Initiating Process Group

Project Management Manual Sections

|	
Section 1:	Introduction
Section 2:	Project Management Governance
Section 3:	Project Delivery Framework
Section 4:	**Initiating Process Group**
Section 5:	Planning Process Group
Section 6:	Executing Process Group
Section 7:	Monitoring and Controlling Process Group
Section 8:	Closing Process Group
Section 9:	Contract Administration

4　Initiating Process Group

Initiating is the first of the five project management process groups. Like all process groups, it applies to each phase of a project's lifecycle, from project initiation, planning, through to execution: and to close-out. The initiating process group process(es) define a new project or new phase of an existing project by obtaining authorization to start the project or phase.

The purpose of this process group is to align stakeholders' expectations and the project purpose, inform stakeholders of the project scope and objectives, and discuss how their participation in the project and its associated phases can help to ensure their expectations are met.[4]

As projects are divided into phases, information from processes in the Initiating Process Group are re-examined to determine if the information is still valid. Revisiting the initiating processes at the start of each phase helps keep the project focused on the business need that the project was undertaken to address.

Figure 4-1. Initiating Process Group
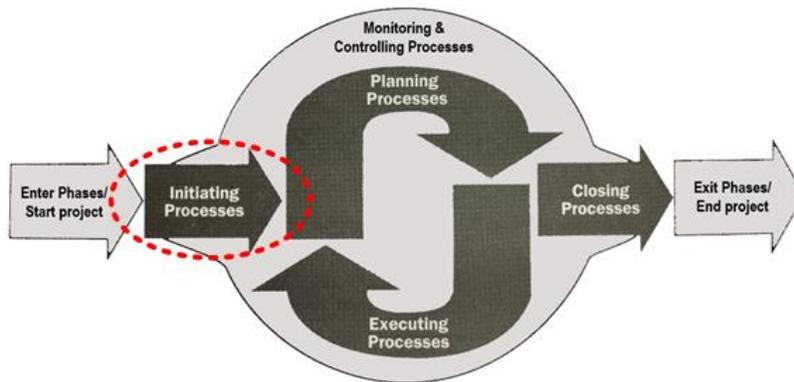
4.1　Acquire Project or Phase Approval

The Project Management Manual methodology includes the concept of phase approvals, with authorization from the previous project phase required prior to commencement of the subsequent phase. The process requires the Project Manager to summarize the prior phase outputs and deliverables and identify potential changes to delivery.

4.1.1　How to Acquire Phase Gate Approval

Project initiation phase begins with Council approval of the project, which normally coincides with the approval of the capital budget. In some instances, projects may be approved by Council in-year, by approval contained within an administrative report.

For subsequent project phases, the phase outcomes and deliverables are summarized by the Project Manager and then reviewed and approved by the Project Sponsor prior to proceeding to the next project phase.

---

[4] Project Management Institute (2017). *A Guide to the Project Management Body of Knowledge,* Sixth Edition, p. 554

The phase gate approval will be considered on the basis of these deliverables being approved. In situations where the project is not meeting the Business Case objectives, the Project Sponsor may request that the Project Manager prepare a recovery plan to outline how to move the project back on track, prior to making the approval.

4.2 Identify Project Sponsor, Project Manager, and Other Key Stakeholders

Identifying the Project Sponsor and Project Manager is the first priority, since they will be responsible for project delivery. They will also execute the initiating processes including defining other key stakeholders.

4.2.1 Assign Project Sponsor

The Project Sponsor is the individual responsible to provide resources and support for delivery of the project, program or portfolio within the business unit delivering the project, and for enabling its success. The Project Sponsor must be at a level in the business unit to address the type of issues that will occur based on the magnitude of the project.

All projects must have a Project Sponsor.

The department responsible for the project budget is identified in the annual capital budget. The Department Head of that department is responsible for appointing a Project Sponsor. For example, if the capital budget identifies a Public Works budget account number for the project in the Capital Budget (#18XXXXXXX), the Director of Public Works is responsible for assigning a Project Sponsor to that project.

The Project Sponsor must be identified in the Project Charter and Team Charter, and their role and responsibilities must be defined in the Project Delivery Plan.

The Project Sponsor, at a minimum, is expected to maintain awareness of the project, its progress, its issues, and to be available for participation in decision-making and dispute Define Boundaries resolution.

For more information, refer to *PMM Section 5.7: Plan Resource Management* for details on the Project Organizational Structure and responsibilities and authorities of the role.

4.2.1.1 How to Select and Assign a Project Sponsor

The Department Head responsible for the project delivery organization selects a Project Sponsor appropriate for the magnitude of the project that is being delivered.

The Project Sponsor will:

- Be at a level within the business unit delivering the project to provide resources, break down barriers, and be the champion for the project.
- Provide the support necessary for the project to succeed and meet the Business Owner's requirements.

There are no specific rules for assigning the Project Sponsor.

The Project Sponsor's formal commitment to the project is confirmed through endorsement of the Project Charter.

4.2.2 Assign Project Manager

A Project Manager (PM) is required at the beginning of the project initiation phase and continues through to the project close-out phase. The organization assigns a Project Manager to deliver the project, with the expectation that the project objectives will be met, as defined in the Business Case.

The Project Manager must have the necessary technical and management skills and the qualifications to plan, manage, administer, coordinate, control, and report on the entire project lifecycle, and must have the competencies appropriate for the size and nature of the project.

Project risk implications, such as Project Manager workload, should also be considered in Project Manager selection, and, as with any risk areas, a risk response must be defined where warranted.

4.2.2.1   How to Select and Assign a Project Manager

The business unit is responsible to select a Project Manager, along with input from the Project Sponsor.

A Project Manager requires:

- knowledge of project management practices acquired through formal training
- experience on similar size and types of projects
- a track record of project management success
- proven leadership; planning, organizing, and communication skills

All of the above characteristics are useful in predicting good project performance.

Expectations for the City's technical or business participation must also be considered when selecting the Project Manager.

If the City will provide quality assurance, a Project Manager with knowledge of the product function, service, or operation will be an asset.

If the Vendor is responsible for the deliverable, however, a Project Manager's product knowledge may not be an asset and may in fact make it difficult for the Project Manager to abstain from contributing inappropriately.

The business unit's ability to commit the Project Manager's time fully to the project is critical – this ability must be ascertained before a Project Manager is selected.

4.2.3 Assign Business Owner

A Business Owner is the entity in the project organizational structure that accepts receipt (ownership) of the final product, service, and/or result (deliverables) of a project.

The Business Owner also known as Control & Use Owner of the Investment, which the project was created to deliver, and is a separate role in the Project Organizational Structure.

The Business Owner can be the Project Sponsor if the project is being initiated within the same business unit. Typically, however, the Business Owner is from a different division within the same City Department or even a different Department.

The Business Owner must be identified in the Project Charter and Team Charter, and their role and responsibilities must be defined in the Project Delivery Plan.

For more information, refer to *PMM Section 5.7 – Plan Resource Management* for details on the Project Organizational Structure and responsibilities and authorities of the role.

4.3   Determine Committee Requirements

The requirement for a project to form a committee will depend on both the level of risk and size of the project. The major objective is to expend additional resources where there is significant risk or large dollar amounts at stake.

The guidelines below were developed considering the impact on resources and cost benefit. As committees involve multiple individuals, there is a significant cost to the establishment of a formal committee(s).

In determining the required level of documentation for the project, the Project Manager will have made a determination as to both the project level of risk and project size. To determine project size and level of risk, refer to *PMM Section 1.5 – Program or Project.*

All projects that meet the major capital threshold, as defined in the Adopted Budget Capital Project Detail Volume 3 within the appendix Major Capital Projects, requires a Major Capital Project Advisory Committee as per FM-004 Asset Management Administrative Standard.

Table 4-1 shows a summary of a project's Committee requirements based on project size and level of risk.

Table 4-1. Summary Committee Requirements based on Project Size and Level of Risk

Project Size and/or Level of Risk	Committee Requirement
Major size project, $23 million[5] or greater	Major Capital Projects Advisory Committee is required. (FM-004 Asset Management Administrative Standard)
Large size project, High, Moderate or Low level of risk	Project Advisory Committee is required.
Medium size project, High or Moderate level of risk	Project Advisory Committee is required.

---

[5] City of Winnipeg, 2019 Adopted Capital Budget, Volume 3

Table 4-2. Guidelines for Committee Requirements

		Project Size			
		Small	**Medium**	**Large**	**Major**
Project Level of Risk	**High**	Project Advisory Committee Recommended	Project Advisory Committee	Project Advisory Committee	Major Capital Project Advisory Committee
	Moderate	None	Project Advisory Committee Recommended	Project Advisory Committee	Major Capital Project Advisory Committee
	Low	None	None	Project Advisory Committee	Major Capital Project Advisory Committee
		Below $1.0 million	**$1.0 million to $4.99 million**	**$5.0 million to $22.99 million ***	**$23.0 million and above ***

*The Major Projects' capital budget lower range is set every year in the *Adopted Budget Capital Project Detail, Volume 3*, in Appendix Major Capital Projects. This limit is subject to change each budget cycle, and will impact the upper range for large size projects as well.

This table depicts ranges defined in the 2019 *Adopted Budget Capital Project Detail, Volume 3*, in Appendix Major Capital Projects.

4.3.1 How to Establish the Major Capital Project Advisory Committee

The process for establishing the Major Capital Project Advisory Committee is defined in FM-004 Asset Management Administrative Standard.

The department head for the control and use department is responsible for establishing the Major Capital Project Advisory Committee in accordance with FM-004 Asset Management Administrative Standard.

Due to the Senior Management representation on these committees, Major Capital Project Advisory Committees provide direction to Project Managers.

4.3.2 How to Establish a Project Advisory Committee

The department head for the department responsible for the project budget is responsible for establishing the Project Advisory Committee.

The Project Manager shall conduct the analysis as outlined in Table 4-2 above, to determine if there is a requirement for a Project Advisory Committee.

If there is a requirement for a Project Advisory Committee, the Project Manager shall advise the Project Sponsor of the requirement.

The Project Sponsor is the chairperson of the committee, and appoints a minimum of two other members of the committee.

For clarity, the Project Manager reports to the committee, and is not a member of the committee.

The Project Sponsor's appointment of committee members shall be approved by the Department Head responsible for the Project Budget.

Project Advisory Committees are advisory in nature and is not intended to give direction to the Project Manager on the project, only to provide an additional resource to the Project Manager, to aide in the successful delivery of the project.

4.4 Stakeholder Assessment

Stakeholder Assessment and Communication Plan template

Download from the City's Infrastructure Planning Office website

In addition to the major stakeholders already identified through the committees established above, and initially identified in the Business Case, all other individuals and organizations affected by the project or who have an interest in the project must be identified. Stakeholders are any group or representatives of a group who may be interested in providing input prior to a decision being made by the City. This may include: residents groups, businesses, special interest groups, community organizations, government agencies, and any other organization or representative of an organization interacting with the City.

It is important to identify the stakeholders early in the process and outline their interest and determine their level of participation, since the level of effort in interacting with stakeholders can vary widely, and in some cases, may be extensive. Comprehensive stakeholder assessment ensures that all perspectives are brought to the table. This improves the likelihood that a broad range of perspectives are addressed, that there is a positive attitude to decision outcomes, and that as a result it is less likely to result in changes to project scope, schedule and costs.

For the Winnipeg Public Service, the number and types of stakeholders may vary widely according to the project type. Stakeholders may include:

- Project Team members
- Internal employees
- Functional Managers
- Operations and maintenance
- Business Partners
- Regulators and other authorities
- Customers/Users
- Vendors
- Special Interest Groups
- Members of the Public
- Property Owners
- Utilities
- Biz Groups

4.4.1 How to Perform a Stakeholder Assessment

A stakeholder assessment shall be performed and documented in the Stakeholder Assessment and Communication Plan template, to identify and record stakeholder interests and expectations and to define their importance and influence on the project. This information is used to categorize stakeholders by potential impact on the project, and strategies shall be developed to minimize potential negative impacts and maximize positive impacts.

The stakeholder assessment is part of the project communication plan and public engagement plan. The stakeholder assessment guides how project communication will be managed. As well, the assessment will be used on any organizational change management activities occurring on the project and how public engagement activities are planned and executed.

For more information, refer to *PMM Section 5.8 – Plan Communication Management.*

4.4.2 Update the Stakeholder Assessment

The stakeholder assessment is updated as the project progresses since new stakeholders may be identified who were previously unknown. The communication plan is reviewed at the same intervals for the same reason.

New stakeholders and/or multiple parties not known at the outset of the project will require the communication plan to be updated.

4.5 Project Charter

Project Charter
template

Download from the
City's Infrastructure
Planning Office
website

The Project Charter initiates the transition from the pre-project phase to project initiation phase. It formally authorizes the project to proceed and forms the agreement between the Project Manager and the Project Sponsor. It functions like a work-order by setting out the high-level expectations for delivery and commits the organization to providing the identified capital (and/or operating) budget, resources, and project support. The completed Project Charter provides a clear set of expectations for the Project Manager and is used to develop the Project Delivery Plan, which is the baseline for monitoring progress and performance.

The Project Charter is developed from existing information, which may be known at the initiation phase only at a high level.

At a minimum, the Project Charter should provide the following information:

- A project definition and estimated costs from the Business Case.
- The approved capital (and/or operating) budget and any anticipated commitments, allowances, and contingencies identified.

It is imperative that the Project Charter be endorsed by the Project Sponsor and the Project Manager. After this mutual agreement, the Project Charter provides the basis for the Project Manager to develop the Project Delivery Plan.

4.5.1 How to Develop the Project Charter

The following items should be included when available:

1. Project Description
2. Project Organization – governance, team structure, roles and responsibilities, facilities and resource, stakeholders
3. Project Scope – high level objectives, boundaries, milestones, deliverables, dependencies/synergies
4. Project Costs Estimate and Sources of Funding
5. Flexibility Matrix – Establish the order of priority for the project scope, budget and schedule
6. Risks and Opportunities
7. Public Engagement requirement

Even though the Project Charter is much less detailed than a Project Delivery Plan, it helps to use a similar structure for each, as the information in the Project Charter is carried forward to the Project Delivery Plan.

4.5.2 Endorse the Project Charter

The Project Charter provides the Project Sponsor's instructions for delivering the project to the Project Manager, whose skills and expertise are used to develop the details, carry out the work, and fulfil the Project Sponsor's expectations.

The Project Sponsor's endorsement of the Project Charter confirms the corporate/departmental expectations for the project and commits the resources needed for completion.

The Project Manager's endorsement of the Project Charter indicates understanding of the corporate expectations, the nature of the work, and the impediments to delivery, documented in the Project Charter (if any).

In many cases, the Project Manager will have prepared the Project Charter and thus be able to endorse it with confidence. If not, the Project Manager should be given time to review the Project Charter and potentially contribute to it, to increase the project's chance of success.

Prior to finalizing the Project Charter, the Project Charter should be compared to the Business Case to ensure that the benefits identified in the Business Case are still there.

4.6　Starting a New Phase of the Project

Prior to starting the next phase of the project, the following should be completed:

- ❑ Project Sponsor assigned
- ❑ Project Manager assigned
- ❑ Business Owner assigned
- ❑ Committee(s) (if required), appointed and established
- ❑ Project Charter – completed and signed by the Project Sponsor, and Project Manager. Depending on the project, the Project Charter may also be signed by Business Owner.
- ❑ Key Stakeholder Analysis.