

Balancing Agility and Compliance - Product vs. Project Methodology

In these days of rapidly changing business and IT strategies success is based on ensuring flexibility and rapid responsiveness to change. In the context of managing projects this responsiveness often takes the form of constantly scaling the project methodology up or down to cater to different types of projects.

Recent studies have demonstrated the benefit of using specific product development models or methodologies based on the type of end product, project type, risk-rating and/or dominant project constraint (i.e. time, cost, quality). To make this approach work organizations need to separate out the project methodology and establish an independent PM methodology that will apply to any product methodology. A common PM methodology allows for a common set of PM principles, consistency in reporting and enhanced ability to perform cross-portfolio analysis.

Project Methodologies

The Project Management Body of Knowledge (PMBOK) has become the defacto international project management methodology guide for projects. It defines project management 'best practices' and has a lifecycle that can be applied to any project regardless of product. The main lifecycle phases are Initiation, Planning, Executing, Controlling and Closing. Outside of PMBOK there are numerous other methodologies such as [PRINCE2 \(Projects IN a Controlled Environment\)](#), [V-Modell](#) (German project management method), [ISEB Project Management Syllabus](#), to name a few.

Product Methodologies

There are four main system development models – Sequential, Iterative, Agile and Integrated Product Development Capabilities Maturity Model (IPD-CMM).

- The **Sequential** method includes linear development models such as *Waterfall or V-model*. The *Waterfall model* captures many of the best practices in modern systems development. It is characterized by well-defined, linear stages of systems development and support; one phase must finish before the next can begin.
- The **Iterative** method allows development to occur incrementally; allowing the [developer](#) to take advantage of what was learned earlier creating incremental versions of the system. This method includes such models as [Spiral](#), [Rapid Application Development \(RAD\)](#), [Microsoft Solutions Framework \(MSF\)](#) and [Rational Unified Process \(RUP\)](#).

The **Agile** method was conceived a mere four years ago. Although there are numerous Agile approaches, they all have three major attributes: (1) modular and lean; (2) time based and incremental; and (3) evolutionary. It encompasses numerous models such as [Adaptive Software Development \(ASD\)](#), [Lean Development \(LD\)](#), [Feature Driven Development \(FDD\)](#), [Extreme Programming \(XP\)](#), [Dynamic Systems Development Model \(DSDM\)](#), and [SCRUM](#).

- The **Integrated Product Development Capabilities Maturity Model (IPD-CMM)** and its best practices have been incorporated into the CMMI (Capabilities Maturity Model Integration). The underlying assumption to this model is that good processes lead to good results. Developed by the Software Engineering Institute (Carnegie

Mellon University), it has become the international benchmark for developing and rating the maturity of integrated product development processes of organizations. Processes are rated from Initial through to Repeatable, Defined, Managed and Optimized.

All of the above methodologies have their place and include lifecycle models that vary depending on the nature of the required product or solution. They cover the methods used to develop software and tend to embrace various principles of project management, but are not a project management methodology in their own right. They tend to place project management as a secondary activity in an environment where there is significant evidence that effective project management greatly enhances the success rates of development projects.

Best practice organizations have detached the project management methodology from the product methodology. Many utilize 2-3 product methodologies but do so using a common project management approach. This approach ensures they have the product approach that makes the most sense for the project and while knowing that the project management deliverables will fit the overall corporate standards (thus allowing for consistency in reporting and portfolio level analysis).

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