



Project Services

Breaking Down Scope
Before Building a Project



A key success factor for all projects is having a clearly defined and understood project scope, i.e. what the project is going to deliver. For many projects the scope is something that is added to the project documentation as an afterthought, well after the project is planned, the budget is developed and resources are allocated.

Breaking down the scope of a project in detail at the outset, into the products (or work) that will be produced, could increase the chances of project success and makes planning and budgeting delivery clearer and easier.

In this paper, we set out why breaking down a scope into its core components could work for your project, and how one of the tools used by CBO, a product or work 'breakdown structure', can increase quality and value in project delivery.

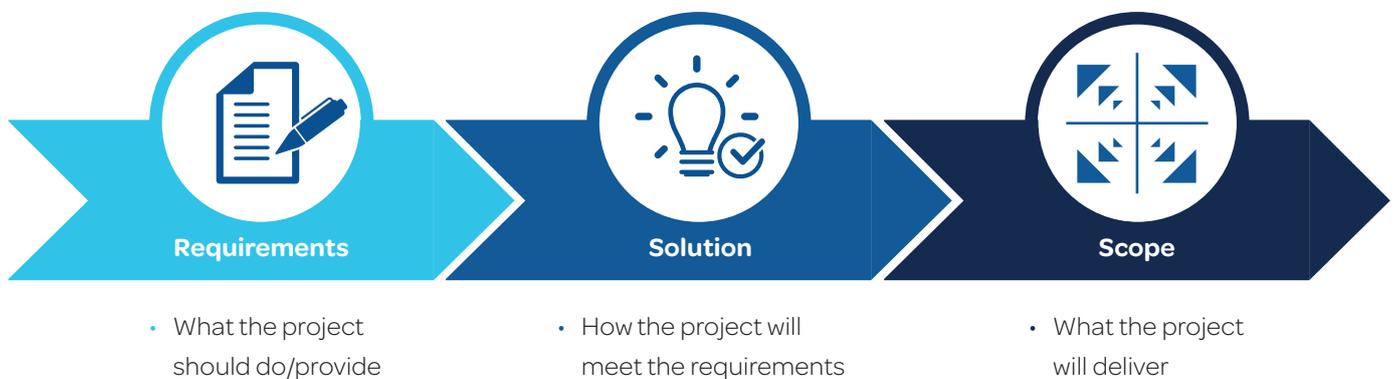
"A key message in this for me is the importance of outlining and agreeing a project scope right at the outset of the lifecycle of a project. A breakdown structure is one method that we use at CBO"

Philip Smith – CBO Director

What is Project Scope?

Project scope is the totality of what will be delivered by a project (e.g. deliverables/outputs/work). It is, put simply, what the project is intending to produce during its lifecycle. Scope is built from both the project requirements and the solution that will be delivered. Within project management best practice, scope is established initially at a high level and then as the project matures it is defined in more detail.

High Level Requirements/Solution/Scope differences:



High Level Requirements/Solution/Scope differences example using a client onboarding project:



What is a Product/Work Breakdown Structure?

As stated earlier, one method CBO utilises to define and manage project scope is a breakdown structure; this is split by either products to be delivered (PBS) or work to be completed (WBS).

A breakdown structure is a way to visualise a project scope in terms of its activities/deliverables. This is in the form of a hierarchical breakdown with items grouped by logical area. The use of a breakdown structure allows a Project Manager to clearly demonstrate what is in scope and what is out.

This can form the foundations from which the project is built, including scope, budget and plan.

The main benefits of defining scope in a breakdown structure are:

- Visual breakdown of project – Engaging stakeholders in an easy-to-understand view of scope.
- Easier planning and budgeting – Linking plan, scope and cost using a tried and tested method.
- Focus on deliverables – Ownership of scope items is simple to define and present to stakeholders.

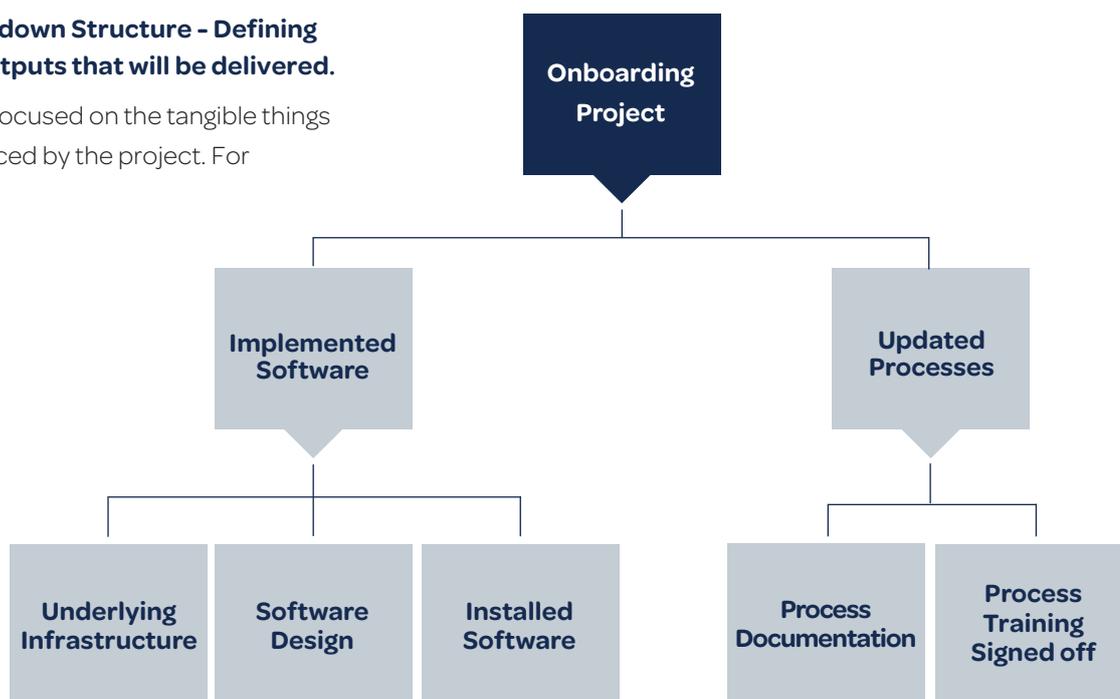
Benefits

	Visual breakdown of projects	Improved planning & budgeting	Focus on deliverables
Project Sponsor	A simple structure to understand and review the overall project scope	A clear link between project scope, budget and plan	The ownership of deliverables is clear, documented and baselined
Project Manager	Scope can be analysed and presented to stakeholders in a simple manner	Plans and budget can be built from stakeholder knowledge in a structured manner	Deliverable descriptions and owners can be documented from early in the project
Project Team	Complex scope detail is presented in a structured manner and consumable by multiple audiences	It is easier to understand and feed into individual budget and plan items from the structure	Individual ownership, expectations and grouping of deliverables are understandable in one view

Which breakdown structure approach to use is dependent on the organisation and the project. These are:

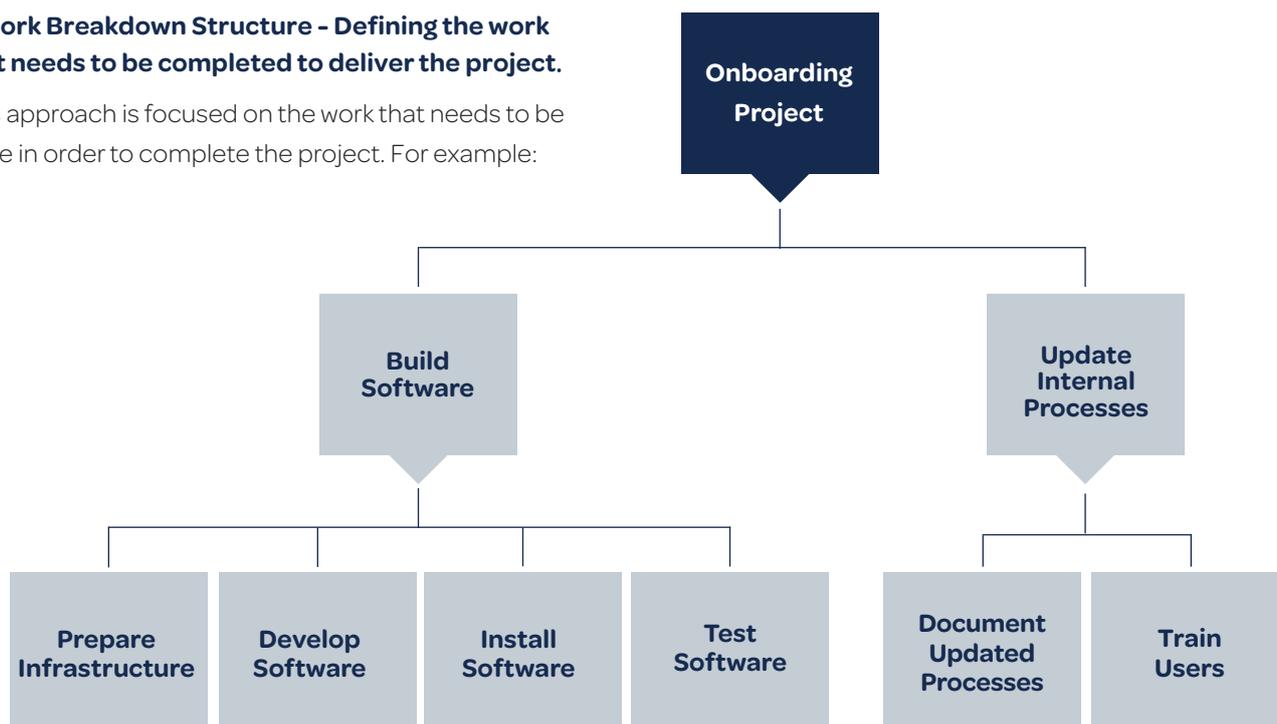
A Product Breakdown Structure - Defining the products/outputs that will be delivered.

This approach is focused on the tangible things that will be produced by the project. For example:



A Work Breakdown Structure - Defining the work that needs to be completed to deliver the project.

This approach is focused on the work that needs to be done in order to complete the project. For example:



How Does a Breakdown Structure Help a Project Plan and Budget?

A product or work breakdown structure can be an effective tool when developing a project plan. When developed during the initial project phases it can provide a focus on scope items which will be delivered at each project milestone.

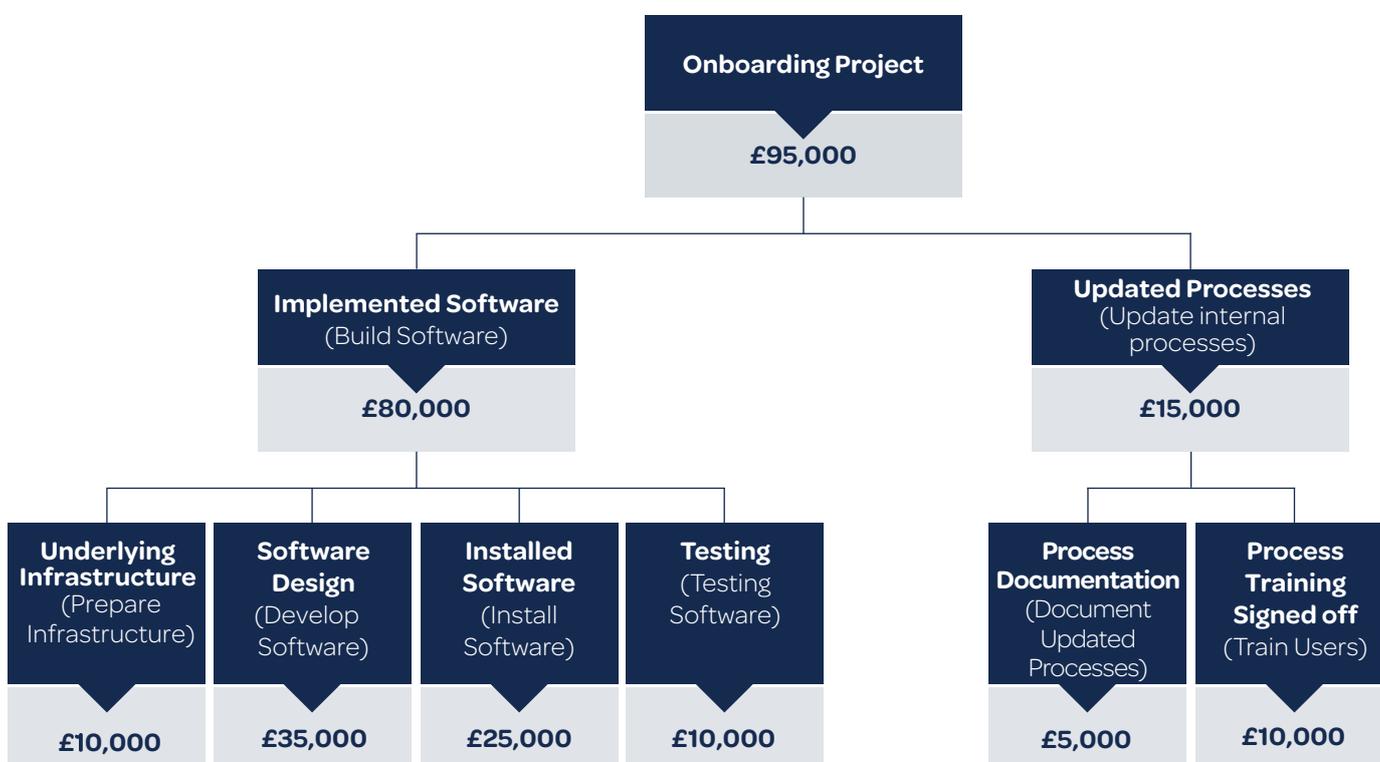
A plan can be produced by adding due dates to breakdown items in combination with dependencies and resource; a work breakdown structure is particularly useful in this regard.

An example of a combined product (work) and budget breakdown

The same approach can be used for developing a bottom-up budget estimate with each element in the breakdown structure assigned a budget or cost to deliver which, when totalled, will give an overall cost of the project.

If an element in the project budget or plan is not included in the breakdown structure this can highlight an out-of-scope item in the project plan/budget or, conversely, missing scope in the breakdown structure.

This method of linking scope, plan and budget using a breakdown structure can be used throughout a project to identify changes to scope within the change management process.



The CBO Approach

The CBO approach to breakdown structures is aligned with the APM industry best practice methodology and based on extensive CBO experience in project scope definition. When it is used, the CBO breakdown structure approach is tailored to the organisation/project and is focused on rapidly developing an output.

The approach builds on expertise from the project stakeholders, supported by CBO's experience and templates, then iterated/analysed until sufficient detail is produced for sign-off.

The CBO approach follows five simple steps:



Identification: The building of scope and associated breakdown structure starts after the requirements have been defined. The scope is then developed as the solution is agreed. This focus on scope at the start of a project ensures that stakeholders are aware of the totality of what is being delivered as early as possible.

This can also be used in the procurement process to help suppliers/bidders to understand the size/scale of a possible solution.

Iteration and analysis: After the solution has been agreed, input from all relevant stakeholders (internal and external) is gathered to iterate and develop a more detailed breakdown structure. Initially all information available is collected and then analysis is performed by the Project Manager and project team to refine scope and to define in detail individual breakdown items. This phase is completed when a solution is finalised, and all project scope elements are fed in and analysed.

Plan and budget: In parallel to the development and analysis, the breakdown detail is fed into the production of the project plan and budget. The Project Manager works with stakeholders on developing the plan resourcing and

dependencies based on the defined products or work. For the budget, each item is costed with stakeholders and then combined with other budgeting approaches to complete a final project budget. The plan and budget development in turn feed back into the scope.

Approval and baseline: The sign-off and agreement of scope (via a breakdown structure) through the Project Governance in many cases happens within the project initiation documentation or business case. At this point each scope item will have an assigned owner for delivery and sign-off. The approved breakdown structure is logged as a baseline and any changes to the scope can form the basis of a change management approach. The approved breakdown structure can also feed into the contract and statement of work of a supplier.

Ongoing management: Once the project is in delivery, any new products or work not in the baselined breakdown structure must be either: an addition to scope (change) or a clarification of a scope item/requirement (not a change). At the end of a project, during lessons learnt the scope is reviewed to ensure all deliverables have been completed and signed off.

How CBO Can Support Your Project

Approach step	How CBO can help
Identification	<ul style="list-style-type: none"> • We work with you to identify scope items and the high-level relationships/dependencies between them, building the breakdown structure. • Our visualisation tools can be used to engage stakeholders and build ownership of the scope delivery. • We can support your procurement process, taking input from the breakdown structure to develop tender documentation and analysis.
Iteration & analysis	<ul style="list-style-type: none"> • We work with you to manage this phase of scope analysis, coordinating and/or completing the detailed documentation. • We develop the breakdown structure adapted to your organisational needs, tailoring type (work or product), structure and detail as required. • We work with stakeholders (internal and external) to create the scope definitions for each breakdown item.
Plan & budget	<ul style="list-style-type: none"> • We will help your teams, as the owners and experts of the deliverables, to complete the costing of scope and build a bottom-up budget. • We will facilitate workshops with your process teams to produce milestones based on breakdown items and ensure alignment between workstreams/delivery. • We will use our project management expertise to work with you to create a pragmatic delivery plan based on agreed milestones.
Approval & baseline	<ul style="list-style-type: none"> • We can support your team to develop a robust business case based on a clear articulation of scope. • We can work with the project stakeholders to ensure all items of scope are understood and owned, visualising through a breakdown structure.
Ongoing management	<ul style="list-style-type: none"> • We can also ensure that you have appropriate mechanisms in place to manage changes to scope and enable continuous monitoring/control across project activities. • We can deliver post-project reviews and lessons learnt based on scope/delivery and develop handover plans to business as usual.

How we can help

The CBO team of experienced project professionals can support the definition and delivery of your projects and change initiatives, whatever the complexity. Our proven track record of best practice approaches/methodology, including definition of scope, is focused on improving the quality, value and reliability of project delivery for our clients. .

If you are interested in learning more about any of the topics raised in this paper or have CBO help you with your project, please contact one of us.



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Supporting businesses with unparalleled value for money and quality of service.

We would be delighted to discuss our experience and insights in more detail with you over a coffee.



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