Programme Management for Owner Teams
a practical guide to what you need to know

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What is a programme?

The concept of programmes has emerged over the past fifteen years. Many large- and megaprojects today are managed as programmes, rather than as projects. Managing people and organisational issues is at the centre of programme management. The ultimate measure of success is whether the business achieves its objective, whereas each project within the programme has a very specific deliverable against a timeline and cost. Programme management is thus more concerned with managing the bigger picture. This picture is often unclear and develops over time in contrast to project management that has greater definition and is implemented over a shorter time span.

We define programme management as the co-ordinated organisation, direction and implementation of a group of related projects and activities that together achieve a specific outcome and realise benefits that are of strategic importance.
Programme Management Model

Many readers will be familiar with the classic management model of Louis Allen that categorises management activities in four categories (LAI, 2009), namely leading, planning, organising and controlling.

We have applied the principles of the Louis Allen management model in the context of programme management, adapted and expanded it to suit the specific requirements of a complex programme with a time span of several years. The specific point of view was from the perspective of an owner organisation for which the programme was being done. Our revised programme management model is shown in Figure 1.

As can be seen from Figure 1, the model essentially comprises six phases depicted as a six-bladed propeller, superimposed on a series of concentric rings (a target) covering what we refer to as the programme life-cycle essentials.

Focusing firstly on the six-bladed propeller shape, this covers the programme management processes of shaping, planning, organising, controlling, launching and reviewing. Each of these has a full chapter devoted to it in the book, but is described very briefly below:

**Shaping:** The first step in the model is shaping the programme. This implies developing a clear business intent which provides the programme of projects with a common goal, as well a definition of a scope that could achieve the business intent;

**Planning:** Planning is done to ensure the right things are done at the right time by the right resources;

**Organising:** Set up the programme management team and assign responsibilities to develop and execute the plan;

**Controlling:** Control mechanisms are put in place which includes lagging and leading indicators which will highlight any deviation from plan to allow for corrective action to be taken to ensure that programme objectives are met;

**Launching:** Sub-projects comprising the programme need to be sequentially launched in such a manner that the overall deliverables of the programme are met, and;

**Reviewing:** Programme review is a process that is initiated when managers and other stakeholders pause to assess how a programme has performed during a given period of time. A programme review is an integral part of the programme cycle and helps ensure continual improvement in the programme management process.
In contrast to a single project, even a megaproject, where the project phases are discrete and have clearly defined deliverables and gate criteria, the phases of a programme only depict the progression from idea to a fully-fledged programme and eventual closing off. Programme phases tend to overlap, for example: programme shaping can still be attended to while the planning work is started in earnest. As soon as planning has progressed reasonably far, the organising activities can start, followed shortly thereafter by control mechanisms. Control mechanisms need to be in place because the early projects need to be launched.

The work associated with a programme is also non-linear in nature: planning can lead to updates required in the programme shaping, or as more detail is developed during the organising phase, planning is developed further that may again lead to organising updates. This interactivity between the phases makes the management of a programme more complex, requiring both good leadership and good management from the programme leadership team. However, focus still needs to be kept on each of the phases to develop the phase fully and drive the activities to completion. The shaping phase should be closed off when the programme is sufficiently developed to meet the business objectives as stated. If this is not actively attended to, the programme could develop a life of its own, with more and more business objectives and projects being added indiscriminately.

The concentric rings of the programme management model cover the life-cycle essentials such as leadership, nurturing, alignment and stakeholder engagement, all within a well-defined governance framework. Again, each of these has a full chapter devoted to it in the book, but is described very briefly below:

**Leading:** Clear leadership is essential, embodied by an executive programme sponsor who has to ensure at all times that the programme is heading in the right business direction;

**Nurturing:** Because programmes are typically executed over an extended timeline, nurturing of people working on the programme and team wellness become critical focus areas. This includes planning for rotation and ensuring that the long-term careers of team members are catered for;

**Stakeholder engagement:** Continuous sharing of information in such a complex system is a non-negotiable to all interested and affected parties. Communication is an essential part of team interaction. A sound communication plan and reporting system should be developed;
Aligning: Even though much effort goes into initial alignment of the programme team, team alignment is a process which continues throughout the life-cycle of the programme, and;

Governance framework: An owner organisation would typically have a formal ethics policy and governance procedures in place. This should be extended to also cover governance of the project environment to ensure that all dealings and interactions are such that it would not negatively impact on the reputation of the organisation.

The model is deliberately shown to be a continuous process as can be seen by the cyclical nature thereof. As the programme progresses, new business requirements may affect the programme shape, realignment will be required, leadership needs to ensure that everyone understands the changes and rationale behind the changes, plans need to be adjusted, resourcing needs to be reviewed, and control mechanisms confirmed. Throughout this process, communication is an essential part of team interaction. Care should be taken to ensure team wellness through nurturing of the team members.

The Role of the Programme Manager

A programme requires a programme director whose major responsibility is to ensure that the work effort achieves the outcome specified in the business strategy through proper integration of the individual projects. This person spends more time and effort on integration activities, negotiating changes in plans, and communicating than on the other project management activities we described (Hanford, 2004).

The project manager is judged on the triple constraint of schedule, cost and quality (the three cornerstones of the scope of the project). The programme manager also is judged on these three elements but at a level that is cumulative for all the projects and operations within the programme. This aggregation of responsibilities for a variety of projects and operations means the programme manager must make frequent trade-offs between business targets and project/operational performance.

Programme management decisions are both tactical and strategic in nature. The strategy aspects of these decisions must consider multidimensional impacts beyond the near-term delivery dates of the project. Conversely, the project manager is expected to deliver projects within the boundaries and framework established by the programme manager. Typically, the project manager should be more delivery and execution focused whereas the programme manager has to also be concerned with the overall health, effectiveness and strategic focus of the programme over the long term.

Major challenges on programmes

The following six issues are regarded as the major challenges of programmes:

Managing the programme scope
On a large programme, which extends over a long time period, the tendency is often to keep on adding new business objectives to the programme scope, resulting in ever moving targets, costs and timelines.

Structuring an effective owner programme management team
An owner organisation wishing to implement a programme is well advised to mobilise a strong owner team, consisting of the owner’s own personnel. It is often said that the owner does not have sufficient competent personnel to staff an owner team for a large programme. The fall-back position is then to appoint a managing contractor to manage the programme on behalf of the owner. It has been shown that this approach very rarely results in a successful programme.

Ensuring focus on business objectives
It is often difficult to demonstrate that a programme has met its objectives at the end of the programme lifecycle. During the life of a programme, the affected business units are normally implementing various other initiatives that might affect the baseline performance. The original baseline is used at the end of the programme to measure the impact thereof, but because this baseline has moved, the outcome is normally unclear. Effective baseline tracking, supported by rigorous benefits management, is a necessity on a programme.

Keeping internal stakeholders aligned and informed
Internal stakeholders sometimes become disillusioned and start interfering directly in the management of a programme. Lack of transparency causes unease and therefore the need to intervene (often unnecessarily or too late). Developing an effective monitoring system that tracks progress against the programme and business objectives, coupled with a detailed stakeholder management and communication plan, helps alleviate the concerns of stakeholders. It also enables them to provide proactive input and guidance on an informed basis.

Keeping the programme team motivated and engaged
Employees are assigned to a programme for an extended duration and then ‘forgotten’ in terms of personal development. In addition, a programme is a stressful environment, leading to exhaustion and
burn-out. These problems can be overcome by effective leadership combined with good management practices. This coupled with team health monitoring and support, goes a long way towards keeping the team motivated.

Ensuring effective programme governance
A company cannot be sustainable without effective governance. Similarly, a programme must also be subject to governance under the accountability of the programme sponsor. However, governance can be overcomplicated, leading to bureaucracy and long decision making chains. A simple, yet focused approach is required on a programme.

Summary
There seems to be no stopping the tendency for project size and complexity to increase significantly. Megaprojects are fairly common and, in recent years, even gigaprojects are tackled on occasion. The overriding concern is that projects become so big, complex and interrelated that it is very difficult to grasp the overall picture. The result is that only about 25% of megaprojects are successfully completed (Merrow, 2011). Statistics for gigaprojects are not available, but the assumption is that their success rate will be even lower.

The team of a megaproject or programme has a unique opportunity to manage the programme in such a way that there is visibility on each sub-project rather than just a big amorphous ‘programme’.

References

