Project Business Plan (Small)

Template and Guide

Version 2.1, April 2008

This Template and Guide is for the development of a Project Business Plan for a small project. The Guide is intended to be read in conjunction with the Template and should be removed from the front of the final document.

Other templates and guides for the development of a Project Business Plan for a larger, more complex project (**Large Project Business Plan**) or a medium sized project (**Medium Project Business Plan**) have also been developed.

|  |  |
| --- | --- |
| *[C:\Users\grant.evans\Desktop\creativeccommonsby.png](http://creativecommons.org/licenses/by/4.0/)* | License URL: <https://creativecommons.org/licenses/by/4.0/legalcode> Please give attribution to: © State of Tasmania ([Department of Premier and Cabinet](http://www.dpac.tas.gov.au)) 2017 |

What is a Project Business Plan?

A *Project Business Plan* is the management document for the project. It is owned, maintained and utilised by the *Sponsor*[[1]](#footnote-1) to ensure the delivery of project *outputs* and the realisation of project *outcomes*.

The Project Management Fact Sheet: Project Sizing can assist you to determine the size of your project.

Why would you develop a Project Business Plan?

A *Project Business Plan* is developed to provide:

* Comprehensive overview of all the project components, how you intend to produce the outputs and describes the roles and responsibilities of each of the parties in the governance structure of the project.
* The Project’s Sponsor with a documented framework to ensure the achievement of defined project outcomes and to effectively monitor the project from start to finish.
* A formalised agreement between the *Project Sponsor* and the *Project Manager* of what needs to be done and when.

The document expands upon the original *Project Proposal* or the approved option in the *Project Business Case* enabling detailed definition of the scope and management of the project.

When would you develop a Project Business Plan?

Approval to proceed to develop a *Project Business Plan* is usually obtained from the acceptance or approval of a preceding stage such as a *Project Proposal*, *Project Business Case* or Feasibility Study. The *Project Business Plan* expands the approved proposal developed in these documents in order to:

* Provide specific details on the scope, governance, budget, resources, work plan and milestones of the project.
* Define the project and quality management processes to be used throughout the project.
* Gain authorisation to proceed to the next step of the project.

What you need before you start:

* Agreement to proceed with the development of the *Project Business Plan* from the *Project Sponsor* or Proposer.
* Knowledge and understanding of the development of a *Project Business Plan*, as outlined in the Guidelines.
* Any other project approval processes that are required in your organisation.

Optional:

* Endorsed document establishing the scope of the *Project Business Plan*, which could be a *Project Proposal* or a *Project Business Case*, or as simple as an email from your manager.
* Knowledge and understanding of project planning, scope definition, stakeholder identification, risk identification and the development of work breakdown structures.
* Awareness of the environmental factors that may affect the project such as political, industrial, legislative, technical, financial, social, cultural and security/privacy.
* Corporate/Business Plan for the Department/Business Unit.
* Departmental Project Management Guidelines.

What you will have when you are finished:

* A complete *Project Business Plan* that is ready for acceptance by the Project Sponsor/Steering Committee.

Integration Process:

Any endorsed documents (for example a *Project Proposal, Project Business Case* or an email from your manager) should be utilised to populate the Project Business Plan. This information, along with any gaps, then provides a basis for further discussion, clarification and confirmation of the project scope.

It should be noted that development of the Project Business Plan is **not a static** **process**, and that all aspects described in the Business Plan must be re-examined many times over the life of the project, particularly where a great deal of change is involved. This iterative development should involve the *Project Sponsor*. The key is to obtain clear sign-off where scope changes are required during the life of the project.

Maintaining document control:

In order to track the agreed changes to the Project Business Plan, and record its distribution throughout the document's development and subsequent revision(s), a document version control process is essential. Version control provides for unique identification of documents, whether electronic or hard copy, and assists with the easy identification of each subsequent version of a document. The version number changes as the document is revised allowing released versions of a document to be readily discernable from draft versions.

Refer to the Project Management Fact Sheet: *Document Control* for more information.

How to use this template

The template contains sections which are either optional or can be developed at a number of levels of detail depending upon individual need.

All documents developed based on this template should include an appropriate acknowledgement.

A number of **different text styles** have been used within the template, as follows:

* Text in blue italics is intended to provide a guide as to the kind of information that can be included in a section and to what types of projects it might be applicable. It should be deleted from the final document .
* Text in normal font is intended as examples.
* Text enclosed in <angle brackets> is intended to be replaced by whatever it is describing.
* This document has been formatted for duplex printing. If you intend to print single sided, you may need to delete some page breaks.

Where to Get Additional Help

The following tools and resources are available:

* The Project Management Fact Sheets: *Developing a Project Business Plan* and *Managing Small Projects* provides additional details on the steps involved in developing a Project Business Plan.
* A template for a Project Manager’s *Status Report*.
* Further information on stakeholder management is contained within the *Tasmanian Government Project Management Guidelines - Section 5: Stakeholder Management* and the Project Management Fact Sheet: *Developing a Project Communication Strategy*.
* Further information on assessing the project’s exposure to risk is contained within the *Tasmanian Government Project Management Guidelines – Section 6: Risk Management* and the Resource Kit: *Risk Management*.

Checklist

**Have you remembered to remove**:

* The versioning statement from the front cover of your document?
* This guide and checklist from the front of your document?
* All blue italic instructional text and <prescriptive text enclosed in angle brackets> within the template?

<Project Title>

Project Business Plan

Version: <n.n> Date: <dd-mm-yyyy>

Copy: Uncontrolled

*The version number starts at one and increases by one for each release. It shows the release number and a revision letter if in draft. The original draft is 0.A and subsequent drafts are 0.B, 0.C etc. The first accepted and issued document is Version 1.0. Subsequent changes in draft form are 1.0A, 1.0B etc. The accepted and issued second version is 1.1 or 2.0, depending on the magnitude of the change.*

*Refer to the Project Management Fact Sheet: Document Control for more information.*

Document Acceptance and Release Notice

This document is Version <n.n> <dd-mm-yyyy> of the <Project Title> Project Business Plan.

The Project Business case is a managed document. For identification of amendments each page contains a release number and a page number. Changes will only be issued as complete replacement. Recipients should remove superseded versions from circulation. This document is authorised for release once all signatures have been obtained.

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| PREPARED: |  | Date: |  | - |  | - |  |
| (for acceptance) | <Project Manager Name and Title>  <Project Name> |  |  | | | | |
|  |  |  |  | | | | |
| ACCEPTED: |  | Date: |  | - |  | - |  |
| (for release) | <Project Sponsor Name and Title>  <Project Name> Project Sponsor |  |  | | | | |

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# Project Scope

## Project Title

<Project Title> – Abbreviation and Long Title

## Project Background

*Summarise any relevant background information, by briefly describing the reasons for establishing the project and how it was initiated, including reference to an approved Project Proposal. If this project is part of a bigger program or portfolio of projects, explain its place in the big picture. This should be less than half a page long. Additional information may be included in the Appendices.*

## Objective(s)

*An objective(s) is a high level description or statement of the overarching rationale for why the project is being conducted, and should be directly related to the Corporate Objectives and the business driver(s) for the project. It focuses on what the project is going to achieve, rather than what is produced.*

*A project can have one or more objectives, which do not need to be measurable. Each should be listed as a single sentence.*

*A useful way to frame the objective(s) is to answer the question 'why are you doing the project?' The result is a one sentence statement, or series of statements, starting with the word 'To'. For example, “To document a process for the effective collection and enforcement of monetary penalties.”*

The objective of the <Project Title> Project is to …

## Target Outcomes

*Target Outcomes for a project are outcomes that have a measurable benefit and will be used to gauge the success of the project. Usually there will only be a small number of target outcomes for any project. Each measure will be linked to one or more target outcomes. At the end of the project the measures will help answer such questions as 'what have we achieved?' and 'how do we know?'*

*Target Outcomes are expressed in the past tense and usually start with a word ending in 'ed', such as improved, increased, enhanced or reduced. Framing target outcomes in this way makes it easier to determine their success measure or the actual performance indicator. For more information see the Project Management Fact Sheet: Language Matters.*

The following outcomes have been identified as the Target Outcomes for the <Project Title> Project:

Table <n>: Target Outcomes Measurement

|  |  |  |  |
| --- | --- | --- | --- |
| Target Outcome 1 | Measure | Completion Date | Accountability |
| <The measurable benefits that are sought from undertaking a project> | <The actual mechanism for measuring the level of the performance indicator> | <The date by when the target levels are to be achieved> | <Who is accountable for the achievement of the targeted outcome(s) and reports on the progress towards the target?> |
| Example: More efficient and earlier collection of monetary penalties through changed processes. | Example: Reduction in the mean (average) time to pay an infringement notice and a court fine compared with current mean (average) time to pay. | Example: 30 June 2004 | Example: Manager, Fines Enforcement, Department of Justice and Industrial Relations |

## Output(s)

*Outputs are the products, services, business or management practices that will be required (produced) to meet the identified outcomes/benefits. Outputs are usually expressed as nouns. They may be new products or services, or 'fixed things'. Outputs link with outcomes, in that the outputs are used by the project's customers to achieve the outcomes. Ask ‘what’ new services, businesses, or management practices will need to be implemented to meet the identified outcomes.*

*Output statements are kept as free as possible from system terms.*

*Some examples:*

*A new financial management policy, procedures and standards manual*

*A new legislation storage and access facility*

*A decentralised enquiry and reporting facility for internal use*

*Outputs must be logical – by providing answers to questions: What, Which, How. Include descriptions where necessary.*

The Outputs to be delivered by the <Project Title> Project are:

## Scope of Work

*The scope of work is defined as the processes that are required to produce the project outputs.*

*The following table initially identifies all of the project work that clearly falls within the scope of the project, that which is outside the scope, and any work that requires further consideration.*

Table <n>: <Project> Scope of Work

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Part of the Project (Inside Scope) | Responsibility | Not Part of the Project (Outside Scope) | Responsibility | Uncertain or Unresolved |
| Training operational staff to use the new system | Project Manager |  |  |  |
|  |  | Updating the induction manuals | HR Section | timeline for completion |

*Where the project is dependent on other work being completed (ie. outside the scope of the project), agreement must be sought terms of who is responsible and timelines for completion.*

*At the time that the Project Business Plan is endorsed/approved by the Sponsor/Steering Committee as Version 1.0, there should be no work that remains uncertain or unresolved – it should be either inside or outside scope.*

## Project Schedule

*List the milestones and major activities for the project. Milestones are shown in bold and indicated by a blank scheduled start date, these are the dates identified during the initial planning stages used to monitor progress of the project.*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Id | Description | Who | Scheduled Start | Scheduled Finish | Predecessor[[2]](#footnote-2) |
| 1 |  |  |  |  |  |
|  |  |  |  |  |  |
| ***1*** | Formal approval to commence project obtained |  |  | 1 July 2007 | - |
| *2* | Complete consultants brief for documentation of current processes | Project Team | 1 July 2007 | 1 Aug 2007 | 1 |
| *3* | Document current processes | Consultant | 1 Aug 2007 | 1 Sept 2007 | 2 |
| *4* | Review of present processes documentation with Stakeholders | Project Manager | 1 Sept 2007 | 10 Sept 2007 | 3 |
| *5* | Investigate and develop enforcement methodology options | Project Manager | 1 July 2007 | 1 Sept 2007 | 1 |
| ***6*** | Decide on preferred option for development of business process | Steering Committee |  | 1 Sept 2007 | 5 |

## Budget & Expenditure

*Identify and summarise the project’s budget and expected expenditure in line with the project plan and financial planning. The budget information can reflect funding for the life of the project, a specific Stage or Phase, or a single financial year. See the Large Project Business Plan template for an example of a Detailed Budget table that utilises standard reporting items from Finance 1.*

*A working budget and current expenditure documents would be maintained separately to avoid the need to continually re-release the Project Business Plan.*

*All budget and expenditure statements should include estimates of ongoing costs of supporting the project outputs as they are often overlooked.*

*For information on financial management within your Agency, contact your Finance branch or equivalent. For additional information on purchasing on behalf of the Tasmanian Government, related Department of Treasury and Finance publications, including the Handbook for Government Procurement and the available Tasmanian Government common use contracts, go to* [*www.purchasing.tas.gov.au*](http://www.purchasing.tas.gov.au)

## Other Resources

*List other resourcing requirements, for example accommodation, IT equipment and information requirements.*

## Assumptions and Constraints

*Assumptions and constraints will reveal areas of risk for the project.*

### Assumptions:

*It is essential that assumptions made during the planning process are recognised and recorded, for example resource availability, environment, technology, security etc.*

### Constraints:

*Constraints are known limitations within which the project must work, for example deadlines, finance and budget, legislation etc.*

## Relevant Government Policy, Legislation and Rules

*Identify any government policies, legislation or rules and document their impact on the project.*

*The successful completion of a project may depend on amending existing legislation, additional subordinate legislation (regulations), or development of a new Act[[3]](#footnote-3). The required changes must be documented within the scope. A separate project may need to be established to manage the process.*

*The timeline involved in developing new or amending existing legislation can be lengthy. Cabinet approval is required to draft legislation as well as to endorse the Bill for introduction to the Parliament. The timing of the introduction of legislation into the Parliament is at the discretion of Cabinet. Public consultations may be required, which can take several weeks. The drafting task may be complex and time consuming.*

# Project Management Plan

## Governance

The Project’s governance structure is based on the Tasmanian Government Project Management Guidelines Version 6.0 prepared by the Department of Premier and Cabinet.

*The assessment and selection of people to perform the functions within an appropriate structure is critical to the project’s overall success. Determine what parties will form the governance structure for the project, detail their responsibilities and identify who will be fulfilling each role. As a minimum you will need in your governance structure a:*

* Project Sponsor[[4]](#footnote-4);
* Business Owner;
* Project Manager.

*In addition you may have one or more of the following parties in your governance structure:*

* Project Team;
* Reference Groups;
* Working Groups; and/or
* Quality Consultants.

*Note: In small projects, Steering Committees are generally not established.*

## Reporting Requirements

*It is important to clarify frequency and nature of reporting relationships to governance groups. The reporting relationships should be consistent with stakeholder communication and management processes and where possible minimise the reporting effort by utilising the one report for many purposes.*

Reporting requirements for the <Project Title> Project are:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Reported by | To whom | Reporting requirements | Frequency | Format |
| *<Project Manager>* | *<Sponsor>* | *Status Report* | *Monthly* | *Written and verbal* |
| *<Project Manager>* | *<Reference Group>* | *Status Report* | *Monthly* | *Written and verbal* |

## Stakeholder Management & Communication

*This section of the Project Business Plan outlines the framework by which communication and management strategies will be established and conducted for the project’s stakeholders/stakeholder groups.*

*List the key stakeholders who will impact the project or be impacted by the project and describe how they will be engaged. Provide a summary of the overall key communication and management issues for the project, concentrating on what will be contributed to the projects success or where a lack of communication can lead to failure.*

*The stakeholder management strategies adopted may be formal, informal, detailed or broad, dependent on the needs of the project. The Tasmanian Government has developed a Whole of Government Communications Policy and Tool Kit that provides detailed information templates and tools in this area. Refer to* [*www.communications.tas.gov.au*](http://www.communications.tas.gov.au) *for more information.*

## Related Projects

*Related projects (or major change initiatives) within the Division and/or Department can be of significance to the project. Representatives of these projects should be involved in project planning sessions.*

*It is important to establish both the type and nature of the relationship between the projects. The type of dependency refers to whether:*

* *A related project is dependent on / or interdependent with this project; or*
* *Whether this project is dependent on another project.*

*The nature of a dependency can include a shared relationship with data, functionality, staff, technology/infrastructure, funding, policy and/or legislation. This information should also be reflected in other relevant sections of this Business Plan, including Assumptions and Constraints (Section 1.10), Stakeholder Management & Communication (Section 2.3) and Risk Management Plan (Section 3).*

# Risk Management Plan

*The purpose of risk management is to ensure levels of risk and uncertainty are properly managed, so any potential threat to the delivery of outputs (level of resourcing, time, cost and quality) and the realisation of outcomes/benefits by the Business Owner(s) is appropriately managed to ensure the project is completed successfully.*

*This section should include*

* an overall assessment of the risk associated with the project comprised of
  + a summary of the major risks,
  + proposed mitigation strategies,
  + estimated additional costs to deploy strategies (these should be included in the budget); and
* the project risk management approach that specifies
  + the risk identification process undertaken (including who was involved),
  + how often the risks will be reviewed,
  + reporting requirements (including frequency and audience).

*Attention should also be paid to the assumptions and constraints identified during the planning process, as listed in Section 1.10, as they will often indicate risks to project success.*

*For further information on assessing the project’s exposure to risk, refer to the Tasmanian Government Project Management Guidelines – Section 6: Risk Management, the Project Management Fact Sheet: Developing a Risk Management Plan and the Project Management Template: Project Risk Register. This approach reflects the Australian Standard for Risk Analysis AS/NZS4360:2004.*

*Where they exist, Agency Risk Management processes should also be incorporated.*

*A Risk Register is a ‘snap shot’ of relevant risks at one point in time and can be included as an Appendix that is maintained separately to avoid the need to continually re-release the Project Business Plan. The level of clarity with respect to specific risks usually improves as the project progresses. The Risk Register Template is included at Appendix A*.

# Quality Management Plan

*Quality Management details the quality processes to be implemented by a project to ensure the outputs are delivered fit-for-purpose and the work of the project is managed appropriately.*

*This section should document*

* The quality criteria for the outputs themselves (quality control such as review and acceptance procedures, output testing, acceptance and sign off); and
* The processes that will be used to ensure the project is managed in a quality manner (quality assurance such as relevant methodologies and standards [eg. project management], documentation and record keeping, change, issue, and problem management)*.*

# Project Closure & Outcome Realisation

*Who are the outputs going to be handed over to, and how? Are any outputs outstanding, and has a delivery timeframe been agreed? Describe the revised roles and responsibilities for staff positions, if any are required. What are the training requirements and what ongoing maintenance arrangements have been made/are required once the project is completed? Will there be any contracts that require ongoing management, if so, by whom will they be managed? Who will be responsible for any ongoing costs (eg. software licenses)?*

*At what point will the project be closed? How will you establish whether the project has been successfully completed? What form of evaluation of the project will be undertaken?*

*Who is responsible for monitoring progress towards outcome realisation?*

# Appendices

Additional documents or information may be attached to the Project Business Plan as appendices to enhance or meet specific project requirements. For example:

* Detailed Project Budget
* Risk Register (provides ‘snapshot’ details of the current risk assessment and risk management strategies)
* Project Development Schedule (a ‘snapshot’ Gantt chart, or similar, of major project milestones and processes).

Risk Register

| Id | Description of Risk | Impact or consequence | Likelihood/ Seriousness | Grade | Change | Mitigation Actions  (Preventative or Contingency) | Individual/Group Responsible for Mitigation Action | Timeline for Mitigation Action |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| <n> | <Description of risk> |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |

Refer to the assumptions and constraints identified during the planning process, as listed in Section 1.10, as they will often indicate risks to project success. Review of the Workplan or Work Breakdown Structure will also reveal areas of risk.

**Key to Risk Rating Symbols used:**

|  |  |  |  |
| --- | --- | --- | --- |
| Rating for Likelihood and Seriousness for each risk | | | |
| L | Rated as Low | E | Rated as Extreme (Used for Seriousness only) |
| M | Rated as Medium | NA | Not Assessed |
| H | Rated as High |  |  |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Grade: Combined effect of Likelihood/Seriousness | | | | | |
|  | Seriousness | | | | |
| Likelihood |  | low | medium | high | EXTREME |
| low | N | D | C | A |
| medium | D | C | B | A |
| high | C | B | A | A |

|  |  |
| --- | --- |
| Recommended actions for grades of risk | |
| Grade | Risk mitigation actions |
| A | Mitigation actions to reduce the likelihood and seriousness to be identified and implemented as soon as the project commences. |
| B | Mitigation actions to reduce the likelihood and seriousness to be identified and appropriate actions implemented during project execution. |
| C | Mitigation actions to reduce the likelihood and seriousness to be identified and costed for possible action if funds permit. |
| D | To be noted - no action is needed unless grading increases over time. |
| N | To be noted - no action is needed unless grading increases over time. |

|  |  |  |  |
| --- | --- | --- | --- |
| Change to Grade since last assessment | | | |
| NEW | New risk | ↓ | Grading decreased |
| — | No change to Grade | ↑ | Grading increased |

1. For a definition of italicised terms, refer to the Tasmanian Government Project Management Guidelines, Appendix 1: Project Management Glossary [↑](#footnote-ref-1)
2. Activities in the Predecessor column must be completed prior to this activity commencing. [↑](#footnote-ref-2)
3. An Act is called a Bill until it is passed by both Houses of Parliament and receives Royal Assent. [↑](#footnote-ref-3)
4. In many cases the Project Sponsor will also be the Business Owner. [↑](#footnote-ref-4)