

Program Management

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The term 'program management' is widely used but little understood. This paper discusses several ways to think about programs.

Introduction

Recently, the phrase 'program management' has taken on many different meanings. It can sometimes be used to justify paying a project manager more money for the same job, since programs are surely more important than projects. More seriously, the skills and methods required to manage a complex project or a collection of related projects have come to be seen as being different to those required to manage the average standalone project, so the term 'program management' is useful in making the distinction. In particular, recent research has examined critical differences between the competencies of project managers and program managers (1).

Program management emerged in the 1950s in the aerospace industry in the US, where a large number of projects would be commissioned to deliver a specific platform or system, and it was clear that an overarching management discipline was needed. US automakers adopted program management in the late 70s and early 80s as a faster way to bring vehicles from concept to market.

In September, I became aware of the work of the Global Alliance for Project Performance Standards (GAPPS), and in particular its attempts to define what is meant by 'program management' (2). GAPPS is a consortium of standards and qualification organisations, project management professional associations, academic institutions and industry representatives. As someone who has been managing large collections of projects for over 15 years, I thought it might be useful to compare my experiences as a practitioner with the definitions being developed by GAPPS.

Operational Programs

GAPPS defines an operational program as a group of projects supporting ongoing operations that may or may not be run independently but which are managed as a program to minimise impact on business-as-usual or to maximise efficiencies. Such programs are likely to be governed by a business unit manager. The program manager generally has limited authority to select or terminate projects within the program.

My first experiences in managing such collections of projects was as an IS Manager for several ASX 50 organisations. Like most IS Managers, my project portfolio consisted of a collection of unrelated projects, most of which were not 'strategic' to my group or the organisation as a whole, even if the sponsoring business units thought they were 'strategic' to their own agendas.

Similarly, an organisation such as a software development house might operate as a 'project-managed organisation', and the term 'operational program' could be used to describe its portfolio of projects which in effect represent 'business as usual' for the organisation.

There is of course an overlap here with the term 'project portfolio', since the skills and techniques required to manage an operational program are essentially those usually associated with low-order 'project portfolio management', namely coordination of access to critical resources such as specialists in short supply or facilities such as test labs.

Tactical Programs

GAPPS actually uses the terms 'Single Large Project' and 'Multi-Project Program' for this intermediate category, but I prefer the term 'Tactical Program'.

My experience of tactical programs includes a program to replace the eBusiness infrastructure for one ASX 50 organisation, and a program to replace an EFT system and associated interfaces for another. Most large ICT-centric programs could be regarded as tactical. In the non-IT world, most heavy engineering and construction 'programs' would fit into the 'tactical program' category, at least from the viewpoint of the service provider.

Tactical programs call for greater competence in specific areas such as procurement, account management, vendor and contract management, coordination of multiple projects, as well as the soft skills of organisational architecture, leadership, governance, systems thinking and cultural awareness.

A competent project manager should be able to stretch to manage a single large project, with careful attention to risk management, communication, organisational design and effective delegation. However, at the upper end of tactical programs in terms of scale or complexity, such as development of major Defence and infrastructure platforms, or global ICT infrastructure, there is clearly an issue: the pool of complex project managers in Australia is simply not large enough and these projects arise too infrequently.

The Australian Defence Materiel Organisation recently published a 'Competency Standard for Complex Project Managers' (3), as part of an overall approach including secondment of staff to major UK programs, to increase the size of the available pool of project managers competent at this level. The Competency Standard was authored by Dr David A Dombkins, National President of the Australian Institute of Project Management. The Standard identifies extensions to traditional project management competencies, and identifies nine new competencies to deal with the inherent uncertainty, non-linearity and recursiveness of complex projects.

Strategic Programs

GAPPS characterises strategic programs as a collection of projects designed to achieve specific strategic objectives and deliver specified business benefits. The program manager has the authority to initiate and terminate projects. The CEO and senior management team are likely to be involved as sponsors and key stakeholders of strategic programs.

An interesting aside: in the early 1990s, the UK Government became so concerned with poor delivery of projects that it initiated development of the PRINCE2 project management method, and later the MSP (4) strategic program management method. The definition of 'strategic program' provided by MSP coincides closely with the definition used by GAPPS.

The purpose of strategic programs is to provide a bridge between organisational strategy and the business projects that are used to achieve that strategy (5) (6). My earliest experience of strategic programs was the portfolio of business, technical, organisational and other initiatives associated with adoption of a client information system as the core of a more effective approach to marketing, client engagement and service delivery by an ASX50 organisation. More recent experiences with strategic programs include a program to improve OHS practices across an organisation with over 100,000 staff, a program to coordinate and improve approaches to a particular area of law enforcement across all jurisdictions in Australia, and a program to improve organisational culture and effectiveness for a statutory authority. All of these programs have ICT elements, but ICT is an enabler not an end in itself of such programs.

The skill sets required of the sponsors and managers of strategic programs are those of an executive comfortable with operating in an environment of considerable ambiguity with an enormous number of options, as well as sufficient familiarity with the operational

environment to understand what might be possible given political, social, budgetary and time constraints.

Conclusion

The value of the GAPPS attempt to define the term 'program' is in the implication that different management methods and skill sets are needed to manage and govern each of the different types of programs. While many principles and skills are transferable, each type of program places specific additional demands on traditional project management competencies, and requires other significant skills not required of a standalone project manager. There are many initiatives under way to support this advance of the project management profession into uncharted waters.

References

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