



# PMBOK 7 and the Eight Performance Domains

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## Structure of the PMBOK® 7<sup>th</sup> Edition

- The PMBOK 7 has three sections:
  - Section 2 – Project Performance Domains  
Identifies and describes eight project performance domains. They form an integrated system to enable project success.
  - Section 3 – Tailoring  
What is tailoring? What to tailor? Application of tailoring to individual projects.
  - Section 4 – Models, Methods, and Artifacts  
Models, methods, and artifacts used in project management.

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**DC ACADEMY**

## Principles of Project Management


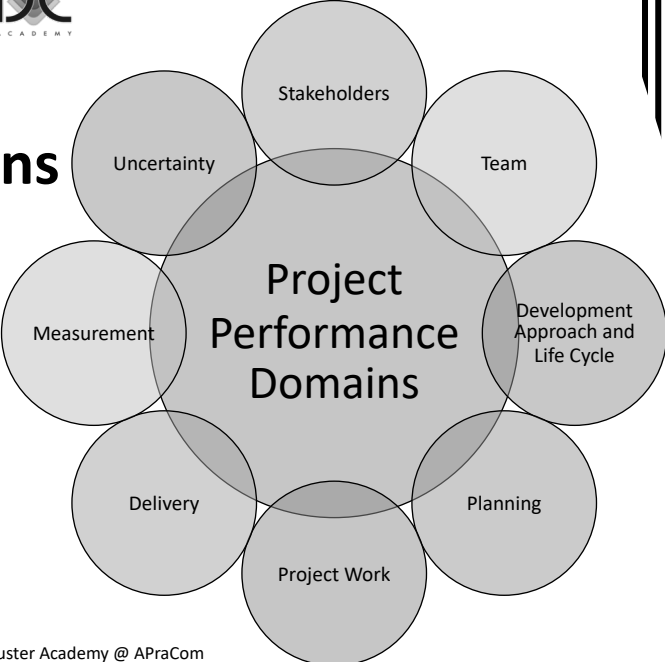
Be a diligent, respectful, and caring steward	Create a collaborative team environment	Effectively engage with stakeholders	Focus on value
Recognize, evaluate, and respond to system interactions	Demonstrate leadership behaviors	Tailor based on context	Build quality into processes and deliverables
Navigate complexity	Optimize risk responses	Embrace adaptability and resilience	Enable change to achieve the envisioned future state

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## The Eight Project Performance Domains

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## STAKEHOLDER PERFORMANCE DOMAIN

The stakeholder performance domain addresses activities and functions associated with stakeholders.

Effective execution of this performance domain will lead to:

- ✓ A productive relationship with the stakeholders over the life cycle of the project
- ✓ The stakeholders will agree with the project objectives
- ✓ Stakeholders who are project beneficiaries are supportive and satisfied
- ✓ Stakeholders who may oppose the project or its deliverables do not negatively impact the results

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## Definitions and Stakeholders



**Stakeholder:**

Individual, group, or organization, that may affect, be affected by, or perceive itself to be affected by a decision, activity, or outcome of a project, program, or portfolio.

**Stakeholder Analysis:**

A method of systematically gathering and analyzing quantitative and qualitative information to determine whose interests should be considered throughout the project.

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## Projects and Stakeholders

- Projects are done by people and for people. The people may be individuals or part of an organization which is the customer.
- Stakeholders may be individuals, members of interest groups, and organizations.
- The number of stakeholders varies depending on the size and complexity of the organization.
- Stakeholders may vary over the duration of the project, their influence and interest may change.



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## Examples of Project Stakeholders

- |  |  |  |
|--|--|--|
| <ul style="list-style-type: none"> <li>• Project Manager</li> <li>• Project Management Team</li> <li>• Project Team</li> </ul> | <ul style="list-style-type: none"> <li>• Governing Bodies</li> <li>• Project Management Offices (PMOs)</li> <li>• Steering Committees</li> </ul> | <ul style="list-style-type: none"> <li>• Suppliers</li> <li>• Customers</li> <li>• End Users</li> <li>• Regulatory Bodies</li> </ul> |
|--|--|--|

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## Interactions With Other Domains

- Stakeholders are involved in many domains of the project:
  - ✓ Requirements, scope, and priorities
  - ✓ Project planning
  - ✓ Acceptance and quality criteria
  - ✓ Deliverables and outcome
  - ✓ Uncertainty
  - ✓ Performance



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## Checking Results

Productive working relationship with the stakeholders throughout the project:

- ✓ Observing the stakeholders and their attitude towards the project and the team provide information about the working relationship.
- ✓ Stakeholder movement is a clear indicator of the level of satisfaction with the project.



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## Checking Results

Stakeholders agree with project objectives

- ✓ The number of changes during the project is an indication of the agreement of the stakeholders with the project.
- ✓ However, a significant number of changes is typically an indication that the stakeholders are not in agreement.

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## Checking Results

Stakeholders who may oppose the projects do not negatively impact the results

- ✓ The behavior of the stakeholders indicates whether the project beneficiaries are satisfied or not with the way the project is going.
- ✓ Surveys, interviews and focus groups are good ways to evaluate the stakeholder satisfaction

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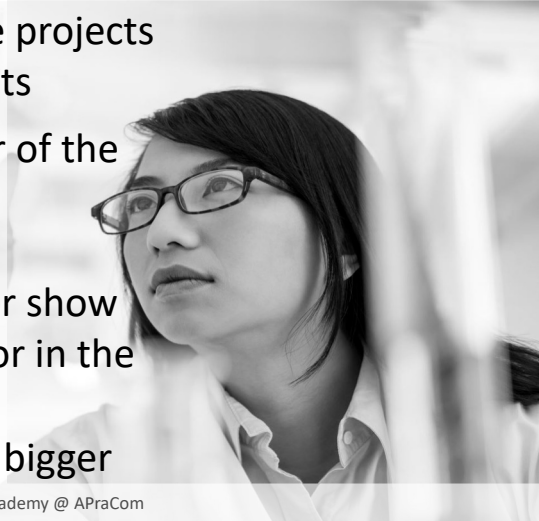
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## Checking Results

Stakeholders who may oppose the projects do not negatively impact the results

- ✓ Not all stakeholders are in favor of the project, and they may have a negative impact on it.
- ✓ How these stakeholders react or show discontent is an important factor in the project evaluation
- ✓ These stakeholders may have a bigger influence than the others.



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## TEAM PERFORMANCE DOMAIN

The team performance domain addresses activities and functions associated with the people who are responsible for producing project deliverables that realize business outcomes.

Effective execution of this performance domain will lead to:

- ✓ Shared ownership
- ✓ High performing teams
- ✓ Leadership and other interpersonal skills demonstrated by all team members

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## Definitions and Team



### **Project Manager:**

is the person assigned by the organization to lead the project team.

### **Project Management Team:**

the members of the team who are involved in the project management activities.

### **Project Team:**

the people performing the project work to achieve the project's results.

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## Centralized Management and Leadership

- In modern project management, all project team members should practice leadership.
- When management is centralized, accountability is usually given to one individual, typically the project manager.
- In these cases, the charter or a similar document provides the authority to the project manager to compose a team to start the project.



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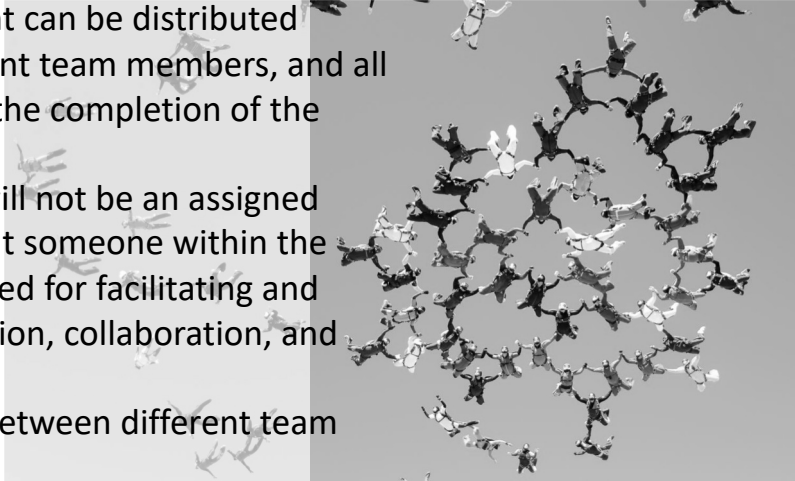
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## Distributed Management and Leadership

- Project management can be distributed between the different team members, and all are responsible for the completion of the project.
- In this case, there will not be an assigned project manager, but someone within the team may be assigned for facilitating and enable communication, collaboration, and engagement.
- The role may shift between different team members.



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## DEVELOPMENT APPROACH AND LIFE CYCLE PERFORMANCE DOMAIN


The development approach and life cycle performance domain addresses activities and functions associated with the development approach, cadence, and lifecycle phases of the project.

Effective execution of this performance domain will result in the following desired outcomes:


- ✓ The selected development approaches are consistent with the project deliverables
- ✓ The project life cycle is composed of phases that connect the delivery of business and stakeholder value from start to finish.
- ✓ The project life cycle is composed of phases that facilitate a delivery cadence and development approach required to produce the deliverables.

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## Definitions



**Deliverable:**  
A unique and verifiable product, result, or capability to perform a service that is required to be produced to complete a process, phase, or project

**Development Approach:**  
A method (predictive, iterative, incremental, adaptive, or hybrid) used to create and evolve the product, service, or result during the project life cycle.


**Cadence:**  
A rhythm of activities conducted throughout the project.

**Project Phase:**  
A collection of logically related project activities that culminate in the completion of one or more deliverables.


**Project Life Cycle:**  
The series of phases that a project passes through from its start to its completion

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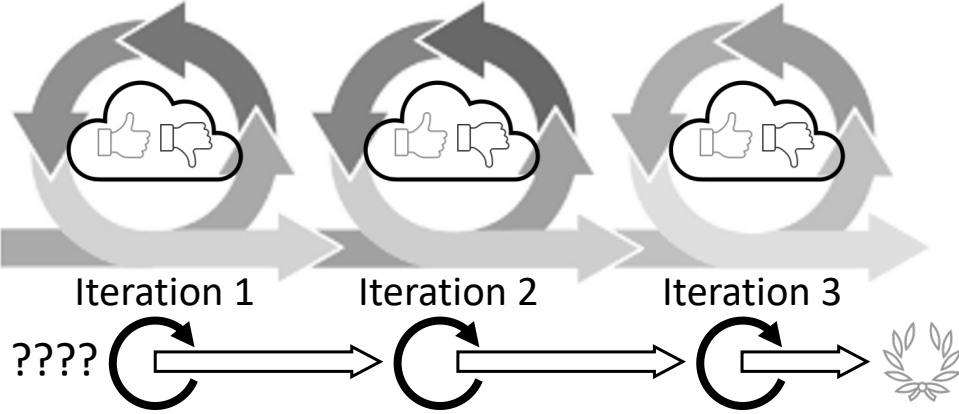
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## Example of Iterative



**Customer:**  
Has an idea but no real concept of the final product.



Iteration 1      Iteration 2      Iteration 3

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## Example of Incremental

The features and functions are developed progressively

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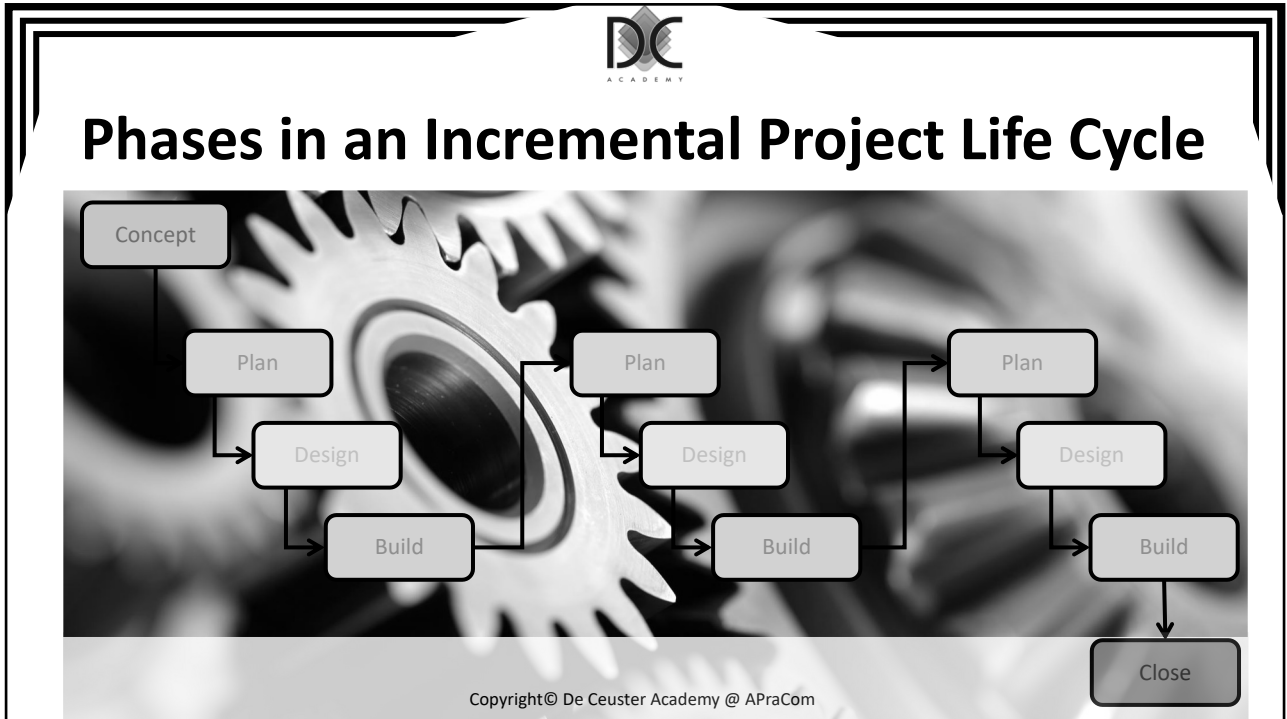
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## Phases in a Predictive Project Life Cycle

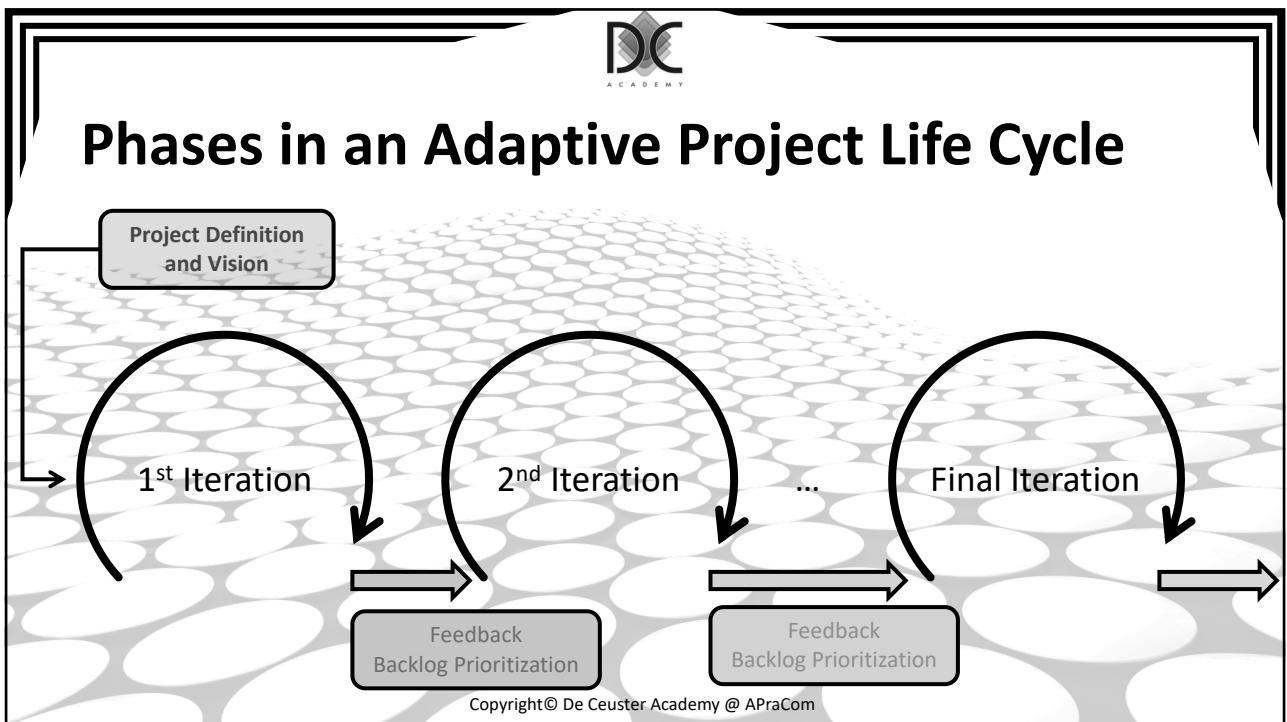
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## Phases and Flow-based Scheduling

- Some Agile methodologies do not use a cycle approach like Scrum with Sprints.
- They use a flow approach which has been derived from *Kaizen* and the *TPS* where the focus is on reducing waste by limiting the *WIP*.
- *Kanban* is a typical application that is based on just-in-time production systems



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## PLANNING PERFORMANCE DOMAIN

The planning performance domain addresses activities and functions associated with the initial, ongoing, and evolving organization and coordination necessary for delivering project deliverables and outcomes.

Effective execution of this performance domain will result in the following desired outcomes:

- ✓ The project progresses in an organized, coordinated and deliberate manner.
- ✓ The project outcomes are delivered through a holistic approach.
- ✓ To produce the deliverables and outcomes of the project evolving information is elaborated
- ✓ The plan is created considering the situation of the project
- ✓ Managing stakeholders is possible with the information provided in the plan
- ✓ Change management processes have been implemented

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## Definitions – Part 1



**Estimate:**

A quantitative assessment of the likely amount of a variable (costs, resources, effort, and durations)

**Accuracy:**

Related to quality management, it is an assessment of correctness.

**Precision:**

Related to quality management, it is an assessment of exactness.

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## Definitions – Part 2



**Crashing:**

Reducing project duration (the schedule) by adding resources to activities in order to achieve the least project cost.

**Fast Tracking:**

Reducing project duration by executing activities in parallel, at least for a part of their duration.

**Budget:**

The approved cost estimate for the project, any WBS component, or any schedule activity.

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## Planning Overview

- Project planning is important because it is an approach to create the project deliverables and realize the intended outcomes.
- Project planning is conducted using the principle of progressive elaboration like rolling wave planning.
- The result of planning is the creation of the project plan adjusted to the specific needs avoiding overplanning and spending too much time than necessary.
- The detail of the plan needs to be adjusted to the needs. Too many details will prove to be ineffective and will be counterproductive.

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## PROJECT WORK PERFORMANCE DOMAIN


The project work performance domain addresses activities associated with establishing project processes, managing physical resources, and fostering a learning environment

Effective execution of this performance domain will result in the following desired outcomes:


- ✓ Project performance is efficient and effective
- ✓ The implemented processes are adjusted to the project and its environment
- ✓ Stakeholder communications are appropriate
- ✓ Physical resources are managed efficiently
- ✓ Procurements are managed effectively
- ✓ Continuous learning and process improvements lead to an improved team capability

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## Definitions



**Bid Documents:**  
These are all the documents that are used to solicit information (RFI), quotation (RFQ), or proposals (RFP) from prospective sellers


**Bidder Conference:**  
Contractor conferences, vendor conferences, or pre-bid conferences. These are meetings to ensure that all prospective suppliers have the same understanding.

**Explicit Knowledge:**  
The knowledge that can be codified using symbols, like words, numbers, and pictures

**Tacit Knowledge:**  
Personal knowledge that can be difficult to share like beliefs, experience, and insights

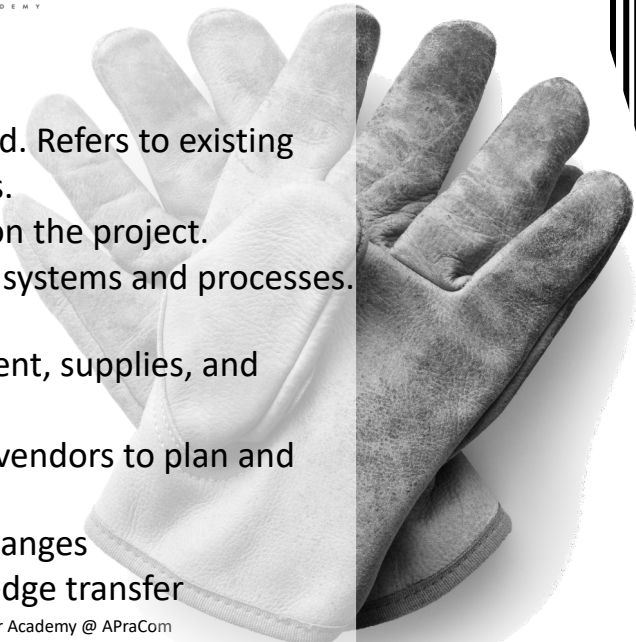
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## Project Work


- Managing the work to be completed. Refers to existing work, additional work, and changes.
- Keeping the project team focused on the project.
- Defining and implementing project systems and processes.
- Stakeholder communication.
- Management of materials, equipment, supplies, and logistics.
- Cooperation with contractors, and vendors to plan and manage procurements.
- Monitor the project and identify changes
- Ensure project learning and knowledge transfer



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## DELIVERY PERFORMANCE DOMAIN


The delivery performance domain addresses activities and functions associated with delivering the scope and quality that the project was undertaken to achieve.

Effective execution of this performance domain will result in the following desired outcomes:


- ✓ Projects are undertaken to contribute to the business objectives and advancement of the strategy
- ✓ Projects realize the outcome they were initiated to deliver
- ✓ The project benefits are achieved withing the determined time.
- ✓ The requirements are clearly understood by the team members
- ✓ Project deliverables agree with the stakeholder’s expectations.

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## Definitions



**Requirement:**  
Function or capacity that should be present in the product, service, or result to satisfy the intended business need.

**Work Breakdown Structure (WBS):**  
Hierarchical decomposition of the project scope or work to fulfill the project objectives.

**Definition of Done (DoD):**  
A checklist containing all elements that need to be included in the project to evaluate the completeness of the deliverables.

**Quality:**  
The degree to which the characteristics fulfill the requirements.

**Cost of Quality (COQ):**  
The cost incurred to create deliverables that comply with the defined quality standards.

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# Project Delivery

- The business strategy and advancement of business objectives are realized by defining and executing projects.
- Meeting requirements, scope, and quality expectations are the main focus of the project.
- Business value is the main outcome of a project which can be obtained by creating new products and services or resolving issues related to processes and/or features that are not performing optimally.
- Example: A process can be improved by implementing a new technique or resolving issues.



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## MEASUREMENT PERFORMANCE DOMAIN

The measurement performance domain addresses activities and functions associated with assessing project performance and taking appropriate actions to maintain acceptable performance.

Effective execution of this performance domain will result in the following desired outcomes:

- ✓ The status of the project is understood in a reliable way
- ✓ Decision-making is facilitated by the availability of actionable data
- ✓ Project performance is kept on track because of timely and appropriate actions
- ✓ Targets are achieved, and business value is generated by making the right decisions at the right time using reliable forecasts and evaluations.

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## Definitions



### Metric:

Project or product attributes are described including how to measure them.

### Baseline:

The approved version of a work product as a basis for comparison to actual results, e.g., schedule and cost baseline.

### Dashboard:

Combination of charts and graphs showing progress or performance against important measures of the project.

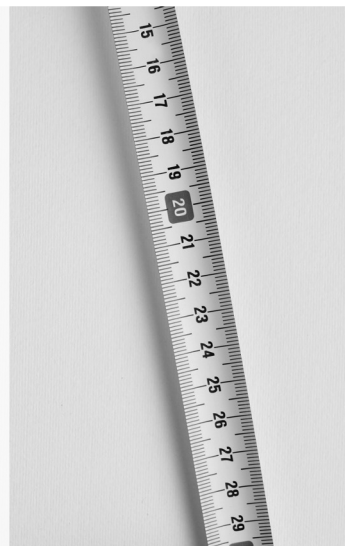
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## Project & Measuring

- Measuring project performance provides valuable information about the degree to which the work was completed.
- Measurements are taken for different reasons:
  - ✓ Compare performance with the plan
  - ✓ Tracking of resources, completed work, budget
  - ✓ Accountability
  - ✓ Information sharing with stakeholders
  - ✓ Are the deliverables produced as planned?
  - ✓ Trade-offs, threats, opportunities, and options
  - ✓ Project deliverables and customer acceptance criteria



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## UNCERTAINTY PERFORMANCE DOMAIN

**The Uncertainty Performance Domain addresses activities and functions associated with assessing risk and uncertainty.**


Effective execution of this performance domain will result in the following desired outcomes:

- ✓ The technical, social, political, market and economic environments are known and understood by the team members.
- ✓ Exploring into and responding to uncertainty is done in a proactive way.
- ✓ Interdependence of multiple project-related variables is understood.
- ✓ The capacity to anticipate threats and opportunities and understand the consequences of issues.
- ✓ Unforeseen events have little or no impact on project delivery
- ✓ The realization of opportunities leads to improved project performance.
- ✓ The project remains aligned with its objectives due to the effective use of cost and schedule reserves.

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## Definitions



**Uncertainty:**  
A lack of understanding and awareness of issues, events, paths to follow or solutions to pursue

**Ambiguity:**  
A state of being unclear, having difficulty in identifying the cause of events, or having multiple options from which to choose.

**Complexity:**  
A characteristic of a program or project or its environment that is difficult to manage due to human behavior, system behavior, and ambiguity

**Volatility:**  
The possibility for rapid and unpredictable change.

**Risk:**  
An uncertain event or condition, that if it occurs, has a positive or negative outcome on one or more project objectives

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## Uncertainty in a broader sense

- Uncertainty refers to not knowing or being unpredictably related to good and bad outcomes.
- Projects are about realizing unique products or services, which because of their uniqueness contain many uncertain events.
- When we start with a project, we do not know about future events, current and future conditions, and complexity related to system dynamics.
- Experience provides us understanding about possibilities, probabilities and possible solutions, but we will never be 100% certain.



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## Environmental Contributors to Uncertainty

- Projects are defined and executed in a specific environment in which elements can contribute to the uncertainty:
  - ✓ Economical conditions, including markets, prices, money lending conditions, inflation or deflation, and other.
  - ✓ Technical conditions like new developments, integration, etc.
  - ✓ Legislative conditions
  - ✓ Physical environment (safety, weather)
  - ✓ Unknown future conditions
  - ✓ Social market influences
  - ✓ Internal and external politics



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