



**THE STANDARD FOR
PROGRAM MANAGEMENT**

COURSE STRUCTURE

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COURSE OBJECTIVE

At the end of this course, you will understand what Program Management is all about, its concepts and why it is essential to the success of any Program and how to perform it on your Programs...



INTRODUCTION TO PROGRAM MANAGEMENT

MODULE 1



MODULE OBJECTIVE

Purpose of *The Standard for Program Management*

What Is a Program?

What Is Program Management

Relationships among Portfolio, Program & Proj. Mngt. & their Roles in Organizational Proj. Mngt.

The Relationships among Organizational Strategy, Prog. Mngt. & Oprs. Mngt.



Objectives

MODULE OBJECTIVE

Relationships among Organizational Strategy, Prog. Mngt. & Oprs Mngt

Business Value

Role of the Program Manager

Role of the Program Sponsor

Role of the Program Management Office



Objectives



INTRODUCTION TO PROGRAM MANAGEMENT

The Standard for Program Management provides guidance on the principles of program management.

It provides generally accepted definitions of programs and program management and concepts important to their success—program management performance domains, the program life cycle, and important program management principles, practices, and activities.



PURPOSE OF THE STANDARD FOR PROGRAM MANAGEMENT

- Principles of program management are tenets that are held to be true and important for the effective management of programs.
- Generally recognized means there is general consensus that the described principles, knowledge, and practices are valuable and useful.
- Good practice means there is general agreement that application of the principles, knowledge, and practices improves the management of programs.

The Standard for Program Management is also intended to provide a common understanding of the role of a program manager in general, and especially when interacting with:

- Portfolio managers whose portfolio(s) include the program or its components;
- Project managers whose projects are part of the program;
- Program sponsors and other members of the program steering committee.
- Program or project management office;
- Program team members working on the program or on other subsidiary programs;
- Program beneficiaries; and
- Other stakeholders or stakeholder groups.

WHAT IS A PROGRAM?

A program is defined as related projects, subsidiary programs, and program activities managed in a coordinated manner to obtain benefits not available from managing them individually.

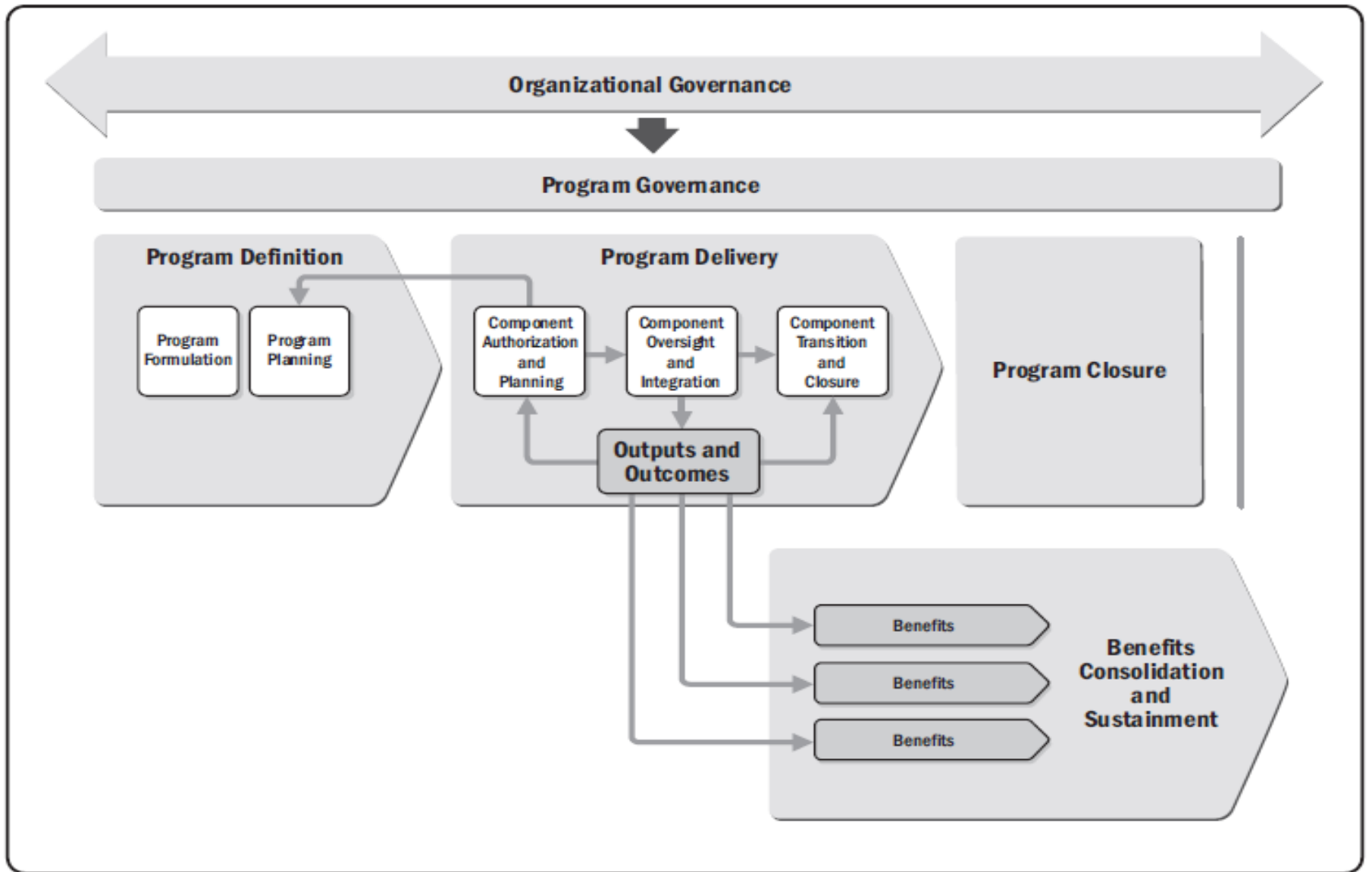
Such benefits are delivered to the sponsoring organization as outcomes that provide utility to the organization and the program's intended beneficiaries or stakeholders.

The following is a list of program elements and their definitions:

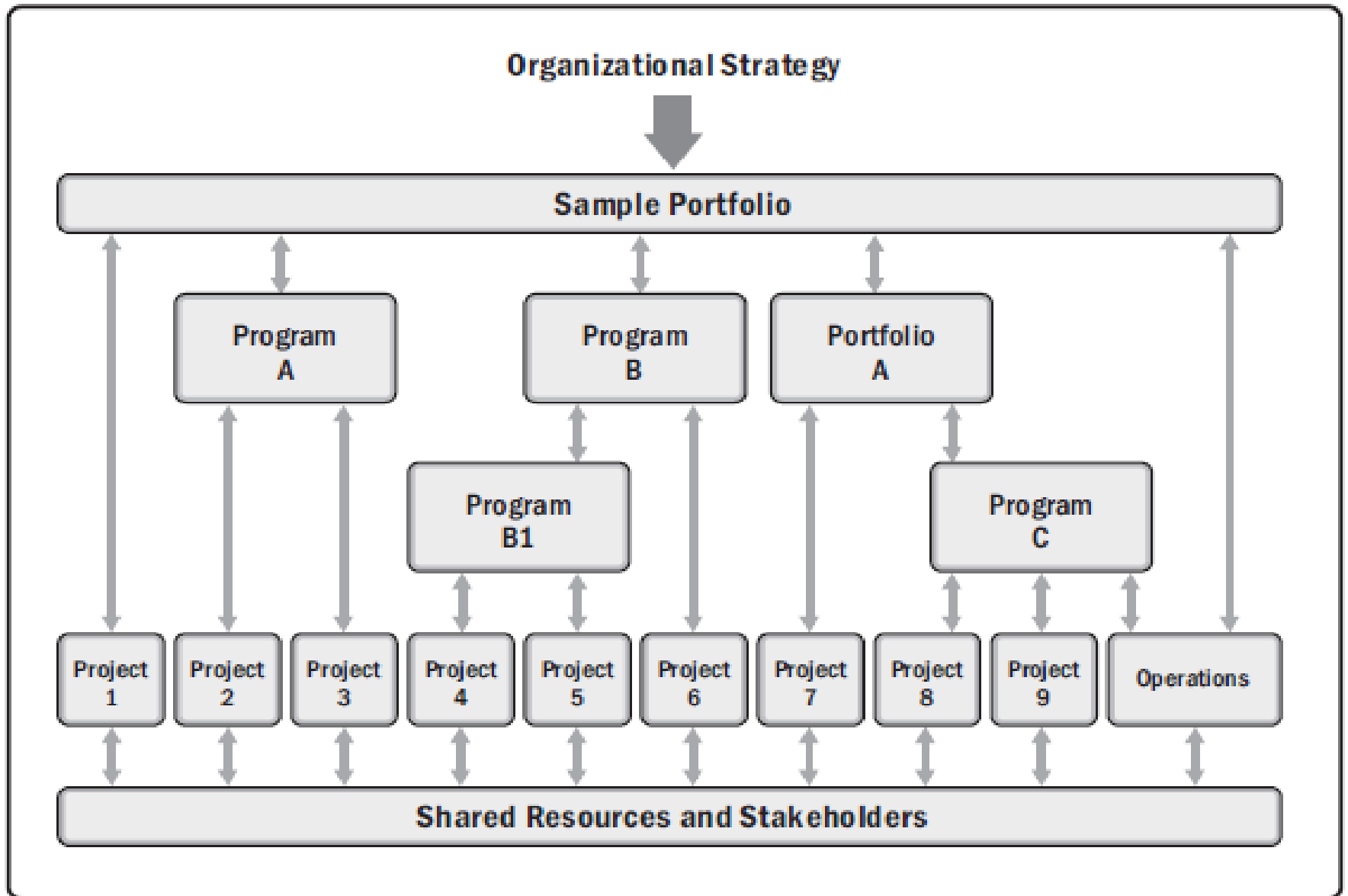
- Components are projects, subsidiary programs, or other related activities conducted to support a program.
- Projects are temporary endeavors undertaken to create a unique product, service, or result.
- Projects are used to generate the outputs or outcomes required by programs, within defined constraints, such as budget, time, specifications, scope, and quality.
- Subsidiary programs, sometimes referred to as subprograms, are programs sponsored and conducted to pursue a subset of goals important to the primary program.

The primary value of managing an initiative as a program is based on the acknowledgement of the program manager's readiness to adapt strategies to optimize the delivery of benefits to an organization.

Program Life Cycle



Example of Portfolios, Programs, and Projects and Organizational Strategy



WHAT IS PROGRAM MANAGEMENT?

Program management is defined as the application of knowledge, skills, and principles to a program to achieve the program objectives and to obtain benefits and control not available by managing program components individually.

The Program Management Performance Domains are: Program Strategy Alignment, Program Benefits Management, Program Stakeholder Engagement, Program Governance, and Program Life Cycle Management.

Actions related to these interdependencies may include:

- Monitor benefits realization of program components to ensure they remain strategically aligned to the organization's goals.
- Lead and coordinate program activities (for example, financing and procurement) across all program components, work, or phases.
- Communicate with and report to stakeholders to provide an integrated perspective on all activities being pursued within the program.
- Proactively assess and respond to risks spanning multiple components of the program.
- Align program efforts with the organizational strategy and the program's business case.
- Resolve scope, cost, schedule, resource, quality, and risk issues within a shared governance structure.

THE RELATIONSHIPS AMONG PORTFOLIO, PROGRAM, AND PROJECT MANAGEMENT, AND THEIR ROLES IN ORGANIZATIONAL PROJECT MANAGEMENT (OPM)

Portfolio, program, and project management all provide a structured means for organizations to align and effectively pursue organizational strategies. However, portfolio, program, and project management differ in their focus and in the way they contribute to the achievement of strategic goals.

- Portfolio management is the centralized management of one or more portfolios to achieve strategic objectives.

Portfolio management focuses on the establishment and use of good practices when choosing programs or projects to sponsor, prioritizing their goals and work, and ensuring that they can be adequately resourced.

- Program management is the application of knowledge, skills, and principles to a program to achieve the program objectives and to obtain benefits and control not available by managing program components individually.
- Project management is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements.

Comparative Overview of Project, Program, and Portfolio Management

Organizational Project Management			
	Projects	Programs	Portfolios
Definition	A project is a temporary endeavor undertaken to create a unique product, service, or result.	A program is a group of related projects, subsidiary programs, and program activities that are managed in a coordinated manner to obtain benefits not available from managing them individually.	A portfolio is a collection of projects, programs, subsidiary portfolios, and operations managed as a group to achieve strategic objectives.
Scope	Projects have defined objectives. Scope is progressively elaborated throughout the project life cycle.	Programs have a scope that encompasses the scopes of its program components. Programs produce benefits to an organization by ensuring that the outputs and outcomes of program components are delivered in a coordinated and complementary manner.	Portfolios have an organizational scope that changes with the strategic objectives of the organization.
Change	Project managers expect change and implement processes to keep change managed and controlled.	Programs are managed in a manner that accepts and adapts to change as necessary to optimize the delivery of benefits as the program's components deliver outcomes and/or outputs.	Portfolio managers continuously monitor changes in the broader internal and external environments.
Planning	Project managers progressively elaborate high-level information into detailed plans throughout the project life cycle.	Programs are managed using high-level plans that track the interdependencies and progress of program components. Program plans are also used to guide planning at the component level.	Portfolio managers create and maintain necessary processes and communication relative to the aggregate portfolio.
Management	Project managers manage the project team to meet the project objectives.	Programs are managed by program managers who ensure that program benefits are delivered as expected, by coordinating the activities of a program's components.	Portfolio managers may manage or coordinate portfolio management staff, or program and project staff that may have reporting responsibilities into the aggregate portfolio.
Monitoring	Project managers monitor and control the work of producing the products, services, or results that the project was undertaken to produce.	Program managers monitor the progress of program components to ensure the overall goals, schedules, budget, and benefits of the program will be met.	Portfolio managers monitor strategic changes and aggregate resource allocation, performance results, and risk of the portfolio.
Success	Success is measured by product and project quality, timeliness, budget compliance, and degree of customer satisfaction.	A program's success is measured by the program's ability to deliver its intended benefits to an organization, and by the program's efficiency and effectiveness in delivering those benefits.	Success is measured in terms of the aggregate investment performance and benefit realization of the portfolio.

THE INTERACTIONS AMONG PORTFOLIO, PROGRAM, AND PROJECT MANAGEMENT

The distinctions among portfolio, program, and project management can be made clear through their interactions. Portfolio managers ensure that programs and projects are selected, prioritized, and staffed according to an organization's strategic plan for realizing desired organizational value

Project managers focus on the generation of the specific outputs and outcomes required by an organization, as part of a project, a program, or a portfolio.

THE RELATIONSHIPS AMONG ORGANIZATIONAL STRATEGY, PROGRAM MANAGEMENT, AND OPERATIONS MANAGEMENT

Organizations employ program management to pursue complex initiatives that support organizational strategy.

Moreover, program managers often find that the benefits delivered by programs may influence an organization's approach to or scope of operational activities, and that program deliverables are transferred to organizational entities to ensure that their delivery of benefits is sustained.

For these reasons, it is important that program managers establish collaborative, mutually supportive relationships with those responsible for managing operations within an organization.

Together, program and operational managers are responsible for ensuring the balanced and successful execution of an organization's strategic objectives.



BUSINESS VALUE

Organizations employ program management to improve their abilities to deliver benefits.

However, the effective use of portfolio, program, and project management enables organizations to employ reliable, established processes to generate new business value by enabling an organization to effectively pursue new business strategies consistent with its mission and vision for the future.

Portfolio management ensures that an organization's programs, projects, and operations are aligned with an organization's strategy.

Program management enables organizations to more effectively pursue their strategic goals through the coordinated pursuit of projects, subsidiary programs, and other program-related activities.

Project management enables organizations to more efficiently and effectively generate outputs and outcomes required for the pursuit of an organization's objectives by applying knowledge, processes, skills, tools, and techniques that enhance the delivery of outputs and outcomes by projects.

ROLE OF THE PROGRAM MANAGER

A program manager is the person authorized by the performing organization to lead the team or teams responsible for achieving program objectives and is responsible for the leadership, conduct, and performance of a program, and for building a program team that is capable of achieving program objectives and delivering anticipated program benefits.

In general, program managers are expected to:

- Work within the five Program Management Performance Domains.
- Interact with project and other program managers to provide support and guidance on individual initiatives
- Interact with portfolio managers to ensure that programs are provided with the appropriate resources and priority.
- Collaborate with governance bodies, sponsors and the program management office to ensure the program's continued alignment with organizational strategy and ongoing organizational support.
- Interact with operational managers and stakeholders to ensure that programs receive appropriate operational support and that benefits delivered by the program can be effectively sustained.
- Ensure that the importance of each of a program's components is recognized and well understood.

PROGRAM MANAGER COMPETENCES

The expertise required of a program manager depends to a large degree on the proficiencies required to manage the complexity, ambiguity, uncertainty, and change associated with a program's outcomes or environment.

The skills required may differ significantly among programs of different types, or even among programs of similar types facing dissimilar challenges.

The following skills and competences are commonly required by program managers:

- **Communication skills.**
- **Stakeholder engagement skills.**
- **Change management skills.**
- **Leadership skills.**
- **Analytical skills.**
- **Integration skills.**



ROLE OF THE PROGRAM SPONSOR

A program sponsor is an individual or a group that provides resources and support for the program and is accountable for enabling success.

A program steering committee may assume the role of a program sponsor. However, the program sponsor is usually an individual executive who is committed to ensuring that the program is appropriately supported and able to deliver its intended benefits.

The program sponsor also provides valuable guidance and support to the program manager, ensuring that the program receives appropriate high-level attention and consideration, and that the program manager is informed of organizational changes that may affect the program.



ROLE OF THE PROGRAM MANAGEMENT OFFICE

A program management office is a management structure that standardizes the program-related governance processes and facilitates the sharing of resources, methodologies, tools, and techniques.

A program management office may support the program manager with the management of multiple projects and program activities, for example, by:

- Defining standard program management processes and procedures
- Providing training to ensure that standards and practices are well understood;
- Supporting program communications;
- Supporting program level change management activities
- Conducting program performance analyses;
- Supporting management of the program schedule and budget;
- Defining general quality standards for the program and its components;
- Supporting effective resource management;
- Providing support for reporting to leadership and program steering committees;
- Supporting document and knowledge transfer; and
- Providing centralized support for managing changes and tracking risks, issues, and decisions.

Knowledge Check

1. Although your program is part of a portfolio with four other programs and 14 separate projects, it has no direct relationship or interdependencies with any of these other initiatives. However, the success of your program will depend on which two areas for which all these other initiatives are competing?
 - a. Physical space and technology assets for team members
 - b. Funding and executive sponsorship
 - c. Funding and available resources
 - d. Available resources and technology assets

c. Funding and available resources

Knowledge Check

2. You have recently joined a corporation that is a leader in the development of products for the automotive industry. You are pleased to be selected as a program manager, because you know that this company has established a culture of management by programs. The company operates within a program management structure, and each program manager is responsible for products in certain years. To best align your program with your stakeholders' expectations, this means that—

- a. You should develop a high-level milestone plan
- b. In performing a stakeholder analysis, you need to consider the other program managers
- c. The way the organization is structured means that there is no need to compete for resources
- d. The roadmap is essential

a. You should develop a high-level milestone plan

Knowledge Check

3. Assume that in your automotive company, you will be appointed as the program manager for the 2016 new line of hybrid cars that only will use gasoline if the vehicle has traveled more than 300 miles. This program is a major change for your company as it has not entered the hybrid market until this past year, and the new line of vehicles is to have an average of 75 miles per gallon. The current hybrid gets 30 miles per gallon. You are going to produce at a minimum five different vehicles: a coupe, a sedan, a luxury SUV, a minivan, and an inexpensive SUV. Finally, your program charter was approved, and you were officially named as the program manager. You were fortunate to work with your sponsor in developing the charter, and you also—

- a. Used input from all stakeholders
- b. Relied extensively on historical information
- c. Convened a panel to assist in its preparation using the Delphi technique
- d. Sent a draft of the charter to the proposed members of the Governance Board for their input

a. Used input from all stakeholders

Knowledge Check

4. Assume you are working for a dry foods company. For the past five years, all of your projects in this company have met their goals of being on schedule, within budget, and meeting specifications. You are a successful project manager, and you have identified a potential new line of business for your company, which you feel will enhance its sales. You met with your Portfolio Review Board and presented a business case for this new line of work, which would move your firm into the chocolate market building on research that shows that a small amount of dark chocolate can be extremely healthful. You now have a business mandate to proceed into more in depth work to determine whether or not the program should proceed to the planning phase. You now are considering questions such as: “is the program financially smart?”, “do the program’s benefits align with those of the organization?”, and “can the company afford the program?”. Answers to these questions basically serve to translate strategic objectives into:

- a. The program management plan
- b. The program’s roadmap
- c. A high-level program scope statement
- d. An accountability matrix

c. A high-level program scope statement

Knowledge Check

5. You are responsible for a program to develop the next-generation cellular phone. The program includes a number of key products and is set up according to the “father-son” model. Because programs are responsible for delivering benefits, you want to ensure that the targeted benefits are measurable. You now are working in the Program Initiation phase; one purpose is to—

- a. Establish and staff the infrastructure that the program will use
- b. Set up the program control framework for planning, monitoring, and controlling the program
- c. Expand on the roadmap that provides a chronological representation of the program’s direction
- d. Complete the program team staffing

c. Expand on the roadmap that provides a chronological representation of the program’s direction

Knowledge Check

6. You have recently been assigned as the program manager on a global drug development project. You have read and thoroughly understand the program's business case and overall objectives. However, you are curious as to the key program outcomes that are required to achieve the program vision. These outcomes are stated in the—

- a. Program mandate
- b. Preliminary project scope statement
- c. Technical and economic feasibility study
- d. Program charter

d. Program charter

Knowledge Check

7. Assume you now have obtained approval of your charter for your program in your automotive company for the development of the new line of hybrid vehicles. This program will be extremely complex given its development of the five vehicles and also the goals and objectives to be met. You realize as well that you are going to have a number of issues and risks to resolve. However, you are pleased you are the program manager and that the charter has been issued. Your next step is to—

- a. Perform a more detailed analysis of the identified risks in the charter to help in deciding how best to respond to them should they occur
- b. Determine the key benefits to be realized by the program
- c. Describe the program outcomes required to achieve the program's vision
- d. Conduct a program kickoff meeting with key stakeholders

d. Conduct a program kickoff meeting with key stakeholders

THE END