



Unleash Your Capabilities™

Linking Strategy to Projects:

An Introduction to PMI's Standard for Program Management

By Dan Schueckler, PMP
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***Execution: The Discipline of Getting Things Done* asks:**

Are our products positioned optimally in the marketplace?

How are we going to turn the operating plan into specific results?

Are we staffed with the right kinds of people to execute the plan?

How do we make sure the operating plan has sufficiently specific programs to deliver the outcomes we've committed to?

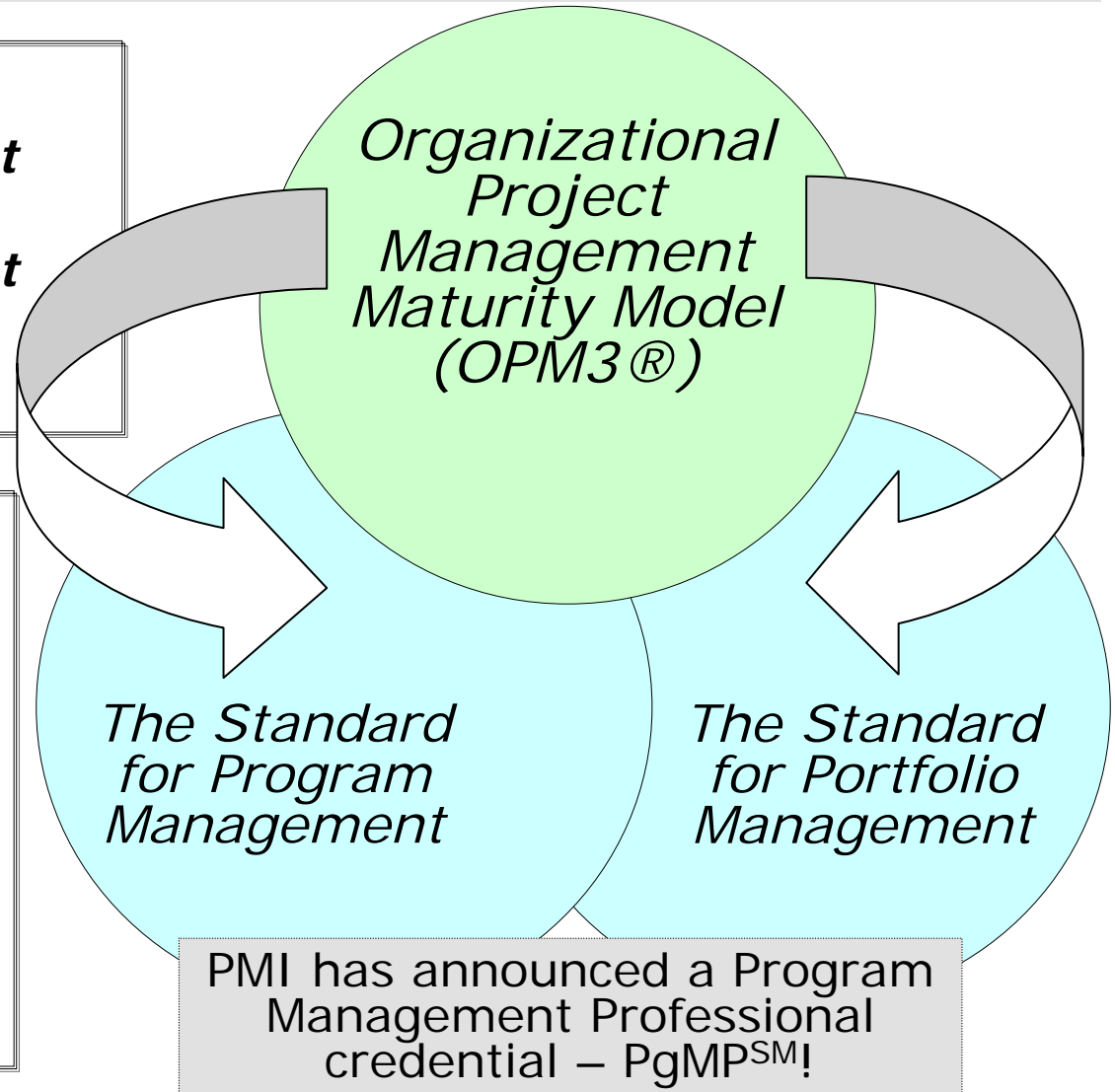
“Execution is *the* great unaddressed issue in the business world today. Its absence is the single biggest obstacle to success and the cause of most of the disappointments that are mistakenly attributed to other causes.” – Ram Charan

Program Management supports strategy and enables execution.

The Standard for Program Management and The Standard for Portfolio Management build on PMI's work on OPM3®

Primary purpose:

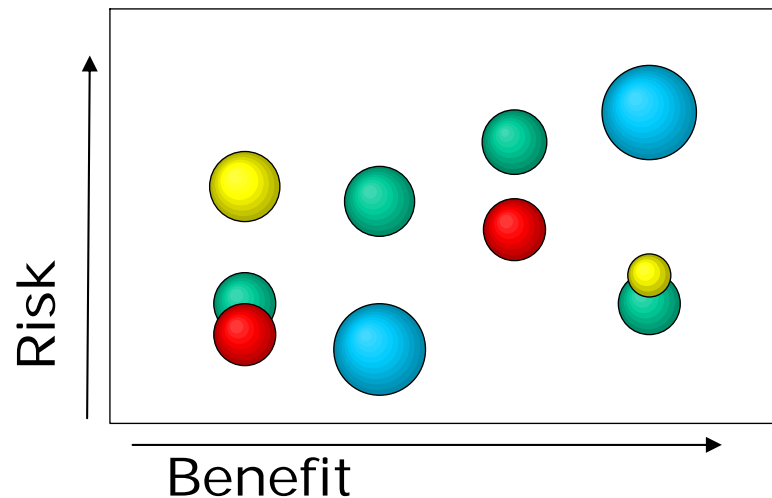
1. To describe the generally recognized good practices
2. Place program management in the context of portfolio and project management



Portfolio: Collection of components (projects, programs, portfolios, and other work) grouped together to facilitate the effective management of that work to meet strategic business objectives.

Portfolio Management: Ensures alignment of the portfolio to strategic objectives, approves appropriate components, and considers the portfolio risk as a result of the mix of components in the portfolio.

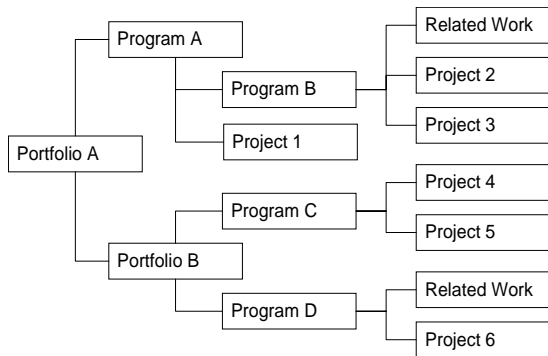
Every organization has a portfolio



“A portfolio is most likely one of the truest measures of an organization’s intent, direction, and progress. It is where investment decisions are made, resources are allocated, and priorities identified.”

Program: Group of related projects managed in a coordinated way to obtain benefits and control not available from managing them individually. May include elements of related work such as operations.

Program Management: Centralized coordinated management of a program to achieve the program's strategic benefits and objectives. It allows for the application of management themes to help ensure the successful accomplishment of the program.

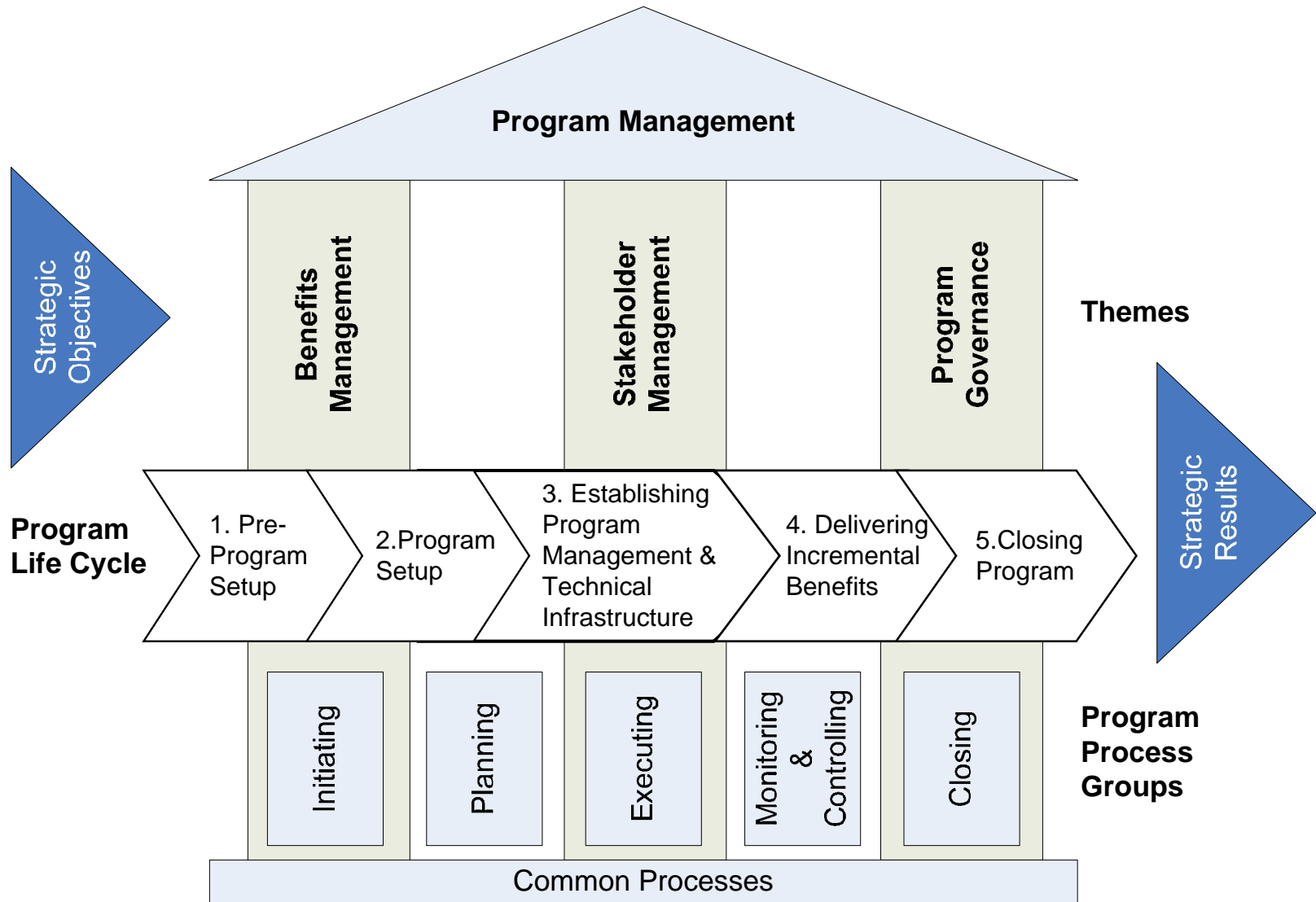


Program Management enables:

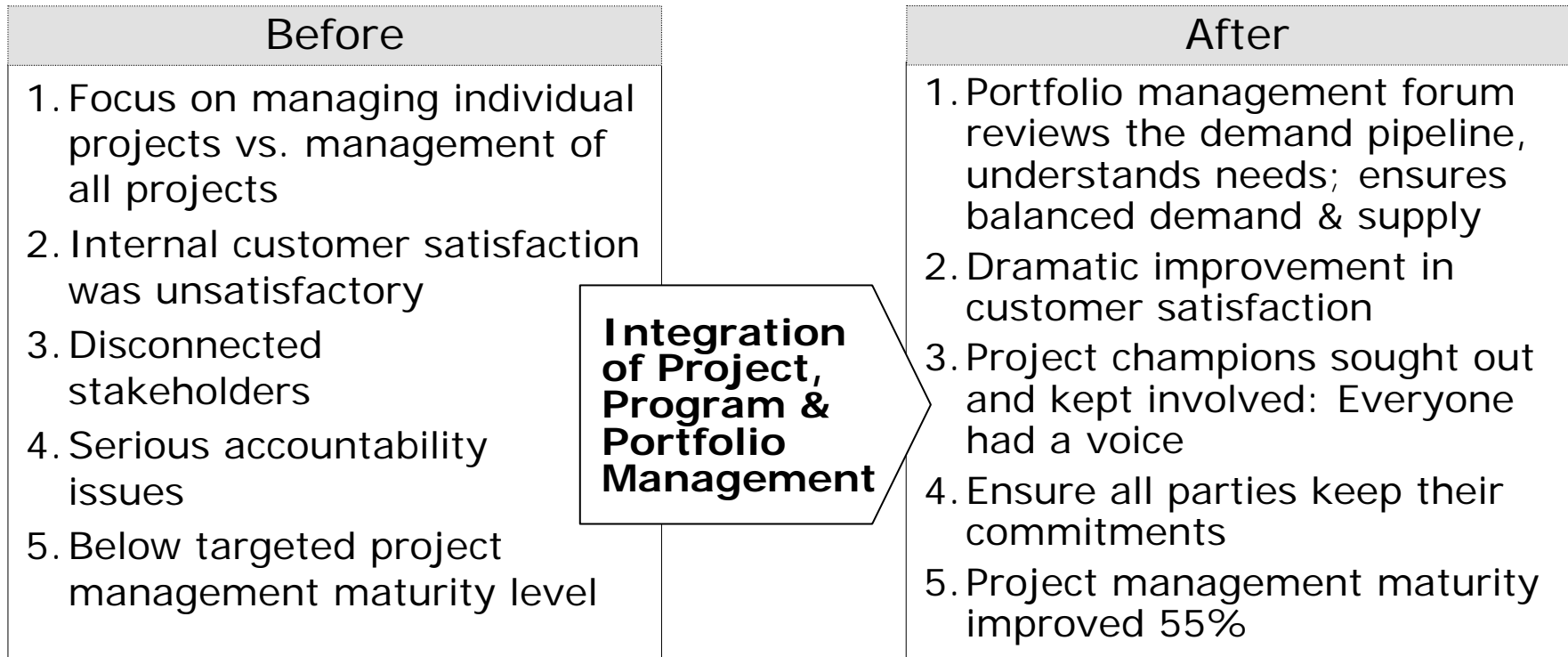
1. Integrated cost, schedules, or effort
2. Integrated deliverables across the program
3. Delivery of incremental benefits
4. Optimization of staffing

Program management is fundamentally different from having a program office. Program management links projects to strategy.

Focus Area	Project	Program	Portfolio
Scope	Narrow scope with specific deliverables	Wide scope that may have to change to meet benefit expectations	Business scope that changes with strategic goals
Change Management	The project manager tries to keep change to a minimum	Program managers need to expect change and embrace it	Portfolio managers continually monitor changes in the broad environment
Success Measures	Measured by budget, schedule, and requirements fulfilled	Measured in terms of ROI, new capabilities, and benefit delivery	Measured in terms of performance of the portfolio
Leadership Style	Focuses on task delivery and directive in order to meet success criteria	Focuses on conflict resolution and managing relationships. Ability to facilitate and manage the political aspects of stakeholder management	Focuses on adding value to portfolio decision-making



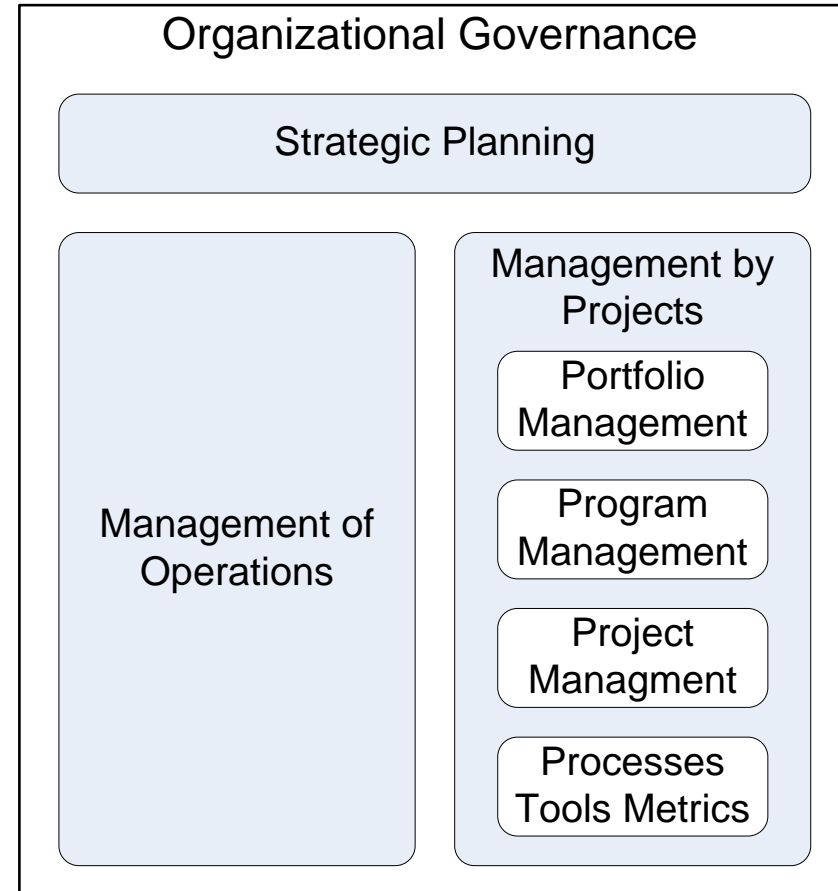
The Technology Operations unit at National Australia Bank (NAB) was responsible for all IT and communications infrastructure



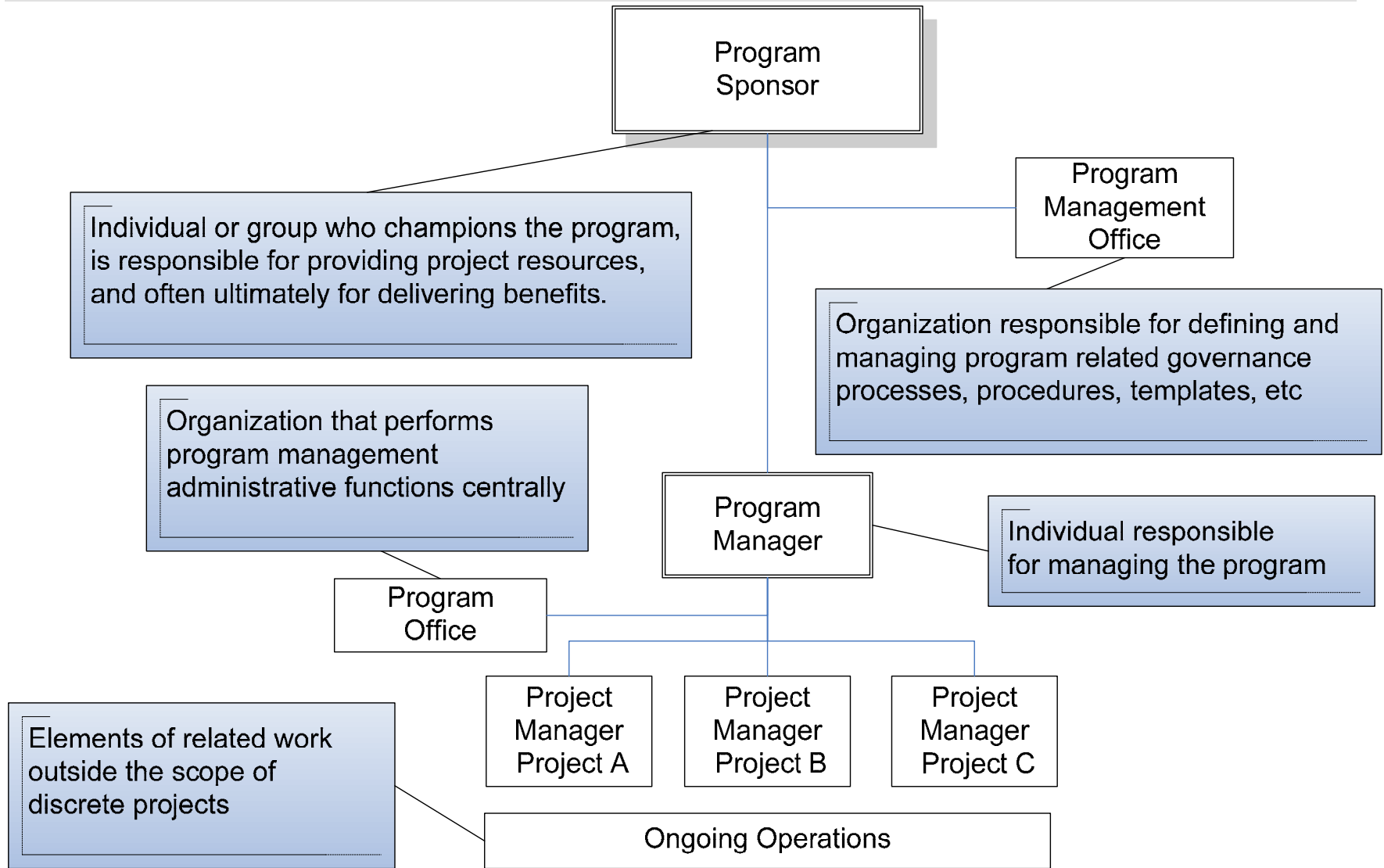
Today - "We use program management as the link between strategy and projects"

Program Governance: The process of developing, communicating, implementing, monitoring, and assuring the policies, procedures, organizational structures, and practices associated with a program.

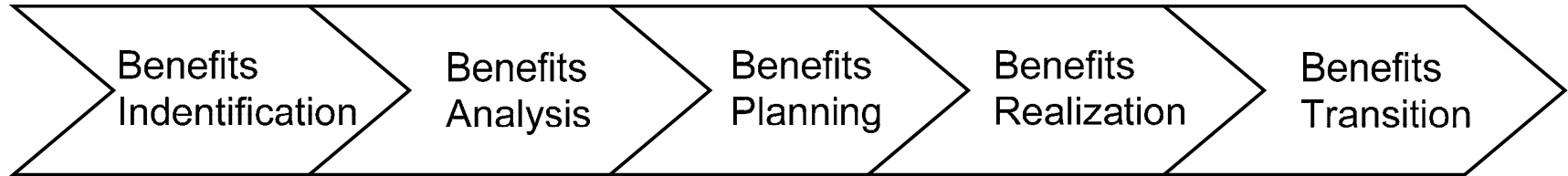
Program governance is a great place to start an improvement effort



“How much success an organization will have with program management is determined by the maturity of its policies, controls, and governance that define, communicate, and align the organization’s goals.”



Benefits Management: Definition, formalization, and ongoing administration of the expected benefits a program is intended to deliver.



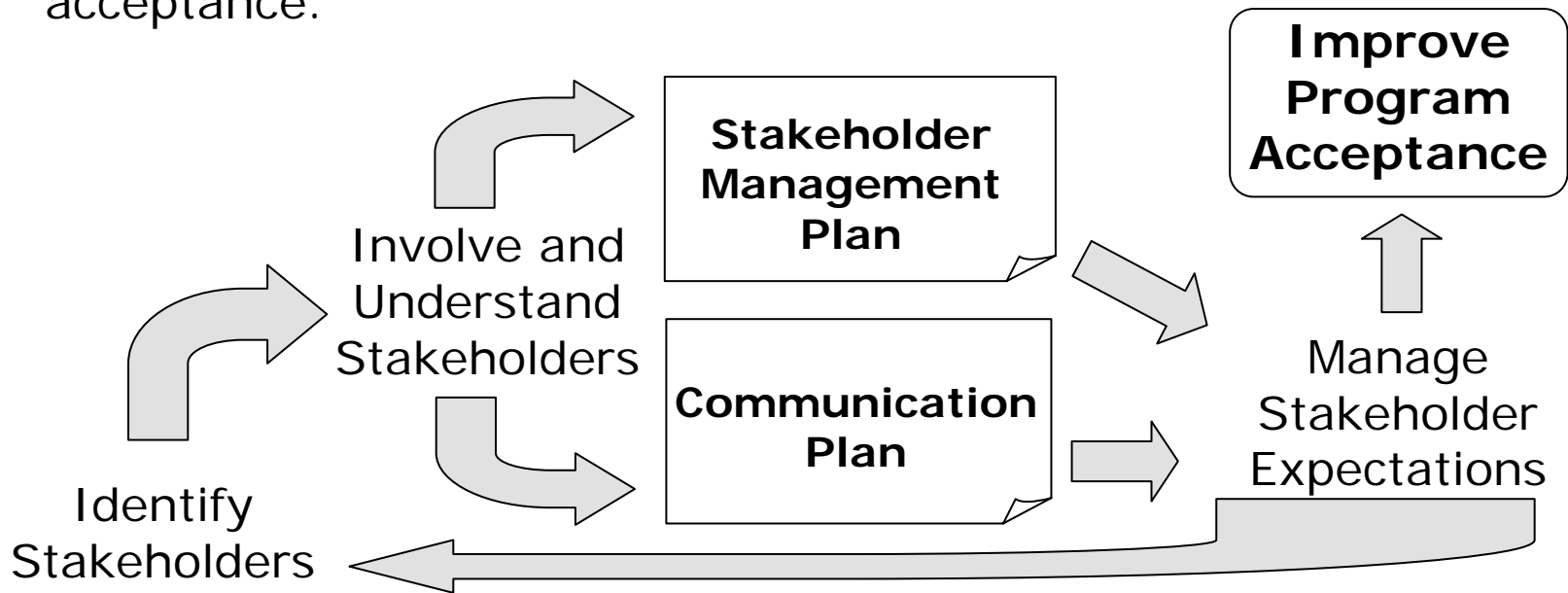
Benefits Management:

1. Assesses the value and organizational impact of the program
2. Identifies interdependencies of benefits among projects
3. Ensures benefits are specific, measurable, actual, realistic, and time-based
4. Analyzes the potential impact of planned program changes on benefits
5. Assigns responsibilities and accountability for the benefits

"Everyone can see how their work translates from a strategy ... to the activities they conduct daily and the knowledge to assist in choosing relative priorities." -- Mr. Gozzard, NAB

Stakeholders: Individuals and organizations whose interests may be affected by the program outcomes, either positively or negatively.

Stakeholder Management: Identifies how the program will affect stakeholders and develops a strategy to engage them, manage their expectations, deliver on those expectations, and to improve their acceptance.



“Lack of user involvement is the number one reason for project failure.” – Jim Johnson, The Standish Group

Integrating the domains of people, process, portfolio, program and project management

1. Processes, methods and technology are part of the game, but change happens because people want it to happen.
2. Be prepared to learn and take risks.
3. Change actions must be taken within an organizational and cultural context.
4. Engage key stakeholders at all levels of the organization.
5. For complex organizations, a program-based approach using a value-oriented life cycle works well.

“There is no silver bullet. Improved project management maturity and performance is built organically one step at a time.” – Mr. Gozzard, NAB

Access to the Standard

- As a member of PMI you may access *The Standard for Program Management* and *The Standard for Portfolio Management* via the PMI website, pmi.org - Member Login\Standards

Please contact me with questions or comments

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“Good program management requires visionary, entrepreneurial, and motivational zeal, combined with sound management practices.”

Infnitive delivers Change Engineering^(SM) expertise that helps businesses drive operational and organizational change from within, enabling lasting performance improvements.

We employ seasoned consultants, industry experts, and hands-on business operators, who have fun helping clients solve problems.

Our flexibility, 'embedded' approach and innovative business model enable greater impact and benefits for our clients.

Core Expertise

- Portfolio/Program/Project Management
- Change Management
- Organizational Design
- Process Engineering
- Financial/Business Analysis
- Requirements Analysis
- Process Improvement