transitioned out effectively (including things like performance reviews)
- Contract closure, including claims and remedies

35. Closing programmes and portfolios

- Recognising when the benefits of a programme or portfolio management layer are no longer adding value
- Refocusing projects in flight – as projects or into other programmes or portfolios
- Ensuring learning

Chapter 3: People and behaviours

This third chapter is written primarily for those leaders in organisations who need to build and lead teams to shape and deliver projects, programmes and portfolios.

Section G: Working together

36. Teams

- Typical roles and responsibilities (including within a PMO or project services/controls organisation)
- Teams spanning multiple organisations (including virtual and distributed teams)
- Temporary teams and their interaction with business as usual teams (incl. performance appraisal)

37. Stakeholders

- Identifying
- Analysing
- Recognising relationships between stakeholders

38. Social systems

- Networks of relationships and implications for traditional ideas on 'control'
- Implications for socio-political complexity
- Politics and power

39. Culture and cultural differences

- Organisational cultural differences
- National cultural differences
- Implications for effective team working
- Implications for governance

40. Diversity and inclusion

- Value is created through difference
- Embracing different needs and preferences

Section H: People skills

41. Engaging and influencing

- External parties
- Internal parties
- Facilitating constructive conversations
- For delivery and organisational change

42. Leading

- Motivating
- Delegating
- Enabling collaboration and creativity
- Project, programme and portfolio variants

43. Teamworking

- Team development
- Virtual teams
- Self-managed teams

44. Communicating

- Methods of communication
- Listening
- Responding to feedback
- For delivery and organisational change

45. Negotiating

- Types of 'deal' to negotiate
- Planning – clarity of objective
- Follow-up

46. Resolving conflicts

- Conflict resolution or management?
- Conflict as an opportunity to create value
- Mediation and arbitration

47. Dealing with stress

- When positive pressure turns into negative stress
- Recognising the signs
- Options for resolution

Section I: Being a professional

48. Ethics and standards

- APM Code of Conduct
- Safeguarding
- Speak up (whistleblowing)

49. Continuing professional development (CPD)

- Qualifications and accreditations (multiple professional bodies)
- Reflective practitioners
- Contributing to the wider profession

50. Regulatory environment

- Navigating the regulatory environment
- Health, Safety, Environment, Security
- Not just compliance

Chapter 4: Delivering projects

This fourth chapter is written primarily for project managers and their teams – the people who are tasked with defining and delivering the work. This chapter is focused on projects – which may be managed a standalone initiatives, or as part of wider programmes and portfolios. Projects may be very large or small. Projects may be adopting a linear/predictive or an iterative/adaptive life cycle for all or some of the life cycle phases and the topics in this chapter all refer to both variants.

Section J: Defining products

51. Objectives and requirements

- Defining requirements and separating essential from non-essential requirements
- Value and quality perspectives
- Process mapping

52. Scope

- Decomposition of high-level requirements using breakdown structures of various kinds
- Understanding and documenting planning assumptions

53. Options and solutions

- Feasibility studies
- Selecting concepts/options in early life cycle – optioneering
- Functionality/risk/value/benefit trade-offs

54. Success and benefits

- Clear articulation of success criteria and benefits, building from business case
- Measurement of success criteria and benefits
- Generic success factors for project-based working

Section K: Integrated planning and reporting

Each topic in this section will address both linear/predictive and iterative/adaptive life cycles

55. Estimating

- Approaches for estimating (comparative, parametric, bottom-up, group or expert judgement)
- Understanding and articulating estimating uncertainty

56. Scheduling

- Critical path analysis (assume we put precedent relationships here)
- Critical chain
- Time-boxed activities

57. Resource optimisation

- When time is most critical
- When cost is most critical
- When scope is most critical

58. Cost planning

- Baseline costs over time – planned value (BCWS)
- Phasing of payments to suppliers
- Understanding fixed and variable costs

59. Identifying and analysing risk

- What is 'at risk' – calibration of impact scales
- Risk descriptions – threats and opportunities
- Sizing and prioritising risks

60. Contingency determination

- Options – modelling/Monte Carlo simulation, EMV, 'rule of thumb'
- Contingency held at different levels – project manager, sponsor, organisation
- Programme perspective

61. Delivery baseline

- Concept of baseline / agreed integrated project management plan
- Approving integrated plans for delivery

62. Progress reporting
- Actuals vs plan
- Earned value
- Benefits tracking

Section L: Managing delivery

Each topic in this section addresses both linear/predictive and iterative/adaptive life cycles

63. Awarding, monitoring and managing contracts
- Tenders
- Monitoring and managing contract performance

64. Managing risks
- Generic responses to threats and opportunities
- Deciding when to take the risk or invest in increasing certainty
- Keeping the risk conversation alive

65. Managing issues
- Understanding and communicating issues
- Gaining support (including escalation to governance) and tracking progress
- Links to risk management and change control

66. Managing variations (change control)
- The need for change control
- Change control process including impact analysis of requests (on project and wider programmes and portfolios)
- Re-baselining integrated plans

67. Managing the configuration
- Defining elements of the configuration
- Process for ensuring alignment
- Links to asset management in the business

68. Ensuring product quality
- Planning for quality
- Quality control
- Continuous improvement

Next steps: Building BoK7

We took the decision early on to apply a robust structure to the *APM Body of Knowledge 7th edition*. This will see each topic covering two pages only – around 400 words per topic. In addition each topic will have a single supporting diagram and will signpost further reading, or next steps, for those who want learn more.

By applying these page constraints writers are required to exercise a high level of discipline, taking only the most relevant points on each topic and similarly, only the most relevant illustration. The ultimate aim is to provide clarity – and a degree of certainty – to the end user, but leave open the option of a 'jump off' point to discover more on a specific topic.

The next step for the writing team is to develop summaries or 'storyboards' of what should be contained within each topic area. This will give the writers the opportunity to share their thoughts and identify gaps and overlaps. Once completed, these will be made available to the profession for review. We anticipate this happening in early September.

For further information on the development of the *APM Body of Knowledge 7th edition* visit apm.org.uk/body-of-knowledge/apm-body-of-knowledge-consultation

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