



Program Management ...

... a practical application

November 19th, 2010

**2010 Project Management Symposium
Breakout Session D**

Overview

- ▶ As projects become larger and more complex, the effective management of the work becomes proportionally more significant and has forced companies to explore “program management”. The role of the program manager is very different from the role of project manager.
- ▶ The role of program manager is very complex; it can vary from managing multiple projects to managing multiple projects **with** operational responsibilities, in addition to being accountable for profit or cost targets linked to business strategy.
- ▶ Today we are going to discuss how our St. Louis companies are dealing with the new discipline, what additional skills you might need to be a good program manager and provide a forum for you to share your expertise with the group.



Introducing ... your facilitators

- ▶ **Doug Ascoli**, PMP, PE
Program Management Consultant at Ameren Corporation
- ▶ **Cheryl Harbison**, PMP, CBAP, ITIL v3
Director of Business Systems Analysis at Scottrade
- ▶ **Dave Mayo**
Director Information Systems at Edwards Jones
- ▶ **Bruce Tons**, PMP, CISSP, ITIL
IT Manager – Information Security & Program Management Office at Smurfit-Stone Corp

Program vs. Portfolio

Program has been defined by PMI as “a group of **related projects** managed in a coordinated way to obtain benefits and control not available from managing them individually. Programs may contain related work outside of the scope of the discrete projects in the program.”

PMI has defined **Portfolio** as “A collection of **projects and programs** and other work that are grouped together to facilitate effective management of that work to meet strategic business objectives. The projects or programs of the portfolio **may not necessarily be interdependent or directly related.**”

Focus: Project vs. Program

Source: PMBOK	Projects	Programs
SCOPE	Projects have defined objectives. Scope is progressively elaborated throughout the project life cycle.	Programs have a larger scope and provide more significant benefits .
CHANGE	Project managers expect change and implement processes to keep changes managed and controlled.	The program manager must expect change from both inside and outside of the program and be prepared to manage it.
PLANNING	Project managers progressively elaborate high-level information into detailed plans throughout the project life cycle.	Program managers develop the overall program plan and create high-level plans to guide detailed planning at the component level.
MANAGEMENT	Project managers manage the project team to meet the project objectives.	Program manager manages program staff and the project managers ; they provide vision and overall leadership
SUCCESS	Success is measured by product and project quality, timeliness, budget compliance, and degree of customer satisfaction	Success is measured by the degree to which the program satisfies the needs and benefits for which it was undertaken
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.

Program Management Competencies

Source:
PMI Program
Standards*

Key Competencies

Communication

Most important competence is communication. The program manager must have strong communication skills to deal with various team members, sponsor, managing directors, customers, vendors, senior management and other program stakeholders. **Added complexity due to the fact that multiple projects generally mean "multiples" of each of these roles; and a varying degree of commitment to the program.**

Leadership

Leadership skills are critical and **more complex with programs**. The Program manager must establish program direction, ensure program requirements are met, make program decisions and resolve conflicts and issues. They are required to **lead managers (project managers and functional managers)** adding a level of complexity and requires a variety of excellent leadership skills.

Strategic Planning

Strategic visioning and planning skills to align program goals and benefits with the long-term goals of the organization. While the project managers lead their components, **it is the program manager's responsibility to ensure alignment of the individual plans with the program goals and benefits.**

Politically Savvy

Political relationships need to be observed and fostered within a program. Understanding the **political climate and temperature of a program** is important in achieving a positive relationship, and setting the ground work for when the **benefits from the program will be transitioned to the supporting organizations.**

Enterprise View

Program can be impacted by environmental / organizational factors as well as external factors. It is key that a program manager can "**keep their eye**" on the **enterprise environment** to ensure all factors are considered in defining their program management approach, and impacts to the program are understood.

Comparison – Skills, Education and Experience

Project / Senior Project Manager

- ▶ Bachelor's Degree or equivalent combination of education and experience **
- ▶ Project Management Certification (PMP) or degree preferred
- ▶ 3-5 years Project Management / 5-7 years + 3 years managing complex projects; MBA Preferred
- ▶ Financial management skills
- ▶ Excellent business management and developmental skills
- ▶ Good communication (verbal and written) and interpersonal skills
- ▶ Leadership qualities
- ▶ Efficient team management skills
- ▶ Ability to resolve conflicting situations
- ▶ Effective problem solving skills

Program Manager

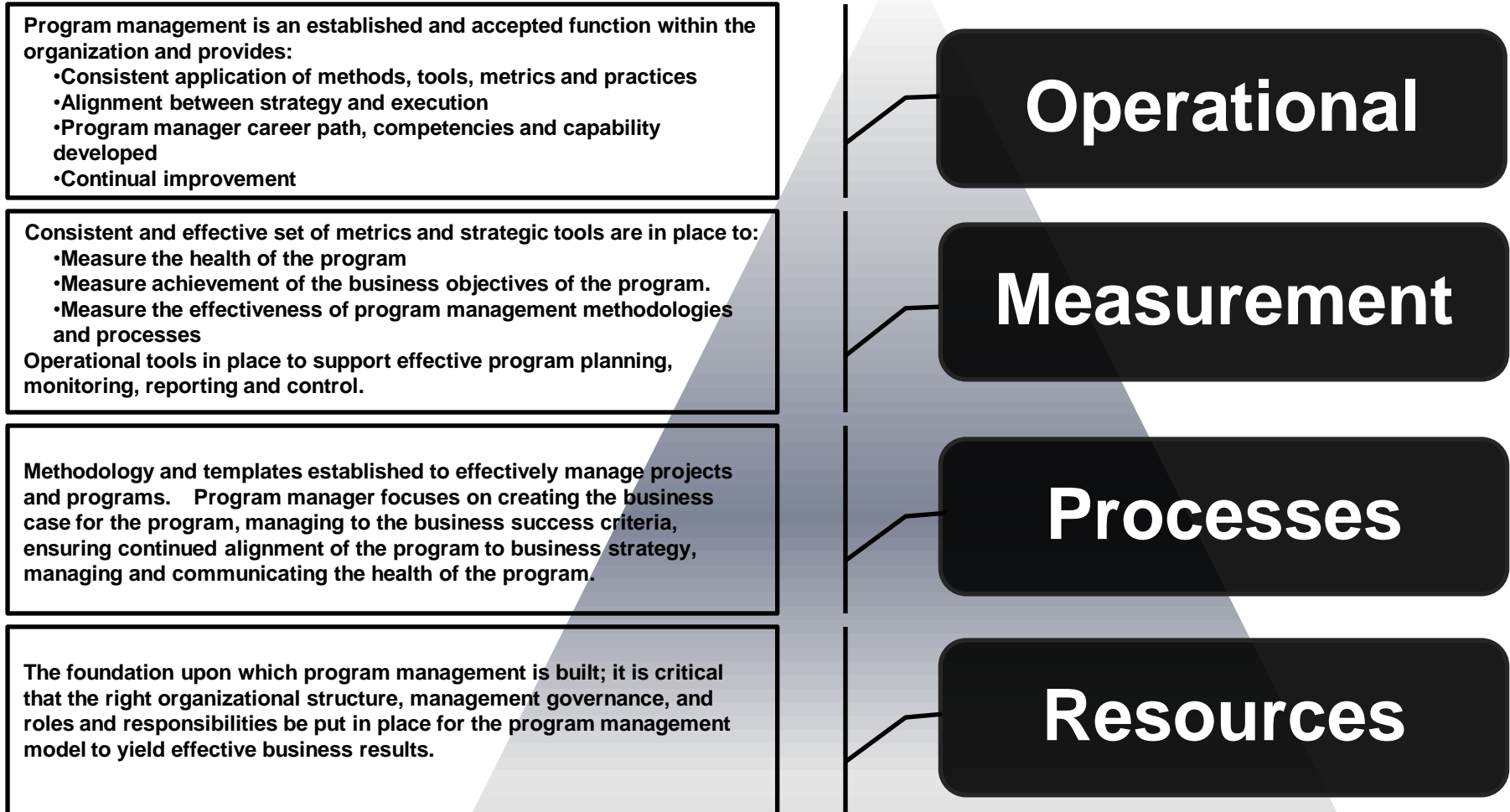
- ▶ Bachelor's degree or equivalent combination of education and experience. Master's degree strongly preferred **
- ▶ Project Management Certification or Degree required
- ▶ 10+ years experience of overall project management and leadership of teams required; 5+ years of Program Management preferred.
- ▶ **Management** skills
 - ▶ Budgetary, hiring, firing, reviews, etc
- ▶ **Strategic** planning
- ▶ **Public speaking** / Presentation skills
- ▶ "Critical" thinking / **decision making** skills
- ▶ Negotiation skills / **Influencing**
- ▶ **Self motivated**
- ▶ **Organizational Agility**

* Reviewed 18 job descriptions from various companies and interview with a PMI Certified PgMP.

** Degree related to specific industry

*** Competencies for Program Manager = △

Program Management Maturity Model



Resources:

- PM World Today - The Program Management Maturity Model™ A Framework for Change
- Gartner - Program and Portfolio Management Maturity Model
- PMI - Program Management Overcoming Obstacles to Success

Note: Model created to align survey questions

In practice with Doug

- 1 General Comments**
 - ▶ Program Management, while not as institutionalized in Ameren IT as Project Management, continues to grow as a proven/successful best practice.
 - ▶ Still room for organizational maturity and consistency in its application.
- 2 Resources**
 - ▶ PMO has been in place since 1999. First program management effort in 2004.
 - ▶ Nine (9) Program Management Consultants – managing approx. 12-15 projects, 3 programs.
 - ▶ PMO reports to the manager of the Security & Planning Dept., who reports to our VP.
 - ▶ Some consultant backfill, as necessary
- 3 Process**
 - ▶ Have not formalized/standardized the program management processes – “scale” the Project Management Methodology (eg: PBS vs. WBS)
 - ▶ IT Project Portfolio Management (PPM) Process - since 2006
 - ▶ Corporate Project Oversight Committee (CPOC) Policy - since 2008
- 4 Measurement**
 - ▶ Microsoft EPM/Project Professional 2003 (moving to version 2010 by end of this year)
 - ▶ Mater Project List - to be retired after EPM 2010 deployed
 - ▶ Project Cost Management tool used for project/program reporting
 - ▶ Key Performance Indicator (KPI) for project/program budget, completion date, and quality
- 5 Operational**
 - ▶ Program Management is accepted in the organization but we continue to educate.
 - ▶ Organizationally all projects and programs must be tied to strategic value (PPM process).
 - ▶ Program/Project Approval Committee (PAC) Status Reviews
 - ▶ Project Request High Level Resource Reviews

In practice with Cheryl

1 General Comments		<ul style="list-style-type: none">▶ Buy-in at Executive Level▶ Baseline (or ad hoc) processes in place – focus is on expanding full methodology▶ Formal approval process for programs same as for projects
2 Resources		<ul style="list-style-type: none">▶ Formal role (job descriptions) exist for Program Managers▶ Currently have 4 Program Managers reporting to the Director of PMO (# Sr. PM and # PM)▶ Critical role – recognized across the organization as being effective
3 Process		<ul style="list-style-type: none">▶ Well established “project” methodology – “program” methodology in place but not formalized▶ Program Charter (need to add ROI and Project breakout)▶ Status Reporting well established (PRB, Weekly, Monthly at Executive PMO) ★▶ Program Issue and Risk Management established but need to formalize▶ Change Management well established▶ Master Scheduling – includes only rollup of project milestones
4 Measurement		<ul style="list-style-type: none">▶ Some functions of this area well established (PRB Very Effective) ★▶ Status reporting and dashboard “combined” for projects and programs▶ No formal process in place to measure effective of program management processes▶ No formal processes for establishing and measuring success criteria
5 Operational		<ul style="list-style-type: none">▶ “Role” is well accepted and established , work is still in progress to establish a complete methodology, templates, metrics and practices to be applied consistently for all programs▶ Planning and scheduling processes still in early stages▶ Formal metrics not established – however, the formal oversight of the PRB is very effective▶ Career path established to get to Program Manager but not beyond

In practice with Dave

- 1** **General Comments**
 - ▶ Project Leader discipline is growing within the context of a single project
 - ▶ Program Management is in its infancy with little formalization of the role, processes, & metrics.
 - ▶ More often, the role is assumed by multiple leaders – e.g., IS Department Leader, IS Project Leader, IS PMO.
- 2** **Resources**
 - ▶ Program Management is typically executed through the PMO, though in specific areas, the role has bled into functional leadership responsibilities (e.g., IS Department Leaders).
 - ▶ Utilizing Impact map to understand the overlap and conflict of multiple efforts to help justify approach and need for program management. Incorporated into 2011 Planning.
- 3** **Process**
 - ▶ Work is in progress to establish the definition of a "program" (by business and technical boundaries), the roles of a Program Manager compared to functional and project leader roles, and a consistent methodology to apply to all programs.
 - ▶ Determine if Program Manager is a permanent role or position.
- 4** **Measurement**
 - ▶ Determine effective measures of program management processes
 - ▶ Determine processes for establishing and managing true success criteria and continual alignment to strategy
 - ▶ Establish "Titanium Metrics" to monitor individual projects, expanding metrics to include program metrics. Measure for the good of the many vs. the one.
- 5** **Operational**
 - ▶ "There is an increased demand for a formalized "role" as project contentions / dependencies increase through ever increasing system integration. "Air Traffic Controller"
 - ▶ Programs (also called "initiatives") and priorities are defined by a formal working group annually and as needed as additional projects are defined. However, programs are not yet assigned a program manager, and often the responsibilities fall upon the supporting IS Department Leader, or representative PMO.
 - ▶ Career path not yet established to get to Program Manager.

In practice with Bruce

1	General Comments	<ul style="list-style-type: none">▶ Buy-in at CIO level for a centralized PMO▶ Business Units have PMs to develop Subject Matter Experts (SMEs)▶ Two distinct processes followed – PMO PMs adhere to PMO published policies, no governance over non-PMO PMs
2	PMO Resources	<ul style="list-style-type: none">▶ One PMO Manager (duties combined with Information Security)▶ PMO Manager reports to Director of IT Infrastructure▶ Currently have 3 Project Manager types
3	Process	<ul style="list-style-type: none">▶ Methodology manual around since 2007, currently under revision▶ Use a modified version of PMBOK▶ Project Request process defined and followed▶ Project facilitation defined with formalized project status requirements▶ Scope Change Management process exists, however, improvement needed▶ Closure process defined with Lessons Learned, but improvement needed
4	Measurement	<ul style="list-style-type: none">▶ Portfolio reviewed weekly. Search for Projects at Risk▶ No formal process in place to measure effectiveness of program management processes▶ Post-project surveys established, but no one to administer▶ No formal Baselines established or followed. No ROI review post implementation
5	Operational	<ul style="list-style-type: none">▶ Monthly review by CIO and Directors of selected projects▶ No resource planning▶ No formal metrics established, however, financial tracking for capital projects updated monthly and reviewed by IT Controller

Research and Resources

- ▶ PMI The Standards for Program Management ® 2nd Edition and PMBOK® 4th Edition
- ▶ <http://www.strategies-for-managing-change.com/support-files/gartnerprogramportfoliomaturitymodel.pdf>
- ▶ <http://www.pmforum.org/library/papers/2007/PDFs/Martinelli-Waddell-3-07.pdf>
- ▶ <http://www.p3m3-officialsite.com/P3M3Model/P3M3Model.asp>

Open Forum

...Thank You!



Let's Talk!