

Program Management

Projects and Programs are different. Unfortunately, this difference has been ignored or confused by many people for too long¹. At the most basic level, a project is created to deliver a specified ‘deliverable’ as efficiently as possible. Programs focus on the coordination of a number of related projects and other activities, over time, to deliver benefits to the organisation.

Both the OGC and the APM in the UK and PMI in the USA seem to have agreed that organisations have one or more Portfolios of projects and each portfolio contains a number of programs and projects. Program management focuses on the coordination of a number of related projects over time to deliver benefits to the organisation and projects are about the efficient delivery of an outcome. The boundary that needs to be drawn much more sharply, and the focus of this paper, is between projects that are initiated to create a deliverable and then shut down and programs that are initiated to create a change and/or realise benefit(s) for the host organisation; adapting to circumstances as conditions change and using projects to create individual deliverables within the overall matrix of the program².

These different focuses have major consequences on the style of management and using project management processes to deliver a program generally will not work (although many of the tools are superficially similar). The key difference between a project and a program of works can be described as:

- Projects are about delivering a product to meet stakeholder needs and expectations with unnecessary change minimised. The key element in project management is efficiency, given that the function of the product that the project has been created to produce is (or should be) known at the start in reasonable detail, and often the nature of the product is also defined. Project managers should be seeking to minimise ‘unnecessary’ change to create their specified deliverable as efficiently as possible.
- Programs are about delivering benefits to the organisation within defined constraints and in alignment with its strategic objectives. Changing the elements within a program to maximise benefits actually realised, and maintaining alignment with changing strategic objectives is essential. The key focus of program management is in the area of integration, alignment and adjustment working in consort with the operational and strategic elements of the organisation. Program managers should be actively seeking to adapt future effort to maximise benefits as the situation unfolds.

Whilst it is absolutely possible and often desirable to contract a ‘project’ to an independent third party (eg, the developer of a shopping complex can easily contract the building of the centre to a construction company), it is virtually impossible to effectively contract out the program management role, the program manager has to be an integral part of the organisations strategic business. The publicised ‘failures’ of a number of so-called major projects, particularly in the Defence and ICT arenas would appear to be caused by the clients attempting to procure a complex program of work (frequently involving significant elements of R&D) as a simple ‘fixed price’ project in a perversely misguided attempt to offload ‘risk’³.

¹ For more on this topic see ***Understanding Programs and Projects - Oh, there's a difference!***
http://www.mosaicprojects.com.au/Resources_Papers_078.html

² Programs may be relatively normal, complex, or ‘mega’, For more on ***differentiating normal, complex and megaprojects*** see:
<https://mosaicprojects.wordpress.com/2017/06/09/differentiating-normal-complex-and-megaprojects/>

³ For more on the consequences of failing to manage risk effectively see ***The Meaning of Risk in an Uncertain World***:
http://www.mosaicprojects.com.au/Resources_Papers_040.html



The challenge facing organisations is to recognise the difference between a project and a program⁴ and then apply the optimum management approach.

Program Management Skills

In their book, *The Leadership Pipeline* Drotter and Charan, describe the transitions between 6 levels of leadership, adjusted for project management the levels are:

- From managing oneself to leading others – the move to a team leader's role.
- From leading others to managing others – the move to a project leadership role.
- From managing others to managing a function – the move to taking responsibility for the performance of an area of the business; a responsible and accountable project manager.
- From functional (project) manager to business manager – the move to a program management role focused on achieving strategic goals and objectives.
- From business manager to group manager – responsible for a whole line of business and developing strategic goals.
- From group manager to enterprise manager – a 'C' suite executive responsible for setting the overall strategy of the organisation.

As can be seen from this brief extract, the first step is the biggest; the move from being a good worker to a good team leader who helps others to work to their optimum requires a quantum change in thinking.

The progression from team leader to junior project manager to project manager simply involves developing the same skills to a higher level and learning to take one's hands off of the day to day work of the project.

However, the jump from project leadership to program leadership is a career change. The differences in skills needed are huge and learning program management on-the-job can be very hard work. Because of these skill differences, many program managers are drafted from functional management (but then have to learn about projects). Neither option is ideal; organisations seeking to implement effective program management should invest in designing a career path to move managers from their current roles into program management roles.

The skills and capabilities required by a Program Manager (based on the PMI *PgMP Role Delineation Study*⁵) requirements include:

- **Strategic Program Management:** Initial assessment including defining the program objectives, requirements, and risks in order to ensure program alignment with the organization's strategic plan, developing a high level road map and obtaining approvals.
- **Program Life Cycle:** Initiating, planning, executing, controlling and closing the program. Including initiating and managing the program's component projects and managing the 'gaps' and interdependencies⁶ between the various projects⁷.
- **Benefits Management:** Develop and implement an effective benefits realisation plan, including transition to operations or the client⁸.

⁴ For more on the differentiating between project and programs see:

http://www.mosaicprojects.com.au/WhitePapers/WP1002_Programs.pdf

⁵ The full *PgMP Role Delineation Study* can be purchased from PMI USA: www.pmi.org

⁶ A key skill is defining and managing the dependencies between projects within the program and between the program and required external inputs or interim deliverables. For more on **dependency management** see: http://www.mosaicprojects.com.au/PDF/Links_Lags_Ladders.pdf

⁷ The degree of difficulty involved in managing the interdependencies depends in part of the type of program. A number of models are being developed to define program typologies to assist in understanding the skills required. For more on this see: http://www.mosaicprojects.com.au/WhitePapers/WP1022_Program_Typology.pdf

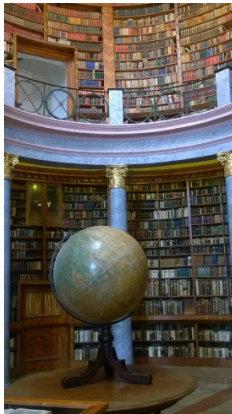


- **Stakeholder Management:** Understand and manage the program’s stakeholder community⁹.
- **Program Governance:** Implement a governance model for the work of the program that supports the organisations overall governance system¹⁰.

Summary

Program management is the centralised, coordinated management of a program to achieve the program’s strategic benefits and objectives. By definition, program management is an executive function that addresses systemic issues and focuses on business and strategic aspects of projects and programs that cannot be resolved at the project management level.

To learn more about program management, *The Standard for Program Management* Third Edition¹¹ published by PMI is a good starting point as is *Managing Successful Programs (MSP)* from the APM Group.



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<https://mosaicprojects.com.au/PMKI.php>



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⁸ For more on **Benefits Realisation** see: http://www.mosaicprojects.com.au/WhitePapers/WP1023_Benefits_and_Value.pdf

⁹ For more on Stakeholder Management see: http://www.mosaicprojects.com.au/Stakeholder_Circle.html

¹⁰ For more on **Governance** see: http://www.mosaicprojects.com.au/WhitePapers/WP1073_Project_Governance.pdf

¹¹ PMI publication, ISBN: 978-1-935589-68-6. See: <http://www.pmi.org> Available in Australia from:
<http://www.mosaicprojects.com.au/Books.html#PMI>