PRINCE2®
Project
Management

G2 Travel

› INTEGRATING
PRINCE2® FOR A
CROSS-FUNCTIONAL
PROJECT

PeopleCert

1. INTRODUCTION

G2 Travel is a dynamic, wholesale tour operator, specializing in group travel for the B2B sector. The company is focused on group business and offers a range of solutions for global group travel. G2 Travel provides resources for traveling, which it is able to do because of its third-party, wholesale-type relationship with tour operators.

As a leading wholesale travel provider, G2 Travel is unique because it:

❯ has a global presence with over 30 offices around the world

❯ books up to 2m room nights each year across Europe and North America

❯ has dedicated departments that handle specific activities, such as contracting, reservations, services, operations, and finance

❯ provides 24/7 on-call support worldwide for everyone on the road

❯ partners directly with local suppliers, offering clients an extensive product/service inventory and competitive rates.

With over 18,000 groups operating annually and an increase of 30% in business year-on-year, G2 Travel is bringing opportunities for new business cases and potential customers. Opportunities to expand ultimately lead to changes in strategy to reassure stakeholders of the overall quality of the business and its services.

G2 Travel wanted to optimize its delivery model by reorganizing the workflow across multiple departments and introducing the PRINCE2® method. This case study describes the benefits and versatility of adopting the PRINCE2 method on a large cross-functional project with a return on investment of over € 4.5m.

The project needed a project manager, so my role as an account manager at G2 Travel was tailored to cover the responsibilities of the overall project coordination (as a project manager) and execution of the sales process. Being a PRINCE2 practitioner meant I could bring a pre-defined list of actions and knowledge that helped us progress through the project lifecycle.

1.1 G2 TRAVEL AND THE PROJECT

In February 2018, G2 Travel received the project mandate from Deter Travel* (one of the major accounts at G2 Travel). They brought in their yearly project: contracting all services and hotels for 450 groups in Europe that were scheduled to travel in 2019. The predicted increase in business was over 20%, compared to previous years. The project ran from March 2018 to December 2019.

The project was divided into six main milestones:

❯ sales enquiry

❯ service definition and offer submission

❯ operations and reservations

❯ delivery

❯ project closure and invoicing

❯ lessons learned and experience.

This was a long-term project that required a cross-functional collaboration with multiple offices across Europe. It also involved all major internal departments (sales, reservations, operations, finance). External partners were involved with the scope of delivering the entire project.

One of the aims of this project was to choose the best suppliers, those offering high quality services at competitive rates, for each service. The aim was to define an attractive and complex programme for all Deter Travel's end customers.

*The account managed by this organization has been given a fictitious name for confidentiality.

1.2 PROJECT AIMS AND OBJECTIVES

The overriding goal was to create a delivery model based on PRINCE2 principles, themes, and processes, leading to improved quality and efficiency in every step of the service delivery.

Creating a project by defining objectives, milestones, and responsibilities helped G2 Travel integrate efficient changes to the overall structure of the business.

A series of key performance indicators (KPIs) were used to measure the success of the project:

❯ percentage of tasks completed on time

❯ overdue project tasks/missed milestones

❯ identified risks and points of action

❯ number of customer change requests

❯ number of customer complaints.

All of the KPIs where monitored over the project's lifetime and provided direct input to the lessons learned.

2. CHOOSING A PROJECT MANAGEMENT METHOD

As the travel and tourism industry develops, it is necessary to respond to new and emerging markets to deliver projects.

G2 Travel has been working with Deter Travel for over five years, so we had a lot of history. This meant that we could look back at past challenges and analyse them to identify opportunities for change and improvement. Throughout the years, our projects have experienced delays, lack of transparency around allocated tasks, risks, challenging deadlines, incorrectly allocated resources and responsibilities, and difficulties around managing deadlines.

In an effort to improve the project results, alternative management methods have been considered. In 2018 and 2019, the Deter Travel project was used as a pilot to test PRINCE2.

We set certain targets, including:

❯ increase efficiency during the allocation of deadlines

❯ define roles and responsibilities clearly to avoid confusion

❯ divide the project into stages to make it easier to manage

❯ involve stakeholders in decision-making

❯ use five steps to engage with stakeholders: identify/analyse/plan/act/review

❯ regularly review the project progress.

PRINCE2 is both project and process focused. A clear approach that showed the roles and responsibilities of everyone on the team helped us to execute the project with fewer questions and issues, as did dividing the master plan into smaller project plans, stage plans, and team plans.

3. PROJECT STAGES AND PLANNING STRUCTURE

We divided the entire project into stages (we called them 'major' milestones) that were easier to monitor and could be reviewed by management.

Before the project began, the activity structure, shown in Figure 3.1, was shared across the organization and with the client. This provided an overview of the activities, major tasks, deadlines, and expected achievements.

The major milestones were:

❭ **Sales enquiry:** receive, review, and assess the sales request.

❭ **Service definition and offer submission:** work with all internal departments and external partners to build the sales offer and submit it for customer approval.

❭ **Operations and reservations:** the deployment of the process (starts once offer is approved) and the reservation of services offered.

❭ **Delivery:** coordination across multiple suppliers for service delivery.

❭ **Project closure and invoicing:** once the group services were delivered, the project moves to the finance department and customer satisfaction for invoicing and feedback.

❭ **Learn from experience:** review what went well or could be improved in order to define and influence future projects, followed by an internal project review.
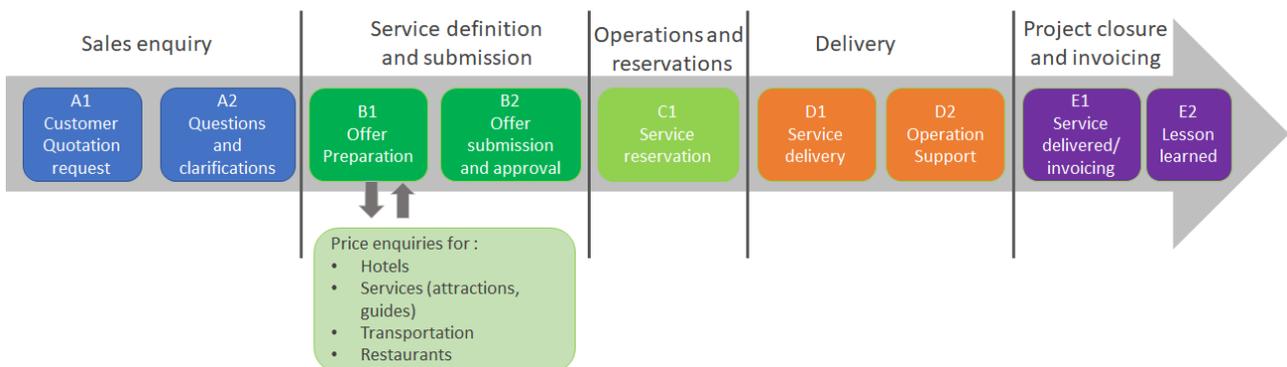

Figure 3.1 The high-level project delivery model

4. PROJECT APPROACH

Because we followed the PRINCE2 principles, we were able to assess each stage before proceeding to the next. This meant we could segment the project and manage by stages.

During the initiation phase, we defined the management products.

Communication management:

❭ We scheduled phone calls for twice a week to identify issues and risks in delivery. An activity status tracker was established during this call.

❭ We held weekly status management calls to update and present the POAP (plan on a page: the high-level project management status).

❭ We used ad-hoc brainstorming calls to work on risk activities and close specific topics.

Document management:

❭ The work breakdown structure (represents the list of detailed activities and their status) used for activity tracking was maintained using Excel spreadsheets.

❭ The POAP (created using Microsoft PowerPoint) was maintained to show the high-level project status.

❭ All documents where shared on a common repository (Google Sheets), which allowed every team member to check their status at any given time.

Risk management:

❯ A pre-defined escalation channel procedure was put in place in order to deal with incidents and problems, ensuring everything gets resolved and issues are addressed at the right level.

❯ The tolerances for the projects and escalation procedures were confirmed with each department head as applicable for our project (head of sales; head of reservations; head of contracting, and so on.)

❯ The procedures were put in place in order to cover a variety of circumstances:
  • report any activities that were at risk
  • address any lack of resources
  • activity report for tasks that could not progress for specific reasons.

Business case:

❯ The business case was created at the beginning of the project, shortly after Phase A of the sales inquiry. In terms of financial growth, the expected benefit was calculated at 20% increase in business compared with the previous year. This was just an estimation.

❯ The actual value was given at the end of the project, taking into consideration the:
  • number of groups received compared with the previous year
  • new destination requested to be delivered
  • new services
  • financial evolution
    – overall: financial metrics (sales revenue, sales growth year-to-date, gross and net profit margins, and so on)
    – group specific: considering the aspects of increased efficiency in the delivery model used by the organization to reduce time and costs in any activity.

4.1 PROJECT START-UP

During the project start-up, we appointed a project sponsor and a project manager. The existing organizational structure at G2 Travel was tailored using PRINCE2 into a simple three-level format. The levels and corresponding roles were:

❯ **Project sponsor:** Head of sales

❯ **Project manager:** Account manager

❯ **Project support:** Account executive

We held a kickstart meeting as the official project starting point. The workshop included the project management team, heads of each department, and managers that were involved in the project delivery. The workshop included a presentation about the overall project structure, requirements, and the importance of the delivery to the business. This helped create a common understanding of the project goals. The team were able to ask questions and have the answers explained, which helped to ensure their support and commitment.

4.1.1 DEFINING ROLES AND RESPONSIBILITIES

Defining roles and responsibilities for the project was not difficult; the business's infrastructure already had specific departments and roles. The most difficult part was securing resources to be fully or partially dedicated to the necessary project phases. Our key advantage in setting resources was that the work packages clearly defined the deliverables and the stages in which they are supposed to be executed. This provided everyone with the opportunity to see their role within the overall project structure, the expected duration, and how they could influence the entire delivery.
The project board consisted of:

G2 Travel:

❯ Head of sales (project stakeholder): not directly involved into the project but monitored the overall progress and provided support in response to issues.

❯ Project manager/account manager: responsible for the overall project coordination and execution of the sales process.

❯ Head of contracting: regional managers from our contracting team were provisionally allocated to the project to support and provide input for the offer definition (new service enquires, prices, pre-bookings).

*The above roles were part of the project board meetings.

❯ Reservation team: supervisors and their team of executives allocated to support all the reservation of the services and products approved by Deter Travel.

❯ Operations: checking and grouping all services together for each individual group (based on their arrival date) and ensuring that there were no missing steps in delivery.

❯ Customer care: support for all the groups on the road.

❯ Finance: responsible for monitoring the costs of each delivery and performing invoicing as the final step of the process.

Deter Travel:

❯ Head of product: directly responsible for supervising the overall project progress and status. No direct input to the project delivery.

❯ Product manager and product executive: direct input to the overall process with the sales team. All sales enquiries, clarifications, and approvals followed this channel of communication. This was the most important level of responsibility across the two companies.

   *The above roles were part of the project board meetings

❯ Operations executive: direct mapping to the G2 Travel operations sharing similar responsibilities.

❯ Financial department: responsible for the project closure phase with invoicing and contract closure.

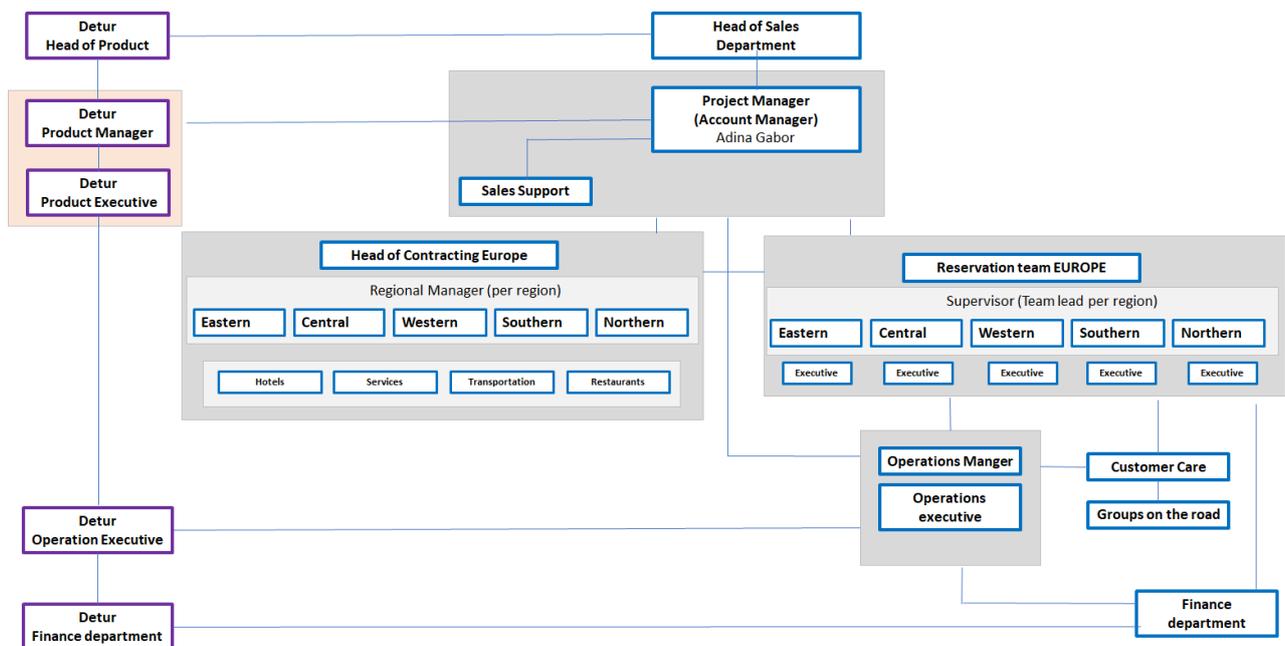Figure 4.1 shows a map of the project organization.

Figure 4.1 Project organizational structure

4.2 DIRECTING THE PROJECT STAGE AND PROJECT PLAN

The next step was splitting the milestones into activities and assigning resources against them. Due to the dynamics of the project, this activity was drafted but was continually updated over the lifetime of the project by adding or removing activities so that they could be tracked.

The project plan was deliberately brief, with defined activities and dates against each milestone. The POAP was used to report the status on a weekly basis. Figure 4.2 showcases the POAP.
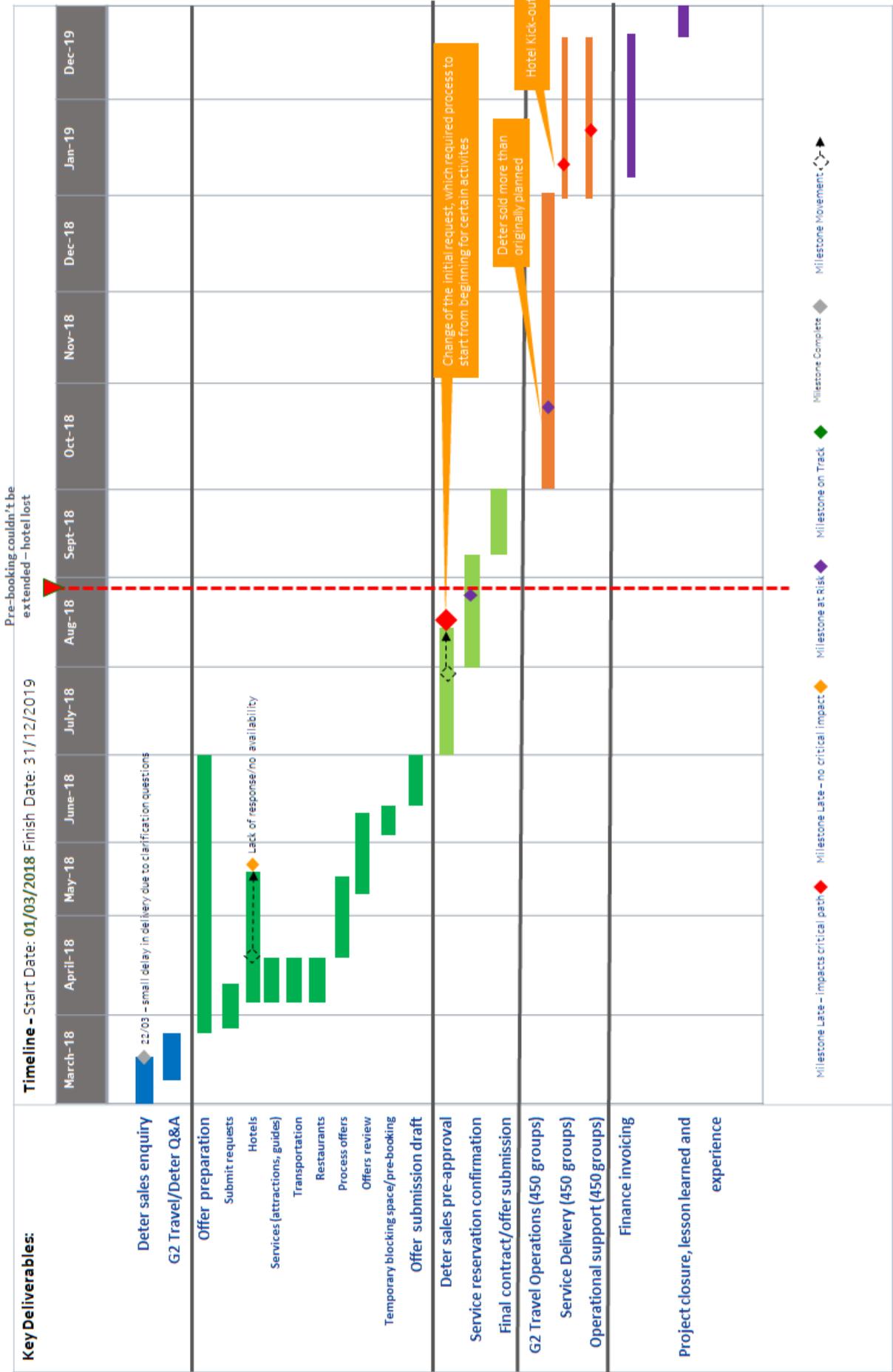
Figure 4.2 The plan on a page

To support the plan, a detailed model was used (defined in Excel) to elaborate on the activities, adding their status, dates, and responsible parties. Without this, we would not have been able to check the status of any specific activity or understand why it was delayed, could not be delivered, or was approaching the defined tolerances.

4.2.1 RISKS AND CHALLENGES

During the project delivery, we encountered several types of risks and challenges that impacted several stages. They included:

❯ **Sales enquiry:** Several points from the initial request were changed after the first offer, pushing us back to the first step (e.g. hotels that received bad reviews in previous years; restaurants with bad ratings; closure and replacement of a specific attraction etc.).

❯ **Service definition and offer submission:** The biggest challenge was relying on external providers from whom it was necessary to receive specific information in order to build the offer. The quality, speed, and accuracy of the details they provided were the key risks that could make the difference between losing or winning a specific group series against competition.

❯ **Operations and reservations:** Change of initial contractual conditions which resulted in an increase in cost forced G2 Travel to spend more to keep offers competitive. Internal miscoordination of activities resulted in mistakes because certain services were not confirmed as stated within the contract.

Risk management assessments were conducted throughout the lifecycle of this project. It was essential to have a list of potential risks, finding the root cause of possible problems, while ensuring that suitable back-up solutions were available.

We looked at the risk of increased inflation, war conflicts (that could influence the number of passengers going to specific destinations), high-input costs, and limited product options.

We introduced a brainstorming technique via a workshop session with all members of the project management team. These were ad-hoc calls in which we covered the following activities:

❯ identifying all threats or opportunities that could influence our project; topics included:
  • contracts that could not be renewed
  • price increases
  • delays in offers submission
  • competitors obtaining better prices for similar services etc.

❯ possible approaches for mitigating or leveraging the newly identified risks or opportunities using the probability impact grid

❯ reviewing the risks identified in previous calls.

This was an efficient approach that lowered our exposure to threats while increasing our exposure to opportunities. Logging everything in the risk register made all parties involved accountable for their section of services.

4.3 PROJECT CLOSURE

Before transferring the services to the final users, G2 had to secure over 30,000 individual services, covering all 450 groups arriving in 2019. The services have been grouped by destination, type of service, and seasonality to create travel packages for Deter Travel's end customers.

We analysed a complex project with a well-established existing structure, which offered the perfect opportunity to make improvements wherever we noticed gaps in delivery.

Overall, the project was successfully closed and delivered. A few milestones were delayed but still were met in time to supply the necessary services for end customers.

Tailoring PRINCE2 to suit the needs of our project led to positive changes around key aspects that guaranteed the overall success. The method has helped:

❭ engage management to support the project and understand its advantages

❭ facilitate the coordination and implementation of project activities

❭ foster beneficial interactions among team members with a minimum amount of disruption, overlaps, and conflict

❭ all responsible parties know what they need to focus on at a certain time

❭ create efficient workflows

❭ enable collaboration across multiple departments

❭ encourage good communication with the project team and third-party suppliers

❭ keep the project work remain within tolerances.

The expected benefits were evaluated throughout the project to ensure that they were still aligned with the initial objectives. A few examples are:

❭ financial growth matched initial expectations (as listed in the business case chapter)

❭ contracts locked in for all services

❭ confirmations submitted for all requested services.

Other benefits that were to be realized after project delivery (while groups were on the road) were measured as soon as possible; for example, via customer survey feedback.

As this project recurs every year, it was essential that a review performance was considered to appropriately review the entire project lifecycle. This activity aimed to assess the benefits and any relevant feedback on lessons learned. If the benefits are addressed effectively, future projects will be initiated with a benefit-led approach.

5. CONCLUSIONS AND LESSONS LEARNED

The project resulted in a new approach of offering a service that provides unique opportunities for both clients and users. The submitted project plan was designed according to the lifecycle stages of the project, broken down by individual parts, including the evaluation of the project outcome and recommendations for possible measures.

After a long period of documentation on various topics of project management, I consider the project method essential. It provides the starting point of understanding the work on projects. The project method practically teaches you how to proceed in different phases of the project lifecycle. Some specifics include common terminology, the type of forms used, when and who completes or approves them, what you should do in certain situations, and so on.

The most important advantage of using a specific project method is the fact that everyone will work in the same way; a consistent, consolidated work system means that projects can be planned and followed in a unified way, the reports will be complete and correct, conclusions and decisions can be drawn or made in real time, people always know what to do (thus increasing their efficiency and productivity), and so on.

The 2018/2019 project was efficiently integrated using PRINCE2 method and it is now being used as a pattern for internal projects in G2 Travel.

6. ABOUT THE AUTHOR

ADINA GABOR
is an account manager for UK & USA at G2 Travel. Adina is a PRINCE2 practitioner and has over four years' experience in sales, account/team management, customer services innovation, and project coordination.

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