



PROGRAM MANAGEMENT

What is it really?

A Practitioners view

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CURRENT SITUATION

- No universal agreement on:
 - Definition of program management
 - Relationship between program management and portfolio management
 - Relationship between program management and complex projects
- Extensive research being undertaken



WE DO KNOW.....

- 1950's Project Management - building/ construction industry
- 1990's – increased recognition of PM for use in business and implementation of corporate strategies linked to corporate goals
- 2000's – increased recognition of PM competencies as a prerequisite for general management



THE INCREASED USE OF PM

- Recognition that work in a business - corporate environment is project work (formerly perceived as management work) and needs both management and project management knowledge and skill sets
- Business projects are often about change initiatives and are complex, ill defined and ambiguous and require extensive stakeholder management
- Turner (1999) describes these complex projects as having ill defined goals and methods (Type 4 projects).



WHAT IS A PROGRAM?

- A program is a collection of change actions (projects and operational activities) purposely grouped together to realise strategic and/or tactical benefits (Murray-Webster & Thiry 2000).
- Program management (PGM) is now strongly seen as the management of multiple projects connected to a shared business objective (Morris & Pinto 2004)

SUPPORTED BY OGC

(Office of Government and Commerce UK)

- "Program Management is a vital component in the delivery of change; whether change to public or customer services, or change within organisations. In the government context, Program Management is what the **best policy makers have always done**, though they may not have called it that; thinking through the end-to-end process to translate policy into delivery plans and into desired outcomes."
- *<http://www.ogc.gov.uk/sdtoolkit/deliveryteam/programmes/index.html>*

PMI AGREES

(Project Management Institute US)

- Program Management is the centralised coordinated management of a program to achieve the programs strategic objectives and benefits.
- *Project Management Institute, 2004, A Guide to the Project Management Body of Knowledge third Edition (PMBOK® Guide)*

FROM EXTENSIVE RESEARCH

(Dr Stretton for GAPPS)

- PGM provides an effective mechanism to do either or both of the following:
 1. Enable co-ordination and integration management of component projects
 2. Maximise a programs projects to achieve enterprise business objectives and strategies whilst responding effectively to environmental changes

PROGRAM CATEGORIES

(As suggested by Dr Stretton for GAPPS)

1. Directly concerned with implementing corporate strategies
2. Indirectly related to achieving corporate strategies (tactical programs for achieving elements of corporate strategy)
3. Concerned with maintaining and improving basic operational capability of the organisation and have not originated from strategic or tactical levels

CONCLUSION ON PGM'S

- Literature: common themes-
 - Multiple projects – co-ordinated management
 - Achieves corporate strategies and benefits
 - Responds to change
 - High complexity

CONCLUSION ON PGM'S

- Practitioner: personal view-
 - Loose constraints
 - Life cycle
 - Complex people systems
- PGM requires:
 - A more diverse range of skills and competencies than project management



CONCLUSIONS DEMONSTRATED

Through case studies and practitioner experiences in:

1. Government policy development and implementation
2. Capability delivery Defense

1. GOVERNMENT POLICY

- Involves transforming policy or decisions into programs or services and thus into reality through management of multiple projects
- Formerly thought of as a complex project but is a program as it comprises multiple project.
- Life cycle: Define the problem; Collect and analyse information; Clarify objectives and distil issues; Develop and assess options and proposals; Consult; Refine policy; Implement; Evaluate policy outcomes



GOVERNMENT POLICY

- Has characteristics of a program
- Complex
- Links to strategic direction of each agency and Government generally
- Responds to change
- Comprises multiple projects
- Has loose constraints: firmed up as projects defined

CONCLUSION: GOVT POLICY

- Policy development is a category 1 program (directly concerned with implementing corporate strategies) **COMPLEX**
- Policy implementation is a category 2 program (indirectly related to achieving corporate strategies - tactical programs for achieving elements of corporate strategy) **CONNECTING**

2. CAPABILITY DELIVERY DEFENSE

- Mission is to equip and sustain Australia's Defense force with materiel capability and systems that meet operational requirements and are delivered on time and on budget.
- *Defence Materiel Life Cycle Guide Edition 1 May 2003*

CAPABILITY LIFE CYCLE

- The development and implementation of materiel acquisition – 5 phases
 1. Needs Phase
 2. Requirements Phase
 3. Acquisition Phase
 4. In–Service Phase
 5. Disposal Phase



NEEDS AND REQUIREMENTS PHASES

- Strategic
- Unique context
- High cost
- Complex: is conceptual
- Has loose constraints (as detail not defined until acquisition)

ACQUISITION PHASE

- Complicated but not complex – fewer people involved (Snowdon 2002 distinguishes between complicated and complex)
- High cost
- Operational and not strategic
- May be repetitive (5 plans)
- *PMMv2 Ch 1 p3, “within Defence acquisition, the delivery of new or enhanced capability often involves the management and coordination of a range of separate projects”*

CAPABILITY LIFE CYCLE

CONCLUSION

- Capability definition (needs and requirements) is a category 1 program (directly concerned with implementing corporate strategies) **COMPLEX**
- Capability acquisition is a category 3 program (concerned with maintaining and improving basic operational capability of the organisation) **COMPLICATED**

PRACTITIONERS VIEW

Supports (Stretton GAPPS) of the following definitions of program types *except for the last part of Category 3. Also descriptors added to align with level of complexity*

1. Directly concerned with implementing corporate strategies (COMPLEX)
2. Indirectly related to achieving corporate strategies (tactical programs for achieving elements of corporate strategy) (CONNECTING)
3. Concerned with maintaining and improving basic operational capability of the organisation (COMPLICATED) *and have not originated from strategic or tactical levels*



PROGRAM MANAGER

- Delivers benefits from projects in order to satisfy organizational strategies/plans
- Often exists in a bureaucracy, with lots of rules, checkpoints/signoffs
- Operates with a degree of ambiguity: lots of people with different opinions about the best solution
- May have to deal with a political or strategic impact
- Deals with project complexity