

Organisational functionalities for project promotion

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Foreword

An organisation that owns a project concerns the project from its start until its closing, with the successful result of portfolio management and programme management as the objective of such concern.

Once an organisation starts a project, appoints a project manager and assigns authority to the project manager, the authorised project manager effectively takes over the management of the project. Afterwards, the project continues with the project manager managing autonomous and independent project activities within the scope of the terms given in order to achieve the project's objectives.

On the other hand, it is not true that the organisation that started the project stops concerning the project after the autonomous activities have started; the organisation concerns the project in both tangible and intangible ways. For example, the organisation may provide its standardised processes, add project personnel as required, provide advice when appropriate, and at times, it may decide that the project should be discontinued. In short, a project is supported and project management is promoted by the above organisation (see Figure 1).

Nevertheless, while there are numerous standards and guidelines in existence globally for the management of portfolios, programmes and projects by organisations, there is no set of standards and guidelines for the concern of an organisation in project management.

This standard was created with the aim of contributing to the success of the projects by elucidating the functionalities (project promotion functionalities) that are necessary when an organisation concerns a project.

Note: In general, the bulk of the organisational project promotion functionalities set forth in this standard is in many cases assumed by a Project Management Office (PMO).

In the PMBOK Guide 4th Edition (ANSI/PMI 99-001-2008), it is suggested that the 'governance' of projects is conducted directly from the portfolio and programme. However, for this standard, we purposely do not consider such direct 'governance' from the portfolio and programme; rather, the concern relationship between the project or project management and the organisation is limited to what is shown in Figure 1.

In Japan, organisations concern project management—the lowest management level—very thoroughly in order to obtain a commanding view of the portfolio, programme and project management. This is because, for a long time, the Japanese industry has had a talent for grass-roots movements (bottom-up movements), and the long-term continuous enhancement of this has served to strengthen management at the lowest level (worksite level).

It is no exaggeration to say that this close concern by organisations in project management has been a factor in the successful completion of numerous difficult projects by the Japanese industry.

Furthermore, as shown in Chapter 3, when Japanese organisations promote projects, support-type functionalities (review and approval, audit, support, reporting) are more extensive than governance functionalities. This is another characteristic of the Japanese industry. Hence, we can see that, apart

from closely and strictly managing projects, Japanese organisations also extend helpful support to them.

This type of situation contrasts with the European and American top-down thinking type, in which management systems are built and the rules are rigidly followed when concerning projects.

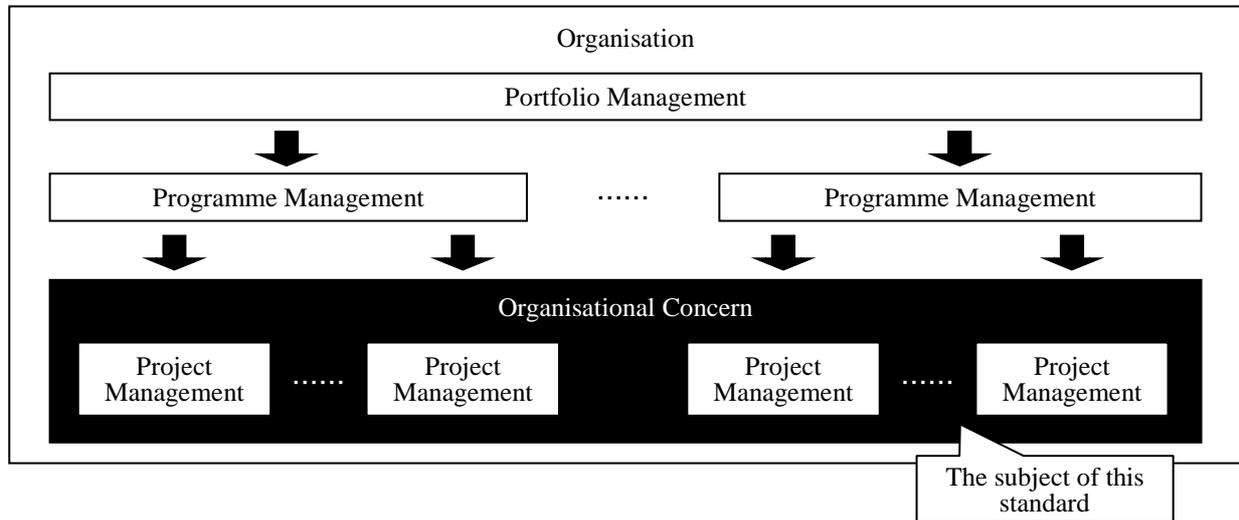


Figure 1. The positioning of organisational concern

As stated above, organisational functionalities for project promotion have not received much attention and have not been the subject of academic research, despite them being functionalities that are important to the success of the project.

On the other hand, numerous project management standards are being issued by institutions and groups in many nations, and the importance of project management is becoming more widely acknowledged.

Both project management and the organisational functionalities for project promotion are essential for the successful completion of a project. Hence, as the importance of project management gains wider acknowledgement, acquiring expertise related to the organisational functionalities for project promotion is in turn gaining in importance.

We have outlined above the organisational functionalities for project promotion in the Japanese industry. Such full utilisation of these functionalities facilitates a higher project success rate. Consequently, we can anticipate that it will lead to a strengthening of the Japanese industry.

The organisational functionalities for project promotion have until now most probably been ‘tacit knowledge’ possessed by those learned in project management. Here, we attempt to classify and systematise this ‘tacit knowledge’ into ‘formalised knowledge’. This endeavour will provide the criteria for an organisation to decide whether or not it is adequately qualified to do so as it considers the start and promotion of a project. It will also contribute widely to the progress of the Japanese industry, as Japanese companies will strive for improvement with the goal of meeting this standard.

Furthermore, we hope that the creation of this standard will result in the organisational functionalities for project promotion gaining attention as a new subject for academic research.

1 Introduction

1.1 Purpose

The purpose of this standard is to define the functionalities for project promotion with which an organisation* promoting a project should be equipped.

In order to promote a project and guide it to success, not only is the effort on the part of those executing the project crucial, but the concern of the organisation in that project is also crucial. Nevertheless, even while there are numerous standards or guidelines for project management in existence globally, at present, there are no standards that cover the functionalities for project promotion with which organisations should be equipped.

Based on this standard, the organisational project promotion methods that are desirable for each individual project will become clear, and a higher success rate can be anticipated when they are put into practice.

* ‘Organisation’ here can mean a business, a single division of a business etc. It refers to an organisation that undertakes the initiation and promotion of a project—scope and size vary on a case-by-case basis.

1.2 Scope

This standard is applicable to any organisation, regardless of the industry category and business category to which it belongs. It is also applicable to any organisation, regardless of the latter’s scale (e.g. amount of capital, number of employees etc.). For example, in an organisation with few employees, among the functionalities with which the organisation should be equipped, the number of functionalities undertaken per employee will probably be greater than an organisation with many employees. Moreover, a number of small-scale organisations may form a consortium and become a large-scale organisation in actuality, whereby the problem of scale may be resolved.

On the other hand, there may be cases where the scope of the organisation is limited to that of a business or that of a single division in a business. To apply this standard, it will be sufficient to determine the scope of the organisation based on where the centre of the project promotion functionalities is.

This standard assume the following situation: Business A, through an act of contract (work order contract or time and material contract) as provided in the Civil Code, makes an order to Business B, then a project is started by Business B.

However, in the above example, it is not necessary that Business A makes an order to a different business; there are also ‘in-house projects’, where the business initiates the project internally. This standard are also applicable to ‘in-house projects’. In this case, the ‘external order’ above should be substituted with ‘in-house commission’.

1.3 Compliance

When the project promotion functionalities (see Chapter 3, ‘Organisational functionalities for project promotion’) set by this standard are implemented by an organisation, it is not necessary to implement each one that is prescribed in Chapter 3.

In addition, it is not necessary to implement every requirement of a functionality when implementing a project promotion functionality in Chapter 3.

The matters regarding which functionalities to implement, and to what extent, may be decided by the responsible person or responsible department; the functionality or functionalities may be tailored to fit the policies and strategies of the organisation.

However, when any of the functionalities in this standard is implemented after being tailored, the matters regarding which functionality and to what extent it is implemented, as well as the reasons for its implementation, shall be clarified.

Furthermore, this standard does not mention the implementation method of the functionalities prescribed in Chapter 3, because this depends on the structure of the organisation as well as the scope of authority of the decision makers belonging to it. The matters regarding which functionalities shall be implemented and ‘by whom’ or ‘by which department’ should be determined based on the unique circumstances of each individual organisation.

1.4 The organisation

1.4.1 Organisational functionalities

Among organisational functionalities, some are implemented for the promotion of projects, while others should be implemented by the organisation on a continual basis. We refer to the former as ‘fixed-term functionalities’ because of the fixed-term nature of projects and the latter as ‘indefinite functionalities (continual functionalities)’ (see Figure 2).

Fixed-term functionalities are exemplified by ‘review and approval functionality’, ‘audit functionality’, ‘human resources support’, ‘technical support’ and so on. Indefinite functionalities are exemplified by ‘personnel education and training’, ‘experiential knowledge accumulation’, ‘discovery of deal negotiation opportunities’ and so on.

Fundamentally, this standard prescribe fixed-term functionalities, which are for project promotion; however, for some parts, indefinite functionalities will also be mentioned, as required. For example, the indefinite functionality of ‘personnel education and training’ is closely related to the fixed-term functionalities of ‘human resources support’ and ‘technical support’. In this case, an indefinite functionality is also prescribed as a functionality with which an organisation should be equipped.

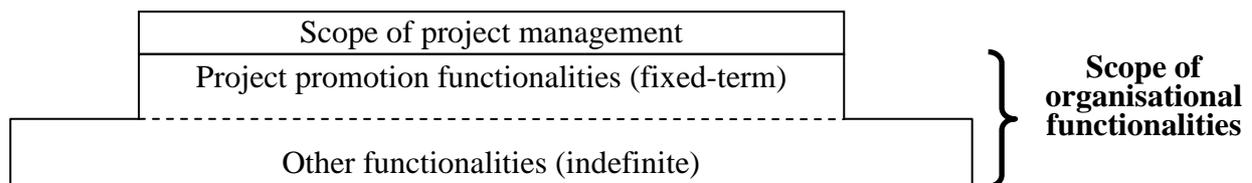


Figure 2. The relationship of organisational functionalities for project promotion with other organisational functionalities (fixed-term and indefinite)

1.4.2 Organisational capabilities and characteristics

Organisations can be described from the viewpoints of ‘capabilities (human, physical and financial strengths of the organisation/business)’ as well as ‘characteristics (climate, culture and policies)’, apart from that of ‘functionalities’.

As an example of a ‘capability’ let us mention financial strength. For example, if an organisation should sign a contract to complete a project, but then ends the project early at its own convenience due to a misfortune, this would result in a breach of contract and the organisation would probably be liable for paying damages. If the organisation cannot financially withstand the burden of paying these damages, in other words, the organisation is not qualified to undertake and promote the project. If its financial strength is insufficient, a situation may also occur in which the organisation cannot provide adequate ‘human resources support’, as part of its ‘support functionality’.

As an example of ‘characteristics’, the decision to persevere and exert to fix a project that has encountered difficulties, or to cut ones losses short and abandon such a project, will differ with the organisation’s culture and policies. Here, there is a close relationship with the ‘governance functionality’.

The ‘capabilities’ and ‘characteristics’ that are desirable from the standpoint of project promotion are indispensable for effectively implementing the ‘functionalities’ prescribed by this standard. However, as stated in 1.1 ‘Purpose’, this standard only mention the organisational functionalities for project promotion; it does not mention ‘capabilities’ and ‘characteristics’. The purpose of this standard is first and foremost to define the organisational functionalities for project promotion.

1.4.3 Relationship with programme management and portfolio management

An organisation concerns a project after first determining, based on its business strategy, which project and programme deserves priority. This is related to portfolio management.

There can also be multiple related projects that together achieve a single objective. Here, the organisation must determine the priority and position of each project within the programme before participating in a project. This is related to programme management.

The project promotion functionalities with which an organisation should be equipped are related to programme management and portfolio management in the above context.

This standard are first and foremost meant to prescribe the project promotion functionalities with which an organisation should be equipped when it concerns a project. At times, what is prescribed concerning a functionality may in effect mention programme management and portfolio management functionalities, although that is not the true intent of this standard.

2. Normative references

There are no normative references in this standard.

3. Organisational functionalities for project promotion

The functionalities for project promotion of an organisation are classified as governance, review and approval, audit, support and report. These are involved in various ways in the five areas (initiating, planning, executing, monitoring and controlling, closing) of project management. An example of this is shown in Figure 3.

The requirements regarding the organisational functionalities for project promotion are stated in 1.-X. of 3.X.X below. Each requirement prescribes a functionality that the organisation should implement; however, it does not necessarily indicate the authority of the designated decision maker in an organisation. For example, organisations can internally create clearly stated rules and standards as the implementation methods of the functionalities.

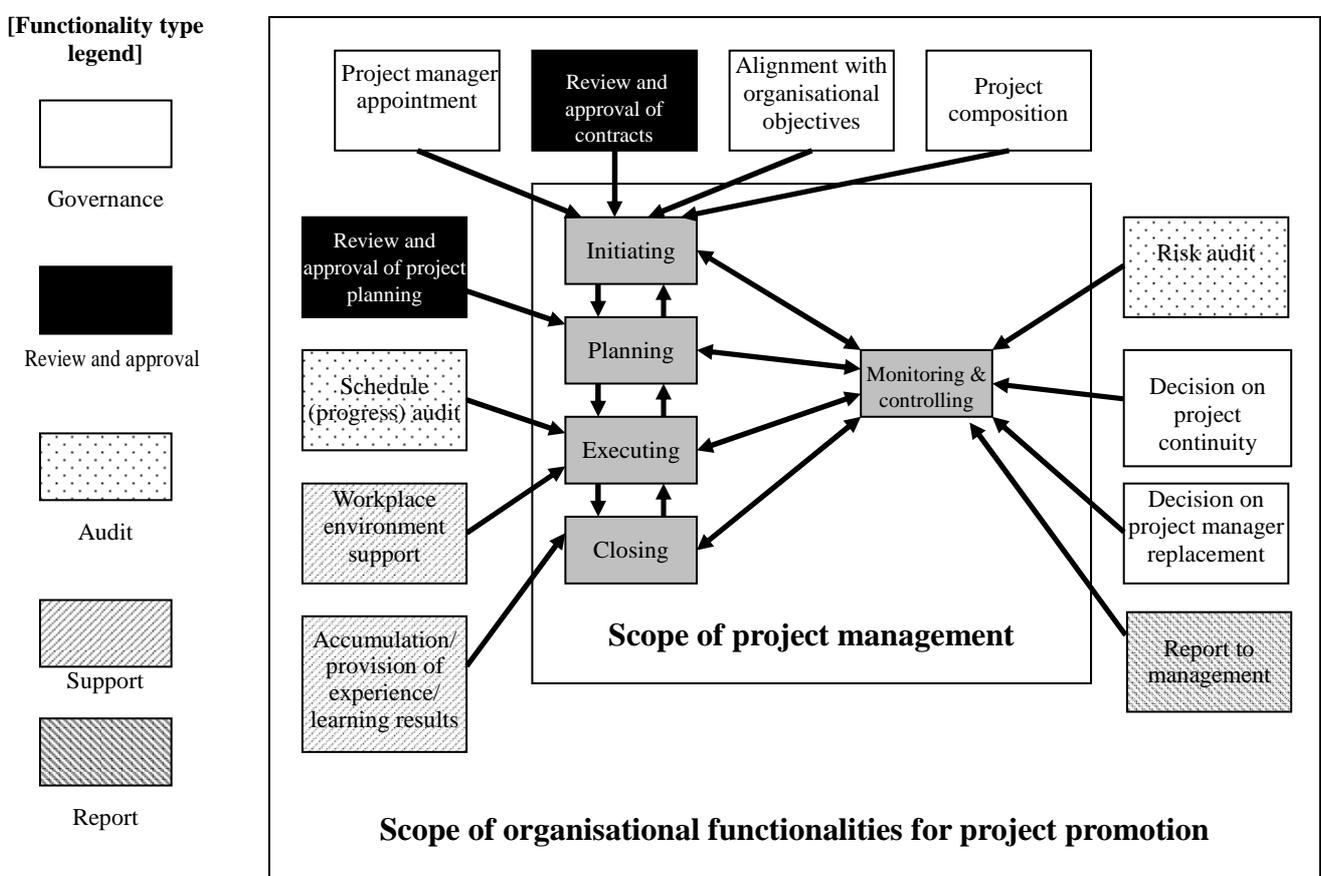


Figure 3. Relationship of organisational functionalities for project promotion with project management

***not all functionalities are included**

3.1 Governance functionalities

In order to succeed in its project activities, the organisation establishes an organisational chain of command as the organisational standard, which will be tailored to fit individual projects as required. From an organisational viewpoint, this establishes the organisation's relationship with the project.

The organisation is responsible for appointing, in line with the project's characteristics, a suitable project manager for achieving the project's objectives.

3.1.1 Alignment with organisational objectives

1. The organisation shall decide whether or not the project's activities are in accordance with the organisation's established strategies and objectives, as well as whether or not further feasibility studies are required.
2. If further feasibility studies are deemed necessary, the organisation shall set in motion the feasibility study framework:
 - 1) The organisation shall establish the decision makers and determinants for the go/no-go decision on starting the project.
 - 2) The organisation shall determine both the allocation of personnel responsible for the project's pre-start activities as well as the method for cost management.
 - 3) The organisation shall decide the results of the feasibility study and initiate the following project composition if it is a 'go' based on the aforementioned determinants and decision makers.

3.1.2 Project composition

1. The organisation shall establish the decision maker for the start of the project.
2. The organisation shall establish the criteria for the start of the project.
3. The organisation shall draft and decide on the project charter as well as establish the objectives, general plan, general accomplishments and overall business plan of the project.
4. In the project charter, the organisation shall define the organisation structure and the authority for executing the project as well as assign the authority for executing the project.

3.1.3 Project manager appointment

1. The organisation shall establish the method and criteria for assignment the project manager.
2. The organisation shall determine the decision maker who assign the project manager.
3. The organisation shall document the proceedings by which the project manager is assigned.

3.1.4 Decision on project continuity

1. The organisation shall establish the criteria for the continuity/discontinuity decision on the project.
2. The organisation shall determine the decision maker who makes the continuity/discontinuity decision on the project.
3. The organisation shall determine the measures to be taken after a decision to discontinuity has been made.

3.1.5 Decision on project manager replacement

1. The organisation shall establish the criteria for determining if the project manager should be replaced.
2. The organisation shall formulate a system that facilitates the replacement of the project manager without undue delay.

3. The organisation shall establish procedures to prevent the replacement of the project manager from adversely affecting the project's activities.

However, when replacing the project manager based on 3.1.5, the new project manager shall be appointed in accordance with 3.1.3 above.

3.1.6 Closing of project activities

1. The organisation receives the result of the project activities.

Note: deliverables, systems, related matters to be handed over

2. The organisation hands over the result received to the corresponding division.

3. The organisation accumulates as 'know-how' the lessons learned from the project activities as well as knowledge about the project's achievements that can help improve the organisation's future activities.

4. The organisation closes the project and carries out the predetermined post-closing procedures.

Note: such as the freeing up of all resources and so on.

3.2 Review and approval functionalities

The organisation provides the project with the criteria and a guide for project execution. Then, at a predetermined time or when the occurrence of an event presents the opportunity, it monitors the appropriateness of the project's execution status, comparing it with the criteria and the guide. As required, the organisation provides information and/or advice as well as guides the decision maker or project manager.

3.2.1 Review and approval of deal negotiation

1. The organisation shall establish the related criteria and the decision maker for key decision-making that is connected to deal negotiation activities.

Note: Example of key decision-making: starting deal negotiation, price setting, presenting prices to clients, deciding to pull out and so on.

2. If a problem arises amid the deal negotiation process, the organisation shall provide the decision maker for the deal negotiation activities with the required instructions and advice on the problem.

3. The organisation shall specify the assumed risks in executing the project and present them to the decision maker for the deal negotiation activities as well as to the decision maker for the start of the project.

4. The organisation shall provide the decision maker for the deal negotiation activities and the decision maker for the start of the project with information on the laws that should be complied with regarding deal negotiation, and aim for full legal compliance.

Note: Copyright Act, Trademark Act, Patent Act, Unfair Competition Prevention Act, Anti-Monopoly Act etc.

5. The organisation shall conduct information provision in the organisation as well as make changes regarding the deal negotiation system, as required, based on issues that arise within or external to the

organisation, and based on changes in laws.

3.2.2 Review and approval of contracts

1. The organisation shall specify the types of contracts the project can form as well as establish for each type of contract, the matters in 2 and thereafter.

Note: Apart from order acceptance contracts and order placement contracts, a variety of contracts are possible, such as confidentiality agreements, lease contracts and research collaboration agreements. Even among order acceptance/placement contracts there are various forms such as work order contracts, service contracts, consulting contracts, distributorship agreements etc.

2. The organisation shall establish the templates for contracts as well as their scope of applicability, deviation terms and the approval process for deviations.

3. The organisation shall establish the matters which the project shall have the approval of, or make the referral to the contract review functionality, and the timing of the approval or the referral.

4. The organisation shall determine the matters that should be presented when the project seeks approval by the contract review functionality.

5. The organisation shall determine the person who can conclude contracts and the person who has the authority to conclude contracts.

6. The organisation shall provide the project with information on the laws that should be complied with regarding contracts, and aim for full legal compliance.

Note: Copyright Act, Patent Act, Subcontract Act, Worker Dispatching Act, Personal Information Protection Act etc.

7. The organisation shall provide the project with the required advice if a legal dispute arises.

8. The organisation shall conduct information provision in the organisation as well as make changes regarding the contract system, as required, based on cases of legal dispute that arise within or external to the organisation, and based on changes in laws.

3.2.3 Review of procurement

1. The organisation shall specify the types of procurement regarding the products and services the project will potentially procure as well as establish for each type of procurement, the matters in 2 and thereafter.

Note: Specify the products and services the project will potentially procure, then determine the possible contract types (work order, quasi-mandate, dispatching, intra-company transaction, centralised purchasing etc.)

2. The organisation shall identify potential suppliers and select its recommended suppliers based on the evaluations of supplier capabilities.

3. The organisation shall negotiate with the potential suppliers, adjust the procurement terms and conclude the basic agreements as required so that the project can make contracts on suitable terms.

4. The organisation shall determine the criteria for selecting the suppliers and establish a system for documenting the basis for the selection, in order that the suppliers are selected based on capability

evaluations in line with the necessity of the procurement.

5. The organisation shall establish a system to promote the appropriate application of the criteria for selecting the suppliers.

6. The organisation shall record and analyse the track records of the suppliers and prepare an information source that can be referenced when selecting the suppliers.

Note: Apart from being a reference, the project can use this resource to select a supplier suitable to its requirements, this resource is also aimed at information sharing that enables intra-organisational projects to transact with the same supplier on the same terms.

7. The organisation shall determine the matters the project shall clarify when procuring.

Note: Aim of procurement, specifications, acceptance criteria, date of delivery, whether or not to repeat consignment, contact information of the person in charge from both parties as well as the liaison, method for changing contracts, other trade conditions etc.

8. The organisation shall provide the project with information on the laws that should be complied with regarding procurement, and aim for full legal compliance.

Note: Foreign Exchange and Foreign Trade Act, Subcontract Act, Worker Dispatching Act, Personal Information Protection Act etc.

9. The organisation shall determine the method for monitoring the suppliers.

10. The organisation shall determine the decision maker who has authority to select the suppliers and place orders.

11. The organisation shall establish a system for verifying the appropriateness of the supplier selections made and procurement terms decided by the project, as well as monitor the track record of supplier selection and procurement terms.

12. The organisation shall provide the project with the required advice if a dispute arises between the supplier and the project.

13. The organisation shall conduct information provision in the organisation as well as make changes regarding the procurement system, as required, based on the cases of problems that arise within or external to the organisation, and based on changes in laws.

3.2.4 Review and approval of project budget

1. The organisation shall establish the proper scope to be included in the project budget.

2. The organisation shall establish the account headings in the project budget.

3. The organisation shall establish the estimate calculation constants that are to be used in calculating the project budget.

Note: Such as ratios for allocating indirect costs and the cost per hour of labour for calculating labour costs.

4. The organisation shall establish the procedure for calculating the project budget.

5. The organisation shall provide the necessary training for project budget calculating methods.

6. The organisation shall determine, out of the information produced in the project budget calculation process, which information should be documented.

7. The organisation shall establish the method for checking the reasonableness of the project budget.

8. The organisation shall do trend analyses of factors causing divergence between project budgets and actual costs and develop measures for reducing such divergence.

3.2.5 Review and approval of project planning

1. The organisation shall determine the matters that should be included in the project planning.

Note: Traditionally, scope, cost, schedule, project system, risk, quality planning etc.

2. The organisation shall determine the units of approval of the project planning.

3. The organisation shall determine the decision maker to approve the project planning.

4. The organisation shall define the changes that necessitate re-approval of the project planning and determine the decision maker for the re-approval.

5. The organisation shall provide the necessary advice to the decision maker for the approval (including re-approval) of the project planning.

6. The organisation shall analyse problems that are rooted in project planning, and make changes related to the project planning system.

3.2.6 Review and approval of release decision

1. The organisation shall determine the information required for the release decision.

Note: The drafting and recording of information required for the release decision should be included in the project planning.

2. The organisation shall determine the decision maker for the release decision.

3. The organisation shall determine the standpoint when confirming the release decision.

4. The organisation shall analyse the post-release problems and make changes regarding the release decision system.

3.3 Audit functionalities

In order to maintain the overall soundness of the project activities, audit functionalities serve to perform audits that cover the initiating to the closing of the project under the organisation's jurisdiction, by methods that can assure objectivity and fairness.

In audits, each evaluation item is assessed quantitatively and improvements are suggested, the results of which are regularly tracked to ensure they are acted upon.

In addition, a role of the organisation in the audit functionality is to support the execution of the project from various standpoints such as systemic and cost, so that the suggested improvements are made.

3.3.1 Quality audit

1. The organisation shall audit the project quality management planning.

2. The organisation shall specify the targets of the project quality audit.

3. The organisation shall predetermine the metrics for quality audits and audit the adherence to these metrics.

4. The organisation shall audit to verify that the project quality management processes have been set

up.

5. The organisation shall regularly audit to verify that the project quality management processes are being implemented.
6. The organisation shall provide feedback on the results of the quality audit to the project manager concerned.
7. The organisation shall conduct tracking to ensure that proper improvements are being made in response to the feedback.
8. The organisation shall give orders for improvement if the tracking result is inappropriate.

3.3.2 Cost audit

1. The organisation shall pre-establish the control methods, metrics, audit cycles etc. of the cost audit.
2. The organisation shall audit the cost plan budgeted at the time of project planning.
3. The organisation shall audit through the control methods, metrics, audit cycles etc. to verify that costs adhere to the plan.
4. The organisation shall audit, for adherence to the pre-established change management procedures, the approval process used in the event of a cost change.
5. The organisation shall audit the receipt of approval from the organisation's proper division and authority figure for a cost change that results in deviation from the predetermined cost plan.
6. The organisation shall introduce standardised audit techniques and confirm that the audit has been standardised.

3.3.3 Schedule (progress) audit

1. The organisation shall break down the planning using standardised techniques and audit its readiness for third-party evaluation.
2. As delivery dates are key elements for adhering to a schedule, the organisation shall audit the setting of delivery dates for major products and deliverables that represent milestones that will affect other related projects etc. in the interest of managing the master schedule of projects.
3. The organisation shall audit the setting of milestones.
4. The organisation shall audit to verify that the status of progress is being managed with quantitative methods.
5. The organisation shall audit to verify that it is accurately understood that the project is expected to close on schedule or behind schedule.

3.3.4 Scope audit

1. The organisation shall audit to verify that necessary adjustments have been made among stakeholders during the project planning and that the project's scope has been decided.
2. The organisation shall audit to check that the definition of the scope is explicit and free of excess or deficiency.
3. The organisation shall audit to verify that appropriate scope control is being conducted by means of change management.

4. The organisation shall quantitatively evaluate the effects of the scope on cost, schedule and quality and instruct the project manager as to their reasonableness.

3.3.5 Risk audit

1. The organisation shall establish standards for a specific control method and audit to verify that the mechanisms and judgement criteria of the method are being properly utilized in the project.
2. The organisation shall audit to verify that the risks have been classified at the start of the project.
3. The organisation shall audit to verify that risk countermeasures, proposals and provisions concerning risk management have been drafted as part of the project management plan.
4. The organisation shall audit to verify that, as a result of risk classification, the probabilities of occurrence and degrees of effect of each risk have been quantitatively evaluated and are in a condition amenable to tracking.
5. The organisation shall audit to verify that risk tracking is being performed at specified intervals.
6. The organisation shall audit project risk control to verify that risk countermeasures are being properly executed in the event a risk becomes apparent.

3.3.6 System audit

1. The organisation shall audit to verify that the roles and responsibilities necessary for project execution have been established.
2. The organisation shall audit to verify that the system of each phase, from the time of project planning until project closing, has been clearly established.
3. The organisation shall audit to verify that, from a human resources-centred viewpoint, the necessary maintenance and management of systems are being properly utilized in the project.
4. The organisation shall audit to verify that the capabilities and labour deemed necessary for project execution have been properly planned for, and to verify to what extent the planned human resource needs have been fulfilled.
5. The organisation shall audit to verify that the organisation's support is received and the appropriate measures are taken in the event the project cannot internally procure a human resource.

3.3.7 Phase completion audit

1. The organisation shall audit to verify that each project phase, from the time of project planning until project closing, has been clearly defined.
2. The organisation shall audit to verify that a standard way of thinking, definition of phase and start and completion criteria have been set for evaluating and auditing the completion of project phases.
3. The organisation shall audit the completion of each phase as it is completed.
4. The organisation shall audit each phase completion based on the scope established at the start of the project.
5. The organisation shall conduct audits based on the start and completion criteria to check whether or not the necessary objective of each phase has been achieved and whether or not preparations are complete for entering the next phase of the project.

3.3.8 Procurement audit

Compliance, appropriate prices and specifically actions that adhere to the law and are objective are expected of organisations. The organisation shall strictly comply with these expectations in its management and operations.

3.4 Support functionalities

Projects act autonomously; however, they can accept the provision of support functionalities from the organisation as required.

For executing a project, the organisation prepares, as support functionalities, human resources support, quality management support, technical support, legal support, workplace environment support, accumulation/provision of experience/learning results, health management of project personnel and provision of standard processes. The organisation provides support functionalities in each group of processes spanning project initiation, planning, executing, monitoring and controlling and closing, in accordance with the organisation's standards.

The organisation implements, also as business-as-usual activities, activities in order to facilitate the provision of human resources, technological resources, equipment resources and financial resources to projects that are necessary for support functionalities, from internal sources and from outside organisations.

3.4.1 Human resources support

1. The organisation shall train project managers required for project execution in a planned manner, or procure them from outside organisations, and have them manage projects.
2. The organisation shall provide projects with replacements for project managers when deemed necessary.
3. The organisation shall provide project managers with training, guidance and advice related to project management as required, in accordance with the organisation's standards.
4. The organisation shall train project personnel required for projects in a planned manner, or procure them from outside organisations, and have them assigned to projects.
5. The organisation shall provide projects with replacements for project personnel when deemed necessary.
6. The organisation shall provide training, guidance and advice to project personnel as required, in accordance with the organisation's standards.

3.4.2 Quality management support

1. The organisation shall train personnel required for project execution processes and the quality management of deliverables in a planned manner, or procure them from outside organisations, and have them assigned to projects.

3.4.3 Technical support

1. The organisation shall implement the development, evaluation and selection of project management methods and tools related to project management as well as provide support for their introduction into projects.
2. The organisation shall train in a planned manner the specialised technical personnel required for project execution, or procure them from outside organisations, and have them assigned to projects.
3. The organisation shall provide training, guidance and advice related to specialised technical fields to project personnel as required, in accordance with the organisation's standards.

Note: The following are examples of specialised occupations:

(a) Examples of professions in the IT industry (source: summary by ITSS): marketing, sales, consultant, IT architect, project management, IT specialist (database, network, security), application specialist, software development (system development technology, software development management technology), customer service, IT service management, education.

3.4.4 Legal support

1. The organisation shall provide legal support for project execution processes to project managers and projects.

Note: The following are examples of targets for legal support in the plant construction project field:

(a) contract sums, (b) delivery dates, phases and execution period, (c) payment and its timing, (d) acceptance method, (e) warranty period, (f) escape clauses, (g) payment of taxes, (h) vendor approval, (i) training, (j) governing laws, (k) specification change stipulations, (l) dispute settlement method, (m) insurance/bonds, (n) inspections, (o) discontinuation, (p) force majeure, (q) order of precedence of the contracts, (r) progress reports, (s) transfer of ownership, (t) quality warranties, (u) specifications and technical criteria, (v) indemnity liability, (w) vendor flow-down clauses, (x) important points of industry laws, (y) credit, (z) contract negotiation, (aa) compliance, (ab) intellectual property, (ac) non-disclosure agreements (NDA), (ad) export management, (ae) risk analysis etc.

2. The organisation shall perform legal support operations for eliminating and correcting project risks inherent in the project contract and its clauses.

Note: The following are examples of applicable project risks in the plant construction project field:

(a) currency exchange risk, (b) cost escalation risk, (c) risk related to delivery guarantee, (d) risk related to quality and performance guarantee, (e) risk related to warranties against defects, (f) risk related to accident and disruption, (g) risk related to changes in applicable laws, (h) risk related to the exercise of authority of the ordering party or its agent, (i) risk related to local forced appropriation of resources, (j) risk related to technology transfer, (k) risk related to acceptance of delivery, (l) risk related to plan specifications, (m) risk related to the effectuation of contracts, (n) risk related to governing laws and arbitration etc.

3.4.5 Workplace environment support

1. The organisation shall perform for projects workplace environment support related to the following matters of project promotion processes:

Note: The following are examples of workplace environment support:

- (a) Setting up, changing of layout and removal of the project room.
- (b) Preparation and removal of equipment (desks, chairs, whiteboards etc.) for offices, meeting rooms etc.
- (c) Installation and maintenance of LAN, servers, PCs and other IT infrastructure.
- (d) Installation and maintenance of email, videoconferencing and other tools for communication.
- (e) Provision of consumables.
- (f) Health and safety management, and guidance on security measures.
- (g) Adherence to laws and regulations concerning occupational health and safety.

3.4.6 Accumulation/provision of experience/learning results

1. The organisation shall provide projects with information accumulated through previous projects.
2. At the time of the project's closing, the organisation shall require the project personnel to report project information in accordance with the organisation's standards.
3. The organisation shall extract lessons and information on risks from the reported project information.
4. From the reported project information, the organisation shall accumulate the information that is required in accordance with the organisation's standards.
5. The organisation shall ensure that what is learned from the reported project information is reflected in the revisions of its training content and training systems.

Note: The following are examples of project information:

- (a) estimates, (b) plans, (c) actual results, (d) risks, (e) lessons.

3.4.7 Health management of project personnel

1. The organisation shall implement employee attendance management and overtime management in accordance with the related laws and the organisation's standards, in order to maintain the physical and mental wellbeing of the project personnel.
2. In accordance with the related laws and organisation's standards, the organisation shall guide/advise the project manager to implement corrective action in the event that a member of the project personnel is considered to have a physical or mental health issue.
3. In the interest of psychological support of project personnel, the organisation shall provide guidance on using health consultation services and counsellors.

3.4.8 Provision of standard processes

1. The organisation shall establish its own standard processes related to project management and provide them to projects.

2. The organisation shall revise its standard processes related to project management as required.
3. The organisation shall establish its own standard processes for processes that are related to project execution and provide them to the projects.
4. The organisation shall revise, as required, its standard processes for processes that are related to project execution.

Note: The following are examples of provision of standard processes:

- (a) The organisation establishes and provides its own standard processes related to system development.
- (b) The organisation establishes and provides its own standard processes related to software development.
- (c) The organisation establishes and provides its own standard processes related to hardware development.

3.5 Report functionalities

The organisation selects through the information in the report from the project and reports what is necessary to the management. It then receives instructions from the management and relays it to the project.

In addition, when the project status proceeds to transition, change, discontinuance or closing, the organisation performs the work schedule change processing. In each case, if there is a major change, the organisation promptly contacts the management to report the matter and consult on it.

3.5.1 Reporting to management

1. During the initiation of the project, the organisation shall report to management about the project's charter and the assignment of authority.
2. At the start of the project, the organisation shall report to management about the objectives, systems, plans and monitoring methods.
3. As the project is being executed, the organisation shall make reports to management when appropriate (preferably, this is incorporated into the initial planning).
4. As the project is being executed, the organisation shall contact management to report and consult on a project activity that is expected to have a managerial impact, such as a major change in any of the resources, or when the project status is set to proceed to transition, change, discontinuance or closing. In such an event, the organisation shall accompany the report with its proposal for dealing with the matter.
5. The organisation shall report to management the completion and result of the project upon the closing of the project.



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