

The PLP PROJECT LEADER PROCESS/PLP model

INTRODUCTION

The key elements of the PLP model are:

- phase-divided development through pre-study project, pre-project and main project where each phase is an independent project
- the administrative structuring, where the project owner(s) appoints a project responsible (PA) to ensure strategic decisions by the owners by follow-up of results of each individual phase
- the decision-making process and the project responsible's (PA) role in this process
- follow-up and quality assurance through goal definition, decision points, milestones and critical success factors

This document also gives a description of necessary project documentation. The project ideas to be pursued will be very different in form and content. This can be market analyses, development of services and products, restructuring of businesses / organizations, infrastructure measures, new start-ups, competence building, networking etc. The size of the project can vary from a large industrial/system project to a single less complex entrepreneurial project.

By treating each phase as a separate project, an independent assessment must be made to conclude on whether or not to proceed through the establishment of a new project. Through this principle, you ensure that projects, which upon closer examination proves not to be feasible, terminate at the earliest opportunity. Thus, the total resources can always be concentrated on the most central projects. A key point is that it is as legitimate to terminate a project development process along the way, as it is to complete all phases.

PHASE 1: PRE-STUDY

The typical starting point for the pre-study is an unspecified project idea. The project idea shall then be described as follows:

- Project Name
- Project Description
- Project Goals
- Organization
- Present Situation
- Resource allocation

Under Project Goals, both the goals for a possible main project and the goals for the relevant project phase shall be described.

The pre-study shall clarify whether the idea has an interesting value creation potential, or whether it can be an important prerequisite for value creation. Based on the project

specification prepared by the project owner(s), it is decided whether the pre-study shall be initiated. Then the project responsible (PA) gets commissioned to appoint a project manager (PL) to prepare a project plan. The project plan is reviewed with the PA and is then signed by both PA and PL. (see separate chapter on documentation).

The pre-study itself is an overall analysis of critical factors such as market needs, access to resources, including local expertise etc. The analysis requires a high level of professional expertise from the project manager. If the project responsible proposes continuation, a proposal for a project specification is drafted, alternatively a draft for a project plan for the next project phase. Then the project (pre-study) ends.

PHASE 2: PRE-PROJECT

Pre-projects are carried out for those projects that have shown that they have realistic potential through the pre-study. The pre-project must answer whether the idea should be:

- realized
- postponed / undergo further testing
- ended terminated

The pre-project starts with a review and evaluation of the pre-study, as well as a discussion of the project plan to be signed by PA and PL.

The business idea is then further developed through closer analyses of market, production, competence/organization, finance, etc.

Large pre-projects can be divided into several sub-projects. Each pre-project/sub-project is described in terms of main activities, i.e. which major tasks must be performed. Depending on complexity and scope, the main activities can be further defined into more detailed tasks and activities.

As an example, a pre-project for a company may be to develop a business plan based on a new business idea. This should include:

- Description of business idea, possibly how a new product or service fits in with the present business area
- Product description
- Overall/Total market and how the market share will be developed over an appropriate plan period
- Market strategy, including business partners
- Investment needs and how this is planned
- Requirements for necessary expertise and how this may be further developed
- Budget over a period of three to four years with return on invested capital

If the project responsible proposes to continue the project, a proposal for project specification is drawn up, alternatively a draft project plan for the next project phase. Then the project ends (the pre-project).

PHASE 3: MAIN PROJECT

For projects where a longer period of time passes between completion of the pre-project and initiation of the main project, the main project phase begins with verifying the conclusion and recommendation from the pre-project. Subsequently, the project plan for the main project shall be approved and signed by PA and PL.

Through the project, the business idea is realized from plan to operation. Depending on the size of the project, a main project may consist of several sub-projects. Each sub-project shall be treated as a separate project.

A project / sub-project is divided into several main activities. These are the major and important tasks that must be performed. Each main activity can again be divided into tasks. These depend on the size and complexity of the project. Time consumption and resource needs are calculated on basis of the activities.

The main project ends when the project idea is implemented in the operation. Depending on the type of project, a subsequent analysis will often be appropriate. The post-analysis shall ensure that the goal of the project has been achieved within the framework that was set. The PLP model is in its form well suited to establish methods for profit realization through det development process.

Encl.

Enclosure

There are two types of documentation for each project phase:

Documentation that describes the result in accordance with project goals and administrative documentation that deals with planning, management and control of the project work

The scope depends on the complexity and size of the individual project phase.

The professional documentation describes the result of the project development in the individual project phase.

Its form must be adapted to the relevant problem, e.g. the content of a business plan. The PLP model secures that the strategic decisions made by the project owners are included in the follow up of the project development.

The scope of the administrative documentation is related to the complexity and size of the projects.

Regardless of project size and complexity, the following administrative documentation must be present:

- Project plan
- Status report
- Final report

These are documents that must be present in each phase of the project development. The degree of detail will of course vary depending on the project and the phase in question. A brief description of the reports is given below.

PROJECT PLAN (PP)

The project plan is an overall management document for the project. It shall provide an overview of the project with goals, milestones, decision points, critical success factors, resources, organization, etc.

The project plan shall be structured as outlined in PLP Maler, but the scope will vary depending on what phase the plan addresses, the size and the complexity of the project. The project plan can thus vary. If the individual elements in the content structure do not apply, these can be marked as "N/A – not applicable".

Prior to initiation of the project phase, the project responsible and project manager must discuss the plan and decide whether it can be carried out according to established timetable, within financial limits and to satisfactory quality. After such discussion has taken place, both sign the project plan as confirmation that both parties have approved it.

STATUS REPORT

The status report includes an assessment of status, probability of achieving set goals and proposed measures. Status report shall be brief and to the point.

FINAL REPORT

In the final report, PL shall gather and document the experiences gained during the project work with emphasis on degree of goal achievement according to the project plan. The final report shall only deal with the administrative elements in the project and shall not be part of the professional report.