

Program Manager Roles, Responsibilities and Core Competencies

By:

Russ Martinelli – Intel Corporation (<mailto:russell.martinelli@intel.com>)

Jim Waddell – Independent Consultant for Tektronix, Inc. (<mailto:james.m.waddell@exgate.tek.com>)

Introduction

In many companies, program managers serve as the catalyst for converting business strategy into new products for the market by successfully managing the product development endeavor. This responsibility requires a program manager to have a broader role than their project management counterparts, and that s/he become experienced and capable in a wide spectrum of competencies and skills.

Beginning with the first article in this series, “Program Management Linking Business Strategy to Product and IT Development”¹, we’ve concentrated on *what* program management is, *why* it is a critical business process, and *how* key elements of program management are implemented. In this article, we will focus our attention on the program manager. Specifically, we’ll discuss the primary roles of the program manager and summarize our Program Management Core Competency Model that characterizes the core competencies and skills needed to effectively manage a new product development program.

Managing the Business: Program Management Role Number One

Within an organization, the general manager (GM) makes decisions on which products to invest in to achieve the business results s/he is accountable for. The investment normally comes in the form of money and resources (human and non-human). Nearly always, the GM invests in multiple product development efforts (the product portfolio) that are managed concurrently, but with varying life cycles as illustrated in Figure 1. The organizational investment is divided among the product development programs.

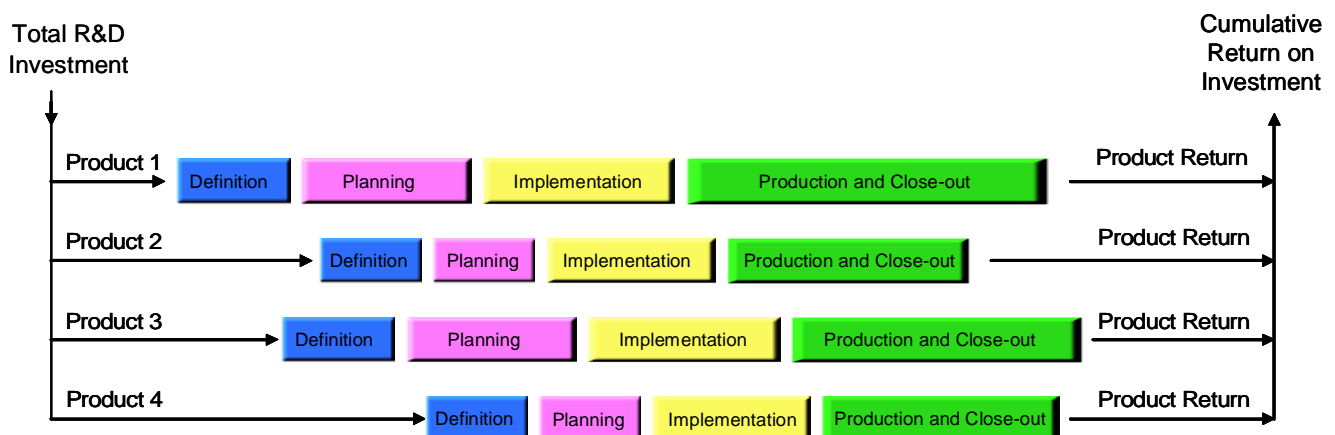


Figure 1: Multiple Product Development Life Cycles

Once a product is launched into the market, it begins generating the intended return (revenue and/or market share). The cumulative returns of each product represent the organization’s return on investment (ROI).

The difficulty and challenge for the GM therefore comes in managing the investment of all product development efforts of the organization. Obviously, it is not possible for one GM to manage the business on each product under development. S/he must hand this responsibility off to the product development program managers. In effect, the program manager serves as the “GM Proxy” for his/her piece of the business investment. The first primary role of the program manager therefore is to manage the business on the program to insure the return and other business objectives are achieved.

The program manager responsibilities associated with this role involve the following: 1) ensuring the product concept and business case developed are in alignment with the strategic objectives of the organization, 2) developing a program-level implementation plan that will achieve the business case, 3) establishing the critical business success criteria via the Program Strike Zone², 4) closely managing the business within the critical success criteria during implementation, 5) ensuring the product launch generates the desired market attention, 5) managing the factory ramp to full production to meet the market demand, and 6) ensuring that the product continues to achieve the return on investment results intended as it remains in full production.

Leading the Project Teams: Program Manager Role Number Two

In order to effectively manage the business as described above, the program manager must lead a team of individuals in the creation of many deliverables. The second primary role of the program manager therefore is to lead multiple project teams through the product development life cycle. The program manager must insure that all project team deliverables are developed in synchronization so the whole product is delivered to the market as required. We define “whole product” as all the elements of the product necessary to meet the customer’s expectations for the use of the product (e.g.; hardware, software, user interface, appropriate user documentation, service support, etc).

As Figure 2 illustrates, the project teams enter and exit the program at various points in the life cycle. The program manager must coordinate the activities of the project teams throughout all phases of the life cycle to insure the final product meets the market and business expectations.

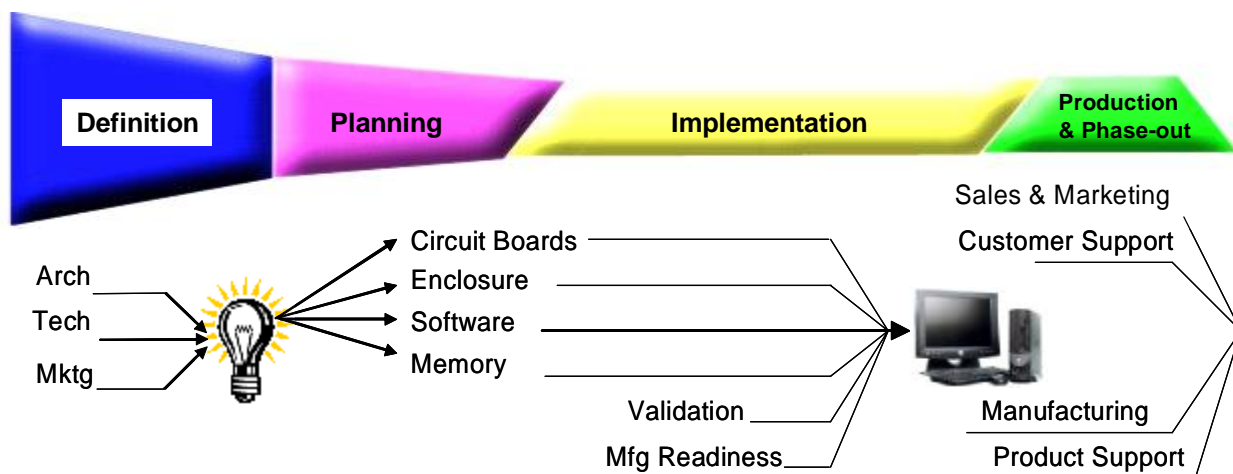


Figure 2: Managing Project Teams throughout the Life Cycle

During the definition phase, the program manager leads a small team of strategic, technical and business thinkers to develop a viable product concept and solid business case that supports the organizational objectives. In the planning phase, the program manager must lead the project teams responsible for delivering the elements of the product in the creation of an integrated program plan (see Figure 3).

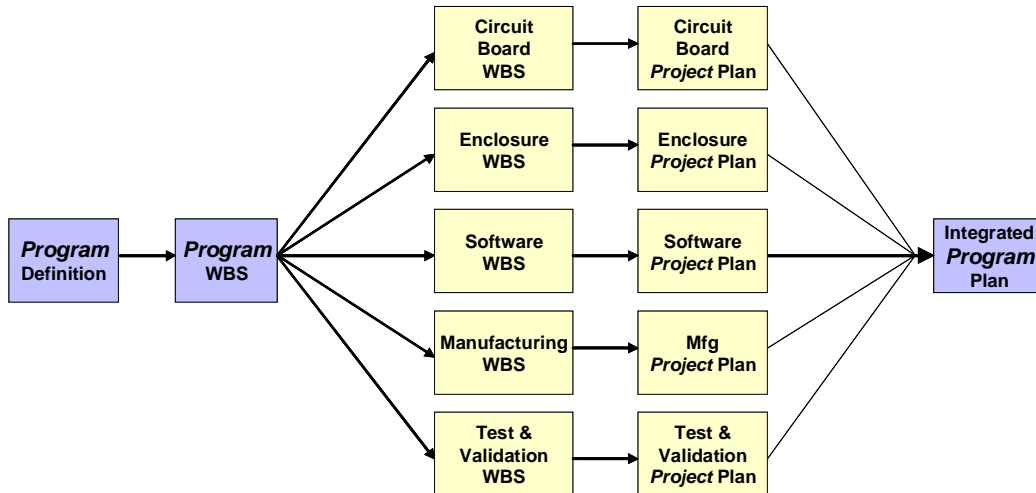


Figure 3: The Integrated Program Plan

While in the program implementation phase, the program manager leads the project teams in the development, validation and delivery of the whole product to the market. Finally, in some organizations, during ramp and production the program manager may lead an entirely new set of project teams in factory production ramp, product and customer support, and market communication activities.

The key challenge for the program manager during the development life cycle is managing the interdependencies between the project teams and ensuring the project efforts remain in synchronization - if one project fails, the entire program fails. In the case of a computer development effort for example, it is of no use to the customer if the computer motherboard is delivered at one point in time, the software at another time, and the enclosure and power system at yet another. Development efforts for all elements must be accomplished in synchronization to deliver the whole product.

Table one summarizes the responsibilities in support of the two primary roles of the program manager during the phases of the product development life cycle.

Managing the Business	Leading the Project Teams
Definition Phase	
<ul style="list-style-type: none"> § Insure the product concept meets the expectations of the business strategy and product roadmap § Drive the effort to develop the business case 	<ul style="list-style-type: none"> § Lead the “team of four” (marketing, engineering, architecture and finance) to achieve a viable new product concept § Set completion targets and identify the key business success criteria
Planning Phase	
<ul style="list-style-type: none"> § Develop the Program Strike Zone which documents the key business success criteria targets and thresholds § Insure viability of the integrated program plan from the business perspective 	<ul style="list-style-type: none"> § Lead the completion of product requirements/specs § Lead the project teams through the integration of the project plans into a program plan
Implementation Phase	
<ul style="list-style-type: none"> § Insure the program stays within the boundaries of the Program Strike Zone § Re-evaluate the state of the product business case prior to large capital outlays 	<ul style="list-style-type: none"> § Lead the project teams to successful completion of the product elements § Manage the cross-project interdependencies, risks, barriers, etc

	§ Insure methods, tools and procedures are consistently adhered to across the project teams
Ramp and Production Phase	
§ Manage ramp activities to full production levels and insure achievement of manufacturability objectives	§ Insure factory readiness, field service, and support readiness are complete
§ Insure achievement of product business objectives (revenue, market share, margin, etc.)	§ Lead the team through the product launch, product improvement, cost reduction and margin improvement activities
	§ Implement product phase-out plan

Table 1: Program Manager Responsibilities

The Program Management Core Competency Model

The Program Management Core Competency Model was developed to insure that product development program managers are trained and developed in the necessary knowledge, skills and abilities to perform the roles detailed above. Program management core competencies must go beyond the technical aspects of developing new products and must include business, leadership, and general management skills. No doubt, there is some overlap in skills and competencies between project and program managers, in order to better understand this distinction, see our article in this series entitled, “Program and Project Management: Understanding the Differences”³.

The model depicted in Figure 4 shows the four major competency areas for program managers: Customer/Market, Team, Business/Financial and Professional Development, along with a few examples of the skills necessary to be proficient in each competency area.

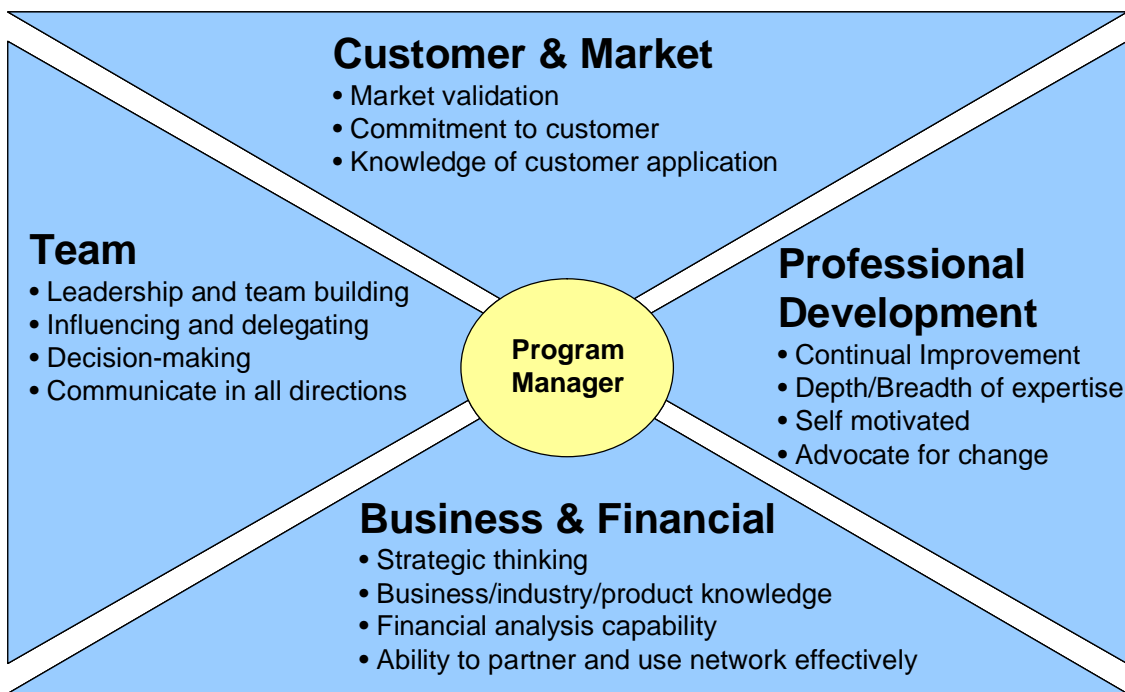


Figure 4: The Program Management Core Competency Model

Customer/Market Skills: This competency area involves having a full understanding of the marketplace that the product is being sold in to, as well as an understanding of how the product is being

used by customers. It is common today to have key customers participate in the product development process, so the program manager must be knowledgeable and skilled in incorporating the voice of the customer.

Business/Financial Skills: The program manager must be sufficiently skilled in the ability to assess and develop an appropriate business case to support a new product opportunity for the firm. This entails a fundamental understanding of the company's business strategy, product roadmaps and financial fundamentals. It also requires the ability to relate business opportunities back to the objectives of the firm.

Team Skills: The program manager is but one key element of the product development team. S/he must rely on the knowledge and expertise of the functional representatives on the program team. The ability of the program manager to achieve the firm's objectives lies with his experience, background and skills to build, coalesce and champion the team to achieve products that will satisfy the company's customers, while generating the necessary revenues and profits. In many cases the team does not report to the program manager, therefore s/he must develop strong leadership skills.

Professional Development Skills: It is a rare program manager that comes to the role totally qualified to fulfill all aspects of such a broad and encompassing responsibility. The successful program manager is constantly seeking to learn and broaden his/her experience in order to take on more complex and critical programs. Senior management needs to create a positive learning environment in order to encourage program managers to continually seek improvement and growth.

The Program Management Core Competency Model also includes what we characterize as “key enablers”. Enablers are things that help or proactively encourage program management skill growth. Enablers range from environmental factors to organizational and managerial actions. Examples of key enablers that senior management must put in place to insure the successful development of their program managers include the following:

- § An organizational structure with clearly defined roles and responsibilities for those involved in product development
- § The program management role must be empowered by senior management, with an established balance between responsibility and authority
- § There must be an alignment of the organizational strategy and the product portfolio to insure resources and funding are allocated in priority order
- § Barriers during product development that go beyond the span of control of the program manager must be removed by senior management
- § Stable business systems must exist in the organization to accurately measure program status and results
- § A formal program management functional organization should exist whereby appropriate funding, support and encouragement is provided to the program managers for growth and development

There is not sufficient space in this article to fully describe all the elements and enablers of the Program Management Core Competency Model. Those readers interested in more information should contact the authors directly.

Practical Applications of the Program Management Core Competency Model

At Tektronix, product development program management is recognized as a formal job family. The company has established graduating job levels based upon acquired knowledge, skills, experience, and related past program achievements. The job family criteria are utilized as the basis for hiring new program managers and assessing performance of those already on the job. The company uses a similar program management competency model to the one depicted in Figure 4 as the basis for growing and maintaining the long-term viability of the company's need for product development program managers. It is an excellent tool to insure that program managers are sufficiently trained and have the skills and capabilities necessary to successfully achieve their related business objectives. The core competency model can also be utilized for the following:

- § Defining the program manager role in the organization
- § Hiring/staffing of the established role
- § Developing and training of program managers
- § Performance and promotional assessment
- § Certification requirements to perform the role
- § Providing supplemental training for similar or related roles

Conclusion

As this and other articles in this series show, the program manager is a key component in achieving the business objectives of a product-oriented organization. The program manager has two primary roles in the organization: 1) manage the business on his/her program, and 2) lead the project teams throughout all phases of the product development life cycle to deliver the whole product. These high-profile roles require a program manager to possess a broad set of skills and capabilities that go beyond those needed for project management or the technical aspects of developing new products. The Program Management Core Competency Model is an excellent aid to assist an organization in the development of its program managers to insure they are successful in this critical job function.

References

- ¹ [PM World Today](#), Volume V Issue 7, September-October 2003
- ² [PM World Today](#), Volume VI Issue 1, March-April 2004
- ³ [PM World Today](#), Volume VI Issue 3, May-June 2004

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Author Bios:



Russ Martinelli, Manager of Technology and Program Management Methods at Intel, has many years of experience in System Engineering, General Management, and Project and Program Management in the high-technology and aerospace industries. Russ is the chairman of Intel's Program Management Community of Practice, and an Adjunct Professor for IT Business Systems at the University of Phoenix in Portland, Oregon.

Contact information: <mailto:russell.martinelli@intel.com>



Jim Waddell, independent consultant and former Director of Program Management for Tektronix, Inc. Jim has held a wide spectrum of managerial and operational roles ranging across engineering, marketing, systems and manufacturing in the high tech, energy and construction industries. Jim has taught at the university level and has been a speaker at numerous conferences nationwide.

Contact information: <mailto:jmwaddell03@vahoo.com>