




# PMBOK® Guide – Third Edition

*Presented by Kevin Chui, PMP  
Vice President, PMI Hong Kong Chapter*

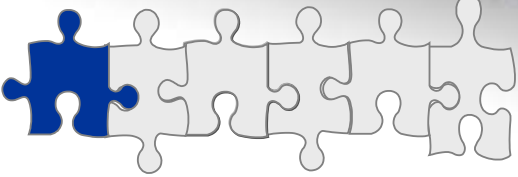



## Agenda

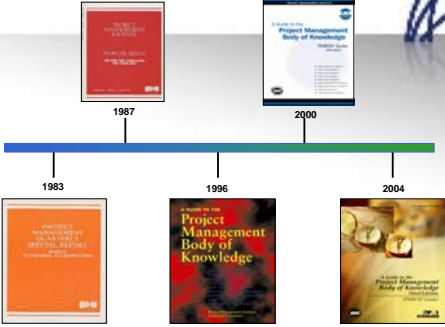
- Background
- PMBOK® Guide 2004 Update Project
- Structural Changes to the Standard
- Process Group Changes
- Knowledge Area Changes
- New Examination
- Questions and Discussion

## Background





## How Did We Get Here?

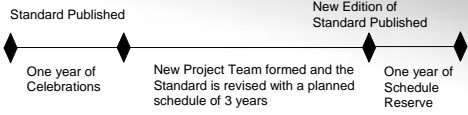



## PMI Standards Background


- 1969 – PMI founded
- 1983 – PMI Special Report on Ethic, Standards, and Accreditation – the Standards portion was The Project Management Body of Knowledge (PMBOK)
- 1987 – PMBOK Standard was published
- 1996 – A Guide to the Project Management Body of Knowledge (PMBOK® Guide) [first edition] was published
- 1999 – PMI accredited as a Standards Development Organization (SDO) by ANSI
- 2000 – The PMBOK® Guide - 2000 Edition [second edition] was published



## PMI Life Cycle Plan for Standards



PMI Plans for a four year refresh cycle for all Standards



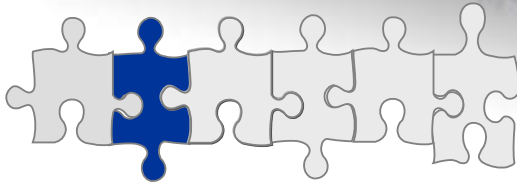
## PMBOK® 3rd Edition Project Volunteer Facts

- 266 total volunteers participated
- 19 countries covering all of the continents
- 98 (37%) volunteers were from outside the U.S.A.
- 52 industries were represented by all volunteer's
- 73 (28%) volunteers participated in a formal Preliminary Exposure Draft review/survey

## PMI's Standards & Certification

- **Project team members**
  - CAPM and PMBOK® Guide – Third Edition
- **Managing projects**
  - PMP and PMBOK® Guide – Third Edition
- **Specialists**
  - PMBOK® Guide – Third Edition and practice standards
- **Managing programs**
  - Program Mgt. Standard in development & studying market needs for certification
- **Consultants helping organizations improve their pm maturity**
  - OPM3® and Ancillary Products & Services certifications (Q3'05)
- **Managing portfolios / strategic business focus**
  - Portfolio Mgt. Standard in development

## Structural Changes to the Standard



## PMBOK® Guide 2004 Overview of Major Changes

- No new Knowledge Areas
- Chapter 3 new and moved to a separate section
- Expanded description of Project Management Integration – from three to seven processes
- Processes changed from 39 to 44
  - 5 new processes (7 added, 2 deleted)
  - 14 process name changes
- Inputs, Tools & Techniques and Outputs, are now tightly integrated & consistently placed
- New Process Flow Diagrams added
- Expands and improves the Glossary and the Index

## Structural Changes to the Table of Contents

2000 Edition Sections <i>Moved / Merged</i>	Third Edition Exposure Draft Sections <i>New; Renamed / Moved</i>
Section I The Project Management Framework Chapters 1, 2, and 3	Section I The Project Management Framework Chapters 1 and 2
	Section II The Standard for Project Management of a Project Chapter 3 Project Management Processes for a Project
Section II The Project Management Knowledge Areas Chapters 4 through 12	Section III The Project Management Knowledge Areas Chapters 4 through 12
Section III Appendices Appendix A through G	Section IV Appendices Appendix A through F
Section IV Glossary and Index	Section V Glossary and Index

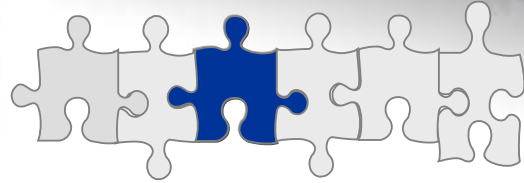
## Chapter 1 Introduction - Content Changes

- Clarifies differences between a project and operations
- Areas of Expertise: Combines the management discussion with the application areas and soft skills into one section
- Standard definitions of program and program management, portfolio and portfolio management
- More detailed discussion of PMO variations

## Chapter 2 Project Life Cycle and Organization - Content Changes

- Clarifies distinction between project life cycles and product life cycles
- Defines stakeholders in relation to the project team
- Adds a discussion of the role of the PMO in organizations
- Introduces concept of a project management system
- Difference between Project Life Cycle and the five Process Groups

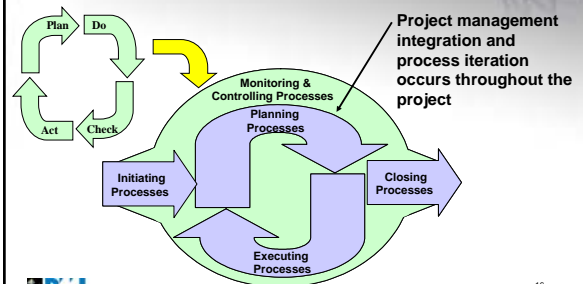
## Process Groups Changes



## Chapter 3 Project Management Processes for a Project - Content Changes

- Describes requirement to address the five Process Groups and their constituent processes
- Increases emphasis of Initiating Process Group and Closing Process Group
- Increases emphasis on consolidated Project Management Plan
- Adds Monitoring to the existing Controlling Process Group
- Increases emphasis on Monitoring and Controlling the project
- Includes new graphics for the five Process Groups

## The Project Management Process Groups



## The Initiating Process Group

2000 Edition Initiating Processes	Third Edition Initiating Processes
Moved / Merged	New Processes; Renamed/Moved Processes
Initiation (5.1)	Develop Project Charter (4.1)
	Develop Project Scope Statement (4.2)

## The Planning Process Group

2000 Edition Planning Processes	Third Edition Planning Processes
Moved / Merged Processes	New Processes; Renamed / Moved Processes
Project Plan Development (4.1)	Develop Project Management Plan (4.3)
Scope Planning (5.2)	Scope Planning (5.1)
Scope Definition (5.3)	Scope Definition (5.2)
	Create WBS (5.3)
Activity Definition (6.1)	Activity Definition (6.1)
Activity Sequencing (6.2)	Activity Sequencing (6.2)
Resource Planning (7.1)	Activity Resource Estimating (6.3)
Activity Duration Estimating (6.3)	Activity Duration Estimating (6.4)
Schedule Development (6.4)	Schedule Development (6.5)
Cost Estimating (7.2)	Cost Estimating (7.1)
Cost Budgeting (7.3)	Cost Budgeting (7.2)

## The Planning Process Group (continued)

2000 Edition Planning Processes Moved / Merged Processes	Third Edition Planning Processes New Processes; Renamed / Moved Processes
Quality Planning (8.1)	Quality Planning (8.1)
Organizational Planning (9.1)	Human Resource Planning (9.1)
Staff Acquisition (9.2)	
Communications Planning (10.1)	Communications Planning (10.1)
Risk Management Planning (11.1)	Risk Management Planning (11.1)
Risk Identification (11.2)	Risk Identification (11.2)
Qualitative Risk Analysis (11.3)	Qualitative Risk Analysis (11.3)
Quantitative Risk Analysis (11.4)	Quantitative Risk Analysis (11.4)
Risk Response Planning (11.5)	Risk Response Planning (11.5)
Procurement Planning (12.1)	Plan Purchases and Acquisitions (12.1)
Solicitation Planning (12.2)	Plan Contracting (12.2)

## The Executing Process Group

2000 Edition Executing Processes Moved / Merged Processes	Third Edition Executing Processes New Processes; Renamed / Moved Processes
Project Plan Execution (4.2)	Direct and Manage Project Execution (4.4)
Quality Assurance (8.1)	Perform Quality Assurance (8.2)
	Acquire Project Team (9.2)
Team Development (9.3)	Develop Project Team (9.3)
Information Distribution (10.2)	Information Distribution (10.2)
	Manage Stakeholders (10.4)
Solicitation (12.3)	Request Sellers (12.3)
Source Selection (12.4)	Select Sellers (12.4)
Contract Administration (12.5)	

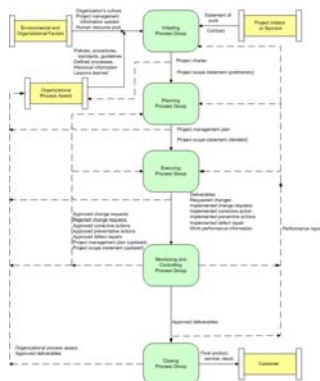
## The Monitoring and Controlling Process Group

2000 Edition Controlling Processes Moved / Merged Processes	Third Edition Monitoring and Controlling Processes New Processes; Renamed / Moved Processes
	Monitor and Control Project Work (4.5)
Integrated Change Control (4.3)	Integrated Change Control (4.6)
Scope Verification (5.4)	Scope Verification (5.4)
Scope Change Control (5.5)	Scope Control (5.5)
Schedule Control (6.5)	Schedule Control (6.6)
Cost Control (7.4)	Cost Control (7.3)
Quality Control (8.3)	Perform Quality Control (8.3)
	Manage Project Team (9.4)
Performance Reporting (10.3)	Performance Reporting (10.3)
Risk Monitoring and Control (11.6)	Risk Monitoring and Control (11.6)
	Contract Administration (12.5)

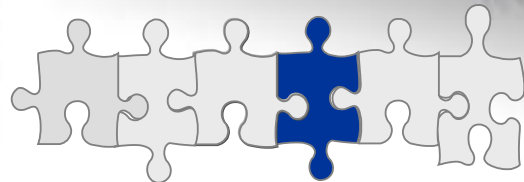
## The Closing Process Group

2000 Edition Closing Processes Moved / Merged Processes	Third Edition Closing Processes New Processes; Renamed/Moved Processes
	Close Project (4.7)
Administrative Closure (10.4)	
Contract Closeout (12.6)	Contract Closure (12.6)

## Process Groups Process Flow Diagram



## Knowledge Areas Changes



## Overview of Content Changes

- Removal of the concept “Core Processes” and “Facilitating Processes”
- Addition of several placeholders for representing concepts, input/output, or tools/techniques – “Organizational Process Assets”, “Enterprise Environmental Factors”, “Project Management Information System”, “Project Management Methodology”, “Project Management Plan”, “Risk Register”

## Chapter 4 - Project Integration Management Process Changes

2000 Edition Processes Moved / Merged Processes	Third Edition Exposure Draft Processes New Processes; Renamed / Moved Processes
	4.1 Develop Project Charter
	4.2 Develop Preliminary Project Scope Statement
4.1 Project Plan Development	4.3 Develop Project Management Plan
4.2 Project Plan Execution	4.4 Direct and Manage Project Execution
	4.5 Monitor and Control Project Work
4.3 Integrated Change Control	4.6 Integrated Change Control
	4.7 Close Project

## Chapter 4 - Project Management Integration Process Changes

- Enhances explanation of defined project management integration processes
- Provides description of integration from the aspect of the project management process groups
- Provides clear description of integration across all project management processes
- Includes 4 new processes and 2 renamed processes all of which, have been significantly expand.

## Chapter 5 Project Scope Management Process Changes

2000 Edition Processes Moved / Merged Processes	Third Edition Processes New Processes; Renamed/Moved Processes
5.1 Initiation	Moved to Project Integration Management & renamed
5.2 Scope Planning	5.1 Scope Planning
5.3 Scope Definition	5.2 Scope Definition
	5.3 Create WBS
5.4 Scope Verification	5.4 Scope Verification
5.5 Scope Change Control	5.5 Scope Control

## Chapter 5 Project Scope Management Content Changes

- Initiation is now in Chapter 4 and broken into two pieces.
- Scope Planning now refers to planning for scope management, not defining the detailed scope statement.
- Scope Definition now refers to defining the detailed project scope statement, not creation of the WBS.
- A new process, Create WBS, is added.
- Scope Management Plan is expanded to cover planning for scope definition, create WBS, scope verification, and scope control. It is now the output of scope planning.

## Chapter 6 Project Time Management Process Changes

2000 Edition Processes Moved / Merged Processes	Third Edition Processes New Processes; Renamed/Moved Processes
6.1 Activity Definition	6.1 Activity Definition
6.2 Activity Sequencing	6.2 Activity Sequencing
	6.3 Activity Resource Estimating
6.3 Activity Duration Estimating	6.4 Activity Duration Estimating
6.4 Schedule Development	6.5 Schedule Development
6.5 Schedule Control	6.6 Schedule Control

## Chapter 6 Project Time Management Content Changes

- Moved “Activity Resource Estimating” into Chapter 6 (6.3)
- Deleted PERT and the PERT figure
- Improved the PDM and ADM figures
- Dropped outdated figures: “Project Network Design with Dates”; “Bar (Gantt) Chart; and “Milestone Chart”
- Added figure for Milestone Schedule, Summary Schedule, and Detailed Schedule
- Added “Critical Chain” to Tool & Technique reference

## Chapter 7 Project Cost Management Process Changes

2000 Edition Processes Moved / Merged Processes	Third Edition Processes New Processes; Renamed/Moved Processes
7.1 Resource Planning	Moved to Project Time Management (Chapter 6)
7.2 Cost Estimating	7.1 Cost Estimating
7.3 Cost Budgeting	7.2 Cost Budgeting
7.4 Cost Control	7.3 Cost Control

## Chapter 7 Project Cost Management Content Changes

- Bottom up cost estimating is focused on the work packages or individual activities
- Project budgeting is tied directly to the WBS as an aggregation of lower level components
- Project cost control now includes Earned Value Management

## Chapter 8 Project Quality Management Process Changes

2000 Edition Processes Moved / Merged Processes	Third Edition Processes New Processes; Renamed/Moved Processes
8.1 Quality Planning	8.1 Quality Planning
8.2 Quality Assurance	8.2 Perform Quality Assurance
8.3 Quality Control	8.3 Perform Quality Control

## Chapter 8 Project Quality Management Content Changes

- The distinction between *project* quality and *product* quality is strengthened
- Continuous Process Improvement is added as an element of both Perform Quality Assurance and Perform Quality Control

## Chapter 9 - Project Human Resource Management Process Changes

2000 Edition Processes Deleted/Moved Processes	Third Edition Processes New Processes; Renamed/Moved Processes
9.1 Organizational Planning	9.1 Human Resource Planning
9.2 Staff Acquisition	9.2 Acquire Project Team
9.3 Team Development	9.3 Develop Project Team
	9.4 Manage Project Team

## Chapter 9 - Project Human Resource Management Content Changes

- Manage Project Team added as a Controlling & Monitoring process
- Non-team stakeholder issues are now in Chapters 2 and 10
- Organizational chart and position description explanations are expanded
- Tools & Techniques now include: networking, virtual teams, ground rules, conflict management, observation and conversation, project performance appraisals, issue log

## Chapter 10 - Project Communications Management Process Changes

2000 Edition Processes Moved / Merged Processes	Third Edition Processes New Processes; Renamed/Moved Processes
10.1 Communications Planning	10.1 Communications Planning
10.2 Information Distribution	10.2 Information Distribution
10.3 Performance Reporting	10.3 Performance Reporting
10.4 Administrative Closure	Incorporated within Section 4.7, Close Project
	10.4 Manage Stakeholders

## Chapter 10 - Project Communications Management Content Changes

- Administrative Closure process information is merged into Chapter 4, Close Project process
- A new process, Manage Stakeholders, is added

## Chapter 11 - Project Risk Management Process Changes

2000 Edition Processes Moved / Merged Processes	Third Edition Processes New Processes; Renamed/Moved Processes
11.1 Risk Management Planning	11.1 Risk Management Planning
11.2 Risk Identification	11.2 Risk Identification
11.3 Qualitative Risk Analysis	11.3 Qualitative Risk Analysis
11.4 Quantitative Risk Analysis	11.4 Quantitative Risk Analysis
11.5 Risk Response Planning	11.5 Risk Response Planning
11.6 Risk Monitoring and Control	11.6 Risk Monitoring and Control

## Chapter 11 - Project Risk Management Content Changes

- Increases focus on opportunities (vs. threats)
- Options based on project complexity
  - Qualitative Risk Analysis → Response Planning
  - Identification → Quantitative Risk Analysis
- Enhances Risk Management Planning activities: risk categories, definitions of probability and impact
- Risk Register starts in Risk Identification, enhanced through other risk processes
- Closer integration with other processes

## Chapter 12 Project Procurement Management - Process Changes

2000 Edition Processes Deleted/Moved Processes	Third Edition Processes New Processes; Renamed/Moved Processes
12.1 Procurement Planning	12.1 Plan Purchases and Acquisitions
12.2 Solicitation Planning	12.2 Plan Contracting
12.3 Solicitation	12.3 Request Seller Responses
12.4 Source Selection	12.4 Select Sellers
12.5 Contract Administration	12.5 Contract Administration
12.6 Contract Closeout	12.6 Contract Closure

## Chapter 12 - Project Procurement Management Content Changes

- Consistent use of the terms buyer and seller
- The project team as the buyer of products, material, goods, and services for the project
- The project team as either the buyer of the project or the seller of the project under a contract
- Added a sub-process on seller performance evaluation to contract administration
- Clarified various input, tools, techniques, and outputs as identified by project management practitioners
- Removed use of the words procure, solicit, and solicitation

## The Updated PMP Credential Examination

- **New exam available on 30 September 2005**
- **To sit for the exam based on PMBOK 2000:**
  - Apply before 29 August 2005
  - Take the exam before 24 September 2005

## PMP Certification Criteria

- **No Change to education requirement - 35 contact hours of project management education**
- **Project Management Experience**
  - No change to experience hours requirement
  - More concrete documentation of PM experience- >Need to demonstrate experience in tasks required to effectively lead and direct projects

## Process Areas and Tasks Candidates Need to Indicate # of Hours

Initiating	Planning	Executing	Controlling	Closing
<ul style="list-style-type: none"> <li>Conduct Project Selection Methods</li> <li>Define Scope</li> <li>Document Project Risks, Assumptions and Constraints</li> <li>Identify and Perform Stakeholder Analysis</li> <li>Develop Project Charter</li> <li>Obtain Project Charter Approval</li> </ul>	<ul style="list-style-type: none"> <li>Define and Record Requirements, Constraints and Assumptions</li> <li>Identify Project Team and Define Roles and Responsibilities</li> <li>Create the WBS</li> <li>Develop Change Management Plan</li> <li>Identify Risks and Define Risk Strategies</li> <li>Obtain Plan Approval</li> <li>Conduct Kickoff Meetings</li> </ul>	<ul style="list-style-type: none"> <li>Execute Tasks Defined in Project Plan</li> <li>Ensure Common Understanding and Set Expectations</li> <li>Implement the Procurement of Project Resources</li> <li>Manage Resource Allocation</li> <li>Implement Quality Management Plan</li> <li>Implement Approved Changes</li> <li>Implement Approved Actions and Workarounds</li> <li>Improve Team Performance</li> </ul>	<ul style="list-style-type: none"> <li>Measure Project Performance</li> <li>Verify and Manage Changes to the Project</li> <li>Ensure That Project Deliverables Conform to Quality Standards</li> <li>Monitor All Risks</li> </ul>	<ul style="list-style-type: none"> <li>Obtain Final Acceptance for the Project</li> <li>Obtain Financial, Legal, and Administrative Closure</li> <li>Release Project Resources</li> <li>Identify, Document and Communicate Lessons Learned</li> <li>Create and Distribute Final Project Report</li> <li>Archive and Retain Project Records</li> <li>Measure Customer Satisfaction</li> </ul>

## The Application Process

- **Complete your application on-line**
- **Provide contact information for each project submitted as part of the application - If selected for audit, PMI will contact managers indicated**
- **10% of all applicants currently pulled for audit**
- **PMI will send an Eligibility Letter electronically**
  - Within 10-14 working days (2-3 weeks)
  - Good for one year
- **Call designated center to schedule the exam**
- **At most three attempts within the one-year eligibility period – Have to wait for one year after failing three exams**

## The Exam

- **Computer-based**
- **4 Hour Time Limit**
- **200 Multiple Choice Questions (25 pretest questions)**
- **4 Answers Each**
- **Passing mark: 143 out of 175 (81%)**



## PMP Examination Specifications

<i>Domain</i>	<i>Percent of Questions</i>
Initiating	11.57
Planning	22.71
Executing	27.50
Monitoring and Controlling	21.03
Closing	8.57
Professional and Social Responsibility	8.62



## Questions?

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For more information, please contact:

Dottie Nichols, PMP  
Manager, Standards  
Project Management Institute  
E-mail: [dottie.nichols@pmi.org](mailto:dottie.nichols@pmi.org)  
Phone: +610-356-4600 extension 1158

